



**COLORADO**

**Colorado Water  
Conservation Board**

Department of Natural Resources

1313 Sherman Street, Room 718  
Denver, CO 80203

July 5, 2016

Ms. Melissa Meeker, Executive Director  
WaterReuse Association  
1199 North Fairfax Street, Suite 410  
Alexandria, VA 22314

RE: Official Notice to Proceed – WSRF Grant – **CTGG1 2016-2037 – Advancing Direct  
Portable Reuse to Optimize Water Supplies & Meet Future Needs Project in the Metro,  
Colorado, North Platte & South Platte River Basins**

Dear Melissa,

This letter is to inform you that the contract to assist in the above WSRF grant project has been approved. The original contract documents will be mailed to you for your records.

With the executed contract (CTGG1 2016-2037 you are now able to proceed with the project and invoice the State of Colorado for costs incurred through your expiration date. Please provide the project name, CTGG1 number, and basins when corresponding with or invoicing for your project. Upon receipt of your invoice(s), the State of Colorado will provide payment no later than 30 days after review and signed approval of the project manager.

If an extension to the project is necessary, a formal letter of request must be submitted to the project manager along with a proposed completion date **90 days** prior to the current expiration date. There will be no prior notice from the CWCB contract compliance staff informing the grantee that the project is approaching its deadline, therefore the grantee must monitor the completion progress accordingly.

If you have any questions or concerns regarding the project, please contact Kevin Reidy, Project Manager at 303-866-3441 x3252 or at [Kevin.reidy@state.co.us](mailto:Kevin.reidy@state.co.us). You can contact me at 303-866-3441 ext. 3250 for invoicing and payment disbursement questions.

Thank you.

Sincerely,

//s//

**Doriann Vigil**  
**Program Assistant II**  
O 303-866-3441 ext. 3250  
1313 Sherman Street, Rm. 719, Denver, CO 80203  
[Dori.vigil@state.co.us](mailto:Dori.vigil@state.co.us) / [cwcb.state.co.com](http://cwcb.state.co.com)

Attachments



**STATE OF COLORADO  
COLORADO WATER CONSERVATION BOARD  
GRANT AGREEMENT  
with  
WATEREUSE ASSOCIATION**

**TABLE OF CONTENTS**

1. PARTIES.....	1
2. EFFECTIVE DATE AND NOTICE OF NONLIABILITY.....	1
3. RECITALS.....	1
4. DEFINITIONS.....	2
5. TERM and EARLY TERMINATION.....	3
6. STATEMENT OF WORK.....	3
7. PAYMENTS TO GRANTEE.....	3
8. REPORTING - NOTIFICATION.....	4
9. GRANTEE RECORDS.....	5
10. CONFIDENTIAL INFORMATION-STATE RECORDS.....	5
11. CONFLICTS OF INTEREST.....	6
12. REPRESENTATIONS AND WARRANTIES.....	6
13. INSURANCE.....	7
14. BREACH.....	8
15. REMEDIES.....	8
16. NOTICES and REPRESENTATIVES.....	10
17. RIGHTS IN DATA, DOCUMENTS, AND COMPUTER SOFTWARE.....	10
18. GOVERNMENTAL IMMUNITY.....	11
19. STATEWIDE GRANT MANAGEMENT SYSTEM.....	11
20. GENERAL PROVISIONS.....	11
21. COLORADO SPECIAL PROVISIONS.....	13
22. SIGNATURE PAGE.....	16
23. EXHIBIT A - STATEMENT OF WORK.....	Exhibit A
24. EXHIBIT B – PERFORMANCE MONITORING PROVISIONS.....	Exhibit B

**1. PARTIES**

This Grant Agreement (hereinafter called “Grant”) is entered into by and between WateReuse Association, 1199 North Fairfax Street, Suite 410, Alexandria, VA 22314 (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 project is for the Advancing Direct Potable Reuse to Optimize Water Supplies and Meet Future Needs Project in the Metro, Colorado, North Platte, South Platte River Basins.

**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 and B**.

**C. Exhibits and other Attachments**

The following are attached hereto and incorporated by reference herein: **Exhibit A** (Statement of Work), **Exhibit B** (Performance Monitoring Provisions).

**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. Subgrantee**

“Subgrantee” 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**

### **A. Initial Term-Work Commencement**

The Parties’ respective performances under this Grant shall commence on the date the Agreement is signed by the State Controller or delegate (Effective Date). This Grant shall terminate on January 31, 2018 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 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 January 31, 2018. 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 Subgrantees shall be considered Grantee’s or Subgrantees’ 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 **\$188,955**, 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:

<b>\$188,955 in FY2016</b>
<b>\$188,955 in FY2017, minus any funds expended in FY2016</b>
<b>\$188,955 in FY2018, minus any funds expended in FY2017, FY2016</b>

### **B. Payment**

#### **i. 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 person or entity other than the State.

## **C. 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.

## **D. Matching Funds**

Grantee shall provide matching funds as provided in **Exhibit A**. Grantee shall have raised the full amount of matching funds prior to the Effective Date and shall report to the State regarding the status of such funds upon request.

