

STATE OF COLORADO GRANT AGREEMENT

COVER PAGE

State Agency Colorado Department of Natural Resources Colorado Water Conservation Board (CWCBC) 1313 Sherman St, Room 718 Denver, CO 80203	Agreement Number CMS #166822 CORE Encumbrance CTGG1 2021*3033																		
Grantee Colorado Open Lands 1546 Cole Blvd. Suite 200 Lakewood, CO 80401	Agreement Performance Beginning Date The Grant Award Letter Effective date (the date the State Controller or an authorized delegate signs this Grant Letter) Initial Agreement Expiration Date April 30, 2021																		
Agreement Maximum Amount Entire contract term for all applicable fiscal years: \$58,500.00	Agreement Authority Authority for the agency entering into this Contract arises from Colorado Revised Statutes (CRS) 37-60-106 and 37-60-121, and Senate Bill 09-125 adopted by the 2009 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.																		
Agreement Purpose 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. The Contract is exempt from the procurement code under 24-101-105(1)(II.5) and Procurement Rule R-101-105-01.																			
Exhibits and Order of Precedence The following Exhibits and attachments are included with this Agreement: <table border="0"> <tr> <td>1. Exhibit A, Statement of Work.</td> <td>5. Exhibit E - PM - Preliminary Property Map</td> </tr> <tr> <td>2. Exhibit B, Budget</td> <td></td> </tr> <tr> <td>3. Exhibit C, Option Letter</td> <td></td> </tr> <tr> <td>4. Exhibit D - PLD Preliminary Legal Description</td> <td></td> </tr> </table> 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: <table border="0"> <tr> <td>1. Colorado Special Provisions in §18 of the main body of this Agreement.</td> <td></td> </tr> <tr> <td>2. The provisions of the other sections of the main body of this Agreement.</td> <td></td> </tr> <tr> <td>3. Exhibit A, Statement of Work.</td> <td>6. Exhibit D - PLD Preliminary Legal Description</td> </tr> <tr> <td>4. Exhibit B, Budget.</td> <td>7. Exhibit E - PM - Preliminary Map</td> </tr> <tr> <td>5. Exhibit C, Option Letter</td> <td></td> </tr> </table>		1. Exhibit A, Statement of Work.	5. Exhibit E - PM - Preliminary Property Map	2. Exhibit B, Budget		3. Exhibit C, Option Letter		4. Exhibit D - PLD Preliminary Legal Description		1. Colorado Special Provisions in §18 of the main body of this Agreement.		2. The provisions of the other sections of the main body of this Agreement.		3. Exhibit A, Statement of Work.	6. Exhibit D - PLD Preliminary Legal Description	4. Exhibit B, Budget.	7. Exhibit E - PM - Preliminary Map	5. Exhibit C, Option Letter	
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Principal Representatives For the State: Alex Funk, CWCBC Project Manager Department of Natural Resources Colorado Water Conservation Board 1313 Sherman St, Suite 718 Denver, CO 80203 Alex.Funk@State.co.us	For Grantee: Judy Lopez, Conservation Program Manager Colorado Open Lands Attn: Judy Lopez 1546 Cole Blvd. Suite 200 Lakewood, CO 80401 jlopez@coloradoopenlands.org																		

CMS Number: 166822
Encumbrance Number: CTGG1 2021*3033

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.

<p>GRANTEE Colorado Open Lands</p> <p>DocuSigned by: <u>Anthony Caligiuri</u> <small>COLORADO OPEN LANDS CMS#166822_CTGG1 20213033_COL_Jackson Ranch</small></p> <p><u>Signature</u></p> <p>_____ Anthony Caligiuri COLORADO OPEN LANDS CMS#166822_CTGG1 20213033_COL_Jackson Ranch Printed Name</p> <p>_____ President Signatory's Title</p> <p>Date: <u>February 25, 2021 2:43 PM MST</u></p>	<p>STATE OF COLORADO Jared S. Polis, Governor Colorado Department of Natural Resources Dan Gibbs, Executive Director Colorado Water Conservation Board</p> <p>DocuSigned by: <u>Russell Sands</u> <small>COLORADO OPEN LANDS CMS#166822_CTGG1 20213033_COL_Jackson Ranch</small></p> <p><u>Signature</u></p> <p>_____ Russell Sands, Chief, Water Supply Planning Printed Name</p> <p>Date: <u>March 1, 2021 8:17 AM PST</u></p>
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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:
Ion Cotsapas COLORADO OPEN LANDS CMS#166822_CTGG1 20213033_COL_Jackson Ranch

