

**PUBLIC FACILITIES CROSSING, CONSTRUCTION  
AND MAINTENANCE AGREEMENT**

THIS PUBLIC FACILITIES CROSSING, CONSTRUCTION AND MAINTENANCE AGREEMENT (Agreement) is made this \_\_\_\_\_ day of \_\_\_\_\_, 2007, and is between the **GRAND VALLEY IRRIGATION COMPANY**, a Colorado nonprofit corporation (GVIC), whose address is 688 26 Road, Grand Junction, Colorado 81506, **HIGH DESERT PROPERTIES, LLC**, a Colorado limited liability company (Developer), whose address is 841 21½ Road, Grand Junction, Colorado 81505, and the **CITY OF GRAND JUNCTION**, a home rule municipality (City), whose address is 250 N. 5th Street, Grand Junction, Colorado 81501. Collectively the three shall be referred to as "Parties."

RECITALS

- A. GVIC is the owner and operator of a system of irrigation canals and related facilities located in Mesa County, Colorado (collectively referred to as the "Canal Facilities"). The Canal Facilities include the Independent Ranchmen's Ditch and canal bed, banks, access roads and embankments, which collectively provide the structures for the delivery and containment of irrigation water.
- B. Developer owns real property in Mesa County, Colorado, that Developer is developing as Jobsite Park Subdivision (Subdivision).
- C. Developer is required to connect the Subdivision to the City's sanitary sewer system via a sanitary sewer line crossing the Independent Ranchmen's Ditch (Improvements).
- D. Developer desires to obtain from GVIC the consent to install, repair and maintain the Improvements.
- E. Upon construction and final acceptance of the Improvements by the City, the City agrees to assume the maintenance and repair of the Improvements.

NOW THEREFORE, in consideration of the Recitals above, and the mutual covenants and promises set forth below, GVIC, Developer and the City agree as follows:

1. Consent. Subject to the terms and conditions of this Agreement, GVIC consents to the Developer's installation, repair and maintenance of the Improvements, and the City's operation, repair and maintenance of the Improvements following the City's acceptance of the same, over, under and across the real property described on Exhibit A attached hereto and incorporated herein by this reference, which shall hereafter be referred to as the "Crossing Area." The Parties acknowledge and agree that GVIC is giving its consent without warranty, express or implied, as to the merchantability of GVIC's title to the Crossing Area, or the suitability of the Crossing Area for any use or purpose permitted under this Agreement

2. Use of the Crossing Area. The use of the Crossing Area shall be solely for the construction or installation and thereafter the repair and maintenance of the Improvements.

By entering into this Agreement, Developer is not waiving or relinquishing whatever rights, if any, Developer may have to use the Crossing Area in absence of this Agreement.

3. Construction of the Improvements.

a. Plans and Specifications.

- i. Definition. The Plans and Specifications shall consist of the designs, drawings, plans and specifications prepared by and identified as Jobsite Park Subdivision Sanitary Sewer Plan & Profile, consisting of sheet 8 of 11 prepared by Vortex Engineering, Inc., dated October 23, 2006, identified as Project Number F04-024, which shall hereafter be referred to as the "Plans and Specifications." The Plans and Specifications shall include any subsequently developed designs, drawings, plans or specifications, including change orders, approved by GVIC. A copy of the Plans and Specifications is kept at GVIC's office.
- ii. Developer's Warranty of Plans and Specifications. Developer warrants the accuracy and suitability of the Plans and Specifications for the construction or installation of the Improvements and related facilities.
- iii. GVIC Review. GVIC acknowledges that it has reviewed the Plans and Specifications and given its consent to the construction of the Improvements in reliance on this review. GVIC's review of the Plans and Specifications is solely for the use and benefit of GVIC and is not intended, nor shall it be construed to be or constitute a certification or acceptance thereof as accurate or sufficient or constitute a waiver, release or other limitation upon the Developer's warranty set forth in paragraph 3.a.ii. above, or a waiver, release or other limitation on GVIC's rights to assert claims against the Developer or the consultants or engineers preparing the Plans and Specifications because of errors, omissions or defects therein.

b. The Work. The "Work" shall be and constitute all labor, materials, equipment, supplies and permits or licenses, including the fees and costs of any subcontractors or suppliers, reasonable or necessary for the commencement and completion of the Improvements in accordance with the Plans and Specifications.

c. Commencement, Completion and Construction Schedule. Work shall commence on \_\_\_\_\_, 2007, and be completed on \_\_\_\_\_, 2007. The timing, sequence and staging of the Work shall be coordinated by Developer with GVIC, to assure that all Work does not interfere with GVIC's use, operation and maintenance of the Canal Facilities, and that the Improvements shall be completed by the completion dates set forth herein. In the event Developer encounters any subsurface water or detects any leakage or any structural instability of the Crossing Area, then Developer shall immediately stop all work,

notify GVIC and take all necessary emergency actions to protect and preserve the Crossing Area and the Independent Ranchmen's Ditch from leakage, instability or failure. Further, in such event, except for emergency actions as previously described, work shall not resume until authorized by GVIC, and GVIC may, in its discretion, require Developer to take remedial measures before work is resumed.

d. Conditions of Construction.

- i. All construction shall be strictly in conformance with the Plans and Specifications, shall be pursued with diligence and in a good and workmanlike manner, and shall comply with all laws, ordinances, rules, regulations and orders of any applicable governmental authority bearing on the performance of the Work, including any applicable building or construction codes. Any Work not conforming thereto shall be corrected by Developer immediately at its sole expense.
- ii. Developer shall pay all costs, expenses, fees, taxes or other disbursements which are reasonable or necessary for the performance of the Work in a timely manner.
- iii. Developer shall be solely responsible for all construction means, methods, techniques and sequences and procedures, subject to Developer's obligation to coordinate with GVIC, and to complete all Work in accordance with this Agreement. Developer shall further be solely responsible for obtaining or contracting for all labor, materials, equipment, tools, machinery, utilities, transportation and other services necessary for the proper execution and completion of the Work, and shall be solely and absolutely obligated to pay any costs or expenses therefor.
- iv. Developer shall insure that all employees or subcontractors performing the Work shall at all times observe and conduct themselves in a disciplined and professional manner. Developer shall not employ any person or subcontractor, or suffer or permit the employment of any employee of any subcontractor that is unfit or not skilled for the task assigned to him/her. Developer shall furthermore be responsible for initiating, maintaining and supervising reasonable safety precautions and programs in connection with the Work to prevent bodily injury, death or property damage to any employees, subcontractors or members of the general public, or damage to the Canal Facilities or any property adjoining the Canal Facilities.
- v. Developer shall not cause or suffer any mechanic's lien or other encumbrance to be placed upon GVIC's interest in the Crossing Area, or any aspect of the Canal Facilities in connection with the performance of the Work or any operation, repair and maintenance of the Improvements

thereafter. In the event any mechanic's lien or other encumbrance is asserted or filed on the Crossing Area, Developer shall cause a removal thereof by bond under the Colorado Mechanic's Lien Act as soon as is practical.

