

Exhibit A

Statement Of Work	
Prepared Date:	November 30, 2023
Name of Grantee:	Western Water Partnerships
Name of Water Project:	Las Animas Water-Sharing Program
Water Project Overview:	
<p>Western Water Partnerships (the Grantee) is working with stakeholders to build the Las Animas Consolidated and Consolidated Extension Canals (LAC) Water-Sharing Program through a collaborative process involving Xcel, the farmers, Palmer Land Conservancy, Colorado Springs-Utilities, and other prospective end-users including municipal, industrial, agricultural, environmental, and recreational interests. This group comprises a “Steering Committee” tasked with developing a water-sharing company utilizing available Xcel’s LAC water rights. These entities and representatives are all committed to being part of the co-creation of this prospective entity. Currently, both Colorado Springs Utilities and the farmers are committed to developing the water-sharing program and being its key municipal and agricultural water users, respectively. The Program seeks to create certainty for the farmers by connecting the water back to the land in perpetuity while allowing a portion to be used for municipal purposes.</p>	
Project Objectives:	
<p>The Steering Committee of the Las Animas Water-Sharing Program seeks to answer key technical questions prior to establishing the water-sharing company. Specifically, this includes the following tasks: the identification of water sources, internal ditch operations under a water-sharing program, high-level legal/water court analyses, infrastructure needs assessment, developing water-sharing program organizational structure and governance, conservation easement legal analysis, financial modeling, water rights valuation, and analysis of permitting requirements, including Bent County 1041 regulations.</p>	

Tasks
Task 1 – Identify Water Sharing Program’s Water Sources
Description of Task:
<p>Analysis is needed to determine the appropriate mix of water sources to obtain the approximate 30% of the water for non-agricultural uses. Water sources could include Alternative Transfer Method (ATM) water (i.e., rotational fallowing, deficit irrigation), stored water, previously dried-up acreage, and/or permanent dry-up of low-quality farmlands.</p>
Method/Procedure:
<p>Xcel staff has prepared a preliminary GIS-based map of the 128 parcels associated with the available Xcel water rights that were included in Case No. 80CW52. The Grantee will adapt that GIS map for use in their analysis. The Grantee will seek input from the LAC and Extension water users who may be familiar with irrigation operations practices to confirm the status of dry-up.</p>

The Grantee will complete a preliminary estimate of the average annual and drought year consumptive use credit that would be theoretically available based on the existing dry-up of those identified areas. The Grantee will calculate the amount of additional dry-up acreage that would be required to reach a 30-percent dry-up level. For the most recent 20 years, the Grantee estimates that the amount of water pursuant to Xcel's ownership of the LAC and Extension that has been stored for later delivery has been done pursuant to the Winter Water Storage Agreement. The Grantee will complete a preliminary evaluation of the amount of consumptive use credit associated with such Winter Water that might be re-purposed as a part of the 30 percent. The Grantee will identify engineering and legal issues and requirements for the Water Court approvals that would be required before the Winter Water could be re-purposed in this manner. The analysis will include a review of the opportunities and challenges with potentially developing the 30 percent consumptive use credit through irrigation efficiency (i.e. pivot irrigation), rotational fallowing practices, split season irrigation, crop switching, and deficit irrigation.

Deliverable:

GIS map of irrigated land and white paper outlining findings.

Tasks

Task 2 – Model Internal Water-Sharing Program Operations

Description of Task:

The Grantee will model ditch operations under the scenarios described in Task 1 to evaluate whether the LAC and Extension could be operated without causing injury to the non-participating shareholders and/or to other Arkansas River water users. The Grantee will identify proposed changes to ditch operations that would be required to prevent such injury.

Method/Procedure:

The Grantee's subcontractor, W.W. Wheeler Water Engineers, will perform the water rights engineering/modeling.

Deliverable:

White paper outlining findings.

Tasks

Task 3 – Model External Water-sharing Program Operations

Description of Task:

It is presumed that some or all the end-users for the 30 percent of the water-sharing program would seek to make use of their shares of the water at upstream locations such as Pueblo Reservoir. Based on the most recent ten years, the Grantee will perform an estimate of the monthly amounts of water associated with the 30 percent that could be directly exchanged upstream to Pueblo Reservoir. The Grantee will identify scenarios of potential storage requirements at other existing reservoirs and augmentation stations that might be required to support deliveries of the 30 percent to upstream locations such as Pueblo Reservoir.

Method/Procedure:

The Grantee’s subcontractor, W.W. Wheeler Water Engineers, will perform the water rights engineering/modeling.
Deliverable:
White paper outlining findings.

