

STATE OF COLORADO

Colorado Water Conservation Board

Department of Natural Resources

1580 Logan Street, Suite 600
Denver, Colorado 80203
Phone: (303) 866-3441
Fax: (303) 894-2578
www.cwcb.state.co.us



December 4, 2012

Montezuma Valley Irrigation Company
Attn: Don Magnuson, Manager
P.O. Box 11501 Highway 491
Cortez, CO 81321

John W. Hickenlooper
Governor

Mike King
DNR Executive Director

Jennifer L. Gimbel
CWCB Director

**RE: Improved Water Use, Conservation, Management & Operations through the
Implementation of Water Accounting Software**

Dear Don:

This letter is to inform you that the contract for the WSRA grant request to assist in the Improved Water Use, Conservation, and Management & Operations through the Implementation of Water Accounting Software in the Southwest River Basin was signed on December 3, 2012.

With the executed contract, you are now able to proceed with the project and begin invoicing the State of Colorado for costs incurred through December 31, 2014. Upon receipt of your invoice(s), the State of Colorado will provide payment no later than 45 days. I wish you much success in your project.

Sincerely,

/s/

Anna Mauss, P.E.
Water Project Loan Program
Colorado Water Conservation Board
Department of Natural Resources
1580 Logan Street, Suite 600
Denver, CO 80203
Phone: (303)866-3441 x 3224
Fax: (303) 894-2578
anna.mauss@state.co.us
www.cwcb.state.co.us

WATER CONSERVATION BOARD
1313 SHERMAN STREET, ROOM 721
DENVER, CO 80203

DATE: 12-03-12

IMPORTANT

The PO# and Line # must
appear on all invoices,
packing slips, cartons
and correspondence



**PURCHASE
ORDER**
STATE OF COLORADO

Buyer: ALLAN SMITH
Phone Number: 303-866-3292
Agency Contact: DORI VIGIL
Phone Number: 303 866 3441

ACC: 11-30-12

P.O. # OE PDA 13IBC000012 Page# 01

State Award #

FEIN 840270210 * Phone: 970-565-3332

Vendor Contact:

Purchase Requisition #:

V MONTEZUMA VALLEY IRRIGATION CO
E
N
D PO BOX 1056
O CORTEZ CO 81321
R

BID #

Invoice in Triplicate

To: DIVISION OF WATER CONSERVATION
1313 SHERMAN STREET, ROOM 721
DENVER, CO 80203

Payment will be made by this agency

Ship To: DIVISION OF WATER CONSERVATION
1313 SHERMAN STREET, ROOM 721
DENVER, CO 80203

Delivery/Installation Date: 12-31-14

F.O.B. DESTINATION STATE PAYS NO FREIGHT

INSTRUCTIONS TO VENDOR:

1. If for any reason, delivery of this order is delayed beyond the delivery/installation date shown, please notify the agency contact named at the top left. (Right of cancellation is reserved in instances in which timely delivery is not made.)
2. All chemicals, equipment and materials must conform to the standards required by OSHA.
3. NOTE: Additional terms and conditions on reverse side.

SPECIAL INSTRUCTIONS:

LINE ITEM	COMMODITY/ITEM CODE	UNIT OF MEASUREMENT	QUANTITY	UNIT COST	TOTAL ITEM COST
001	91843000000				\$52,500.00
	CMS#51308- IMPROVED WTR USE, CONSER, MGMT, OPERATIONS THRU THE IMPLEMENTATION OF WATER ACCOUNTING SOFTWARE				

DOCUMENT TOTAL =
FOR THE STATE OF COLORADO

\$52,500.00

THIS PO IS ISSUED IN ACCORDANCE WITH STATE AND FEDERAL REGULATIONS
This PO is effective on the date signed by the authorized individual.

