

STATE OF COLORADO GRANT AGREEMENT

SIGNATURE AND COVER PAGE

State Agency Department of Natural Resources Colorado Water Conservation Board (CWCB) 1313 Sherman St, Room 718 Denver, CO 80203	Agreement Number CMS 148843 CTGGI 2020*2635
Grantee Rio Grande Headwaters Land Trust 840 Grand Ave. Del Norte, CO 81132 Entity Type Non-profit corporation	Agreement Performance Beginning Date Effective Date of this Agreement (the date the State Controller or an authorized delegate signs this Grant Agreement)
	Initial Agreement Expiration Date April 30, 2020
Agreement Maximum Amount \$130,000.00	Agreement Description Real property grant for purchase of Conservation Easement Cactus Hill

THE PARTIES HERETO HAVE EXECUTED THIS CONTRACT

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



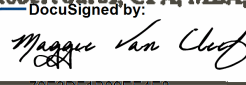
RIO GRANDE HEADWATERS LAND TRUST By:  Signature Name: <u>Allan Law</u> Title: <u>Executive Director</u> Date: <u>3-10-20</u>	STATE OF COLORADO Jared S. Polis, Governor Department of Natural Resources Colorado Water Conservation Board Dan Gibbs, Executive Director By:  Signature Name: _____ Anna Mauss, CWCB Deputy Director Date: <u>3-26-2020</u>
2nd State or Grantee Signature (if needed) By: _____ Signature Name: _____ Title: _____ Date: _____	LEGAL REVIEW Phil Weiser, Attorney General By: Assistant Attorney General Date: _____
In accordance with §24-30-202, C.R.S., this Agreement is not valid until signed and dated below by the State Controller or an authorized delegate. <div style="text-align: center;"> STATE CONTROLLER Robert Jaros, CPA, MBA, JD <small>DocuSigned by:</small>  By: _____ Maggie Van Cleef Name: _____ Title: <u>DNR Purchasing Director</u> Effective Date: <u>April 2, 2020 5:49 PM PDT</u> </div>	

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1. PARTIES

This Agreement is entered into by and between Grantee named on the Signature and Cover Page for this Agreement (the "Grantee"), and the STATE OF COLORADO acting by and through the State agency named on the Signature and Cover Page for this Agreement (the "State" or "CWCB"). Grantee and the State agree to the terms and conditions in this Agreement.

2. TERM AND EFFECTIVE DATE

A. Effective Date

This Agreement shall not be valid or enforceable until the Effective Date, and the Grant Funds shall be expended by the Agreement Expiration Date shown on the Signature and Cover Page for this Agreement. The State shall not be bound by any provision of this Agreement before the Effective Date, and shall have no obligation to pay Grantee for any Work performed or expense incurred before the Effective Date or after the Agreement Expiration Date.

B. Initial Term

The Parties' respective performances under this Agreement shall commence on the Agreement Performance Beginning Date shown on the Signature and Cover Page for this Agreement and shall terminate on the Agreement Expiration Date shown on the Signature and Cover Page for this Agreement (the "Initial Term") unless sooner terminated or further extended in accordance with the terms of this Agreement.

C. Extension Terms - State's Option

The State, at its discretion, shall have the option to extend the performance under this Agreement beyond the Initial Term for a period, or for successive periods, of 1 year or less at the same rates and under the same terms specified in this Agreement (each such period an "Extension Term"). In order to exercise this option, the State shall provide written notice to Grantee in a form substantially equivalent to Exhibit C.

D. End of Term Extension

If this Agreement approaches the end of its Initial Term, or any Extension Term then in place, the State, at its discretion, upon written notice to Grantee as provided in §16., may unilaterally extend such Initial Term or Extension Term for a period not to exceed 2 months (an "End of Term Extension"), regardless of whether additional Extension Terms are available or not. The provisions of this Agreement in effect when such notice is given shall remain in effect during the End of Term Extension. The End of Term Extension shall automatically terminate upon execution of a replacement Agreement or modification extending the total term of this Agreement.

E. Early Termination in the Public Interest

The State is entering into this Agreement to serve the public interest of the State of Colorado as determined by its Governor, General Assembly, or Courts. If this Agreement ceases to further the public interest of the State, the State, in its discretion, may terminate this Agreement in whole or in part. This subsection shall not apply to a termination of this Agreement by the State for breach by Grantee, which shall be governed by §14.A.

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 Agreement.

ii. Obligations and Rights

Upon receipt of a termination notice for termination in the public interest, Grantee shall be subject to the rights and obligations set forth in §14.

3. AUTHORITY

Authority to enter into this Agreement exists in the law as follows:

Colorado Revised Statutes (CRS) §§ 37-60-106, 38-30.5-102, and 39-29-109(2)(c). Required approvals, clearance and coordination have been accomplished from and with appropriate agencies.

4. PURPOSE

This Grant supports the legislative policies, purposes, and uses enumerated in CRS §§39-29-109(2)(c) and 38-30.5-102 as the Property possesses some or all of the values, opportunities, and characteristics listed therein which are important to the Parties, the municipalities of the surrounding area, and the people of the State of Colorado. Grantee has entered or will enter into a contract with Owner for the purchase of a conservation easement burdening the Property. At Grantee's request, the State has agreed to provide funding to assist Grantee with such purchase for the purpose of permanently conserving a farm through a conservation easement, while permitting limited water leasing to municipalities.

5. DEFINITIONS

The following terms shall be construed and interpreted as follows:

- A. **"Agreement"** means this agreement, including all attached Exhibits, all documents incorporated by reference, all referenced statutes, rules and cited authorities, and any future modifications thereto.
- B. **"Award"** means an award by the State to a Grantee.
- C. **"Budget"** means the budget for the Work described in **Exhibit B**.
- D. **"Business Day"** means any day in which the State is open and conducting business, but shall not include Saturday, Sunday or any day on which the State observes one of the holidays listed in §24-11-101(1), C.R.S.
- E. **"CORA"** means the Colorado Open Records Act, §§24-72-200.1, *et. seq.*, C.R.S.
- F. **"Closing and Closing Date"** means the completion or waiver of all conditions precedent in the purchase and sale contract by and between Grantee and the Owner and on which all related document, including Easement deed are contemporaneously executed, and "Closing Date" is the date on which the Closing occurs.
- G. **"Conservation Values"** means those values, opportunities, and characteristics referred to in §4., and set forth in detail in **Exhibit CE**.
- H. **"CRS"** means the Colorado Revised Statutes as amended.
- I. **"Easement"** means the Conservation Easement set forth in **Exhibit CE**.
- J. **"Effective Date"** means the date on which this Agreement is approved and signed by the Colorado State Controller or designee, as shown on the Signature and Cover Page for this Agreement.
- K. **"End of Term Extension"** means the time period defined in §2.D.
- L. **"Exhibits"** means the following exhibits attached to this Agreement:
 - i. **Exhibit A**, Statement of Work.
 - ii. **Exhibit B**, Budget and Schedule.
 - iii. **Exhibit C**, Sample Option Letter.
 - iv. **Exhibit CE**, Conservation Easement, executed CE, to be attached at closing.
 - v. **Exhibit PLD-Preliminary**, Preliminary Property Legal Description.

