



COLORADO WATER CONSERVATION BOARD



**WATER SUPPLY RESERVE ACCOUNT
GRANT APPLICATION FORM**

The Rehabilitation of Blanche Park Reservoir
Gunnison Basin Roundtable

Name of Water Activity/Project		Approving Basin Roundtable
\$75,000.00	Amount from Statewide Account	-0-
Total Amount of Funds Requested	Amount from Basin Account	\$75,000.00

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Instructions

To receive funding from the Water Supply Reserve Account (WSRA), a proposed water activity must be approved by the local Basin Roundtable AND the Colorado Water Conservation Board (CWCB). The process for Basin Roundtable consideration/approval is outlined in Attachment 1.

Once approved by the local Basin Roundtable, the applicant should submit this application, a detailed statement of work, detailed project budget, and project schedule to the CWCB staff by the application deadline.

The application deadlines are:

- Basin Account – 60 calendar days prior to the bi-monthly Board meeting
- Statewide Account – 60 calendar days prior to the September Board meeting

Board Meeting Dates	Basin Account Deadlines	Statewide Account Deadlines
July 20-21, 2010	May 21, 2010	n/a
September 21-22	July 23, 2010	July 23, 2010
November 16-17	September 17, 2010	n/a
January 2011	60 days prior	n/a
March 2011	60 days prior	n/a
May 2011	60 days prior	n/a
July 2011	60 days prior	n/a
September 2011	60 days prior	60 days prior

When completing this application, the applicant should refer to the WSRA Criteria and Guidelines available at: <http://cwcb.state.co.us/IWMD>.

The application, statement of work, budget, and schedule must be submitted in electronic format (Microsoft Word or text-enabled PDF are preferred) and can be emailed or mailed on a disk to:

Mr. Todd Doherty
Colorado Water Conservation Board
Water Supply Planning Section
WSRA Application
1580 Logan Street, Suite 200
Denver, CO 80203
Todd.Doherty@state.co.us

If you have questions or need additional assistance, please contact Todd Doherty of the Water Supply Planning Section at 303-866-3441 x3210 or todd.doherty@state.co.us.

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Part A. - Description of the Applicant (Project Sponsor or Owner);

1. Applicant Name(s): **Grand Mesa Water Conservancy District, (GMWCD)
Water Enterprise Fund**

Mailing address: **P.O. Box 129
Cedaredge CO 81413**

Taxpayer ID#: **90-0298670** Email address: **askeiser@yahoo.com**

Phone Numbers: Business: **970-856-3173**
Home: **970-856-4693**
Fax: **970-856-3175**

2. Person to contact regarding this application if different from above:

Name: **Austin Keiser**

Position/Title: **President, Grand Mesa Water Conservancy District**

3. Eligible entities that may apply for grants from the WSRA include the following. What type of entity is the Applicant?

Public (Government) – municipalities, enterprises, counties, and State of Colorado agencies. Federal agencies are encouraged to work with local entities and the local entity should be the grant recipient. Federal agencies are eligible, but only if they can make a compelling case for why a local partner cannot be the grant recipient.

Public (Districts) – special, water and sanitation, conservancy, conservation, irrigation, or water activity enterprises.

Private Incorporated – mutual ditch companies, homeowners associations, corporations.

Private individuals, partnerships, and sole proprietors are eligible for funding from the Basin Accounts but not for funding from the Statewide Account.

Non-governmental organizations – broadly defined as any organization that is not part of the government.

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4. Provide a brief description of your organization

The Grand Mesa Water Conservancy District (Hereinafter referred to as the “District”) was established in April of 1961 under CRS 32-1 Special Districts and CRS 37-45 Water Conservancy Districts. The geographic area served by the District includes the Surface Creek Valley on the south slope of the Grand Mesa. The boundaries are the Gunnison River on the south, Current Creek on the east, Delta/Mesa County lines on the north and the area west of Tongue Creek to the west. There are two incorporated towns within the service area: The Town of Cedaredge, population estimate of 2272 and the Town of Orchard City with a population estimate of 3,239 (U.S. Census Bureau, 2009).

In accordance with the Colorado Revised Statutes, the District is allowed to levy and collect taxes on property within the District to generate funding for the operation of the District. Annual District revenues are approximately \$50,000. While not officially attached to the Conservancy District, there are four (4) independent domestic water suppliers within the District which serve over 5,500 taps (> 13,000 people). Those suppliers include the Town of Cedaredge, Town of Orchard City, Upper Surface Creek Domestic Water Users Association and Coalby Domestic Water Company. The District also operates an enterprise fund known as the Water Enterprise Fund. This enterprise fund is structured around certain water rights acquired by the rebuilding of several reservoirs. This fund leases water for augmentation, irrigation, domestic and other uses. The District is under a mandate to provide leadership in developing all water resources to maximize their beneficial use to the residents of the District. It is under this mandate, the District is pursuing water projects that affect the entire service area.

5. If the Contracting Entity is different than the Applicant (Project Sponsor or Owner) please describe the Contracting Entity here.

The Applicant and the Contracting Entity are one in the same. The Water Enterprise Fund is outside the structure of the “Tabor Amendment”.

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6. Successful applicants will have to execute a contract with the CWCB prior to beginning work on the portion of the project funded by the WSRA grant. In order to expedite the contracting process the CWCB has established a standard contract with provisions the applicant must adhere to. A copy of this standard contract is included in Attachment 3. Please review this contract and check the appropriate box.

The Applicant will be able to contract with the CWCB using the Standard Contract

The Applicant has reviewed the standard contract and has some questions/issues/concerns. Please be aware that any deviation from the standard contract could result in a significant delay between grant approval and the funds being available.

7. The Tax Payer Bill of Rights (TABOR) may limit the amount of grant money an entity can receive. Please describe any relevant TABOR issues that may affect the applicant.

The District has restrictions under the “Tabor Amendment”. The Water Enterprise Fund is utilized by the District to receive and administer grant funds with no restrictions.

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Part B. - Description of the Water Activity

1. Name of the Water Activity/Project:

The Rehabilitation of Blanche Park Reservoir

2. What is the purpose of this grant application? (Please check all that apply.)

Environmental compliance and feasibility study

Technical Assistance regarding permitting, feasibility studies, and environmental compliance

Studies or analysis of structural, nonstructural, consumptive, nonconsumptive water needs, projects

Study or Analysis of:

Structural project or activity

Nonstructural project or activity

Consumptive project or activity

Nonconsumptive project or activity

Structural and/ or nonstructural water project or activity

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3. Please provide an overview/summary of the proposed water activity (no more than one page). Include a description of the overall water activity and specifically what the WSRA funding will be used for.

This project is the second phase of a three phase reservoir rehabilitation program. The Grand Mesa Water Conservancy District (District) began this program last year with the development of the overall concept along with the implementation of the first phase, rehabilitation of the Peak Reservoir. The District received a Grant award of \$36,000.00 from the Colorado River District. Applications for “Special Use Permit,” Access permit, Road Use permit, Timber Harvest permit all from the U.S. Forest Service have been applied for and nearly in hand and US Army Corps of Engineers permit granted subject to the USFS and the State Division of Water Resources, Dam Safety permit is in final approval stage. This first phase has been through the bid process and a construction contract awarded to Peterson Excavating, Inc. for \$144,125.00 which is now scheduled to start next summer. This is the current status of the first phase. An application for extension to October, 2011 of the Grant from the Colorado River District is currently being reviewed.

