

Exhibit A
Statement of Work

WATER ACTIVITY NAME – NDIC Tunnel Repair Project

GRANT RECIPIENT – North Delta Irrigation Company

FUNDING SOURCE – Gunnison Roundtable, Water Supply Reserve Account (WSRA)

INTRODUCTION AND BACKGROUND

The North Delta Irrigation Company manages the North Delta Irrigation Canal (NDIC); a twenty-three mile canal that delivers the Company's decreed Gunnison River water right to its shareholders. The canal is an earthen ditch that includes a 1,450-foot tunnel. At the end of July 2011 a portion of the tunnel collapsed, blocking irrigation deliveries to nearly 94% of the Company's headgates. The blockage consists of a forty-foot mass of dirt and rock 350 feet east of the west portal of the tunnel, directly east of Highway 65, one mile north of Highway 92.

The tunnel is situated near the downstream limit of a two-mile stretch of the canal constructed along the steep hillside paralleling the Gunnison River. This stretch of canal is flat, heavily vegetated and showing growing signs of instability. The installation of approximately 700 feet of pipe upstream from the tunnel is necessary to improve the hydraulic gradient at the tunnel, roughly doubling the capacity through the tunnel conduit.

OBJECTIVE

The project will restore the ability to deliver water to downstream shareholders, increase the reliability of deliveries, and reduce annual maintenance expenses.

SCOPE OF WORK

Task 1 – Tunnel Rehabilitation

This task encompasses all labor, materials, and equipment required for the installation of approximately 1,500 linear feet of 54" HDPE sliplined pipe conduit through the existing underground tunnel. This task includes the mobilization of equipment, tunnel reaming and preparation, fusing and installation of pipe conduit and toe drain, placement of tunnel backfill and grout, and the construction of inlet and outlet portal bulkheads.

Method/Procedure

Construction methods and procedures shall be in accordance with the final project plans, signed and sealed on March 24, 2012, and the specification document titled "Plans and Specifications for Irrigation Tunnel Rehabilitation and Canal System Upgrade," prepared

by WestWater Engineering, and dated March 2012. All operations shall be performed following OSHA and all other local, State and Federal laws and regulations for work in an underground environment.

Deliverable

Signed and dated paper and electronic copies of As-Built drawings prepared by engineer of record on 11" x 17" sheet size.

Task 2 – Canal System Improvements

This task encompasses all labor, materials, and equipment required for the installation of approximately 733 linear feet of 60-inch low pressure irrigation pipe. This task includes the mobilization of equipment; site preparation; installation, bedding and backfilling of all irrigation pipe, culvert crossings and toe drains; installation of manholes and mechanical fittings; construction of one concrete flow control structure; and construction of two headwalls with rock rip-rap.

Method/Procedure

Construction methods and procedures shall be in accordance with the final project plans, signed and sealed on March 24, 2012, and the specification document titled "Plans and Specifications for Irrigation Tunnel Rehabilitation and Canal System Upgrade," prepared by WestWater Engineering, and dated March 2012. All operations shall be performed following OSHA and all other local, State and Federal laws and regulations for work in an underground environment.

Deliverable

Signed and dated paper and electronic copies of As-Built drawings prepared by engineer of record on 11" x 17" sheet size.

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.

BUDGET

The total project cost is estimated to be \$1,530,110 and will be funded by an \$800,000 loan and \$800,000 grant. The CWCB loan will fund the initial \$800,000 of project costs. Once all loan funds have been fully expended, the remaining project costs will be funded by the grant, up to the approved limit of \$800,000 (\$40,000 from the Gunnison Basin and up to \$760,000 from the statewide account). Based on the estimated project cost, \$730,110 of the grant funds are authorized per this scope of work. Should project costs exceed the authorized amount, a contract amendment will be required to increase grant funding as required, up to a maximum of \$800,000.

