

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



John W. Hickenlooper
Governor

Mike King
DNR Executive Director

James Eklund
CWCB Director

October 7, 2013

Missouri Heights – Mountain Meadows Irrigation Co.
Attn: Leslie (Gay) Lewis
P.O. Box 548
Carbondale, CO 81623

**RE: Notice to Proceed – WSRA Grant – Mountain Meadow Irrigation Co Ditch Lining in the
Colorado River Basin**

Dear Gay,

This letter is to inform you that the WSRA grant request to assist in the above project in the Colorado River Basin was signed on October 4, 2013. The original purchase order will be mailed to you.

With the executed purchase order, you are now able to proceed with the project and continue invoicing the State of Colorado for cost incurred through **November 30, 2014** at which time the purchase order will expire. 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.

Best,

Dori Vigil, Program Assistant II
Water Supply Planning
Colorado Water Conservation Board
Department of Natural Resources
1580 Logan Street, Suite 200
Denver, CO 80203
Phone: [\(303\) 866-3441 ext. 3250](tel:(303)866-3441)
dori.vigil@state.co.us

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

DATE: 10-04-13

IMPORTANT

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

ACC: 10-03-13



**PURCHASE
ORDER**
STATE OF COLORADO

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

P.O. # OE PDA 14IBC000012 Page# 01

State Award #

FEIN 841519128 Phone: - -

Vendor Contact:

Purchase Requisition #:

V MISSOURI HEIGHTS MOUNTAIN MEADOW
E IRRIGATION COMPANY
N PO BOX 548
D CARBONDALE CO 81623
O
R

BID #

Invoice in Triplicate

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

Payment will be made by this agency

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

Delivery/Installation Date: 11-30-14

F.O.B. DESTINATION STATE PAYS NO FREIGHT

INSTRUCTIONS TO VENDOR:

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

SPECIAL INSTRUCTIONS:

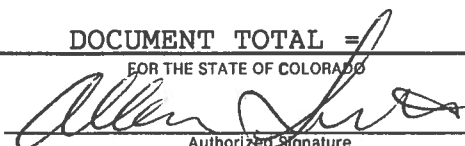
LINE ITEM	COMMODITY/ITEM CODE	UNIT OF MEASUREMENT	QUANTITY	UNIT COST	TOTAL ITEM COST
001	91843000000				\$50,000.00
	CMS#61563 WSRA GRANT MISSOURI HEIGHTS IRRIGATION COMPANY DITCH LINING IN THE COLORADO RIVER BASIN				

DOCUMENT TOTAL =
FOR THE STATE OF COLORADO

\$50,000.00

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

EPSPD PAA


Authorized Signature

10/4/13
Date

Description of Task

It is the goal of the Ditch Company to complete this project in the Fall of 2013 and Spring of 2014, before irrigation water is turned on.

Complete grading and shaping of ditch, install lining material and complete finish grading and reclamation work.

Concrete inlet work will be completed at the same time as lining material is installed.

Method/Procedure

A construction company will be contracted to complete all work.

Deliverable

Complete 3500 feet of ditch lining.

TASK 2 – [Name]

Description of Task

Method/Procedure

Deliverable

REPEAT FOR TASK 3, TASK 4, TAKE 5, ETC.

REPORTING AND FINAL DELIVERABLE

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

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

BUDGET

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

Irrigation Ditch Lining Project - Cost Estimate

Estimated Budget:

Mobilization	\$5,000.00
Earthwork	\$10,000.00
Concrete inlet Structure 5 CY	\$10,000.00
Open Ditch liner (Smart Ditch) 3500 ft	\$370,000.00
Install Liner	\$95,000.00
Rock Rip Rap	\$10,000.00
10% engineering and contingencies permits	\$50,000.00

Total \$550,000.00

Total Costs				
	Labor	Other Direct Costs	Matching Funds (If Applicable)	Total Project Costs
Task 1 - (Specify name of task)				
Task 2 -				
In-Kind Contributions				
Total Costs:				

Example Titles

Example Project Personnel: Hourly Rate:	Project Manager	Project Engineer	Geologist	Scientist	Graphics/ Designer	Clerical		Total Costs
Task 1 -								
Task 2 -								
Total Hours:								
Cost:								

