

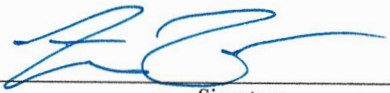

# STATE OF COLORADO GRANT AGREEMENT

## COVER PAGE

<b>State Agency</b> Colorado Department of Natural Resources Colorado Water Conservation Board (CWCB) 1313 Sherman St, Room 718 Denver, CO 80203	<b>Agreement Number</b> CMS #163739 CORE Encumbrance #CTGG1 2021*2192		
<b>Grantee</b> Rio Grande Headwaters Land & Trust P.O. Box 444 Del Norte, CO 81132	<b>Agreement Performance Beginning Date</b> The Grant Award Letter Effective date (the date the State Controller or an authorized delegate signs this Grant Letter)		
	<b>Initial Agreement Expiration Date</b> November 30, 2020		
<b>Agreement Maximum Amount</b> Entire contract term for all applicable fiscal years: \$175,000	<b>Agreement Authority</b> Colorado Revised Statutes (CRS) §39-29-109(2)(c), §37-75-104(2)(c) and §37-75-102 et al., and Senate Bill 06-179 adopted by the 2006 General Assembly, and a sufficient unencumbered balance thereof remains available for payment. Required approvals, clearance and coordination have been accomplished from and with appropriate agencies.		
<b>Agreement Purpose</b> The Agreement grants funds in order to assist Grantee with the purchase of the Property, which possesses values, opportunities, and characteristics which are important to the Parties, the residents of the surrounding area, and the people of the State of Colorado. Grantee has entered or will enter into a contract with Owner for the purchase of a conservation easement encumbering the Property on the Paulson Ranch, facilitated by the Rio Grande Headwaters Land Trust (RiGHT).  The Contract is exempt from the procurement code under 24-101-105(1)(II.5) and Procurement Rule R-101-105-01.			
<b>Exhibits and Order of Precedence</b> The following Exhibits and attachments are included with this Agreement: <ol style="list-style-type: none"> <li>1. Exhibit A, Statement of Work.</li> <li>2. Exhibit B, Budget.</li> <li>3. Exhibit C, Sample Option Letter.</li> </ol> In the event of a conflict or inconsistency between this Agreement and any Exhibit or attachment, such conflict or inconsistency shall be resolved by reference to the documents in the following order of priority: <ol style="list-style-type: none"> <li>1. Colorado Special Provisions in §18 of the main body of this Agreement.</li> <li>2. The provisions of the other sections of the main body of this Agreement.</li> <li>3. Exhibit A, Statement of Work.</li> <li>4. Exhibit B, Budget.</li> <li>5. Exhibit C, Sample Option Letter.</li> </ol>			
<table border="0"> <tr> <td data-bbox="131 1423 836 1665"> <b>Principal Representatives</b>            For the State:            Craig Godbout, CWCB Project Manager            Department of Natural Resources            Colorado Water Conservation Board            1313 Sherman St, Suite 718            Denver, CO 80203            Craig.Godbout@State.co.us         </td> <td data-bbox="836 1423 1513 1665">           For Grantee:            Allen Law, Conservation Director            Rio Grande Headwaters Land &amp; Trust            PO Box 444            Del Norte, CO 81132            allenl@riograndelandtrust.org            719-657-0800         </td> </tr> </table>		<b>Principal Representatives</b> For the State: Craig Godbout, CWCB Project Manager Department of Natural Resources Colorado Water Conservation Board 1313 Sherman St, Suite 718 Denver, CO 80203 Craig.Godbout@State.co.us	For Grantee: Allen Law, Conservation Director Rio Grande Headwaters Land & Trust PO Box 444 Del Norte, CO 81132 allenl@riograndelandtrust.org 719-657-0800
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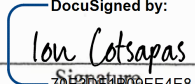
**SIGNATURE PAGE****THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT**

Each person signing this Agreement represents and warrants that the signer is duly authorized to execute this Agreement and to bind the Party authorizing such signature.

<b>GRANTEE</b> Rio Grande Headwaters Land and Trust	<b>STATE OF COLORADO</b> Jared S. Polis, Governor Colorado Department of Natural Resources Dan Gibbs, Executive Director Colorado Water Conservation Board
 Signature	 Signature
<u>Allen Law</u> Printed Name	<u>Russ Sands</u> Printed Name
<u>Executive Director, R.GHT</u> Signatory's Title	<u>Section Chief - Water Supply Planning</u> Signatory's Title
Date: <u>8.20.20</u>	Date: <u>8-21-20</u>

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

**STATE CONTROLLER**  
Robert Jaros, CPA, MBA, JD

DocuSigned by:  
  
Signature

Ion Cotsapas  
Printed Name

DNR Contracts Director  
Signatory's Title

Agreement Effective Date: November 13, 2020 | 2:35 PM PST

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### 1. PARTIES

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

### 2. TERM AND EFFECTIVE DATE

#### A. Effective Date

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

#### B. Initial Term

The Parties’ respective performances under this Agreement shall commence on the Agreement Performance Beginning Date shown on the Cover Page for this Agreement and shall terminate on the Initial Agreement Expiration Date shown on the Cover Page for this

Agreement (the “Initial Term”) unless sooner terminated or further extended in accordance with the terms of this Agreement.

C. Extension Terms - State’s Option

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

D. End of Term Extension

If this Agreement approaches the end of its Initial Term, or any Extension Term then in place, the State, at its discretion, upon written notice to Grantee as provided in **§15**, may unilaterally extend such Initial Term or Extension Term for a period not to exceed two months (an “End of Term Extension”), regardless of whether additional Extension Terms are available or not. The provisions of this Agreement in effect when such notice is given shall remain in effect during the End of Term Extension. The End of Term Extension shall automatically terminate upon execution of a replacement Agreement or modification extending the total term of this Agreement.

E. Early Termination in the Public Interest

The State is entering into this Agreement to serve the public interest of the State of Colorado as determined by its Governor, General Assembly, or Courts. If this Agreement ceases to further the public interest of the State, the State, in its discretion, may terminate this Agreement in whole or in part. A determination that this Agreement should be terminated in the public interest shall not be equivalent to a State right to terminate for convenience. This subsection shall not apply to a termination of this Agreement by the State for breach by Grantee, which shall be governed by **§13**.

i. Method and Content

The State shall notify Grantee of such termination in accordance with **§15**. The notice shall specify the effective date of the termination and whether it affects all or a portion of this Agreement, and shall include, to the extent practicable, the public interest justification for the termination.

ii. Obligations and Rights

Upon receipt of a termination notice for termination in the public interest, Grantee shall not incur further obligations nor render further performance under this Agreement.

F. Grantee’s Termination

Grantee may request termination of this Grant by sending notice to the State, which includes the reasons for the termination and the effective date of the termination. If this Grant is terminated in this manner, then Grantee shall return any advanced payments made prior to the effective date of the termination.