- vi. **Exhibit PM-Preliminary**, Preliminary Property Map.
- vii. **Exhibit PLD-Final**, Final Property Legal Description, shall replace **Exhibit PLD-Preliminary** at closing.
- viii. **Exhibit PM-Final**, Final Property Map, shall replace **Exhibit PM-Preliminary** at closing.
- M. **“Extension Term”** means the time period defined in §2.C.
- N. **“Grant Funds”** means the funds that have been appropriated, designated, encumbered, or otherwise made available for payment by the State under this Agreement.
- O. **“Initial Term”** means the time period defined in §2.B.
- P. **“Owner”** means the owner of the Property from whom Grantee is purchasing the Easement.
- Q. **“Party”** means the State or Grantee, and **“Parties”** means both the State and Grantee.
- R. **“Property”** means the real property legally described in **Exhibit PLD-Preliminary** and generally depicted on **Exhibit PM-Preliminary** or represented on **Exhibit PLD-Final** and **Exhibit PM-Final**, to be attached at Closing.
- S. **“Purchase Price”** means the total amount of money Grantee will pay Owner to purchase the Easement.
- T. **“State Confidential Information”** means any and all State Records not subject to disclosure under CORA. State Confidential Information shall not include information or data concerning individuals that is not deemed confidential but nevertheless belongs to the State, which has been communicated, furnished, or disclosed by the State which (i) is subject to disclosure pursuant to the CORA; (ii) is already known without restrictions at the time of its disclosure; (iii) is or subsequently becomes publicly available without breach of any obligation owed to the State; (iv) is disclosed, without confidentiality obligations, by a third party who has the right to disclose such information; or (v) was independently developed without reliance on any State Confidential Information.
- U. **“State Fiscal Rules”** means that fiscal rules promulgated by the Colorado State Controller pursuant to §24-30-202(13)(a), C.R.S.
- V. **“State Fiscal Year”** means a 12 month period beginning on July 1 of each calendar year and ending on June 30 of the following calendar year. If a single calendar year follows the term, then it means the State Fiscal Year ending in that calendar year.
- W. **“State Records”** means any and all State data, information, and records, regardless of physical form, including, but not limited to, information subject to disclosure under CORA.
- X. **“Title Commitment”** means the current standard ALTA form(s) in common use of a title insurance commitment issued by a Title Company authorized to do business in the State of Colorado, and insuring Grantee’s interest in the Easement in an amount not less than the Purchase Price, together with, as applicable, any updates of the Title Commitment that are issued.

Any other term used in this Agreement that is defined in an Exhibit shall be construed and interpreted as defined in that Exhibit.

6. STATEMENT OF WORK

Grantee shall complete the Work as described in this Agreement and in accordance with the provisions of Exhibit A. The State shall have no liability to compensate Grantee for the performance of any services that are not specifically set forth in this Agreement.

7. PAYMENTS TO GRANTEE

A. Maximum Amount

Payments to Grantee are limited to the unpaid, obligated balance of the Grant Funds. The State shall not pay Grantee any amount under this Agreement that exceeds the Agreement Maximum shown on the Signature and Cover Page of this Agreement.

B. Payment Procedures

At Closing, Grantee shall deliver to Owner payment of the Purchase Price. That portion of the Purchase Price supplied by the State may be in the form of a State warrant or electronic funds transfer, which shall be at the State's discretion. The State's payment shall be made under explicit instructions (i) that said payment shall be returned to the State if for any reason acquisition of the Easement does not occur, and (ii) that said payment shall be returned to the State if the Easement approved by the State in its instruction letter or at Closing are not delivered to the escrow agent/title insurance company.

i. Payment Disputes

If Grantee disputes any calculation, determination or amount of any payment, Grantee shall notify the State in writing of its dispute within 30 days following the earlier to occur of Grantee's receipt of the payment or notification of the determination or calculation of the payment by the State. The State will review the information presented by Grantee and may make changes to its determination based on this review. The calculation, determination or payment amount that results from the State's review shall not be subject to additional dispute under this subsection. No payment subject to a dispute under this subsection shall be due until after the State has concluded its review, and the State shall not pay any interest on any amount during the period it is subject to dispute under this subsection.

ii. Available Funds-Contingency-Termination

The State is prohibited by law from making commitments beyond the term of the current State Fiscal Year. Payment to Grantee beyond the current State Fiscal Year is contingent on the appropriation and continuing availability of Grant Funds in any subsequent year (as provided in the Colorado Special Provisions). If federal funds or funds from any other non-State funds constitute all or some of the Grant Funds, the State's obligation to pay Grantee shall be contingent upon such non-State funding continuing to be made available for payment. Payments to be made pursuant to this Agreement shall be made only from Grant Funds, and the State's liability for such payments shall be limited to the amount remaining of such Grant Funds. If State, federal or other funds are not appropriated, or otherwise become unavailable to fund this Agreement, the State may, upon written notice, terminate this Agreement, in whole or in part, without incurring further liability. The State shall, however, remain obligated to pay for Services and Goods that are delivered and accepted prior to the effective date

of notice of termination, and this termination shall otherwise be treated as if this Agreement were terminated in the public interest as described in §2.E.

iii. **Erroneous Payments**

The State may recover, at the State's 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. The State may recover such payments by deduction from subsequent payments under this Agreement, deduction from any payment due under any other contracts, grants or agreements between the State and Grantee, or by any other appropriate method for collecting debts owed to the State.

C. **Reimbursement of Grantee Costs.**

The State shall reimburse Grantee's allowable costs, not exceeding the maximum total amount for all allowable costs described in this Grant and shown in the Budget, except that Grantee may adjust the amounts between each line item of the Budget without formal modification to this Agreement as long as the Grantee provides notice to the State of the change, the change does not modify the total maximum amount of this Agreement or the maximum amount for any state fiscal year, and the change does not modify any requirements of the Work. However, any costs incurred by Grantee prior to the Effective Date shall not be reimbursed. Grantee's costs for Work performed after the Fund Expenditure End Date shown on the Signature and Cover Page for this Agreement, or after any phase performance period end date for a respective phase of the Work, shall not be reimbursable. The State shall only reimburse allowable costs described in this Contract and shown in the Budget if those costs are:

- iv. Reasonable and necessary to accomplish the Work and for the Goods and Services provided; and
- v. Equal to the actual net cost to Grantee (i.e. the price paid minus any items of value received by Grantee that reduce the cost actually incurred).

D. **Close-Out.**

Grantee shall close out this Award within 45 days after the Fund Expenditure End Date shown on the Signature and Cover Page for this Agreement. To complete close-out, Grantee shall submit to the State all deliverables (including documentation) as defined in this Agreement and Grantee's final reimbursement request or invoice. The State will withhold 5% of allowable costs until all final documentation has been submitted and accepted by the State as substantially complete.

8. PURCHASE AND SALE OF EASEMENT

Subject to the provisions of this Grant, by the Closing, the State shall provide the Title Company, on behalf of Grantee, with the Grant Funds to purchase the Easement, and Grantee shall purchase the Easement from Owner. The Easement shall burden the Property in perpetuity, and shall be substantially in the form set forth in Exhibit CE. Grantee shall maintain a complete file of all material records, communications, and other written materials, which pertain to the performance of the Grant, including the acquisition of the Easement, and shall maintain such records for a period of three years after the Closing Date. The State may audit such records at reasonable times and upon reasonable notice.