Other Direct Costs						
Item:	Copies	Materials	Equipment/ Supplies	Mileage		Total

Units: Unit Cost:	No.			Miles		
Task 1 -						
Task 2 -						
Total Units:						
Total Cost:						

In-Kind Contributions (If Applicable)				
Project Personnel: Hourly Rate:				Total
Task 1 -				
Task 2 -				
Total Hours:				
Total Cost:				

SCHEDULE

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

Example 1

Task	Start Date	Finish Date
1	Upon NTP	NTP + 90 days
2	Upon NTP	NTP + 180 days
3	Upon NTP	NTP + 180 days
4	Upon NTP	12/31/11
5	NTP + 60 days	12/31/11
6	NTP + 60 days	12/31/11
7	NTP + 60 days	12/31/11

NTP = Notice to Proceed

Example 2

Task	First 6 Months						Second 6 Months					
	1/10 – 3/10			4/10 – 6/10			7/10 – 9/10			10/10 - 12/10		
A – Economic Analysis												
B – Storage Analysis												
C – TA for Ditch Cos												
D – Injury Analysis												
Final Reports												

PAYMENT

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

Appendix 4

W-9 Form

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

Missouri Heights-Mountain Meadow Location Map

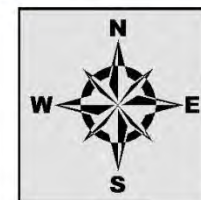
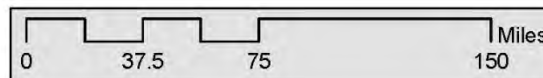
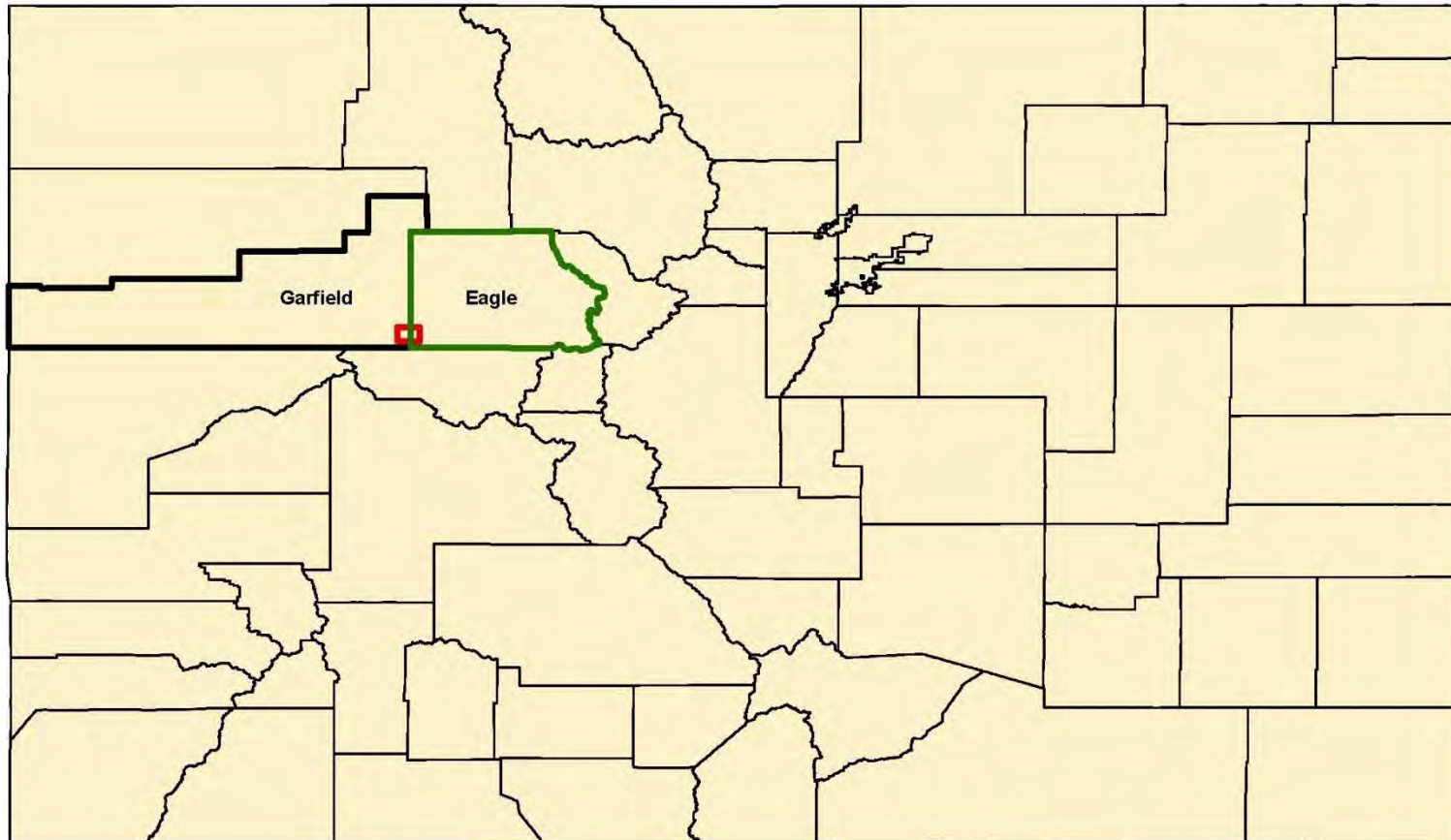