# **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**

State shall submit a report to the Grantee 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 Colorado Department of Natural Resources.

## **C. Performance Outside the State of Colorado and/or the United States**

*[Not applicable if Grant Funds include any federal funds]* Following the Effective Date, Grantee shall provide written notice to the State, in accordance with **§16 (Notices and Representatives)**, within 20 days of the earlier to occur of Grantee's decision to perform, or its execution of an agreement with a Subgrantee to perform, Services outside the State of Colorado and/or the United States. Such notice shall specify the type of Services to be performed outside the State of Colorado and/or the United States and the reason why it is necessary or advantageous to perform such Services at such location or locations. All notices received

by the State pursuant to this §8.C shall be posted on the Colorado Department of Personnel & Administration's website. Knowing failure by Grantee to provide notice to the State under this §8.C shall constitute a material breach of this Grant.

**D. 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.

**E. 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 of 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.

**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, Subgrantees, 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, Subgrantees, 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 normal 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 Grantee's 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 Subgrantees 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 Subgrantees that are public entities, providing Goods or Services hereunder, to include the insurance requirements necessary to meet Subgrantee'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 Subgrantees that are not "public entities".

#### **B. Grantee and Subgrantees**

Grantee shall require each Grant with Subgrantees, 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 Subgrantee 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 contractual liability, personal injury, and advertising liability with minimum limits as follows: (a) \$1,000,000 each occurrence; (b) \$2,000,000 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, Subgrantee 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 Subgrantees 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 Subgrantees 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 Subgrantees 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 Subgrantee 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 subgrant, Grantee and each Subgrantee 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 subcontracts 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 subcontracts. 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 Subgrantees 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:**

Mr. Kevin Reidy, Project Manager
Colorado Water Conservation Board
1313 Sherman Street, Suite 718
Denver, CO 80203
Kevin.reidy@state.co.us

**B. Grantee:**

Ms. Melissa Meeker, Executive Director
WateReuse Association
1199 North Fairfax St, Suite 410
Alexandria, VA 22314
mmeeker@watereuse.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 exclusive property of the State and, all Work Product shall be delivered to the State by Grantee upon completion or termination hereof. The State's exclusive rights in such Work Product shall include, but not be limited to, the right to copy, publish, display, transfer, and prepare derivative works. Grantee shall not use, willingly allow, cause or permit such Work Product to be used for any purpose other than the performance of Grantee's obligations hereunder without the prior written consent of the State.

## **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 & 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 a showing of good cause.

## **20. GENERAL PROVISIONS**

### **A. Assignment and Subgrants**

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, or subgranting without such consent shall be void. All assignments, subgrants, or Subgrantees 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 effect 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, Subgrantees, 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 the 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 CONTRACTS - 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 Parties. 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,**
- iv. Exhibit 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.

### **21. COLORADO SPECIAL PROVISIONS**

These 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 will 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 agreement, 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 Grant 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/CONFLICT OF INTEREST. CRS §§24-18-201 and 24-50-507.**

The signatories aver that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this Grant. Grantee has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Grantee's services and Grantee shall not employ any person having such known interests.

**J. 10. VENDOR OFFSET. CRS §§24-30-202 (1) and 24-30-202.4.**

*[Not applicable to intergovernmental agreements]* Subject to CRS §24-30-202.4 (3.5), the State Controller may withhold payment under the State's vendor offset intercept system for debts owed to State agencies for: (a) unpaid child support debts or child support arrearages; (b) unpaid balances of tax, accrued interest, or other charges specified in CRS §39-21-101, et seq.; (c) unpaid loans due to the Student Loan Division of the Department of Higher Education; (d) amounts required to be paid to the Unemployment Compensation Fund; and (e) other unpaid debts owing to the State as a result of final agency determination or judicial action.

**K. 11. PUBLIC GRANTS FOR SERVICES. CRS §8-17.5-101.**

*[Not applicable to agreements relating to the offer, issuance, or sale of securities, investment advisory services or fund management services, sponsored projects, intergovernmental agreements, or information technology services or products and services]* Grantee certifies, warrants, and agrees that it does not knowingly employ or contract with an illegal alien who will perform work under this Grant and will confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this Grant, through participation in the E-Verify Program or the State program established pursuant to CRS §8-17.5-102(5)(c), Grantee shall not knowingly employ or contract with an illegal alien to perform work under this Grant or enter into a grant with a Subgrantee that fails to certify to Grantee that the Subgrantee shall not knowingly employ or contract with an illegal alien to perform work under this Grant. Grantee (a) shall not use E-Verify Program or State program procedures to undertake pre-employment screening of job applicants while this Grant is being performed, (b) shall notify the Subgrantee and the granting State agency within three days if Grantee has actual knowledge that a Subgrantee is employing or contracting with an illegal alien for work under this Grant, (c) shall terminate the subgrant if a Subgrantee does not stop employing or contracting with the illegal alien within three days of receiving the notice, and (d) shall comply with reasonable requests made in the course of an investigation, undertaken pursuant to CRS §8-17.5-102(5), by the Colorado Department of Labor and Employment. If Grantee participates in the State program, Grantee shall deliver to the granting State agency, Institution of Higher Education or political subdivision, a written, notarized affirmation, affirming that Grantee has examined the legal work status of such employee, and shall comply with all of the other requirements of the State program. If Grantee fails to comply with any requirement of this provision or CRS §8-17.5-101 et seq., the granting State agency, institution of higher education or political subdivision may terminate this Grant for breach and, if so terminated, Grantee shall be liable for damages.

