



**WATER SUPPLY RESERVE ACCOUNT
APPLICATION FORM FOR
BASIN IMPLEMENTATION PLANS**



**South Platte and
Metro**

**South Metro Water Supply Authority and
Northern Water (co-applicant)**

Basin

Applicant/Fiscal Agent

8/13/13 and 8/14/13

Roundtable Approval Date

Amount from Statewide Account:

\$329,600

Amount from Basin Account:

**\$41,200 - SPBRT
\$41,200 - Metro RT**

Total WSRA Funds Requested:

\$412,000

**Applicant Mailing
Address:**

*8400 East Prentice Ave.
Suite 1500
Greenwood Village, CO
80111*

Taxpayer ID#:

98-17791

Primary Contact:

Eric Hecox

Position/Title:

Executive Director

Email:

eric.hecox@southmetrowater.org

Phone Numbers:

Cell:

303-968-6073

Office:

303-409-7747

The Colorado Water Conservation Board (CWCB) has requested that each basin roundtable complete a Basin Implementation Plan as a fundamental component of the forthcoming update to the Statewide Water Supply Initiative and the Colorado Water Plan requested by Governor Hickenlooper's Executive Order D 2013-005. The CWCB's technical team will be available to help with the creation of these plans. In addition, resources of the Colorado River Water Availability Study Continuation will be available to west slope basins to help with more detailed modeling analyses in the plans. Basins are also encouraged to use Water Supply Reserve Account (WSRA) funds to complete all or a portion of their plans.

Since the plans meet the intent and criteria of the WSRA program, fund requests for this purpose should use this streamlined WSRA application form. In addition, staff has determined that Basin Implementation Plans meet the WSRA evaluation criteria for funds from the Statewide WSRA Account, however, applications that seek more than 33% of funds from the Statewide Account must provide a separate sheet justifying the request.

Along with this completed form, the applicant must submit **a detailed scope of work as Exhibit A**, including a budget and schedule. The scope should closely follow the items set forth in the Basin Implementation Plan Guidance Descriptive Outline available on the CWCB website, including the following components:

	Included in this Application (Y or N)?
Executive Summary	
Section 1: Basin Goals and Measurable Outcomes	Y
Section 2: Evaluate Consumptive and Nonconsumptive Needs	Y
2.1 Nonconsumptive Needs	Y
2.2 Consumptive Needs	Y
Section 3: Evaluate Consumptive & Nonconsumptive Constraints and Opportunities	Y
3.1 Current Basin Water Operations and Hydrology	Y
3.2 Water Management and Water Administration (Optional)	
3.3 Hydrologic Modeling (Optional)	Y
3.4 Shortages Analysis	Y
Section 4: Projects and Methods	Y
4.1 Education, Participation & Outreach	Y
4.2 New Multi-Purpose, Cooperative, and Regional Projects and Methods	Y
4.3 M&I Projects and Methods (i.e. projects, conservation, reuse, drought planning)	Y
4.4 Agricultural Projects & Methods	Y
4.5 Non-consumptive Projects and Methods	Y
4.6 Interbasin Projects and Methods (optional)	Y
Section 5: Implementation Strategies for the Projects and Methods	Y
Section 6: How the plan meets the Roundtables' Goals and Measurable Outcomes	Y

The application must also be accompanied by the roundtable's letter of approval, required for all WSRA applications. In addition, the applicant must: coordinate plan development with CWCB's staff and technical team; meet all the WSRA eligibility criteria detailed in the WSRA Criteria and Guidelines document; be able to use the standard contract; address any TABOR issues; provide a W-9 form; and provide proof of required insurance. Other WSRA reference material is available on the CWCB website. Applications must be approved by the CWCB board, but the CWCB approval process may be expedited to accommodate aggressive timelines.

Signature of Applicant: *Eric B. Hecox*

Print Applicant's Name: *Eric Hecox*

Date: *8/22/13*

Return an electronic version of all application materials to:

WSRA Application – Basin Implementation Plans
Colorado Water Conservation Board
1580 Logan Street, Suite 200
Denver, CO 80203
rebecca.mitchell@state.co.us

Please note that costs incurred prior to execution of a contract or purchase order are not subject to reimbursement. All WSRA funds are disbursed on a reimbursement basis after review of invoices and appropriate backup material from the applicant. Invoices from any other entity (i.e. subcontractors) cannot be processed by the State. The invoice must include: a description of the work accomplished by major task, an estimate of the percent completed by individual tasks and the entire project 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 project budget will be withheld until final plan 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.

August 27, 2013

Jacob Bornstein
Colorado Water Conservation Board
Water Supply Planning Section, WSRA Application
1580 Logan Street, Suite 200
Denver, CO 80203

Dear Jacob,

Respectively the South Platte Basin and Metro Roundtables voted at its August 13 and 14 meetings, to approve the two grant applications associated with development of the Basin Implementation Plan for the South Platte Basin.

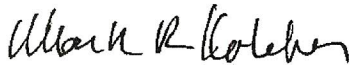
Each of the roundtables unanimously approved \$41,200 each from the Basin Accounts, and endorsed the request for \$329,600 from the Statewide Account, for work on the South Platte Basin Implementation Plan. In total, \$412,000 is requested for work as described in the Integrated Scope of Work – Phase II – BRT Consultant Component attached to the application.

Furthermore, each roundtable unanimously approved an additional amount from each Basin Account (South Platte - \$59,000, Metro \$58,000), and endorsed the request for \$58,000 from the Statewide Account, for work on the Non-Consumptive portion of the South Platte Basin Implementation Plan. In total, \$176,000 is requested for work as described in the South Platte/Metro Non-Consumptive Needs Scope of Work attached to the application.

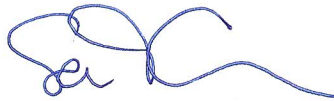
The Roundtables underwent an evaluation and approval process, and believe the applications fully meet the Threshold and Evaluation Criteria for the WSRA Grant Program for Basin Implementation Plans. Both the Metro and South Platte Roundtables support the identified scopes of work as required for development of the South Platte Basin Implementation Plan. During the evaluation and approval process, there were no dissenting votes or opinions expressed, a quorum of the members voted on the applications, and the applications were unanimously supported by both the Metro and South Platte Roundtable membership.

This letter is intended to fulfill Threshold Criteria B (Part III 1.b. in the WSRA Application). The full WSRA Application will be provided separately by the sponsoring agencies. Please let us know if you need any additional information.

Sincerely yours,



Mark Koleber
Chair, Metro Roundtable



Sean T. Cronin
Chair, South Platte Basin Roundtable

Water Supply Reserve Account – Grant and Loan Program
Water Activity Summary Sheet
September 24, 2013
Agenda Item 18(s)

Applicant: South Metro Water Supply Authority and Northern Colorado Water Conservancy District

Water Activity Name: South Platte and Metro Integrated Basin Implementation Plan - Consumptive

Water Activity Purpose: All inclusive

River Basin: South Platte

Water Source: South Platte River and tributaries

Amount Requested: \$329,000 Statewide, \$41,200 South Platte Basin Account, \$41,200 Metro Account

Matching Funds: none

Staff Recommendation

Staff recommends conditional approval of up to \$138,000 from the Statewide Account, \$137,000 from the South Platte Basin Account, and \$137,000 from the Metro Account to help complete the project titled: South Platte and Metro Integrated Basin Implementation Plan – Consumptive. This is conditional upon the South Platte and Metro Roundtables’ approval of an additional \$95,800 from each basin account, per the discussion described below.

Water Activity Summary: WSRA funds will be expended to draft an Integrated South Platte Basin and Metro Implementation Plan that addresses consumptive needs, and conforms to the Basin Implementation Plan Guidance Document, with South Metro Water Supply Authority acting as the applicant and fiscal agent on behalf of the South Platte Basin and Metro Roundtables.