- vi. At all times during performance of the Work, Developer shall keep the Improvements and Crossing Area free from the accumulation of waste materials or rubbish. Upon completion of the Improvements, Developer shall remove all waste material and rubbish from the Crossing Area and the Canal Facilities, as well as all tools, construction equipment, machinery and surplus machinery and, to the extent that the Developer disturbs any Canal Facilities adjacent to the Improvement, to restore the land adjacent to the Improvements to the condition existing prior to the commencement of construction.

e. Subcontractors.

- i. Prior to commencement of the Work, Developer shall submit to GVIC a list of all subcontractors proposed for performance of the Work. Developer shall not employ any subcontractor to whom GVIC has made an objection.
- ii. Developer shall cause each contractor and subcontractor to maintain insurance against claims and liabilities arising under the laws of the State of Colorado pertaining to workers' compensation, unemployment compensation and occupational diseases. Prior to the commencement of the Work, Developer shall provide to GVIC certificates of insurance showing such coverage in effect and also providing that such insurance will not be canceled or modified except upon thirty (30) days' written notice to GVIC.

4. Developer's Obligation to Maintain and Repair. Developer shall, at its sole cost and expense, maintain and repair the Improvements, including all features, facilities and structural components thereof, so that they perform and function according to their intended uses and according to the Plans and Specifications, and in such a manner that they do not interfere with GVIC's use, operation, control and enjoyment of the Canal or the Canal Facilities, including any seasoning, testing and correction work related thereto. The Developer's obligation to keep, repair and maintain the Improvements shall continue until such time as the Improvements are accepted by the City and the City assumes the operation, maintenance and repair thereof. All repairs, maintenance, seasoning, testing and correction work performed by the Developer shall be coordinated with GVIC, shall be completed or undertaken during the non-irrigation season, and shall not interfere with GVIC's operation, maintenance, control or use of the Canal Facilities.

5. Indemnity, Insurance and Security.

- a. Indemnity. Developer shall indemnify and hold GVIC harmless against any and all loss, liability, claim or damage, including but not limited to claims for bodily injury, property damage or death, arising out of or resulting from construction, installation, seasoning, testing, maintenance or repair of the Improvements, including but not limited to, any loss or liability resulting from errors, omissions or defects in the Plans or Specifications. This indemnity shall include GVIC's reasonable attorneys' fees paid or incurred to investigate, negotiate, mediate, litigate or settle any claim, whether pending or threatened, indemnified hereunder. This indemnity shall further specifically include any claims brought by members of the general public or adjoining property owners.
- b. Insurance. Developer, or its contractor, shall purchase and maintain commercial general liability insurance against any loss, liability, property damage, bodily injury or death arising from or in connection with the Work, including claims for damages arising from the ownership, maintenance or use of a motor vehicle, in an amount not less than \$2,000,000.00, including products liability and completed property operations, and combined single limit automobile coverage in the amount of \$1,000,000.00 for each accident. Developer, or its contractor, shall also purchase and maintain insurance against any casualty loss to the Work. The insurance coverage provided herein shall not exclude or except claims for earth movement, subsidence, collapse or other event of a similar type. In addition, Developer, or its contractor, shall purchase and maintain insurance claims and liabilities arising under the laws of the State of Colorado pertaining to workers' compensation, unemployment compensation and occupational diseases. The Developer or its contractor shall provide GVIC with a certificate of insurance for the coverage required hereunder, and further provide that such coverage will not be canceled or allowed to expire until at least thirty (30) days' prior written notice has been given to GVIC. The Certificate of Insurance shall name GVIC as an additional insured for all coverage required hereunder.
- c. Security. To secure the Developer's performance of all of its duties and obligations set forth in this Agreement, including but not limited to payment and performance obligations as set forth herein, Developer shall provide to GVIC an irrevocable line of credit, letter of credit or cash deposit available to GVIC to draw upon to pay or reimburse GVIC for any cost of expense or damages caused by or arising from the construction of the Improvements hereunder or to satisfy Developer's payment or performance obligations as set forth in this Agreement. The amount of security shall be in the sum of \$ 800,000, and be in a form approved by GVIC. The security shall continue until the City accepts the Improvements and undertakes the operation, maintenance and repair thereof.
- d. Personal Guarantee. Developer's representative, Bond Jacobs, does hereby personally guarantee Developer's performance of all of the obligations of the Developer set forth in this Agreement, such guarantee to remain in force and effect until such time as the City accepts the Improvements and assumes the operation, repair and maintenance thereof.

6. Default and Remedies—Developer. Time is of the essence for the performance of Developer's obligations pursuant to this Agreement. A default shall be deemed to have occurred on the part of the Developer in the event the Developer shall fail or refuse to perform any obligation pursuant to this Agreement following seven (7) business days' written notice of such failure or refusal. Without limitation on any other remedy available to GVIC, in the event Developer shall fail or refuse to cure any nonperformance, noncompliance or other breach of this Agreement within seven (7) business days' notice thereof, then GVIC may, in its sole and absolute discretion, and without limitation on any other remedies available, to GVIC, undertake the following action:

- a. Terminate and/or suspend use of the Crossing Area under terms of this Agreement;
- b. Undertake such actions as GVIC determines reasonable and necessary to cure any nonperformance or noncompliance by the Developer, including but not limited to, taking physical possession of the Crossing Area and all material, equipment, tools and other things thereon to complete or remove any or all portions of the Improvements, including restoration of the Canal Facilities, or the undertaking of seasoning, testing and corrective work to the Improvements, or the undertaking of repairs and/or maintenance thereto, all of the foregoing to be exercised in whole or in part in GVIC's sole and absolute discretion; and/or
- c. To commence legal proceedings for the recovery of damages and/or for injunction or specific performance as is appropriate in the circumstances, resulting from Developer's breach of this Agreement, including but not limited to, any costs, expenses or other fees paid or incurred by GVIC in exercising its remedies hereunder, including GVIC's use of equipment, personnel and the administrative expenses for the same.