**L. 12. PUBLIC GRANTS WITH NATURAL PERSONS. CRS §24-76.5-101.**

Grantee, if a natural person eighteen (18) years of age or older, hereby swears and affirms under penalty of perjury that he or she (a) is a citizen or otherwise lawfully present in the United States pursuant to federal law, (b) shall comply with the provisions of CRS §24-76.5-101 et seq., and (c) has produced one form of identification required by CRS §24-76.5-103 prior to the effective date of this Grant.

SPs Effective 1/1/09



**THE REST OF THIS PAGE INTENTIONALLY LEFT BLANK**

## 22. SIGNATURE PAGE

Grant Contract#: CTGG1 2016-2037  
CMS#89342

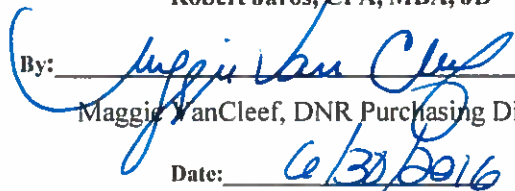
### THE PARTIES HERETO HAVE EXECUTED THIS GRANT

\* 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><b>GRANTEE</b> <b>WateReuse Association</b></p> <p>By: Melissa Meeker Title: Executive Director</p> <p> *Signature</p> <p>Date: <u>8 April 2016</u></p>	<p><b>STATE OF COLORADO</b> <b>John W. Hickenlooper GOVERNOR</b> Department of Natural Resources Mike King, Executive Director</p> <p> By: Rebecca Mitchell, Section Chief, Water Supply Planning, CWCB</p> <p>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</p> <p>Date: _____</p>
<p>By: _____ Title: _____</p> <p>_____ *Signature</p> <p>Date: _____</p>	<p><b>LEGAL REVIEW</b> John W. Suthers, Attorney General</p> <p>By: <u>N/A</u> Signature - Assistant Attorney General</p> <p>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><b>STATE CONTROLLER</b> Robert Jaros, CPA, MBA, JD</p> <p>By:  Maggie VanCleaf, DNR Purchasing Director</p> <p>Date: <u>6/30/2016</u></p>
---

**STATEMENT OF WORK**  
**Water Reuse Colorado (WRCO)**  
**Project: Advancing Direct Potable Reuse to Optimize Water Supplies and Meet Future Demands**

**January 29, 2016**

Meeting Colorado's water needs is an increasingly difficult challenge, requiring new thinking and nontraditional supplies. The forthcoming Colorado State Water Plan recognizes this reality, with its emphasis on water conservation and water reuse, and in particular, its acknowledgment of the role that potable water reuse will necessarily play in our state's future water supply portfolio.

Challenging and new regulatory issues, such as those surrounding Direct Potable Reuse (DPR), have difficulty progressing in the abstract. Where DPR has been successfully implemented (Oregon, Texas, New Mexico), the need for water and the leadership of select utilities resulted in a thoughtful, rigorous, and yet, expedited regulatory approval. This WaterReuse Colorado (WRCO) project will build upon these and other successful DPR experiences, and intends to do so based upon specific and succinct example projects in Colorado. The work will focus on the three key areas, all of which were highlighted in the May 2015 Colorado DPR Workshop hosted by the Water Environment Research Foundation (WERF) and the Colorado Water Conservation Board (CWCB):

- Regulatory and Institutional Framework
- Public Outreach
- Technical Aspects

This three-tiered approach is generally consistent with successful precedents in Texas, New Mexico, and Oregon. The WRCO project will be conducted in three interrelated tasks, corresponding to the three focus areas described above. A fourth task provides project conclusions, as well as management and administration of grant funds. Carollo Engineers was selected through a competitive process to administer and manage the project and implement and complete project tasks, with assistance from WRCO members and other project participants.

**Task 1: DPR Regulatory and Institutional Framework for Colorado**

**Description of Task**

This task will document the bases for development of potential DPR regulations in Colorado that are protective of public health and safety and reflective of best management practices. Water providers' interest in potable water reuse is rapidly increasing as a potentially cost-competitive approach for sustainably meeting water demands. However, there is no framework for regulatory development or project-specific approvals specifically designed for direct potable reuse in Colorado. The project will utilize ongoing research and the approaches and experience in other Western States to develop a proposed Colorado-specific approach to DPR project approvals and/or regulations that describes appropriate treatment, monitoring, and operational requirements for DPR systems. A broad-based technical/regulatory/water user work group will be convened, including Colorado Department of Public Health and Environment (CDPHE) regulatory staff, Colorado water utilities (both large and small), environmental and agricultural representatives, regulators and water utilities from other states, national experts, and other water users and interested parties, with most participants providing their time as in-kind

contributions. The end goal of this task is to develop a proposed roadmap for the State of Colorado and its water users to follow in the future development of DPR projects.