Threshold and Evaluation Criteria

The application meets all four Threshold Criteria.

Discussion:

The South Platte and Metro’s application request includes \$41,200 from the South Platte and \$41,200 from the Metro basin accounts, which is only twenty percent of the total application. These roundtables rightly indicated that the South Platte and Metro have the largest consumptive gap and solving their water supply needs will have a large impact statewide. However, the suggested basin contribution is 33%. This would be \$137,000 from each of the South Platte and Metro basin accounts. The basin accounts for both the South Platte and Metro have sufficient funds. Given the fact that their total request between the consumptive and nonconsumptive basin implementation applications is \$588,000, staff believes that awarding this amount, which is greater than the other basin request, demonstrates significant state support. However, staff does not believe that the contribution from the state account should be greater than 33%, as it is unfair to other roundtables who’s requests have been in line with the guidance document. The conditional recommendation reflects this.

Issues/Additional Needs:

No issues have been identified.

Staff Recommendation:

Staff recommends conditional approval of up to \$138,000 from the Statewide Account, \$137,000 from the South Platte Basin Account, and \$137,000 from the Metro Account to help complete the project titled: South Platte and Metro Integrated Basin Implementation Plan – Consumptive. This is conditional upon the South Platte and Metro Roundtables’ approval of an additional \$95,800 from each basin account, per the discussion described above. 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 will help promote the development of a common technical platform. In accordance with the revised WSRA Criteria and Guidelines, staff would like to highlight additional reporting and final deliverable requirements. The specific requirements are provided below.

Reporting and Final Deliverable: 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 scope of work including a description of any major issues that have occurred and any corrective action taken to address these issues. 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.

Engineering: All engineering work (as defined in the Engineers Practice Act (§12-25-102(10) C.R.S.)) performed under this grant shall be performed by or under the responsible charge of professional engineer licensed by the State of Colorado to practice Engineering.

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



November 20, 2013

South Metro Water Supply Authority
Attn: Eric Hecox, Executive Director
8400 Prentice Ave., Suite 1500
Greenwood Village, CO 80111

John W. Hickenlooper
Governor

Mike King
DNR Executive Director

James Eklund
CWCB Director

RE: Notice to Proceed - WSRA Grant – South Platte and Metro Integrated Basin Implementation Plan – Consumptive

Dear Eric,

This letter is to inform you that the contract to assist in the South Platte and Metro Integrated Basin Implementation Plan - Consumptive in the South Platte and Metro River Basins was signed on November 13, 2013. The original contract will be mailed to you.

With the executed contract, you are now able to proceed with the project and invoice the State of Colorado for costs incurred through October 31, 2014. Please indicate contract number C150537 and project name on all correspondence sent to CWCB. 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.

If you have any questions or concerns regarding the project, please contact me.

Sincerely,

//s//

Jacob Bornstein
Colorado Water Conservation Board
Department of Natural Resources
Program Manager, Water Supply Planning Section
1580 Logan Street, Suite 200
Denver, CO 80203
(303) 866-3441 x3248
(303) 704-1869 (cell)
www.cwcb.state.co.us

STATE OF COLORADO
Colorado Water Conservation Board
Grant Agreement
with
South Metro Water Supply Authority
Contract Number C150537

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1. PARTIES

This Grant Agreement (hereinafter called “Grant”) is entered into by and between South Metro Water Supply Authority (hereinafter called “Grantee”), and the STATE OF COLORADO acting by and through the Department of Natural Resources, Colorado Water Conservation Board (hereinafter called the “State or CWCB”).

2. EFFECTIVE DATE AND NOTICE OF NONLIABILITY.

This Grant shall not be effective or enforceable until it is approved and signed by the Colorado State Controller or designee (hereinafter called the “Effective Date”). The State shall not be liable to pay or reimburse Grantee for any performance hereunder, including, but not limited to costs or expenses incurred, or be bound by any provision hereof prior to the Effective Date.

3. RECITALS

A. Authority, Appropriation, And Approval

Authority for the agency entering into this Contract arises from Colorado Revised Statutes (CRS) 39-29-109(2)(c), 37-75-104(2)(c) and 37-75-102 et al., and Senate Bill 06-179 adopted by the 2006 General Assembly, and a sufficient unencumbered balance thereof remains available for payment. Required approvals, clearance and coordination have been accomplished from and with appropriate agencies.

B. Consideration

The Parties acknowledge that the mutual promises and covenants contained herein and other good and valuable consideration are sufficient and adequate to support this Grant.

C. Purpose

The Water Supply Reserve Account provides money for grants and loans to complete water activities, which are broadly defined and include water supply and environmental projects and/or studies. This Grant is will be expended to draft an Integrated South Platte Basin and Metro Implementation Plan that addresses consumptive needs, and conforms to the Basin Implementation Plan Guidance Document, with South Metro Water Supply Authority on behalf of the South Platte Basin and Metro Roundtables.

D. References

All references in this Grant to sections (whether spelled out or using the § symbol), subsections, exhibits or other attachments, are references to sections, subsections, exhibits or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.

4. DEFINITIONS

The following terms as used herein shall be construed and interpreted as follows:

A. Budget

“Budget” means the budget for the Work described in **Exhibit A**.

B. Evaluation

“Evaluation” means the process of examining Grantee’s Work and rating it based on criteria established in §6 and **Exhibit A**.

C. Exhibits and other Attachments

The following are attached hereto and incorporated by reference herein: **Exhibit A and B**.

D. Goods

“Goods” means tangible material acquired, produced, or delivered by Grantee either separately or in conjunction with the Services Grantee renders hereunder.

E. Grant

“Grant” means this Grant, its terms and conditions, attached exhibits, documents incorporated by reference under the terms of this Grant, and any future modifying agreements, exhibits, attachments or references incorporated herein pursuant to Colorado State law, Fiscal Rules, and State Controller Policies.

F. Grant Funds

“Grant Funds” means available funds payable by the State to Grantee pursuant to this Grant.

G. Party or Parties

“Party” means the State or Grantee and “Parties” means both the State and Grantee.

H. Program

“Program” means the Water Supply Reserve Account grant program that provides the funding for this Grant.

I. Review

“Review” means examining Grantee’s Work to ensure that it is adequate, accurate, correct and in accordance with the criteria established in §6 and **Exhibit A and B**.

J. Services

“Services” means the required services to be performed by Grantee pursuant to this Grant.

K. Sub-grantee

“Sub-grantee” means third-parties, if any, engaged by Grantee to aid in performance of its obligations.

L. Work

“Work” means the tasks and activities Grantee is required to perform to fulfill its obligations under this Grant and **Exhibit A and B**, including the performance of the Services and delivery of the Goods.

M. Work Product

“Work Product” means the tangible or intangible results of Grantee’s Work, including, but not limited to, software, research, reports, studies, data, photographs, negatives or other finished or unfinished documents, drawings, models, surveys, maps, materials, or work product of any type, including drafts.

5. TERM and EARLY TERMINATION.

A. Initial Term-Work Commencement

The Parties respective performances under this Grant shall commence on the later of either the Effective Date or October 15, 2013. This Grant shall terminate on October 31, 2015 unless sooner terminated or further extended as specified elsewhere herein.

B. Two Month Extension

The State, at its sole discretion upon written notice to Grantee as provided in **§16**, may unilaterally extend the term of this Grant for a period not to exceed two months if the Parties are negotiating a replacement Grant (and not merely seeking a term extension) at or near the end of any initial term or any extension thereof. The provisions of this Grant in effect when such notice is given, including, but not limited to prices, rates, and delivery requirements, shall remain in effect during the two month extension. The two-month extension shall immediately terminate when and if a replacement Grant is approved and signed by the Colorado State Controller.

6. STATEMENT OF WORK

A. Completion

Grantee shall complete the Work and its other obligations as described herein and in **Exhibit A** on or before October 31, 2015. The State shall not be liable to compensate Grantee for any Work performed prior to the Effective Date or after the termination of this Grant.