Signature

Ion Cotsapas
Printed Name

DNR Contracts Director
Signatory's Title

Agreement Effective Date: March 2, 2021 | 12:06 PM MST

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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.D2.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.B2.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 Conejos 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 April 15, 2021. 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

Colorado Water Conservation Board	
Water Supply Reserve Fund	
<u>Exhibit A - Statement of Work</u>	
Date: (include all edit date)	1/07/2021
Water Activity Name:	Conserving Working Lands and Senior Water Rights- Jackson Ranch Conservation Easement
Grant Recipient:	Colorado Open Lands
Funding Source:	WSRF -Rio Grande Basin Roundtable Basin Account
Water Activity Overview:	
<p>Colorado Open Lands (COL) is requesting \$5,821.00 from the Rio Grande Basin Roundtable (RGBRT) Basin account and \$ 52,679.00 from the Statewide account for a total request of \$ 58,500.00. The funds will be used to provide the remaining needed funding to be used to purchase a conservation easements on Jackson Ranch. The 433-acre Jackson Ranch has significant senior water rights and is a part of an important agricultural corridor and part of Colorado Open Lands landscape priorities for the San Luis Valley”</p> <p>The conservation easement on Jackson Ranch will tie its senior water rights on the Conejos River system to the property preventing an outright sale of those water rights. The ranch holds the #21 and number #30 water rights on the Conejos River. Conservation of this ranch keeps the existing hydrology intact, which ensures return flows to downstream users and the river.</p> <p>This water right provides flood irrigation to 80 acres of alfalfa and 240 acres of wet meadow used for hay and pasture. The remainder of the property is riparian area and remains productive due to sub-irrigation and ensures that the existence of this important wildlife corridor that supports deer, elk, bear, raptors and the southwest willow flycatcher.</p> <p>This project is an important addition in preserving the agricultural landscape and the historic water use patterns along the San Antonio and Conejos river corridors, by reducing the threat of encroaching subdivisions this easement will maintain active wildlife corridors and ensuring the delivery of critical water resources.</p>	



Last Update: November 29, 2017

Objectives: (List the objectives of the project)

The objective of this project is to place a conservation easement on the Jackson Ranch property. This includes the completion of all due diligence item to include: a certified appraisal, baseline report, survey, title work, water, mineral and environmental evaluation, and deed development.

Implementation of a Conservation easement on the Jackson Ranch in Conejos County will ensure that the existing hydrology remains intact allowing return flows to reach downstream users and the river by tying senior water rights to the land. Additionally, the completion of this project will prevent sub-division of these historical agriculture property's, keep the opportunity to work with subdistricts and water managers open while ensuring the water remains in the San Luis Valley (SLV). Additionally, they will maintain key wildlife corridors.

Tasks

Provide a detailed description of each task using the following format:

Task 1 – Implementation of a Conservation Easement

Description of Task:

COL will work with the landowner and NRCS, GOCO, and CWCB to draft a conservation easement encumbering the property in perpetuity. The conservation easement will prohibit future non-agricultural development of the property, while permitting limited sharing of the water associated with the property. = The landowner will have the option to share water under the facilitation of SLV Water managers and Colorado Open Lands staff..COL will work with the landowner to insure that all guidelines of the deed and funders are met and that the conservation values are protected. However, the conservation easement will prohibit the permanent separation of the associated water rights from the property. Through funding from NRCS, GOCO, CWCB and a partial donation by the landowner, COL will ultimately acquire a conservation easement on the Jackson Ranch property. COL will monitor the projects annually to ensure compliance with the terms of the conservation easement in perpetuity

Method/Procedure:

This task will involve the following:

1. Negotiate terms of each deed of the conservation easement with property owner that provide flexibility for water-sharing., if desired.
2. Meet with stakeholders to discuss farm operations plan and water-sharing; secure conservation easement language approval.
3. Review due diligence in advance of closing on conservation easement (Baseline Report, Appraisal, Phase I Environmental Report, Title Work, Geologist Report).
4. Complete conveyance of conservation easement from landowner to COL.