The proposed roadmap developed as part of this process is not to be presented to or construed by the CDPHE as being endorsed by any Basin Roundtable, the CWCB, the IBCC, or any other entity unless that specific entity affirmatively states so in writing.

**Task 1.1 – DPR Implementation Success and Failure in OR, TX, NM, and CA.** As noted in the 2015 WERF document *Considering the Implementation of Direct Potable Reuse in Colorado*, DPR is not prohibited in Colorado, but there is also no clear regulatory pathway. This subtask will compare and contrast the regulatory pathways for DPR in Oregon, New Mexico, Texas, and California. Oregon, New Mexico, and Texas used flexible but protective approaches to permit and implement DPR projects. California has taken a different approach to DPR. Beginning in 2011, the WaterReuse Association – with broad industry support – established the California DPR Research Initiative, funding over \$6 million in DPR research to date. In parallel, the State Water Resources Control Board has been mandated to determine by fall 2016 if it is feasible to develop DPR regulatory criteria for the State of California. Once determined, California utilities may have to wait another few years before DPR is officially regulated. Thus, the important questions remain: What are the specific regulatory, legal, and institutional barriers that were overcome in Oregon, New Mexico, and Texas; how do those compare and contrast to the barriers in California (where DPR regulation is slow); and how do those barriers compare to Colorado’s?

The project team will research these questions, working closely with the successful project teams in Oregon, New Mexico, and Texas, and working with the California teams looking to progress DPR in California. Once this effort is complete, the project team will summarize its findings in a presentation to be used in Task 1.2, below.

**Task 1.2 – Colorado Regulatory Strategy Workgroup Meetings.** The project team will convene a series of four quarterly workgroup meetings to weigh issues, make recommendations, and exchange information. The workgroup shall be convened by the WRCO President or Board and will include Colorado Department of Public Health and Environment (CDPHE) regulatory staff, Colorado utilities, regulators and utilities from other states, national experts.<sup>1</sup> These workgroups will be facilitated by Jeff Mosher, of NWRI. Potential topics are defined as follows:

- Meeting #1 - Review of DPR projects and initiatives in Oregon, Texas, New Mexico, and California. Presentation and discussion on technical, outreach, and institutional/legal issues. Workgroup to brainstorm institutional/legal issues for Colorado and to assign tasks for more detail and investigation.
- Meeting #2 - Workgroup to report back with draft summaries of institutional/legal issues for DPR in Colorado. Workgroup will be divided into sub-groups to work through example DPR projects in Colorado, identifying and providing proposed approaches to resolving identified technical and legal/institutional issues. Workgroup to discuss avenues for securing resources needed for CDPHE’s efforts in developing regulations.
- Meeting #3 - Extension of Meeting #2, details to be determined.

---

<sup>1</sup> Hours and expenses beyond those listed in Carollo fee estimate will be funded separately and provided as in-kind project contributions.

- Meeting #4 - Final meeting of Workgroup. The goal of this meeting will be to reach consensus on a path forward for DPR in Colorado.

**Task 1.3 – Summary Report.** The planning team will develop a summary report of Workgroup activities and a path forward for DPR regulatory development in Colorado, working in collaboration with CDPHE. This will include a brief summary of the legal and institutional barriers (and success stories) to DPR in California, New Mexico, Oregon, and Texas, and approaches to addressing the specific legal and institutional barriers to DPR in Colorado.

Task 1 Cost: \$99,267 (project consultant = \$77,392, in-kind = \$21,875)

Task 1 Deliverables:

- Summary report of Workgroup activities and a path forward for DPR regulatory development in Colorado.

**Task 2: Public Outreach for DPR at the Local and State Level**

Description of Task

Public acceptance of reuse, and in particular potable reuse, has been shown to be among the most significant challenges in implementing a project. Targeted research as well as project experience from other utilities across the country has clearly demonstrated the benefits of a well-planned, open, and factual public information and outreach program that starts well in advance of implementing a potable reuse project. Extensive tools for potable reuse education and outreach have been developed by the WaterReuse Research Foundation (WRRF), most specifically the work in WRRF project no. 13-02 (Model Communication Plans for Increasing Awareness and Fostering Acceptance of DPR) and the work in WRRF project no. 12-06 (Guidelines for Engineered Storage for DPR). This task will support local-level potable reuse public outreach and messaging efforts by providing tools and information, as well as examples of outreach success through websites and education programs, that can be used by utilities across the state. A series of tasks will be used to gauge the specific public perceptions and associated outreach needs, develop messaging tools, and distribute the messages to relevant audiences.