EPSPO - FAA

Authorized Signature

Date

12/31/12

Exhibit A
Statement of Work

WATER ACTIVITY NAME - **IMPROVED WATER USE, CONSERVATION,
MANAGEMENT AND OPERATIONS THROUGH
THE IMPLEMENTATION OF WATER
ACCOUNTING SOFTWARE**

GRANT RECIPIENT – **MONTEZUMA VALLEY IRRIGATION COMPANY**

FUNDING SOURCE - **BASIN WATER SUPPLY RESERVE ACCOUNT**

INTRODUCTION AND BACKGROUND

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)

MVIC owns senior decrees on the Dolores River that are pivotal to the success of agriculture as well as urban and rural development and the quality of life in the Montezuma Valley. How this water is utilized not only impacts the stockholders of MVIC, but impacts their neighbors and the community at large.

There is a good, detailed record of MVIC's historical diversion and storage of water. However, there is little record of the delivery of this water. To effectively know where water is being used and how it is being used and to effectively determine where improvements might be most beneficial and measure the effectiveness of those improvements, it is critical to have good delivery records.

OBJECTIVES

List the objectives of the project

This project will allow MVIC to implement and document water conservation programs, which will benefit nonconsumptive, agricultural, and municipal/industrial purposes. There will also be an educational aspect in that management can document for its shareholders and other interested parties the ability to efficiently meet the demands of the community, the success of conservation programs and the availability of water, or the lack thereof, to meet the emerging demands of the area.

TASKS

Provide a detailed description of each task using the following format

TASK 1 – Contract Development

Description of Task

Develop contract with supplier

Develop service and maintenance agreement

Method/Procedure

Develop a contract acceptable to the Board of Directors of MVIC and TruePoint Solutions

Deliverable

Executed contract

TASK 2 – Kickoff Meeting

Description of Task

Establish project approach and communication protocol

Determine points of contact for MVIC and TruePoint

Establish project team and define role of team members

Establish project procedures

Establish an understanding of MVIC business process

Operations

Financial

Determine required and potential interfaces

Determine data availability, quantity and quality for conversion

Review project deliverables and milestones

Method/Procedure

Interview staff and review reporting requirements

Review existing data and potential interface requirements

Review business practices associate with the TruePoint software

Evaluate MVIC technology infrastructure for compliance with TruePoint's requirements

Deliverable

Kick-off meeting

TASK 3 – System Analysis

Description of Task

Identify the detailed system requirements for all interfaces, conversion and reports

Data quality evaluation

Data conversion

Establish timelines

Method/Procedure

Review project scope

Develop project plan

Deliverable

Findings and recommendations

TASK 4 – Install and Configure Software and Data

Description of Task

Successful installation of the TruePoint software in MVIC's environment

Test the configuration of the TruePoint suite of products to meet the requirements

Method/Procedure

Install and test the TruePoint software

Conduct system configuration and data conversion activities

Develop and test all reports, interfaces and conversions

Deliverable

Up to three meeting to review product configuration and project status

Installed instance of TruePoint software

TruePoint configured to meet MVIC's requirements

TASK 5 – Training

Description of Task

Train MVIC personnel of the use and maintenance of the TruePoint system

Office staff

Field staff

Method/Procedure

Conduct up to two days training for specific user groups

Deliverable

Training completed

TASK 6 – Go Live

Description of Task

Process final data conversions

Deploy the TruePoint System on MVIC's production environment for GO LIVE

Method/Procedure

Develop and execute deployment plan for production installation and GO LIVE

Deliverable

Project completion and GO LIVE

TASK 6 – Project perpetuation

Description of Task

Implement support plan for perpetual maintenance

Method/Procedure

Develop and execute maintenance and service plan

Deliverable

Provide a perpetual, enterprise wide licensed solution through maintenance and service agreement

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

Provide a detailed budget by task including number of hours and rates for labor and unit costs for other direct costs (i.e. mileage, \$/unit of material for construction, etc.). A detailed and perfectly balanced budget that shows all costs is required for the State's contracting and purchase order processes. Sample budget tables are provided below. Please note that these budget tables are examples and will need to be adapted to fit each individual application. Tasks should correspond to the tasks described above.