Tasks
Task 4 – Roadmap for Potential Water Right Changes
Description of Task:
For the water rights that were included in Case No. 80CW52, the Grantee will provide a review of legal and engineering analysis that would likely be required to utilize these available rights.
Method/Procedure:
The Grantee will complete an engineering and legal analysis for: (1) changing the type of use for the 30 percent portion; (2) changing the location of use for the 30 percent portion; (3) changing the timing of use; (4) using stored water to make up a portion of the 30 percent portion; and changing the method of replacing historical return flows. The Grantee will also complete a review of engineering and legal requirements for potential Water Court approval to change any LAC and Extension water rights that were not previously included in Case No. 80CW52.
Deliverable:
White paper outlining findings.

Tasks
Task 5 – Infrastructure Needs Assessment
Description of Task:
The Grantee will conduct a reconnaissance-level analysis of the likely requirements for rehabilitation of existing structures and the construction of new facilities that would be required for the effective and efficient operation of the water-sharing program. Facilities could include one or more “augmentation stations” for the delivery of return flows to the river.
Method/Procedure:
The Grantee will also conduct a reconnaissance field investigation of the condition of the existing diversion facility at the Arkansas River. The Grantee will complete a rough estimate of irrigation improvements (i.e., conversion from flood to pivot). The resulting report will include order-of-magnitude cost estimates for rehabilitation and/or construction of the required facilities. Property acquisitions and easements that would likely be required for any new facilities that would be needed will be noted.
Deliverable:
White paper outlining findings.

Tasks
Task 6 – Analysis and determination of organizational structure and governance
Description of Task:
The Grantee will work with stakeholders to establish water-sharing program company (Organizational structure, bylaws, agreements, program administration).
Method/Procedure:
The Grantee will complete legal analyses and considerations involving the development of a water-sharing company. Specifically, the Grantee will work with stakeholders to establish the following for the company: <ol style="list-style-type: none"> 1. Legal Structure (non-profit, cooperative, etc.) 2. Governance (by-laws, board membership) 3. Administration (water rights accounting and program budget)
Deliverable:
White paper outlining findings.

Tasks
Task 7 – Analysis of using conservation easements
Description of Task:
The Grantee and project partners will complete legal research and exploration on the application of statutory requirements of encumbering water rights through conservation easements and how/whether to apply a conservation easement to achieve the goals of the project. This analysis will include an exploration of other tools/frameworks to achieve the project's conservation goals while maintaining a level of legal integrity that gives protection and assurance to project partners.
Method/Procedure:
The Grantee's project partner, Palmer Land Conservancy, will lead this task and work with their chosen attorney with national expertise in conservation easements to perform the research and analysis.
Deliverable:
White paper outlining findings.

Tasks
Task 8 – Compliance with Bent County 1041 regulations and/or Intergovernmental Agreements
Description of Task:
The Grantee will complete outreach to determine what is required of Bent County to ensure either compliance with the County's 1041 regulations and/or compliance with any relevant Intergovernmental Agreements (IGAs).

Method/Procedure:
The Grantee will work with their legal team (both water and land use attorneys) to analyze relevant documents and provide a list of actions that need to be undertaken to ensure compliance with any Bent County requirements.
Deliverable:
White paper outlining findings.

Tasks
Task 9 – Coordinate and Participate in Steering Committee Meetings
Description of Task:
The Steering Committee will meet to discuss the analyses and findings by the consultant team.
Method/Procedure:
The Grantee will coordinate between six to eight Steering Committee meetings. Up to five of the meetings will be in-person meetings held in Las Animas, Colorado.
Deliverable:
Six-month status reports describing meetings and outcomes.

Tasks
Task 10 – Financial Modeling
Description of Task:
The Grantee will work with a Certified Public Accountant (CPA) to provide financial modeling services to help guide the Steering Committee on determining the economics of the LAC Water-Sharing Program.
Method/Procedure:
<p>The Grantee and project partners will develop using standard accounting, financial, and tax methodologies. The specific sub-tasks include:</p> <ul style="list-style-type: none"> ● Engagement with Steering Committee ● Engagement with Colorado Springs municipality ● Review of legal documents and engagement with attorneys ● Maintenance and updates to financial model ● Analysis of tax efficiencies in the structure of project
Deliverable:
White paper describing recommendations and findings.

Tasks
Task 11 – Water Rights Appraisal and Conservation Easement Appraisal
Description of Task:
Using a Colorado Certified General Appraiser with water rights appraisal expertise, the Grantee will conduct an appraisal for the Las Animas Consolidated and Consolidated Extension's water rights. A separate appraisal for conservation easements on the land/water rights will also be conducted.
Method/Procedure:
Appraisals will be conducted in accordance with standard appraisal methods in Colorado.
Deliverable:
Digital copies of the appraisal reports.

Tasks
Task 12 – Final Report
Description of Task:
The Grantee and project team will prepare a final report summarizing and documenting the research and findings.
Method/Procedure:
The final report will summarize the project, provide white papers for the respective tasks, and include all relevant documentation.
Deliverable:
Digital files and a hard copy of the final report will be provided to CWCB at the project's completion.