Exhibit B
General Location Map

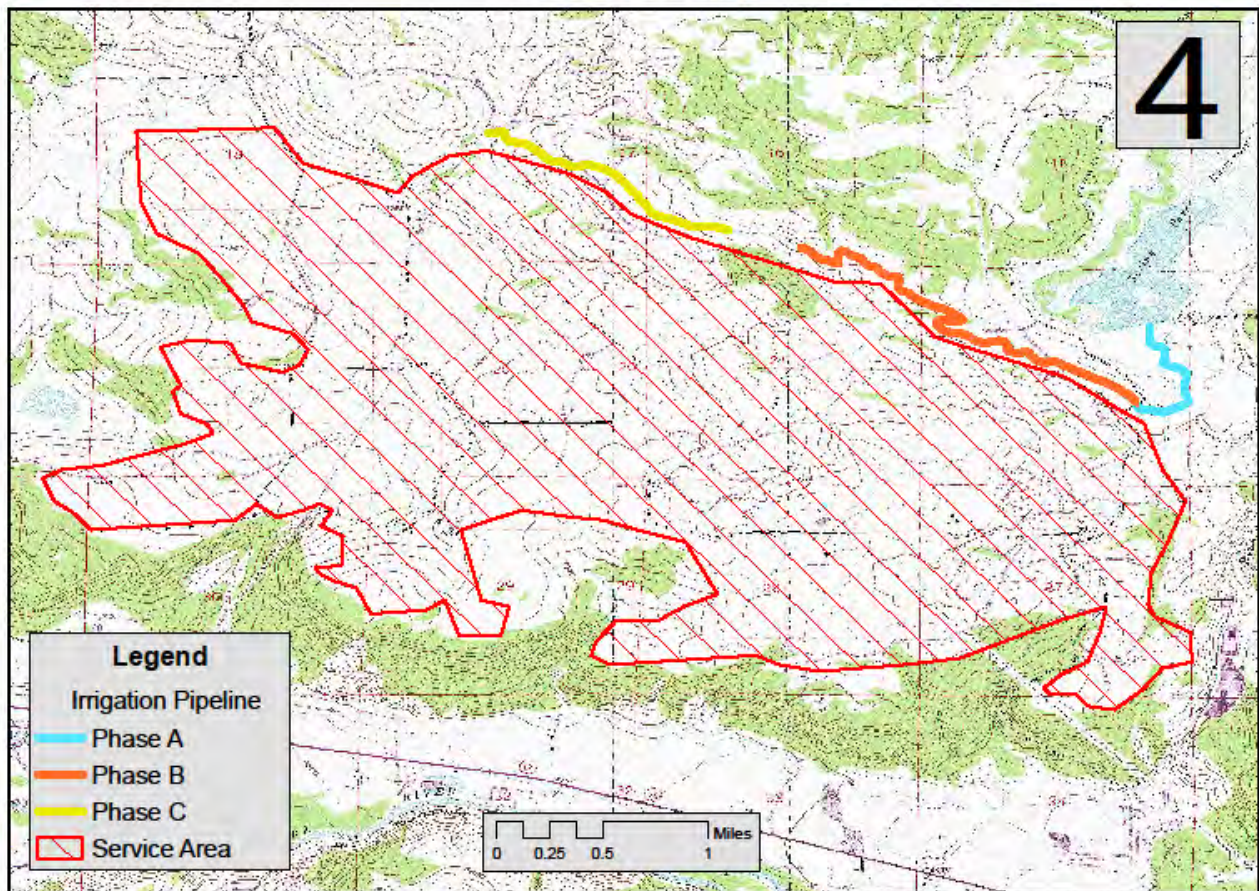
Missouri Heights-Mountain Meadow Phase A