The Blanche Park Reservoir Rehabilitation being the second phase is also scheduled for construction summer and fall of 2011. The Districts owns an “1891 Easement” for this reservoir site. The easement is for a reservoir covering 15.79 acres and impounding 130 acre feet of water. Since there is a large area of “wetlands” upstream from the current dam structure, the District decided not to impact any area of the easement except the actual dam structure. By not impacting the easement area, the District can rebuild the dam structure under an US Army Corps of Engineers Nationwide Exempt Permit #3. To accomplish this, the project will require additional fill material to enlarge the existing dam structure to meet the current specifications. The source of this material comes from a US Army Corps of Engineers dredging permit held as part of the Peak Reservoir rehabilitation. By scheduling the rebuilding of both of these reservoirs for next year it becomes more cost effective to move material directly from the Peak Site approximately 1.5 miles to the Blanche Park Site. This enables the District to rebuild two of the three reservoirs in the same year.

The excess material from the rebuilding of the Peak Reservoir and the Blanche Park Reservoir will be stockpiled at the Military Park Gravel Pit for which the District all ready has completed the permitting process. This material will be utilized for the third phase, the rehabilitation of the Little Island Reservoir which is located on an “1891 Easement” for 9.2 acres and 100 acre feet of water.

The proposed rehabilitation of Blanche Park Reservoir will accomplish the following:

1. **Rebuild a breeched reservoir site placing it in full utilization for water storage.**
2. **The District will be able to put approximately 130 acre feet of its conditional decree into use as irrigation, recreation, fish culture, municipal use by the Town of Orchard City or by the Town of Cedaredge, domestic use by contract with Upper Surface Creek Domestic Water Company or Coalby Domestic Water Company and with the appropriation date of June 15, 1961, adjudication date January 31, 1964, priority K-186.**
3. **Restore the reservoir site to its historical use.**

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4. The District will have available additional augmentation water to meet the needs for the District Service area.

The District as a whole benefits when there is additional water available. This will provide additional high quality water for drought protection and supplies to meet agricultural and domestic needs.

As set forth by CWCB Domestic Water Needs Assessment projections, by the year 2035 it is projected that our geographic service area will face a domestic water shortage of over 1000 acre feet to meet future demands. The District is faced with providing solutions to meet the growing demand for domestic water without sacrificing the supplies of irrigation water which would ultimately alter our way of life and economic structure. To accomplish this task, the District has looked at several options. The District has engaged in several studies that are focused on building a single large reservoir estimated volume of 10,000 to 12,000 acre feet. The cost of developing a project of this nature within our geographic area is very high with limited opportunities to find the financing in our current economic times. The other option is to locate breached reservoir sites that have U.S. Forest Service “1891 Easements” which allow for the impounding of water to meet all uses. The District feels these small, rehabilitation projects offer the best solution that are manageable and financeable,

Part C. – Threshold and Evaluation Criteria

1. Describe how the water activity meets these **Threshold Criteria**. (Detailed in Part 3 of the Water Supply Reserve Account Criteria and Guidelines.)

The Grand Mesa Water Conservancy District is eligible as it is organized as a public conservancy district under the State Statutes. The Water Enterprise Fund handles the water rights for the District, administers the augmentation contracts and rents irrigation water on a seasonal basis to service area customers. The District Water Enterprise Fund retains a percentage of their total water in several drainages to insure availability of high quality domestic water to valley providers should any disaster (forest fire, raw water intake problems, etc.) interrupt current supply availability. This project will add an additional 130 acre feet to the 450 acre feet currently in inventory. The requested funds for this project will be utilized in the construction phase and will represent less that 50% of the cost of the project. The District has cash on hand to meet the balance of the costs. In addition, the District has all ready paid out a significant amount for the completed studies and preliminary surveying and engineering including core drilling.

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- a) The water activity is consistent with Section 37-75-102 Colorado Revised Statutes.¹

The water right to be stored in the Blanche Park Reservoir is owned (conditional) by the District and will not in any way diminish, impair or cause injury to anyone’s water rights.

The District will be able to put approximately 130 acre feet of its conditional decree into use as irrigation, recreation, fish culture, municipal use by the Town of Orchard City or by the Town of Cedaredge, domestic use by contract with Upper Surface Creek Domestic Water Company or Coalby Domestic Water Company and with the appropriation date of June 15, 1961, adjudication date January 31, 1964, priority K-186.

The Grand Mesa Water Conservancy District together with the North Fork Water Conservancy District filed with the Colorado Division of Water Resources in 1961 a project know as the Grand Mesa Project. This project included a series of reservoirs and ditches that were designed to impound 25,000 acre feet of water from the south side of the Grand Mesa watershed. It is from this conditional right (K-186) that the 130 acre feet to be stored in the Blanche Park Reservoir will be drawn. An application to the State Division of Water Resources is filed applying for the right to store 130 acre feet of the Conditional Decree in the Blanche Park Reservoir.

- b) The water activity underwent an evaluation and approval process and was approved by the Basin Roundtable (BRT) and the application includes a description of the results of the BRTs evaluation and approval of the activity. At a minimum, the description must include the level of agreement reached by the roundtable, including any minority opinion(s) if there was not general agreement for the activity. The description must also include reasons why general agreement was not reached (if it was not), including who opposed the activity and why they opposed it. Note- If this information is included in the letter from the roundtable chair simply reference that letter.

(Reference Roundtable Letter)

¹ 37-75-102. Water rights - protections. (1) It is the policy of the General Assembly that the current system of allocating water within Colorado shall not be superseded, abrogated, or otherwise impaired by this article. Nothing in this article shall be interpreted to repeal or in any manner amend the existing water rights adjudication system. The General Assembly affirms the state constitution's recognition of water rights as a private usufructuary property right, and this article is not intended to restrict the ability of the holder of a water right to use or to dispose of that water right in any manner permitted under Colorado law. (2) The General Assembly affirms the protections for contractual and property rights recognized by the contract and takings protections under the state constitution and related statutes. This article shall not be implemented in any way that would diminish, impair, or cause injury to any property or contractual right created by intergovernmental agreements, contracts, stipulations among parties to water cases, terms and conditions in water decrees, or any other similar document related to the allocation or use of water. This article shall not be construed to supersede, abrogate, or cause injury to vested water rights or decreed conditional water rights. The General Assembly affirms that this article does not impair, limit, or otherwise affect the rights of persons or entities to enter into agreements, contracts, or memoranda of understanding with other persons or entities relating to the appropriation, movement, or use of water under other provisions of law.

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- c) The water activity meets the provisions of Section 37-75-104(2), Colorado Revised Statutes.² The Basin Roundtable Chairs shall include in their approval letters for particular WSRA grant applications a description of how the water activity will assist in meeting the water supply needs identified in the basin roundtable's consumptive and/or non-consumptive needs assessments.

(Reference Roundtable Letter)

- d) Matching Requirement: For requests from the Statewide Fund, the applicants is required to demonstrate a 20 percent (or greater) match of the request from the Statewide Account. Sources of matching funds include but are not limited to Basin Funds, in-kind services, funding from other sources, and/or direct cash match. Past expenditures directly related to the project may be considered as matching funds if the expenditures occurred within 9 months of the date the application was submitted to the CWCB. Please describe the source(s) of matching funds. (NOTE: These matching funds should also be reflected in your Detailed Budget in Part D of this application)

Phase Two - Rehabilitation of the Blanche Park Reservoir.

Engineer Cost Estimate to Complete Project - \$178,279.00

Amount all ready invested in project - \$ 7,740.00

NEPA Studies, Surveying, and Engineering

Amount of District Funds to be spent - \$95,539.00

This amount represents 58% of the total project cost

Grant Application Funds - \$75,000.00

This amount represents 42 % of the total project cost

In-Kind by Board Members – Estimated at 100 hours

All funds to be used by the District as matching funds are on deposit in the U.S. Bank in Cedaredge or available in Certificates of Deposit – Accounts supplied on request.