In the event GVIC or Developer seek to enforce any term or provision of this Agreement by legal proceedings, the prevailing party in such legal proceeding shall be entitled to recover its reasonable attorneys' fees and costs for the same.

7. City's Obligation to Operate, Maintain and Repair.

- a. Agreement to Operate, Maintain and Repair. Following the acceptance of the Improvements by the City, the City agrees to operate, maintain and repair the same at its sole cost and expense such that the Improvements function and perform according to their intended uses and according to the Plans and Specifications.
- b. No Unreasonable Interference. The City's operation, maintenance and repair of the Improvements shall not unreasonably interfere with GVIC's use of the Crossing Area or the operation, maintenance and repair of the Canal Facilities. In further explanation of this subparagraph, the Parties agree as follows:

- i. Irrigation Season. During the irrigation season (April 1 to October 31), the parties agree that it shall be an unreasonable interference for the City's operation, maintenance and repair of the Improvements to be conducted below water level, or to affect the water flowing in the canals, or to involve the excavation or penetration of the Canal Facilities, in, under or upon the Crossing Area, or to block or obstruct or close the passage of equipment, personnel or vehicles upon the Canal Access Road for any period in excess of eight (8) hours per day or for more than one (1) day per week or to cause or threaten structural failure or instability of the Canal Facilities or the Improvements, except for emergency situations defined below.
  - ii. Non-irrigation Season. During the non-irrigation season (November 1 through March 31), GVIC and the City shall coordinate their respective operations, maintenance or repairs to the Improvements and the Canal Facilities so as to avoid any conflict in the respective activities of the City and GVIC in regard to the operation, repairs or maintenance of the Improvements or the Canal Facilities or the running of GVIC's domestic water right during the non-irrigation season. All repair or maintenance work performed in the non-irrigation season shall be completed on or before March 15 of such year.
  - iii. Emergency Situations. An emergency situation shall be deemed to mean any event, including a break, leak or failure for any reason in the Improvements or the Canal Facilities that creates a danger to persons, property and/or the environment as reasonably determined by the City, any governmental entity or agency having or asserting jurisdiction thereof or GVIC. In the event of an emergency situation, the City and/or GVIC and/or other governmental entity or agency shall immediately undertake such action as is reasonable or necessary to commence repair of the Improvements or Canal Facilities as the case may be, and to diligently pursue repair efforts so as to eliminate, minimize and reduce the actual or threat of loss or damage to persons, property and/or the environment.
  - iv. Disagreements. In the event there is a disagreement as to whether or not the City's operation, maintenance or repair of the Improvements is or is not an unreasonable interference with GVIC's use, operation and maintenance of the Canal Facilities, then either party may petition the Mesa County, Colorado District Court for a declarative determination of such issue.
- c. Indemnity. The City shall indemnify and hold GVIC harmless from any and all loss, liability, claim or damage arising from or in connection with the negligence of the City in the operation, repair or maintenance of the Improvements.

d. Default and Remedies.

- i. Default. A default on the part of the City shall be deemed to have occurred in the event the City shall fail or refuse to perform the operation, maintenance and repair of the Improvements, or any other obligation of the City pursuant to this Agreement following GVIC's giving thirty (30) days' written notice of such failure or refusal, specifying with reasonable particularity the acts or omissions constituting such failure and refusal.
- ii. Remedies. Without limitation of any other remedy available to GVIC, in the event the City shall fail or refuse to cure any nonperformance or noncompliance or other breach of this Agreement following thirty (30) days' written notice thereof, then GVIC may undertake the following remedies:
  1. Undertake such actions as GVIC determines reasonable and necessary to cure any nonperformance or noncompliance, including the undertaking of emergent or non-emergent repairs and/or maintenance to the Improvements;
  2. Commence legal proceedings against the City for the recovery of all costs, expenses or other damages resulting from the City's breach of this Agreement, including but not limited to, any costs, expenses or other fees paid or incurred by GVIC in curing any nonperformance or noncompliance by the City, including the cost of GVIC's use of equipment, personnel and administrative expenses; and/or
  3. Commence legal proceedings for injunction or specific performance as is appropriate in the circumstances.
- iii. Attorneys' Fees. In the event the City or GVIC seeks to enforce any term or provision hereof by legal proceedings, the prevailing party in such legal proceeding shall be entitled to recover its reasonable attorneys' fees and costs for the same.

8. Miscellaneous.

- a. Benefit. The terms of this Agreement shall inure to the benefit of and be binding upon the Parties and their successors, legal representatives and assigns.
- b. Notice. Whenever required hereunder, notice shall be deemed sufficiently given if in writing, upon mailing, United States mail, postage prepaid, certified and return receipt requested, to the Parties addresses set forth below:



GVIC: 688 26 Road, Grand Junction, Colorado 81506  
Developer: 841 21½ Road, Grand Junction, Colorado 81505  
City: 250 North 5<sup>th</sup> Street, Grand Junction, Colorado 81501.

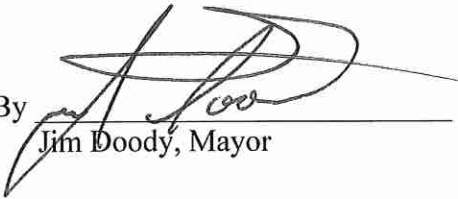
c. Integration. This Agreement is intended be the full, complete and integrated expression of the Parties' agreements in regard to the subject matter hereof, all prior agreements, negotiations and discussions being merged herein.

DATED the year and date first above written.

**GRAND VALLEY  
IRRIGATION COMPANY,**  
a Colorado nonprofit corporation

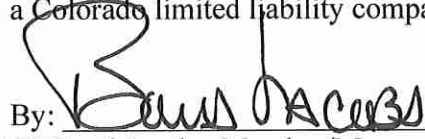
By \_\_\_\_\_  
Robert Raymond, President

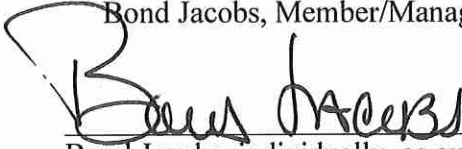
**CITY OF GRAND JUNCTION,**  
a home rule municipality

By   
Jim Doody, Mayor

**DEVELOPER:**

HIGH DESERT PROPERTIES, LLC,  
a Colorado limited liability company

By:   
Bond Jacobs, Member/Manager

  
Bond Jacobs, individually, as guarantor

STATE OF COLORADO    )  
  ) ss.  
COUNTY OF MESA        )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2007, by Robert Raymond President for Grand Valley Irrigation Company.

