COLORADO
Colorado Water
Conservation Board
Department of Natural Resources
1313 Sherman Street, Room 718
Denver, CO 80203
303-866-3441

December 10, 2020

Stewart Ditch and Reservoir Company
PO Box 386
Paonia, CO 81428

Subject: Loan Contract No. C-153473
Loan Compliance Confirmation

Attached for your records are the original documents relative to the agreement between the Stewart Ditch and Reservoir Company, and the Colorado Water Conservation Board (CWCB), Loan Contract No. C-153473. The documents have been stamped "PAID IN FULL" denoting that the terms of the agreement have been satisfied in full by the Company.

Should you have any questions, please contact me at Telephone No. (303) 866-3441, ext 3205 or email at lauren.miremont@state.co.us. If we can be of any further assistance to you in the near future, please let us know.

Sincerely,

Lauren Miremont

Lauren Miremont
Finance Manager
Finance Section

Attachments

cc: CWCB Files

Stewart Ditch and Reservoir Company

PO Box 386, Paonia, CO 81428 | 719-207-0472 | StewartDitchAndReservoir@gmail.com

December 9, 2020

Lauren Miremont
Finance Manager
Colorado Water Conservation Board
1313 Sherman St., Room 718
Denver, CO 80203

Dear Lauren,

Regarding the Warranty Deed that should have been filed in Delta County for "1200 feet of the Stewart Ditch located roughly 1 ¼ miles below the intake of the North Fork of the Gunnison River", I have researched this and cannot find that this was completed.

On behalf of the Stewart Ditch and Reservoir Company, I confirm that the property is free from the encumbrance with the Colorado Water Conservation Board.

Kind Regards,

Susan Miller
Treasurer

PAID IN FULL

Form 6-AC-02A (R 5/85)
WFRPB

AC88/1016

DEPARTMENT OR AGENCY NUMBER
34-04-00
CONTRACT ROUTING NUMBER
88288

Reduce encumbrance
FROM: $240,000.00
TO: 137,132.94

PROJECT
CONTRACT AMENDMENT

THIS CONTRACT, made this 27th day of January 198 8, by and between the State of Colorado for the use and benefit of the Department of *1 Natural Resources (Colorado Water Conservation Board), hereinafter referred to as the State, and *2 the Stewart Ditch and Reservoir Company, P. O. Box 386, Paonia, CO 81428, hereinafter referred to as the contractor/Contractor.

WHEREAS, authority exists in the Law and Funds have been budgeted, appropriated and otherwise made available and a sufficient unencumbered balance thereof remains available for payment in Fund Number 4008, G/L Account Number 5045X, Contract Encumbrance Number C153473; and ABL Account Number 10450, Org. Unit 77-77-777,

WHEREAS, required approval, clearance and coordination has been accomplished from and with appropriate agencies; and

WHEREAS, the State and the Contractor did on September 15, 1986, enter into a contract for State participation in the repairs of the irrigation system of the Stewart Ditch and Reservoir Company in Delta County, Colorado; and

WHEREAS, the cost of construction of the project was less than what was originally estimated;

NOW, THEREFORE, in consideration of the mutual and dependent covenants herein contained, it is agreed by the parties hereto as follows:

1. The terms and provisions of paragraphs A.11., C.1. and I. of that certain contract dated September 15, 1986, attached hereto as Attachment A and incorporated by reference herein, shall no longer be effective. All other terms and provisions of that certain contract dated September 15, 1986, shall remain in full force and effect.

PAID IN FULL

2. Paragraphs A.11., C.1. and I. are hereby amended to read as follows:

A.11. Repay to the State the total principal sum of Three Hundred Nineteen Thousand Six Hundred Seventy-Four Dollars and Forty Cents ($319,674.40), which includes the project loan amount and the feasibility report amount, together with interest at the rate of five percent (5%) per annum, said repayment to be made in constant annual installments of Seven Thousand Nine Hundred Ninety-One Dollars and Eighty-Six Cents ($7,991.86) each, for forty (40) years, as shown in Attachment B, attached hereto and incorporated by reference herein, which first installment shall be due and payable on the first day of the month next succeeding the month in which the State determines that the project has been substantially completed, and yearly thereafter until the entire principal sum shall have been paid. However, in the event the Contractor does not draw funds commencing on the date specified in paragraph C.1.a. below, the obligation to repay shall be postponed for the same number of months as the Contractor delays in drawing funds. Said installment payments shall be made payable to the Colorado Water Conservation Board, payable at the offices of said Board in Denver, Colorado. The Contractor pledges its full faith and credit in support of this obligation and warrants that it has taken all steps necessary to pledge its full faith and credit for this obligation.

5667E

C. The State agrees that it shall:

1. Loan to the Contractor for the purpose of this contract an amount not to exceed One Hundred Thirty-Seven Thousand One Hundred Thirty-Two Dollars and Ninety-Four Cents ($137,132.94). Said One Hundred Thirty-Seven Thousand One Hundred Thirty-Two Dollars and Ninety-Four Cents ($137,132.94) shall be made available to the Contractor in accordance with the following terms and conditions:

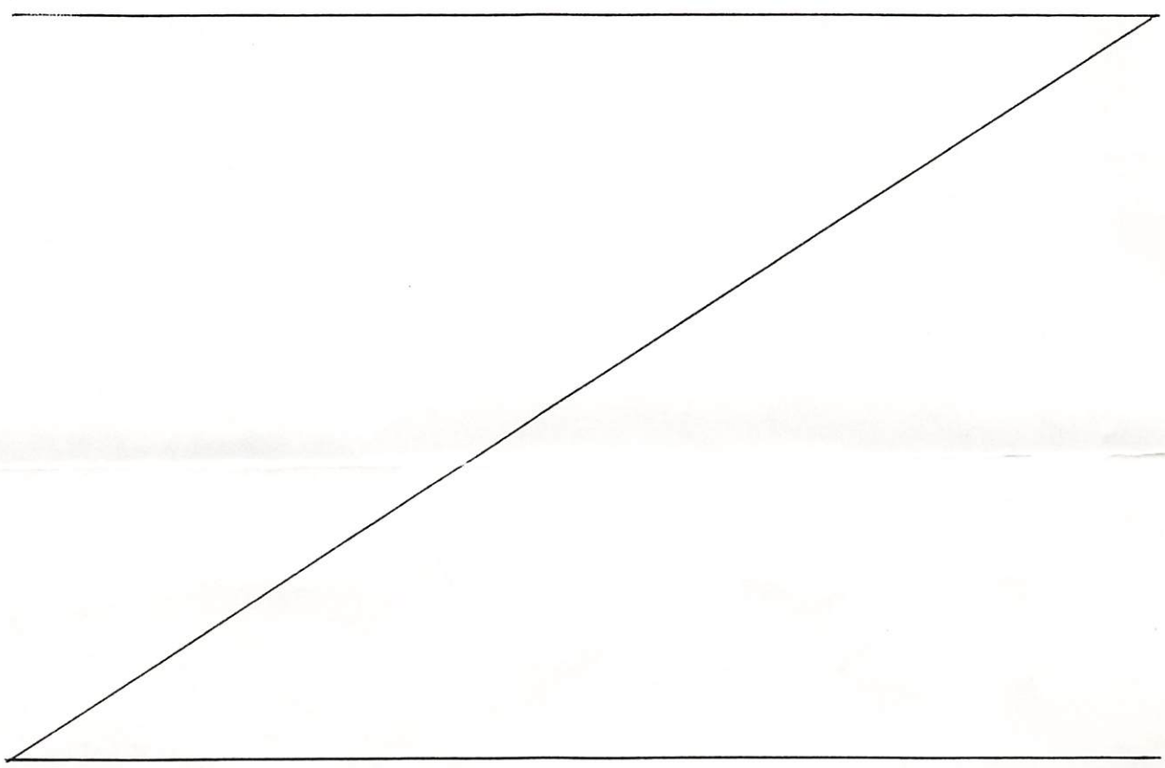
a. Beginning with the monthly period commencing September 15, 1986, and for every month thereafter until said project has been completed, the Contractor shall prepare, with the assistance of the engineering firm referred to in paragraph A.1. above, an estimate of the funds required from the State for project construction during that month and shall forward said estimate to the State not less than fifteen (15) days prior to the beginning of such month.

b. Upon receipt and approval by the State of such monthly estimate, the State will, within forty (40) days from the receipt of such estimate, pay over to the Contractor the amount of the monthly estimate or such portion thereof as has been approved by the State.

c. No payments will be made under this contract until the project plans and specifications referred to in paragraph A.1. above are approved by the State.

PAID IN FULL

I. Upon completion of the repayment to the State in the sum of Three Hundred Nineteen Thousand Six Hundred Seventy-Four Dollars and Forty Cents ($319,674.40) as set forth in paragraph A.11. of this contract, the State agrees to convey to the Contractor all of the State's right, title, and interest in and to the project and any other property described in paragraph A.5. by deed or other proper conveyance.



SPECIAL PROVISIONS

CONTROLLER'S APPROVAL

1. This contract shall not be deemed valid until it shall have been approved by the Controller of the State of Colorado or such assistant as he may designate. This provision is applicable to any contract involving the payment of money by the State.

