

Exhibit A

STATEMENT OF WORK

WATER ACTIVITY NAME – Emergency Flood Recovery Assessment, Design, and Recovery

GRANT RECIPIENT – Northern Colorado Water Conservancy District

FUNDING SOURCE –Water Supply Reserve Account (“WSRA”), South Platte Basin Roundtable

GENERAL DESCRIPTION OF PROJECT

The purpose of this grant is for Northern Water to perform obligations under the CWCB Emergency Flood Recovery Assessment, Design and Recovery Grant by selecting qualified Subgrantees, using a Subgrantee application process, and awarding grant funds to complete the repair of damages to water supply infrastructure caused by the 2013 flooding. Northern Water’s role as Program Sponsor is more specifically outlined in Tasks 1, 2, and 3 below. The selected Subgrantees are solely responsible for providing the technical and other services described in Activity 1 and construction described in Activity 2 also shown below.

The September 2013 flood caused remarkable damage in the South Platte River Basin. Reservoirs, diversions, and ditches have been damaged and, in some cases, destroyed in many areas. For others, the water infrastructure is intact, but the river or stream has moved so that it is no longer possible to divert water for the decreed beneficial use(s). Riparian areas have also been severely impacted and river re-channelization is severe in many areas.

In reaction to these requests the CWCB, on September 25, 2013, and October 21, 2013 approved a \$1.8 M grant to be used for flood recovery purposes with Northern Water acting as the Program Sponsor and distributing grant funds in accordance with CWCB criteria, subject to review by CWCB. CWCB has directed that the funds made available under the grant are to be used by water users and water providers (hereinafter referred to as Subgrantees) as “seed money” to perform damage assessments, and facilitate loan and/or additional grant applications which may be required to fund the full cost of needed repairs, master planning, engineering and permitting for projects, as well as to accomplish initial needed repairs and construction that will assist Subgrantees in getting back online temporarily or permanently.

Subgrantees do not have adequate financial and technical resources to initiate the rehabilitation process, yet have a need to act expeditiously in light of the pending storage season and the 2014 irrigation season. Therefore, it is critical to provide initial emergency grants as soon as possible, recognizing that further clarifications regarding specific fund distribution criteria may be needed. Examples of allowable short term assistance may include, but not limited to, headgate and ditch repair and clean up, i.e. projects that are “shovel ready”.

CWCB has been asked to take a leadership role in supporting impacted areas. Federal funds may not be at adequate funding levels, or dispersed in a timely manner to support needed repair of the water infrastructure in areas of the South Platte Basin affected by the 2013 flooding. Furthermore, flood insurance typically does not exist nor does it cover this infrastructure.

Neighboring Subgrantees are encouraged to work collaboratively and cooperatively to minimize costs and to address challenges associated with river re-channelization or structure relocation. Funds could be used to further determine the best course for restoring the river channel. At the Subgrantee’s discretion, they may partner with Colorado Parks and Wildlife, CWCB, and non-governmental organizations to incorporate fish and paddler friendly designs where possible.

TASKS TO BE PERFORMED BY GRANTEE

Task 1: Selection of Subgrantees and Distribution of CWCB WSRA Grant Funds by Northern Water to Subgrantees

Description: To facilitate the distribution of CWCB WSRA Grant Funds (funds), Northern Water will solicit, review and approve in coordination with CWCB staff, grant applications from qualifying Subgrantees. Upon approval, Northern Water will provide a Notice to Proceed to the Subgrantees and will distribute grant funds as reimbursements for approved expenditures to Subgrantees. Expenditures of funds by approved Subgrantees can be used to fund two types of activities: Technical Services Seed Money (Activity 1); and Assistance for Shovel Ready Projects (Activity 2). All applicants must be in flood impacted areas within the South Platte Basin and working to repair and/or recover water infrastructure impacted

by the September 2013 floods. Applicants also must be holders of decreed perfected water rights for agricultural, domestic, municipal, and/or industrial uses associated with the infrastructure for which grant funding is requested. Federal and State agencies are not eligible to receive grant funds.

Reimbursement to Subgrantees: Northern Water must provide documentation (including invoices) from its Subgrantees of qualified incurred expenses to CWCB in order to receive reimbursement of those qualified expenditures from the approved grant funds. Northern Water may submit this documentation on a monthly basis, or as frequently as agreed upon by Northern and CWCB. Once accepted by CWCB, the documents will be processed for payment. The request for payment must include a description of the work accomplished by activities associated with Task 1. All products, data and information developed as a result of this grant must be provided to the CWCB in 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.

Actual reimbursement of grant funds shall be based on required documentation showing final project costs and other grant funding from other sources used to pay project costs.