B. Goods and Services

Grantee shall procure Goods and Services necessary to complete the Work. Such procurement shall be accomplished using the Grant Funds and shall not increase the maximum amount payable hereunder by the State.

C. Employees

All persons employed by Grantee or Sub-grantees shall be considered Grantee's or Sub-grantees' employee(s) for all purposes hereunder and shall not be employees of the State for any purpose as a result of this Grant.

7. PAYMENTS TO GRANTEE

The State shall, in accordance with the provisions of this **§7**, pay Grantee in the following amounts and using the methods set forth below:

A. Maximum Amount

The maximum amount payable under this Grant to Grantee by the State is \$412,000 as determined by the State from available funds. Grantee agrees to provide any additional funds required for the successful completion of the Work. Payments to Grantee are limited to the unpaid obligated balance of the Grant as set forth in **Exhibit A**. The maximum amount payable by the State to Grantee during each State fiscal year of this Grant shall be:

\$412,000 in FY2014
\$412,000 in FY2015, minus any funds expended in FY2014
\$412,000 in FY2016, minus any funds expended in FY2014, FY2015

i. Advance, Interim and Final Payments

Any payment allowed under this Grant or in **Exhibit A** shall comply with State Fiscal Rules and be made in accordance with the provisions of this Grant or such Exhibit. Grantee shall initiate any payment requests by submitting invoices to the State in the form and manner set forth and approved by the State.

ii. Interest

The State shall fully pay each invoice within 45 days of receipt thereof if the amount invoiced represents performance by Grantee previously accepted by the State. Uncontested amounts not paid by

the State within 45 days may, if Grantee so requests, bear interest on the unpaid balance beginning on the 46th day at a rate not to exceed one percent per month until paid in full; provided, however, that interest shall not accrue on unpaid amounts that are subject to a good faith dispute. Grantee shall invoice the State separately for accrued interest on delinquent amounts. The billing shall reference the delinquent payment, the number of day's interest to be paid and the interest rate.

iii. Available Funds-Contingency-Termination

The State is prohibited by law from making fiscal commitments beyond the term of the State's current fiscal year. Therefore, Grantee's compensation is contingent upon the continuing availability of State appropriations as provided in the Colorado Special Provisions, set forth below. If federal funds are used with this Grant in whole or in part, the State's performance hereunder is contingent upon the continuing availability of such funds. Payments pursuant to this Grant shall be made only from available funds encumbered for this Grant and the State's liability for such payments shall be limited to the amount remaining of such encumbered funds. If State or federal funds are not appropriated, or otherwise become unavailable to fund this Grant, the State may immediately terminate this Grant in whole or in part without further liability in accordance with the provisions herein.

iv. Erroneous Payments

At the State's sole discretion, payments made to Grantee in error for any reason, including, but not limited to overpayments or improper payments, and unexpended or excess funds received by Grantee, may be recovered from Grantee by deduction from subsequent payments under this Grant or other Grants, grants or agreements between the State and Grantee or by other appropriate methods and collected as a debt due to the State. Such funds shall not be paid to any party other than the State.

B. Use of Funds

Grant Funds shall be used only for eligible costs identified herein and/or in the Budget. The State's total consideration shall not exceed the maximum amount shown herein.

8. REPORTING - NOTIFICATION

Reports, Evaluations, and Reviews required under this §8 shall be in accordance with the procedures of and in such form as prescribed by the State and in accordance with §19, if applicable.

A. Performance, Progress, Personnel, and Funds

Grantee shall submit a report to the State upon expiration or sooner termination of this Grant, containing an Evaluation and Review of Grantee's performance and the final status of Grantee's obligations hereunder. In addition, Grantee shall comply with all reporting requirements, if any, set forth in **Exhibit A and B**.

B. Litigation Reporting

Within 10 days after being served with any pleading in a legal action filed with a court or administrative agency, related to this Grant or which may affect Grantee's ability to perform its obligations hereunder, Grantee shall notify the State of such action and deliver copies of such pleadings to the State's principal representative as identified herein. If the State's principal representative is not then serving, such notice and copies shall be delivered to the Executive Director of the Colorado Department of Natural Resources.

C. Noncompliance

Grantee's failure to provide reports and notify the State in a timely manner in accordance with this §8 may result in the delay of payment of funds and/or termination as provided under this Grant.

D. SubGrants

Copies of any and all subGrants entered into by Grantee to perform its obligations hereunder shall be submitted to the State or its principal representative upon request by the State. Any and all subGrants entered into by Grantee related to its performance hereunder shall comply with all applicable federal and state laws and shall provide that such subGrants be governed by the laws of the State of Colorado.

9. GRANTEE RECORDS

Grantee shall make, keep, maintain and allow inspection and monitoring of the following records:

A. Maintenance

Grantee shall make, keep, maintain, and allow inspection and monitoring by the State of a complete file of all records, documents, communications, notes and other written materials, electronic media files, and

communications, pertaining in any manner to the Work or the delivery of Services (including, but not limited to the operation of programs) or Goods hereunder. Grantee shall maintain such records (the Record Retention Period) until the last to occur of the following: (i) a period of three years after the date this Grant is completed or terminated, or (ii) final payment is made hereunder, whichever is later, or (iii) for such further period as may be necessary to resolve any pending matters, or (iv) if an audit is occurring, or Grantee has received notice that an audit is pending, then until such audit has been completed and its findings have been resolved (the "Record Retention Period").

B. Inspection

Grantee shall permit the State, the federal government and any other duly authorized agent of a governmental agency to audit, inspect, examine, excerpt, copy and/or transcribe Grantee's records related to this Grant during the Record Retention Period for a period of three years following termination of this Grant or final payment hereunder, whichever is later, to assure compliance with the terms hereof or to evaluate Grantee's performance hereunder. The State reserves the right to inspect the Work at all reasonable times and places during the term of this Grant, including any extension. If the Work fails to conform to the requirements of this Grant, the State may require Grantee promptly to bring the Work into conformity with Grant requirements, at Grantee's sole expense. If the Work cannot be brought into conformance by re-performance or other corrective measures, the State may require Grantee to take necessary action to ensure that future performance conforms to Grant requirements and exercise the remedies available under this Grant, at law or inequity in lieu of or in conjunction with such corrective measures.

C. Monitoring

Grantee shall permit the State, the federal government, and other governmental agencies having jurisdiction, in their sole discretion, to monitor all activities conducted by Grantee pursuant to the terms of this Grant using any reasonable procedure, including, but not limited to: internal evaluation procedures, examination of program data, special analyses, on-site checking, formal audit examinations, or any other procedures. All monitoring controlled by the State shall be performed in a manner that shall not unduly interfere with Grantee's performance hereunder.

D. Final Audit Report

If an audit is performed on Grantee's records for any fiscal year covering a portion of the term of this Grant, Grantee shall submit a copy of the final audit report to the State or its principal representative at the address specified herein.

10. CONFIDENTIAL INFORMATION-STATE RECORDS

Grantee shall comply with the provisions on this §10 if it becomes privy to confidential information in connection with its performance hereunder. Confidential information, includes, but is not necessarily limited to, state records, personnel records, and information concerning individuals. The State shall notify the Grantee in writing and notate any State records and information that are classified by the State as being "Confidential" and given to the Grantee in connection with its performance hereunder. The provisions of this Section 10 shall only apply to such notated records and information.

A. Confidentiality

Grantee shall keep all State records and information confidential at all times and to comply with all laws and regulations concerning confidentiality of information. Any request or demand by a third party for State records and information in the possession of Grantee shall be immediately forwarded to the State's principal representative.

B. Notification

Grantee shall notify its agent, employees, Sub-grantees, and assigns who may come into contact with State records and confidential information that each is subject to the confidentiality requirements set forth herein, and shall provide each with a written explanation of such requirements before they are permitted to access such records and information.