² 37-75-104 (2)(c). Using data and information from the Statewide Water Supply Initiative and other appropriate sources and in cooperation with the on-going Statewide Water Supply Initiative, develop a basin-wide consumptive and nonconsumptive water supply needs assessment, conduct an analysis of available unappropriated waters within the basin, and propose projects or methods, both structural and nonstructural, for meeting those needs and utilizing those unappropriated waters where appropriate. Basin Roundtables shall actively seek the input and advice of affected local governments, water providers, and other interested stakeholders and persons in establishing its needs assessment, and shall propose projects or methods for meeting those needs. Recommendations from this assessment shall be forwarded to the Interbasin Compact Committee and other basin roundtables for analysis and consideration after the General Assembly has approved the Interbasin Compact Charter.

BLANCHE PARK RESERVOIR PROJECT.
Financial Analysis
November 22, 2010

A. Costs Related to the Reservoir Construction that have been PAID:

1. MM&D Surveying and Engineering	\$ 4,060.00
2. ERO Resources – Environmental	\$ 1,980.00
3. Legal and Miscellaneous	\$ 1,700.00
Total Cost Paid	\$ 7,740.00

B. Costs Related to the Reservoir Construction that are Bids Pending:

1. Lambert and Associates – Soils Reports including Core Drilling -	\$10,000
2. MM&D Engineering - Do Surveying, Construction Design, Specification, etc. -	\$13,500
3. ERO Resources – Finish Surveys for USFS and Do Delineation –	\$ 3,000
Total Bids Pending	\$ 26,500

C. Estimated Costs to finish Project:

1. USFS Permit, NEPA Studies, Road Access	\$ 5,000
2. Engineers Cost Estimate to Finish Project –	
1. Soils investigation for design	\$ Included
2. Design Survey	\$ Included
3. Civil Engineering (Const. Drawings)	\$ Included
4. Wetland Investigating & Mitigation	\$ Included
5. Construction Surveying	\$ Included

(Items 1-5 are included in the above bids).

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6. Mobilization & Demobilization	\$ 4,500.00
7. Erosion Control	\$ 2,000.00
8. Water Control	\$ 1,500.00
9. Dewatering	\$ 1,000.00
10. Removal and Reworking Material	\$ 48,500.00
11. Import Unclassified Excavation	\$ 35,000.00
12. Riprap	\$ 10,320.00
13. Storm Sewer HDPE	\$ 2,550.00
14. Seeding, Fertilizer and Mulching	\$ 550.00
15. Concrete Headwall and Gate Stem	\$ 7,500.00
16. Head gate, Stem and Wheel	\$ 2,500.00
17. Soils & Materials Testing	\$ 3,000.00
18. Construction Management & Insp.	\$ 13,260.00
Total Construction Cost	\$137,180.00
Total Construction Cost	\$137,180.00
5% Contingency	\$ 6,859.00
Total Cost	\$144,039.00

D. Total Cost to do Project: \$178,279.00

E. Analysis:

According to the 1891 Easement, the reservoir was designed to hold 130 acre feet. At a cost of \$178,279 to do the project, the per acre foot cost is \$1,371.37. We are estimating the amount of material transferred from Peak Reservoir directly to Blanche Park Reservoir will be approximately 5,000 cubic yards leaving approximately 7,500 cubic yards to be stockpiled at Military Park Gravel Pit for use on Little Island Reservoir.

The total cost of the two projects is \$331,904 with a projected yield of 160 acre feet of stored water, or \$2,074.40 per acre foot plus 7500 cubic yards of material.

FUNDS TO BUILD RESERVOIRS

November 22, 2010

A. GMWCD funds on hand for construction -	\$195,000.00
B. Grant from the Colorado River District	\$ 36,125.00
C. Grant (Applied for from Roundtable)	\$ 75,000.00
D. 50% of Revenues projected for 2011	\$ 25,000.00
Total Funds Available for 2 Projects	\$331,125.00

COSTS TO BUILD RESERVOIRS

A. Construction Contract for Peak Reservoir	\$144,125.00
B. Additional Costs related finishing Peak	\$ 9,500.00
C. Engineers Cost Estimate for Blanche Park	\$178,279.00
Total Estimated Cost	\$331,904.00

Balance on Hand \$ - 779.00
(Note: The District will have \$25,000 in Reserve)

Potential Income:

- 1. 5 acre feet is allocated to the USFS for Augmentation in exchange for Special Use Permit. (plus)**
 - 2. 75 cfs leased for agricultural use @ \$45.00 per cfs = \$3,375.00 (or)**
 - 3. 150 acre feet leased for augmentation @ \$200 per year= \$30,000.00 (or)**
 - 4. 150 acre feet leased for augmentation/hydro use @\$75 per year=\$11,250.00**
2. For Applications that include a request for funds from the Statewide Account, describe how the water activity meets the **Evaluation Criteria**. (Detailed in Part 3 of the Water Supply Reserve Account Criteria and Guidelines.)

Not applicable – Basin Funds Only

Part D. – Required Supporting Material

This information is needed to assess the viability of the water project or activity. Please provide a description of the water supply source to be utilized, or the water body to be affected by, the water activity. This should include a description of applicable water rights and the name/location of water bodies affected by the water activity.

The District will be able to put approximately 130 acre feet of its conditional decree into use as irrigation, recreation, fish culture, municipal use by the Town of Orchard City or by the Town of Cedaredge, domestic use by contract with Upper Surface Creek Domestic Water Company or Coalby Domestic Water Company and with the appropriation date of June 15, 1961, adjudication date January 31, 1964, priority K-186.

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The Grand Mesa Water Conservancy District together with the North Fork Water Conservancy District filed with the Colorado Division of Water Resources in 1961 a project know as the Grand Mesa Project. This project included a series of reservoirs and ditches that were designed to impound 25,000 acre feet of water from the south side of the Grand Mesa watershed. It is from this conditional right (K-186) that the 130 acre feet to be stored in the Blanche Park Reservoir will be drawn. An application to the State Division of Water Resources is filed applying for the right to store 130 acre feet of the Conditional Decree in the Blanche Park Reservoir.

The source of water to fill the Blanche Park Reservoir is from a high altitude basin that accumulates large quantity of snow which upon spring runoff will yield adequate volume to fill the 130 acre foot reservoir. The Blanche Park Reservoir is upstream from several reservoirs representing water rights that are senior to the storage right to be used in Blanche Park. Within the last 10 years, only in the year 2002 would the junior right have been called.

**The tributary that is affected is Surface Creek.
The immediate downstream reservoir is Trickle Park Reservoir.**

2. Please provide a brief narrative of any related or relevant previous studies.

The Following work has all ready been completed prior to this application:

1. All necessary surveying to complete the engineering of the dam structure.
2. Environmental Delineation of the access road location.
3. Site meeting with USFS to determine access location.
4. Core Drilling for soil samples required for engineering.
5. Site visit with Peak Contractor for rough cost estimates.

The District has done several studies beginning with the Grand Mesa Project, Cactus Park Project and the West Fork Reservoir project, all have been done to support the need for additional water supplies and have addressed the availability of water to fill these needs.

The initial work on the Blanche Park Reservoir began summer of 2010, with preliminary surveying of the site. Also, a member of the Colorado State Division of Water Resources accompanied us on that trip. In 1895 several local residents filed and received an easement for this reservoir site. This is termed an “1891 Easement”. Through the years no water was ever filed on or developed at this site. During this past winter, we have traced the ownership and have obtained appropriate transfer deeds to this easement and site that will satisfy the U.S. Forest Service. This site has a very serious wetlands issue due to the natural basin topography. As a result, our environmental engineering group has suggested that if a dredging permit were required, a large area of mitigation would be necessary. Thus the project will need to be completed without damage to the wetlands area.