Tasks
Task 13 – Project Management and Administration
Description of Task:
Western Water Partnerships will provide the oversight, project management, and administrative tasks associated with this project.
Method/Procedure:
Task includes contracting with subcontractors, ensuring the tasks are being performed according to the scope of work, preparation of six-month status reports, and submitting master invoices to the CWCB for consideration and payment.
Deliverable:
Deliverables will include status reports and monthly invoices.

Budget and Schedule

This Budget and Schedule that reflects the tasks identified in the Statement of Work.

Task No.	Task Description	Estimated Task Start Date	Estimated Task End Date	Grant Funding	Match Funding	Total
1	Identify Water Sharing Program's Water Sources	4/15/2024	4/15/2029	\$ 41,600.00	\$ -	\$ 41,600.00
2	Model Internal Water-Sharing Program Operations	4/15/2024	4/15/2029	\$ 6,975.00	\$ 2,325.00	\$ 9,300.00
3	Model External Water-sharing Program Operations	4/15/2024	4/15/2029	\$ 9,393.75	\$ 3,131.25	\$ 12,525.00
4	Roadmap for potential water right changes	4/15/2024	4/15/2029	\$ -	\$ 28,250.00	\$ 28,250.00
5	Infrastructure needs assessment	4/15/2024	4/15/2029	\$ 15,750.00	\$ 5,250.00	\$ 21,000.00
6	Develop water-sharing company's organizational structure and governance	4/15/2024	4/15/2029	\$ 14,438.00	\$ 4,813.00	\$ 19,250.00
7	Analysis of using conservation easements	4/15/2024	4/15/2029	\$ 37,500.00	\$ 12,500.00	\$ 50,000.00
8	Compliance with Bent County 1041 regulations and/or IGAs	4/15/2024	4/15/2029	\$ 10,500.00	\$ 3,500.00	\$ 14,000.00
9	Coordinate and Participate in Steering Committee Meetings	4/15/2024	4/15/2029	\$ 32,500.00	\$ -	\$ 32,500.00
10	Financial modeling	4/15/2024	4/15/2029	\$ 18,675.00	\$ 6,225.00	\$ 24,900.00
11	Water Rights Appraisal and Conservation Easement Appraisal	4/15/2024	4/15/2029	\$ 33,750.00	\$ 11,250.00	\$ 45,000.00
12	Final Report	4/15/2024	4/15/2029	\$ 10,031.25	\$ 3,343.75	\$ 13,375.00
13	Project Management and administration	4/15/2024	4/15/2029	\$ 13,125.00	\$ 4,375.00	\$ 17,500.00
	Direct Costs	4/15/2024	4/15/2029	\$ 1,500.00	\$ 500.00	\$ 2,000.00
Total				\$ 245,738.00	\$ 85,463.00	\$ 331,201.00

Reporting Requirements

Progress Reports: The grantee shall provide the CWCB a progress report every six months, beginning from the date of issuance of the grant agreement. The progress report shall describe the status of the tasks identified in the statement of work, including a description of any major issues that have occurred and any corrective action taken to address these issues.

Final Report: At completion of the project, the applicant shall provide the CWCB a final report on the applicant's letterhead that:

- Summarizes the project and how the project was completed.
- Describes any obstacles encountered, and how these obstacles were overcome.
- Confirms that all matching commitments have been fulfilled.
- Includes photographs, summaries of meetings and engineering reports/designs.

The CWCB will pay out the last 10% of the 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 grant agreement will be closed without any further payment.

Payment

Payment will be made based on actual expenditures and must include invoices for all work completed. The request for payment must include a description of the work accomplished by task, an estimate of the percent completion for individual tasks and the entire project in relation to the percentage of budget spent, identification of any major issues, and proposed or implemented corrective actions.

Costs incurred prior to the effective date of this grant agreement are not reimbursable. The last 10% of the entire grant will be paid out when the final deliverable has been received. All products, data and information developed as a result of this grant agreement must be provided to the CWCB as part of the project documentation.

Performance Measures

Performance measures for this grant agreement shall include the following:

(a) Performance standards and evaluation: Grantee will produce detailed deliverables for each task as specified. Grantee shall maintain receipts for all project expenses and documentation of the minimum in-kind contributions (if applicable) per the budget. Per grant guidelines, the CWCB will pay out the last 10% of the 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 grant agreement will be closed without any further payment.

(b) Accountability: Per grant guidelines full documentation of project progress must be submitted with each invoice for reimbursement. Grantee must confirm that all grant conditions have been complied with on each invoice. In addition, per Grant Guidelines, progress reports must be submitted at least once every 6 months. A final report must be submitted and approved before final project payment.

(c) Monitoring Requirements: Grantee is responsible for ongoing monitoring of project progress per Exhibit A. Progress shall be detailed in each invoice and in each progress report, as detailed above. Additional inspections or field consultations will be arranged as may be necessary.

(d) Noncompliance Resolution: Payment will be withheld if grantee is not current on all grant conditions. Flagrant disregard for grant conditions will result in a stop work order and cancellation of the grant agreement.