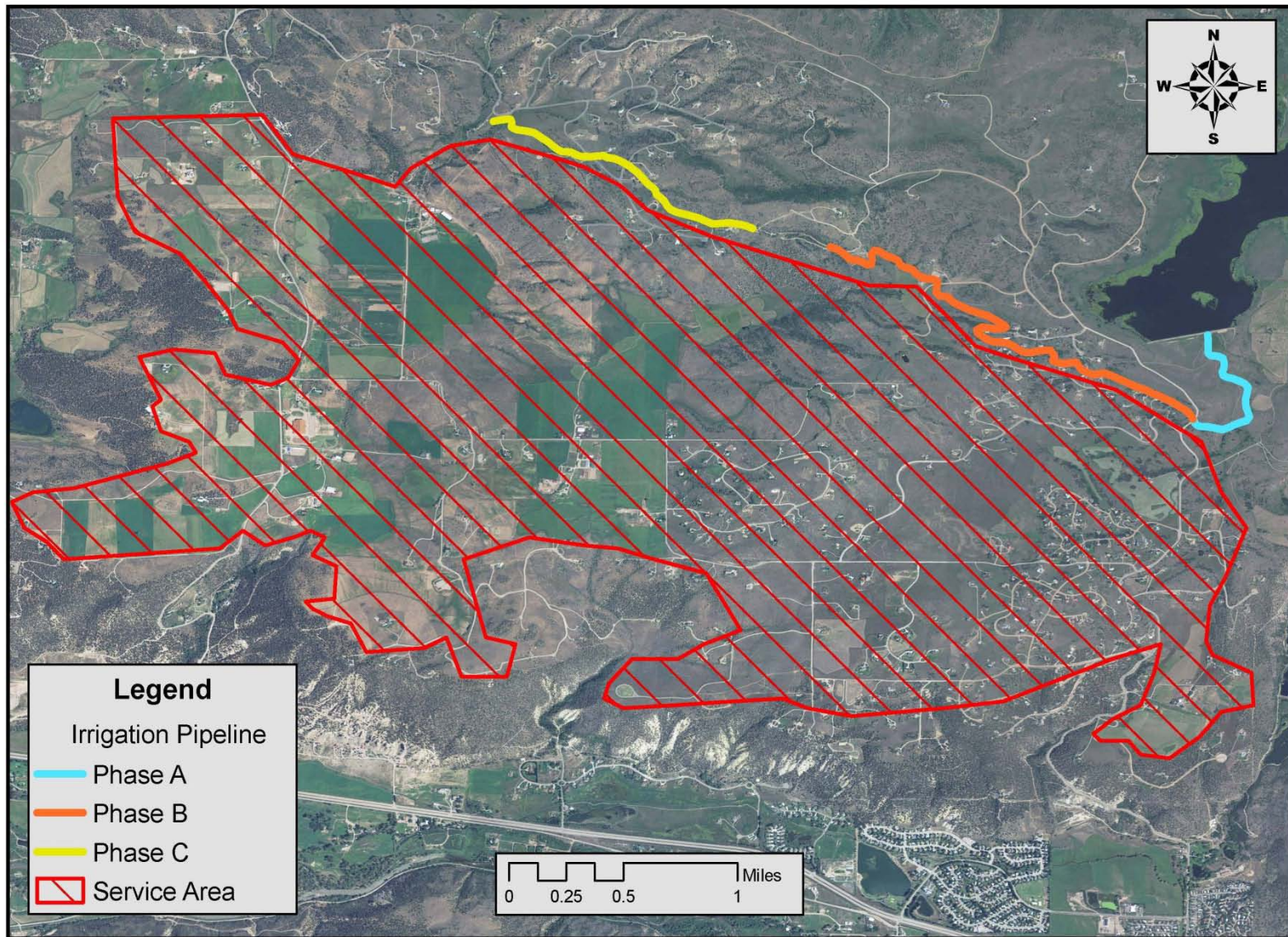
Detailed Location Map

Topography Map of Project Area

Missouri Heights-Mountain Meadow Service Area Map



Missouri Heights-Mountain Meadow Service Area Map



Service Area Map

Exhibit C Photos

Spring Park Reservoir



**Stilling Basin for Reservoir Outlet
and Beginning of Ditch to be Lined**



Photos of Existing Ditch

**Spring Park Reservoir Outlet Control
Structure and Water Storage for
Missouri Heights Ditch Company**



Typical Irrigated Field Under
Missouri Heights Ditch Company



Ditch Section to Be Lined



Attachment
Feasibility Study
Missouri Heights - Mountain Meadow Irrigation Company
Ditch Lining Project

Introduction (Need for the Project)

This project lies in the Roaring Fork Valley in the southwestern portion of Eagle County and the eastern portion of Garfield County, Colorado. The Missouri Heights - Mountain Meadow Irrigation Company operates the Missouri Heights Mountain Meadow Irrigation Company Ditch for the benefit of the shareholders by providing irrigation water from the Spring Park Reservoir. The beginning portion of the earthen ditch below the Reservoir loses as much as 30% of the water in the ditch due to seepage through the course and rocky soils. The Missouri Heights - Mountain Meadow Irrigation Company wants to install a lining or pipeline to make a permanent fix of this section. Proposed work will take place in the fall and winter of 2013 while the ditch is not in use.

The proposal is to line with a new plastic product called "Smart Ditch" or to pipe the 3500 ft. seeping canal. The lining or pipeline will prevent water loss due to ditch seepage.

The project consists of a concrete water control structure, about 3500 feet of a new product called "Smart Ditch" or 60 Inch plastic pipe and related rock protection of both the pipe and structure.

Without controlling seepage from the ditch water loss will continue until the ditch is lined or piped.

Project Sponsor

The Missouri Heights - Mountain Meadow Irrigation Company is an incorporated ditch company in the State of Colorado. The Company has an elected board of directors that manage the day-to-day business and operation of the ditch. The Ditch has a hired "ditch walker" to manage flows of water to the users of the ditch and to do some maintenance work. The Missouri Heights - Mountain Meadow Irrigation Company articles of incorporation and by-laws are included in Appendix A.