FUND AVAILABILITY

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

BOND REQUIREMENT

3. If this contract involves the payment of more than fifty thousand dollars for the construction, erection, repair, maintenance, or improvement of any building, road, bridge, viaduct, tunnel, excavation or other public works for this State, the contractor shall, before entering the performance of any such work included in this contract, duly execute and deliver to and file with the official whose signature appears below for the State, a good and sufficient bond or other acceptable surety to be approved by said official in a penal sum not less than one-half of the total amount payable by the terms of this contract. Such bond shall be duly executed by a qualified corporate surety, conditioned for the due and faithful performance of the contract, and in addition, shall provide that if the contractor or his subcontractors fail to duly pay for any labor, materials, team hire, sustenance, provisions, provendor or other supplies used or consumed by such contractor or his subcontractor in performance of the work contracted to be done, the surety will pay the same in an amount not exceeding the sum specified in the bond, together with interest at the rate of eight per cent per annum. Unless such bond, when so required, is executed, delivered and filed, no claim in favor of the contractor arising under this contract shall be audited, allowed or paid. A certified or cashier's check or a bank money order payable to the Treasurer of the State of Colorado may be accepted in lieu of a bond. This provision is in compliance with 38-26-106 CRS, as amended.

INDEMNIFICATION

4. To the extent authorized by law, the contractor shall indemnify, save and hold harmless the State, its employees and agents, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees incurred as a result of any act or omission by the contractor, or its employees, agents, subcontractors, or assignees pursuant to the terms of this contract.

DISCRIMINATION AND AFFIRMATIVE ACTION

5. The contractor agrees to comply with the letter and spirit of the Colorado Antidiscrimination Act of 1957, as amended, and other applicable law respecting discrimination and unfair employment practices (24-34-402. CRS 1982 Replacement Vol.), and as required by Executive Order, Equal Opportunity and Affirmative Action, dated April 16, 1975. *Pursuant thereto, the following provisions shall be contained in all State contracts or sub-contracts.*

During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, marital status, religion, ancestry, mental or physical handicap, or age. The contractor will take affirmative action to insure that applicants are employed, and that employees are treated during employment, without regard to the above mentioned characteristics. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; lay-offs or terminations; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth provisions of this non-discrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, national origin, sex, marital status, religion, ancestry, mental or physical handicap, or age.

(3) The contractor will send to each labor union or representative of workers with which he has collective bargaining agreement or other contract or understanding, notice to be provided by the contracting officer, advising the labor union or workers' representative of the contractor's committment under the Executive Order, Equal Opportunity and Affirmative Action, dated April 16, 1975, and of the rules, regulations, and relevant Orders of the Governor.

(4) The contractor and labor unions will furnish all information and reports required by Executive Order, Equal Opportunity and Affirmative Action of April 16, 1975, and by the rules, regulations and Orders of the Governor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the office of the Governor or his designee for purposes of investigation to ascertain compliance with such rules, regulations and orders.

(5) A labor organization will not exclude any individual otherwise qualified from full membership rights in such labor organization, or expel any such individual from membership in such labor organization or discriminate against any of its members in the full enjoyment of work opportunity, because of race, creed, color, sex, national origin, or ancestry.

(6) A labor organization, or the employees or members thereof will not aid, abet, incite, compel or coerce the doing of any act defined in this contract to be discriminatory or obstruct or prevent any person from complying with the provisions of this contract or any order issued thereunder; or attempt, either directly or indirectly, to commit any act defined in this contract to be discriminatory.

(7) In the event of the contractor's non-compliance with the non-discrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further State contracts in accordance with procedures, authorized in Executive Order, Equal Opportunity and Affirmative Action of April 16, 1975 and the rules, regulations, or orders promulgated in accordance therewith, and such other sanctions as may be imposed and remedies as may be invoked as provided in Executive Order, Equal Opportunity and Affirmative Action of April 16, 1975, or by rules, regulations, or orders promulgated in accordance therewith, or as otherwise provided by law.

(8) The contractor will include the provisions of paragraph (1) through (8) in every sub-contract and subcontractor purchase order unless exempted by rules, regulations, or orders issued pursuant to Executive Order, Equal Opportunity and Affirmative Action of April 16, 1975, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any sub-contracting or purchase order as the contracting agency may direct, as a means of enforcing such provisions, including sanctions for non-compliance; provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with the subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the State of Colorado to enter into such litigation to protect the interest of the State of Colorado.

COLORADO LABOR PREFERENCE

6 a. Provisions of 8-17-101 & 102, CRS for preference of Colorado labor are applicable to this contract if public works within the State are undertaken hereunder and are financed in whole or in part by State funds.

b. When a construction contract for a public project is to be awarded to a bidder, a resident bidder shall be allowed a preference against a non-resident bidder from a state or foreign country equal to the preference given or required by the state or foreign country in which the non-resident bidder is a resident. If it is determined by the officer responsible for awarding the bid that compliance with this subsection .06 may cause denial of federal funds which would otherwise be available or would otherwise be inconsistent with requirements of federal law, this subsection shall be suspended, but only to the extend necessary to prevent denial of the moneys or to eliminate the inconsistency with federal requirements (section 8-19-101 and 102, CRS).

GENERAL

7. The laws of the State of Colorado and rules and regulations issued pursuant thereto shall be applied in the interpretation, execution and enforcement of this contract. Any provision of this contract whether or not incorporated herein by reference which provides for arbitration by any extra-judicial body or person or which is otherwise in conflict with said laws, rules and regulations shall be considered null and void. Nothing contained in any provision incorporated herein by reference which purports to negate this or any other special provision in whole or in part shall be valid or enforceable or available in any action at law whether by way of complaint, defense or otherwise. Any provision rendered null and void by the operation of this provision will not invalidate the remainder of this contract to the extent that the contract is capable of execution.

PAID IN FULL

8. At all times during the performance of this Contract, the Contractor shall strictly adhere to all applicable federal and state laws, rules and regulations that have been or may hereafter be established.

9. The signatories hereto aver that they are familiar with 18-8-301, et. seq., (Bribery and Corrupt Influences) and 18-8-401, et. seq., (Abuse of Public Office), CRS 1978 Replacement Vol., and that no violation of such provisions is present.

10. The signatories aver that to their knowledge, no state employee has a personal or beneficial interest whatsoever in the service or property described herein:

IN WITNESS WHEREOF, the parties hereto have executed this Contract on the day first above written.

Contractor: STEWART DITCH
(Full Legal Name) AND RESERVOIR COMPANY

Norman E. Smith

Position (Title) President

84 0329150
Social Security Number or Federal I.D. Number

STATE OF COLORADO
ROY ROMER, GOVERNOR

By David W. Wade
For the Executive Director
DEPARTMENT OF NATURAL RESOURCES
(COLO. WATER CONSERVATION BOARD
J. WILLIAM McDONALD, DIRECTOR)

ATTEST:

By« Dolores A Burns
Corporate Secretary, or Equivalent, Town/City/County Clerk

SEAL (If Corporation)

APPROVALS

ATTORNEY GENERAL

By DUANE WOODARD
A.H. JEWELL, JR.
First Assistant Attorney General
General Legal Services

CONTROLLER JAMES STROUP

By

AC87/1008 C153473 5045X

Form 6-AC-02A (R 5/85)

DEPARTMENT OR AGENCY NUMBER
-04-00

CONTRACT ROUTING NUMBER
87101

$240,000

PROJECT
CONTRACT

THIS CONTRACT, made this 15th day of September 198 6, by and between the State of Colorado for the use and benefit of the Department of [1] Natural Resources (Colorado Water Conservation Board), hereinafter referred to as the State, and [2] the Stewart Ditch and Reservoir Company, P. O. Box 386, Paonia, CO 81428, hereinafter referred to as the Borrower or the Contractor.

WHEREAS, authority exists in the Law and Funds have been budgeted, appropriated and otherwise made available and a sufficient unencumbered balance thereof remains available for payment in Fund Number 4008, G/L Account Number 5045X, Contract Encumbrance Number C153473; and ABL Account Number 10450, Org. Unit 77-77-777,

WHEREAS, required approval, clearance and coordination has been accomplished from and with appropriate agencies; and

WHEREAS, the Governor of the State of Colorado declared that an emergency disaster existed in the State of Colorado under his proclamation of August 8, 1986; and

WHEREAS, by Executive Order dated August 8, 1986, the Governor suspended the operation of regulatory statutes, rules, and regulations for disbursing monies for repairs to irrigation systems located in Delta County, in particular, CRS 37-60-121 and 122, which relate to the Colorado Water Conservation Board Construction Fund, and CRS 24-30-202, together with all rules, regulations, and orders promulgated thereunder which relate to fiscal procedures for execution of contracts by the State; and

WHEREAS, irrigation systems in Delta are in immediate need of repair; and

PAID IN FULL

WHEREAS, pursuant to the Disaster Emergency Proclamation, attached hereto as Exhibit A and incorporated by reference herein, the Director of the Colorado Water Conservation Board is to effect the repair, the rebuilding, or the replacement of the earthslide damaged or destroyed facility of irrigation ditch company applicants located within the State Disaster Declared County requiring emergency action to restore essential services provided by these quasi public carriers as rapidly as possible; and

WHEREAS, it is agreed that funds from the Colorado Water Conservation Board Construction Fund will be identified for use in providing assistance to irrigation ditch companies; and

WHEREAS, repayments by the Stewart Ditch and Reservoir Company will be made to the Colorado Water Conservation Board Construction Fund; and

WHEREAS, the guidelines for assistance in the conservation and utilization of Colorado's water resources through the Colorado Water Conservation Board Construction Fund will be used to process any application from the Stewart Ditch and Reservoir Company; and

WHEREAS, the Contractor is a duly constituted and organized irrigation company in the State of Colorado and agrees to undertake the repair, replacement, or reconstruction of about 1200 feet of the Stewart Ditch located roughly 1 1/4 miles below the intake of the North Fork of the Gunnison River in Delta County, a principal component of the irrigation system owned by the Contractor, which repair, replacement, or reconstruction is estimated to cost approximately Two Hundred Forty Thousand Dollars ($240,000), inclusive of studies, investigations, and design of said project; and

WHEREAS, the State through the Colorado Water Conservation Board has now agreed to loan money for the construction of said project upon mutually agreeable terms and conditions; and

WHEREAS, pursuant to policy established by the Colorado Water Conservation Board and from funds appropriated by the General Assembly, the State will expend the sum of Two Hundred Forty Thousand Dollars ($240,000) for the repair, replacement, and reconstruction of the project; and

WHEREAS, the Contractor has made available from its own or other sources sufficient funds to repair, replace, or reconstruct the remainder of the project.

