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City of Grand Junction, Colorado 250 North Fifth Street 81501-2668 FAX: (303) 244-1599

January 18, 1994

J. Michael Casey, Administrator Mesa County 750 Main Street Grand Junction, CO 81501

Dear Mike:

The County's January 11, 1994, response regarding the outstanding arrears of Fruitvale Sanitation District is disappointing. The letter follows by only a month the December 6th meeting of Fruitvale, City and County officials at which the Commissioners' Chair reported County agreement with the proposed arrears settlement and described it as an outstanding example of the intergovernmental cooperation that is needed in the sewer arena. It follows by only a few days the County's January 5th request to begin good faith negotiations on sewer issues.

The City agreed to accept Fruitvale's proposal to waive the arrears only if Mesa County agreed. The arrears are a legal debt of the Fruitvale District as substantiated by the various documents cited in Mr. Shanks' January 4th letter to the Commissioners. The arrears are of sufficient size to be material and good business practice would dictate their collection. The County clearly knows that without the County's consent the City, as Sewer System Manager, risks legal challenge if an effort to collect is not made.

As long as the County choses to make the Fruitvale arrears a matter of contention, the City has no choice but to bill Fruitvale. We shall proceed toward collection based upon the County's letter.

Sincerely,

Mark K. Achen

City Manager

cc: City Council Members

Fruitvale Sanitation District