Exhibit A: Statement of Work, Budget, and Schedule

WATER ACTIVITY NAME - Appraisal & Feasibility Studies Required for Federal Assistance Under the Rural Water Supply Act in the Douglas County Region.

GRANT RECIPIENT – Douglas County Water Resource Authority

FUNDING SOURCE - Metro Roundtable, Water Supply Reserve Account (WSRA), S. Metro Water Supply Authority, DCWRA member agencies, and individual government members.

INTRODUCTION AND BACKGROUND

In 2006 the President signed the Rural Water Supply Act into law. The Bureau of Reclamation has issued a Title I rule for the Act. The Appraisal and Feasibility studies will determine if and how the Rural Water Supply Act may be applied to the Douglas County/S. Arapahoe County areas that are currently dependent upon Denver Basin groundwater. The Act is limited to infrastructure and does not include consideration of water rights. The study will illustrate how to connect communities in the area and include additional rural communities in a regional watershed based water supply effort. If successful, the next step will be construction of connecting infrastructure. Federal assistance in the form of loan guarantees may be included, and is a target of the applicant. The effort will benefit from a planning relationship with the Bureau of Reclamation. The grant funding will be specifically used to complete any studies, public outreach, and consultation activities required by the Bureau of Reclamation in the Appraisal study phase, and primarily or the engineering study, public outreach, and consultation tasks required in the Feasibility study phase. The deliverable is a Federal Feasibility study of a watershed based regional water supply infrastructure project. The next step after Feasibility is the actual construction of the infrastructure project. The needs of the region have been demonstrated by multiple studies, including the South Metro Water Supply Study, SWSI, the South Metro Water Supply Authority Regional Master Plan, and other documents. The studies point to this need being one of the greatest in the State, to both the needs of a growing community as well as the need to replace existing assets for existing residents, that several alternatives have been examined, and that the best direction is to move forward forthwith on shared infrastructure in the region.

OBJECTIVES

1) Move effectively through the Appraisal study phase of the Rural Water Supply Act to the Feasibility study phase.
2) Move effectively through the Feasibility study phase to construction.

SCOPE OF WORK: OVERVIEW OF PHASES AND TASKS OF PROJECT

Phase 1: Preparation for Appraisal Study

Phase One, Task One: Form IGA, appoint Cooperating Committee

Form intergovernmental agreement (IGA) between Douglas County Water Resource Authority (grant recipient), South Metro Water Supply Authority, and the Rural Water Authority of Douglas County. IGA members shall meet monthly to serve as the Cooperating Committee for the Appraisal phase. Cost of this Task is $7,500. $2,000 is for administration (26.6 hours @ $75 per hour) and $5,500 is

for legal expense (31.4 hours @ $175 per hour). This task furthers IBCC goals by Promoting Collaboration and Cooperation. This project is an opportunity to bring together large water providers, small water providers, municipalities, County Government, and individual well users to pursue a regional watershed based solution. The IGA represents the legal framework for this collaboration and cooperation. The deliverable is the IGA. It is estimated that local cash and in-kind contribution will fund Tasks 1 through 8.

Phase One, Task Two: Hire Project Manager, Consulting Engineering Firm

Define scope of work, hire a project manager and an engineering consulting firm. (Environmental consulting and Federal lobbying activities may not be needed at this time in the process.) Cost of this task is $5,000. All $5,000 is for administration (26.6 hours @ $75 per hour). This task furthers IBCC goals by hiring the vendors who will Facilitate Implementation of this planning project, pursue Implementation of the planning project in the Least Amount of Time, provide Expertise and Ability to Implement the planning project, and further Collaboration and Cooperation of participants in the watershed. The deliverable is the contract. Local cash and in-kind contribution will fund Task 2.

Phase One, Task Three: Review of Draft Appraisal Application by Cooperating Committee

The Cooperating Committee will perform an internal review of the draft Appraisal application for conformity with the Rural Water Supply Act and the Title I rule. Cost of this task is $7,500. $1,500 is for the Project Manager (8.5 hours @ $175 per hour, $4,000 is for the engineering consultant (17.7 hours @ $225 per hour), and $2,000 is for administration (26.6 hours @ $75 per hour). This review task will allow members of the cooperating committee to uncover any holes we see in our methodology at an early phase in order to make sure our efforts are on target. This review furthers IBCC goals by moving this study project forward in the Least Amount of Time, and enhancing Collaboration and Cooperation in the watershed. The deliverable is the internal review document. Local cash and in-kind contribution will fund Task 3.

