

Kelly DiNatale
DiNatale Water Consultants, Inc.
506 Juniper
Boulder, Co. 80302

Dear Kelly,

Enclosed you will find a signed copy of the agreement between the San Luis Valley Irrigation District and DiNatale Water Consultants, Inc. for your continued work on the Rio Grande Reservoir Reoperation and Optimization Model.

Thank you,

Amy S. Dean
District Secretary

AGREEMENT FOR CONSULTING SERVICES

Refinements to Rio Grande Reservoir Reoperation and Optimization Model

THIS AGREEMENT is made and entered into this 8th day of April, 2009, by and between the SAN LUIS VALLEY IRRIGATION DISTRICT, an Irrigation District created and operated pursuant to the Irrigation District Law of 1905, CRS § 37-41-101 *et seq.* (hereinafter called the "District") and DiNatale Water Consultants, Inc. (hereinafter called "Consultant").

WITNESSETH:

WHEREAS, District desires to engage the services of Consultant in accordance with the terms and conditions of this Agreement; and

WHEREAS, Consultant is specially trained and possesses certain skills, experience, education and competency to perform those services as hereinafter set forth, and Consultant is able and willing to provide such services under the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the compensation to be paid hereunder and the mutual agreements hereinafter set forth, the parties agree as follows:

1. PERFORMANCE OF SERVICES

The District does hereby engage Consultant to perform and provide the services hereinafter set forth, and the Consultant does hereby agree to perform such services in accordance with the terms and conditions hereof. Consultant shall provide the expense of all materials, equipment and personnel required to perform its services as set forth in Exhibit A attached hereto and incorporated herein by this reference.

2. SCOPE OF SERVICES

The Consultant shall provide those services described and set forth on Exhibit A.

3. TERM OF AGREEMENT

This Agreement shall become effective on the date set forth above, and shall remain in full force and effect until the earlier of the completion of the Scope of Services, unless sooner terminated as hereinafter provided.

4. COMPENSATION

As compensation for the services to be performed by Consultant hereunder, District will pay Consultant the amounts set forth on Exhibit B in the manner and method described on Exhibit B attached hereto and incorporated herein by this reference.

5. PERSONAL PERFORMANCE

Consultant's obligation to provide the services under this Agreement is personal, and the Consultant expressly understands and agrees that the services to be performed shall not be assigned or transferred. It is further agreed that Consultant shall not engage the services of other persons, by subcontract or otherwise, to provide or assist in providing such services without the express written consent of District.

6. INSURANCE; INDEMNIFICATION

Consultant agrees to maintain such insurance as will fully protect Consultant from any and all claims by employees of the Consultant under the Workers' Compensation laws of the State of Colorado and similar laws relating to employer's liability;

Commercial General Liability Insurance written on ISO occurrence form CG 00 01 10/93 or equivalent, covering premises operations, fire damage, independent contractors, products and completed operations, blanket contractual liability, personal injury, and advertising liability with minimum limits as follows:

- i. \$1,000,000 each occurrence;
- ii. \$1,000,000 general aggregate;
- iii. \$1,000,000 products and completed operations aggregate; and,
- iv. \$50,000 any one fire.

If any aggregate limit is reduced below \$1,000,000 because of claims made or paid, the Consultant shall immediately obtain additional insurance to restore the full aggregate limit and furnish to the District a certificate or other document satisfactory to the District showing compliance with this provision.

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

Consultant will provide District with certificates of insurance evidencing coverage as set forth above. The certificates shall give District thirty (30) days notice in the event of cancellation of Consultant's policies. All comprehensive general liability insurance required hereunder shall name District as an additional insured.

Consultant shall indemnify and hold harmless the District from and against, and shall assume full responsibility for, the payment of all federal, state and local taxes or contributions imposed or required under employment insurance, social security and income tax laws with respect to Consultant and Consultant's employees engaged in the performance of work under this Agreement. Consultant specifically agrees and understands by execution of this Agreement to save harmless and indemnify District, its directors, employees, officers and agents against all loss, liability, damage and expenses caused by negligent acts, errors and omissions arising out of the services of Consultant hereunder.