### 3. DEFINITIONS

The following terms shall be construed and interpreted as follows:

- A. **“Agreement”** means this agreement, including all attached Exhibits, all documents incorporated by reference, all referenced statutes, rules and cited authorities, and any future modifications thereto.
- B. **“Breach of Agreement”** means the failure of a Party to perform any of its obligations in accordance with this Agreement, in whole or in part or in a timely or satisfactory manner. The institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Grantee, or the appointment of a receiver or similar officer for Grantee or any of its property, which is not vacated or fully stayed within 30 days after the institution of such proceeding, shall also constitute a breach. If Grantee is debarred or suspended under §24-109-105, C.R.S. at any time during the term of this Agreement, then such debarment or suspension shall constitute a breach.
- C. **“Budget”** means the budget for the Work described in Exhibit C.
- D. **“Business Day”** means any day in which the State is open and conducting business, but shall not include Saturday, Sunday or any day on which the State observes one of the holidays listed in §24-11-101(1), C.R.S.
- E. **“CORA”** means the Colorado Open Records Act, §§24-72-200.1, *et. seq.*, C.R.S.
- F. **“Closing and Closing Date”** means the completion or waiver of all conditions precedent in the purchase and sale contract by and between Grantee and the Owner and on which all related document, including Easement deed are contemporaneously executed, and “Closing Date” is the date on which the Closing occurs.
- G. **“Conservation Values”** means those values, opportunities, and characteristics referred to in §4, and set forth in detail in the Easement.
- H. **“CRS”** means the Colorado Revised Statutes as amended.
- I. **“Easement”** means the Conservation Easement which is the subject of this Grant Agreement and further described in **Exhibit A**
- J. **“Effective Date”** means the date on which this Agreement is approved and signed by the Colorado State Controller or designee, as shown on the Signature for this Agreement.
- K. **“End of Term Extension”** means the time period defined in §2.D.
- L. **“Exhibits”** means the exhibits and attachments included with this Agreement as shown on the Cover Page for this Agreement.
- M. **“Extension Term”** means the time period defined in §2.C.
- N. **“Grant Funds”** means the funds that have been appropriated, designated, encumbered, or otherwise made available for payment by the State under this Agreement.
- O. **“Initial Term”** means the time period defined in §2.B.
- P. **“Owner”** means the owner of the Property from whom Grantee is purchasing the Easement.
- Q. **“Party”** means the State or Grantee, and “Parties” means both the State and Grantee.
- R. **“Property”** is the real property located in **Rio Grande** County described in Exhibit A.
- S. **“State Confidential Information”** means any and all State Records not subject to disclosure under CORA. State Confidential Information shall include, but is not limited to State personnel records not subject to disclosure under CORA. State Confidential Information shall

not include information or data concerning individuals that is not deemed confidential but nevertheless belongs to the State, which has been communicated, furnished, or disclosed by the State to Grantee which (i) is subject to disclosure pursuant to CORA; (ii) is already known to Grantee without restrictions at the time of its disclosure to Grantee; (iii) is or subsequently becomes publicly available without breach of any obligation owed by Grantee to the State; (iv) is disclosed to Grantee, without confidentiality obligations, by a third party who has the right to disclose such information; or (v) was independently developed without reliance on any State Confidential Information.

- T. **“State Fiscal Rules”** means that fiscal rules promulgated by the Colorado State Controller pursuant to §24-30-202(13)(a), C.R.S.
- U. **“State Fiscal Year”** means a 12 month period beginning on July 1 of each calendar year and ending on June 30 of the following calendar year. If a single calendar year follows the term, then it means the State Fiscal Year ending in that calendar year.
- V. **“State Records”** means any and all State data, information, and records, regardless of physical form, including, but not limited to, information subject to disclosure under CORA.
- W. **“Title Commitment”** means the current standard ALTA form(s) in common use of a title insurance commitment issued by a Title Company authorized to do business in the State of Colorado, and insuring Grantee’s interest in the Easement in an amount not less than the Purchase Price, together with, as applicable, any updates of the Title Commitment that are issued.

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

#### 4. **STATEMENT OF WORK**

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

#### 5. **PAYMENTS TO GRANTEE**

##### A. **Maximum Amount**

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

##### B. **Payment Procedures**

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

##### i. **Payment Disputes**

If Grantee disputes any calculation, determination or amount of any payment, Grantee shall notify the State in writing of its dispute within 30 days following the earlier to

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

ii. Available Funds-Contingency-Termination

The State is prohibited by law from making commitments beyond the term of the current State Fiscal Year. Payment to Grantee beyond the current State Fiscal Year is contingent on the appropriation and continuing availability of Grant Funds in any subsequent year (as provided in the Colorado Special Provisions). Payments to be made pursuant to this Agreement shall be made only from Grant Funds, and the State's liability for such payments shall be limited to the amount remaining of such Grant Funds. If State funds are not appropriated, or otherwise become unavailable to fund this Agreement, the State may, upon written notice, terminate this Agreement, in whole or in part, without incurring further liability. The State shall, however, remain obligated to pay for Services and Goods that are delivered and accepted prior to the effective date of notice of termination, and this termination shall otherwise be treated as if this Agreement were terminated in the public interest as described in §2.E.

C. Reimbursement of Grantee Costs.

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

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

E. Close-Out.

Grantee shall close out this Award within 45 days after the Initial Agreement Expiration Date shown on the Signature and Cover Page for this Agreement. To complete close-out, Grantee shall submit to the State all deliverables (including documentation) as defined in this Agreement and Grantee's final reimbursement request or invoice.

## **6. PURCHASE AND SALE OF EASEMENT**

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

## **7. PERFORMANCE CONTINGENCIES FOR THE STATE**

The State's performance hereunder is contingent upon successful completion or express waiver, of each of the following conditions in this §7. If one or more of these contingencies are not satisfied by Closing, and the Parties have not agreed in writing to allow additional time for satisfaction, then this Grant shall automatically terminate and Grantee and the State shall be released from all further obligations and liabilities under this Grant.

### **A. Appraisal and Other Due Diligence**

#### **i. Appraisal**

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

#### **ii. Contract**

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

#### **iii. Description and Maps**

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

#### **iv. Management Plan**

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

#### **v. Reports**

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



annual report detailing its monitoring of the Easement, and provide a copy of such report to the State within 30 days of the completion thereof.

#### B. Title Inspection and Review

The State's satisfaction with the title to the Property after the opportunity for physical inspection of the Property and after reviewing the documents and evidence of title thereto provided for in this **§7B**. If any of the State's objections made pursuant to this provision are not rectified, then the State may terminate this Grant by written notice and both Grantee and the State shall be released from any further obligations.