Phase One, Task Four: Reclamation Comparison of Draft to Conform to Federal Regulation

Solicit feedback from Reclamation as to fulfillment of draft with Rural Water Supply Act and the Title I rule requirements. Cost of this task is $5,000. $1,000 is for the Project Manager (5.7 hours @ $175 per hour, $3,000 is for the engineering consultant (13.3 hours @ $225 per hour), and $1,000 is for administration (13.3 hours @ $75 per hour). This review task furthers IBCC goals of moving this study project along in the Least Amount of Time by interfacing with Reclamation both to ensure that they understand proposed direction of the scope of the study is in fact on course with Reclamation's study process for this effort, and furthers Collaboration and Cooperation between local entities and Reclamation. The deliverable is the comment from Reclamation. Local cash and in-kind contribution will fund Task 4.

Phase One, Task Five: Revise Appraisal Draft to Conform to Federal Regulation

Revise draft Appraisal application in wake of feedback from Reclamation. Cost of this task is $10,000. $2,000 is for the Project Manager (11.4 hours @ $175 per hour, $6,000 is for the engineering consultant (26.6 hours @ $225 per hour), and $2,000 is for administration (26.6 hours @ $75 per hour). This review task furthers IBCC goals by incorporating Reclamation's Expertise and Ability to Implement this study project early in our efforts. The deliverable is the revised draft. Local cash and in-kind contribution will fund Task 5.

Phase One, Task Six: Federal Stakeholder Outreach in DC (match)

Conduct Federal Stakeholder outreach, including efforts to meet with House Subcommittee staff on Water & Power, Colorado Congressional delegation members, staff, Interior Secretary Salazar, Reclamation Commissioner Conner, and OMB. Federal authorization for construction, and financial assistance in the way of Federal loan guarantees, will likely be needed at the completion of Phase 3 of this project, so it is appropriate to communicate with the authorizing committees in the Congress to update progress and make them aware of our project and our pending desire for construction and financial assistance. This task furthers IBCC goals by Promotion Collaboration and Cooperation between the local water participants, the Roundtable process, and the Federal Government, Communicates the project's Urgency, and the Window of Opportunity that exists to address the region's problems while this task is still readily manageable. These contacts may also be valuable in the consultation process (Task 11). The deliverable is these meetings.

Phase One, Task Seven: Attend Reclamation's Regional Directives & Standards Meeting (match)

This task furthers IBCC goals by Facilitating Implementation of the project. Directives and Standards will give further detail to interested participants as to how the program will be administered by Reclamation. The deliverable is attendance at the meeting.

Phase One, Task Eight: Formally Submit Appraisal Study Application to Reclamation (match)

The deliverable is the application.

Phase 2 – Appraisal Study

Phase Two, Task Nine: Public Involvement Process (match)

The deliverable is holding the public engagement program meetings.

Phase Two, Task Ten: Consultation Process (match)

The deliverable is the consultation meetings.

Phase Two, Task Eleven: Formally Submit Appraisal Study Document, Request Feasibility (match)

The deliverable is the completed submitted Appraisal document.

Phase Two, Task Twelve: Cure Deficiencies in Appraisal Study ($26,747.06)

The deliverable is the revised Appraisal submission document. The IBCC grant will fund Task 12.

Phase 3 - Feasibility Study

Phase Three, Task Thirteen: Hire Project Manager, Identify Sponsor, Hire Consultants (match)

Phase Three, Task Fourteen: This represents the largest task undertaken by this process. This task furthers IBCC goals by Facilitating Implementation of a study to define the infrastructure that will deliver a regional water solution to address part of the gap detailed in SWSI in the most water short region of the State, as determined by SWSI. This tasks proportion of funds from the WSRA was increased due to the lack of federal funding. WSRA funds used in Task fourteen total $573,252.94.