Grantee Deliverable: (Describe the deliverable the grantee expects from this task)



Last Update: November 29, 2017

Tasks
Recorded Conservation Easement on the Jackson Ranch a property.
CWCB Deliverable: (Describe the deliverable the grantee will provide CWCB documenting the completion of this task)
Upon completion of this project Colorado Open Lands will provide CWCB a final report summarizing the transaction. This will include all due diligence documents and a copy of the recorded deed of conservation easement and photos.

Tasks
Provide a detailed description of each task using the following format:
<u>Task 2 – Implementation of all due diligence</u>
Description of Task:
COL will work with the landowner and NRCS, GOCO and CWCB to draft a conservation easement encumbering the property in perpetuity. Through funding from NRCS, GOCO, CWCB and a partial donation by the landowner, COL will ultimately acquire a conservation easement on the Schaefer Farm and Jackson Ranch properties. To complete this process COL will perform all due diligence (Baseline Report, Appraisal, Phase I Environmental Report, Title Work, Geologist Report). COL will monitor the projects annually to ensure compliance with the terms of the conservation easement in perpetuity
Method/Procedure:
This task will involve the following: <ol style="list-style-type: none"> 1. Contract and review all due diligence in advance of closing on conservation easement (Baseline Report, Appraisal, Phase I Environmental Report, Title Work, Geologist Report and Survey). 2. Complete conveyance of conservation easement from landowner to COL.
CWCB Deliverable: (Describe the deliverable the grantee will provide CWCB documenting the completion of this task)
Ensure that all due diligence required for the placement of the easement meets all local, state and federal guidelines. To ensure that upon completion of this project Colorado Open Lands will provide CWCB a final report summarizing the transaction. This will include all due diligence documents and a copy of the recorded deed of conservation easement and photos.

Tasks
Provide a detailed description of each task using the following format:
<u>Task 3 – Administration of a Conservation Easement</u>
Description of Task:



Last Update: November 29, 2017

Tasks
<p>COL will work with the landowner, due diligence contractors and funders to ensure that all due diligence is completed and meets all of the Federal, State and local guidelines. Further, COL will draft a conservation easement encumbering the property in perpetuity. The conservation easements will prohibit future non-agricultural development of the property, while permitting limited sharing of the water associated with the property with water mangers under the guidance of the deed terms and COL staff. At no time will this water sharing be allowed to inhibit or damage the conservation values set forth in the deed of Conservation Easement as approved by all parties to the transaction. However, the conservation easement will prohibit the permanent separation of the associated water rights from the property. Additionally, COL will monitor the projects annually to ensure compliance with the terms of the conservation easement in perpetuity</p>
Method/Procedure:
<p>This task will involve the following:</p> <ol style="list-style-type: none"> 1. Contract and review due diligence in advance of closing on conservation easement (Baseline Report, Appraisal, Phase I Environmental Report, Title Work, Geologist Report). 2. Negotiate terms of each deed of the conservation easement with property owner that provide flexibility for water-sharing. 3. Meet with stakeholder to discuss farm operations plan and water-sharing; secure conservation easement language approval. 4. Complete conveyance of conservation easement from landowner to COL. 5. Annual monitoring of the property in perpetuity.
Grantee Deliverable: (Describe the deliverable the grantee expects from this task)
<p>Approved due diligence and recorded Deed of Conservation Easement.</p>
CWCB Deliverable: (Describe the deliverable the grantee will provide CWCB documenting the completion of this task)
<p>Upon completion of this project Colorado Open Lands will provide CWCB a final report summarizing the transaction. This will include all due diligence documents and a copy of the recorded deed of conservation easement and photos.</p>

Budget and Schedule
<p>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 <u>excel format</u>.</p>

Reporting Requirements
<p>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</p>