Project Service Area and Facilities

This project and service area lies in the Roaring Fork Valley in the southwestern portion of Eagle County and the eastern portion of Garfield County, Colorado. The Ditch Company has approximately 6 miles of distribution ditch starting at the outlet of the Spring Park Reservoir. The

area is known locally as Missouri Heights and is located north and east of Carbondale, Colorado and directly north of El Jebel, Colorado.

The ditch company serves 54 users including private landowners and homeowners' associations. The users are approximately 65% to 75% agricultural. The Missouri Heights - Mountain Meadow Irrigation Company provides water to irrigate about 2000 acres of land. Irrigated acreage within the service area is primarily used for cattle ranching, hobby farms, nursery trees, sod production, and to grow hay and forage crops. The hay crop is used as cattle and horse feed, or is sold.

Missouri Heights and all of Garfield County, has rapid population growth and development. This growth puts demands on the water in the Roaring Fork River for agriculture irrigation, recreation, municipal and industrial uses. The Missouri Heights - Mountain Meadow Irrigation Company has increased in the number of shareholders of 14 in 1968 to 36 in 1989 and currently has 54 shareholders. In addition to the increased pressure on the Ditch and its quantity of water, the Reservoir has seen increased use by bird watching and hunting over the last 20 years.

The area is greatly influenced by recreation, tourism and increased population, creating major changes in agriculture uses of the land and water. The water resources are having additional demands from domestic uses and industrial uses because of this growth.

Hydrology and Water Rights

Water for the Missouri Heights - Mountain Meadow Irrigation Company ditch is supplied by a direct diversion from Cattle Creek delivered through an open ditch to Spring Park Reservoir. The water is withdrawn from the reservoir as needed by the shareholders.