7. AWARE OF LAWS

Consultant agrees at all times to comply with ordinances, laws, orders, rules and regulations which are relevant to the Consultant's work and services to be performed hereunder.

8. STANDARD OF PERFORMANCE

Consultant shall be responsible to perform at the level of competency presently maintained by other practicing professionals in the same type of work for the professional and technical soundness, accuracy and adequacy of all designs, drawings, specifications and other work and materials furnished under this Agreement. This provision is not intended to reduce any standard otherwise imposed by law.

9. INDEPENDENT CONTRACTOR

The Consultant, for all purposes arising out of this Agreement, is an independent contractor and shall not be termed an employee of District. It is expressly understood and agreed that Consultant shall not be entitled to any benefits to which District's employees are entitled, including, but not limited to, overtime, retirement benefits, worker's compensation, injury leave or other leave benefits.

10. CONFIDENTIALITY

Any and all reports, information, data, statistics, forms, designs, plans, procedures, systems, studies and any other communication or form of knowledge given to or prepared or assembled by Consultant under this Agreement shall be kept as confidential and shall only be made available to the District and the Colorado Water Conservation Board unless the District provides prior written approval.

11. OWNERSHIP OF MATERIAL

All reports, studies, information, data, statistics, forms, designs, plans, procedures, systems and any other materials or properties produced under this Agreement shall be the sole and exclusive property of District. No such materials or properties produced in whole or in part under this Agreement shall be subject to private use, copyright or patent right by Consultant without the express written consent of District. District shall have unrestricted authority to publish, disclose, distribute and otherwise use, copyright or patent in whole or in part any of such reports, studies, data, statistics, forms or other materials or properties produced under this Agreement. Any reuse without specific written verification or adaptation by Consultant will be at District's sole risk and without liability to Consultant.

12. TERMINATION

This Agreement may be terminated by either party upon seven (7) days written notice, in which event Consultant shall be compensated for work performed to the date of such termination.

13. NOTICE

Any notice or notices required or permitted to be given pursuant to this Agreement may be personally served on the other party by the party giving such notice or may be served by certified mail, postage prepaid, return receipt requested, to the following addresses:

To the District: San Luis Valley Irrigation District
c/o Travis Smith, Superintendent
PO Box 637
Center, CO. 81125

To the Consultant: DiNatale Water Consultants, Inc.
Attn: Kelly DiNatale
506 Juniper
Boulder, CO. 80302

14. ATTORNEY'S FEES

If the parties become involved in litigation arising out of this Agreement or the performance thereof, the court in such litigation shall award reasonable costs and expenses, including attorneys' fees, to the prevailing party, to be paid by the other party to this Agreement.

15. APPLICABLE LAW

This Agreement shall be construed and interpreted in accordance with the laws of the State of Colorado. Venue shall be proper in District Court for Rio Grande County.

16. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties covering the subject matter. No modifications or amendments shall be valid unless in writing and signed by all of the parties.

SAN LUIS VALLEY IRRIGATION
DISTRICT

DINATALE WATER CONSULTANTS, INC.

By: Randall K. Palmgren
Title: President

By: Kelly DiNatale
Title: PRESIDENT

ACKNOWLEDGED:

ATTEST:

By: Ann S. Allan
Title: District Secretary

By: James A. Whitely
Title: _____

Tax Identification Number: 84-6002934

Tax Identification No. 26-4088648



DiNatale Water Consultants, Inc.