9. PERFORMANCE CONTINGENCIES FOR THE STATE

The State's performance hereunder is contingent upon successful completion or express waiver, of each of the following conditions in this §9. If one or more of these contingencies are not satisfied by Closing, and the Parties have not agreed in writing to allow additional time for satisfaction, then this Grant shall automatically terminate and Grantee and the State shall be released from all further obligations and liabilities under this Grant.

A. Appraisal and Other Due Diligence

i. Appraisal

Grantee shall, at no cost and expense to the State, have an appraisal completed in accordance with CRS §24-30-202(5)(b) that supports the Purchase Price and is satisfactory to and accepted by the Colorado State Controller. The appraisal shall be acceptable to any review appraiser if a review appraisal is requested by the State. Copies of all appraisals ordered by Grantee shall be provided to the State.

ii. Contract

Grantee shall provide the State with an executed copy of the contract between Grantee and Owner relating to the purchase of the Easement.

iii. Option Agreement

Grantee shall provide the State with an executed copy of the Option Agreement between Grantee and Owner relating to the Grantee's Option Agreement for the purchase of the Easement.

iv. Description and Maps

Grantee shall cause to be prepared, without cost or expense to the State, a legal description of the Property and Easement areas and site and area maps that are acceptable to and approved by the State.

v. Management Plan

Grantee shall, at no cost and expense to the State, create a management plan in conjunction with Owner and the State that is acceptable to and approved by the State. Grantee shall deliver the Management Plan to the State within six (6) months of Closing.

vi. Reports

Grantee shall, at no cost and expense to the State, cause qualified professionals to prepare a baseline report documenting the condition of the Property at the time of Closing, a geologist's remoteness report if needed, and a phase I environmental assessment, and should the State deem them necessary, any additional environmental assessments on all or part of the Property if reasonably necessary to protect the interests of the State. Such reports shall be acceptable to and approved by the State. After Closing, Grantee shall, at its sole cost and expense, create an annual report detailing its monitoring of the Easement, and provide a copy of such report to the State within 30 days of the completion thereof.

B. Title Inspection and Review

The State's satisfaction with the title to the Property after the opportunity for physical inspection of the Property and after reviewing the documents and evidence of title thereto provided for in this §9B. If any of the State's objections made pursuant to this provision are not

rectified, then the State may terminate this Grant by written notice and both Grantee and the State shall be released from any further obligations.

i. Evidence of Title – Matters of Public Record

As soon as practicable, Grantee shall obtain, without cost or expense to the State, a Title Commitment. Grantee shall also deliver to the State copies of any abstracts of title covering all or any portion of the Property in Grantee's possession.

ii. Standard Title Exceptions

Grantee shall require Owner to provide a Mechanic's Lien Indemnification Agreement and meet all other requirements for the deletion of or insuring over standard exceptions for mechanic's liens and defects, liens, encumbrances, adverse claims or other matters, if any are created, first appearing in the public records or attaching subsequent to the effective date of the Title Commitment of Schedule B-II of the Title Commitment. Grantee shall require Owner to cause the Title Commitment to delete or insure over the standard exceptions regarding unpaid taxes, assessments, and unredeemed tax sales prior to the year of Closing. If the Grantee or the State determines that one or more of the following items must be deleted in the title insurance policy, then Grantee shall require Owner to cause the Title Commitment to delete or insure over the standard exceptions regarding (a) parties in possession, (b) unrecorded easements, and (c) survey matters.

iii. Exceptions - Title Review - Matters of Public Record

Grantee, without cost or expense to the State, shall promptly cause a copy of the Title Commitment together with the following documents to be delivered to the State: (a) copies of all plats, declarations, covenants, conditions, and restrictions burdening the Property, and (b) copies of other documents (or, if illegible, summaries of such documents) listed in the Additional Exceptions of Schedule B-II of the Title Commitment.

iv. Title Review and Inspection - Matters Not Shown by the Public Records

Grantee shall require Owner to deliver to Grantee and the State true copies of all lease(s), survey(s), and other similar documentary information in Owner's possession pertaining to the Property, and shall require Owner to disclose in writing to Grantee and the State all easements, liens, or other title matters not shown by the public record of which Owner has actual knowledge. The State and Grantee shall have the right to inspect the Property to determine if any third party has any right in the Property not shown by the public records (such as an unrecorded easement, unrecorded lease, or boundary line discrepancy).

v. Unrecorded Burdens – Grantee's Liability

Grantee shall, at no cost to the State, cause Owner to discharge and/or cure any liens, charges, defects, encumbrances, claims, or causes of action (hereinafter called "burdens") existing on or before Closing and incurred by Grantee or Owner that attach to the Property which are not of record at the time of Closing and which were not disclosed pursuant to §9.B.iv. Grantee shall reimburse the State in an amount equal to CWCB's proportionate contribution to Purchase Price of any diminution in value of the Easement if any such burden cannot be discharged or cured. The State may bring an action to enforce this §9.B.v., if Grantee fails or refuses to do so within a reasonable time, and Grantee shall reimburse the State for its costs and reasonable attorney's fees incurred with regard to such action.

10. STATUS PENDING CLOSING**A. Maintenance of the Property**

Grantee shall require Owner to maintain the Property in its present condition until closing. Specifically, but not by way of limitation, Grantee shall, in its purchase and sale contract with Owner, prohibit the following activities on the Property: cutting, slashing, removing, destroying or wasting of any trees or plants; diking, dredging, filling or other disturbances; or disturbance of the soils or any alteration of the surface or of any vegetation thereon (with the exception of historic livestock grazing and harvesting of seasonal crops, which shall be in accordance with acceptable range management and farming standards). In the event of any such loss or damage prior to Closing, the State may, without liability, terminate this Grant.

B. Risk of Loss

The State may elect to terminate this Grant without liability to Grantee to provide Grant Funds in the event of loss or damage to the Property before closing, including, but not limited to, losses from acts of nature, such as fire, flood, and landslide.

11. CLOSING**A. Date and Time**

The date and time of Closing shall be at the mutual agreement of Grantee and Owner, but not later than 9:00 a.m. on April 30, 2020. Closing shall occur at the offices of the title company. At Closing Owner shall deliver to Grantee a properly executed easement deed burdening the Property in perpetuity substantially in the form of Exhibit CE and suitable for recording, and the Grantee shall deliver to Owner payment of the Purchase Price. That portion of the Purchase Price supplied by the State may be in the form of a State warrant or electronic funds transfer, which shall be at the State's discretion. The State's payment shall be made under explicit instructions (i) that said payment shall be returned to the State if for any reason acquisition of the Easement does not occur, and (ii) that said payment shall be returned to the State if the Easement approved by the State in its instruction letter or at Closing are not delivered to the escrow agent/title insurance company.

B. Exhibits PLD and PM

At Closing Owner shall deliver Exhibits PLD-Final and PM-Final and at that time Exhibit PLD-Final (Final Property Legal Description) and Exhibit PM-Final (Final Property Map) will be incorporated into this Grant and shall replace and supersede Exhibit PLD-Preliminary and Exhibit PM-Preliminary attached to the Original Contract.

C. Closing at Title Company

The Closing shall be completed by the title company furnishing the Title Commitment and subsequent title insurance policy. Owner and Grantee shall sign and complete all customary or required documents at or before Closing.