Total Costs				
	Labor	Direct Costs	Matching Funds (If Applicable)	Total Project Costs
Task 1 – Contract Development	4,000	6,500		10,500
Task 2 – Kickoff Meeting	1,000	21,000	10,500	22,000
Task 3 – System Analysis	22,000	25,000	12,500	47,000
Task 4 – Install & Configuration of Software & Data	24,000	14,000	5,500	38,000
Task 5 - Training	2,500	26,000	13,000	28,500
Task 6 – Go Live	1,500	22,000	11,000	23,500
Task 7 – Project Perpetuation				
Total Costs:	\$55,000	\$114,500	\$52,500	\$169,500

Example Titles									
Example Project Personnel:	Project Managers	Clerical	Hardware	Software License	Professional Services	Annual Service & Maintenance	Travel		Total Costs
Hourly Rate:	\$75.00	\$25.00							
Task 1 – Contract Development	4,000		6,500						10,500
Task 2 – Kickoff Meeting	1,000			20,000			1,000		22,000
Task 3 – System Analysis	10,000	12,000		25,000					47,000
Task 4 – Install & Configuration of Software & Data	12,000	12,000	3000	10,000			1,000		38,000
Task 5 - Training	2,000	500			25,000		1,000		28,500
Task 6 – Go Live	1,000	500				22,000			23,500
Task 7 – Project Perpetuation									
Total Hours:	400	1000							
Cost:	\$30,000	\$25,000	\$9,500	\$55,000	\$25,000	\$22,000	\$3,000		\$169,500

Other Direct Costs						
Item:	Copies	Materials	Equipment/ Supplies	Mileage		Total
Units: Unit Cost:	No.			Miles		
Task 1						
Task 2						

In-Kind Contributions (If Applicable)					
Project Personnel:	Project Managers	Clerical	Hardware		Total
Hourly Rate:	\$75.00	\$25.00			
Task 1 – Contract Development	4,000		6,500		10,500
Task 2 – Kickoff Meeting	1,000				1,000
Task 3 – System Analysis	10,000	12,000			22,000
Task 4 – Install & Configuration of Software & Data	12,000	12,000	3000		27,000
Task 5 - Training	2,000	500			2,500
Task 6 – Go Live	1,000	500			1,500
Task 7 – Project Perpetuation					
Total Hours:	400	1000			
Total Cost:	\$30,000	\$25,000	\$9,500		\$64,500

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
Task 1 – Contract Development	Upon NTP	NTP + 60 days
Task 2 – Kickoff Meeting	Upon NTP	NTP + 60 days
Task 3 – System Analysis	NTP + 30 days	NTP + 90 days
Task 4 – Install & Configuration of Software & Data	NTP + 90 days	NTP + 150 days
Task 5 – Training		NTP + 150 days
Task 6 – Go Live		May 1, 2013
Task 7 – Project Perpetuation		October 1, 2014

NTP = Notice to Proceed

Example 2

Task	First 6 Months						Second 18 Months					
	10/12 – 12/12			1/13 – 3/13			4/13 – 6/13		7/13 – 10/14			
Task 1 – Contract Development												
Task 2 – Kickoff Meeting												
Task 3 – System Analysis												
Task 4 – Install & Configuration of Software & Data												
Task 5 – Training												
Task 6 – Go Live												
Task 7 – Project Perpetuation												
Final Reports												

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

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

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

NOTE: The standard contract is required for WSRA projects that exceed \$100,000. (Projects under this amount will normally be funded through a purchase order process.) Applicants are encouraged to review the standard contract to understand the terms and conditions required by the State in the event a WSRA grant is awarded. Significant changes to the standard contract require approval of the State Controller's Office and often prolong the contracting process.

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://cwc.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.