C. Use, Security, and Retention

Confidential information of any kind shall not be distributed or sold to any third party or used by Grantee or its agents in any way, except as authorized by this Grant or approved in writing by the State. Grantee shall provide and maintain a secure environment that ensures confidentiality of all State records and other

confidential information wherever located. Confidential information shall not be retained in any files or otherwise by Grantee or its agents, except as permitted in this Grant or approved in writing by the State.

D. Disclosure-Liability

Disclosure of State records or other confidential information by Grantee for any reason may be cause for legal action by third parties against Grantee, the State or their respective agents. Grantee shall indemnify, save, and hold harmless the State, its employees and agents, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees and related costs, incurred as a result of any act or omission by Grantee, or its employees, agents, Sub-grantees, or assignees pursuant to this §10.

11. CONFLICTS OF INTEREST

Grantee shall not engage in any business or personal activities or practices or maintain any relationships which conflict in any way with the full performance of Grantee's obligations hereunder. Grantee acknowledges that with respect to this Grant, even the appearance of a conflict of interest is harmful to the State's interests. Absent the State's prior written approval, Grantee shall refrain from any practices, activities or relationships that reasonably appear to be in conflict with the full performance of Grantee's obligations to the State hereunder. If a conflict or appearance exists, or if Grantee is uncertain whether a conflict or the appearance of a conflict of interest exists, Grantee shall submit to the State a disclosure statement setting forth the relevant details for the State's consideration. Failure to promptly submit a disclosure statement or to follow the State's direction in regard to the apparent conflict constitutes a breach of this Grant.

12. REPRESENTATIONS AND WARRANTIES

Grantee makes the following specific representations and warranties, each of which was relied on by the State in entering into this Grant.

A. Standard and Manner of Performance

Grantee shall perform its obligations hereunder in accordance with the highest standards of care, skill and diligence in the industry, trades or profession and in the sequence and manner set forth in this Grant.

B. Legal Authority – Grantee and Grantees Signatory

Grantee warrants that it possesses the legal authority to enter into this Grant and that it has taken all actions required by its procedures, by-laws, and/or applicable laws to exercise that authority, and to lawfully authorize its undersigned signatory to execute this Grant, or any part thereof, and to bind Grantee to its terms. If requested by the State, Grantee shall provide the State with proof of Grantee's authority to enter into this Grant within 15 days of receiving such request.

C. Licenses, Permits, Etc.

Grantee represents and warrants that as of the Effective Date it has, and that at all times during the term hereof it shall have, at its sole expense, all licenses, certifications, approvals, insurance, permits, and other authorization required by law to perform its obligations hereunder. Grantee warrants that it shall maintain all necessary licenses, certifications, approvals, insurance, permits, and other authorizations required to properly perform this Grant, without reimbursement by the State or other adjustment in Grant Funds. Additionally, all employees and agents of Grantee performing Services under this Grant shall hold all required licenses or certifications, if any, to perform their responsibilities. Grantee, if a foreign corporation or other foreign entity transacting business in the State of Colorado, further warrants that it currently has obtained and shall maintain any applicable certificate of authority to transact business in the State of Colorado and has designated a registered agent in Colorado to accept service of process. Any revocation, withdrawal or non-renewal of licenses, certifications, approvals, insurance, permits or any such similar requirements necessary for Grantee to properly perform the terms of this Grant shall be deemed to be a material breach by Grantee and constitute grounds for termination of this Grant.

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 contractors, 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 Grantee shall forward such notice to the State in accordance with §16 (Notices and Representatives) within seven days of Grantee's receipt of such notice.

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.

14. BREACH

A. Defined

In addition to any breaches specified in other sections of this Grant, the failure of either Party to perform any of its material obligations hereunder in whole or in part or in a timely or satisfactory manner, constitutes a breach. The institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Grantee, or the appointment of a receiver or similar officer for Grantee or any of its property, which is not vacated or fully stayed within 20 days after the institution or occurrence thereof, shall also constitute a breach.

B. Notice and Cure Period

In the event of a breach, notice of such shall be given in writing by the aggrieved Party to the other Party in the manner provided in §16. If such breach is not cured within 30 days of receipt of written notice, or if a cure cannot be completed within 30 days, or if cure of the breach has not begun within 30 days and pursued with due diligence, the State may exercise any of the remedies set forth in §15. Notwithstanding anything to the contrary herein, the State, in its sole discretion, need not provide advance notice or a cure period and may immediately terminate this Grant in whole or in part if reasonably necessary to preserve public safety or to prevent immediate public crisis.

15. REMEDIES

If Grantee is in breach under any provision of this Grant, the State shall have all of the remedies listed in this §15 in addition to all other remedies set forth in other sections of this Grant following the notice and cure period set forth in §14(B). The State may exercise any or all of the remedies available to it, in its sole discretion, concurrently or consecutively.

A. Termination for Cause and/or Breach

If Grantee fails to perform any of its obligations hereunder with such diligence as is required to ensure its completion in accordance with the provisions of this Grant and in a timely manner, the State may notify Grantee of such non-performance in accordance with the provisions herein. If Grantee thereafter fails to promptly cure such non-performance within the cure period, the State, at its option, may terminate this entire Grant or such part of this Grant as to which there has been delay or a failure to properly perform. Exercise by the State of this right shall not be deemed a breach of its obligations hereunder. Grantee shall continue performance of this Grant to the extent not terminated, if any.

i. Obligations and Rights

To the extent specified in any termination notice, Grantee shall not incur further obligations or render further performance hereunder past the effective date of such notice, and shall terminate outstanding orders and sub-Grants with third parties. However, Grantee shall complete and deliver to the State all Work, Services and Goods not cancelled by the termination notice and may incur obligations as are necessary to do so within this Grant's terms. At the sole discretion of the State, Grantee shall assign to the State all of Grantee's right, title, and interest under such terminated orders or sub-Grants. Upon termination, Grantee shall take timely, reasonable and necessary action to protect and preserve property in the possession of Grantee in which the State has an interest. All materials owned by the State in the possession of Grantee shall be immediately returned to the State. All Work Product, at the option of the State, shall be delivered by Grantee to the State and shall become the State's property.

ii. Payments

The State shall reimburse Grantee only for accepted performance up to the date of termination. If, after termination by the State, it is determined that Grantee was not in breach or that Grantee's action or inaction was excusable, such termination shall be treated as a termination in the public interest and the rights and obligations of the Parties shall be the same as if this Grant had been terminated in the public interest, as described herein.

iii. Damages and Withholding

Notwithstanding any other remedial action by the State, Grantee also shall remain liable to the State for any damages sustained by the State by virtue of any breach under this Grant by Grantee and the State may withhold any payment to Grantee for the purpose of mitigating the State's damages, until such time as the exact amount of damages due to the State from Grantee is determined. The State may withhold any amount that may be due to Grantee as the State deems necessary to protect the State, including loss as a result of outstanding liens or claims of former lien holders, or to reimburse the State for the excess costs incurred in procuring similar goods or services. Grantee shall be liable for excess costs incurred by the State in procuring from third parties replacement Work, Services or substitute Goods as cover.

B. Early Termination in the Public Interest

The State is entering into this Grant for the purpose of carrying out the public policy of the State of Colorado, as determined by its Governor, General Assembly, and/or Courts. If this Grant ceases to further the public policy of the State, the State, in its sole discretion, may terminate this Grant in whole or in part. Exercise by the State of this right shall not constitute a breach of the State's obligations hereunder. This subsection shall not apply to a termination of this Grant by the State for cause or breach by Grantee, which shall be governed by §15(A) or as otherwise specifically provided for herein.

i. Method and Content

The State shall notify Grantee of such termination in accordance with §16. The notice shall specify the effective date of the termination and whether it affects all or a portion of this Grant.

ii. Obligations and Rights

Upon receipt of a termination notice, Grantee shall be subject to and comply with the same obligations and rights set forth in §15(A)(i).

iii. Payments

If this Grant is terminated by the State pursuant to this §15(B), Grantee shall be paid an amount which bears the same ratio to the total reimbursement under this Grant as the Services satisfactorily performed bear to the total Services covered by this Grant, less payments previously made. Additionally, if this Grant is less than 60% completed, the State may reimburse Grantee for a portion of actual out-of-pocket expenses (not otherwise reimbursed under this Grant) incurred by Grantee which are directly attributable to the uncompleted portion of Grantee's obligations hereunder; provided that the sum of any and all reimbursement shall not exceed the maximum amount payable to Grantee hereunder.