12. REPRESENTATIONS AND WARRANTIES**A. Owner to Grantee**

As a condition of entering into this Grant the State requires Grantee to obtain from Owner the following representations and warranties in the purchase and sale contract between Grantee and Owner, each of which, shall also, notwithstanding anything to the contrary in §16.P or equivalent provision in any agreements or easements between Owner and Grantee, flow to and be enforceable by the State as a third-party beneficiary thereof:

i. Compliance with Law

Owner is in compliance with the laws, orders, and regulations of each governmental department, commission, board or agency having jurisdiction over the Property in those cases where noncompliance would have a material adverse affect on the Property.

ii. Ownership of the Property

Owner is the sole owner in fee simple of the Property as of the Effective Date of this Grant, Owner is the record owner of the Property, and at closing Grantee shall receive good and marketable title to the Easement, subject to those matters of record revealed in the Title Commitment and those matters disclosed to Grantee and the State.

iii. Other Agreements

Owner is not a party to, or subject to, nor bound by any agreement, contract, or lease of any kind relating to the Property that would conflict with Owner's performance under the purchase and sale contract with Grantee other than those matters of record revealed in the Title Commitment and found acceptable to the State.

iv. Pending Actions

There are not any actions, suits, proceedings, or investigations pending or, to Owner's knowledge, threatened, against or affecting the Property, or arising out of Owner's actions or inactions related to the Property.

B. Grantee to the State

Grantee makes the following representations and warranties to the State, each of which was relied on by the State in entering into this Grant:

i. Grantee's Intent

Grantee intends that the Conservation Values of the Property be preserved and protected in perpetuity, and that any uses be prohibited that would diminish or impair the Conservation Values or that otherwise would be inconsistent with the purposes of the Easement.

ii. Legal Authority—Grantee Signatory

Grantee warrants that it possesses the legal authority to enter into this Grant, and, if Grantee is not a natural person, that it has taken all actions required by its procedures, by-laws, and/or applicable laws to exercise that authority, to lawfully authorize its undersigned signatory to execute this Grant, 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.

iii. Qualified Holder

Grantee is qualified to hold easements under CRS §38-30.5-101 et seq., which provides for conservation easements to retain or maintain land, water, airspace, or water rights, predominantly in a natural, scenic, or open condition, or for wildlife habitat, or for agricultural, horticultural, wetlands, recreational, forest, or other use or condition consistent with the protection of open land, environmental quality or, life-sustaining ecological diversity.

13. CONFLICTS OF INTEREST

A. Actual Conflicts of Interest

Grantee shall not engage in any business or activities, or maintain any relationships that conflict in any way with the full performance of the obligations of Grantee under this Agreement. Such a conflict of interest would arise when a Grantee were to offer or provide any tangible personal benefit to an employee of the State, or any member of his or her immediate family or his or her partner, related to the award of, entry into or management or oversight of this Agreement.

B. Apparent Conflicts of Interest

Grantee acknowledges that, with respect to this Agreement, even the appearance of a conflict of interest shall be 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 under this Agreement.

C. Disclosure to the State

If a conflict or the appearance of a conflict arises, or if Grantee is uncertain whether a conflict or the appearance of a conflict has arisen, 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 actual or apparent conflict constitutes a breach of this Agreement.

14. DEFAULT-TIME IS OF THE ESSENCE-REMEDIES

Time is of the essence hereof. If any note or check received or any other payment due hereunder is not paid, honored or tendered when due, or if any other obligation hereunder is not performed or waived as herein provided, there shall be the following remedies:

A. Grantee in Default

If Grantee is in default, all things of value received or performed hereunder shall be forfeited by Grantee and the Parties shall thereafter be released from all obligations hereunder. It is agreed that such forfeiture is the State's sole and only remedy for Grantee's failure to perform Grantee's obligations under this Grant. The State waives the remedies of specific performance and additional damages.

B. The State in Default

If the State is in default, all things of value received or performed hereunder shall be forfeited by the State and the Parties shall thereafter be released from all obligations hereunder. It is agreed that such forfeiture is Grantee's sole and only remedy for the State's failure to perform its obligations under this Grant. Grantee waives the remedies of specific performance and additional damages.

15. DISPUTE RESOLUTION

A. Initial Resolution

Except as herein specifically provided otherwise, disputes concerning the performance of this Agreement, which cannot be resolved by the designated Agreement representatives shall be referred in writing to a senior departmental management staff member designated by the State and a senior manager designated by Grantee for resolution.

B. Resolution of Controversies

If the initial resolution described in §15.A., fails to resolve the dispute within 10 Business Days, Grantee shall submit any alleged breach of this Agreement by the State to the Procurement Official of the Department of Natural Resources as described in §24-101-301(30), C.R.S. for resolution following the same resolution of controversies process as described in §§24-106-109, 24-109-101.1, 24-109-101.5, 24-109-106, 24-109-107, 24-109-201 through 24-109-206, and 24-109-501 through 24-109-505, C.R.S., (the “Resolution Statutes”), except that if Grantee wishes to challenge any decision rendered by the Procurement Official, Grantee’s challenge shall be an appeal to the executive director of the Department of Personnel and Administration, or their delegate, in the same manner as described in the Resolution Statutes before Grantee pursues any further action. Except as otherwise stated in this Section, all requirements of the Resolution Statutes shall apply including, without limitation, time limitations regardless of whether the Colorado Procurement Code applies to this Agreement.

16. NOTICES AND REPRESENTATIVES

Each individual identified below shall be the principal representative of the designating Party. All notices required or permitted to be given under this Agreement shall be in writing, and shall be delivered (A) by hand with receipt required, (B) by certified or registered mail to such Party’s principal representative at the address set forth below or (C) as an email with read receipt requested to the principal representative at the email address, if any, set forth below. If a Party delivers a notice to another through email and the email is undeliverable, then, unless the Party has been provided with an alternate email contact, the Party delivering the notice shall deliver the notice by hand with receipt required or by certified or registered mail to such Party’s principal representative at the address set forth below. Either Party may change its principal representative or principal representative contact information by notice submitted in accordance with this §16 without a formal amendment to this Agreement. Unless otherwise provided in this Agreement, notices shall be effective upon delivery of the written notice.

For the State:

Name: Alex Funk, Ag Wtr. Res. Specialist
 Agency: CO Water Conservation Board
 Address: 1313 Sherman Street, Suite 718
 City, State: Denver, CO 80203
 Email: Alex.Funk@state.co.us
 Phone: (303) 866-3441

For Grantee:

Name: Allen Law
 Agency: Rio Grande Headwater Land Trust
 Address: P.O. Box 444
 City, State: Del Norte, Co 81132
 Email: Allen@riograndelandtrust.org
 Phone: 719-657-0800

17. GOVERNMENTAL IMMUNITY

Liability for claims for injuries to persons or property arising from the negligence of the State, its departments, boards, commissions committees, bureaus, offices, employees and officials shall be controlled and limited by the provisions of the GIA; the Federal Tort Claims Act, 28 U.S.C. Pt. VI, Ch. 171 and 28 U.S.C. 1346(b), and the State’s risk management statutes, §§24-30-1501, *et seq.*, C.R.S.