##### i. Evidence of Title – Matters of Public Record

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

##### ii. Standard Title Exceptions

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

##### iii. Exceptions - Title Review - Matters of Public Record

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

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

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

##### v. Unrecorded Burdens – Grantee's Liability

Grantee shall, at no cost to the State, cause Owner to discharge and/or cure any liens, charges, defects, encumbrances, claims, or causes of action (hereinafter called "burdens") existing on or before Closing and incurred by Grantee or Owner that attach to the Property which are not of record at the time of Closing and which were not disclosed pursuant to **§7.B.iv**. Grantee shall

reimburse the State in an amount equal to CWCB's proportionate contribution to Purchase Price of any diminution in value of the Easement if any such burden cannot be discharged or cured. The State may bring an action to enforce this **§7.B.v.**, if Grantee fails or refuses to do so within a reasonable time, and Grantee shall reimburse the State for its costs and reasonable attorney's fees incurred with regard to such action.

## **8. STATUS PENDING CLOSING**

### **A. Maintenance of the Property**

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

### **B. Risk of Loss**

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

## **9. CLOSING**

### **A. Date and Time**

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

### **B. Final Property Legal Description and Final Property Map**

At Closing Owner shall deliver the final property legal description and the final property map to the Grantee, who will in turn forward copies to the State.

### **C. Closing at Title Company**

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

## **10. GRANTEE RECORDS**

### **A. Maintenance**

Grantee shall make, keep, maintain, and allow inspection and monitoring by the State of a complete file of all records, documents, communications, notes and other written materials, electronic media files, and communications, pertaining in any manner to the Work or the delivery of Services (including, but not limited to the operation of programs) or Goods hereunder. Grantee shall maintain such records for a period (the "Record Retention Period") of three years following the date of submission to the State of the final expenditure report, or if this Award is renewed quarterly or annually, from the date of the submission of each quarterly or annual report, respectively. If any litigation, claim, or audit related to this Award starts before expiration of the Record Retention Period, the Record Retention Period shall extend until all litigation, claims, or audit findings have been resolved and final action taken by the State. The State may notify Grantee in writing that the Record Retention Period shall be extended. For records for real property and equipment, the Record Retention Period shall extend three years following final disposition of such property.

**B. Inspection**

Grantee shall permit the State to audit, inspect, examine, excerpt, copy and transcribe Grantee Records during the Record Retention Period. Grantee shall make Grantee Records available during normal business hours at Grantee's office or place of business, or at other mutually agreed upon times or locations, upon no fewer than two Business Days' notice from the State, unless the State determines that a shorter period of notice, or no notice, is necessary to protect the interests of the State.

**C. Monitoring**

The State will monitor Grantee's performance of its obligations under this Agreement using procedures as determined by the State. The federal government and any other duly authorized agent of a governmental agency, in its discretion, may monitor Grantee's performance of its obligations under this Agreement using procedures as determined by that governmental entity. The State shall have the right, in its sole discretion, to change its monitoring procedures and requirements at any time during the term of this Agreement. The State shall monitor Grantee's performance in a manner that does not unduly interfere with Grantee's performance of the Work.

**D. Final Audit Report**

Grantee shall promptly submit to the State a copy of any final audit report of an audit performed on Grantee's records that relates to or affects this Agreement or the Work, whether the audit is conducted by Grantee or a third party.

## **11. CONFIDENTIAL INFORMATION-STATE RECORDS**

**A. Confidentiality**

Grantee shall keep confidential, and cause all Subcontractors to keep confidential, all State Records, unless those State Records are publicly available. Grantee shall not, without prior written approval of the State, use, publish, copy, disclose to any third party, or permit the use by any third party of any State Records, except as otherwise stated in this Agreement, permitted by law or approved in Writing by the State. Grantee shall provide for the security of all State Confidential Information in accordance with all policies promulgated by the Colorado Office of Information Security and all applicable laws, rules, policies, publications, and guidelines.

**B. Other Entity Access and Nondisclosure Agreements**

Grantee may provide State Records to its agents, employees, assigns and Subcontractors as necessary to perform the Work, but shall restrict access to State Confidential Information to those agents, employees, assigns and Subcontractors who require access to perform their obligations under this Agreement. Grantee shall ensure all such agents, employees, assigns, and Subcontractors sign agreements containing nondisclosure provisions at least as protective as those in this Agreement, and that the nondisclosure provisions are in force at all times the agent, employee, assign or Subcontractor has access to any State Confidential Information. Grantee shall provide copies of those signed nondisclosure provisions to the State upon execution of the nondisclosure provisions.

C. Use, Security, and Retention

Grantee shall use, hold and maintain State Confidential Information in compliance with any and all applicable laws and regulations in facilities located within the United States, and shall maintain a secure environment that ensures confidentiality of all State Confidential Information wherever located. Grantee shall provide the State with access, subject to Grantee's reasonable security requirements, for purposes of inspecting and monitoring access and use of State Confidential Information and evaluating security control effectiveness. Upon the expiration or termination of this Agreement, Grantee shall return State Records provided to Grantee or destroy such State Records and certify to the State that it has done so, as directed by the State. If Grantee is prevented by law or regulation from returning or destroying State Confidential Information, Grantee warrants it will guarantee the confidentiality of, and cease to use, such State Confidential Information.

D. Incident Notice and Remediation

If Grantee becomes aware of any Incident, it shall notify the State immediately and cooperate with the State regarding recovery, remediation, and the necessity to involve law enforcement, as determined by the State. Unless Grantee can establish that none of Grantee or any of its agents, employees, assigns or Subcontractors are the cause or source of the Incident, Grantee shall be responsible for the cost of notifying each person who may have been impacted by the Incident. After an Incident, Grantee shall take steps to reduce the risk of incurring a similar type of Incident in the future as directed by the State, which may include, but is not limited to, developing and implementing a remediation plan that is approved by the State at no additional cost to the State. The State may adjust or direct modifications to this plan, in its sole discretion and Grantee shall make all modifications as directed by the State. If Grantee cannot produce its analysis and plan within the allotted time, the State, in its sole discretion, may perform such analysis and produce a remediation plan, and Grantee shall reimburse the State for the reasonable costs thereof.

E. Safeguarding PII

If Grantee or any of its Subcontractors will or may receive PII under this Agreement, Grantee shall provide for the security of such PII, in a manner and form acceptable to the State, including, without limitation, State non-disclosure requirements, use of appropriate technology, security practices, computer access security, data access security, data storage encryption, data transmission encryption, security inspections, and audits. Grantee shall be a "Third-Party Service Provider" as defined in §24-73-103(1)(i), C.R.S. and shall maintain security procedures and practices consistent with §§24-73-101 *et seq.*, C.R.S.

## 12. CONFLICTS OF INTEREST

A. Actual Conflicts of Interest

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

B. Apparent Conflicts of Interest

Grantee acknowledges that, with respect to this Agreement, even the appearance of a conflict of interest shall be harmful to the State's interests. Absent the State's prior written approval, Grantee shall refrain from any practices, activities or relationships that reasonably appear to be in conflict with the full performance of Grantee's obligations under this Agreement.

