



COLORADO

**Colorado Water
Conservation Board**

Department of Natural Resources
1313 Sherman Street, Room 718
Denver, CO 80203

WSRF – Gunnison – Amendment #1 –
Fire Mountain Canal Piping Project
CTGG1 2018-344

July 18, 2019

The Fire Mountain Canal and Reservoir Company
Attn: Dixie L. Luke, President
P.O. Box 543
Hotchkiss, CO 81419-5660

Dear Grantee:

We are pleased to inform you that the Colorado Department of Natural Resources, Colorado Water Conservation Board (CWCB) has approved your request for an amendment to your contract pursuant to the WSRF Grant Program (“Program”). This letter authorizes you to proceed with the Fire Mountain Canal Piping Project (“Project”) in accordance with the terms of this Grant Award Letter.

Attached to this letter are the terms and conditions of your Grant. Please review these terms and conditions, as they are requirements of this Grant to which you, The Fire Mountain Canal and Reservoir Company, agree by accepting the Grant Funds.

If you have any questions or concerns regarding the project, please contact Jonathan Hernandez Project Manager at 303-866-3441 or at Jonathan.Hernandez@state.co.us. Please send all grant correspondence directly to Jonathan and please cc me on your invoice billing requests.

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 / cwcb.state.co.com



Cc: Amanda Sullivan, Secretary/Treasurer

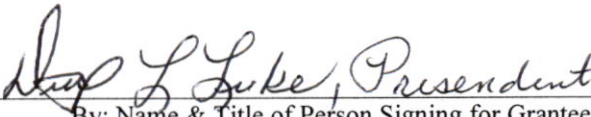
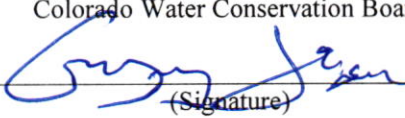
GRANT AGREEMENT AMENDMENT #1

SIGNATURE AND COVER PAGE

State Agency Department of Natural Resources Colorado Water Conservation Board 1313 Sherman Street, Denver Co 80203	Original Grant Agreement Number CMS# 103010 CTGG1 2018-344
Grantee and Address Fire Mountain Canal & Reservoir Company P.O. Box 543 Hotchkiss, CO 81419	Amendment Grant Agreement Number CMS# 139604 CTGG1 2016-1319 2018-344
Current Grant Agreement Maximum Amount (after amendment approved) Entire Grant Agreement term for all applicable fiscal years: \$120,000.00	Grant Agreement Performance Beginning Date August 1, 2019 SEPTEMBER 1, 2017
Reason for Modification Extension of Time	Current (after amendment approved) Grant Agreement Expiration Date July 31, 2020

THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT

Each person signing this Amendment represents and warrants that he or she is duly authorized to execute this Amendment and to bind the Party authorizing his or her signature.

GRANTEE  By: Name & Title of Person Signing for Grantee The Fire Mountain Canal & Reservoir Co Date: 6/5/2019	STATE OF COLORADO Jared Polis, Governor Department of Natural Resources Dan Gibbs, Executive Director Colorado Water Conservation Board  (Signature) By: Greg Johnson, Section Chief Date: 6/13/19
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

In accordance with §24-30-202 C.R.S., this Amendment is not valid until signed and dated below by the State Controller or an authorized delegate.

STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

By: 
Maggie VanClef, DNR Purchasing Director
Raven Lopez
Purchasing Agent
Colorado Department of Natural Resources

Amendment Effective Date: 07-18-19

1. **PARTIES**

This Amendment (the "Amendment") to the Original Grant Agreement shown on the Signature and Cover Page for this Amendment (the "Grant Agreement") is entered into by and between the Grantee, and the State.

2. **TERMINOLOGY**

Except as specifically modified by this Amendment, all terms used in this Amendment that are defined in the Grant Agreement shall be construed and interpreted in accordance with the Grant Agreement.

3. **AMENDMENT EFFECTIVE DATE AND TERM**

A. Amendment Effective Date

This Amendment shall not be valid or enforceable until the Amendment Effective Date shown on the Signature and Cover Page for this Amendment. The State shall not be bound by any provision of this Amendment before that Amendment Effective Date, and shall have no obligation to pay Grantee for any Work performed or expense incurred under this Amendment either before or after of the Amendment term shown in **§3.B** of this Amendment.

B. Amendment Term

The Parties' respective performances under this Amendment and the changes to the Grant Agreement contained herein shall commence on the Amendment Effective Date shown on the Signature and Cover Page for this Amendment, and shall terminate on the termination of the Grant Agreement or **July 31, 2020**, whichever is earlier.

4. **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 Fire Mountain Canal Piping Project in the Gunnison River Basin.

5. **MODIFICATIONS**

The Grant Agreement and all prior amendments thereto, if any, are modified as follows:

A. Section 5.A – **Initial Term-Work Commencement**

The 2nd sentence of the Original Contract Expiration Date is being replaced as follows:

This Grant shall terminate on July 31, 2020 unless sooner terminated or further extended as specified elsewhere herein.

B. All references to Exhibit A is being replaced by Exhibit A-1.

C. Section 6.A. Completion

The Grant Agreement and all prior amendments thereto, if any, are modified as follows:

Grantee shall complete the Work and its other obligations as described herein and in **Exhibit A-1** on or before July 31, 2020. 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.