Witness my hand and official seal.  
My commission expires: \_\_\_\_\_.

\_\_\_\_\_

Notary Public

STATE OF COLORADO )  
 ) ss.  
COUNTY OF MESA )

The foregoing instrument was acknowledged before me this 24<sup>th</sup> day of May, 2007, by Jim Doody, as Mayor of City of Grand Junction.

Witness my hand and official seal.

My commission expires: 10-10-2009.

Juanita Peterson  
Notary Public



STATE OF COLORADO )  
 ) ss.  
COUNTY OF MESA )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2007, by Bond Jacobs, individually, as guarantor and as Member/Manager of High Desert Properties, LLC, a Colorado limited liability company.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

HIGH DESERT CONTRACTING, LLC.  
841 21 1/2 Road  
Grand Junction, Colorado  
81505

May 3, 2007

Grand Valley Irrigation Company  
688 26 Road  
Grand Junction, Colorado  
81506

To Whom It May Concern:

I am supplying the following list of contractors and sub-contractors that you requested.

General Contractor: High Desert Contracting


Sub-contractors: M & M Excavating, Inc.

Watson Boring & Excavation, INC.

The Soil testing is to be done by: Geo-Technical Engineering Group, INC. All tests will be documented and a copy of the tests are given to the General Contractor. A copy of the test results can be made for your company at your request.

Thank you for your time.

Sincerely,

  
Larry Ellis  
High Desert Contracting

HIGH DESERT CONTRACTING  
841 21 1/2 Road  
Grand Junction, Colorado  
81505

May 3, 2007

Grand Valley Irrigation Company  
688 26 Road  
Grand Junction, Colorado  
81506

To Whom It May Concern,

I am submitting the following procedures for your review for the crossing on your canal on 21 1/2 road, for the Jobsite Park development sewer line. I am listing 2 methods as I have yet to get a quote from Watson Boring and Excavation.

The first method would be to use the boring company and set up on the south side of the canal 25 feet from the canal and bore under the canal to a point of 30 feet north past the canal. The canal would be 5 feet above the bore line and will be cased in steel as the procedure would progress forward. I have measured the canal pipe and am figuring on a 12 to 18 inch floor under the pipe. The measurement to the bottom of the pipe to the top of the road is 5' 6" and the sewer line is to be at a depth of 11' 6".

The second method of crossing is to dig to the access road on the south side of the canal and use a progressive push rod system to north side of the canal. We would start with a 4" rod and push it through to the north side and leave the rod in and then attach a 8" rod to the 4" and pull it through. We would then attach the casing pipe with a conical nose on the front and pull it through the pilot hole to the north side. At no time will the hole on either procedure not be solid or lined.

I am asking that you have a representative of your company present for either procedure until it is completed as an observer to make sure the process is of your approval and to verify the quality and integrity of the work done. Also if there is any water encountered while boring they can inform me as to who to call.

Depending on which procedure is used will dictate how long it will take to get under the canal. I am expecting the process to take as little as 2 days or as long as a week.

When the pipe casing is in and the sewer pipe is through to the north side of the canal the compaction will be done and the soils test are done with each lift on both sides of the canal and done to a 95 proctor. The final 6 inches will be a road base until the work on 21 1/2 road has been completed and then United Paving will patch all work done on this project. The road is maintained until then by High Desert Contracting and checked daily for any

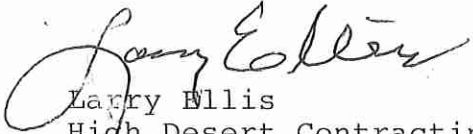
areas that may need to be repaired.

I have enclosed a copy of the plans of the area to be worked in and have also drawn a sketch in detail with dimensions for your information.

Please contact myself, Larry Ellis, at 970-623-3704, if there is any more information I can give you about the process. I would like to have a pre-construction meeting with your company so all parties involved can be made aware of what is going to be done and the schedule of activities that will be required to make this task go as smoothly as possible.

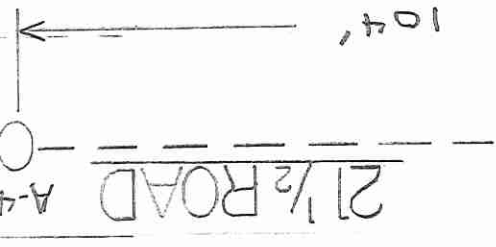
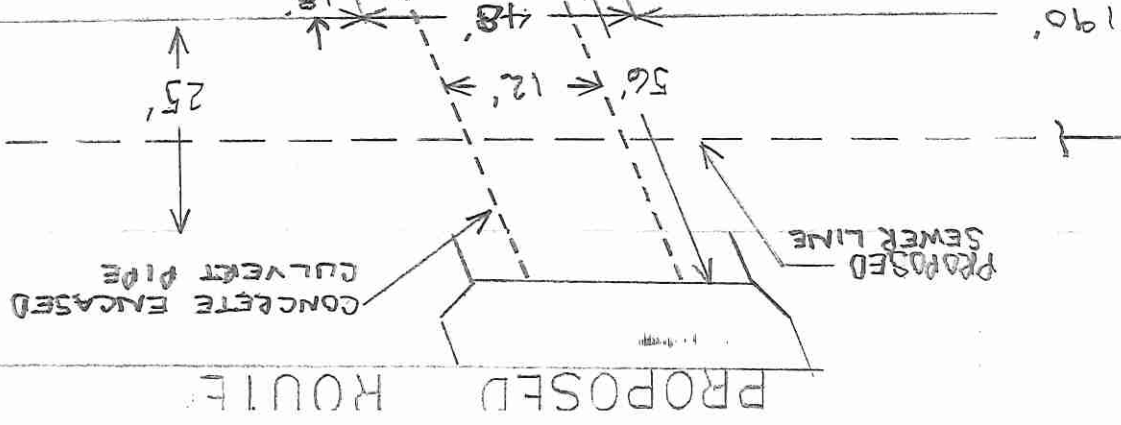
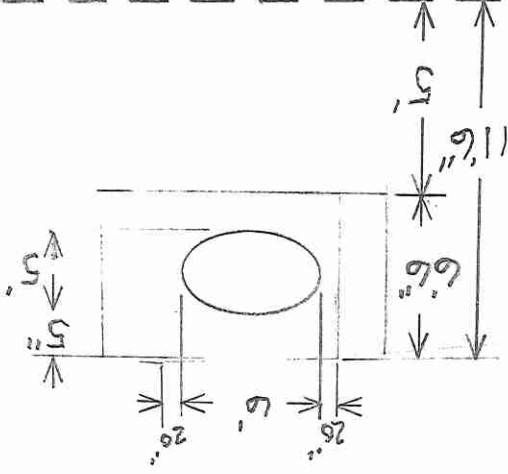
Thank you for your time.