C. Disclosure to the State

If a conflict or the appearance of a conflict arises, or if Grantee is uncertain whether a conflict or the appearance of a conflict has arisen, Grantee shall submit to the State a disclosure statement setting forth the relevant details for the State's consideration. Failure to promptly submit a disclosure statement or to follow the State's direction in regard to the actual or apparent conflict constitutes a breach of this Agreement.

### 13. DEFAULT-TIME IS OF THE ESSENCE-REMEDIES

Time is of the essence hereof. If either Party is in default under this Agreement, the other Party shall have available to it all remedies at law and in equity.

### 14. DISPUTE RESOLUTION

A. Initial Resolution

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

B. Resolution of Controversies

If the initial resolution described in §14.A fails to resolve the dispute within 10 Business Days, Grantee shall submit any alleged breach of this Agreement by the State to the Procurement Official of the State Agency named on the Cover Page of this Agreement as described in §24-101-301(30), C.R.S. for resolution following the same resolution of controversies process as described in §24-106-109, C.R.S., and §§24-109-101.1 through 24-109-505, C.R.S. (the "Resolution Statutes"), except that if Grantee wishes to challenge any decision rendered by the Procurement Official, Grantee's challenge shall be an appeal to the executive director of the Department of Personnel and Administration, or their delegate, in the same manner as described in the Resolution Statutes before Grantee pursues any further action. Except as otherwise stated in this Section, all requirements of the Resolution Statutes shall apply including, without limitation, time limitations regardless of whether the Colorado Procurement Code applies to this Agreement.

### 15. NOTICES AND REPRESENTATIVES

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

## **16. STATEWIDE CONTRACT MANAGEMENT SYSTEM**

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

## **17. GENERAL PROVISIONS**

### **A. Assignment**

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

### **B. Binding Effect**

Except as otherwise provided in **§17.A**, all provisions of this Agreement, including the benefits and burdens, shall extend to and be binding upon the Parties' respective successors and assigns.

### **C. Authority**

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

### **D. Captions and References**

The captions and headings in this Agreement are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions. All references in this Agreement to sections (whether spelled out or using the § symbol), subsections, exhibits or other

attachments, are references to sections, subsections, exhibits or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.

E. Counterparts

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

F. Entire Understanding

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

G. Digital Signatures

If any signatory signs this agreement using a digital signature in accordance with the Colorado State Controller Contract, Grant and Purchase Order Policies regarding the use of digital signatures issued under the State Fiscal Rules, then any agreement or consent to use digital signatures within the electronic system through which that signatory signed shall be incorporated into this Agreement by reference.

H. Modification

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

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

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

J. External Terms and Conditions

Notwithstanding anything to the contrary herein, the State shall not be subject to any provision included in any terms, conditions, or agreements appearing on Grantee's or a Subcontractor's website or any provision incorporated into any click-through or online agreements related to the Work unless that provision is specifically referenced in this Agreement.

K. Severability

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

L. Survival of Certain Agreement Terms

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

M. Taxes

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

N. Third Party Beneficiaries

Except for the Parties' respective successors and assigns described in § 17.A, this Agreement does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Enforcement of this Agreement and all rights and obligations hereunder are reserved solely to the Parties. Any services or benefits which third parties receive as a result of this Agreement are incidental to this Agreement, and do not create any rights for such third parties.

O. Waiver

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

P. CORA Disclosure

To the extent not prohibited by federal law, this Agreement and the performance measures and standards required under §24-106-107, C.R.S., if any, are subject to public release through the CORA.

Q. Standard and Manner of Performance

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

R. Licenses, Permits, and Other Authorizations.

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

S. Indemnification

i. General Indemnification



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

ii. Confidential Information Indemnification

Disclosure or use of State Confidential Information by Grantee in violation of §11 may be cause for legal action by third parties against Grantee, the State, or their respective agents. Grantee shall indemnify, save, and hold harmless the Indemnified Parties, against any and all claims, damages, liabilities, losses, costs, expenses (including attorneys’ fees and costs) incurred by the State in relation to any act or omission by Grantee, or its employees, agents, assigns, or Subcontractors in violation of §11.

iii. Intellectual Property Indemnification

Grantee shall indemnify, save, and hold harmless the Indemnified Parties, against any and all costs, expenses, claims, damages, liabilities, and other amounts (including attorneys’ fees and costs) incurred by the Indemnified Parties in relation to any claim that any Work infringes a patent, copyright, trademark, trade secret, or any other intellectual property right.

## 18. COLORADO SPECIAL PROVISIONS (COLORADO FISCAL RULE 3-3)

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

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

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

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

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

### C. GOVERNMENTAL IMMUNITY.

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

### D. INDEPENDENT CONTRACTOR

Grantee shall perform its duties hereunder as an independent contractor and not as an employee. Neither Grantee nor any agent or employee of Grantee shall be deemed to be an agent or employee of the State. Grantee shall not have authorization, express or implied, to

bind the State to any agreement, liability or understanding, except as expressly set forth herein. **Grantee and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the State and the State shall not pay for or otherwise provide such coverage for Grantee or any of its agents or employees. Grantee shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this Agreement. Grantee shall (i) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (ii) provide proof thereof when requested by the State, and (iii) be solely responsible for its acts and those of its employees and agents.**

**E. COMPLIANCE WITH LAW.**

Grantee shall comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

**F. CHOICE OF LAW, JURISDICTION, AND VENUE.**

Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Agreement. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. All suits or actions related to this Agreement shall be filed and proceedings held in the State of Colorado and exclusive venue shall be in the City and County of Denver.

**G. PROHIBITED TERMS.**

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

**H. SOFTWARE PIRACY PROHIBITION.**

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

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

The signatories aver that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this Agreement. Grantee has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Grantee's services and Grantee shall not employ any person having such known interests.

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

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

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

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

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

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



Last Update: November 29, 2017

<b>Colorado Water Conservation Board</b>	
<b>Water Supply Reserve Fund</b>	
<b><u>Exhibit A - Statement of Work</u></b>	
<b>Date:</b> (include all edit date)	<b>12/29/17</b> Reviewed 8/20/20
<b>Water Activity Name:</b>	<b>Paulson Conservation Easement</b>
<b>Grant Recipient:</b>	<b>Rio Grande Headwaters Land Trust</b>
<b>Funding Source:</b>	<b>Rio Grande Basin Roundtable; Water Supply Reserve Fund</b>
<p><b>Water Activity Overview:</b> (Please provide brief description of the proposed water activity (no more than 200 words). Include a description of the overall water activity and specifically what the WSRF funding will be used for.)</p> <p>RiGHT will use the requested WSRA funds to provide matching funds towards the purchase of a conservation easement on the Paulson Ranch, a 180 acre working ranch with significant senior water rights and in an important corridor of conserved lands.</p> <p>The conservation easement will tie 1.5 cfs of Atencio (Priority #43), 1 cfs of Horner-Ydren (Priority #14 and #44) and .35 cfs of John Anderson (Priority #193) surface water rights to the property. These water rights flood irrigate about 150 acres of grass seasonally wet meadow, which is used primarily for hay production. The irrigation water also helps support significant riparian area and 35 acres of wetlands, including 10 acres of potential habitat for the endangered Southwestern Willow Flycatcher, that will be protected forever. This project is adjacent to another RiGHT conserved ranch and near 7 other easements, so it will continue to build a corridor of conservation on the Rio Grande between Del Norte and Monte Vista.</p> <p>This project is a part of RiGHT's successful Rio Grande Initiative, which benefits both non-consumptive and consumptive water needs in the Rio Grande Basin by protecting over 25,000 acres along the Rio Grande and Conejos River.</p>	
<p><b>Objectives:</b> (List the objectives of the project)</p> <p>Implement conservation easement on the Paulson Ranch that will prevent future subdivision, limit development, and tie senior water rights to the land while maintaining some future flexibility for other uses that accomplish conservation goals.</p>	