C. Remedies Not Involving Termination

The State, in its sole discretion, may exercise one or more of the following remedies in addition to other remedies available to it:

i. Suspend Performance

Suspend Grantee's performance with respect to all or any portion of this Grant pending necessary corrective action as specified by the State without entitling Grantee to an adjustment in price/cost or performance schedule. Grantee shall promptly cease performance and incurring costs in accordance with the State's directive and the State shall not be liable for costs incurred by Grantee after the suspension of performance under this provision.

ii. Withhold Payment

Withhold payment to Grantee until corrections in Grantee's performance are satisfactorily made and completed.

iii. Deny Payment

Deny payment for those obligations not performed, that due to Grantee's actions or inactions, cannot be performed or, if performed, would be of no value to the State; provided, that any denial of payment shall be reasonably related to the value to the State of the obligations not performed.

iv. Removal

Demand removal of any of Grantee's employees, agents, or Sub-grantees whom the State deems incompetent, careless, insubordinate, unsuitable, or otherwise unacceptable, or whose continued relation to this Grant is deemed to be contrary to the public interest or not in the State's best interest.

v. Intellectual Property

If Grantee infringes on a patent, copyright, trademark, trade secret or other intellectual property right while performing its obligations under this Grant, Grantee shall, at the State's option **(a)** obtain for the State or Grantee the right to use such products and services; **(b)** replace any Goods, Services, or other product involved with non-infringing products or modify them so that they become non-infringing; or, **(c)** if neither of the foregoing alternatives are reasonably available, remove any infringing Goods, Services, or products and refund the price paid therefore to the State.

16. NOTICES and REPRESENTATIVES

Each individual identified below is the principal representative of the designating Party. All notices required to be given hereunder shall be hand delivered with receipt required or sent by certified or registered mail to such Party's principal representative at the address set forth below. In addition to, but not in lieu of a hard-copy notice, notice also may be sent by e-mail to the e-mail addresses, if any, set forth below. Either Party may from time to time designate by written notice substitute addresses or persons to whom such notices shall be sent. Unless otherwise provided herein, all notices shall be effective upon receipt.

A. State:

Jacob Bornstein, Project Manager
Colorado Water Conservation Board
Water Supply Planning
1580 Logan Street, Suite 200
Denver, CO 80203
Jacob.bornstein@state.co.us

B. Grantee:

Eric Hecox, Executive Director
South Metro Water Supply Authority
8400 E. Prentice Avenue, Suite 1500
Greenwood Village, CO 80111
Eric.hecox@southmetrowater.org

17. RIGHTS IN DATA, DOCUMENTS, AND COMPUTER SOFTWARE

Any software, research, reports, studies, data, photographs, negatives or other documents, drawings, models, materials, or Work Product of any type, including drafts, prepared by Grantee in the performance of its obligations under this Grant shall be the nonexclusive property of the State and, all Work Product shall be delivered to the State by Grantee upon completion or termination hereof. The State's nonexclusive rights in such Work Product shall include, but not be limited to, the right to copy, publish, display, transfer, and prepare derivative works.

18. GOVERNMENTAL IMMUNITY

Notwithstanding any other provision to the contrary, nothing herein shall constitute a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions of the Colorado Governmental Immunity Act, CRS §24-10-101, et seq., as amended. Liability for claims for injuries to persons or property arising from the negligence of the State of Colorado, its departments, institutions, agencies, boards, officials, and employees is controlled and limited by the provisions of the Governmental Immunity Act and the risk management statutes, CRS §24-30-1501, et seq., as amended.

19. STATEWIDE GRANT MANAGEMENT SYSTEM

If the maximum amount payable to Grantee under this Grant is \$100,000 or greater, either on the Effective Date or at anytime thereafter, this **§19** applies.

Grantee agrees to be governed, and to abide, by the provisions of CRS §24-102-205, §24-102-206, §24-103-601, §24-103.5-101 and §24-105-102 concerning the monitoring of vendor performance on state Grants and inclusion of Grant performance information in a statewide Grant management system.

Grantee's performance shall be subject to Evaluation and Review in accordance with the terms and conditions of this Grant, State law, including CRS §24-103.5-101, and State Fiscal Rules, Policies and Guidance. Evaluation

and Review of Grantee's performance shall be part of the normal Grant administration process and Grantee's performance will be systematically recorded in the statewide Grant Management System. Areas of Evaluation and Review shall include, but shall not be limited to quality, cost and timeliness. Collection of information relevant to the performance of Grantee's obligations under this Grant shall be determined by the specific requirements of such obligations and shall include factors tailored to match the requirements of Grantee's obligations. Such performance information shall be entered into the statewide Grant Management System at intervals established herein and a final Evaluation, Review and Rating shall be rendered within 30 days of the end of the Grant term. Grantee shall be notified following each performance Evaluation and Review, and shall address or correct any identified problem in a timely manner and maintain work progress.

Should the final performance Evaluation and Review determine that Grantee demonstrated a gross failure to meet the performance measures established hereunder, the Executive Director of the Colorado Department of Personnel and Administration (Executive Director), upon request by the CWCB, and showing of good cause, may debar Grantee and prohibit Grantee from bidding on future Grants. Grantee may contest the final Evaluation, Review and Rating by: **(a)** filing rebuttal statements, which may result in either removal or correction of the evaluation (CRS §24-105-102(6)), or **(b)** under CRS §24-105-102(6), exercising the debarment protest and appeal rights provided in CRS §§24-109-106, 107, 201 or 202, which may result in the reversal of the debarment and reinstatement of Grantee, by the Executive Director, upon showing of good cause.

20. GENERAL PROVISIONS

A. Assignment and SubGrants

Unless otherwise specified in Exhibit A, Statement of Work, Grantee's rights and obligations hereunder are personal and may not be transferred, assigned or subGranted without the prior, written consent of the State. Any attempt at assignment, transfer, subGranting without such consent shall be void. All assignments, subGrants, or Sub-grantees approved by Grantee or the State are subject to all of the provisions hereof. Grantee shall be solely responsible for all aspects of subGranting arrangements and performance.

B. Binding Effect

Except as otherwise provided in §20(A), all provisions herein contained, including the benefits and burdens, shall extend to and be binding upon the Parties' respective heirs, legal representatives, successors, and assigns.

C. Captions

The captions and headings in this Grant are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions.

D. Counterparts

This Grant may be executed in multiple identical original counterparts, all of which shall constitute one agreement.

E. Entire Understanding

This Grant represents the complete integration of all understandings between the Parties and all prior representations and understandings, oral or written, are merged herein. Prior or contemporaneous additions, deletions, or other changes hereto shall not have any force or affect whatsoever, unless embodied herein.

F. Indemnification-General

Grantee shall indemnify, save, and hold harmless the State, its employees and agents, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees and related costs, incurred as a result of any act or omission by Grantee, or its employees, agents, Sub-grantees, or assignees pursuant to the terms of this Grant; however, the provisions hereof shall not be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions, of the Colorado Governmental Immunity Act, CRS §24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. 2671 et seq., as applicable, as now or hereafter amended.

G. Jurisdiction and Venue

All suits, actions, or proceedings related to this Grant shall be held in the State of Colorado and exclusive venue shall be in the City and County of Denver.