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This project is being approached as a repair and maintenance activity which requires a USFS temporary special use permit or a construction permit and a US Army Corps of Engineers Nationwide Permit (NWP) 3 for Maintenance and does not require notification to the Corps. Both of these permits will be applied for under full disclosure of the project scope. The access road which will be temporary will require delineation but it is not anticipated that any mitigation will be necessary due to the limited acreage and temporary situation of the road. The District obtained a temporary access permit to complete a core drilling and soil sampling program in September. The District has assembled all the necessary information to complete all the permit applications and engineering requirement during the next six months. It is anticipated that the project will begin construction in mid-summer 2011.

3. Statement of Work, Detailed Budget, and Project Schedule

The statement of work will form the basis for the contract between the Applicant and the State of Colorado. In short, the Applicant is agreeing to undertake the work for the compensation outlined in the statement of work and budget, and in return, the State of Colorado is receiving the deliverables/products specified. Please note that costs incurred prior to execution of a contract or purchase order are not subject to reimbursement.

Please provide a detailed statement of work using the following template. Additional sections or modifications may be included as necessary. Please define all acronyms. If a grant is awarded an independent statement of work document will be required with correct page numbers.

Statement of Work

WATER ACTIVITY NAME – The Rehabilitation of Blanche Park

GRANT RECIPIENT – Grand Mesa Water Conservancy District Water Enterprise Fund

FUNDING SOURCE -- CWCW Water Supply Reserve Account Grant using Gunnison Basin Roundtable Funds

INTRODUCTION AND BACKGROUND

This project is designed to take an active “1891 Easement” and put the facility back into useful condition. This reservoir was built around the turn of the century to hold around 130 acre feet. It was used for this purpose until about the mid 1950’s at which time the downstream Trickle Park Reservoir was built. It is assumed that the water storage the Blanche Park provided was moved to Trickle Park thus no water rights existed. Since the District has a large “conditional Filing” and no facility to utilize, the District has been in the process of acquiring these “1891 Easements” that are not active. This project is unique in that any material required had to come from off-site which could mean hauling from long distance. The ownership interest the District had in the Peak Reservoir which would accommodate a dredging permit

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enabled the District to rebuild both projects. The Peak Reservoir had an obstacle in that it has no easement thus the District spent an entire year acquiring a “Special Use Permit” for this site. The plan was to complete Peak Reservoir during the fall of 2010 which did not happen due to permitting problems which are now resolved. The dredging process in the Peak Reservoir site will provide enough material for both Blanche Park and Little Island Reservoirs. A stockpile site has all ready been contracted for in the Peak permits.

The construction process for the Blanche Park Reservoir will require the building of an access road to move the necessary material to the site and then the excavating of the existing dam installing the necessary valves and pipe to allow the water to be properly managed. The dam structure will be rebuilt in two sections with the east section having the valve and outlets and the west section having the spillway. After the construction process is completed the road is to be restored to just an ATV access trail.

Provide a brief description of the project. (Please limit to no more than 200 words; this will be used to inform reviewers and the public about your proposal)

OBJECTIVES

There are several objectives of this project:

1. Rebuild an inoperable asset into a functioning reservoir.
2. Utilize a portion of a conditional water right transferring it to absolute storage.
3. Impounding additional water to meet future needs of the citizens of the District’s service area.
4. Provide additional storage to protect whatever downstream needs arise.

TASKS

TASK 1 – Engineering of the Dam Structure and Access Road

Description of Task

This task involves MM&D Engineering to design a new reservoir and access road. This design work will be used for Colorado Dam Safety Division approval, the US Forest Service to be used for an access permit and construction permit and the US Army Corps of Engineers “Nationwide Exempt” disclosure.

Deliverable

This task is scheduled for the winter months and is expected to be completed by June. Completion includes the approval of the State Dam Safety Division and the necessary description of the work to be done enabling the USFS and the USACOE to issue the required permits and disclosures.

TASK 2 – Apply for Necessary Permits

Description of Task - Required Permits

USFS Permits –

Temporary Special Use Permit - to rebuild the Dam

Access Permit - for Constructing the Road

Haul Permit - for the moving of material to the site

Timber Harvest Permit – to remove the trees that are in the way

US Army Corps of Engineers –

Project is exempt from notification under Nationwide Permit #3, Maintenance

ERO Resources, Corp will notify the USACOE of the work being done.

Colorado Division of Water Resources, Office of the State Engineer, Dam Safety –

Make Application for a permit to store water. MM&D Engineering will handle application by submitting required engineered plans and specifications

Colorado Division of Water Resources –

Aaron Clay, Atty. for the District has been hired to make the necessary application to apply to the Water Court for a “conditional storage right” for 130 acre feet in the Blanche Park Reservoir. The source of the 130 acre feet will be the District’s interest in the K-186 “Conditional Decree” granted June, 1961.

TASK 3 – Expand the Bid on the Peak Reservoir to include Blanche Park -

Once the Engineer has a complete set of construction blueprints and specifications the contractor currently engaged to build Peak Reservoir will develop a bid to do the construction work on Blanche Park. It is expected that this will take place in May.

TASK 4 – Construction of the Project –

It is expected that the actual construction on both reservoir projects will start in mid July depending on the ground moisture and weather. If the permitting process is not completed, it will delay construction until all required permits are in place. All the permits for Peak Reservoir will be in place so construction can begin.

The construction window will start mid June and go through October. Given weather problems and any unforeseen delays, this 100 plus days should be adequate time to complete the Blanche Park Reservoir Project.

TASK 5 – Clean-up and Site Restoration –

This process will begin as the project completion is near. It involves the removal of any trash, construction debris, excess materials, removal of access road and general grading. This process will be followed by the reseeding of the entire area that was disturbed in accordance with the USFS plan and materials.

TASK 6 – Submit As-Built Plans –

Once the actual dirt work is completed, the engineering company will survey in the actual construction work and from that develop a set of plans and specification relating to the actual construction job.

(See Pages 11-13 for Detailed Budget).

REPORTING AND FINAL DELIVERABLE

Reporting: The applicant shall provide the CWCB a progress report every 6 months, beginning from the date of the executed contract. The progress report shall describe the completion or partial completion of the tasks identified in the statement of work including a description of any major issues that have occurred and any corrective action taken to address these issues.

Final Deliverable: At completion of the project, the applicant shall provide the CWCB a final report that summarizes the project and documents how the project was completed. This report may contain photographs, summaries of meetings and engineering reports/designs.

SCHEDULE

Provide a project schedule including key milestones for each task and the completion dates or time period from the Notice to Proceed (NTP). This dating method allows flexibility in the event of potential delays from the procurement process. Sample schedules are provided below. Please note that these schedules are examples and will need to be adapted to fit each individual application.

Example 1

Task	Start Date	Finish Date
1	1/3/2011	6/15/11
2	1/3/2011	7/15/2011
3	5/1/2011	5/30/2011
4	7/15/2011	10/15/2011
5	9/15/2011	11/1/2011
6	10/1/2011	12/31/2011

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PAYMENT

Payment will be made based on actual expenditures and invoicing by the applicant. Invoices from any other entity (i.e. subcontractors) cannot be processed by the State. The request for payment must include a description of the work accomplished by major task, and estimate of the percent completion for individual tasks and the entire water activity in relation to the percentage of budget spent, identification of any major issues and proposed or implemented corrective actions. The last 5 percent of the entire water activity budget will be withheld until final project/water activity documentation is completed. All products, data and information developed as a result of this grant must be provided to the CWCB in hard copy and electronic format as part of the project documentation. This information will in turn be made widely available to Basin Roundtables and the general public and help promote the development of a common technical platform.