**Task 2.1 – Public Education and Outreach Workgroup.** Convene a series of four workgroup meetings to weigh issues, make recommendations, and exchange information. These meetings will be held in conjunction with the Task 1.2 Workgroup Meetings (i.e., on the same day, immediately preceding or following those meetings). These meetings will discuss the terminology and goals for the outreach task (Meeting #1), results of the web-based survey effort (Meeting #2), the planned educational materials for the example utility (Meeting #3), and the results of the educational efforts for the same example utility (Meeting #4). The Workgroup's findings and recommendations will be documented in brief meeting minutes.

**Task 2.2 – Develop web-based educational materials.** Develop a series of public information web pages applicable to Colorado utilities/communities that can be used as a resource and referenced/linked by utilities practicing or considering potable water reuse. Web pages will utilize materials developed through WaterReuse, The Ways of Water, and materials dedicated to a better understanding of Colorado's water supplies. The included and linked information will highlight potable reuse around the Western U.S., answers to frequently asked questions, details of treatment technologies, regulatory

barriers, and can provide information or links to existing information regarding potable reuse success stories, treatment technologies, regulatory protections, and other related information.

**Task 2.3 – Web-Based Outreach Stakeholder Survey** - Working with up to two select example utilities, the project team will develop and conduct a web-based survey using the water customer email address database. The email invitation will contain a URL that links respondents to the survey. The survey will start by showing a short, 2 minute, informational animation on how the water cycle interfaces with municipal water supplies, and how it might be altered to take more advantage of water reuse. The survey will use existing animations (one or both: The Ways of Water or a Water: Think & Drink animation). The survey differs from opinion polls where people are not first informed, which may be a key factor in potable reuse acceptance. The draft survey content and questions will be developed by the project team and finalized with WRCO input. A written summary of the survey results will be provided with conclusions identified.

**Task 2.4 – Interpret and apply results from surveys.** Using the survey results above, the project team will detail the public perception hurdles faced for DPR in Colorado and documented in the Task 2.2 written summary. Have workgroup review and decide on next steps integrating results.

**Task 2.5 – Outreach Materials for DPR Demonstration Facility.** Develop materials to support public outreach associated with a DPR demonstration facility in the Front Range, with access provided to all Colorado residents to extend messaging regarding DPR’s water security benefits and public health and regulatory protections. Develop educational materials including signage to highlight key features of the facility, and provide training of staff (and potentially WRCO volunteers) for providing tours. WRCO members may offer their time as in-kind contributions to provide scheduled tours. *In the event that a DPR demonstration facility is not constructed during the execution of this project, the funds will instead be allocated to development/delivery of additional outreach materials under Task 2.6.*

**Task 2.6 – Develop and Deliver Outreach Materials and Messages through Multiple Outlets.** This task includes efforts to develop some or all of the following: one or more Op-Ed articles regarding water reuse to be placed in major newspapers; development and delivery of presentations to legislators, opinion leaders, or other influential groups; development of press release(s); use of social media; and similar efforts. Carollo’s efforts under this task will be up to the labor and expenses described in the accompanying cost estimate; additional support will be provided by WRCO, its members and other project participants as in-kind contributions.

Task 2 Cost: \$127,625 (project consultant = \$104,375, in-kind = \$23,250)

Task 2 Deliverables:

- Central website or template website for potable reuse in Colorado.
- Outreach stakeholder survey, including summary report with conclusions.
- Development of educational materials for DPR demonstration facility.
- Documentation of other outreach completed, e.g., Op-Eds, meetings, tours, and presentations.
- Minutes from Public Education and Outreach Workgroup meetings.

### **Task 3: Leveraging Potable Reuse Planning Tools**

**Description of Task:** This task will enhance existing planning tools and assist Colorado utilities with their assessment of DPR as a potential supply option. Research being conducted nationally has resulted in many approaches and tools that can be used locally to support the analysis and implementation of potable reuse projects, with a specific interest in cost comparisons of water supply options, treatment train options, and other cost-benefit analyses. However there is limited awareness in the water provider community regarding these extremely useful tools. This task includes updating/adapting an existing treatment alternatives screening tool for Colorado utilities' use and demonstrating its use at the local level. This will avoid providers needing to "start from scratch" when assessing treatment train options (including alternatives to membrane-based treatment and the corresponding need for brine management) and the potential role of potable reuse in a supply portfolio.

**Task 3.1 – Synthesis of Health Research** - This task will review and summarize the treatment and health based analysis of potable water reuse systems, to provide the necessary basis for updating and applying the treatment train tool in Tasks 3.2 and 3.3. Understanding the level of pathogen removal provided by various treatment trains, as well as targeted removal levels, is key to ensuring public health is protected. Resources include WRRF projects no. 11-02, 12-06, 11-10, the National Research Council's *Potential for Expanding the Nation's Water Supply Through Reuse of Municipal Wastewater*, the NWRI *Framework for Direct Potable Reuse*, and the State of California's potable reuse regulations. Results will be summarized in a brief technical memorandum.