Kelly DiNatale, PE, D.WRE, BCEE

506 Juniper Avenue • Boulder, CO 80304 • 303-349-3668 • kelly@dinatalewater.com • dinatalewater.com

EXHIBIT A

Rio Grande Reservoir Reoperation and Optimization Model Scope of Work San Luis Valley Irrigation District

Task 1. Refine Inputs and Modeling Needs for the Reservoir Reoperation and Optimization Model

Tasks:

- Engineer will conduct 2 modeling workshop with Division Engineer and representatives of water users, including the Rio Grande Water Users and Rio Grande Water Conservation District, to refine water use data and beneficial Model enhancements including: water rights data, Compact deliveries and flow projections, curtailments, stream gains and losses, direct flow storage utilization, and potential demands from groundwater management subdistricts.
- Engineer will conduct 2 modeling workshops with potential storage pool holders, including Division Engineer (Compact Storage), Division of Wildlife, and San Luis Valley Water Conservancy District to refine long-term storage needs and water delivery scenarios to best address water use needs and potentially meeting stream flow and riparian demands.
- Engineer will conduct 2 modeling workshops with environmental group representatives and U.S. Forest Service to refine and determine how to best optimize available flows to better meet fish, riparian and other environmental needs and quantify the benefits of the modeled changes.
- Engineer will summarize key workshop recommendations and meet with HELTON AND WILLIAMSEN modeler to review recommendations and provide additional direction to HELTON AND WILLIAMSEN.
- Engineer will present results of the project at one Rio Grande Basin Roundtable meeting and at one SLVID Board of Directors meeting.

Assumptions:

- At least 2 meetings per trip to the San Luis Valley can be scheduled.
- 4 trips total to the San Luis Valley.

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- Several of these workshops will be attended by the HELTON AND WILLIAMSEN. DiNatale Water will coordinate with HELTON AND WILLIAMSEN on workshop scheduling and preparation of materials for the workshops.

Deliverables:

- Workshop notes and key recommendations for modeling enhancements, including a prioritization of modeling recommendations from the workshops that are within the HELTON AND WILLIAMSEN scope of work.

Task 1 Cost: \$14,300

Task 2. Implement Model Enhancements

Tasks:

The model developed in Phase II of the Rio Grande Reservoir Project will be refined in the following areas based on feedback received from the modeling workshops with various interests and participants. HELTON AND WILLIAMSEN, under separate contract, will be responsible for implementing model enhancements. DiNatale Water will provide technical direction and model review to HELTON AND WILLIAMSEN during this model enhancement phase. Participants most likely to provide key information for each refinement are shown in parentheses.

- Covert model from a monthly model to a daily model as recommended at the Rio Grande Water Users Association meeting in January 2009.
- Add a simplified representation of water rights and deliveries
- Include dynamic curtailment calculations given available Compact storage and streamflow forecasting
- Implement refined stream gains and loss data
- Include stream flow forecasting
- Dynamically link hydropower analysis to Model
- Develop more detailed and quantifiable environmental flow analysis
- Implement other relevant data gathered from Division Engineer, water user organizations, storage participants and land use and environmental interests as time and budget permit.

Assumptions:

- Information on water rights (in particular a reasonable separation of junior and senior rights at priority 216A) is available

DiNatale Water Consultants Scope of Work for Rio Grande Reservoir

- Methodology and tools used by the Division 3 Engineer in using stream forecasting for Compact administration will be available for use
- Participation from environmental interests to quantify environmental benefits
- HELTON AND WILLIAMSEN, under separate contract with the District, will be responsible for implementing model enhancements. DiNatale Water will assist HELTON AND WILLIAMSEN by providing technical direction and model review during the implementation of the conceptual modeling enhancements but HELTON AND WILLIAMSEN will have responsibility for model code implementation and conversion to a daily time step model.
- Any assistance that may be required from outside consultants who are familiar with specific aspects of the Rio Grande basin is included in HELTON AND WILLIAMSEN contract.