Water Rights are 13 CFS with an appropriation date of May 31, 1902 and a second right for 40 cfs with an appropriation date of December 28, 1911.

The Ditch is usually turned on in the first two weeks of May and runs until about the first of October.

Project Description and Alternatives

The purpose of this project is to provide a means for the Missouri Heights Mountain Meadow - Irrigation Company to continue providing irrigation water to shareholders while minimizing water loss and maintaining the operation of the existing delivery system. Three alternatives were considered:

1. The no-action alternative.
2. Install Ditch Liner and structures in the first 3500ft of ditch

3. Piping the ditch with 60 inch diameter plastic pipe for the first 3500 feet.

Alternative No. 1 was considered unacceptable since it means the Missouri Heights - Mountain Meadow Irrigation Company will continue to lose water due to seepage.

Alternative No. 2 was selected, since it is considered to be the least costly reliable approach.

Alternative No. 3 this alternative is not feasible because there is not enough head to flow water through the pipe without backing water into the piping and structure of the reservoir embankment.

The selected alternative, Alternative No. 2, involves purchase and installation of 3500 ft. of a new product which uses plastic interlocking peaces to line the ditch. Design has been completed by the suppliers of the product called Smart Ditch. This also includes needed concrete and other structural needs and rock riprap designed by the Garfield County Office of the Natural Resources Conservation Service (NRCS). NRCS is preparing any additional engineering designs and cost estimates for the project. Conceptual plans as prepared by the NRCS and Smart Ditch are attached in the back pocket of this study.

The estimated cost of the completed project is \$550,000. The cost breakdown is summarized in Table 1. The NRCS Preliminary Design report and detailed cost estimate are included in Appendix D.

**Table 1. Missouri Heights - Mountain Meadow Irrigation Company
Irrigation Ditch Lining Project - Cost Estimate**

Estimated Budget:

Mobilization	\$5,000.00
Earthwork	\$10,000.00
Concrete inlet Structure 5 CY	\$10,000.00
Open Ditch liner (Smart Ditch) 3500 ft	\$370,000.00
Install Liner	\$95,000.00
Rock Rip Rap	\$10,000.00
10% engineering and contingencies permits	\$50,000.00
Total	\$550,000.00

Implementation Schedule

The NRCS is expected to complete the final design by mid-October 2013. Construction is expected to begin November 2013 and to be completed by May 2014.

Permitting

All easements and rights of way have been arranged. The Company expects to be exempt from 404 permitting by statutory exemption, 33 CFR Section 323.4(a) 3. This will be confirmed with the Army Corps of Engineers.

Financial Analysis

The Missouri Heights - Mountain Meadow Irrigation Company will be the lead for the financing, design, and construction of the project and will be the entity entering into contracts and agreements with the various entities for the services provided by each.

Entities that are, or may be, involved in the design, construction, and financing of the project include:

1. Missouri Heights - Mountain Meadow Irrigation Company; financing and project management.
2. Natural Resources Conservation Service (NRCS); design, and construction.
3. Colorado Water Conservation Board (CWCB); financing and construction,

Several entities will be involved in financing the estimated total project cost of \$550,000. The Missouri Heights - Mountain Meadow Irrigation Company is applying for a loan from the CWCB in maximum amount of \$450,000.00, to accommodate the 100% Company cost share. The actual or estimated amounts by entity are given in Table 2.

**Table 2. Sources of Funding
(actual as of 1-31-2013)**

Funding Sources:

Ditch Company funds	\$100,000.00
Colorado Water Conservation Board Revolving Loan	\$450,000.00
Total	\$550,000.00

The Missouri Heights - Mountain Meadow Irrigation Company will cover any costs that exceed the estimated project cost.

The Missouri Heights - Mountain Meadow Irrigation Company is requesting \$450,000.00 loan for 30-year from the CWCB. The standard agricultural lending rate would be 4%, resulting in annual payments of \$24,458. To this would be added \$2,446 per year for the first 10 years to fund the emergency reserve account, for a total annual cost of \$26,903. **estimated**

Table 3 is a summary of the financial aspects of the project. Annual assessments are \$4.00 per share. With project future assessments will be \$6.50 to \$7.00 per share.