NOW THEREFORE, in consideration of the mutual and dependent covenants herein contained, it is hereby agreed by the parties hereto as follows:

A: The Borrower agrees that it shall:

1. Employ an engineering firm to prepare a feasibility study and project plans and specifications for the project in accordance with the proposal received from the consulting engineering firm of Hydro-Triad, Ltd., which proposal is attached hereto as Exhibit B and incorporated by reference herein. Both the engineering firm and the project plans and specifications must be approved by the State before initiation of construction on the project, including any real estate and water rights acquisitions, can commence.

PAID IN FULL

2. Contract for the construction of said project to a responsible and capable firm or firms (hereinafter referred to as Construction Firm or Firms), which Construction Firms shall, when required by the State, be selected through competitive public bidding, said project to be completed within one (1) year of the date of this contract in accordance with the project plans and specifications and any necessary modification thereof approved by the State. The State must approve in writing all contracts before they can become effective. The above-specified time may be extended by the State if such time is insufficient because of acts of God or other acts or circumstances beyond the control of the Borrower.

3. Require all Construction Firms and their subcontractors to indemnify the State and the Borrower against all liability and loss, and against all claims and actions based upon or arising out of damage or injury, including death, to persons or property caused by or sustained in connection with the performance of any contract or by conditions created thereby, or based upon any violation of any statute, ordinance, or regulation, and the defense of any such claims or actions.

4. Require all Construction Firms and their subcontractors to maintain the following:

a. Workmen's compensation and employers' liability insurance.

b. Automobile liability insurance for all vehicles.

c. Comprehensive general liability insurance in at least the following amounts:

(1) For any injury to one person in any single occurrence, the sum of Five Hundred Thousand Dollars ($500,000).

(2) For any injury to two or more persons in any single occurrence, the sum of One Million Dollars ($1,000,000).

Said liability insurance shall name the Borrower and the State as co-insureds. No payments shall be made under this contract unless a copy of a certificate of said liability insurance has been filed with the Colorado Water Conservation Board.

5. Execute a warranty deed which shall convey the following real property to the Board as security for the loan:

1200 feet of the Stewart Ditch located roughly 1 1/4 miles below the intake of the North Fork of the Gunnison River.

The deed will be recorded by the Borrower in the proper county or counties and all recording fees shall be paid by the Borrower. The retainage shall not be paid to the Borrower until a warranty deed has been executed, recorded, and filed with the Colorado Water Conservation Board.

6. Permit periodic inspection of construction by authorized representatives of the State during and after construction.

7. Without expense to the State, manage, operate, and maintain the project continuously in an efficient and economical manner, and assume all legal liability for such management, operation, and maintenance. The Borrower agrees to indemnify and hold the State harmless from any liability as a result of the State's interest in the project facilities and any other property identified in paragraph A.5. above. The Borrower shall maintain general liability insurance covering the management, operation, and maintenance of the project until it completes repayment to the State in at least the following amounts:

a. For any injury to one person in any single occurrence, the sum of Five Hundred Thousand Dollars ($500,000).

PAID IN FULL

b. For any injury to two or more persons in any single occurrence, the sum of One Million Dollars ($1,000,000).

Said liability insurance shall name the State as a co-insured. A copy of a certificate of said liability insurance must be filed with the Colorado Water Conservation Board prior to the start of the operation of the project system.

8. Make the services of said project available within its capacity to all persons in the Borrower's service area without discrimination as to race, color, religion, or natural origin at reasonable charges (including assessments, taxes, or fees), whether for one or more classes of service, in accordance with a schedule of such charges formally adopted by the Borrower through its Board of Directors, as may be modified from time to time. The initial rate schedule must be approved by the State. Thereafter, the Borrower may, subject to the approval of the State, make such modifications to the rate schedule as the Borrower deems necessary to efficiently and economically provide for the financial requirements of the system as long as the rate schedule remains reasonable and non-discriminatory.

9. Adjust its operating costs and service charges from time to time to provide for adequate operation and maintenance, emergency repair services, obsolescence reserves, and debt reserves.

10. Provide the State with such periodic reports as the State may require and permit periodic inspections of its operations and accounts by a designated representative of the State.

11. Repay to the State the total sum of Five Hundred Fifty-Nine Thousand Four Hundred Eighty-Eight Dollars ($559,488), which includes the project loan amount, feasibility report amount, together with interest at the rate of five percent (5%) per annum, said repayment to be made in constant annual installments of Thirteen Thousand Nine Hundred Eighty-Seven Dollars and Twenty Cents ($13,987.20) each, as shown in Exhibit C, attached hereto and incorporated by reference herein, which first installment shall be due and payable on the first day of the month next succeeding the month in which the State determines that the project has been substantially completed, and yearly thereafter until the entire principal sum shall have been paid. However, in the event the Borrower does not draw funds commencing on the date specified in paragraph C.1.a. below, the obligation to repay shall be postponed for the same number of months as the Borrower delays in drawing funds. Said installment payments shall be made payable to the Colorado Water Conservation Board, payable at the offices of said Board in Denver, Colorado. The Borrower pledges its full faith and credit in support of this obligation and warrants that it has taken all steps necessary to pledge its full faith and credit for this obligation.

12. Obtain and maintain general fire and hazard insurance on the project in an amount not less than the outstanding amount of the loan made by the State to the Borrower until the Borrower has repaid the loan in the full under the terms of paragraph A.11. above. The State shall be the sole insured of this policy. The outstanding loan amount payable to the State shall be reduced in the amount of any payments made to the State under this insurance coverage. If only a portion of the outstanding loan amount is paid to the State under this policy, the number of installment payments shall remain unchanged; however, the amount of each payment shall be reduced.

PAID IN FULL

13. Comply with the Construction Fund Program Procedures attached hereto as Exhibit D and incorporated by reference herein.

14. Comply with the provisions of section 37-60-120, Colorado Revised Statutes, and any other applicable statutes, procedures, requirements, rules, or regulations which the State has.

15. Not sell, convey, assign, grant, transfer, mortgage, pledge, encumber, or otherwise dispose of the project or any portion thereof, so long as any of the annual installments required by paragraph A.11. above remain unpaid, without the prior written concurrence of the State.

B. Upon default in the payments herein set forth to be made by the Borrower, or default in the performance of any covenant or agreement contained herein, the State, at its option, may (a) declare the entire principal amount then outstanding immediately due and payable; (b) for the account of the Borrower, incur and pay reasonable expenses for repair, maintenance, and operation of the project herein described and such expenses as may be necessary to cure the cause of default; (c) take possession of the project, repair, maintain, and operate or lease it; (d) act upon the security (described in paragraph A.5. above) deeded to the State; and/or (e) take any other appropriate legal action. All remedies described herein may be simultaneously or selectively and successively enforced. The provisions of this contract may be enforced by the State at its option without regard to prior waivers by it of previous defaults by the Borrower, through judicial proceedings to require specific performance of this contract or by such other proceedings in law or equity as may be deemed necessary by the State to insure compliance with provisions of this contract and the laws and regulations under which this contract is entered into.

C. The State agrees that it shall:

1. Loan to the Borrower for the purpose of this contract an amount not to exceed Two Hundred Forty Thousand Dollars ($240,000). Said Two Hundred Forty Thousand Dollars ($240,000) shall be made available to the Borrower in accordance with the following terms and conditions:

a. Beginning with the monthly period commencing September 1, 1986, and for every month thereafter until said project has been completed, the Borrower shall prepare, with the assistance of the engineering firm referred to in paragraph A.1. above, an estimate of the funds required from the State for project construction during that month and shall forward said estimate to the State not less than fifteen (15) days prior to the beginning of such month.

b. Upon receipt and approval by the State of such monthly estimate, the State will, within forty (40) days from the receipt of such estimate, pay over to the Borrower the amount of the monthly estimate or such portion thereof as has been approved by the State.

c. No payments will be made under this contract until the project plans and specifications referred to in paragraph A.1. above are approved by the State.

2. Provide the Borrower with such technical assistance as the State deems appropriate in planning, constructing, and operating the project and in coordinating the project with local official comprehensive plans for sewer and water and with any State or area plans for the area in which the project is located.

D. This contract is not assignable by the Borrower except with written approval of the State.

E. The parties to this contract intend that the relationship between them contemplated by this contract is that of lender-borrower, not employer-employee. No agent, employee, or servant of the Borrower shall be or shall be deemed to be an employee, agent, or servant of the State. The Borrower will be solely and entirely responsible for its acts and the acts of its agents, employees, servants, engineering firms, Construction Firms, and subcontractors during the performance of this contract.

F. At all times during the performance of this contract, the Borrower shall strictly adhere to all applicable federal and state laws that have been or may hereafter be established.

G. This agreement is intended as the complete integration of all understandings between the parties. No prior or contemporaneous addition, deletion, or other amendment hereto shall have any force or effect whatsoever unless embodied herein in writing. No subsequent novation, renewal, addition, deletion, or other amendment hereto shall have any force or effect unless embodied in a written contract executed and approved pursuant to the State fiscal rules.

H. In its sole discretion, the State may at any time give any consent, deferment, subordination, release, satisfaction, or termination of any or all of the Borrower's obligations under this agreement, with or without valuable consideration, upon such terms and conditions as the State may determine to be (a) advisable to further the purposes of this contract or to protect the State's financial interest therein, and (b) consistent with both the statutory purposes of this contract and the limitations of the statutory authority under which it is made.