H. Modification

i. By the Parties

Except as specifically provided in this Grant, modifications of this Grant shall not be effective unless agreed to in writing by both parties in an amendment to this Grant, properly executed and approved in accordance with applicable Colorado State law, State Fiscal Rules, and Office of the State Controller Policies, including, but not limited to, the policy entitled MODIFICATIONS OF GRANTS - TOOLS AND FORMS.

ii. By Operation of Law

This Grant is subject to such modifications as may be required by changes in Federal or Colorado State law, or their implementing regulations. Any such required modification automatically shall be incorporated into and be part of this Grant on the effective date of such change, as if fully set forth herein.

I. Order of Precedence

The provisions of this Grant shall govern the relationship of the State and Grantee. In the event of conflicts or inconsistencies between this Grant and its exhibits and attachments including, but not limited to, those provided by Grantee, such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority:

- i. Colorado Special Provisions,
- ii. The provisions of the main body of this Grant,
- iii. **Exhibit A and B.**

J. Severability

Provided this Grant can be executed and performance of the obligations of the Parties accomplished within its intent, the provisions hereof are severable and any provision that is declared invalid or becomes inoperable for any reason shall not affect the validity of any other provision hereof.

K. Survival of Certain Grant Terms

Notwithstanding anything herein to the contrary, provisions of this Grant requiring continued performance, compliance, or effect after termination hereof, shall survive such termination and shall be enforceable by the State if Grantee fails to perform or comply as required.

L. Taxes

The State is exempt from all federal excise taxes under IRC Chapter 32 (No. 84-730123K) and from all State and local government sales and use taxes under CRS §§39-26-101 and 201 et seq. Such exemptions apply when materials are purchased or services rendered to benefit the State; provided however, that certain political subdivisions (e.g., City of Denver) may require payment of sales or use taxes even though the product or service is provided to the State. Grantee shall be solely liable for paying such taxes as the State is prohibited from paying for or reimbursing Grantee for them.

M. Third Party Beneficiaries

Enforcement of this Grant and all rights and obligations hereunder are reserved solely to the Parties, and not to any third party. Any services or benefits which third parties receive as a result of this Grant are incidental to the Grant, and do not create any rights for such third parties.

N. Waiver

Waiver of any breach of a term, provision, or requirement of this Grant, or any right or remedy hereunder, whether explicitly or by lack of enforcement, shall not be construed or deemed as a waiver of any subsequent breach of such term, provision or requirement, or of any other term, provision, or requirement.

O. CORA Disclosure

To the extent not prohibited by federal law, this Grant and the performance measures and standards under CRS §24-103.5-101, if any, are subject to public release through the Colorado Open Records Act, CRS §24-72-101, et seq.

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21. COLORADO SPECIAL PROVISIONS

The Special Provisions apply to all Grants except where noted in italics.

A. 1. CONTROLLER'S APPROVAL. CRS §24-30-202 (1).

This Grant shall not be deemed valid until it has been approved by the Colorado State Controller or designee.

B. 2. FUND AVAILABILITY. CRS §24-30-202(5.5).

Financial obligations of the State payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

C. 3. GOVERNMENTAL IMMUNITY.

No term or condition of this Grant shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, of the Colorado Governmental Immunity Act, CRS §24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. §§1346(b) and 2671 et seq., as applicable now or hereafter amended.

D. 4. INDEPENDENT CONTRACTOR

Grantee shall perform its duties hereunder as an independent contractor and not as an employee. Neither Grantee nor any agent or employee of Grantee shall be deemed to be an agent or employee of the State. Grantee and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the State and the State shall not pay for or otherwise provide such coverage for Grantee or any of its agents or employees. Unemployment insurance benefits shall be available to Grantee and its employees and agents only if such coverage is made available by Grantee or a third party. Grantee shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this Grant. Grantee shall not have authorization, express or implied, to bind the State to any Grant, liability or understanding, except as expressly set forth herein. Grantee shall (a) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (b) provide proof thereof when requested by the State, and (c) be solely responsible for its acts and those of its employees and agents.

E. 5. COMPLIANCE WITH LAW.

Grantee shall strictly comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

F. 6. CHOICE OF LAW.

Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this grant. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. Any provision incorporated herein by reference which purports to negate this or any other Special Provision in whole or in part shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision shall not invalidate the remainder of this Grant, to the extent capable of execution.

G. 7. BINDING ARBITRATION PROHIBITED.

The State of Colorado does not agree to binding arbitration by any extra-judicial body or person. Any provision to the contrary in this contract or incorporated herein by reference shall be null and void.

H. 8. SOFTWARE PIRACY PROHIBITION. Governor's Executive Order D 002 00.

State or other public funds payable under this Grant shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Grantee hereby certifies and warrants that, during the term of this Grant and any extensions, Grantee has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that Grantee is in violation of this provision, the State may exercise any remedy available at law or in equity or under this Grant, including, without limitation, immediate termination of this Grant and any remedy consistent with federal copyright laws or applicable licensing restrictions.

I. 9. EMPLOYEE FINANCIAL INTEREST. CRS §§24-18-201 and 24-50-507.

22. SIGNATURE PAGE**CMS#** 61832**THE PARTIES HERETO HAVE EXECUTED THIS GRANT**

* Persons signing for Grantee hereby swear and affirm that they are authorized to act on Grantee's behalf and acknowledge that the State is relying on their representations to that effect.

<p>GRANTEE South Metro Water Supply Authority By: Eric Hecox Title: Executive Director</p> <p><u>Eric B. Hecox</u> *Signature Date: <u>10/4/13</u></p>	<p>STATE OF COLORADO John W. Hickenlooper GOVERNOR Department of Natural Resources Mike King, Executive Director</p> <p><u>Rebecca Mitchell</u> By: Rebecca Mitchell, Section Chief, Water Supply Planning, CWCB Signatory avers to the State Controller or delegate that Grantee has not begun performance or that a Statutory Violation waiver has been requested under Fiscal Rules Date: <u>10-8-13</u></p>
<p>By: Title:</p> <p>_____ *Signature Date: _____</p>	<p>LEGAL REVIEW John W. Suthers, Attorney General</p> <p>By: <u>NA</u> Signature - Assistant Attorney General Date: _____</p>

ALL GRANTS REQUIRE APPROVAL BY THE STATE CONTROLLER

CRS §24-30-202 requires the State Controller to approve all State Grants. This Grant is not valid until signed and dated below by the State Controller or delegate. Grantee is not authorized to begin performance until such time. If Grantee begins performing prior thereto, the State of Colorado is not obligated to pay Grantee for such performance or for any goods and/or services provided hereunder.

<p>STATE CONTROLLER Robert Jaros, CPA, MBA, JD</p> <p>By: <u>James B. Jaros</u></p> <p>Date: <u>11/12/13</u></p>

Exhibit A

South Platte Roundtable and Metro Roundtable Basin Implementation Plan Integrated Scope of Work – Phase II BRT Consultant Component – WSRA Grant Application

Color Legend:

- **Blue:** Tasks under WSRA Grant Application performed by selected BRT consultant(s).
 - **Black:** Adapted from the Basin Implementation Plan Guidelines using Section nos. from Guidelines
 - **Red:** BRT Responsibilities. These are aimed at meeting the minimum guidance outlined in the Basin Implementation Plan Guidance document
-

Section 4: Projects and Methods

This section is the heart of the Basin Implementation Plans, identifying the projects and methods needed to meet the roundtables' consumptive and nonconsumptive needs. As part of this task, the BRTs should update and refine their list of consumptive and nonconsumptive identified projects and processes. Because every roundtable has a gap above and beyond their IPPs, the BRTs should also identify potential new structural and non-structural solutions to their gaps and shortages. For those BRTs including the optional tasks in Section 3, they should also include an in-basin solution analysis in those optional efforts. Examples of structural solutions include habitat restoration, new storage, enlarged storage, conveyance, direct reuse, and treatment. Examples of nonstructural solutions could include reservoir reoperation, voluntary flow management agreements, instream flow donations, conservation, and reuse by exchange. For those basins that do not conduct the optional tasks in Section 4, the CWCB will assist those BRTs in summarizing potential in-basin solutions based on the qualitative shortage analysis from section 3.4. The CWCB will assist the Roundtables in identifying projects for the major water sectors as well as multi-purpose projects.