**Task 3.2 – Enhance IT3PR** - WRRF project no. 11-02 developed a detailed potable reuse treatment model, the Integrated Treatment Train Toolbox for Potable Reuse (IT3PR). The IT3PR tool focuses on advanced treatment processes commonly used in California for potable water reuse to remove pathogens and trace organics, allowing a quick comparison of removals to target removal goals. In particular, IT3PR can be beneficial for comparing reverse osmosis (RO)-based treatment trains to non-RO-based trains, as utilities seek ways of meeting potable reuse treatment goals while avoiding the challenges associated with brine disposal. Colorado utilities have shown innovation in the use of alternative technologies and approaches to potable water reuse, such as bank filtration in the Prairie Waters project in Aurora. IT3PR will be updated to reflect the innovative nature of potable reuse in Colorado. Updates will include an extension of the literature options ("engine") within the tool, extension of the cost library (or "engine") within the tool, and an iterative and collaborative approach to working with WRCO as the tool is refined.

**Task 3.3 – Tool Updates Rollout.** In conjunction with one of the Task 1.2 Regulatory workgroup meetings, the IT3PR tool development will be detailed to the project team, likely in Meeting #3.

**Task 3.4 – Colorado Case Studies** - Once the IT3PR tool is refined, the project team will work with WRCO to define 3 Colorado case studies for DPR analysis using the tool. These three case studies will represent real world applications for utilities that are seriously considering DPR as an option. Output from the case studies will be treatment and cost summaries for each facility to help utilities that are interested in DPR understand how to utilize the tool and interpret results. A technical memorandum and presentation will be prepared to summarize and disseminate the findings.

**Task 3 Cost:** \$45,755 (project consultant = \$34,255, in-kind = \$11,500)

#### Task 3 Deliverables:

- Brief technical memorandum on water quality and public health pertaining to DPR.
- Updated IT3PR tool for DPR treatment planning and cost estimating.
- Technical memorandum on 3 DPR case studies in Colorado and presentation of results at one or two state/regional-level conferences (e.g., WRCO biannual reuse conference, RMWEA annual conference, etc.).

#### **Task 4: Summary, Project Management, and Administration of Grant Funds**

**Task 4.1 – Executive Summary** – The results of Tasks 1, 2, and 3 will be summarized in an Executive Summary with previous tasks' documentation comprising a series of appendices.

**Task 4.2 – Project Management** – Brief monthly project status reports will be provided with monthly invoices, formatted per CWCB requirements. Monthly project coordination calls will be held with WRCO leadership. Ongoing staffing, communications, and scope and schedule management will be provided.

**Task 4.3 – Administration of Grant Funds** – Develop format for monthly submittals to CWCB and develop materials to submit to CWCB each month for reimbursement.

Task 4 Cost: \$30,833 (project consultant = \$27,933, in-kind = \$2,900)

#### Task 4 Deliverables:

- Draft and final Executive Summary with Appendices.
- Monthly project status reports.
- Monthly submittal materials for CWCB.

Total Project Cost: \$303,480 (project consultant = \$243,955, in-kind = \$59,525)

#### **PROJECT SCHEDULE**

A project schedule accompanies this Statement of Work.

		PROJECT COSTS					FUNDING SOURCES			
WATEREUSE COLORADO WSRA GRANT APPLICATION March 2016 Funding Summary		CAROLLO LABOR COSTS	SUB CONSULTANT COSTS	EXPENSES	TOTAL CONTRACT COST	IN-KIND SERVICES	TOTAL PROJECT COST	PROJECT SUPPORTER CASH MATCH	CWCB BASIN WSRA FUNDING	CWCB STATEWIDE WSRA FUNDING
LINE	DESCRIPTION									
Task 1 DPR Regulatory and Institutional Framework for Colorado										
1.1	DPR Success and Failure in OR TX NM and CA	\$18,720	\$0	\$1,370	\$20,090					
1.2	CO Reg Strategy Workgroup Meetings (4)	\$26,788	\$9,200	\$6,098	\$42,086					
1.3	Summary Report	\$12,988	\$1,040	\$1,188	\$15,216					
	SUBTOTAL: COSTS	\$58,496	\$10,240	\$8,656	\$77,392	\$21,875	\$99,267	\$17,448	\$18,241	\$41,703
Task 2 Public Outreach for DPR at the Local and State Level										
2.1	Public Education and Outreach Workgroup	\$6,564	\$9,800	\$1,111	\$17,475					
2.2	Develop Web-Based Educational Materials	\$3,336	\$8,700	\$869	\$12,905					
2.3	Web-Based Outreach Stakeholder Survey	\$2,600	\$15,500	\$1,162	\$19,262					
2.4	Interpret and Apply Results from Surveys	\$5,132	\$2,900	\$649	\$8,681					
2.5	Outreach Materials for DPR Demonstration Facility	\$11,440	\$4,640	\$4,051	\$20,131					
2.6	Develop and Deliver Outreach Materials and Messages	\$17,940	\$5,800	\$2,181	\$25,921					
	SUBTOTAL: COSTS	\$47,012	\$47,340	\$10,020	\$104,375	\$23,250	\$127,625	\$23,531	\$24,601	\$56,243
Task 3 Leveraging Potable Reuse Planning Tools										
3.1	Synthesis of Health Research	\$5,988	\$0	\$621	\$6,609					
3.2	Enhance IT3PR	\$7,624	\$0	\$915	\$8,539					
3.3	Tool Updates Rollout	\$3,820	\$0	\$1,211	\$5,031					
3.4	Colorado Case Studies	\$12,940	\$0	\$1,136	\$14,076					
	SUBTOTAL: COSTS	\$30,372	\$0	\$3,883	\$34,255	\$11,500	\$45,755	\$7,723	\$8,074	\$18,458
Task 4 Summary, Project Management, and Administration of Grant Funds										
4.1	Executive Summary	\$18,320	\$0	\$1,687	\$20,007					
4.2	Project Management	\$3,900	\$0	\$381	\$4,281					
4.3	Administration of Grant Funds	\$3,264	\$0	\$381	\$3,645					
	SUBTOTAL: COSTS	\$25,484	\$0	\$2,449	\$27,933	\$2,900	\$30,833	\$6,298	\$6,584	\$15,051
TOTAL COST OF SERVICES		\$161,364	\$57,580	\$25,007	\$243,955	\$59,525	\$303,480	\$55,000	\$57,500	\$131,455
						19.6%	100%	18.1%	18.9%	43.3%