I. Upon completion of the repayment to the State in the sum of Five Hundred Fifty-Nine Thousand Four Hundred Eighty-Eight Dollars ($559,488), as set forth in paragraph A.11. of this contract, the State agrees to convey to the Borrower all of the State's right, title, and interest in and to the project and any other property described in paragraph A.5. by deed or other proper conveyance.

J. The Colorado Water Conservation Board, its agents and employees, is hereby designated as the agent of the State for the purpose of this contract.

K. All notices, correspondence, or other documents required by this contract shall be delivered or mailed to the following addresses:

(a) For the State
Mr. J. William McDonald, Director
Colorado Water Conservation Board
721 State Centennial Building
1313 Sherman Street
Denver, CO 80203
Attn: Nick Ioannides

(b) For the Borrower
Stewart Ditch and Reservoir Company
P.O. Box 386
Paonia, CO 81428

Attn: Norman Smith, President

PAID IN FULL

SPECIAL PROVISIONS

CONTROLLER'S APPROVAL

1. This contract shall not be deemed valid until it shall have been approved by the Controller of the State of Colorado or such assistant as he may designate. This provision is applicable to any contract involving the payment of money by the State.

FUND AVAILABILITY

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

BOND REQUIREMENT

3. If this contract involves the payment of more than fifty thousand dollars for the construction, erection, repair, maintenance, or improvement of any building, road, bridge, viaduct, tunnel, excavation or other public works for this State, the contractor shall, before entering the performance of any such work included in this contract, duly execute and deliver to and file with the official whose signature appears below for the State, a good and sufficient bond or other acceptable surety to be approved by said official in a penal sum not less than one-half of the total amount payable by the terms of this contract. Such bond shall be duly executed by a qualified corporate surety, conditioned for the due and faithful performance of the contract, and in addition, shall provide that if the contractor or his subcontractors fail to duly pay for any labor, materials, team hire, sustenance, provisions, provendor or other supplies used or consumed by such contractor or his subcontractor in performance of the work contracted to be done, the surety will pay the same in an amount not exceeding the sum specified in the bond, together with interest at the rate of eight per cent per annum. Unless such bond, when so required, is executed, delivered and filed, no claim in favor of the contractor arising under this contract shall be audited, allowed or paid. A certified or cashier's check or a bank money order payable to the Treasurer of the State of Colorado may be accepted in lieu of a bond. This provision is in compliance with 38-26-106 CRS, as amended.

INDEMNIFICATION

4. To the extent authorized by law, the contractor shall indemnify, save and hold harmless the State, its employees and agents, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees incurred as a result of any act or omission by the contractor, or its employees, agents, subcontractors, or assignees pursuant to the terms of this contract.

DISCRIMINATION AND AFFIRMATIVE ACTION

5. The contractor agrees to comply with the letter and spirit of the Colorado Antidiscrimination Act of 1957, as amended, and other applicable law respecting discrimination and unfair employment practices (24-34-402. CRS 1982 Replacement Vol.), and as required by Executive Order, Equal Opportunity and Affirmative Action, dated April 16, 1975. *Pursuant thereto, the following provisions shall be contained in all State contracts or sub-contracts.*

During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, marital status, religion, ancestry, mental or physical handicap, or age. The contractor will take affirmative action to insure that applicants are employed, and that employees are treated during employment, without regard to the above mentioned characteristics. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; lay-offs or terminations; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth provisions of this non-discrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, national origin, sex, marital status, religion, ancestry, mental or physical handicap, or age.

(3) The contractor will send to each labor union or representative of workers with which he has collective bargaining agreement or other contract or understanding, notice to be provided by the contracting officer, advising the labor union or workers' representative of the contractor's committment under the Executive Order, Equal Opportunity and Affirmative Action, dated April 16, 1975, and of the rules, regulations, and relevant Orders of the Governor.

(4) The contractor and labor unions will furnish all information and reports required by Executive Order, Equal Opportunity and Affirmative Action of April 16, 1975, and by the rules, regulations and Orders of the Governor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the office of the Governor or his designee for purposes of investigation to ascertain compliance with such rules, regulations and orders.

(5) A labor organization will not exclude any individual otherwise qualified from full membership rights in such labor organization, or expel any such individual from membership in such labor organization or discriminate against any of its members in the full enjoyment of work opportunity, because of race, creed, color, sex, national origin, or ancestry.

(6) A labor organization, or the employees or members thereof will not aid, abet, incite, compel or coerce the doing of any act defined in this contract to be discriminatory or obstruct or prevent any person from complying with the provisions of this contract or any order issued thereunder; or attempt, either directly or indirectly, to commit any act defined in this contract to be discriminatory.

(7) In the event of the contractor's non-compliance with the non-discrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further State contracts in accordance with procedures, authorized in Executive Order, Equal Opportunity and Affirmative Action of April 16, 1975 and the rules, regulations, or orders promulgated in accordance therewith, and such other sanctions as may be imposed and remedies as may be invoked as provided in Executive Order, Equal Opportunity and Affirmative Action of April 16, 1975, or by rules, regulations, or orders promulgated in accordance therewith, or as otherwise provided by law.

(8) The contractor will include the provisions of paragraph (1) through (8) in every sub-contract and subcontractor purchase order unless exempted by rules, regulations, or orders issued pursuant to Executive Order, Equal Opportunity and Affirmative Action of April 16, 1975, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any sub-contracting or purchase order as the contracting agency may direct, as a means of enforcing such provisions, including sanctions for non-compliance; provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with the subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the State of Colorado to enter into such litigation to protect the interest of the State of Colorado.

COLORADO LABOR PREFERENCE

6 a. Provisions of 8-17-101 & 102, CRS for preference of Colorado labor are applicable to this contract if public works within the State are undertaken hereunder and are financed in whole or in part by State funds.

b. When a construction contract for a public project is to be awarded to a bidder, a resident bidder shall be allowed a preference against a non resident bidder from a state or foreign country equal to the preference given or required by the state or foreign country in which the non resident bidder is a resident. If it is determined by the officer responsible for awarding the bid that compliance with this subsection .06 may cause denial of federal funds which would otherwise be available or would otherwise be inconsistent with requirements of federal law, this subsection shall be suspended, but only to the extend necessary to prevent denial of the moneys or to eliminate the inconsistency with federal requirements (section 8-19-101 and 102, CRS).

GENERAL

7. The laws of the State of Colorado and rules and regulations issued pursuant thereto shall be applied in the interpretation, execution and enforcement of this contract. Any provision of this contract whether or not incorporated herein by reference which provides for arbitration by any extra-judicial body or person or which is otherwise in conflict with said laws, rules and regulations shall be considered null and void. Nothing contained in any provision incorporated herein by reference which purports to negate this or any other special provision in whole or in part shall be valid or enforceable or available in any action at law whether by way of complaint, defense or otherwise. Any provision rendered null and void by the operation of this provision will not invalidate the remainder of this contract to the extent that the contract is capable of execution.

8. At all times during the performance of this Contract, the Contractor shall strictly adhere to all applicable federal and state laws, rules and regulations that have been or may hereafter be established.

9. The signatories hereto aver that they are familiar with 18-8-301, et. seq., (Bribery and Corrupt Influences) and 18-8-401, et. seq., (Abuse of Public Office), CRS 1978 Replacement Vol., and that no violation of such provisions is present.

10. The signatories aver that to their knowledge, no state employee has a personal or beneficial interest whatsoever in the service or property described herein:

IN WITNESS WHEREOF, the parties hereto have executed this Contract on the day first above written.

Contractor: STEWART DITCH AND
(Full Legal Name) RESERVOIR COMPANY

Norman E. Smith

Position (Title) President

ID *0329150
Social Security Number or Federal I.D. Number

(If Corporation:)

Attest (Seal)

By Dolores A Burns
Corporate Secretary or Equivalent, Town/City/County Clerk

DUANE WOODARD
ATTORNEY GENERAL

By Cheryl J. Hanson
Assistant Attorney General
General Legal Services Section

STATE OF COLORADO
RICHARD D. LAMM, GOVERNOR

By David H Getches
*EXECUTIVE DIRECTOR
DAVID H. GETCHES

DEPARTMENT
OF NATURAL RESOURCES

COLORADO WATER CONSERVATION BOARD

By David W. Walker
J. WILLIAM McDONALD, DIRECTOR

APPROVALS

CONTROLLER

By JAMES A. STROUP

STATE OF COLORADO

EXECUTIVE CHAMBERS
136 State Capitol
Denver, Colorado 80203-1792
Phone (303) 866-2471

Richard D. Lamm
Governor

EXECUTIVE ORDER

PROCLAMATION

DISASTER EMERGENCY IN DELTA COUNTY

WHEREAS, an earth slide occurred on June 16, 1986 and destroyed twelve hundred feet of irrigation ditch belonging to the Stewart Ditch Company located in Delta County; and

WHEREAS, this ditch provided irrigation water for 2400 acres of land, a large portion of which is dedicated to fruit orchards; and

WHEREAS, the immediate repair of this facility is necessary to mitigate the long term impacts to the fruit industry that would result from failure to provide water to these orchards; and

WHEREAS, the effective delivery of governmental services in Delta County is also affected by this earth slide; and

WHEREAS, neither the Stewart Ditch Company nor Delta County has the resources necessary to address this emergency; and

WHEREAS, assistance from the federal government may be neither timely nor sufficient to address the impacts; and

WHEREAS, strict compliance with regulatory statutes, rules, regulations or orders would prevent, hinder, or delay necessary action in coping with this emergency; and

WHEREAS, the suspension of said statutes, rules, regulations, or orders is necessary to provide for the preservation of the health, safety, and welfare of the general public; and

WHEREAS, it is necessary to utilize available resources of state government that may be reasonably required to cope with the impacts of this earth slide;

NOW THEREFORE, I, Richard D. Lamm, Governor of the State of Colorado, do find that this situation constitutes a disaster emergency according to relevant state statutes, and under the powers granted me under 24-33.5-704 C.R.S., do declare a State of Disaster Emergency to exist in Delta County. Further, under the powers vested in me under section 24-33.5-704 (7) C.R.S., I hereby direct implementation of the State Disaster Emergency Financial

EXECUTIVE ORDER

PROCLAMATION

DISASTER EMERGENCY IN DELTA COUNTY

assistance procedures contained in the State policy paper developed by the Division of Disaster Emergency Services and approved by me ("State Financial Assistance Following Declared Disasters," May 1986). Further, I do hereby suspend operation of regulatory statutes, rules, regulations and orders relating to 37-60-121 through 122 and 24-30-202 C.R.S., and all rules, regulations and orders promulgated thereunder which relate to fiscal procedures for execution of contracts by the State. Further, I do hereby authorize the Colorado Water Conservation Board, in coordination with Division of Disaster Emergency Services, to provide loan assistance to the Stewart Ditch Company to facilitate the restoration of engineering feasibility of the project by the Water Conservation Board, with the amount of the loan to be determined by the Board based on both need and the repayment capacity of the Stewart Ditch Company. Additionally, I authorize the Division of Disaster Emergency Services to take any and all necessary action, including the implementation of said procedures, to provide financial assistance in a timely manner for the purposes stated above.