18. STATEWIDE CONTRACT MANAGEMENT SYSTEM

If the maximum amount payable to Grantee under this Agreement is \$100,000 or greater, either on the Effective Date or at any time thereafter, this §18., shall apply. Grantee agrees to be governed by and comply with the provisions of §§24-106-103, 24-102-206, 24-106-106, and 24-106-107, C.R.S. regarding the monitoring of vendor performance and the reporting of Agreement performance information in the State’s Agreement management system (“Contract Management System” or “CMS”). Grantee’s performance shall be subject to evaluation and review in

accordance with the terms and conditions of this Agreement, Colorado statutes governing CMS, and State Fiscal Rules and State Controller policies.

19. GENERAL PROVISIONS

A. Assignment

Grantee's rights and obligations under this Agreement are personal and may not be transferred or assigned without the prior, written consent of the State. Any attempt at assignment or transfer without such consent shall be void. Any assignment or transfer of Grantee's rights and obligations approved by the State shall be subject to the provisions of this Agreement.

B. Repayment of Grant Funds

Grantee shall repay to the State the Grant Funds and any appreciation in the value of the Easement (if any appreciation exists and only in an amount equal to the State's proportionate contribution to the Purchase Price), if the Easement is terminated or extinguished or its material provisions rendered unenforceable due to acts or omissions of Grantee, its employees, agents, successors or assigns, including, but not limited to, complying with or enforcing the provisions of the Easement.

C. Binding Effect

Except as otherwise provided in §19.A., all provisions of this Agreement, including the benefits and burdens, shall extend to and be binding upon the Parties' respective successors and assigns.

D. Authority

Each Party represents and warrants to the other that the execution and delivery of this Agreement and the performance of such Party's obligations have been duly authorized.

E. Captions and References

The captions and headings in this Agreement are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions. All references in this Agreement 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.

F. Counterparts

This Agreement may be executed in multiple, identical, original counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

G. Entire Understanding

This Agreement represents the complete integration of all understandings between the Parties related to the Work, and all prior representations and understandings related to the Work, oral or written, are merged into this Agreement. Prior or contemporaneous additions, deletions, or other changes to this Agreement shall not have any force or effect whatsoever, unless embodied herein.

H. Modification

Except as otherwise provided in this Agreement, any modification to this Agreement shall only be effective if agreed to in a formal amendment to this Agreement, properly executed and approved in accordance with applicable Colorado State law and State Fiscal Rules. Modifications permitted under this Agreement, other than Agreement amendments, shall conform to the policies issued by the Colorado State Controller.

I. Statutes, Regulations, Fiscal Rules, and Other Authority.

Any reference in this Agreement to a statute, regulation, State Fiscal Rule, fiscal policy or other authority shall be interpreted to refer to such authority then current, as may have been changed or amended since the Effective Date of this Agreement.

J. Order of Precedence

In the event of a conflict or inconsistency between this Agreement and any Exhibits or attachment such conflict or inconsistency shall be resolved by reference to the documents in the following order of priority:

- i. Colorado Special Provisions in §20., of the main body of this Agreement.
- ii. The provisions of the other sections of the main body of this Agreement.
- iii. Exhibit A, Statement of Work.
- iv. Exhibit B, Budget and Schedule.
- v. Exhibit C, Sample Option Letter.
- vi. All Other Exhibits.

K. Severability

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect, provided that the Parties can continue to perform their obligations under this Agreement in accordance with the intent of this Agreement.

L. Survival of Certain Agreement Terms

Any provision of this Agreement that imposes an obligation on a Party after termination or expiration of this Agreement shall survive the termination or expiration of this Agreement and shall be enforceable by the other Party.

M. Taxes

The State is exempt from federal excise taxes under I.R.C. Chapter 32 (26 U.S.C., Subtitle D, Ch. 32) (Federal Excise Tax Exemption Certificate of Registry No. 84-730123K) and from State and local government sales and use taxes under §§39-26-704(1), *et seq.*, C.R.S. (Colorado Sales Tax Exemption Identification Number 98-02565). The State shall not be liable for the payment of any excise, sales, or use taxes, regardless of whether any political subdivision of the state imposes such taxes on Grantee. Grantee shall be solely responsible for any exemptions from the collection of excise, sales or use taxes that Grantee may wish to have in place in connection with this Agreement.

N. Third Party Beneficiaries

Except for the Parties' respective successors and assigns described in §19.A., this Agreement does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Enforcement of this Agreement and all rights and obligations hereunder are

reserved solely to the Parties. Any services or benefits which third parties receive as a result of this Agreement are incidental to this Agreement, and do not create any rights for such third parties.

O. Waiver

A Party's failure or delay in exercising any right, power, or privilege under this Agreement, whether explicit or by lack of enforcement, shall not operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise of such right, power, or privilege.

P. CORA Disclosure

To the extent not prohibited by federal law, this Agreement and the performance measures and standards required under §24-103.5-101, C.R.S., if any, are subject to public release through the CORA.

Q. Standard and Manner of Performance

Grantee shall perform its obligations under this Agreement in accordance with the highest standards of care, skill and diligence in Grantee's industry, trade, or profession.

R. Licenses, Permits, and Other Authorizations.

Grantee shall secure, prior to the Effective Date, and maintain at all times during the term of this Agreement, at its sole expense, all licenses, certifications, permits, and other authorizations required to perform its obligations under this Agreement, and shall ensure that all employees, agents and Subcontractors secure and maintain at all times during the term of their employment, agency or Subcontractor, all license, certifications, permits and other authorizations required to perform their obligations in relation to this Agreement.

S. Indemnification

i. General Indemnification

Grantee shall indemnify, save, and hold harmless the State, its employees, agents and assignees (the "Indemnified Parties"), against any and all costs, expenses, claims, damages, liabilities, court awards and other amounts (including attorneys' fees and related costs) incurred by any of the Indemnified Parties in relation to any act or omission by Grantee, or its employees, agents, Subcontractors, or assignees in connection with this Agreement.

ii. Confidential Information Indemnification

Disclosure or use of State Confidential Information by Grantee 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 Indemnified Parties, against any and all claims, damages, liabilities, losses, costs, expenses (including attorneys' fees and costs) incurred by the State in relation to any act or omission by Grantee, or its employees, agents, assigns, or Subcontractors.

iii. Intellectual Property Indemnification

Grantee shall indemnify, save, and hold harmless the Indemnified Parties, against any and all costs, expenses, claims, damages, liabilities, and other amounts (including attorneys' fees and costs) incurred by the Indemnified Parties in relation to any claim

that any Work infringes a patent, copyright, trademark, trade secret, or any other intellectual property right.

20. COLORADO SPECIAL PROVISIONS (COLORADO FISCAL RULE 3-3)

These Special Provisions apply to all contracts except where noted in italics.

A. STATUTORY APPROVAL. §24-30-202(1), C.R.S.

This Contract shall not be valid until it has been approved by the Colorado State Controller or designee. If this Contract is for a Major Information Technology Project, as defined in §24-37.5-102(2.6), then this Contract shall not be valid until it has been approved by the State's Chief Information Officer or designee.