**WaterReuse Colorado****Project: Advancing Direct Potable Reuse to Optimize Water Supplies and Meet Future Demands**

EXPENSES	
Total Project Cost	\$ 303,480

PROJECT INCOME		
Source	Amount	Percent of Total
Statewide WSRA Funds	\$ 131,455	43.3%
Basin WSRA Fund	\$ 57,500	18.9%
Metro Roundtable \$25,000		
South Platte Roundtable \$15,000		
Colorado Roundtable \$15,000		
North Platte Roundtable \$2,500		
Project Supporter Cash Match	\$ 55,000	18.1%
WaterReuse Colorado \$10,000		
Denver Water \$10,000		
City of Aurora \$7,500		
Centennial Water and Sanitation \$5,000		
WaterReuse Research Foundation \$5,000		
South Metro Water Supply Authority \$1,000		
Western Resource Advocates \$4,000		
Town of Castle Rock \$7,500		
Plum Creek Water Reclamation Authority \$5,000		
Project Support In-Kind Match	\$ 59,525	20%
Total Project Income	\$ 303,480	100%

Total WSRA	\$ 188,955	62%
Total Project Match	\$ 114,525	38%
Total	\$ 303,480	100%

WATER REUSE COLORADO WSRA GRANT APPLICATION	In-Kind Contributing Entities and Amount							TOTAL TASK
	City of Aurora <sup>1</sup>	Denver Water <sup>2</sup>	CSU <sup>3</sup>	MSK Consulting <sup>4</sup>	Western Resource Advocates <sup>5</sup>	Centennial Water & San <sup>6</sup>	WaterReuse Association <sup>7</sup>	
Task 1 DPR Regulatory and Institutional Framework for Colorado	\$ 5,000	\$ 4,375	\$ 2,250	\$ 4,000	\$ 3,000	\$ 2,000	\$ 1,250	\$ 21,875
Task 2 Public Outreach for DPR at the Local and State Level	\$ 7,000	\$ 4,375	\$ 2,625	\$ 1,000	\$ 5,000	\$ 2,000	\$ 1,250	\$ 23,250
Task 3 Leveraging Potable Reuse Planning Tools	\$ 2,750	\$ 1,000	\$ 1,500	\$ 1,000	\$ 2,000	\$ 2,000	\$ 1,250	\$ 11,500
Task 4 Summary, Project Management, and Administration of Grant Funds	\$ 250	\$ 250	\$ 150	---	\$ 500	\$ 500	\$ 1,250	\$ 2,900
	\$ 15,000	\$ 10,000	\$ 6,525	\$ 6,000	\$ 10,500	\$ 6,500	\$ 5,000	
<b>Total Documented* In-Kind Contribution</b>	<b>\$ 59,525</b>							

#### In-Kind Contribution Notes

\* Additional in-kind contributions will be made to the project that have not been documented here. These include participation by CDPHE and CWCB staff, South Platte agricultural stakeholders, out of state regulators and utilities, national reuse experts, and others.

<sup>1</sup> Aurora will provide an in-kind contribution of \$15,000 in addition to their cash match. Their in-kind will be split between the Reuse Treatment Plant Supervisor, Water Resources Management Advisor, Environmental Permitting Manager, and Aurora Water Public Relations Manager. The Reuse Supervisor will participate in the workgroups, actively involved in ed/outreach work, and in leveraging Potable Reuse Planning tools. Manager of Aurora Water Public Relations will be involved in the Public Outreach. Environmental Permitting Manager will be involved with the DPR Regulatory and Institutional Framework. Each will be involved as needed to help meet the project needs.