Last Update: November 29, 2017

Reporting Requirements

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: July 31, 2018

**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****Water Activity Name: Securing Water Rights in The San Luis Valley Jackson Ranch Conservation Easement****Grantee Name: Colorado Open Lands**

<u>Task No.</u> ⁽¹⁾	<u>Description</u>	<u>Start Date</u> ⁽²⁾	<u>End Date</u>	<u>Matching Funds (cash & in-kind)</u> ⁽³⁾	<u>WSRF Funds (Basin & Statewide combined)</u> ⁽³⁾	<u>Total</u>
1	Easement Acquisition		4/30/21	\$1,253,000	\$46,000.00	\$1,299,000
2	Due Dilligence		4/30/21	\$78,669	\$0	\$78,669
3	Administration		4/30/21	\$10,000	\$12,500	\$22,500
						\$0
						\$0
Total				\$1,341,669	\$58,500	\$1,400,169

EXHIBIT C, SAMPLE OPTION LETTER

State Agency Colorado Department of Natural Resources Colorado Water Conservation Board (CWCB) 1313 Sherman St, Room 718 Denver, CO 80203	Option Letter Number Insert the Option Number (e.g. "1" for the first option)
Colorado Open Lands Col Foundation 1546 Cole Blvd. Suite 200 Lakewood, CO 80401	Original Agreement Number CMS# 166822 CTGG1 2021*3033
Current Agreement Maximum Amount Entire contract term for all applicable fiscal years:\$0.00	Option Agreement Number Insert CMS number or Other Agreement Number of this Option
	Agreement Performance Beginning Date Month Day, Year
	Current Agreement Expiration Date 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">STATE OF COLORADO Jared S. Polis, Governor Colorado Department of Natural Resources Dan Gibbs, Executive Director Colorado Water Conservation Board</p> <p>By: _____ Signature</p> <p>_____ Printed Name</p> <p>_____ Title</p> <p>Date: _____</p>	<p align="center">In accordance with §24-30-202, C.R.S., this Option is not valid until signed and dated below by the State Controller or an authorized delegate. STATE CONTROLLER Robert Jaros, CPA, MBA, JD</p> <p>By: _____ Signature</p> <p>_____ Printed Name</p> <p>_____ Title</p> <p>Option Effective Date: _____</p>
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EXHIBIT D

Jackson Ranch Legal Description

Legal Description of the Property

Parcel 1:

The Southwest 1/4 of the Southwest 1/4 of Section 22, Township 34 North, Range 10 East of the N.M.P.M., County of Conejos, State of Colorado.

Parcel 2:

The Southeast 1/4 of the Southwest 1/4 of Section 21, Township 34 North, Range 10 East of the N.M.P.M., County of Conejos, State of Colorado.

Parcel 3:

The South 1/2 of the Southeast 1/4 of Section 21, Township 34 North, Range 10 East of the N.M.P.M. and the Northeast 1/4 of the Northwest 1/4 of Section 28, Township 34 North, Range 10 East of the N.M.P.M. and the North 1/2 of the Northeast 1/4 of Section 28, Township 34 North, Range 10 East of the N.M.P.M., County of Conejos, State of Colorado

Parcel 4:

The Northwest 1/4 of the Southeast 1/4 of Section 21, Township 34 North, Range 10 East of the N.M.P.M. and the Northeast 1/4 of the Southeast 1/4 of Section 21, Township 34 North, Range 10 East of the N.M.P.M. and that part of the Southeast 1/4 of the Northeast 1/4 which lies South of State Highway 142, Section 21, Township 34 North, Range 10 East of the N.M.P.M., County of Conejos, State of Colorado.

Parcel 5:

The Northwest 1/4 of the Southwest 1/4 of Section 22, Township 34 North, Range 10 East of the N.M.P.M. and that part of the South 1/2 of the Southwest 1/4 of the Northwest 1/4 Lying South of State Highway 142 of Section 22, Township 34 North, Range 10 East of the N.M.P.M., County of Conejos, State of Colorado



JACKSON RANCH (433 ACRES) - DESIRED BUILDING ENVELOPE

CONEJOS COUNTY