B. FUND AVAILABILITY. §24-30-202(5.5), C.R.S.

Financial obligations of the State payable after the current State Fiscal Year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

C. GOVERNMENTAL IMMUNITY.

Liability for claims for injuries to persons or property arising from the negligence of the State, its departments, boards, commissions committees, bureaus, offices, employees and officials shall be controlled and limited by the provisions of the Colorado Governmental Immunity Act, §24-10-101, et seq., C.R.S.; the Federal Tort Claims Act, 28 U.S.C. Pt. VI, Ch. 171 and 28 U.S.C. 1346(b), and the State's risk management statutes, §§24-30-1501, et seq. C.R.S. No term or condition of this Contract shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, contained in these statutes.

D. INDEPENDENT CONTRACTOR.

Contractor shall perform its duties hereunder as an independent contractor and not as an employee. Neither Contractor nor any agent or employee of Contractor shall be deemed to be an agent or employee of the State. Contractor shall not have authorization, express or implied, to bind the State to any agreement, liability or understanding, except as expressly set forth herein. **Contractor 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 Contractor or any of its agents or employees. Contractor shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this Contract. Contractor shall (i) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (ii) provide proof thereof when requested by the State, and (iii) be solely responsible for its acts and those of its employees and agents.**

E. COMPLIANCE WITH LAW.

Contractor shall 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. CHOICE OF LAW, JURISDICTION, AND VENUE.

Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Contract. Any provision included or

incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. All suits or actions related to this Contract shall be filed and proceedings held in the State of Colorado and exclusive venue shall be in the City and County of Denver.

G. PROHIBITED TERMS.

Any term included in this Contract that requires the State to indemnify or hold Contractor harmless; requires the State to agree to binding arbitration; limits Contractor's liability for damages resulting from death, bodily injury, or damage to tangible property; or that conflicts with this provision in any way shall be void ab initio. Nothing in this Contract shall be construed as a waiver of any provision of §24-106-109 C.R.S.

H. SOFTWARE PIRACY PROHIBITION.

State or other public funds payable under this Contract shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Contractor hereby certifies and warrants that, during the term of this Contract and any extensions, Contractor has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that Contractor is in violation of this provision, the State may exercise any remedy available at law or in equity or under this Contract, including, without limitation, immediate termination of this Contract and any remedy consistent with federal copyright laws or applicable licensing restrictions.

I. EMPLOYEE FINANCIAL INTEREST/CONFLICT OF INTEREST. §§24-18-201 and 24-50-507, C.R.S.

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 Contract. Contractor has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Contractor's services and Contractor shall not employ any person having such known interests.

J. VENDOR OFFSET AND ERRONEOUS PAYMENTS. §§24-30-202(1) and 24-30-202.4, C.R.S.

[Not applicable to intergovernmental agreements] Subject to §24-30-202.4(3.5), C.R.S., the State Controller may withhold payment under the State's vendor offset intercept system for debts owed to State agencies for: (i) unpaid child support debts or child support arrearages; (ii) unpaid balances of tax, accrued interest, or other charges specified in §§39-21-101, *et seq.*, C.R.S.; (iii) unpaid loans due to the Student Loan Division of the Department of Higher Education; (iv) amounts required to be paid to the Unemployment Compensation Fund; and (v) other unpaid debts owing to the State as a result of final agency determination or judicial action. The State may also recover, at the State's discretion, payments made to Contractor in error for any reason, including, but not limited to, overpayments or improper payments, and unexpended or excess funds received by Contractor by deduction from subsequent payments under this Contract, deduction from any payment due under any other contracts, grants or agreements between the State and Contractor, or by any other appropriate method for collecting debts owed to the State.

K. PUBLIC CONTRACTS FOR SERVICES. §§8-17.5-101, *et seq.*, C.R.S.

[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] Contractor certifies, warrants, and agrees that it does not knowingly employ or contract with an illegal alien who will perform work under this Contract and will confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this Contract, through participation in the E-Verify Program or the State verification program established pursuant to §8-17.5-102(5)(c), C.R.S., Contractor shall not knowingly employ or contract with an illegal alien to perform work under this Contract or enter into a contract with a Subcontractor that fails to certify to Contractor that the Subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Contract. Contractor (i) shall not use E-Verify Program or the program procedures of the Colorado Department of Labor and Employment (“Department Program”) to undertake pre-employment screening of job applicants while this Contract is being performed, (ii) shall notify the Subcontractor and the contracting State agency or institution of higher education within three days if Contractor has actual knowledge that a Subcontractor is employing or contracting with an illegal alien for work under this Contract, (iii) shall terminate the subcontract if a Subcontractor does not stop employing or contracting with the illegal alien within three days of receiving the notice, and (iv) shall comply with reasonable requests made in the course of an investigation, undertaken pursuant to §8-17.5-102(5), C.R.S., by the Colorado Department of Labor and Employment. If Contractor participates in the Department program, Contractor shall deliver to the contracting State agency, Institution of Higher Education or political subdivision, a written, notarized affirmation, affirming that Contractor has examined the legal work status of such employee, and shall comply with all of the other requirements of the Department program. If Contractor fails to comply with any requirement of this provision or §§8-17.5-101, *et seq.*, C.R.S., the contracting State agency, institution of higher education or political subdivision may terminate this Contract for breach and, if so terminated, Contractor shall be liable for damages.

L. PUBLIC CONTRACTS WITH NATURAL PERSONS. §§24-76.5-101, *et seq.*, C.R.S.

Contractor, if a natural person eighteen (18) years of age or older, hereby swears and affirms under penalty of perjury that Contractor (i) is a citizen or otherwise lawfully present in the United States pursuant to federal law, (ii) shall comply with the provisions of §§24-76.5-101, *et seq.*, C.R.S., and (iii) has produced one form of identification required by §24-76.5-103, C.R.S. prior to the Effective Date of this Contract.

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Exhibit A

Statement of Work – CE Component

WATER ACTIVITY NAME – Cactus Hill/Alamosa Alternative Agricultural Transfer Methods (ATM) Conservation Easement

GRANT RECIPIENT – Rio Grande Headwaters Land Trust (RiGHT)

FUNDING SOURCE - The Alternative Agricultural Water Transfer Methods Competitive Grant Program

INTRODUCTION AND BACKGROUND

Task 2 consists of the “bargain purchase” of a conservation easement on the property and its associated water rights. Task 2 funds will be used solely toward the acquisition of the conservation easement. The Task 2 funds would be expended at closing on the conservation easement through a Title Company, only when all the due diligence is finalized, in a similar process to RiGHT’s prior ATM awards.

Matching funds include additional funding raised for the purchase of the conservation easement (cash) and an estimated donation of value from the landowner (in-kind).

OBJECTIVES

The objectives of this project consist of the completion of a conservation easement to preserve a valuable and productive farm in perpetuity.

TASKS

Provide a detailed description of each task using the following format

TASK 1 – Conservation Easement Development

Description of Task:

Complete due diligence and purchase Conservation Easement on property.

Deliverable

Recorded Conservation Easement

TASK 2 - Final Report

Description of Task:

Develop electronic and hardcopy versions of a final report detailing the process of developing the ATM project, lessons learned and recommendations for improvement.

Final Deliverable

One ATM project accompanied by a final report (electronic and hardcopies).

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.

Payments

Payment will be made based on actual expenditures, must include invoices for all work completed and must be on grantee's letterhead. The request for payment must include a description of the work accomplished by task, an estimate of the percent completion for individual tasks and the entire Project in relation to the percentage of budget spent, identification of any major issues, and proposed or implemented corrective actions.