Last Update: November 29, 2017

Tasks
Provide a detailed description of each task using the following format:
<b><u>Task 1 - Implementation</u></b>
Description of Task:
<p>The initial task consists of implementing a conservation easement on the 180 acre Paulson Ranch and its associated senior water rights. WSRA funds will be used solely toward the acquisition of the conservation easement. All other related costs for personnel, due diligence, etc. will be borne by RiGHT, the landowner, and/or other funders and therefore are not documented in this application. The WSRA funds would be expended at closing on the conservation easement through a Title Company, only when all the due diligence is finalized, in a similar process to the prior WSRA awards.</p> <p>The Conservation Easement process includes:</p> <ul style="list-style-type: none"> <li>• Fundraising/submitting grant(s) for balance of state and/or federal funds</li> <li>• All due diligence required by law and funding sources including: Appraisal, title work, mineral and water rights, survey (as needed), Environmental Site Assessment, Baseline Condition Report, negotiation of the deed of conservation easement, etc.</li> <li>• Closing and recording of the conservation easement</li> <li>• Long-term stewardship of the conservation easement as required, including annual monitoring, and enforcement of easement terms when and if necessary.</li> </ul>
Method/Procedure:
<p>The conservation easement funded through this application will be held by the RiGHT and the implementation will be conducted according to:</p> <ul style="list-style-type: none"> <li>• All legal requirements</li> <li>• Best practices determined by national land trust standards, and</li> <li>• All due diligence requirements of RiGHT and the project's funders will be fulfilled prior to and as a condition of closing.</li> </ul>
Grantee Deliverable: (Describe the deliverable the grantee expects from this task)
<p>The deliverable from this activity will be the completion of a perpetual conservation easement on the Paulson Ranch.</p>
CWCB Deliverable: (Describe the deliverable the grantee will provide CWCB documenting the completion of this task)
<p>At completion of the project, RiGHT will provide the CWCB a final report that summarizes the project and will include a copy of relevant sections of the Deed of Conservation Easement. This report may contain photographs, a budget with actual costs, summary of appraisals, maps, etc.</p>



Last Update: November 29, 2017

### Budget and Schedule

**Exhibit B - Budget and Schedule:** This Statement of Work shall be accompanied by a combined [Budget and Schedule](#) that reflects the Tasks identified in the Statement of Work and shall be submitted to CWCB in excel format.

### Reporting Requirements

**Reporting:** The grantee shall provide their respective Roundtable(s) and the CWCB a Progress Report every 6 months, beginning from the date of executed contract. The Progress Report shall describe the status of the water activity, the completion or partial completion of the tasks identified in the Statement of Work – Exhibit A including a description of any major issues that have occurred and any corrective action to address these issues. The CWCB may withhold reimbursement until satisfactory Progress Reports have been submitted.

**Final Deliverable:** At the completion of the water activity, the grantee shall provide their respective Roundtable(s) and the CWCB a final report on the grantee's letterhead that:

- Summarizes the water activity and how the water activity was completed
- Describes any obstacles encountered, and how these obstacles were overcome
- Explains the Proposed Budget versus the Actual Budget
- Confirms that all matching commitments have been fulfilled
- Includes photographs, summaries of meeting and engineering reports/design, if appropriate

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

Last Update: 12/20/17

**COLORADO**Colorado Water  
Conservation Board

Department of Natural Resources

**Colorado Water Conservation Board****Water Supply Reserve Fund****EXHIBIT B - BUDGET AND SCHEDULE - Direct & Indirect (Administrative) Costs****Date: 8/20/2020****Water Activity Name: Paulson Conservation Easement****Grantee Name: Rio Grande Headwaters Land Trust**

<u>Task No.</u> <sup>(1)</sup>	<u>Description</u>	<u>Start Date</u> <sup>(2)</sup>	<u>End Date</u>	<u>Matching Funds</u> (cash & in-kind) <sup>(3)</sup>	<u>WSRF Funds</u> (Basin & Statewide combined) <sup>(3)</sup>	<u>Total</u>
<u>1</u>	<u>Implementation</u>	<u>9/14/2020</u>	<u>11/30/2020</u>	<b>230,000</b>	<b>175,000</b>	\$405,000
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
<b>Total</b>				<b>\$230,000</b>	<b>\$175,000</b>	<b>\$405,000</b>



**EXHIBIT C, SAMPLE OPTION LETTER**

<b>State Agency</b> Colorado Department of Natural Resources Colorado Water Conservation Board (CWCBC) 1313 Sherman St, Room 718 Denver, CO 80203	<b>Option Letter Number</b> Insert the Option Number (e.g. "1" for the first option)
<b>Grantee</b> Rio Grande Headwaters Land & Trust P.O. Box 444 Del Norte, CO 81132	<b>Original Agreement Number</b> CMS# #163739
<b>Current Agreement Maximum Amount</b> Entire contract term for all applicable fiscal years:\$0.00	<b>Option Agreement Number</b> CTGG1-2021*2192
	<b>Agreement Performance Beginning Date</b> Month Day, Year
	<b>Current Agreement Expiration Date</b> Month Day, Year

1. **OPTIONS:**

A. Option to extend for an Extension Term

2. **REQUIRED PROVISIONS:**

A. In accordance with Section(s) Number of the Original Agreement referenced above, the State hereby exercises its option for an additional term, beginning Insert start date and ending on the current Agreement expiration date shown above, at the rates stated in the Original Agreement, as amended.