This Executive Order shall continue for thirty (30) days unless further extended by me.

GIVEN under by hand and the Executive Seal of the State of Colorado, this 8th day of August, A.D. 1986.

Richard D. Lamm
Governor

PAID IN FULL

EXHIBIT B

PROPOSAL FOR ENGINEERING SERVICES LANDSLIDE STABILIZATION AND STEWART DITCH REPAIR PROJECT

August 22, 1986

PAID IN FULL

PREPARED FOR:

THE
STEWART DITCH AND IRRIGATION COMPANY

AND

THE
COLORADO WATER CONSERVATION BOARD

PREPARED BY:

HYDRO-TRIAD, LTD.

1310 WADSWORTH, SUITE 100
LAKEWOOD, COLORADO 80215

EXHIBIT B

HYDRO-TRIAD, LTD.

August 22, 1986

Mr. Norman Smith
President
Stewart Ditch & Irrigation Co.
P.O. Box 386
Paonia, Colorado 81428

Dear Mr. Smith:

Enclosed are our proposal for engineering services on the landslide that has destroyed a section of the Stewart Ditch and a copy of our general brochure.

The Phase I work is defined in more detail than I was able to provide during our meeting on August 20, 1986. The Phase II work would not be authorized until the Stewart Ditch Board and the Colorado Water Conservation Board reviewed and approved the Phase I conclusions and recommendations.

We are prepared to work as rapidly as possible on this project to expedit the definition of a remedial program and get construction underway.

Thank you for the opportunity to work with the Stewart Ditch Co.

Sincerely,

HYDRO-TRIAD, LTD.

PAID IN FULL

Ronald L. Halley, Jr., P.E.
President

RLH:mmr

cc: Mr. N. Ioannides
CWCB

Enclosures: Proposal
General Brochure

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BRANCH OFFICE: 511 N. TEJON ST., COLORADO SPRINGS, COLORADO 80903 • PHONE 303-578-0551

TABLE OF CONTENTS

I. GENERAL BACKGROUND

II. SCOPE OF WORK

A. General
B. Phase I
C. Phase II
D. Constructionn Monitoring

III. PROJECT TEAM AND QUALIFICATIONS

A. General
B. Resumes

IV. ENGINEERING COSTS

V. SCHEDULES

I. GENERAL BACKGROUND

The Stewart Ditch has been operated to provide irrigation water to lands within the Paonia, Colorado area since approximately 1904. At this time approximately 2400 acres of land are normally irrigated with water diverted from the North Fork of the Gunnison River, and conveyed by the Stewart Ditch.

On June 16, 1986 a medium size landslide occurred within the SE corner of Section 21, T13S, R91W. The slide obliterated approximately 1200 feet of the Stewart Ditch and carried well into the North Fork of the Gunnison River. Since that date no water has been delivered from the upper reaches of the ditch although some emergency water from other sources has been diverted into the lower reaches of the Stewart Ditch system.

Through a process of petitions and requests from the Stewart Ditch Company, the Delta County Board of Commissioners, the Division of Disaster Emergency Services during the month of July 1986, a critical state of emergency was defined. Governor Richard D. Lamm issued on August 8, 1986 a proclamation of Disaster Emergency and authorized

the Colorado Water Conservation Board in coordination with the Division of Emergency Services to provide loan assistance and facilitate the restoration of the ditch through a process of engineering analysis and feasibility evaluaton (techical and economic).

The Stewart Ditch and Irrigation Company has secured a short term, relatively high interest rate commercial loan of $79,000 to provide funds for immediate emergency repair. In addition, the Agricultural Stabilization and Conservation Service (ASCS) has committed cost sharing assistance that may provide as much as $128,000. The timing and exact details of disbursement of these funds are not clearly defined at this time.

Funds from the State of Colorado, as a low interest loan, may be as much as $200,000. The exact amount and terms of potential loans plus the definition of the ability to pay wil be established as part of the feasibility investigation.

The Stewart Ditch and Irrigation Company has evaluated (in a preliminary fashion) various alternatives for renovating the canal or bypassing this particular reach. Some of the alternatives considered were:

1. Tunnelling beneath the slide area.

2. Routing the ditch on the northwest side of the river and then carrying the ditch flow back across the North Fork in either a siphon or flume (Trestle).

3. Building a pump station below the slide area. The pump station would have to be sized to lift roughly 80 cfs from the river to the canal. The vertical lift would be approximately 40 feet.

4. Cutting back the slope of the slide and adjacent unstable material and either rebuild the canal (unlined) or place pipe through the troublesome reach.

The Stewart Ditch and Irrigation Company Board has decided to proceed on a variation of the #4 alternative to get some water diverted this fall to the irrigated areas (in particular the orchards). A significant amount of material from the existing slide area (reportedly over 200,000 c.y.) has been carefully removed and placed nearby.

The slope in the slide area has been cut back to a slope that is approximately 1.7 horizontal to 1 vertical (1.7:1). Drainage interception ditches have been cut around the crown of the slide. The ditch has been or is in the state of being reconstructed to carry emergency flow this fall to the service area.

The on-going construction has been discussed with the ASCS or soil conservation personnel. Little specific site geotechnical data has been developed at this time and unfortunately the emergency slope excavation has obliterated most surface evidence on the slope failure mechanism.

A geological reconnaissance study of the landslide has been performed by Bruce Stover of the Colorado Geological Survey. (Ref. 3)

Many of conclusions reached during the August 20th site visit by Ronald L. Halley, Jr. of Hydro-Triad, Ltd. are drawn from information contained within that reconnaissance report. These conclusions will have to be verified by drilling and geophysical investigations conducted as part of the feasibility investigation.

The following scope of work is divided into two phases due to the request of the Board of the Stewart Ditch and Irrigation Co. The scope of work is defined within the following section of this proposal.

PAID IN FULL

II. SCOPE OF WORK

A. General

The general scope of work for this landslide stabilization and canal renovation is presented within the following pages. The scope of work and the schedule is dictated to a degree by the emergency nature of the project and the need to establish a program of renovation as soon as possible to allow fall or early winter construction.

The scope of work is divided into two phases. The first phase being directed towards a very rapid assessment of the problem, the causative mechanism definition (without extensive field work), remediate measures and preliminary cost estimates for renovation. The second phase work will be the more detailed feasibility evaluation complete with field measurements, drilling and geophysical investigations, engineering analysis and economic evaluation (ability to pay).

B. Phase I

Objective - The objective of Phase I is to provide the Stewart Ditch and Irrigation Co. and the Colorado Water Conservation Board with a rapid assessment of the landslide alternatives for renovation and stabilization and associated costs.

The Phase I investigation will include several site inspections, review of previous studies such as the Colorado Geological Survey "Geologic Reconnaissance Report Stewart Ditch Landslide", some field measurements for existing slopes and mapping. A preliminary evaluation of the causative mechanism for the landslide will be made. This will include seepage or increased groundwater levels, progressive weakening of the Mancos Shale-overlying colluvium (or old landslide material) interface, seepage or weakness created by the old tunnel through this reach of ditch, ditch seepage and the Gunnison River undercutting the slope toe. Identification of the causative mechanism is vital to the process of definition of remedial measures and slope stabilization.

Potential remedial measures will be defined based upon the above and considering the current status of construction. Obviously, any permanent stabilization measure must be developed with full recognition of work already performed.

Cost estimates will be developed for the one or two most feasible alternatives. The results of the Phase I work will be presented within a brief report. This report will be utilized by both the Stewart Ditch and Irrigation Co. and the Colorado Water Conservation Board for the funding review on the project.

C. Phase II

Objective- The objective of the Phase II work will be the analysis and preparation of a feasibility study (technical and economic) which defines the remedial measures, program of construction, costs and repayment schedule for loans.

This work phase will include the following sub-tasks:

1. Drilling, geotechnical and geophysical investigations.
2. Obtain more detailed mapping sutable for design and construction.
3. Perform more detailed slope stability analysis.
4. Define and evaluate remedial alternatives in more detail.
5. Perform detailed cost estimates of the most feasible alternatives (no more than three).
6. Perform a detailed economic analysis i.e. project costs, various re-payment capacity.
7. Prepare a Feasibility Report for review and approval by the Colorado Water Conservation Board and;
8. Attend and provide information during the public meetings that may be required (assumed two).