Water Supply Reserve Account – Grant Application Form

Form Revised March 2009

The above statements are true to the best of my knowledge:

Signature of Applicant:



Print Applicant's Name: Austin Keiser

Project Title: **The Rehabilitation of Blanche Park Reservoir**

Date: 11/30/10

Return this application to:

Mr. Todd Doherty
Intrastate Water Management and Development Section
COLORADO WATER CONSERVATION BOARD
1580 Logan Street, Suite 200
Denver, CO 80203

To submit applications by Email, send to: todd.doherty@state.co.us

To submit applications by Fax, send to: (303) 894-2578

For questions, call Telephone No.: (303) 866-3426

Attachment 1
Insurance Requirements

NOTE: The following insurance requirements taken from the standard contract apply to WSRA projects that exceed \$25,000 in accordance with the policies of the State Controller’s Office. Proof of insurance as stated below is necessary prior to the execution of a contract.

13. INSURANCE

Grantee and its Sub-grantees shall obtain and maintain insurance as specified in this section at all times during the term of this Grant: All policies evidencing the insurance coverage required hereunder shall be issued by insurance companies satisfactory to Grantee and the State.

A. Grantee

i. Public Entities

If Grantee is a "public entity" within the meaning of the Colorado Governmental Immunity Act, CRS §24-10-101, et seq., as amended (the “GIA”), then Grantee shall maintain at all times during the term of this Grant such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the GIA. Grantee shall show proof of such insurance satisfactory to the State, if requested by the State. Grantee shall require each Grant with Sub-grantees that are public entities, providing Goods or Services hereunder, to include the insurance requirements necessary to meet Sub-grantee’s liabilities under the GIA.

ii. Non-Public Entities

If Grantee is not a "public entity" within the meaning of the GIA, Grantee shall obtain and maintain during the term of this Grant insurance coverage and policies meeting the same requirements set forth in §13(B) with respect to sub-Grantees that are not "public entities".

B. Sub-Grantees

Grantee shall require each Grant with Sub-grantees, other than those that are public entities, providing Goods or Services in connection with this Grant, to include insurance requirements substantially similar to the following:

i. Worker’s Compensation

Worker’s Compensation Insurance as required by State statute, and Employer’s Liability Insurance covering all of Grantee and Sub-grantee employees acting within the course and scope of their employment.

ii. General Liability

Commercial General Liability Insurance written on ISO occurrence form CG 00 01 10/93 or equivalent, covering premises operations, fire damage, independent Grantees, products and completed operations, blanket Grantual liability, personal injury, and advertising liability with minimum limits as follows: **(a)** \$1,000,000 each occurrence; **(b)** \$1,000,000 general aggregate; **(c)** \$1,000,000 products and completed operations aggregate; and **(d)** \$50,000 any one fire. If any aggregate limit is reduced below \$1,000,000 because of claims made or paid, Sub-grantee shall immediately obtain additional insurance to restore the full aggregate limit and furnish to Grantee a certificate or other document satisfactory to Grantee showing compliance with this provision.

iii. Automobile Liability

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Automobile Liability Insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit of \$1,000,000 each accident combined single limit.

iv. Additional Insured

Grantee and the State shall be named as additional insured on the Commercial General Liability and Automobile Liability Insurance policies (leases and construction Grants require additional insured coverage for completed operations on endorsements CG 2010 11/85, CG 2037, or equivalent).

v. Primacy of Coverage

Coverage required of Grantee and Sub-grantees shall be primary over any insurance or self-insurance program carried by Grantee or the State.

vi. Cancellation

The above insurance policies shall include provisions preventing cancellation or non-renewal without at least 45 days prior notice to the Grantee and the State by certified mail.

vii. Subrogation Waiver

All insurance policies in any way related to this Grant and secured and maintained by Grantee or its Sub-grantees as required herein shall include clauses stating that each carrier shall waive all rights of recovery, under subrogation or otherwise, against Grantee or the State, its agencies, institutions, organizations, officers, agents, employees, and volunteers.

C. Certificates

Grantee and all Sub-grantees shall provide certificates showing insurance coverage required hereunder to the State within seven business days of the Effective Date of this Grant. No later than 15 days prior to the expiration date of any such coverage, Grantee and each Sub-grantee shall deliver to the State or Grantee certificates of insurance evidencing renewals thereof. In addition, upon request by the State at any other time during the term of this Grant or any sub-grant, Grantee and each Sub-grantee shall, within 10 days of such request, supply to the State evidence satisfactory to the State of compliance with the provisions of this §13.

Water Supply Reserve Account – Grant Application Form
 Form Revised March 2009

Attachment 2
W-9 Form

<p>Form W-9 (Rev. October 2007) Department of the Treasury Internal Revenue Service</p>	<p>Request for Taxpayer Identification Number and Certification</p>	<p>Give form to the requester. Do not send to the IRS.</p>
<p>Print or type See Specific Instructions on page 2.</p>	<p>Name (as shown on your income tax return) Grand Mesa Water Conservancy District</p> <p>Business name, if different from above</p>	
	<p>Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ <input type="checkbox"/> Other (see instructions) ▶</p>	
	<p><input checked="" type="checkbox"/> Exempt payee</p>	
	<p>Address (number, street, and apt. or suite no.) PO Box 129</p> <p>City, state, and ZIP code Cedaredge CO 81413</p> <p>List account number(s) here (optional)</p>	<p>Requester's name and address (optional)</p>

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

	<p>Social security number</p> <p>.....</p>	
OR		
	<p>Employer identification number</p> <p>90 : 0298670</p>	

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest and dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person ▶	Date ▶ 11/26/10
------------------	----------------------------	------------------------