D. Section 7.A. **Maximum Amount**

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

Maximum Amount

The maximum amount payable under this Grant to Grantee by the State is **\$120,000.00** 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-1**. The maximum amount payable by the State to Grantee during each State fiscal year of this Grant shall be:

\$120,000 in FY2018
\$120,000 in FY2019, minus any funds expended in FY2018
\$120,000 in FY2020, minus any funds expended in FY2018 and FY2019
\$120,000 in FY2021, minus any funds expended in FY2018, FY2019 and FY2020

6. **LIMITS OF EFFECT AND ORDER OF PRECEDENCE**

This Amendment is incorporated by reference into the Grant Agreement, and the Grant Agreement and all prior amendments or other modifications to the Grant Agreement, if any, remain in full force and effect except as specifically modified in this Amendment. Except for the Special Provisions contained in the Grant Agreement, in the event of any conflict, inconsistency, variance, or contradiction between the provisions of this Amendment and any of the provisions of the Grant Agreement or any prior modification to the Grant Agreement, the provisions of this Amendment shall in all respects supersede, govern, and control. The provisions of this Amendment shall only supersede, govern, and control over the Special Provisions contained in the Grant Agreement to the extent that this Amendment specifically modifies those Special Provisions.

Exhibit A-1
Statement of Work
June 26, 2017

WATER ACTIVITY NAME – Fire Mountain Canal Piping Project, Pipe Inlet Structure

GRANT RECIPIENT – The Fire Mountain Canal & Reservoir Company

**FUNDING SOURCE – Gunnison Basin Water Supply Reserve Fund
Statewide Water Supply Reserve Fund**

INTRODUCTION AND BACKGROUND

The Fire Mountain Canal & Reservoir Company (Company) is undertaking the Pipe Inlet Structure Project (Project). The Project is a part of a Master Project called the Fire Mountain Canal Piping Project. The 33 mile long Fire Mountain Canal diverts water from the North Fork of the Gunnison supplied by both early season stream flow and later season releases from Paonia Reservoir, as well as Leroux Creek. Total annual diversions into the Fire Mountain Canal average approximately 37,000 AF. Nearly 60% of this water is delivered to users on the last 3.5 miles of the canal on Rogers Mesa, west of Leroux Creek. The Master Project plans to replace 19,220 LF of the existing earthen Fire Mountain Canal with a pipeline from just east of the existing diversion at Leroux Creek to the end of the main canal. The grant Project is the construction of the screening and pipe inlet structure.

OBJECTIVES

The objectives of the project are to reduce seepage losses, reduce maintenance, eliminate salinity and selenium contributions to the Colorado River, potentially extend the irrigation season, and enable improved management of the system. Meeting these objectives will support the continued use of these water rights for agricultural purposes, as well as contribute to improvement of water quality in the North Fork of the Gunnison and Colorado Rivers.

TASKS

TASK 1 – Engineering

Description of Task: Engineering including construction plans and specifications for the pipe inlet structure. Construction Engineering including construction observation and as-built drawings.

Method/Procedure: Applegate Group, Inc. (Engineer) has contracted with the Company and will complete the planning and design of the Master Project including this Project, as well as oversee the pipeline construction. Company board members and staff will be involved with the administration and oversight of the Project. All aspects of design must meet Bureau of Reclamation (BOR) standards and specifications, with approval of BOR area staff.

TASK 2 –Construction

Description of Task: Construction of a concrete inlet structure that will provide screening of debris and provide overflow protection for the open canal upstream of the Project.

Method/Procedure: After Final Design is completed, the Company will seek bids from qualified contractors award a construction contract. The Contractor will be responsible for compliance with all regulations and permitting. The design engineer and a Company representative will review and approve all pay applications and will make progress payments based upon work actually completed. Invoiced payments will be submitted to the CWCB for payment to the Company for completed work.

REPORTING AND FINAL DELIVERABLE

Design & Construction Reporting: The applicant shall provide CWCB copies of: Permits, Design & Construction Documents; Construction Documentation (periodic construction progress reports, change orders, meeting notes, schedule summaries), and As-Built Drawings.

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 and documents the project. This report shall include As-Built drawings and may also contain photographs, summaries of meetings and reports/studies.

PROJECT COST ESTIMATE

The Colorado Water Conservation Board approved a total grant for \$120,000 (\$60,000 each from the Gunnison Basin and Statewide Water Supply Reserve Funds) to cover construction costs. The remaining balance will be funded through Company funds on hand. The following cost estimate was prepared by Applegate Group:

Table 1: Cost Estimate

Task	Description	Units	No. Units	Unit Cost	Total Cost
1	Engineering (Paid by Grantee)	-	-	-	\$30,000
2	30 in HDPE DR 41 Pipe (WSRF)	LF	539	\$95.00	\$51,205
2	Concrete Energy Dissipater- (WSRF)	CY	30	\$1,500	\$45,000
2	Punch plate Screen – (WSRF)	SF	340	\$70.00	\$23,800
	Total Cost Estimate				\$150,005

SCHEDULE

The Project will begin upon Notice to Proceed. Construction is expected to be completed by July 31, 2020.

Table 2: Project Schedule

Description	Start Date	Finish Date
Design Engineering	March, 2017	August, 2017
Bidding	September, 2017	October, 2017
Construction	October, 2017	July, 2020
Reporting		July, 2020

PAYMENT

Invoicing shall be based on actual expenditures. Grant payment will be 100 percent of Construction Cost (Task 2) up to \$120,000. Grantee will be responsible for any construction costs above \$120,000, **currently \$5 according to the engineer's construction cost estimate.** The request for payment shall come from the applicant and include a description of the work accomplished and an estimate of the percent completion. Costs incurred prior to the effective date of this contract are not reimbursable.

The last 10 percent will be withheld until the deliverable (report) is complete. All products, data and information developed as a result of this contract must be provided to CWCB in electronic format as part of the project documentation. This information will in turn be made widely available to Basin

Roundtables and the general public and help promote the development of a common technical platform.