**The increase in annual assessments is to be determined.

Table 3. Financial Summary

Project Cost	\$550,000
Loan Amount (75% of Project Cost)	\$438,000
CWCB Loan Payment Amount, including 10% loan reserve	\$15,903
Number of Shareholders	54
Number of Shares of Stock	10,000
Current Assessment per Share	\$4.00
Future Assessment per Share	**see above
Annual Project Cost per acre-foot (Average annual diversions: 4,480 acre-feet)	

Since all other funding for the project is in the form of grants, the Company would have no other debt service on this project. Operation and maintenance costs are expected to decrease with the new diversion structure, and can be accommodated by the Company's existing budget.

Potential Funding

The Ditch Company will be applying for additional grants to assist in the funding of this project. Some of the sources of fund to be applied for are:

USDA - NRCS Environmental Quality Incentive Program
Colorado River Water Conservation District - Grant Program
Colorado River Water Roundtable Funds

A Grant has been requested through the Colorado River Water Conservation District. This grant is requesting \$100,000.00 but result of the request will not be known until late April, 2013.

The Ditch Company members have signed up for the Environmental Quality Incentive Program through the Natural Resources Conservation Service, USDA. The amount of funding and the results of contract approval will be determined by NRCS later in the year.

Colorado River Water Roundtable Funds are being requested. We are requesting \$50,000.00.

Funds received will vary from requested amount because of program limits as actual funds are approved.

If all Grants were approved at requested amounts

Sources of Funding

Ditch Company funds	\$100,000.00
USDA - NRCS Environmental Quality Incentive Program	\$100,000.00 est./guess
Colorado River Water Conservation District - Grant Program	\$100,000.00
Colorado River Water Roundtable Funds	\$ 50,000.00
Colorado Water Conservation Board Revolving Loan	\$200,000.00
Total	\$550,000.00

Credit worthiness: Missouri Heights - Mountain Meadow Irrigation Company has no existing debt. Table 4 shows the Financial Ratios for the Missouri Heights Mountain Meadow - Irrigation Company and indicates average to strong ability to repay with the project in place.

The Missouri Heights - Mountain Meadow Irrigation Company operates on assessments of the water users. For many years the Ditch Company has kept the assessments as low as possible as many of the users are just getting by. A major project like this could cause the failure of the ditch company and leave the water unused if loans and grants are not obtained.

Table 4. Financial Ratios

<i>Financial Ratio</i>	<i>Without the project</i>	<i>With the project</i>
Operating Ratio (revenue/expense)		
Debit Service Coverage Ratio (revenues-expenses)/debt service		
Cash Reserves to Current Expense		
Annual Cost per acre-foot (15,000 acre-feet diverted.)		

Annual income at \$4.00 per share plus \$100 per account is \$55,300. Expenses run an average of \$40,000 per year.

Alternative financing considerations: The Missouri Heights - Mountain Meadow Irrigation Company has investigated alternative financing sources. They have obtained an in-kind grant from the NRCS for engineering design and construction inspection.

Collateral: As security for the CWCB loan the Missouri Heights Mountain Meadow Irrigation Company Ditch Company can pledge assessment income, water rights and the project itself.

Economic Analysis

The economic benefit of the project is considerable. The Mount Sopris Conservation District estimates the value of property affected to be \$30.7 million (3071 ac.X \$10,000.00), within the 3,071-acre service area. The short-term value of potential damage to this property in the event the Missouri Heights Mountain Meadow Irrigation Company pipeline is continued loss of 30% of the water. The loss in land value is unknown and may be incalculable.

Social and Physical Impacts

This project lies in the Roaring Fork Valley in the southwestern portion of Eagle County and the eastern portion of Garfield County, Colorado. The Ditch is approximately 6 miles long, starting at the outlet of the Spring Park Reservoir. The area is known locally as Missouri Heights and is located north and east of Carbondale, Colorado and directly north of El Jebel, Colorado. Additional demands on irrigation infrastructure and water resources is being increase because of recreation and tourism, changes in agriculture uses of the land and increased population.

The project will have no significant *social impacts*, since it will assure the continued operation of a currently existing irrigation system. The project will have minor physical impacts, once construction is complete. The new lining will be in the same location as the existing open ditch.