3. **OPTION EFFECTIVE DATE:**

A. The effective date of this Option Letter is upon approval of the State Controller or \_\_\_\_\_, whichever is later.

<p align="center"><b>STATE OF COLORADO</b>          Jared S. Polis, Governor          Colorado Department of Natural Resources          Dan Gibbs, Executive Director          Colorado Water Conservation Board</p> <p>By: _____          Name &amp; Title of Person Signing for Agency or IHE</p> <p>Date: _____</p>	<p>In accordance with §24-30-202, C.R.S., this Option is not valid until signed and dated below by the State Controller or an authorized delegate.</p> <p align="center"><b>STATE CONTROLLER</b>  <b>Robert Jaros, CPA, MBA, JD</b></p> <p>By: _____          Name of Agency or IHE Delegate-Please delete if agreement will be routed to OSC for approval</p> <p>Option Effective Date: _____</p>
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## LEGAL DESCRIPTION: PAULSON CONSERVATION EASEMENT

4/3/2020

## PARCEL 1:

## TRACT 3

A tract of land located in the East half of the Northwest Quarter ( $E\frac{1}{2}NW\frac{1}{4}$ ) of Section 26 and the Northeast Quarter of the Southwest Quarter ( $NE\frac{1}{4}SW\frac{1}{4}$ ) of Section 26, all in Township 39 North, Range 7 East, New Mexico Principal Meridian, Rio Grande County, Colorado, being more particularly described by metes and bounds as follows:

Beginning at the Southwest Sixteenth Corner of Section 26, monumented by a No. 6 rebar with a 3.25" Aluminum cap set by PLS. No. 23847; thence N  $00^{\circ}30'01''$  E along the west line of said  $NE\frac{1}{4}SW\frac{1}{4}$  of said Section 26 a distance of 1329.62 to the Center West Sixteenth Corner of Section 26, monumented by a #6 rebar with a 3.25" aluminum cap set by PLS No. 23847; thence N  $00^{\circ}19'32''$  E along the west line of said  $E\frac{1}{2}NW\frac{1}{4}$  of Section 26 a distance of 2150.98 feet to the northwest corner of the tract herein described, known as "the Nelson Boundary Survey, Tract 3", being a point on the south right of way of Swede Lane, as fenced; thence S  $79^{\circ}01'13''$  E along said south right of way a distance of 1338.84 feet to the northeast corner of said "Tract 3", also being a point on the east line of said  $E\frac{1}{2}NW\frac{1}{4}$ ; thence S  $00^{\circ}18'49''$  W along said east line a distance of 1903.79 feet to the Center Quarter Corner of Section 26, a #6 rebar with a 3.25" aluminum cap set by PLS No. 22583; thence S  $00^{\circ}14'55''$  W along the east line of said  $NE\frac{1}{4}SW\frac{1}{4}$  a distance of 1331.03 feet to the southeast corner of said "Tract 3" also being the South Center Sixteenth Corner of Section 26, a #6 rebar with a 3.25" aluminum cap set by PLS No. 23847; thence N  $89^{\circ}35'55''$  W along the south line of said  $NE\frac{1}{4}SW\frac{1}{4}$  a distance of 1322.50 feet to the Point of Beginning.

SAVE AND EXCEPT the right of way for the Creede branch of the Denver and Rio Grande Western Railroad, which right of way is a strip of land 100 feet in width, containing 3.43 acres more or less.

SAVE AND EXCEPT the right of way for Swede Land as per the Deed recorded September 5, 1972 under Reception Number 248142 in the records of the Rio Grande County Clerk and Recorder.

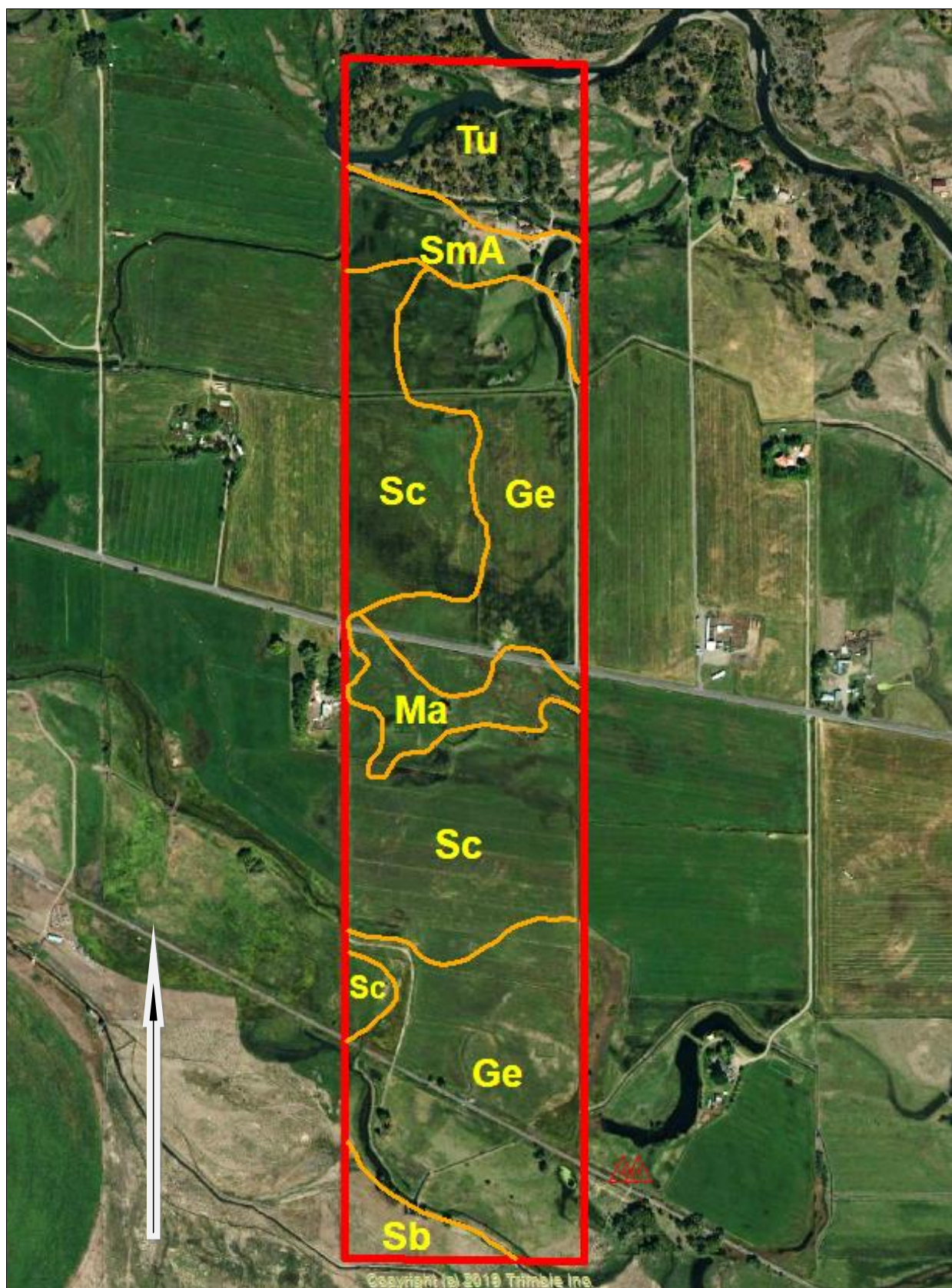
## PARCEL 2:

The East Half of the Southwest Quarter of Section Twenty-Three, Township Thirty-nine North, Range Seven East, New Mexico Principal Meridian, and being more particularly described by metes and bounds as follows, to-wit:

Beginning at the Southeast corner of said E1/2 SW1/4 Section 23, which corner is identical with the South Quarter corner of said Section 23: thence South 89° 56.5' West, 1314.61 feet along the south line of said E1/2SW1/4 Section 23 to the Southwest corner thereof: thence North 0° 17' East, 2644.42 feet along the west line of said E1/2 SW1/4 Section 23 to the northwest corner thereof; thence North 89° 40.5' East, 1318.52 feet along the north line of said E1/2 SW1/4 Section 23 to the northeast corner thereof; thence South 0° 22' West, 2650.60 feet along the east line of said E/12 SW1/4 Section 23 to the place of beginning.