CWCB reserves the right for CWCB or Northern Water to perform on-site observations of any project funded by this grant throughout the duration of the grant to ensure that the actual progress is consistent with reported progress, and that the work is otherwise consistent with the grant application.

Task 2: Progress Reports

Northern Water shall submit a progress report to CWCB every 6 months. The progress report shall summarize the projects for which funds were used, and contain by reference each of the final reports required of water users receiving funds. The progress report shall describe the completion or partial completion of the CWCB Emergency Flood Recovery Assessment, Design, and Recovery Grant program, identifying the estimated percentage of program completion.

Northern Water shall require the Subgrantees to submit a final report summarizing each project and documenting how each project was completed. Northern Water will provide CWCB every 6 months a copy of each Subgrantee's final report, which may contain photographs, summaries of meeting, engineering reports/designs, and as-built drawings.

Task 3: Final Deliverable

At the conclusion of fund distribution Northern Water will send the last of the 6 month progress reports to CWCB.

ACTIVITIES TO BE PERFORMED BY SUBGRANTEES:

Subgrantee Activity 1:

Technical Services Seed Money - Up to \$25,000 may be made available per project/structure to be used for technical services needed to prepare the project for construction, including collaborative master planning for a stream or stream reach, engineering, permitting, or the preparation of documents required for loan or other grant applications. Technical Services Seed Money grants would be limited to 75%, up to \$25,000 (whichever is less), of the total planning, engineering and permitting costs for each project or structure that will not be reimbursed or provided from other non-water user financial sources. The remaining funding required must be matched from other sources or in-kind planning, engineering, or permitting services provided or paid for by the Subgrantee.

Grants for technical assistance involving multiple water users (each with a separate diversion point) working cooperatively and collaboratively, such as for re-channelization of a stream reach or combining diversion points or diversion structures, may be approved for up to \$25,000 per diversion point involved in the collaborative project, not to exceed 75% of the total cost of the work not reimbursed from other funding sources (i.e. if three water users combine efforts, the maximum request could be \$75,000, and to receive a maximum grant of \$75,000, the total qualifying costs for the project not reimbursed from other funding sources would equal or exceed \$100,000). In these cases, a single application should be submitted with one of the Subgrantees identified as the project representative; however, each applicant will be a signatory Subgrantee. That portion of the grant allocated to each of the involved Subgrantees will count towards each Subgrantee's maximum award under this grant program (see Northern Colorado Water Conservancy District's Application Instructions).

Subgrantee Activity 2:

Assistance for Shovel Ready Projects - Up to \$20,000 may be made available for initial construction, which could be part of the cost sharing financing requirements of other non-CWCB financial assistance programs or in-kind services. This type of grant would be limited to 75%, up to \$20,000 (whichever is less), of the total construction costs for each project or structure that will not be reimbursed or will not be provided from other non-water user financial sources. The remaining funding required must be matched from other sources or in-kind construction services provided or paid for by the Subgrantee.

Grants for shovel ready projects involving multiple water users (each with a separate diversion point) or multiple projects may be approved for up to \$100,000 and may include up to five projects or structures. In the case of collaborative, cooperative projects, a single application should be submitted with one of the Subgrantees identified as the project representative; however, each applicant will be a signatory Subgrantee. The amount allocated to each entity involved in the cooperative project seeking the grant will count towards each Subgrantee's maximum award under this grant program (see Northern Colorado Water Conservancy District's Application Instructions).

Engineering: It shall be the Subgrantee's responsibility to assure that all engineering work (as defined in the Engineers Practice Act (§12-25-102(10) C.R.S.) performed under activities 1 or 2 of this grant shall be performed by or under the responsible charge of professional engineer licensed by the State of Colorado to practice Engineering. Northern Water and CWCB will not provide engineering services under this grant, neither expressly or implied, nor does approval of a grant application imply that Northern Water or CWCB have any oversight/responsibility for project engineering or construction.

PROJECT BUDGET:

Total Costs					
		WSRA Statewide*	WSRA Basin*	Subgrantee Matching Funds**	Total Project Costs**
Task 1: Distribution of CWCB WSRA Grant Funds by Northern Water to Subgrantees	Activity 1	\$1,000,000	\$200,000	\$400,000	\$1,600,000
	Activity 2	\$500,000	\$100,000	\$200,000	\$800,000
Task 2: Project Reporting		0	0	0	0
Task 3: Final Deliverables		0	0	0	0
Total		\$1,500,000	\$300,000	\$600,000	\$2,400,000

* Allocation of funds among Activity 1 and Activity 2 are estimates only. Allocations may be revised by Northern Water and CWCB based on the application requests.

** Represents a minimum level of non-CWCB funding by Subgrantees reflecting the allocation of funds among Activity 1 and Activity 2 as indicated above. No money or matching funds will be provided by Northern Water. Northern Water will be acting as a Program Sponsor only to administer the grants.