The Missouri Heights - Mountain Meadow Irrigation Company is experiencing changes in Agriculture use of water. The Agricultural use is changing to smaller land owners growing hay and pasture, some nursery and tree farms and conventional agriculture crops.

Conclusions

1. The Missouri Heights - Mountain Meadow Irrigation Company is an incorporated entity in the State of Colorado with the ability to enter into a contract with the CWCB for the purpose of obtaining a Construction Fund loan.
2. Rights-of Way easements are adequate for the construction of this project.
3. The project would provide for the continued delivery of irrigation water to shareholders.
4. The total estimated cost of the project is \$550,000.00 and this will be financed, in part, by in-house financing, in-kind services, and various grants that are being applied for. The Missouri Heights - Mountain Meadow Irrigation Company is applying for a \$450,000 loan from the CWCB Construction Fund for the amount not covered by other grants.
5. Missouri Heights - Mountain Meadow Irrigation Company is eligible for a loan from the CWCB Emergency Infrastructure Repair Account because the project is necessary to avoid unreasonable risk of injury or damage to human health or well-being or to property or crops, and because the emergency condition is not the result of negligence in the operation or maintenance of the infrastructure.
6. The project is technically and financially feasible.

Exhibit A
Statement of Work

WATER ACTIVITY NAME - Missouri Heights - Mountain Meadow Irrigation Company
Ditch Lining Project

GRANT RECIPIENT – Missouri Heights - Mountain Meadow Irrigation Company (Mo. Heights)

FUNDING SOURCE - Colorado River Basin Roundtable Account

INTRODUCTION AND BACKGROUND

Mo. Heights operates the Ditch for the benefit of the shareholders by providing irrigation water from the Spring Park Reservoir. The beginning portion of the earthen ditch below the Reservoir loses as much as 30% of the water in the ditch due to seepage through the course and rocky soils. Mo. Heights will install a ditch liner to prevent water loss. Work will take place in the fall and winter of 2013 while the ditch is not in use. The proposed liner is a new product called “Smart Ditch”. The 3,500 ft. of liner will significantly reduce ditch seepage. In addition, the project consists of a concrete water control structure and related rock protection for the liner and structure.

OBJECTIVES

Reduce Water loss due to seepage and by hydrophytic vegetation.
Reduce annual maintenance work and costs
Increase the efficiency of the delivery system

TASKS

TASK 1 – Installation of ditch lining and associated structures

Description of Task

Excavation, grading, placement, anchoring, backfilling, of the liner and structures.

Method/Procedure

Bid and contract with a construction contractor to complete this project in late 2013 or early 2014. prior to irrigation water being turned on.

REPORTING AND FINAL DELIVERABLE

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

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

BUDGET

Total Costs				
	Labor	Other Direct Costs	Matching Funds (If Applicable)	Total Project Costs
Task 1 - Construction	\$50,000		\$500,000	\$550,000
In-Kind Contributions				
Total Costs:				\$550,000

Construction Estimate Breakdown

Mobilization \$5,000.00

Earthwork \$10,000.00

Concrete inlet Structure 5 CY \$10,000.00

Open Ditch liner (Smart Ditch) 3500 ft \$370,000.00

Install Liner \$95,000.00

Rock Rip Rap \$10,000.00

Engineering/Permits \$50,000.00

Total \$550,000.00

SCHEDULE

Task	Start Date	Finish Date
1	Upon NTP	NTP + 365 days

NTP = Notice to Proceed

Task	First 6 Months						Second 6 Months					
	10/13 - 12/13			1/14 - 3/14			4/14 - 6/14			7/14 - 9/14		
1 – Construction												
1 – Testing/Seeding												
Final Reports												

PAYMENT

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

Appendix 1

Reference Information

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

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

Appendix 2

Insurance Requirements

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

13. INSURANCE

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

A. Grantee

i. Public Entities

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

ii. Non-Public Entities

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

B. Sub-Grantees

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

i. Worker's Compensation

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

ii. General Liability

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

iii. Automobile Liability

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

iv. Additional Insured

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

v. Primacy of Coverage

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

vi. Cancellation

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

vii. Subrogation Waiver

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

C. Certificates

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

Appendix 3

Water Supply Reserve Account Standard Contract Information

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

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

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

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

Appendix 4

W-9 Form

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