The CWCB will pay the last 10% of the entire water activity budget when the Final Report is completed to the satisfaction of CWCB staff. Once the Final Report has been accepted, and final payment has been issued, the water activity and purchase order or contract will be closed without any further payment. Any entity that fails to complete a satisfactory Final Report and submit to CWCB within 90 days of the expiration of a purchase order or contract may be denied consideration for future funding of any type from CWCB.

Performance Requirements

Performance measures for this contract shall include the following:

- (a) **Performance standards and evaluation:** Grantee will produce detailed deliverables for each task as specified. Grantee shall maintain receipts for all project expenses and documentation of the minimum in-kind contributions (if applicable) per the budget in Exhibit B. Per Grant Guidelines, the CWCB will pay out the last 10% of the budget when the final deliverable is completed to the satisfaction of CWCB staff. Once the final deliverable has been accepted, and final payment has been issued, the purchase order or grant will be closed without any further payment.
- (b) **Accountability:** Per the Grant Guidelines full documentation of project progress must be submitted with each invoice for reimbursement. Grantee must confirm that all grant conditions have been complied with on each invoice. In addition, per the Grant Guidelines, Progress Reports must be submitted at least once every 6 months. A Final Report must be submitted and approved before final project payment.
- (c) **Monitoring Requirements:** Grantee is responsible for ongoing monitoring of project progress per Exhibit A. Progress shall be detailed in each invoice and in each Progress Report, as detailed above. Additional inspections or field consultations will be arranged as may be necessary.
- (d) **Noncompliance Resolution:** Payment will be withheld if grantee is not current on all grant conditions. Flagrant disregard for grant conditions will result in a stop work order and cancellation of the Grant Agreement.

LEGAL DESCRIPTION FOR TRACT 1

A tract of land located in a fraction of the Northeast Quarter of the Northwest Quarter (NE1/4NW1/4), the Southeast Quarter of the Northwest Quarter (SE1/4NW1/4), the Southwest Quarter of the Northeast Quarter (SW1/4NE1/4), the Northeast Quarter of the Southwest Quarter (NE1/4SW1/4) and a fraction of the West Half of the Northwest Quarter of the Northeast Quarter (W1/2NW1/4NE1/4) of Section 10, Township 35 North, Range 8 East, New Mexico Principal Meridian, Conejos County, Colorado and being more particularly described by metes and bounds as follows to-wit:

Beginning at the North Quarter Corner of said Section 10; Thence S0°08'48"E a distance of 30.01 feet to the True Point of Beginning; Thence S89°40'42"E along the south right-of-way line for County Road Y a distance of 670.16 feet; Thence S0°01'06"E along the east line of the W1/2NW1/4NE1/4 of said Section 10, a distance of 1297.64 feet; Thence S89°35'54"E along the north line of the SW1/4NE1/4 of said Section 10, a distance of 637.26 feet; Thence S0°06'36"W along a line parallel with and 30.0 feet west of the east line of the SW1/4NE1/4 of said Section 10, a distance of 1328.40 feet; Thence N89°31'24"W along the south line of the SW1/4NE1/4 of said Section 10 a distance of 1298.58 feet; Thence S0°09'35"E along the east line of the NE1/4SW1/4 of said Section 10 a distance of 1326.47 feet; Thence N89°39'38"W along the south line of the NE1/4SW1/4 of said Section 10, a distance of 1332.36 feet; Thence N0°17'27"W along the west line of the NE1/4SW1/4 of said Section 10, a distance of 1327.07 feet; Thence N0°15'13"W along the west line of the SE1/4NW1/4 of said Section 10 a distance of 1337.59 feet; Thence N0°15'13"W along the west line of the NE1/4NW1/4 of said Section 10, a distance of 1284.88 feet; Thence S89°40'51"E along the south right-of-way line for County Road Y a distance of 1340.29 feet to the True Point of Beginning, containing 180.760 acres more or less.

The above described tract of land is subject to all existing easements and rights-of-way of what-so-ever nature.

LEGAL DESCRIPTION FOR TRACT 2

A tract of land located in a fraction of the South Half of the Southeast Quarter (S1/2SE1/4) Section 3, Township 35 North, Range 8 East, New Mexico Principal Meridian, Conejos County, Colorado and being more particularly described by metes and bounds as follows to-wit:

Beginning at the South Quarter Corner of said Section 3; Thence N2°18'49"W a distance of 30.04 feet to the True Point of Beginning; to the True Point of Beginning, Thence continuing N2°18'49"W along the North-South Centerline for said Section 3 a distance of 1360.93 feet; Thence S89°35'07"E along the north line of the S1/2SE1/4 of said Section 3, a distance of 2669.11 feet; Thence S1°33'52"E along the west right-of-way line for County Road 10 a distance of 1355.94 feet; Thence N89°40'36"W along the north right-of-way line for County Road Y, a distance of 2651.16 feet to the True Point of Beginning, containing 82.888 acres more or less.

The above described tract of land is subject to all existing easements and rights-of-way of what-so-ever nature.