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

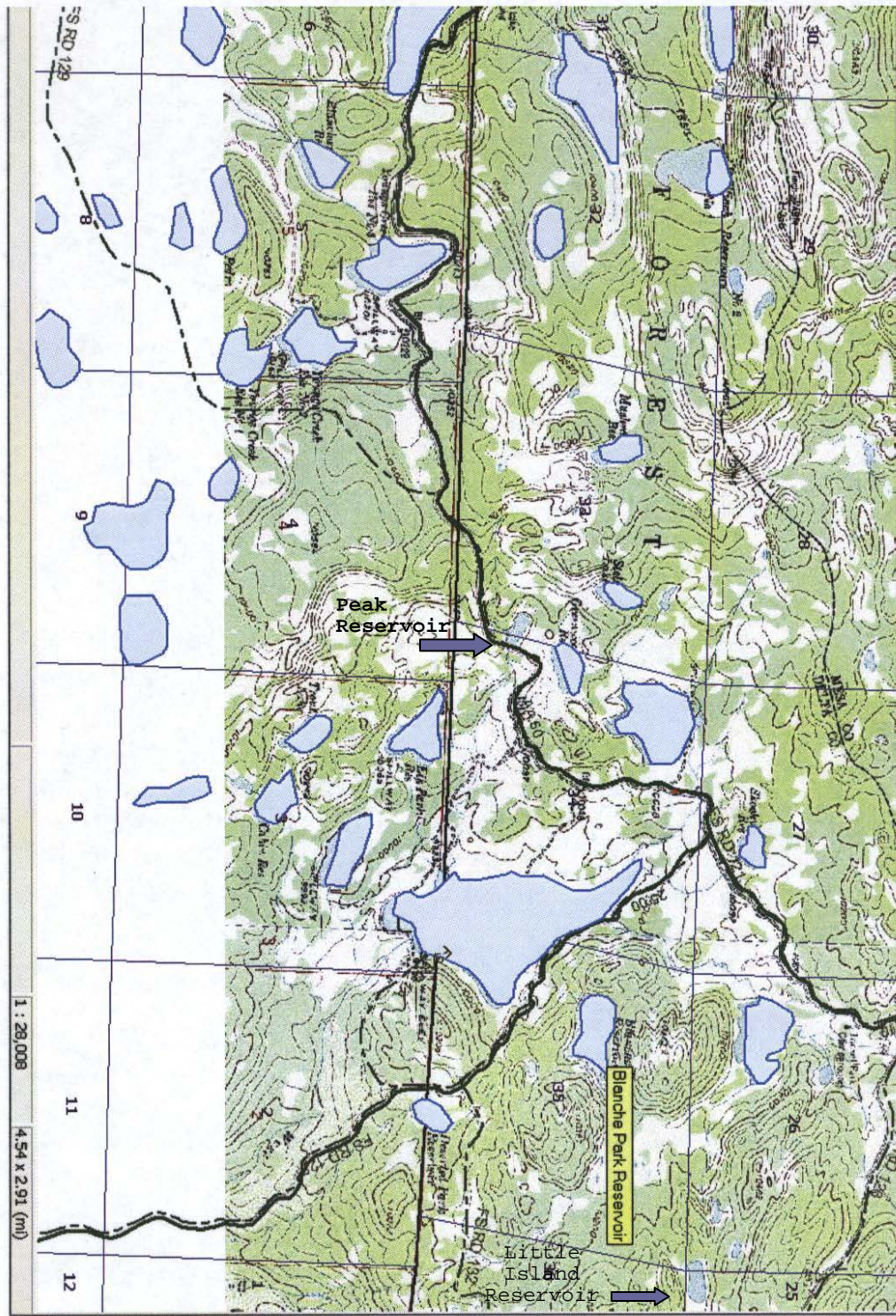
- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

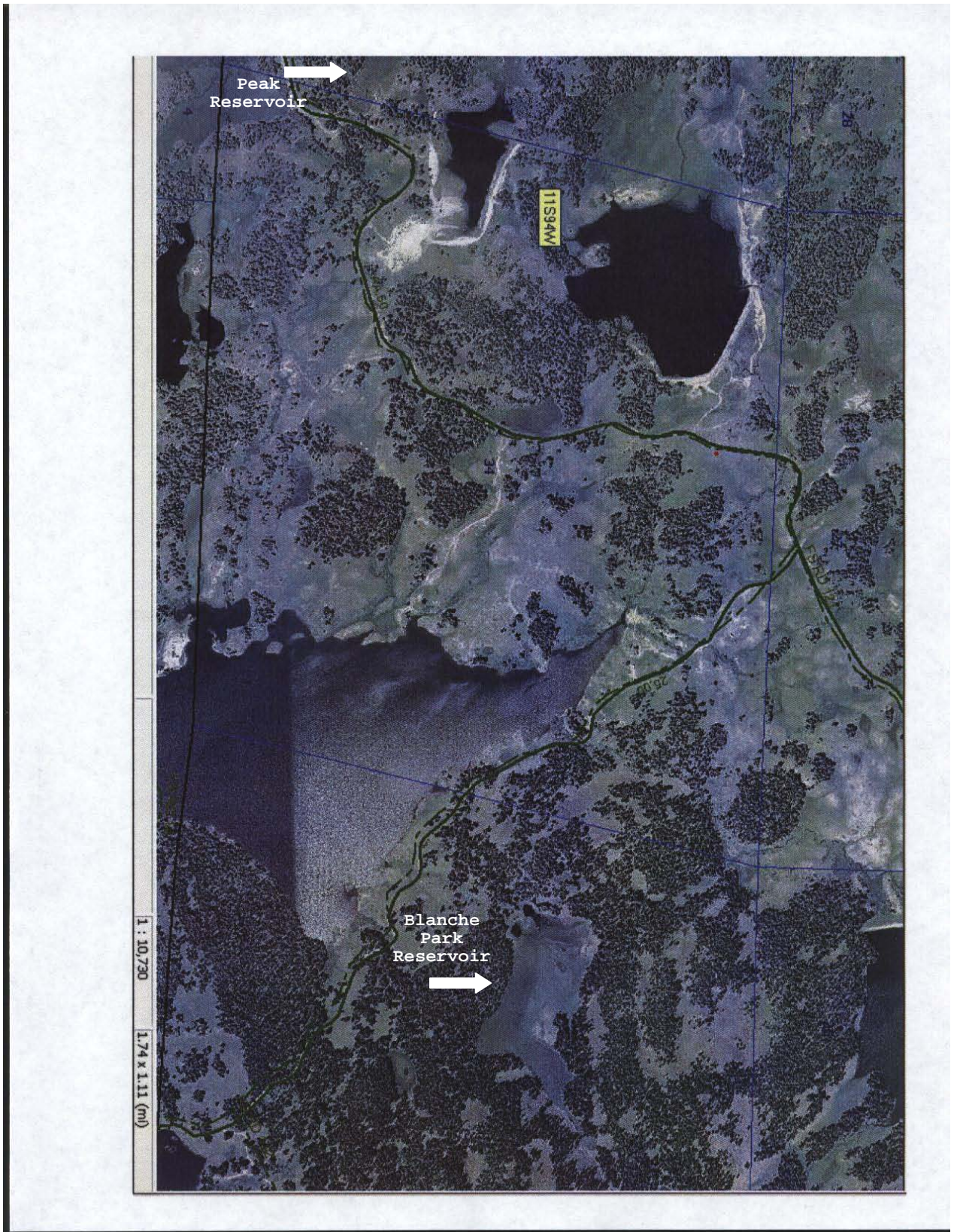
The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