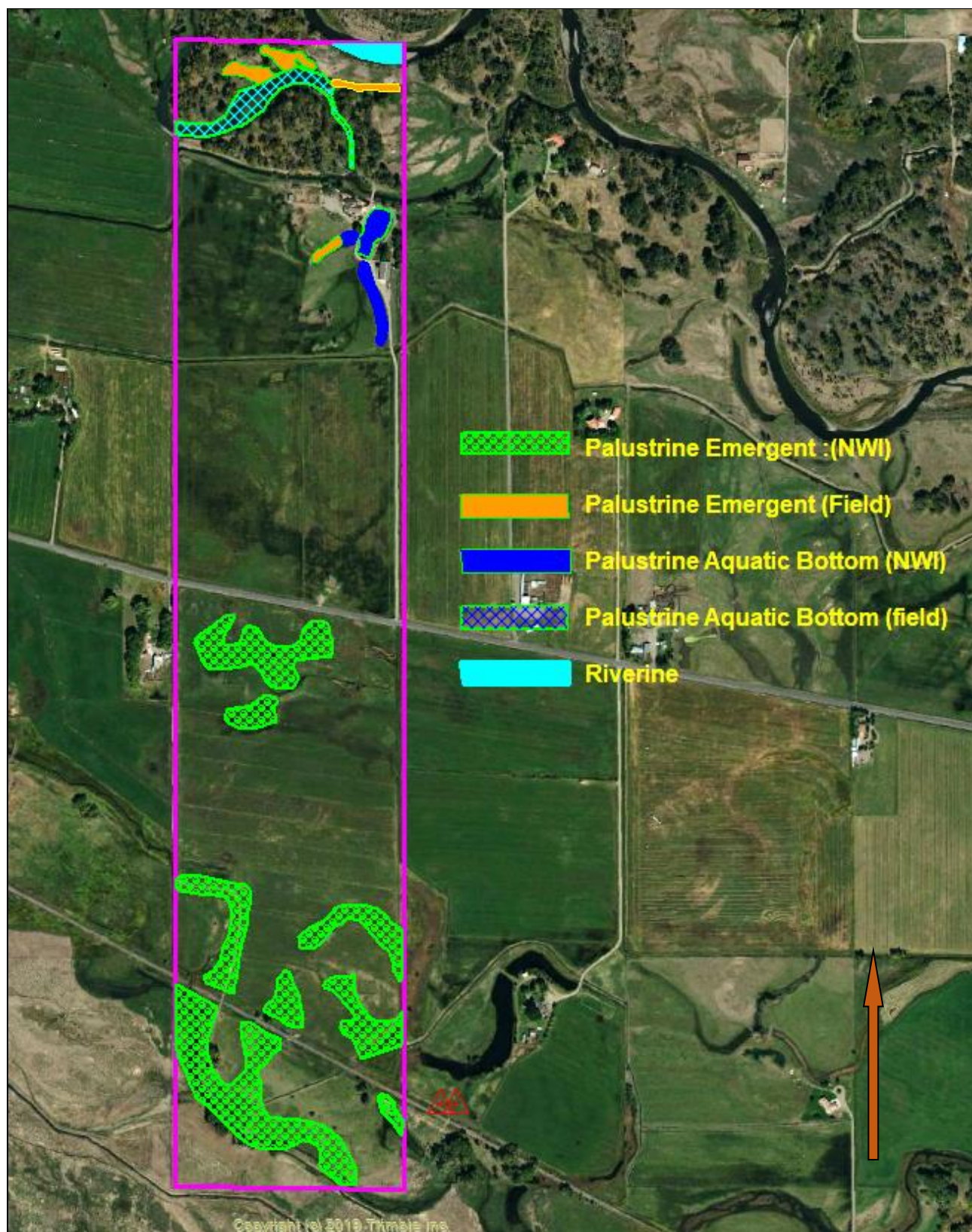
TOGETHER WITH that fraction of the Northeast Quarter of the Northwest Quarter of Section Twenty-Six, Township Thirty-Nine, North, Range Seven East, New Mexico Principal Meridian, located northerly of Swede Lane, which fraction is more particularly described by metes and bounds as follows, to-wit: Beginning at the northwest corner of the fraction herein described, which corner is identical with the northwest corner of said NE1/4 NW1/4 Section 26, whence the northwest corner of said Section 26 bears South 89° 56.5' West, 1314.61 feet distant; thence North 89° 56.5' East, 1314.61 feet along the north line of said NE1/4 NW1/4 Section 26 to the northeast corner thereof which corner is identical with the North Quarter corner of said Section 26; thence South 0° 08.5' East, 692.50 feet along the east line of said NE/14 NW1/4 Section 26 to its point of intersection with the northerly limit, as fenced, of said Swede Lane, which point is identical with the southeast corner of the fraction herein described; thence North 79° 29' West, 1338.86 feet along the northerly limit, as fenced, of said Swede Lane to its point of intersection with the West line of said NE1/4NW1/4 Section 26, which point is identical with the southwest corner of the fraction herein described: thence North 0° 05' West, 443.20 feet along the west line of said NE1/4 NW1/4 Section 26 to the place of beginning.