Sincerely,



Larry Ellis  
High Desert Contracting

H - ROAD

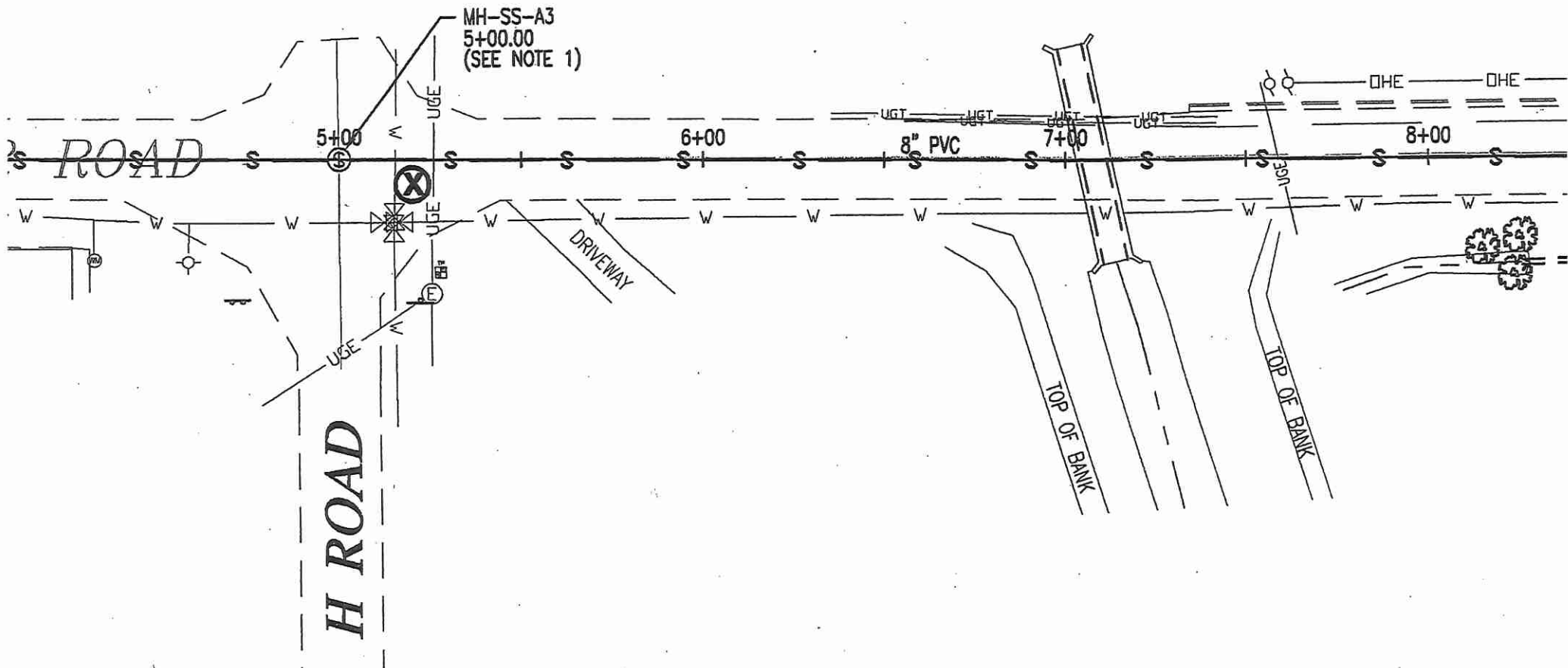


INSTALLED SEWER LINE

PROPOSED SEWER LINE

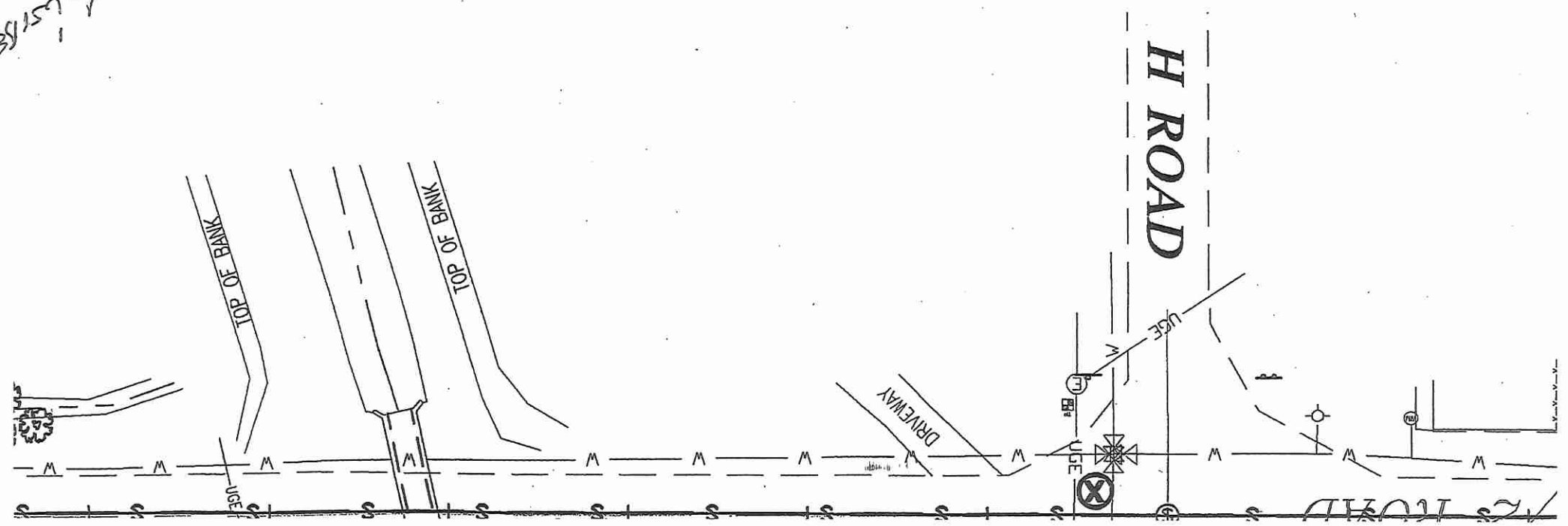
CONCRETE ENCASED CULVERT PIPE

PROPOSED ROUTE



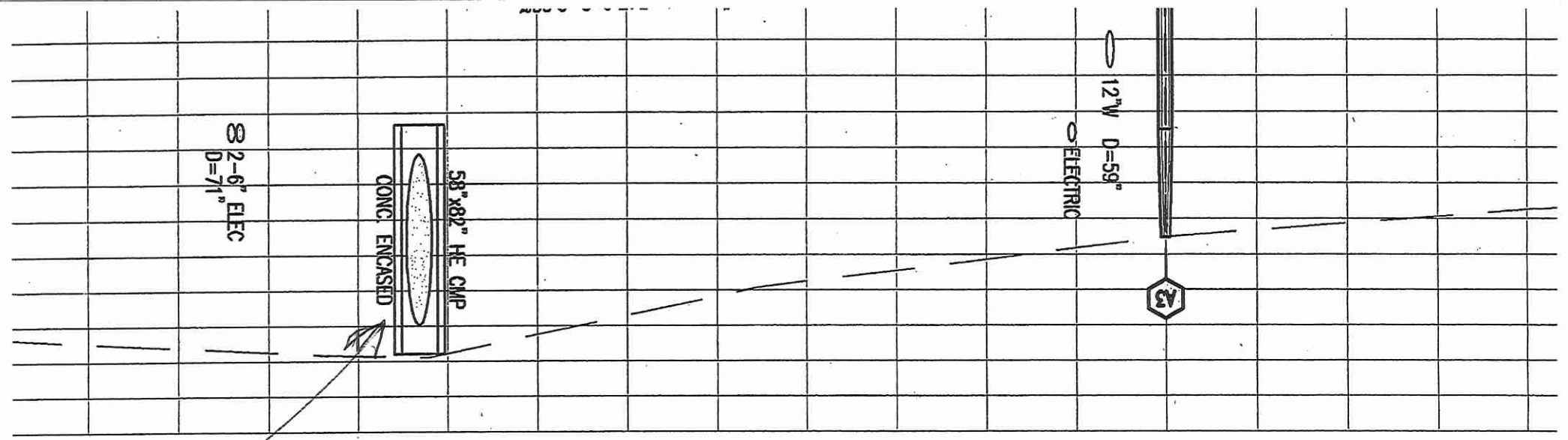
**PLAN**

HORIZONTAL SCALE: 1" = 40'