The final deliverable is the ten topic "chapters" of the Feasibility Study, detailed below, including:

1. Purpose and need for action, including public involvement
    a. Outreach, including listening sessions, advertisements, etc. ($9,000)
    Deliverable – Summary of listening sessions (match)
    b. Used documentation identified in appraisal study to describe purpose and need
2. Study background including examination of previous studies
    a. Gather demographic and water use data ($1,523.55)
    b. Interpolate and extrapolate demographic data ($6,503.70)
    c. Interpolate and extrapolate water demand projections ($7,672.80)
    Deliverable – Draft and Final Technical Memorandum ($11,329.50)
    d. Committee will perform literature review of existing groundwater studies, including a final technical memo (match)
    e. County government will provide demographic data and water use data from a prior CWCB study (match)
3. Feasibility study process, including identification of problems, opportunities, and constraints
    Deliverable – section of final report (match)
4. Affected environment, including air quality, water quality, water volume, soils, plants, wetlands, fish and wildlife, threatened & endangered species, social and economic conditions, recreation, cultural resources, etc.
    a. *Deliverable* – Renewable energy opportunities technical memorandum ($20,800)
    b. *Deliverable* – Real property. including rights of way, property ownership ($23,000)
    c. *Deliverable* – Environmental Coordination. Memo will include known environmental issues such as identification of stream crossings ($4,864)
    d. *Deliverable* – Collect and describe financial information from participants ($11,795.70)
    e. Additional work will be conducted under NEPA process if and when funds are received and the rule is developed (match)
5. Formulation of alternatives, including cost, construction, performance, major rehabilitation, operation, maintenance, and replacement considerations and the no action alternative
    a. *Deliverable* – Engineering design. Memo includes maps, elevations, location of storage tanks, pipe sizes, appertences, location of pumps, capital costs, and identification of required permits. Some of this work will be described here and the more detailed work will be included in 9 below. ($94,328)
    b. *Deliverable* – OMR Cost estimates ($19,412)
6. Evaluation of alternatives
    a. Quantify water cost under with and without scenarios ($27,384)
    b. Obtain and describe with and without scenario information, including understanding what the future of the community is with and without a project ($21,701.40)
7. Environmental consequences of the project, alternatives, and no action alternative and the cumulative effects
    a. Additional work will be conducted under NEPA process if and when funds are received and the rule is developed (match)

8. Comparison of the alternatives
    a. Memo describing economic impacts of with and without scenarios ($24,171)
    b. Comparative review and final draft of water use ($25,939.20)
9. Recommended plan, which should include permitting, detailed engineering, and preliminary financing plan
    a. Create project funding database ($22,312.50)
    b. Develop and present cost allocation principles ($7,887.60)
    c. Develop cost allocation model ($36,340.50)
    d. Calculate cost per participant ($11,709.60)
    e. Identify and compare funding sources ($15,351)
    Deliverable – Review of final draft of financial evaluation and prepare memo ($24,671.85)
    f. Permitting and detailed engineering will be described here using deliverable from 5
10. Consultation and coordination including public involvement
    a. DCWRA Project Management ($75,000)
    b. URS Project Management ($40,609)
    c. Contingency for insurance, admin, outreach, other ($29,946.04)

Phase Three, Task Fifteen: Formally Submit Feasibility Study, Request Construction (match)

Submit Feasibility study to Reclamation if and when funds are received and the rule is developed.

Phase 4 (not part of this effort) - Construction of Project

Phase Four, Task Nineteen: Project Construction begins January 2012

Work contemplated under this grant has ended. A successor entity incurs debt, constructs project, and assumes responsibility for repayment of the debt associated with construction of the project identified in the Feasibility report from Reclamation.