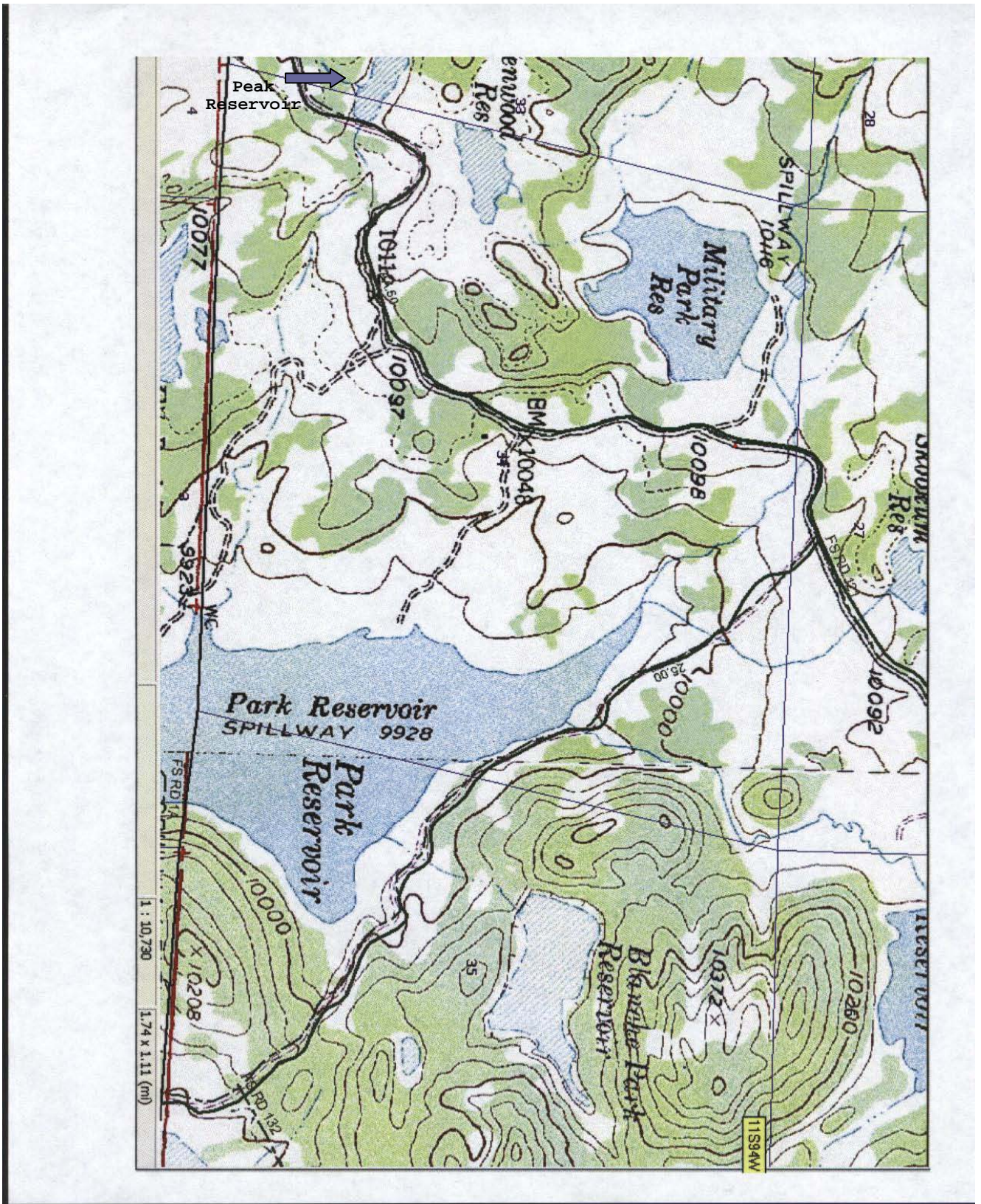
Attachment 3
Maps



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Attachment 4
Blanche Park
Permitting
ERO contract



ERO Resources Corp.
29844 Stingley Gulch Rd.
Hotchkiss, CO 81419
(970) 872-3020
www.eroresources.com
ero@eroresources.com

November 15, 2010

To: Grand Mesa Water Conservancy District Board
From: Aleta Powers, ERO Resources Corporation
Re: Blanche Park Corps Permitting

This memo provides a summary of ERO Resources Corporation's (ERO) approach to 404 compliance for the replacement of the Blanche Park Dam.

ERO believes that, as proposed, the Blanche Park Reservoir dam replacement is authorized under Nationwide Permit (NWP) 3 for Maintenance and does not require notification to the U.S. Army Corps of Engineers (Corps). This action is consistent with other actions that ERO has successfully cleared with the Corps. The footnote to this NWP states, "This NWP authorizes the repair, rehabilitation or replacement of any previously authorized structure or fill that does not qualify for the Clean Water Act Section 404(f) exemption for maintenance". The structure was previously authorized as it was a pre-Clean Water Act structure (33 CFR 330.3). The replacement of the structure is consistent with its original use and location. The dam replacement would not require new permanent access roads with impacts to wetlands. The project would not require dredging in the reservoir pool.

Although notification is not officially required, ERO recommends submitting an information package to the Corps, requesting concurrence in writing. This information package will include justification, citation of regulations, and descriptions of the replacement action.

ERO has completed environmental surveys and cultural resources surveys for the project area. Although it is not currently anticipated to be required, those studies are available to provide the USFS with information to complete additional permitting and clearances.

Consultants in
Natural Resources
and the Environment

Water Supply Reserve Account – Grant Application Form
Form Revised March 2009



ERO Resources Corp.
29844 Stingley Gulch Rd.
Hotchkiss, CO 81419
(970) 872-3020
www.eroresources.com
ero@eroresources.com

November 15, 2010

Austin Keiser
Grand Mesa Water Conservancy District
160 West Main/PO Box 160
Cedaredge, CO 81413

RE: Blanche Reservoir Replacement Project
Nationwide Permit Exemption Verification

Dear Austin:

This letter transmits ERO Resources Corporation's (ERO) proposed scope of work and cost estimate to submit a package to the U.S. Army Corps of Engineers requesting verification that the Blanche Reservoir project is exempt from notification under Nationwide Permit #3, Maintenance. ERO, a Colorado corporation, will conduct the work for the Grand Mesa Water Conservancy District (GMWCD), hereinafter referred to in all accompanying documents as Client.

Enclosed are our Terms and Conditions and a detailed scope of work. ERO will conduct this work on a time-and-materials basis in accordance with the Estimated Costs (attached). Expenses are billed at cost plus 3 percent. Total costs are estimated to be \$2,875.00.

In order to proceed, please sign and return the enclosed copy of this package (Transmittal Letter, scope of work and Terms and Conditions) to signify your acceptance of this proposal and all terms and conditions. Please retain one copy for your records. We look forward to assisting you on this project. Please give me a call if you have any questions – 970-872-3020.

Sincerely,

Accepted By Client:

Aleta S. Powers
Principal

Signature *Date*

Accepted by ERO Resources Corporation

11/15/10

Signature of Principal *Date*

Water Supply Reserve Account – Grant Application Form

Form Revised March 2009



ERO Resources Corp.
29844 Stingley Gulch Rd.
Hatchkiss, CO 81419
(970) 872-3020
www.eroresources.com
ero@eroresources.com

November 15, 2010

To: Grand Mesa Water Conservancy District Board
From: Aleta Powers, ERO Resources Corporation
Re: Blanche Park Corps Permitting—Scope of Work

This memo provides a summary of ERO Resources Corporation's (ERO) approach to 404 compliance for the replacement of the Blanche Park Dam.

ERO believes that, as proposed, the Blanche Park Reservoir dam replacement is authorized under Nationwide Permit (NWP) 3 for Maintenance and does not require notification to the U.S. Army Corps of Engineers (Corps). This action is consistent with other actions that ERO has successfully cleared with the Corps. The footnote to this NWP states, "This NWP authorizes the repair, rehabilitation or replacement of any previously authorized structure or fill that does not qualify for the Clean Water Act Section 404(f) exemption for maintenance". The structure was previously authorized as it was a pre-Clean Water Act structure (33 CFR 330.3). The replacement of the structure is consistent with its original use and location. The dam replacement would not require new permanent access roads with impacts to wetlands. The project would not require dredging in the reservoir pool.

Although notification is not officially required, ERO recommends submitting an information package to the Corps, requesting concurrence in writing. This information package will include justification, citation of regulations, and descriptions of the replacement action. Specific steps anticipated include:

1. Draft information submittal to the Corps (includes review by Senior Principal)
2. Coordinate with GMWCD for review and feedback
3. Incorporate any changes from GMWCD
4. Submit package to Corps
5. 1 meeting with Corps to review and discuss package

ERO anticipates the following information will be provided by GMWCD, MM&D, or is already available in the project files:

1. Approximate existing conditions map
2. Proposed footprint of new dam
3. Previous and proposed capacity
4. Access road alignment

*Consultants in
Natural Resources
and the Environment*

Attachment 5
Forest Service Permitting

--- On **Fri, 11/19/10, Linda K Bledsoe <lbleadsoe@fs.fed.us>** wrote:

From: Linda K Bledsoe <lbleadsoe@fs.fed.us>
Subject: Re: Fw: Blanche Park Reservoir Project
To: "Austin Keiser" <askeiser@yahoo.com>
Date: Friday, November 19, 2010, 10:58 AM

Austin,

I hadn't had an opportunity to respond to your e-mail, but I will do so now. I have been working on several of my favorite projects: Hunter Reservoir, ditch bill and oil and gas leasing. Add in a couple of mad landowners on the Plateau because they just became aware that they need permission from the Forest Service to use some roads that have been there for sometime in order to access their private property. Life is really fun at times!