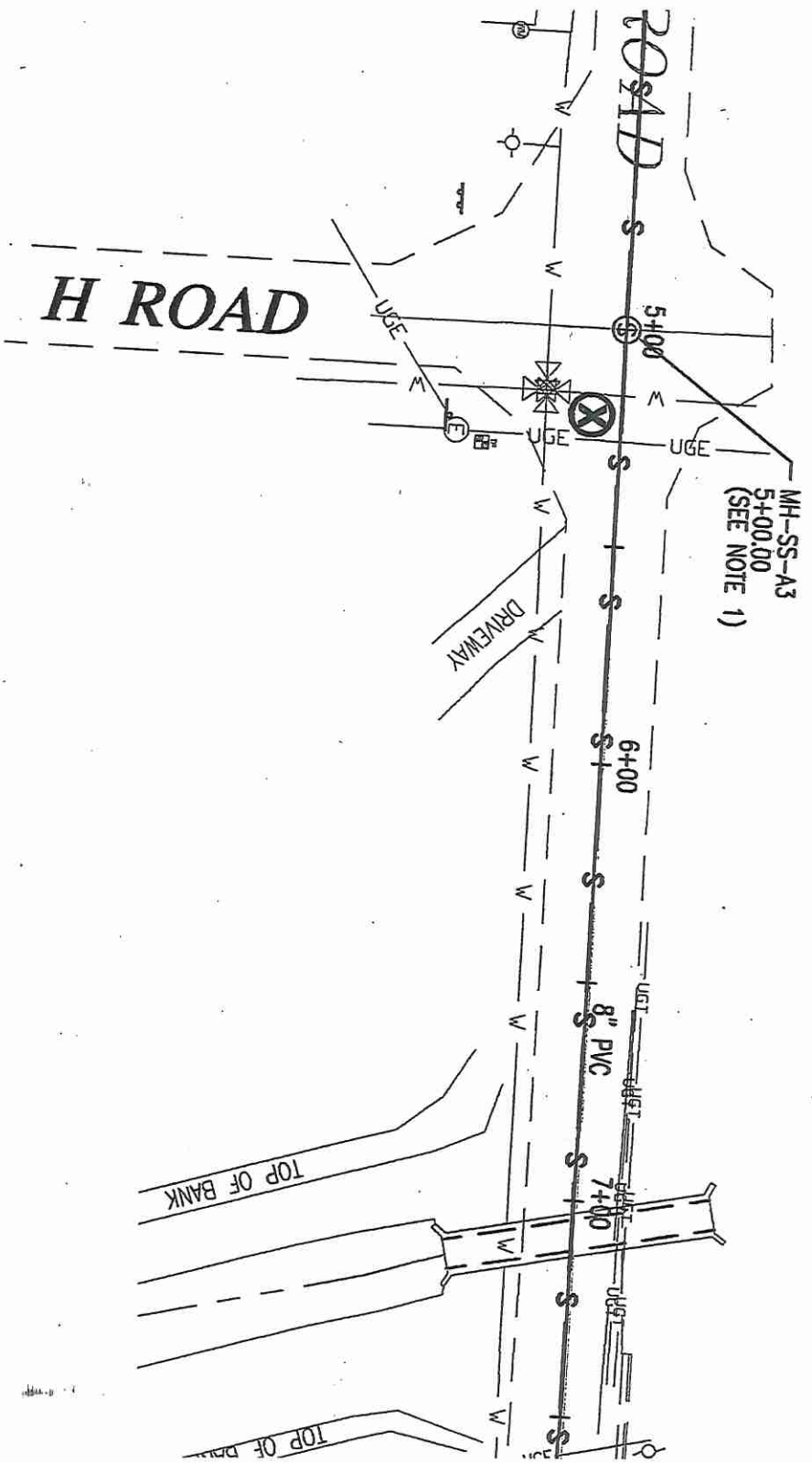


**PLAN**  
 HORIZONTAL SCALE: 1" = 40'

*Handwritten note:*  
 Pipe is 6' deep  
 & 5' DEEP

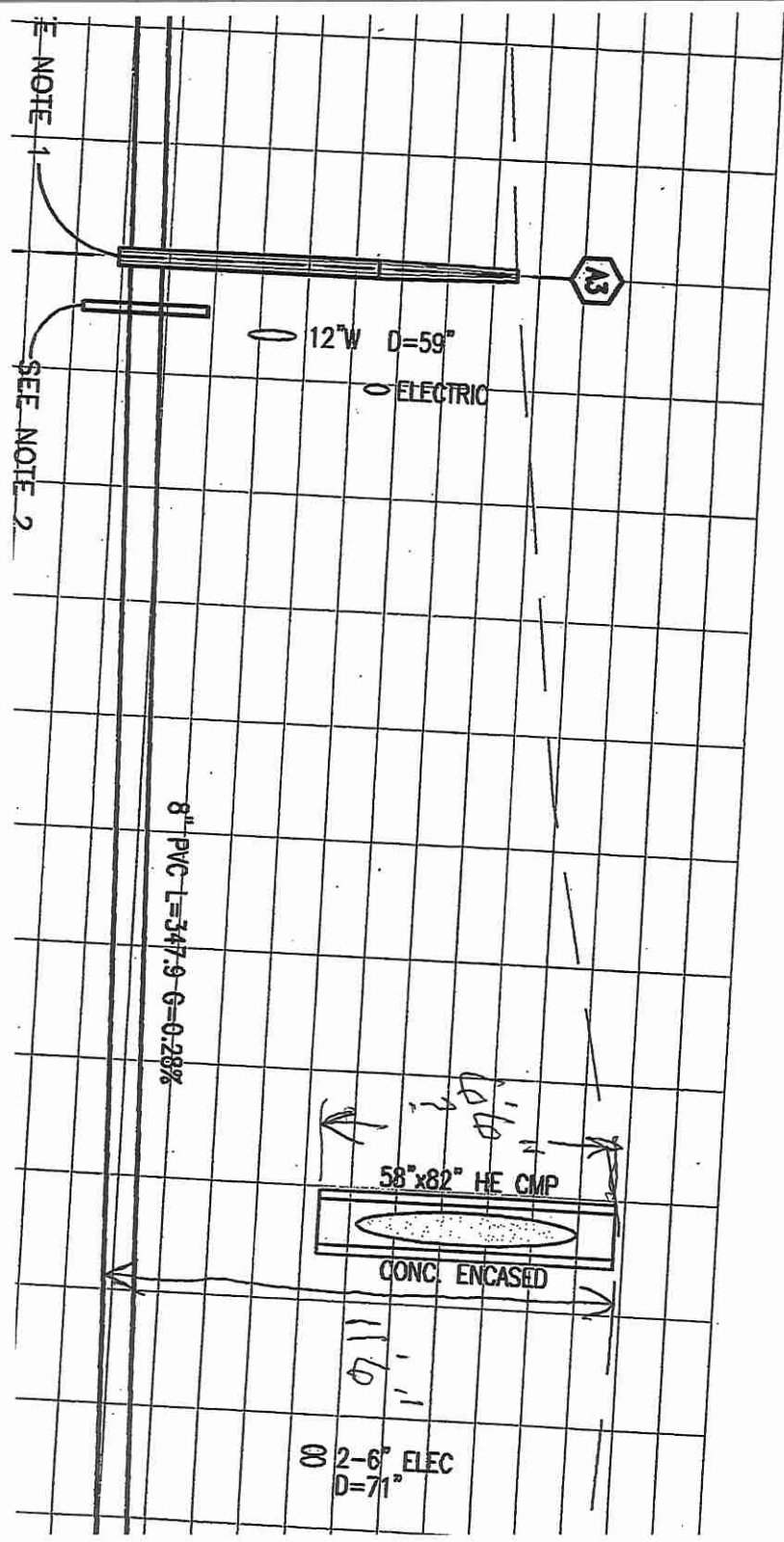






# PLAN

HORIZONTAL SCALE: 1" = 40'



BOND INSUR.



**Allied  
Insurance**

a Nationwide<sup>®</sup> company  
On Your Side<sup>™</sup>

Nationwide Mutual Insurance Company  
Bond Department  
1100 Locust Department 2006  
Des Moines, IA 50391-2006

**License and Permit Bond**

Bond No. 7900315085

KNOW ALL MEN BY THESE PRESENTS:

That we, Jobsite, Inc.,  
of Grand Junction, State of Colorado, as Principal, and Nationwide Mutual Insurance Company,  
a corporation duly licensed to do business in the State of Colorado, as Surety, are held and firmly bound unto  
City of Grand Junction,  
State of Colorado, Obligee, in the penal sum of Ten Thousand Dollars  
(\$ 10,000.00) DOLLARS, lawful money of the United States, to be paid to the said Obligee, for which payment  
well and truly to be made, we bind ourselves and our legal representatives, jointly and severally by these presents.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH, That whereas, the said Principal has been issued a  
license or permit described as follows: Permit for Construction within Public Right of Way by  
the said Obligee.

NOW THEREFORE, if the said Principal shall faithfully perform the duties and in all things comply with the laws  
and ordinances, including all Amendments thereto, appertaining to the license or permit described then this  
obligation to be void, otherwise to remain in full force and effect from March 26th, 2007, until  
March 25th, 2008, unless extended by Continuation Certificate.

This bond may be terminated at any time by the Surety upon sending notice in writing, to the clerk of the Political  
Subdivision with whom this bond is filed and to the Principal, at the last known address, and at the expiration of  
thirty (30) days from the mailing of said notice, this bond shall ipso facto terminate and the Surety shall thereupon  
be relieved from any liability for any acts or omissions of the Principal subsequent to said date.

Dated this 7th day of March, 2007.

Shall save and keep harmless the City of Grand Junction  
from all loss or damage which it may sustain or for which it may become liable on account of the issuance of said  
license or permit.

Jobsite, Inc.