The sub-tasks performed during Phase II will be integrated into a multifaceted, concurrent work program to maximize efficiency and reduce the study schedule. This can be accomplished since the project team (see section III of this proposal) is experieced and knowledgeable on these type projects.

The drilling, geotechnical and geophysical investigations will be focused upon determining the causative mechanism(s) of the landslide, existing strength parameters, bedrock profile and groundwater levels. The geophysical investigation may be used to establish the alignment and depth of the reported, old, abandoned tunnel within the hillside.

More detailed mapping of pre-slide and post-slide conditions will be developed from aerial photography and mapping previously performed by Delta Aerial Surveys plus field slope measurements of existing conditions.

The mapping and geotechnical information will be used to perform more detailed slope stability analysis of existing and potential alternative configurations.

The potential remedial alternatives will be defined and screened to approximately two primary alternates. These two alternatives will be analyzed to establish technical and economic feasibility.

Cost estimates will be made of the two or three preferred alternatives, the cost estimates will include construction engineering and annual O&M cost to arrive at both a time series cost stream and present worth of the alternatives. The financial status (cost) Stewart Ditch and Irrigation company will be examined to determine a feasible annual repayment schedule and overall ability to pay.

A feasibility level summary report consistant with CWCB quidelines will be prepared for presentation to the Stewart Ditch and Irrigation Company plus the Colorado Wtae Conservation Board (CWCB).

Hydro-Triad, Ltd. personnel would be available to assist the Stewart Ditch and Irrigation Company or the CWCB on any required public meetings.

D. Final Design and Construction Documents

Objective - The objective for this phase is the preparation of construction drawings and specifications for the remedial work.

This work item will consist of preparation of construction drawings and specifications for potential contractors. The contract documents would include bid forms, general and special conditions and draft contract in addition to the technical specifications.

E. Construction Monitoring

Objective - The objective of this work task will be to provide construction period consultation and monitoring (if necessary) for the Stewart Ditch and Irrigation Co.

This work would be authorized if and when the project would move into a construction phase. The work would include consultation on

construction matters and the monitoring of critical items during construction. One of the products would be a set of "as-built: drawings for record purposes.

III. PROJECT TEAM AND QUALIFICATIONS

The Hydro-Triad, Ltd. project team for this project will be as follows:

Project Director	Ronald L. Halley, Jr., P.E.
Project Manager	Michael L. Brown, P.E.
Geological Engineer	Michael Bukovansky, P.E.,PhD.
Engineer	Michael L. Jacobs, P.E.
Geophysicist	Clark Davenport
Engineer	Michael Winter

The resumes for the project team members are enclosed.

HYDRO-TRIAD, LTD.

RONALD L. HALLEY, JR.

Professional Record

EDUCATION

B.S.C.E., University of Washington, 1959; Graduate courses, University of Washington and University of California.

EXPERIENCE

Chief Engineer and President, Hydro-Triad, Ltd. Responsible for and directed engineering staff and project teams on numerous water resource projects involving basin hydrology, flood and drainage control, multipurpose water, hydroelectric and irrigation projects, specialized surface and groundwater studies, water supply and treatment projects, as well as storage dams and hydraulic structures. Typical projects and clients include:

National Phase I Dam Safety Inspection Program - approximately 45 dams located in the Rocky Mountain Region for the Corps of Engineers and the States of Colorado and Wyoming.

Major Drainageway Planning and Flood Hazard Area Delineation Studies, design and preparation of construction drawings and specifications for flood control projects for a variety of private and governmental clients including Denver Urban Drainage & Flood Control District and The Colorado Water Conservation Board.

Analysis and design of mine tailings impoundment and sediment control structures plus water utilization and control facilities for mine development for AMAX, Cyprus Mining, Rosario Resources and Mobil Oil.

Hydroelectric and multipurpose water projects, planning, feasibility studies, permitting, design and preparation of contract documents for Chelan County Public Utilities Department (Washington), National Park Service, The Farmers Reservoir & Irrigation Co., Northern Colorado Water Conservancy District and Colville Confederated Tribes (Washington).

Ground and surface water specialty studies, conjunctive use, water quality and water rights projects performed for Colorado State Department of Natural Resources, AMAX, Pine Grove Associates and The Farmers Reservoir & Irrigation Co.

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Senior Civil Engineer, Engineering Consultants, Inc. Responsible, as project director, for feasibility and design of the Pranburi flood control and irrigation project in Thailand. Project features included a fifty meter high earthfill dam (3.5 million cubic meter embankment), an irrigation service area of 28,000 hectares and approximately fifteen kilometers of river training and control diking. The project construction was partially financed through the Asian Development Bank.

Project director on a water resource inventory study (ground water and surface water) for the eastern three provinces of the Dominican Republic. The inventory included assessment of domestic, industrial and irrigation water requirements as well as preliminary design of the various feasible sites (15 separate projects). The project evaluation included M&I and irrigation water uses as well as hydro-electric potential.

Participated as a member of the field design team in Ceylon to establish project features and designs on a large multi-purpose irrigation and hydro-electric project involving three dams, two ten kilometer tunnels and two hydro-power stations. Irrigable land totaled over 360,000 hectares. The generation capacity for the hydro-power stations were 40 megawatts and 65 megawatts, respectively.

As chief dam designer within a project design team on the Sirikit Dam in Thailand and the Pantabangan Dam in the Phillipines, was responsible for design and preparation of contract documents on both earth and rockfill dams. The Sirikit Multi-purpose Dam (irrigation and hydro-electric) is a 110 meter high earthfill dam with an embankment volume of 11 million cubic meters. The hydro-power station has a generation capacity of 440 megawatts.

Pantabangan Multi-purpose Dam (irrigation and hydro-electric) is a 115 meter high earth and rockfill dam with an embankment volume of 9.5 million cubic meters. The power station has a generation capacity of 100 megawatts. Also served on the design team, as principal dam designer, for the Kremasta earth and rockfill dam (hydro-electric) in Greece. Kremasta is 150 meters high with an embankment volume of 7.5 million cubic meters. The power station has a generation capacity of 400 megawatts. The project construction was completed in 1965.

Project coordinator for a municipal water supply project in the Dominican Republic providing potable water for a city of 100,000 population plus a large industrial complex. The project features included a high head pump station, ten miles of pressure pipeline and treatment facilities.

Project engineer for a feasibility study on three irrigation projects with storage dams in the Dominican Republic. Project engineer on the Iron Mountain hydro-electric project in Colorado. The dam was a 200 foot high rockfill structure with a power station of 10 megawatts generating capacity.

Assistant General Supervisor, Engineering Consultants, Inc., Thailand. As assistant general supervisor in Thailand, directed design and supervision of construction for a combined staff of expatriate and Thai engineers on five medium to large size storage dam and irrigation projects. The dams ranged in height from 25 to 75 meters and the irrigation areas ranged from 11,000 to 65,000 hectares.

Civil Engineer, Engineering Consultants, Inc. Participated in the design of Yanhee Dam and power station in Thailand. Yanhee or Bhumibol Dam is a 153 meter high concrete-arch dam. The power station has a generation capacity of 560 megawatts.

Prepared design criteria and stability analysis reports on 185 foot high earthfill Kang Krachan Dam and multi-purpose irrigation and hydro-electric dam (20 megawatts capacity). Responsible for stability analyses of Valmont Dam, Colorado and Uda Walawe Dam, Ceylon. Prepared soils portion of design criteria and specifications for King Paul Dam and Kang Krachan Dam.

Staff Member, Structural Engineering, Sandia Corporation, Livermore, California. Head of structural unit on classified work for two projects involving nuclear weapons.

Soils Laboratory Technician, University of Washington. Assisted in laboratory analyses.

Soils and Concrete Inspector, Idaho Power Company. Responsible for soils tests on material for design and construction of Brownlee Dam, a 360 foot high rockfill structure for hydro-electric generation (360 megawatt capacity). Assisted in exploration and testing of material for Oxbow Dam. Responsible for ground water study in upper reservoir area.

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Language Capability: Spanish and Thai

Member: American Society of Civil Engineers and Tau Beta Pi (Honorary Engineering)

Registered Professional Engineer: Colorado, Idaho, Wyoming

HYDRO-TRIAD, LTD.

MICHAEL L. BROWN

Professional Record

EDUCATION

B.S., Cornell University, 1969
M.E. (Civil), Cornell University, 1970
Continuing education courses in various branches of water resource engineering

EXPERIENCE

Project Manager, Hydro-Triad, Ltd. As Project Manager, responsibilities include preparation of engineering feasibility studies, designs and environmental reports for mining and water resources development projects. Studies involve pre-reconnaissance evaluations through final design and construction surveillance.

Recent activities include Project Manager for the reformultaion of the West Divide Project, a planning study for development of supplemental irrigation water in the area south of Rifle Colorado. The work includes geologic mapping, prefeasibility design of dams at 12 different sites, cost estimating, water rights evaluations, operation studies and public meetings. Mr. Brown is currently Hydro-Triad, Ltd.'s representative with the Farmers Reservoitr and Irrigation Company and its Stndley Lake Operating Committee.

Mr. Brown, in the role of both Project Manager and Project Engineer, has contributed in many ways to Hydro-Triad, Ltd.'s work on the Pueblo Viejo Gold Mine in the central mountains of the Dominican Republic. The work has involved water supply planning, tailings and water management, spillway design, tailings dam enlargement, tailings dam siting studies, environmental water quality monitoring and water treatment plant design.

Mr. Brown has been responsible for studies and designs leading to the enlargement and/or rehabilitation of Standley Lake Dam, Horse Creek Dam and Prospect Dam in Colorado and the rehabilitation of the Yosemite Hydroelectric Project in Yosemite National Park, California. Mr. Brown contributed to the engineering design of the Dryden Hydroelectric Project in Washington State and the enlargement of Great Western Dam in Colorado.