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

Summary of IBCC Grant Expenditures Over 16 months

Task	Description	Weeks	Start	End	Project Manager	Consulting Engineer	Env. Study	Outreach	Admin-istration	Legal	Total Expenditure	WSRA Grant	Local	Cumulative
1	Form IGA, appoint Cooperating Committee	6	7/9/10	8/20/10	$-	$-	$-	$-	$1,760	$4,840	$6,600	$-	$6,600	$6,600
2	Hire Project Manager, Consulting Engineering Firm	3	7/9/10	7/30/10	$-	$-	$-	$-	$4,400	$-	$4,400	$-	$4,400	$11,000
3	Review of Draft Appraisal Application by Cooperating Committee	3	7/9/10	7/30/10	$1,320	$3,520	$-	$-	$1,760	$-	$6,600	$-	$6,600	$17,600
4	Reclamation Comparison of Draft to Existing Federal Regulation	3	8/3/10	8/24/10	$880	$2,640	$-	$-	$880	$-	$4,400	$-	$4,400	$22,000
5	Revise Appraisal Draft to Conform to Federal Regulation	4	8/24/10	9/28/10	$1,760	$5,280	$-	$-	$1,760	$-	$8,800	$-	$8,800	$30,800
6	Federal Stakeholder Outreach in DC	1	9/15/10	9/22/10	$8,800	$-	$-	$-	$-	$-	$8,800	$-	$8,800	$39,600
7	Attend Reclamation's Regional Directives & Standards Meeting	1	9/21/10	9/28/10	$600	$-	$-	$-	$-	$-	$600	$-	$600	$46,200
8	Formally Submit Appraisal Study Application to Reclamation	1	10/1/10	10/8/10	$2,200	$2,200	$-	$-	$2,200	$-	$6,600	$-	$6,600	$52,800
9	Public Involvement Process	4	1/11/11	2/8/11	$-	$-	$-	$-	$19,800	$-	$19,800	$-	$19,800	$72,600
10	Consultation Process	6	1/18/11	3/3/11	$13,200	$-	$-	$-	$2,200	$-	$15,400	$-	$15,400	$88,000
11	Formally Submit Appraisal Study Document, Request Feasibility	3	3/8/11	3/28/11	$4,400	$13,200	$-	$-	$4,400	$-	$22,000	$-	$22,000	$110,000
12	Cure Deficiencies in Appraisal Study	12	12/22/10	3/23/11	$22,347.06	$-	$-	$-	$4,400	$-	$26,747.06	$26,747.06	$-	$145,200
13	Hire Project Manager, Identify Sponsor, Hire Consultants	13	12/22/10	3/31/12	$-	$-	$-	$17,600	$4,400	$-	$22,000	$-	$11,440	$167,200
14	Supervise Work in Conjunction with Coordinating Committee (see task detail above)	64	12/22/10	3/31/12	$132,000	$858,000	$123,200	$61,600	$19,800	$-	$1,194,600	$573,252.94	$158,840	$1,361,800
15	Submits Feasibility Report	1	11/15/13	11/22/13	$8,800	$22,000	$-	$4,400	$2,200	$-	$37,400	$-	$37,400	$1,584,000
	Totals				**$208,560**	**$1,034,440**	**$154,000**	**$94,600**	**$87,560**	**$4,840**	**$1,584,000**	**$600,000**	**$396,000.00**	