<sup>2</sup> Denver Water is contributing \$10,000 of in-kind time commitments from their reuse specialist and manager. This time will go towards participating in workshops, providing input on the regulatory framework, and other work as needed.

<sup>3</sup> Colorado Springs Utilities will provide an in-kind contribution of \$6,525. The majority of this time is Springs Utilities Environmental Section Supervisor time to participate in workgroups for Tasks 1 and 2, and to provide review and input on project deliverables. About 10 hours has been budgeted for participation and review by a Springs Utilities Managing Engineer who is part of the Water Resource Planning group.

<sup>4</sup> MSK Consulting will provide in-kind contributions of \$6,000. This is for time participating in the Tasks 1, 2, and 3 workshops.

<sup>5</sup> Western Resource Advocates will provide an in-kind contribution of \$10,500. Most of this is for WRA's water resources engineer's time to participate in both workgroups as appropriate, to be actively involved in ed/outreach work, and to assist w/project administration. \$2,200 of the total in-kind contribution is WRA's Communication Director's time to participate in the Ed/Outreach workgroup and to help with some outreach and materials development.

<sup>6</sup> Centennial W&S will provide an in-kind contribution of \$6,500. Their Director of Operations and water treatment staff will participate in project workgroups, potable reuse planning tasks, and other work as needed.

<sup>7</sup> WaterReuse Association will contribute \$5,000 of in-kind contributions. They are serving as the fiscal agent for the project so will contribute grants administration. They will also assist as necessary in providing technical and outreach materials and participating with ed/outreach.

WATEREUSE COLORADO WSRA GRANT APPLICATION December 2015		2016							2017											
		J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
<b>Task 1 DPR Regulatory and Institutional Framework for Colorado</b>																				
1.1	DPR Success and Failure in OR TX NM and CA																			
1.2	CO Reg Strategy Workgroup Meetings (4)																			
1.3	Summary Report																			
<b>Task 2 Public Outreach for DPR at the Local and State Level</b>																				
2.1	Public Education and Outreach Workgroup																			
2.2	Develop Web-Based Educational Materials																			
2.3	Web-Based Outreach Stakeholder Survey																			
2.4	Interpret and Apply Results from Surveys																			
2.5	Outreach Materials for DPR Demonstration Facility																			
2.6	Develop and Deliver Outreach Materials and Messages																			
<b>Task 3 Leveraging Potable Reuse Planning Tools</b>																				
3.1	Synthesis of Health Research																			
3.2	Enhance IT3PR																			
3.3	Tool Updates Rollout																			
3.4	Colorado Case Studies																			
<b>Task 4 Summary, Project Management, and Administration of Grant Funds</b>																				
4.1	Executive Summary																			
4.2	Project Management																			
4.3	Administration of Grant Funds																			

**Exhibit B**  
**WATEREUSE ASSOCIATION**  
**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 or institution of higher education (IHE), pursuant to CRS§ 24-103.5-101(3), shall monitor the contractor's work under the contract and shall certify as to whether the contractor is complying with the terms of the contract pursuant to CRS§ 24-103.5-101(5).

- (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.

**Performance Monitoring Standards**

Performance monitoring for this contract shall include the following:

- (a) Performance measures and standards: Grantee shall maintain receipts for all projects expenses and documentation of the minimum in-kind contributions per the budget in Exhibit A, Tasks 1-4. Per WSRA Criteria and Guidelines, retainage of 10% of the grant funds shall be withheld until receipt of the final report and all other deliverables  
General Reporting: The applicant shall provide the CWCB a progress report every 6 months, beginning from the date of the executed contract until the construction begins. The progress report shall describe the completion or partial completion of the statement of work leading up to the advertisement for bid and 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 the project. This report may contain photographs, summaries of meetings and reports/studies. Grantee shall maintain receipts for all project expenses and documentation of the minimum in-kind contributions per the budget in Exhibit A. **Per WSRA Criteria and Guidelines, retainage of the grant funds shall be withheld until receipt of the final report and all other deliverables.**
- (b) Accountability: Per WSRA Criteria and Guidelines full documentation of project progress must be submitted with each invoice for reimbursement. Grantee must certify that all grant conditions have been complied with on each invoice. In addition, per WSRA Criteria and Guidelines progress reports must be submitted at least once every 6 months. A final project report must be submitted and approved before final project payment and release of retainage.

(c) Monitoring Requirements: Grantee is responsible for ongoing monitoring of project progress per Exhibit A and Paragraphs 9 & 19 of the contract. Progress shall be detailed in the required invoice documentation and progress reports as detailed above. Additional inspections or field consultations will be arranged as may be necessary.

(d) Noncompliance Resolution: Per paragraphs 9, 14, 15, and 19 of the contract: payment will be withheld until grantee is current on all grant conditions. Flagrant disregard for grant conditions will result in a stop work order and cancellation of the purchase order or contract.