The section will include the following subsections

- 4.1 Education, Participation, and Outreach
- 4.2 Watershed Health
- 4.3 New Multi-Purpose, Cooperative, and Regional Projects and Methods
- 4.4 M&I Projects and Methods (i.e. projects, conservation, reuse, drought planning, etc.)
- 4.5 Agricultural Projects & Methods
- 4.6 Nonconsumptive Projects and Methods

- 4.7 Interbasin Projects and Methods
- 4.8 Hydrologic Modeling

4.1 Education, Participation and Outreach

The Metro and South Platte Basin Roundtable Education Liaisons will work with their basins to develop Education Action Plans that reach out to decision makers and potential project proponents. These plans will help the decision makers to understand the status of the basin's consumptive and nonconsumptive needs, planned projects, current river operation and opportunities and constraints associated with different hydrologic cycles.

BRT Responsibilities

BRT members develop and implement an education action plan

CWCB Responsibilities

CWCB will provide support to the education liaisons and the BRTs. In addition, CWCB will provide the consensus messages, contact information for decision makers and other support.

BRT Consultant Responsibilities

Task A: Education, Participation, and Outreach

- **A.1:** Solicit input from stakeholders on water solutions and needs
 - **A.2:** Educate decision makers on water solutions and needs
 - Conduct regional workshops with separate M&I, Agriculture, and nonconsumptive meetings if needed to both educate and receive input
 - Demonstrate commonalities among stakeholders and regions for broader and multi-purpose projects
 - Provide a facilitator for these discussions
 - Identify ways in which stakeholders can participate in the BIP
 - **A.3:** Request input from decision makers on legislation and solutions
 - **A.4:** Identify ways to get public involvement
-

Section 4.2 Watershed Health

BRTs should work closely with local, state and federal land agencies to identify watershed protection projects and methods that would protect critical water supplies from being harmed by fire or other hazards or mitigate damages already incurred. Watershed/Wildfire Assessments provide strategies for water providers, land management agencies, local environmental groups, private landowners, state and local governments, local fire authorities, and water users that identify and prioritize the type and specific location of treatments necessary to mitigate the impacts that occur to hydrology in a post-fire environment. The plans provide specific actions needed to protect reservoirs, intakes, water transportation and distribution structures, and other facilities from high-severity wildfires. They identify locations of hazardous fuels and areas prone to post-fire flooding. Fuel treatments are designed to protect water infrastructure. These projects and methods should be implemented through a collaborative process with the parties described above. Pre-fire mitigation strategies should identify site locations for sediment

check structures, contour log felling, sediment catchment basins, constructed alluvial fans, and other treatments designed dissipate flood energy. Monitoring of pre-fire treatments after a fire is critical to determine levels of success. Basin Roundtables should identify existing plans and assessments. Watersheds critical to water supply that do not have plans or assessments already in place should be addressed.

In addition, watershed health issues such as water quality degradation and diminishing environmental and recreational qualities in areas where irrigated lands have been dried up are a concern to the South Platte Basin. The overall Basin Implementation Plan should incorporate both existing work and further investigation into these watershed health issues and potential solutions on an overall basis.

BRT Responsibilities

BRT members will review existing data, and determine if there are additional watersheds that need assessment.

CWCB Responsibilities

CWCB will provide data, maps, assessments, and plans currently in existence.

BRT Consultant Responsibilities

Task B: Critical Community Watershed Health Plans

- **B.1:** Facilitated meeting to determine where additional Watershed Protection Plans need to be developed
 - **B.2:** Identify potential watershed health issues including degradation of water quality and diminishing environmental and recreational qualities in the South Platte River basin.
-

Sections 4.3 through 4.7: Multi-Purpose, M&I, Agricultural, Nonconsumptive, and Interbasin Projects and Methods

The Metro and South Platte Roundtables will identify project and methods that meet their future water supply needs. The initial focus of the basin implementation plans are on in-basin projects, including conservation. One of the goals identified by SWSI and the IBCC is to develop additional multi-purpose, regional, or cooperative projects that meet the needs. The BRTs will assist CWCB in updating the IPP list by reaching out to project proponents in their basin.

BRT Responsibilities

The BRTs will assist CWCB in updating the IPP list by reaching out to project proponents in their basin. For additional projects that may be needed, BRTs will be supported in examining the opportunities and constraints within their basin and going through a decision process to determine which projects and methods should be implemented. They will request to the CWCB the need for any stakeholder meetings to further develop projects and methods.

CWCB Responsibilities

The CWCB will provide existing IPP lists and information. In addition, the CWCB will help host and provide leadership in stakeholder workshops in the basin to further explore which projects and methods could be developed that meet the basin's needs. CWCB will recalculate the gap to assist the consultant.

BRT Consultant Responsibilities

Task C: Projects and Methods

- **C.1:** Facilitated meetings to determine additional projects and methods
 - Regionally and topically based
 - Identify points of integration (i.e. interbasin, consumptive and nonconsumptive)
 - Identify and discuss issues with getting IPPs completed
 - Coordinate stakeholders and project proponents
 - Facilitate constructive discussion to identify any additional projects and methods that are needed to meet consumptive and nonconsumptive goals and measurable outcomes
 - Provide assistance towards constructive dialogue amongst West and East Slopes with leadership and support by IBCC and CWCB
- **C.2:** Technical support to develop initial outlines of additional projects and methods
 - Include the work to date by nonconsumptive groups
 - Build database for Ag needs, supplies and gaps similar to M&I database
 - Update IPP lists
- **C.3:** Identify Ag and Ag Sharing new and planned projects and methods
 - Facilitate a conversation about ag sharing projects and methods
 - Further develop ag sharing opportunities into a reconnaissance analysis of viable potential projects.
 - Determine next steps to realizing the projects and methods.
- **C.4:** Identify and analyze multi-purpose, regional, and collaborative projects
 - Cross check nonconsumptive, agricultural and M&I IPPs to assist in coordination and possible integration.
 - Identify points of integration (i.e. interbasin, in-basin, consumptive and nonconsumptive)
 - Identify costs associated with making a project multi-purpose
 - Develop a proof of concept / strawman concept jointly with the west slope
 - Provide support to IBCC and CWCB board members on this topic
 - Further develop new M&I or nonconsumptive project and method opportunities into a reconnaissance analysis of viable potential projects that meet the identified goals and measurable outcomes.
- **C.5:** Support to further refine how to achieve conservation recommendations
- **C.6:** Conceptualize projects and methods

 - Use proof of concept analyses for projects
 - Coordinate with Colorado River basin on interbasin projects
 - Insure that CWCB and IBCC are involved in discussions and coordination

- **C.7: Identify available funding from participants for multi-purpose projects**
-

4.8 Hydrologic Modeling

The purpose of this task would be to use modeling, such as the CWCB's CDSS, to compare or refine projects and methods. Refinement of a project could be used to optimize operations so that impacts are mitigated or the project can be operated to serve multiple purposes. Modeling can also be used to understand how projects and methods perform under various hydrological scenarios.

This is an analysis that the Metro and South Platte Roundtables desire and could also include a shortage analysis to summarize where municipal and industrial, agricultural and nonconsumptive needs may have shortages under varying hydrology such as dry, average and wet conditions. Recommendations from the East Slope Joint BRT white paper (see Section 5) include identifying the amounts, timing, and locations of east and west slope water supply gap that will remain after construction of planned supply projects.