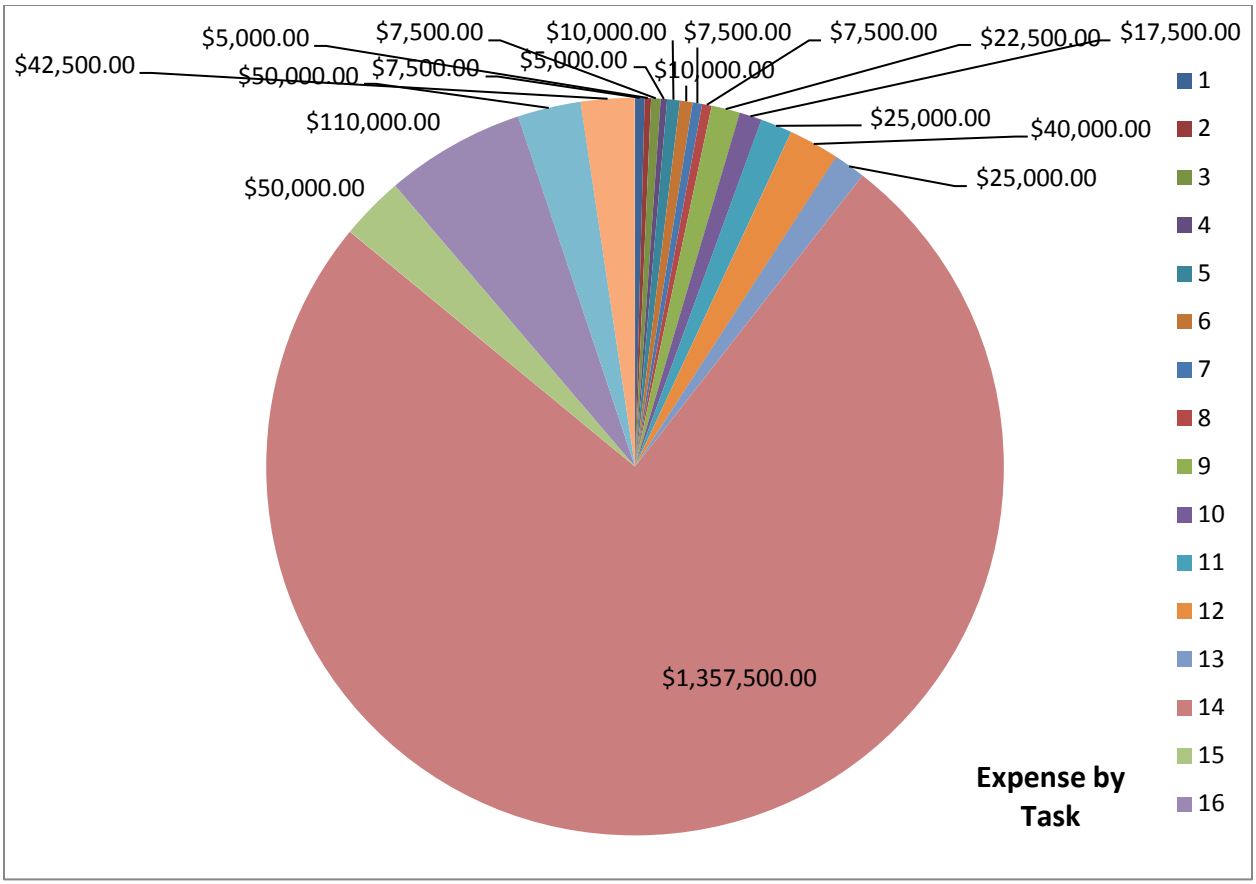
Duration 28 Months	Amount	Percent

IBCC Grant	$600,000.00	35%
Fed Match	$588,000.00	34%
Local Cash	$396,000.00	23%
Local in-kind	$150,000.00	9%
TOTAL	$1,734,000.00	100%