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The Thompson Creek Project, for Cyprus Mines Corporation is a major mine development in Central Idaho. As Project Manager for Hydro-Triad, Ltd., responsibilities included the water related aspects of planning and design. Preliminary planning, final designs and construction drawings and specifications were prepared for: three sediment control dams, each about 50 feet high; a seepage return dam, about 100 feet high; and a water collection and diversion system with a pipeline over 3 miles long. In addition, Mr. Brown had responsibility for the hydrogeologic investigations and analysis which were used to estimate the rate of seepage from the impoundment to the surrounding environment.

Other projects include: a detailed water balance study of the Colorado River from Granby to Kremmling, Colorado, part of the Windy Gap Project, for the Northern Colorado Water Conservancy District; surface water hydrology and tailings studies for coal companys such as Sheridan Enterprises, Inc., the Rock Castle Company and Mid-Continent Coal Company for their proposed coal mines in Wyoming and Colorado; and hydrology, hydrogeologic and geotechnical engineering investigations for an open pit coal mine near Sanchez, Dominican Republic.

Project Engineer, Dames & Moore. Responsible for schedules, budgets, and technical content of multi-discipline environmental studies, engineering evaluations, and construction drawings and specifications.

Typical projects included:

Environmental Studies

Gasquet Mountain Project for California Nickel; surface water quality studies for a large nickel-cobalt chromium mine near Crescent City, California.

Crandon Project for Exxon, U.S.A.; surface water studies for a large underground copper mine near Crandon, Wisconsin.

Pitch Project for Homestake Mining; surface water and tailings studies for a uranium mine near Gunnison, Colorado.

Leucite Hills Project for Rocky Mountain Energy; surface water and alluvial valley floor studies for a coal mine near Rock Springs, Wyoming.

Nine Mile Lake Project for Rocky Mountain Energy; project manager for environmental reports for in situ uranium leaching near Casper, Wyoming.

Dry Fork Project for Peabody Coal Co.; surface water and alluvial valley floor studies for a surface coal mine near Gillette, Wyoming.

Windy Gap Project for the Northern Colorado Water Conservancy District; surface water studies for a large water diversion project near Granby, Colorado.

Engineering Studies and Designs

Dexing Copper Project for Fluor Mining and Metals; conceptual design report for tailings dams and water control systems to store 1.2 billion tons of tailings in the Peoples Republic of China.

Grizzly Gulch Project for Homestake Mining Co.; hydrology, hydraulics, and structural design of tailings dam pipelines and water diversion systems to store gold tailings near Lead, South Dakota.

Saudi Pecten Project for Shell Oil; conceptual designs of a solar salt production facility near Jubail, Saudi Arabia.

Copperhill Project for Cities Service Company; civil and structural designs of water diversion project to protect an open pit copper mine near Copperhill, Tennessee.

Ozark-Lead Co.; preliminary and final designs of water conveyance structures for rehabilitation of a lead tailings system in Missouri.

Senior Engineer, Engineering Consultants, Inc. Preparation of feasibility and reconnaissance reports for large multipurpose projects for power, flood control, and irrigation. Included elements such as large earthfill embankments, concrete tunnels and conduits, spillways, powerhouses, and diversion structures. In many cases, work was followed by preparation of contract specifications and drawings and preparation of construction drawings.

Preparation of reports on urban drainage and flood control projects in Denver area.

Field design engineer in Manila, Philippines. Prepared construction drawings for power phase of Upper Pampanga River Project which consisted of power house to contain two 50-megawatt turbines and generators and concrete gravity dam for re-regulation of turbine releases. Directed local engineers and technicians in preparation of drawings and coordination with equipment suppliers, contractors and owners.

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Member: American Society of Civil Engineers, Chi Epsilon (engineering honorary)

Registered Professional Engineer: Colorado

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MICHAL BUKOVANSKY

POSITION
Senior Engineering Geologist
(over 30 years of experience)

EXPERTISE
Engineering Geology
Geotechnical Engineering
Rock Engineering

EDUCATION
Ph.D.Degree, Engineering Geology, Academy of Science, Czechoslovakia
Diploma, Civil Engineering, Technical University, Czechoslovakia

AFFILIATIONS/REGISTRATIONS
Association of Engineering Geologists
International Society for Rock Mechanics
International Association of Engineering Geologists

PUBLICATIONS
More than 20 publications in the field of geotechnical and rock engineering

LANGUAGES
Spanish, German and Czech; partial knowledge of French and Russian

PAID IN FULL

EXPERIENCE

- Geotechnical studies for mines, highways, railroads, pipelines, dams, plants, excavations.
- Open pit and rock slope engineering studies. Directed or participated in more than 80 slope stability studies for open pits or other slopes. Studies included preliminary and detailed design, stabilizations, dewatering, design of bolting and anchoring.
- Surface facilities for mining. Studies and design of waste disposal facilities, access roads and conveyors, reclamation plans, mine benches, assistance in permitting.
- Tunnel and underground mine studies. Directed and participated in more than 20 geotechnical studies related to underground mines and tunnels. Studies included feasibility studies, detailed geotechnical studies, design, treatment of tunnel failures, studies of block caving and sub-level caving operations, studies for shafts and inclined tunnels, studies for underground power stations and other underground openings.

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- Landslide studies. Performed studies of several hundred landslides in many parts of the world; the studies were related to the investigation of landslides, stability analyses, design and supervision of stabilizing measures such as dewatering, retaining structures or configuration changes.

- Rock engineering studies for a variety of civil engineering and mining projects such as concrete gravity and arch dams, rock fill dams, pump storage projects, highways and railroads, pipelines, underground and surface mines. Subsidence studies.

- Rock testing, both laboratory and in situ. The experience includes hundreds of in situ tests for large dams and pump storage projects (plate-load tests, in situ shear tests, flatjack tests, radial jack tests, stress measurements). Extensive experience in monitoring.

HYDRO-TRIAD, LTD.

MICHAEL L. JACOBS

PROFESSIONAL RECORD

EDUCATION

B.S., Civil Engineering, Colorado State University, 1981
M.S., Civil Engineering, University of Colorado, (Hydrology and Hydraulics) 1985

EXPERIENCE

Water Resource Engineer, Hydro-Triad, Ltd. Responsible for the design of three earth and rockfill dams required for the water treatment system of a gold mine in the Dominican Republic. Also responsible for the design of all appurtenant structures and the hydrologic studies for these dams. Involved in the computer modeling of water supply systems on the western slope of Colorado. Other responsibilities include detailed analysis and design of steel and concrete hydraulic structures for dams, flood control structures and water treatment facilities.

Engineer III., Stearns Catalytic. Responsible for producing conceptual designs and construction drawings for all permit documents relating to the construction of a gas processing plant. Designs included sedimentation ponds, evaporation ponds, cooling ponds, and sewage lagoons. Further duties included preparing the hydrologic studies for the proposed plant, involving runoff predictions, floodplain delineations, and channel design.

Hydraulic Engineer/Project Manager, PRC Engineering Planning and Development. Responsible for preparing the drainage studies and floodplain delineations for various residential and commercial developments in the Denver Metropolitan area. Was also involved in the design of storm sewer, sanitary sewer, water, and grading plans for these developments.

Office Engineer, PRC Engineering Consultants International. Assisted in the contract administration, construction management, and invoicing approval of a 40 million dollar construction project at the Colony Shale Oil Project in Parachute, Colorado. Under construction were two earth and rockfill dams by several contractors and subcontractors. Duties included interaction with on-site client personnel, preparation

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of monthly progress reports, maintaining grouting records, monitoring the progress of construction quantity and quality, and field inspection.

Technical Aide, International Engineering Company. Conducted bridge inspections in 5 Colorado counties on over 150 different bridges. Responsibilities included field inspections, computer assisted structural analysis, recommending repairs, and cost estimates on recommended repairs.

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Registered Professional Engineer: Colorado, 1985

g. clark davenport

academic education

Professional Degree, Geophysical Engineer, Colorado School of Mines, 1964.

employment record

1982-Present
Geophysicist, Davenport/Hadley, Ltd. Nuclear power plant and hydroelectric dam siting studies. Evaluation of geophysical data for earthfilled dams. Design of engineering geophysical investigations for geotechnical and coal exploration studies.

1978-1982
Senior Associate, Douglas-Robertson & Associates, Inc. Coal exploration, blast vibration and engineering geophysical studies. Geothermal exploration in Mexico. Hydroelectric dam investigations in Mexico and Peru. Adjunct Professor of Engineering Geophysics, Madrid, Spain and Guanajuato, Mexico.

1975-1978
Senior Geophysicist, Geotecnica, S.A., Madrid, Spain (a Dames & Moore subsidiary). In charge of foreign and domestic exploration operations in Spain and Mallorca, and engineering operations in Iran and Saudi Arabia. Also Adjunct Professor of Applied Seismics, Madrid School of Mines.

1969-1975
Senior Geophysicist and Manager of Geophysics, Dames & Moore, Denver, Colorado. Engineering and exploration investigations for varied projects in the United States, Korea, South Africa and Canada. Field and office studies for approximately 30 nuclear power plant sites.

1961-1969
Seismic field contract work, USGS Crustal Studies Program, Amoco, U.S. Army Corps of Engineers.

representative projects

Geophysical surveys for dam siting in Mexico, Peru and U.S.

Seismic reflection/refraction crew management and data interpretation for geothermal exploration in Mexico, coal exploration in the Dominican Republic and deep foundation studies in the U.S.

Electrical resistivity surveying for soil corrosibility studies, Saudi Arabia and groundwater contamination studies, U.S.

In-situ dynamic properties analysis in U.S., Spain, Mexico and Iran.

Blast and induced vibration analysis in U.S. and Spain.