Bonus Jacobs

Principal

Nationwide Mutual Insurance Company

By:

[Signature]

JAMES LUMMIS, Attorney-in-Fact

POWER OF ATTORNEY

Bond Number 7900315085

KNOW ALL MEN BY THESE PRESENTS THAT Nationwide Mutual Insurance Company, a corporation organized under the laws of the State of Ohio, with its principal office in the City of Columbus, Ohio, hereinafter called "Company", does hereby make, constitute and appoint

JAMES LUMMIS

each in their individual capacity, its true and lawful Attorney-In-Fact with full power and authority to sign, seal, and execute on its behalf any and all bonds and undertakings and other obligatory instruments of similar nature in penalties not exceeding the sum of

Ten Thousand Dollars (\$10,000.00)

and to bind the Company thereby, as fully and to the same extent as if such instruments were signed by the duly authorized officers of the Company; and all acts of said Attorney pursuant to the authority given are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the Board of Directors of the Company.

"RESOLVED, that the President, or any Senior Vice President, Vice President, Resident Vice President or Second Vice President be, and the same hereby is, authorized and empowered to appoint Attorneys-In-Fact of the Company and to authorize them to execute any and all bonds, undertakings, recognizances, contracts of indemnity, policies, contracts guaranteeing the fidelity of persons holding positions of public or private trust, and other writings obligatory in nature which the business of the Company may require; and to modify or revoke, with or without cause, any such appointment or authority. The authority granted hereby shall in no way limit the authority of other duly authorized agents to sign and countersign any of said documents on behalf of the Company."

"RESOLVED FURTHER, that such Attorneys-in-Fact shall have full power and authority to execute and deliver any and all such documents and to bind the Company, subject to the terms and limitations of the power of attorney issued to them, and to affix the seal of the Company thereto, provided, however, that said seal shall not be necessary for the validity of any such documents."

This Power of Attorney is signed and sealed by facsimile under and by the following By-Laws duly adopted by the Board of Directors of the Company

ARTICLE VIII

Section 10. Execution of Instruments. Any Vice President and any Assistant Secretary or Assistant Treasurer shall have the power and authority to sign or attest all approved documents, instruments, contracts or other papers in connection with the operation of the business of the company in addition to the Chairman and Chief Executive Officer, President, Treasurer and Secretary; provided, however, the signature of any of them may be printed, engraved or stamped on any approved document, contract, instrument or other papers of the company.

IN WITNESS WHEREOF, the said Nationwide Mutual Insurance Company has caused this instrument to be sealed and duly attested by the signature of its President the 15th day of October, 2003.

ACKNOWLEDGMENT

STATE OF Iowa SS
COUNTY OF Polk



By [Signature]
President

On this 15th day of October, 2003, before me came the above named President for Nationwide Mutual Insurance Company, to me personally known to be the officer described in and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn, deposes and says, that he is the officer of the Company aforesaid, that the seal affixed thereto is the corporate seal of said Company, and the said corporate seal and his signature were duly affixed and subscribed to said instrument by the authority and direction of said Company.



Notary Public
My Commission Expires March 24, 2008

CERTIFICATE

I, John F. Delaloye, Assistant Secretary of Nationwide Mutual Insurance Company, do hereby certify that the foregoing is a full, true and correct copy of the original Power of Attorney issued by said Company; that the Resolution included therein is a true and correct transcript from the minutes of the meeting of the Board of Directors duly called and held on the 15th day of October, 2003, and the same has not been revoked or amended in any manner; that said Stephen S. Rasmussen was on the date of the execution of the foregoing Power of Attorney the duly elected President of Nationwide Mutual Insurance Company and the corporate seal and his signature as President were duly affixed and subscribed to the said instrument by the authority of said Board of Directors; and the foregoing Power of Attorney is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto subscribed my name as Assistant Secretary, and affixed the corporate seal of said Company this 7th day of March, 2007



[Signature]

Assistant Secretary



# Allied Insurance

a Nationwide® company  
On Your Side™

March 7, 2007

Jobsite, Inc.  
841 21 1/2 Road  
Grand Junction, CO 81505

RE: Permit for Construction within Public Right of Way  
Bond Number 7900315085

Thank you for allowing Allied Insurance, a member of Nationwide Insurance, to provide you with the enclosed surety bond. Just follow the steps listed below to complete the bond:

### **Sign and Forward Bond**

- Sign the bond in the designated place. **If a Notary Public signature is required**, please wait to sign the bond in the presence of a notary.
- Forward the bond to: City of Grand Junction

### **Bond Payment**

- A billing invoice will be sent to you under separate cover.
- Upon receipt of the invoice, send a check payable to "Allied Insurance" to the address listed on the invoice.
- The premium for this bond is \$100.00

### **Bond No Longer Needed?**

- If this bond is no longer needed, please return the original document to the address listed below for cancellation.

If you have any questions, please contact us at 866-387-0457.

Sincerely,

Allied Insurance, a member of Nationwide Insurance  
Bond Department  
1100 Locust Street, Dept. 2006  
Des Moines, IA 50391-2006  
FAX: 515-508-4102

Agency: MOODY-VALLEY INSURANCE AGENCY  
Address: PO BOX 1509  
GRAND JUNCTION, CO 81502-1509

COPY

020925

**GV NB** Grand Valley National Bank  
7TH & BELFORD • P.O. BOX 848  
GRAND JUNCTION, CO 81502 • (970) 241-4400  
XPRESS LINE (970) 241-9664

REMITTER: HIGH DESERT PROPERTIES LLC-LN#78271 DATE 5/08/07  
PUBLIC FACILITIES CRSSG- GVIC

PAY TO THE ORDER OF \*\*\*ALDRICH LAW FIRM\*\*\*

EXACTLY \*\*8,000 AND 00/100 DOLLARS

\$ 8,000.00

**CASHIER'S CHECK**

THE PURCHASE OF AN INDEMNITY BOND WILL BE REQUIRED BEFORE ANY CASHIER'S CHECK OF THIS BANK WILL BE REPLACED OR REFUNDED IN THE EVENT IT IS LOST, MISPLACED OR STOLEN.

TWO SIGNATURES REQUIRED ON AMOUNTS OVER ONE THOUSAND DOLLARS

AUTHORIZED SIGNATURE  
*Victoria A. Wagner, Esq. Adm.*

⑈0000020925⑈ ⑆102105353⑆ 950014⑈

Security features included. Details on back.

020925

**GV NB** Grand Valley National Bank  
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GRAND JUNCTION, CO 81502 • (970) 241-4400  
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\*\*\*ALDRICH LAW FIRM\*\*\*

EXACTLY \*\*8,000 AND 00/100 DOLLARS

\$ 8,000.00

CUSTOMER - FILE COPY

**CASHIER'S CHECK**

AUTHORIZED SIGNATURE  
**NOT NEGOTIABLE**