The process for issuing a temporary special use permit -- or a construction permit -- for the Blanche Park Project will involve the same type of information needs as did issuing the long-term permit for Peak Reservoir. It's good that the cultural resource and wildlife/plant surveys have already been done. That's why I suggested ERO go ahead and do both reservoir projects this past summer so we weren't having to wait for the surveys to be done next year. The Forest Service still has to do the environmental analysis document no matter what kind of permit is issued.

The thing that will be what I'll call a bit "trickier" on Blanche Park will be the access from the Surface Creek Road to the reservoir. We will need a good description of what work will need to be done to the route in order to allow equipment access to the reservoir -- and remember to keep it as "light on the land" as possible and that we will be asking you to put it back as well as possible, while still allowing for operation and maintenance access.

And, if Aleta hasn't already done so, I would make sure that Carrie Sheata at the Corps of Engineers is contacted. My understanding is that, even if a nationwide permit for "maintenance" is to be granted, the wetlands still need to be delineated.

I hope this all makes sense! Let me know if

Linda Bledsoe, Realty Specialist
Grand Valley Ranger District
2777 Crossroads Blvd., Unit 1
Grand Junction, CO 81506
phone: 970-263-5802
fax: 970-263-5819,
cell: 970-596-5690
e-mail: lbleadsoe@fs.fed.us

Attachment 6

Engineering Contract
MM&D Engineering Services, Inc.

1. Design Survey, I have a total design survey contract of \$5,530 and have completed all but the final drafting for the high water line and final drafting of the topographic map. The field work is complete. We have billed and been paid for all but \$693.60 of this contract.

2. During the winter months we anticipate finishing the drafting of the field work and preparing the construction documents, specifications, and report as required by the Colorado Dept. Of Water Resources. We anticipate that to be completed within the contract amount of \$12,800. Because of the time for approval through the State Engineers Office, I would like to begin work around the first of the upcoming year.

I hope this answers your questions and helps with the Grant Application.

William E. Miller PE

MM&D Engineering Services, Inc.

9125 N Clydesdale Rd

Castle Rock , Colorado 80108

(303) 908-0062

(303) 908-0062

(303) 708-8399 FAX

bill.miller@mmdeng.com

**Attachment 7
 MM&D Engineering Bid**



MM&D Engineering Services

Engineering * Surveying * Construction Management

www.mmdeng.com

9125 N. Clydesdale Rd	305 ½ Main St
Castle Rock, CO 80108	Delta, CO 81416
303-908-0062	970-210-9982
303-708-8399 f	970-874-5692 (o)
	970-874-0197(f)

PROFESSIONAL SERVICES AGREEMENT

July 21, 2010

CLIENT: Grand Mesa Water Conservancy District
 c/o Austin Keiser
 160 W. Main
 P.O. Box 160
 Cedaredge, Colo. 81413

CONSULTANT: MM&D Engineering Services, Inc.
 305 ½ Main Street
 Delta, Colo. 81416
 bill.miller@mmdeng.com

RE: Blanche Park Reservoir Reconstruction

SECTION I: SCOPE OF SERVICES

MM&D Engineering Services, Inc. proposes to furnish the engineering services & design surveying services as outlined herein for development of the design drawings for the outlet works and spillway for Blanche Park Reservoir as well as Field Work required establishing and marking the Easement Boundaries and High Water.

SCHEDULE OF SERVICES

	<u>Fee</u>
PHASE I - Final Engineering	
Prepare Hydrologic Analysis	\$ 1,600.00
Design Outlet	\$ 2,160.00
Design Embankment & Cross Sections	\$ 2,840.00
Prepare Hydraulic Analysis	\$ 1,200.00
Emergency Overflow Design	\$ 1,480.00
Prepare Design Report	\$ 1,200.00
Prepare Construction Specifications	\$ 800.00
Meetings	\$ 1,600.00
Reproduction	Cost + 15%
	=====
Total	\$ 12,880.00

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Attachment 8 Lambert & Associates bid

- Our suggestions and recommendations will be based on the subsoil and ground water conditions encountered and on our experience with similar soil conditions.
- The data generated during our field and laboratory studies will also be presented in our geotechnical engineering report.
- Our study will not address environmental or geologic hazard issues.

We are available to proceed with the scope of services outlined upon your authorization, upon site access and upon availability of our drill rig. We anticipate about one (1) to two (2) weeks advance notice to schedule the field crew. The field study will take approximately two (2) or three (3) days to complete.

We can discuss our findings and recommendations with you and your design team prior to completion of our written report to enable you and your other consultants to continue with the design. The report will be issued approximately four (4) to six (6) weeks after the field study.

Our fees for the services outlined above will be generated on a time and material basis in accordance with our current fee schedule a copy of which is attached. We suggest that you budget between \$ 8,500.00 and \$ 10,000.00 for the geotechnical engineering study. The reason for the range for our fees is the possibility of a work scope change or access characteristics that are difficult to anticipate.

Our fees will include drill rig service fees to advance the test borings. The fee includes laboratory tests, geotechnical engineering analysis, preparation, and submittal of our report. This fee does not include additional costs due to site access such as pioneering an access road or utility locates. Our fee includes three (3) copies of our report. Additional copies of our report requested after our initial submittal will be invoiced at \$ 95.00 per copy.

The fee outlined above includes drill rig fees to excavate the small diameter test borings. We use our drill rig for our field study rather than the more invasive back hoe excavated test holes because:

Lambert and Associates

Consulting Geotechnical Engineers
And Material Testing

Water Supply Reserve Account – Grant Application Form

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We have attached a copy of a two page publication and a brochure from the Association of Soil and Foundation Engineers which we feel you should read to further your understanding of geotechnical engineering services. Enclosed is a brief synopsis of our background and resumes of some of our key personnel for your review.

This proposal constitutes an offer to perform the services for the fees described. This offer will remain open until 5:00 p.m. on 27 June 2010. If we have not received from you a signed copy of this proposal by the date and time, then this offer will be withdrawn. If it is not fully executed, we reserve the right to modify our proposal in both scope and fee.

If you have any questions or if we can supply additional information please contact us. We are available to discuss scheduling of the field work with you.

You may telephone facsimile the signed signature page of this proposal to us at 970 249 3262 to initiate our study and mail the signed proposal for confirmation.

Respectfully submitted,
LAMBERT AND ASSOCIATES



Dennis D. Lambert, P.E.

PROPOSAL NUMBER: 10049

ACCEPTED BY:

 , P.E. Date: 6/20/10

Name:

Date:

GRAND MESA WATER CONSERVANCY DISTRICT - Cell #970-250-4027

Firm:

Phone:

P.O. Box 129

970-856-3175 - My R.E. Office

Address:

Fax:

COVADENGE, Co 81413

Keiser@gmwcd.org - or -
e-mail: askeiser@yahoo.com

City:

Lambert and Associates

Consulting Geotechnical Engineers
And Material Testing

**Attachment 9
Board Resolution**

RESOLUTION

The following is a resolution acted upon by the Board of Directors of the Grand Mesa Water Conservancy District (GMWCD):

BE IT HEREBY RESOLVED: The GMWCD Board of Directors authorizes the board President to execute the necessary contracts for engineering services and permits for the second phase of the reservoir rehabilitation project identified as Blanche Park Reservoir.

Carried.

Attest:


Secretary – Treasurer

November 28, 2010