BRT Responsibilities

The BRTs would assist the consultant on the desired results of the modeling and provide guidance on modeling assumptions.

CWCB Responsibilities

CWCB would provide technical support in the use of the SPDSS modeling framework and the IBCC scenarios. In addition, wet, average, and dry hydrologies will be provided as part of SWSI updates.

BRT Consultant Responsibilities

Task D: Hydrologic Modeling

- D.1: Evaluate existing SPDSS modeling tools and other existing point flow models to determine applicability for use in analyzing gaps, shortages, and availability for projects and methods identified under Sections 4.3 through 4.7.
 - D.2: Apply and enhance appropriate point flow model in areas of the South Platte basin in need of such efforts in order to identify gaps, shortages, and availability for new projects and methods identified under Sections 4.3 through 4.7.
-

Section 5: Implementation Strategies for the Projects and Methods

The Basin Roundtable Implementation Plan will identify water management challenges and opportunities within the Basin and provide a framework for meeting the challenges. **The CWCB will work with the Metro and South Platte BRTs to address their recommendations for the path forward including cross-basin recommendations and collaboration opportunities.**

Section 5 of the Basin Implementation Plan report may include:

- Description of any cross-basin recommendations or needs for additional cooperation
- Description of what is needed to fully implement the projects and methods. This may include:

- Identifying strategies to ensure public education and acceptance
- Identifying funding mechanisms and strategies for implementing water supply projects and methods
- Additional feasibility analysis and identifying partnerships/sponsors
- Timelines for identified projects and key tasks/milestones

BRT Responsibilities

The BRT will identify which of the following items will become tasks after the BRT defines its priorities and subject to availability of funds.

The South Platte, Arkansas, and Metro Roundtables prepared a draft of a joint statement regarding the filling of the East Slope municipal water supply gap. This draft white paper was reviewed and discussed at the East Slope Joint BRT meeting on July 24, 2013. In addition to the items listed above, it is recommended that the South Platte Basin Implementation Plan give consideration to the recommendations presented in the draft white paper on a number of relevant topics and provide insight as to how the recommendations may be successfully implemented. The recommendations, which will require varying degrees of political and legislative support, are as follows:

- Municipal conservation
 - The selling of only high efficiency plumbing fixtures and appliances in Colorado.
 - High efficiency standards in new residential and commercial development for plumbing fixtures, appliances, and landscaping.
 - High efficiency standards for the resale of residences for plumbing fixtures and irrigation system audits.
 - Coordination of urban land planning and water supply planning.
- Municipal reuse
 - Regional cooperation in the development of reusable supplies.
 - Financing methods for reuse projects.
 - Research, testing, and development of environmentally responsible methods for disposal of large amount of brine needed for potable reuse.
- Planned supply projects
 - Agreement between state and federal agencies that when a supply project fits under the purposes and guidelines of the Colorado Water Plan, the “purpose and need” of a supply project will be met.
 - Streamlining of approval and permitting processes through an interagency coordination process between state and federal agencies.
 - Endorsement and advocacy by all state agencies, once a supply project receives the required state approvals and permits. This includes advocacy in the federal permitting process.
 - A protocol to keep Colorado’s congressional delegation informed of federal agency actions needed for planned supply projects.
- Water sharing with agriculture
 - Continued state funding of practical research and pilot projects for water sharing partnerships between cities and agriculture including alternative water transfer methods (ATMs).

- Investigating possibilities for streamlining the water court and water administration processes for water sharing partnerships that continue to protect vested rights.
- Incentives to encourage water sharing methods without regulatory interference with free market transactions.
- Agricultural conservation easements coupled with municipal water lease options.
- New Colorado River supply
 - Identify the locations and conceptual configurations of state water projects on the Green, Yampa, and Gunnison rivers using SWSI information as a starting point.
 - Identify the amounts, locations, and timing of east and west slope supply gaps that will remain after construction of the planned supply projects.
 - Preserve the option to build projects on the Green, Yampa, and Gunnison rivers including securing water rights and land easements or ownership.
 - Establish a trigger for determining when the project(s) would be needed and establish legislative and financial support for the project.
 - Require an allowance for identified projects in relevant recreational in-channel diversion project and Wild and Scenic process and alternative protection plans.
 - An objective and creative investigation of how to operate Colorado River Storage Project Act (CRSPA) reservoirs in the state to reduce the risk of curtailment under the Colorado River compact and how to operate the reservoirs to help meet the municipal supply gap.
- New East Slope storage
 - Continue state funding of practical research and pilot projects for use of deep aquifer storage and alluvial aquifer storage on the east slope.
 - Political and legislative support for enlargement of existing reservoirs and building off-river storage as outlined in the recommendations for planned supply projects.

BRT Consultant Responsibilities

Task E: Implementation Strategies

- E.1: Facilitated meetings to further develop how the recommendations may be implemented
 - E.2: Technical support to further develop how the recommendations may be implemented
-

Section 6: How the Plan Meets the Roundtables' Goals and Measurable Outcomes

This section describes how the projects and methods identified in the plan meet the gaps and water supply shortages, in relation to the goals and measurable outcomes. This work will be further refined in SWSI as demands are updated, but it provides an initial benchmark to measurably determine how well the plan would meet the basins' needs. This will inform SWSI and the State Water Plan on how we are meeting our municipal, industrial, agricultural, environmental and recreational gaps in a meaningful way.

BRT Responsibilities

The BRTs will work with CWCB to complete this section.

CWCB Responsibilities

The CWCB will provide the initial draft to the Metro and South Platte Roundtables and work with them to further refine this section.

BRT Consultant Responsibilities

Task F: Measurable Evaluation

- **F.1:** Facilitated meetings to further develop how well the plan meets the measurable outcomes
 - **F.2:** Technical support to further develop how well the plan meets measurable outcomes
-

Coordination and Reporting

The contractor will coordinate with the CWCB and its technical team during the duration of this study and will provide a final Basin Implementation Plan report for inclusion in the State Water Plan.

BRT Consultant Responsibilities

Task G: Coordination with CWCB and Technical Team and Reporting

- **G.1:** Coordination with BRTs, CWCB, CWCB technical team, and NCN Implementation Plan contractor
- **G.2:** Prepare final Basin Implementation Plan

Budget

Budget Summary - See Attached for Details

Admin	\$2,000
Task A	\$50,000
Task B	\$5,000
Task C	\$100,000
Task D	\$100,000
Task E	\$100,000
Task F	\$25,000
Task G	\$30,000
Total	\$412,000

Note: Budget includes approximately 5 workshops to facilitate Tasks A-G

Schedule

Task	Start Date	Finish Date
A	Upon NTP	NTP + 730 days
B	Upon NTP	NTP + 365 days
C	Upon NTP	NTP + 548 days
D	Upon NTP	NTP + 548 days
E	Upon NTP	NTP + 730 days
F	Upon NTP	NTP + 730 days
G	Upon NTP	NTP + 730 days

Proposed Budget

		\$260.00		\$200.00		\$150.00
Task	Description	Senior Principal		Principal Engineer		Senior Professional
A	Education, Participation, & Outreach	36.59	9,512.20	35.37	7,073.17	85.37
B	Watershed Health	3.66	951.22	3.54	707.32	8.54
C	Projects and Methods	73.17	19,024.39	70.73	14,146.34	170.73
D	Hydologic Modeling	73.17	19,024.39	70.73	14,146.34	170.73
E	Implementation Strategies	73.17	19,024.39	70.73	14,146.34	170.73
F	Measurable Evaluation	18.29	4,756.10	17.68	3,536.59	42.68
G	Coordination	21.95	5,707.32	21.22	4,243.90	51.22
	Sub Total	300.00	78,000.00	290.00	58,000.00	700.00
Admin	SMWSA Grant Admin					
	Total					

[illegible]