

Stewart Ditch and Reservoir Company

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August 12, 2021

Colorado Department of Natural Resources
Colorado Water Conservation Board
ATTN: Ben Wade
1313 Sherman Street, Room 721
Denver, CO 80203

RE: Stewart Ditch & Reservoir Company, Upper Stewart Ditch Pipeline Project, Bureau of Reclamation Agreement #R18AC00076 certification of completion for the Colorado Water Conservation Board Agreement #CTGG1 2019-2577.

To whom it may concern,

Stewart Ditch & Reservoir Co. (SDRC) wishes to express their appreciation to the Colorado Water Conservation Board and the Gunnison Basin Roundtable for their grant contributions towards SDRC's Upper Stewart Ditch Pipeline Project. These funds made it possible for SDRC's pipeline project to be in the competitive cost range for BOR funding which made this project a reality.

Bolinger & Queen Inc. (Hotchkiss, CO) was awarded the materials contract, Rundle Construction Inc. (Hotchkiss, CO) was awarded the installation contract and Curtis Concrete Inc. (Crawford, CO) was awarded the concrete contract, in the Fall of 2020. The materials were delivered, and construction began in November 2020. Winter conditions, narrow workspace, crossing German Creek and numerous elbows made the project interesting and challenging.

Some of the added expense of the project was when the pipe started arriving in the summer before the construction bids were awarded, we hired Pitt Construction to unload the trucks. One air vent, when installed, was not going to be tall enough so that had to be reengineered and fabricated. Construction complications such as the weather also included the crossing of German Creek, mud and sluffing created issues but with Rundle Construction's due diligence and expertise they were able to successfully work through it. Water was discovered in the trench near the old Ballard Flume and French drains were installed to alleviate that issue. As the pipeline was being installed near the end of the project more elbows had to be ordered to keep the pipeline within the existing ditch above the town of Paonia. When the project was

completed, we saw that the access roads then needed to be blocked off, so another added expense was concrete barriers.

SDRC wishes to inform you that the project is now completed. SDRC with their engineers, Harward Consulting & Engineering and their installation contractor Rundle Construction Inc. began the startup procedure early April 2021. By the middle of April 2021, the pipeline was operational and in full service, and has performed per expectations to date. This pipeline project is accomplishing our goals as a ditch company to better serve our shareholders, the BOR's goals to eliminate the salt load contributed by this extension of ditch, and CWCB's goals to better manage and preserve Colorado's water resource. SDRC also plans, with the BOR's approval, to improve and enhance this pipeline project with any funds that may be remaining after the engineering bills have been paid.

We certify to the best of our knowledge, that this project's tasks and deliverables as outlined in the CWCB SDRC agreement have been completed, other than future audits.

We certify that this project was installed as planned with a few minor changes, and that construction plans and specifications were followed.

We certify that all vendors, contractors and suppliers have been paid in full.

We certify that the pipeline, appurtenances and structures are functioning as planned.

If you need any further information or have questions, feel free to contact us.

Kind Regards,

A handwritten signature in cursive script that reads "Karl Burns".

Karl Burns, President

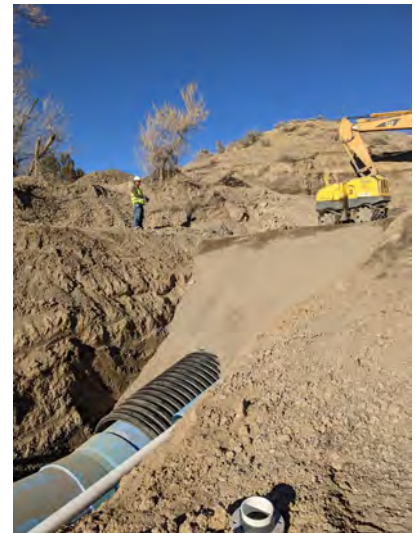
CC: Gunnison Basin Roundtable

















Direct Cost Summary						
Name	Original Estimated Materials	Bidded by Contractors	Cost to Date	Invocies Still Out	Amount Left	Reason for Oveages
Stewart Ditch (MISC)			\$23,873.53			These were charges that did not exactly fit into other catagories. Such as the Dumpster from Roberts for cleanup, Cement Barriers, Auto Greaser, Randy Wilmore Survey, Dought Steel rehab fo the air vent and Pitt Construction unloading pipe paid by SDRC.
Stewart Ditch Upper Pipe Cost	\$1,541,846.83	\$953,441.40	\$973,331.86		-\$19,890.46	During construction we needed to replace some broken pipe. We also had to order additional 4" and 6" pipe for issues discovered during the construction.
Stewart Ditch Upper Pipeline Materials Cost	\$474,131.02	\$511,220.63	\$583,042.86		-\$71,822.23	Additional fittings were ordered when problems arose during construction.
Construction & Concrete	\$148,486.94	\$546,086.10	\$612,479.76		-\$66,393.66	The pipe construction and the concrete work were separate bids. During construction, gravel and additional pipe needed to be install for drainage.
Totals	\$2,164,464.79	\$2,010,478.13	\$2,192,728.01	\$0.00		

InDirect Cost Summary					
	Estimated	Bidded	Cost to Date	Invoices Still Out	Remaining
Design - Harward	\$216,446.00		\$214,281.56	\$0.00	\$2,164.44
Nepa Compliance	\$43,289.30		\$20,275.90	\$0.00	\$23,013.40
Cultural Resource	\$21,644.65	\$13,940.00	\$11,016.74	\$0.00	\$10,627.91
Administrative	\$12,986.79		\$3,335.47	\$0.00	\$9,651.32
Habitat Replacement	\$114,716.63		\$10,997.77	\$0.00	\$103,718.86
Canal Inspection	\$21,644.65		\$1,759.50		\$19,885.15
Audit	\$7,500.00		\$0.00		\$7,500.00
Construction Management-Harward	\$129,867.00		\$105,841.62	\$0.00	\$24,025.38
					22,500.00

Total Project Summary					
	Estimated	Bidded	10% added over bid	Bid Adjustment	Cost to Date
Direct Cost Totals					
(Materials+Pipe+Construction)	\$2,164,464.79	\$2,010,748.13			\$2,192,728.01
Indirect Costs Totals	\$568,095.02	\$367,753.00			\$367,508.56
Bank Cost					\$201.27
Invoices Remaining					\$24,075.40
Direct Cost Hold Back					
Indirect Cost Hold Back					
Total Cost	\$2,732,559.81				\$2,584,513.24
Bank Interest and Charges	\$201.27				

Potential Direct Savings	
Award Amount BOR 2018/2019	\$1,021,210.00
Award Amount BOR 2020	\$1,486,351.00
Award Amount CWCB	\$22,500.00
Total Awards	\$2,732,561.00
Minus	
Current Cost to date	\$2,560,437.84
Invoices Remaining	\$24,075.40
Funding Remaining	\$148,047.76
Shortage from (\$2,732,561.18)	\$117,533.17