Advisor to Federal Electricity Commission, Mexico. Geophysical program design and data review for geotechnical, groundwater and exploration investigations.

Interpretation and analysis of SP, seismic and electrical resistivity data for Safety Evaluation of Existing Dams program.

Seismic refraction and electrical resistivity surveys to evaluate landslide conditions and geologic structure, Mexico and U.S.

registration

California, 1973, Registered Geophysicist

society memberships

Society of Exploration Geophysicists (SEG), Engineering and Groundwater Committee Chairman, 1981-83.

European Association of Exploration Geophysicists (EAEG).

publications

"Geophysical Techniques for the Determination of Elastic Properties" (in Spanish), Techniterra, Feb.-Mar. 1978, pp. 1-23 (with A. Zamora and R. Negrillo).

"Geophysical Studies for Nuclear Power Plants," paper presented at the 44th Annual SEG Convention, Dallas, Texas, 1974.

"Factors Affecting Blasting Operations," Pit and Quarry, Nov.-Dec. 1979 (with F. Peters and F. Endacott).

"Geotechnical Investigations for Corrosive Soils," Proceedings, Seismic Methods Used in Geotechnical Investigations, UNAM, Mexico 1981 (with E. Rinne and A. Zamora).

"Cerro Prieto—CFE's Geophysical Studies," presented at the 51st Annual SEG Convention, Los Angeles, California, 1981 (with L. Fonseca, A. de La Pena and P. Cruz).

"Horizontal Logging as a Monitoring Tool," Proceedings, Fourth Symposium on Uranium Mill Tailings Management, Fort Collins, Colorado 1981 (with L. Hadley).

"Planning Considerations in the Use of Geophysical Surveys for Coal Exploration—A Case History," Proceedings, Latin American Coal Symposium, Piedras Negras, Mexico, September 1984 (with C. Tatman and L. Hadley).

"The Use of Self Potential Surveys in Geotechnical Investigations," paper presented at 54th Annual SEG Convention, Atlanta, Georgia, November 1984 (with R. Markiewicz and J. Randall).

courses and training programs

At the request of various clients and academic institutions, the following courses and training programs have been offered:

"Seismic Methods as Applied to Hydrogeological Investigations," one week course taught as part of Annual Hydrogeology Seminar; Madrid School of Mines, Madrid, Spain, 1977-1981.

"Applications of Geophysics to Civil Engineering Investigations," one week course taught for U.S. Army Corps of Engineers; Riyadh, Saudi Arabia, 1977.

"Applied Engineering Geophysics," one week course taught to geophysicists of the Federal Electricity Commission; Mexico City, Mexico, 1981.

"Geophysics Applied to Mining Exploration and Mine Planning," one week course taught at the Geology Department, University of Guanajuato, School of Mines; Mexico, 1980-85.

"Seismic Methods Used in Geotechnical Explorations," one week course taught at Universidad Nacional Autonoma de Mexico (UNAM); July 1981, August 1984.

"The Application of High Resolution Marine Geophysical Studies for Geotechnical Investigations," one week course taught for Mexican Petroleum Institute (March 1985) and PEMEX, (June 1985).

"The Application of Geology, Geophysics and Rock Mechanics in Dam Investigations," Agricultural Ministry (SARH); Mexico, June 1985.

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Michael F. Winter
PROFESSIONAL RECORD

EDUCATION

Lakewood High School, Lakewood, Colorado
Colorado School of Mines, Golden, Colorado, B.S. - 1983
Colorado State University, Ft. Collins, Colorado,-Graduate December, 1986

EXPERIENCE

Hydro-Triad, Ltd. Water Resource Engineer, Pueblo Viejo Tailings embankment, worked on detailed seepage analysis; embankment stability and spillway design. West Divide Project near Rifle, Colorado. Provided cost estimates, quantity estimates and report editing. Croke Canal, Jefferson County, Colorado. Performed field survey, development of cross sections HEC-2 backwater analysis and quantity and cost estimates for an evaluation of proposed improvements to the crossing of the Croke Canal at 52nd and Indiana.

Morrison-Knudsen Engineers, Inc. White River Geotechnical Study. Work involved regional geologic mapping, detailed joint mapping, surveying, core logging, and inspecting drilling. Additional experience included processing geologic data for a hazardous waste site investigation.

U. S. Geological Survey-Geologic Division. Assisted in surveying fault scarps in New Mexico; compiled fault-scarp data on existing geologic maps. Responsibilities included assisting in surveying terrace scarps in central Idaho, computer work for statistical studies of field data, soil descriptions, manuscript editing, and technical illustrating. NNWSI Project. Fieldwork at the Nevada Test Site included surveying and describing debris-flows in addition to field investigation of photo-mapped lineaments as possible faults and fractures. Use of television camera tapes, acoustic televiewer logs, and core samples in collecting fracture data from boreholes at the Nevada Test Site. Extensive use of computer in processing data. Part-time work during academic year.

Colorado School of Mines-Geology Department. Work included conducting permeability tests and fracture-mapping inside the CSM Experimental Mine.

City of Lakewood-Engineering Division. Drafting Technician I.

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IV. ENGINEERING COSTS

The following paragraphs set forth the assumptions and estimated engineering costs by phase for this project.

Phase I:

Manpower Estimate - The manpower and engineering costs for Phase I are set forth in the following Table.

Technical Category	Man-Hours	Personnel Costs	Direct Costs
Director	20.0	$1400.00	
P.M.	25.0	1500.00	
Geological Eng.	24.0	1680.00	
Engineer	36.0	1260.00	
Draft/Clerical	10.0	220.00	
Sub-Totals		$6060.00	$350.00

The estimated cost for phase I is $6410.00

Phase II:

The estimated manpower for Phase II will be developed upon completion of the Phase I work. The rnage of engineering costs for

Phase II is between $11,000 and $16,000 depending upon the detail of drilling, testing and geophysical work required.

Construction Drawings and Specifications

The estimated manpower for the final design and preparation of construction drawings and specifications will be finalized upon selection of a feasible alternative. The estimated range of costs is between $3200 and $4500.

V. SCHEDULE

The schedule for the engineering work is as follows:

Work Item	Duration
Phase I	1-1/2 weeks
Phase II	4-1/2 weeks
Final Design, Drawings & Specifications	2 weeks

REFERENCES

1. Proclamation Disaster Emergency in Delta County, Governor Richard D. Lamm, August 8, 1986.

2. DODES - State Assistance Request Evaluation, 1986.

3. Geologic - Reconnaissance Report, Stewart Ditch Landslide, June 25, 1986, Bruce Stover, Colorado, Geological Survey.

EXHIBIT C

Repayment Schedule for
Stewart Ditch and Reservoir Company

Year	Payment	Interest	Principal
1	$13,987.20	$12,000.00	$ 1,987.20
2	13,987.20	11,900.64	2,086.56
3	13,987.20	11,796.31	2,190.89
4	13,987.20	11,686.77	2,300.43
5	13,987.20	11,571.75	2,415.45
6	13,987.20	11,450.97	2,536.23
7	13,987.20	11,324.16	2,663.04
8	13,987.20	11,191.01	2,796.19
9	13,987.20	11,051.20	2,936.00
10	13,987.20	10,904.40	3,082.80
11	13,987.20	10,750.26	3,236.94
12	13,987.20	10,588.41	3,398.79
13	13,987.20	10,418.47	3,568.73
14	13,987.20	10,240.03	3,747.17
15	13,987.20	10,052.67	3,934.53
16	13,987.20	9,855.95	4,131.25
17	13,987.20	9,649.39	4,337.81
18	13,987.20	9,432.50	4,554.70
19	13,987.20	9,204.76	4,782.44
20	13,987.20	8,965.64	5,021.56
21	13,987.20	8,714.56	5,272.64
22	13,987.20	8,450.93	5,536.27
23	13,987.20	8,174.12	5,813.08
24	13,987.20	7,883.46	6,103.74
25	13,987.20	7,578.28	6,408.92
26	13,987.20	7,257.83	6,729.37
27	13,987.20	6,921.36	7,065.84
28	13,987.20	6,568.07	7,419.13
29	13,987.20	6,197.11	7,790.09
30	13,987.20	5,807.61	8,179.59
31	13,987.20	5,398.63	8,588.57
32	13,987.20	4,969.20	9,018.00
33	13,987.20	4,518.30	9,468.90
34	13,987.20	4,044.86	9,942.34
35	13,987.20	3,547.74	10,439.46
36	13,987.20	3,025.77	10,961.43
37	13,987.20	2,477.70	11,509.50
38	13,987.20	1,902.22	12,084.98
39	13,987.20	1,297.97	12,689.23
40	13,987.20	663.51	13,323.69

PAID IN FULL

EXHIBIT C

SCHEDULE A

COLORADO WATER CONSERVATION BOARD
CONSTRUCTION FUND PROGRAM PROCEDURES

1. Board approval of engineering firm and engineering agreement between engineering firm and project sponsor.

2. Preparation of detailed plans and specifications for authorized projects by consulting engineering firm.

3. Approval of detailed plans and specifications by Board staff (plans and specifications for storage dams and reservoirs must also be approved by State Engineer's office).

4. Board staff approval of bidding for the project. Board staff present at bid opening for construction.

5. Project sponsor may issue the notice of award and the notice to proceed with construction to the contractor (both notices must be approved by the Board staff before they are issued).

6. Conduct a pre-construction conference. Approval of construction schedule by Board staff.

7. Construction commences. The Board staff makes periodic inspections during construction. All change orders must be approved by the Board staff in advance and before any construction on change items can commence. Emergency items cleared by telephone.

8. The consulting engineer certifies that the project has been completed according to approved drawings and specifications and arranges for final inspection.

9. Final inspection and acceptance of as-built project by Board staff.

10. Submittal of as-built drawings to Board staff for approval and filing.