In-Kind Breakdown			
Meetings	Cooperators	$/hr	Total
62	32	75	$150,000

Hourly Budget Allowance

Item	Task Description	Dollars	Administration 75	Project Management 175	Engineering 225	Outreach 125	Environmental 225	Totals
Phase 2, Task 12	Cure Deficiencies	$26,747	59	128	0	0	0	$26,747
Phase 3, Task 14	Supervise Consultants	$573,253	399	428	1772	73	269	$573,253
Totals			458	556	1772	73	269	$600,000
Total by $		**$600,000**	**$34,350**	**$97,300**	**$398,700**	**$9,125**	**$60,525**	**$600,000**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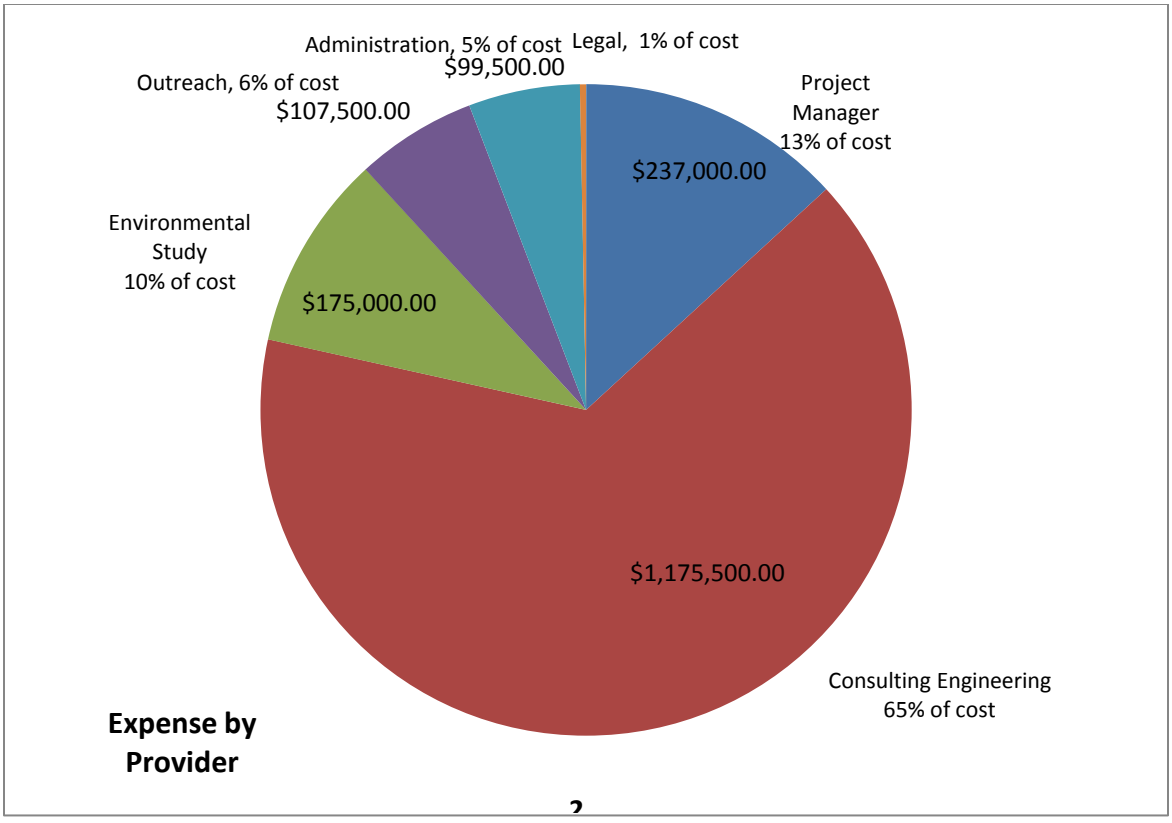
Expense by Task


Administration, 5% of cost
$99,500.00
Legal, 1% of cost
Outreach, 6% of cost
$107,500.00
Project Manager
13% of cost
$237,000.00
Environmental Study
10% of cost
$175,000.00
$1,175,500.00
Consulting Engineering
65% of cost
Expense by Provider

SCHEDULE

Task	Start Date	Finish Date
1 Enter Appraisal	Upon NTP	NTP + 90 days
2 Complete Appraisal	Upon NTP	NTP + 180 days
3 Enter	Upon NTP	NTP + 180 days

APPRAISAL STUDY PROCESS - (Phases 1 and 2)

Summary

Introduction
- Purpose of Study and Scope
- Study Authority
- Setting
- Public Involvement
- Related Studies/Current Studies and Activities

Problems and Needs
- Planning Objectives and Constraints

Resources and Opportunities
- Existing Conditions
- Inventory and Forecast
  - Surface and Groundwater Supply
  - Surface and Groundwater Quality
  - Land Resources
  - Biological Resources
  - Cultural and Historic Resources

Alternatives
- Measures to Address Objectives
- Alternative Formulation
- Description of Alternatives
  - Future-Without-the-Project Condition
  - Alternatives
  - Alternatives Considered, Eliminated from Further Study

Potential Effects of the Alternatives
- Evaluation
  - Benefit/Cost Ratio
  - Degree alternative accounts for costs and actions
  - Degree alternative meets needs, solves problems
  - Environmental and social acceptability
- Comparison

Consultation and Coordination

Public Involvement
Coordination with Other Agencies

Conclusions and Recommendations
Risks and Uncertainties
Recommendations

Appendix 1 - Draft study plan for Feasibility

Appendix 2 - Letter of intent to share costs of Feasibility

FEASIBILITY Study - Phase 3
(Please see attached Excel file detail of this phase, which carries most of the costs.)

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.