Table 1: Project Budget

Task		Project Costs
Task 1 – Tunnel Rehabilitation		\$1,235,700
1.1 Mobilization	\$13,500	
1.2 Tunnel Preparation and Reaming	\$50,000	
1.3 54-Inch HDPE Slipline Pipe w/ Toe Drain	\$615,000	
1.4 54-Inch to 60-Inch Transition Fittings	\$7,200	
1.5 Tunnel Inlet/Outlet Concrete Bulkheads	\$50,000	
1.6 Concrete Filler/Grout	\$500,000	
Task 2 – Canal System Improvements		\$294,410
2.1 Mobilization	\$6,500	
2.2 Site Preparation	\$4,650	
2.3 Pipe Materials and Installation	\$241,145	
2.4 Pipe Fittings and Manhole Installation	\$29,290	
2.5 Concrete Flow Control Structure	\$7,125	
2.6 Headwalls and Rip-Rap	\$5,700	
Total Project Costs:		\$1,530,110
Less CWCB Loan Funding		-\$800,000
WSRA Grant Funding		\$730,110

SCHEDULE

Due to the emergency nature of the project, it is anticipated that work funded by the CWCB loan may begin prior to contract approval of grant funding. No project costs initiated prior to grant contract approval will be eligible for reimbursement from grant funds.

Table 2: Project Schedule

Task	Start Date	Finish Date
Tunnel Rehabilitation (\$0 - \$800,000)	April 2, 2012	August 31, 2012
Tunnel Rehabilitation (\$800,000 - \$1,220,700)	April 17, 2012*	August 31, 2012
Canal System Improvements	April 17, 2012*	April 1, 2013

* pending approval of grant funding contract

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.

Appendix 1

Reference Information

The following information is available via the internet. The reference information provides additional detail and background information.

- Water Supply Reserve Account main webpage:
 - <http://cwcb.state.co.us/LoansGrants/water-supply-reserve-account-grants/Pages/main.aspx>
- Water Supply Reserve Account – Basin Fund Application Details:
 - <http://cwcb.state.co.us/LoansGrants/water-supply-reserve-account-grants/Pages/BasinWaterSupplyReserveAccountGrants.aspx>
- Water Supply Reserve Account – Statewide Fund Application Details:
 - <http://cwcb.state.co.us/LoansGrants/water-supply-reserve-account-grants/Pages/StatewideWaterSupplyReserveAccountGrants.aspx>
- Colorado Water Conservation Board main website:
 - <http://cwcb.state.co.us/>
- Interbasin Compact Committee and Basin Roundtables:
 - <http://cwcb.state.co.us/about-us/about-the-ibcc-brts/Pages/main.aspx/Templates/BasinHome.aspx>
- House Bill 05-1177 – (Also known as the Water for the 21st Century Act):
 - <http://cwcbweblink.state.co.us/DocView.aspx?id=105662&searchhandle=28318>
- House Bill 06-1400 – (Adopted the Interbasin Compact Committee Charter):
 - <http://cwcbweblink.state.co.us/DocView.aspx?id=21291&searchhandle=12911>
- Senate Bill 06-179 – (Created the Water Supply Reserve Account):
 - <http://cwcbweblink.state.co.us/DocView.aspx?id=21379&searchhandle=12911>
- Statewide Water Supply Initiative 2010:
 - <http://cwcb.state.co.us/water-management/water-supply-planning/Pages/SWSI2010.aspx>

Appendix 2

Insurance Requirements

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

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**.

Appendix 3

Water Supply Reserve Account Standard Contract Information

It should also be noted that grant funds to be used for the purchase of real property (e.g. water rights, land, conservation easements, etc.) will require additional review and approval. In such cases applicants should expect the grant contracting process to take approximately 3 to 6 months from the date of CWCB approval.

The standard contract is available here under the header “Additional Resources” on the right side:

<http://cwcb.state.co.us/LoansGrants/water-supply-reserve-account-grants/Pages/BasinWaterSupplyReserveAccountGrants.aspx>

Appendix 4

W-9 Form

NOTE: A completed W-9 form is required for all WSRA projects prior execution of a contract or purchase order. Please submit this form with the completed application.