SCHEDULE:

Task	Start Date	Finish Date
Task 1	Contract effective date	Contract termination date
Task 2	6 Months from contract effective date	See Task 3
Task 3	(N/A)	30 days from Contract termination date

Exhibit B
Northern Colorado Water Conservancy District
Water Supply Reserve Account Grant
Performance Monitoring Provisions

Statutory Requirements

For each personal services contract with a value over \$100,000, the individual selected by the state agency (here, an individual that CWCB selects within the CWCB) pursuant to CRS §24-103.5-101(3), shall monitor Grantee's work under the contract as specifically described in Tasks 1, 2 and 3 in the Exhibit A-Statement of Work and shall certify as to whether Northern Water is complying with the terms of the Grant Agreement pursuant to CRS §§24-103.5-101(5). CWCB shall be solely responsible for monitoring, evaluation and reviewing, pursuant to CRS § 24-103.5-101, Subgrantee's Work (as further described in Activities 1 and 2 in the Statement of Work-Exhibit A).

Pursuant to CRS §24-103.5-101(2), each personal service contract entered into with a value of one hundred dollars or more shall contain:

- a) Performance measures and standards developed specifically for the contract by the governmental body administering the contract. The performance measures and standards shall be negotiated by the governmental body and the vendor prior to execution of the contract and shall be incorporated into the contract. The measures and standards shall be used by the governmental body to evaluate the performance of the governmental body and the vendor under the contract.
- (b) An accountability section that requires the vendor to report regularly on achievement of the performance measures and standards specified in the contract and that allows the governmental body to withhold payment until successful completion of all or part of the contract and the achievement of established performance standards. The accountability section shall include a requirement that payment by the governmental body to the vendor shall be made without delay upon successful completion of all or any part of the contract in accordance with the payment schedule specified in the contract or as otherwise agreed upon by the parties.
- (c) Monitoring requirements that specify how the governmental body and the vendor will evaluate each others' performance, including progress reports, site visits, inspections, and reviews of performance data. The governmental body shall use one or more monitoring processes to ensure that the results, objectives, and obligations of the contract are met.
- (d) Methods and mechanisms to resolve any situation in which the governmental body's monitoring assessment determines noncompliance, including termination of the contract.

CRS § 24-103.5-101(2).

Performance Monitoring Standards

Pursuant to the above, performance monitoring by CWCB of Northern Water's Work as specifically described in Tasks 1, 2 and 3 for this Grant shall include the following:

- (a) Performance measures and standards: The Grantee will provide administrative services to assess and facilitate subgrants for the repair of damages to water supply infrastructure caused by the 2013 flooding. For Tasks 1, 2, and 3, Grantee will require all Subgrantees to produce detailed deliverables for its Subgrantee's Work performed under Activities 1 and 2 as specified in Exhibit A. Grantee shall maintain receipts and invoices received from Subgrantees for all project expenses and documentation of the minimum in-kind contributions made by Subgrantees per the budget in Exhibit A. Per WSRA Criteria and Guidelines, retainage of 5% of the grant funds (ultimately payable by Grantee to each Subgrantee) shall be withheld until receipt of the final report and all other deliverables from each Subgrantee.
- (b) Accountability: Per WSRA Criteria and Guidelines full documentation of project progress as developed and submitted by each Subgrantee must be submitted by Grantee with each invoice for reimbursement. Subgrantee must certify to the Grantee that all grant conditions have been complied with on each invoice, and Grantee must submit the Subgrantee's certification with each request for payment to CWCB. In addition, per WSRA Criteria and Guidelines progress reports must be submitted by each Subgrantee at least once every 6 months, with an overview summary report submitted to CWCB

by the Grantee every 6 months. A final project report must be submitted by each Subgrantee and approved by the CWCB and the Grantee before final project payment and release of retainage.

(c) Monitoring Requirements: Grantee is responsible for ongoing administrative monitoring of project progress per the progress reports submitted by the Subgrantees pursuant to Exhibit A-Statement of Work and Paragraphs 9 & 19 of the contract. Subgrantee is responsible for the quality of work performed by the Subgrantee and Subgrantee contractors, and for assuring the performance of the Subgrantee or Subgrantee contractors is in compliance with statute, industry standards, permits, licenses, certifications, or other legal, regulatory, or statutory requirements. Progress shall be detailed in the required invoice documentation and progress reports provided to Northern Water and the CWCB by Subgrantees as detailed above.

(d) Noncompliance Resolution: Per paragraphs 9, 14, 15, and 19 of the contract: reimbursement to Grantee, or reimbursement by Grantee to any Subgrantee, will be withheld until Grantee and/or Subgrantee are current on all grant conditions. Flagrant disregard for grant conditions will result in a stop work order and cancellation of the purchase order.