## PAULSON SOILS MAP



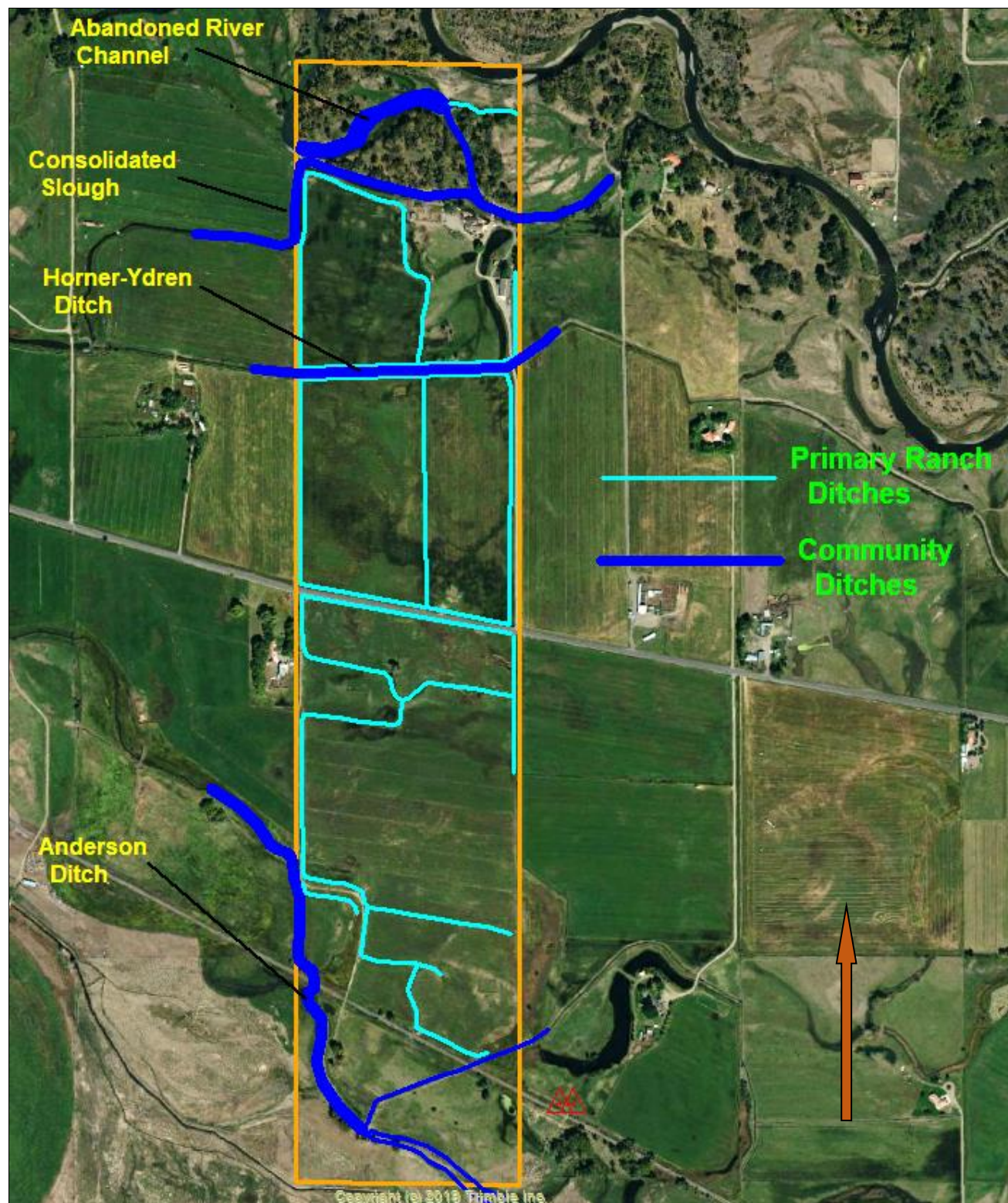


## NWI & FIELD-IDENTIFIED WETLANDS





## Paulson Ranch Irrigation System





## VEGETATION COVER MAP

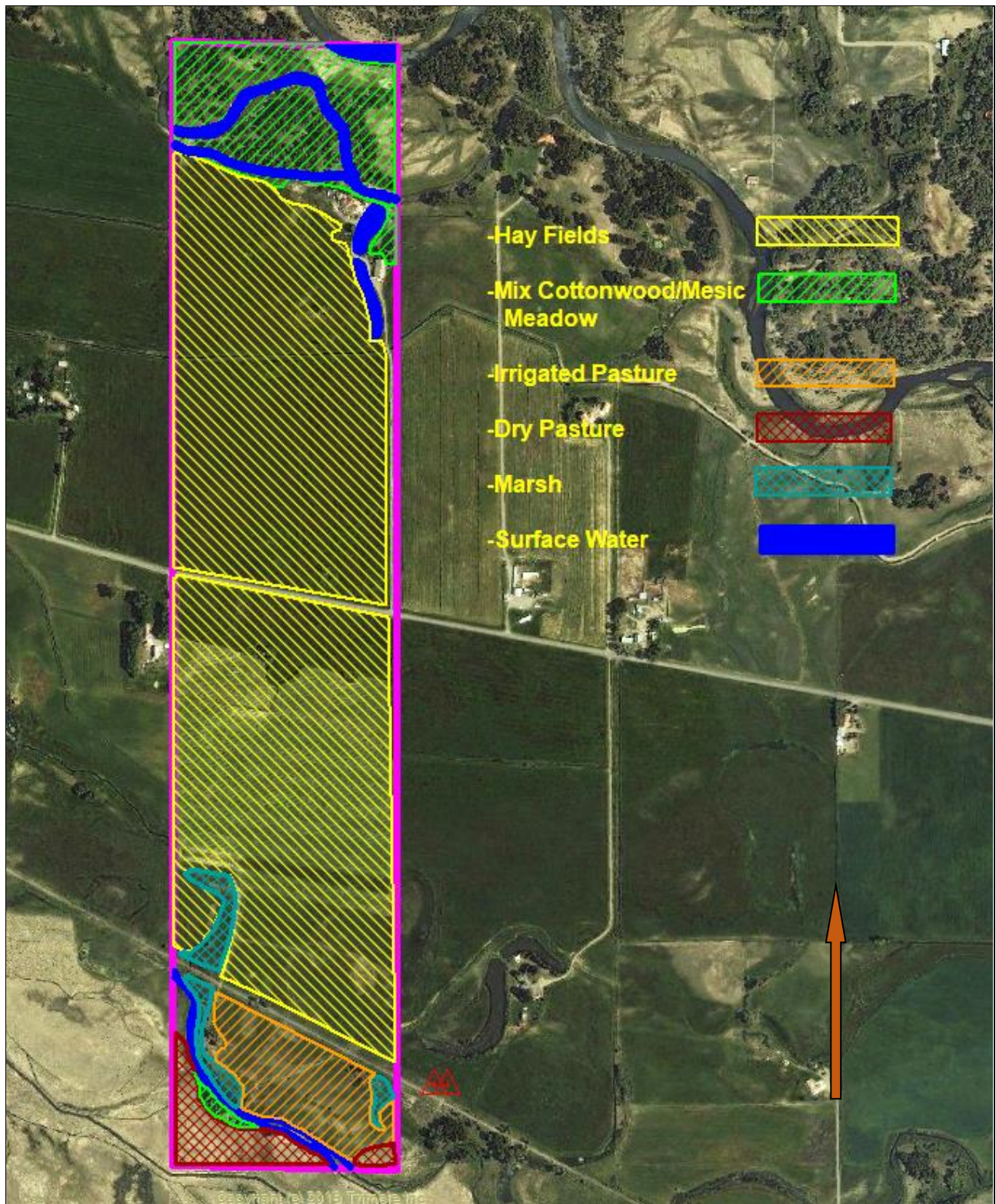


EXHIBIT PM - PRELIMINARY



## PROPERTY IMPROVEMENTS & OTHER FEATURES