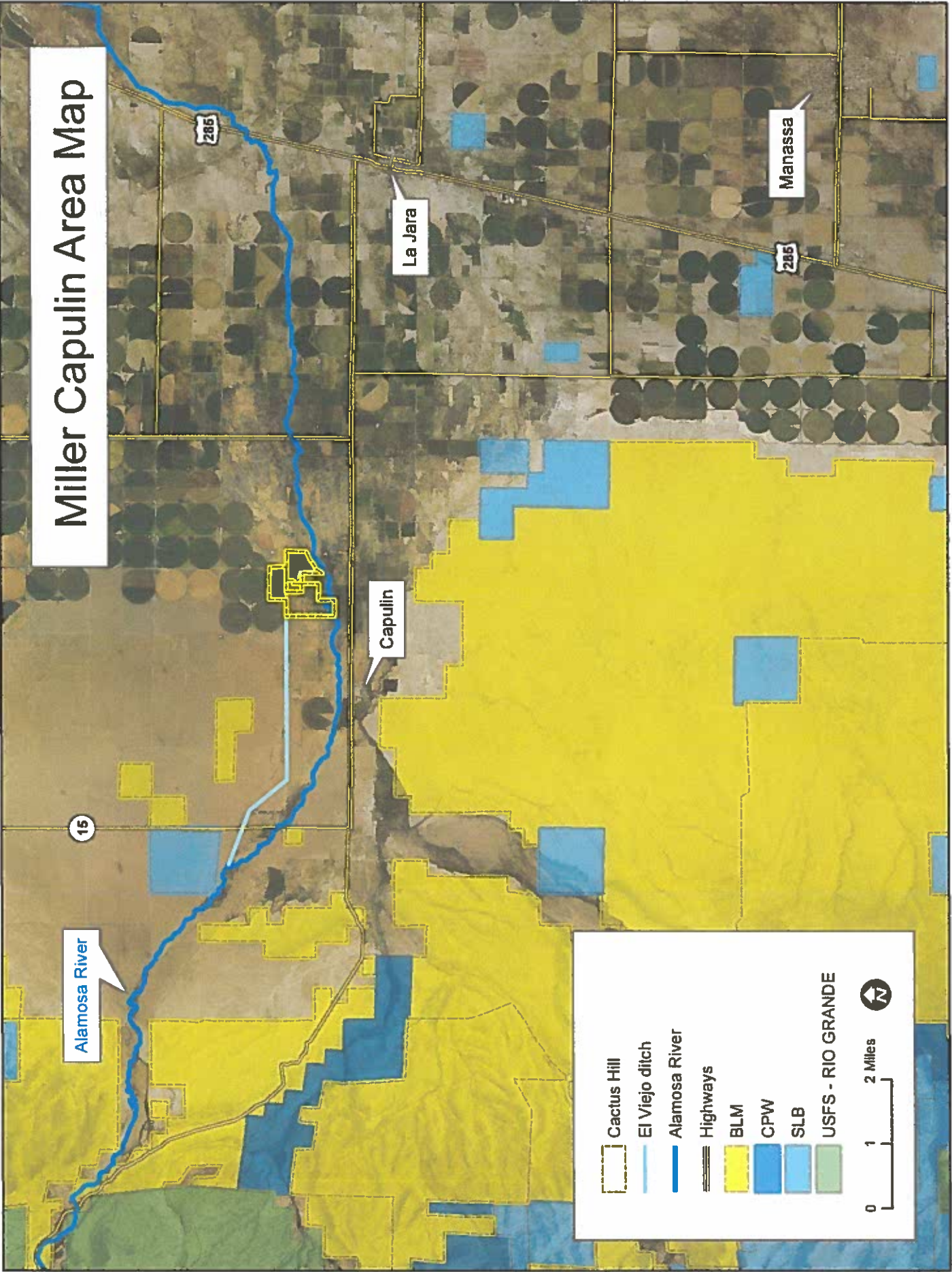
LEGAL DESCRIPTION FOR TRACT 3

A tract of land located in a fraction of the East Half of the Northeast Quarter (E1/2NE1/4) Section 10 and the West Half of the Northwest Quarter (W1/2NW1/4) of Section 11, Township 35 North, Range 8 East, New Mexico Principal Meridian, Conejos County, Colorado , being Tract 2 of the Miller Division of Land and Tract 1 of the Pete Valdez Division of land and a fraction of the Northwest Quarter of the Northwest Quarter (NW1/4NW1/4) of said Section 11, and being more particularly described by metes and bounds as follows to-wit:

Beginning at the North Quarter Corner of said Section 10; Thence S88°34'59"E a distance of 1570.26 feet to the True Point of Beginning; Thence S89°40'36"E along the south right-of-way line of County Road Y a distance of 1110.63 feet; Thence S89°07'26"E along the south right-of-way line of County Road Y a distance of 1284.04 feet; Thence S35°47'15"E along an existing fence a distance of 37.51 feet; Thence S0°44'19"W along the west right-of-way line for County Road 10 a distance of 1516.83 feet; Then along an existing fence being the south line of Tract 1 of the Pete Valdez Division of Land for the following twelve (12) courses: Thence S62°11'42"W a distance of 396.74 feet; Thence S65°23'11"W a distance of 164.44 feet; Thence S68°13'43"W a distance of 153.00 feet; Thence S58°17'53"W a distance of 64.88 feet; Thence S44°43'38"W a distance of 319.30 feet; Thence S62°22'09"W a distance of 234.63 feet; Thence S56°51'41"W a distance of 205.79 feet; Thence S58°56'16"W a distance of 97.93 feet; Thence S44°28'33"W a distance of 167.48 feet; Thence S49°44'35"W a distance of 136.70 feet; Thence S89°33'50"W a distance of 136.43 feet; Thence N1°15'50"E a distance of 1327.77 feet; Then along an existing fence line being the south and west boundary of Tract 2 of the Miller Division of Land for the following six (6) courses: Thence N89°18'50"W a distance of 897.76 feet; Thence N0°20'16"E a distance of 664.75 feet; Thence S79°22'50"E a distance of 79.17 feet; Thence S88°19'50"E a distance of 104.44 feet; Thence N75°25'45"E a distance of 17.40 feet; Thence N1°11'05"E a distance of 635.46 feet to the True Point of Beginning, containing 105.824 acres more or less.

The above described tract of land is subject to all existing easements and rights-of-way of what-so-ever nature.

EXHIBIT PLD-PRELIMINARY



Miller Capulin Site Map

Irrigated Acres

El Viejo ditch

Cactus Hill

Alamosa River

Highways

0

0.15

0.3 Miles

2

EXHIBIT B



Colorado Water Conservation Board
Alternative Agricultural Water Transfer Methods Competitive Grant Program - Exhibit B
Budget and Schedule

Name of Grantee: Rio Grande Headwaters Land Trust									
Name of Water Project: Cactus Hill/Alamosa ATM Conservation Easement									
Task No.	Task Description	Start Date ⁽¹⁾	End Date	Project Cost by Task	Match Funding Cash	CWCB Grant Request	Match Funding In-Kind	Total	
1 - Conservation Easement Purchase	Complete due diligence and purchase Conservation Easement on property.	03/30/2020	04/30/2020	\$ 306,000.00	\$ 140,000.00	\$ 130,000.00	\$ 36,000.00	\$ 306,000.00	
2 - Final Report	Develop electronic and hardcopy versions of a final report detailing the process of developing the ATM project, lessons learned and recommendations for improvement.	12/31/2019	04/30/2020	\$ 1,000.00		\$ -	\$ 1,000.00	\$ 1,000.00	
			8	\$ 307,000.00	\$ 140,000.00	\$ 130,000.00	\$ 37,000.00	\$ 307,000.00	
			Percentage		46%	42%	12%		100%

EXHIBIT C, SAMPLE OPTION LETTER

State Agency Department of Natural Resources Colorado Water Conservation Board (CWCB) 1313 Sherman St, Room 718 Denver, CO 80203	Option Letter Number
Grantee Rio Grande Headwaters Land Trust 840 Grand Ave. Del Norte, CO 81132	Original Agreement Number CMS 148843 CTGG1 2020*
Current Agreement Maximum Amount (Initial Term)	Option Agreement Number
	Agreement Performance Beginning Date
	Current Agreement Expiration Date

1. **OPTIONS:**

A. Option to extend for an Extension Term

2. **REQUIRED PROVISIONS:**

A. **For use with Option 1(A):** In accordance with Section 2.C., of the Original Agreement referenced above, the State hereby exercises its option for an additional term, beginning _____ and ending on the current Agreement expiration date shown above, at the rates stated in the Original Agreement, as amended.

3. **OPTION EFFECTIVE DATE:**

A. The effective date of this Option Letter is upon approval of the State Controller or (Date), whichever is later.

<p align="center"> STATE OF COLORADO Jared S. Polis, Governor Department of Natural Resources Colorado Water Conservation Board Dan Gibbs, Executive Director </p> <p>By: _____ Signature</p> <p>Name: _____ Greg Johnson, Chief</p> <p>Date: _____</p>	<p align="center"> In accordance with §24-30-202, C.R.S., this Option is not valid until signed and dated below by the State Controller or an authorized delegate. STATE CONTROLLER Robert Jaros, CPA, MBA, JD </p> <p>By: _____ Signature</p> <p>Name: _____</p> <p>Title: _____</p> <p>Option Effective Date: _____</p>
--	--