Deliverables:

- Initial draft of technical Memorandum (TM) describing modeling methods, assumptions and results from enhancements listed above, as well as the use of the model will be prepared by HELTON AND WILLIAMSEN. TM will be approximately 15 pages in length, plus figures and tables. DiNatale Water will provide review and comments on the Draft TM. The draft will be made available for comment from participants of the modeling workshops, and a final draft will be prepared by HELTON AND WILLIAMSEN after the close of the comment period. DiNatale Water will also provide review and comments on final TM.
- Reservoir Reoperation and Optimization Model will be provided by HELTON AND WILLIAMSEN in electronic format.

Task 2 Cost: \$19,200

Task 3. Hydropower Evaluation

Tasks:

- Assist URS and attorney retained by the District in technical review and addressing other issues pertaining to hydropower usage including legal issues, permitting, existing power infrastructure evaluation, and investigation into available hydropower technical options.

Assumptions:

- Cooperation from local power company to assess existing infrastructure
- Legal analysis required from qualified attorney is not included in this scope but paid for separately by the District

DiNatale Water Consultants Scope of Work for Rio Grande Reservoir

Deliverables:

- Provide technical direction and input to technical Memorandum to be developed by URS addressing all issues listed above.

Task 3 Cost: \$7,200

Project Cost Summary Table

	Hours Sr. Engineer			
Hourly Rate	\$160	Labor (\$)	ODC (\$)	Total (\$)
Task 1 (Workshops)	80	\$12,800	\$1,500	\$14,300
Task 2 (Enhancements)	120	\$19,200	\$0	\$ 19,200
Task 3 (Hydropower)	45	\$7,200	\$0	\$7,200
Total	245	\$ 39,200	\$ 1,500	\$ 40,700

Notes:

ODC = Other Direct Costs, which include reproductions and four trips to the San Luis Valley

Project Schedule

Task and Activity	Expected Completion in Days from Notice to Proceed
Coordinate and hold workshops with water users, pool holders, governmental agencies and environmental interests. Assist HELTON AND WILLIAMSEN in running Model, listen to desired functionality, discuss approach, solutions and methods to incorporate desired functionality. (Task 1, partial completion)	60
Provide technical direction and detailed model review to HELTON AND WILLIAMSEN on initial modeling enhancements based on Meeting I (Task 2, partial completion)	90
Coordinate and hold Workshop II with water users, pool holders, governmental agencies and environmental interests to discuss and evaluate enhancements made from Workshop I. Discuss any further refinements and provide technical direction and model enhancement to HELTON AND WILLIAMSEN (Task 1, partial completion)	120
Assist HELTON AND WILLIAMSEN in completion of modeling enhancements from Meetings I and II (Task 2, completed)	150
Assist URS in completion of hydropower evaluation, including legal, infrastructure and potential funding opportunities (Task 3)	150
Present results to BRT and SLVID board (Task 1, completed)	180

EXHIBIT B
COMPENSATION SCHEDULE

Refinements to Rio Grande Reservoir Reoperation and Optimization Model

Based on the scope of the project and project budget as set forth in the attached Exhibit A, a total budgeted amount of \$40,700.00 for Refinements to Rio Grande Reservoir Reoperation and Optimization Model has been established for compensation of the Consultant. This amount shall include time, materials, and subcontractors' fees necessary for the Consultant to provide the services described in Exhibit A. Reimbursable costs including, but are not limited to, travel expenses, long distance communications, postage, reproduction, photographs, etc., are included in the project budget. Consultant shall not exceed the budgeted amount without prior written authorization of the District, which District is under no obligation to give. Verbal authorization shall not be deemed valid.

Consultant shall provide the District an invoice for the work completed during a month on or before the 5th day of the following month. Work performed or material supplied will be supported by appropriate back up data which will include all vendor invoices and an itemization of time spent for work done. Upon approval of the invoice by the District, the invoice shall be submitted by the District to the CWCB for payment. Upon approval of the invoice by the CWCB, payment will be forwarded to the Consultant. Work performed or material supplied will be supported by appropriate back up data which will include all vendor invoices and an itemization of time spent for work done.

ACKNOWLEDGED:

Kelly DiNatale
Project Manager