

Date: April 17, 2018

TO: Town of Rice Board of Trustees
FROM: Kari Distefano, Rico Town Manager
SUBJECT: Town Manager's Report

Opportunity Zones

Laura Lewis Marchino of Region 9 notified me that the U.S. Treasury has certified the Town of Rico along with the rest of Dolores County as an Opportunity Zone. This program was part of the 2017 tax reform bill and is intended to promote economic activity in areas that are struggling. This designation “provides a tax incentive for investors to reinvest capital gains” into areas like Rico. Investing in areas certified as Opportunity Zones will allow investors to defer, reduce or under certain circumstances eliminate certain federal gains taxes. There is more information about this program at <https://choosecolorado.com/oz>. It is possible that this could add incentive for people to invest in businesses or workforce housing in Rico.

Committee to Review Engineering Proposals for Preliminary Engineering Reports for Sewer and Water

I have written a request for proposals for preliminary engineering reports for a central sewer system that would serve the commercial core as well as a report that could tell us what it would take to reactivate the Silver Creek water system. Both Patrick Rondinelli from the Department of Local Affairs (DOLA) and Duane Dale from the U.S. Department of Agriculture (USDA) have reviewed the RFP and it meets with their approval. I am currently sending it out to various engineering firms. There are state regulations governing the advertisement of jobs that are expected to exceed \$50,000 so the RFP will also be published in Durango, Cortez as well as our paper of record, the Telluride Daily Planet. I would like to award the bid as soon as possible in order to insure that the work be complete by early August and available for another community meeting but when we can award is contingent on a response from DOLA. A mandatory

site visit for all interested parties will take place on April 30th. I would like to have a committee to help evaluate the proposals. Any of the Trustees that are interested please let me know. I would also like to get some input from selected members of the public. A copy of the RFP is included in this packet.

Nomination of Cristal Hibbard for Rico Planning Commission

The Rico Planning Commission has been short one member ever since I started as manager. I have included in this packet a letter from Cristal Hibbard expressing interest in the position. I am recommending that we appoint Cristal Hibbard to the Rico Planning Commission.

Approval of Grant Agreement with DOLA for Professional Engineering Report

Included in your packet is a Grant Agreement with the Department of Local Affairs for the funding for the professional engineering report. We need to sign this and send it back to them. We cannot enter into any agreement with an engineering firm until DOLA has approved this agreement. I am recommending the Board authorize our Mayor to sign the agreement.

Approval of Grant Agreement with CWCB for Professional Engineering Report

Also included in your packet is a Grant Agreement with the Colorado Conservancy District for the funding for the professional engineering report and again, we need to sign this and send it back to them. I am recommending the Board authorize our Mayor to sign the agreement.

Approval of Grant Agreement with SWCB for professional engineering report

This agreement with the Southwest Water Conservancy Board also requires a signature and I am recommending that this agreement be signed also.

Responses to RFP for lease on S. Glasgow Street (Highway 145)

So far, we have not received any response to the request for proposals for the lease on Glasgow. I talked to Justin Bain and he told me that his friend Adrian Heimbach was preparing a proposal but I haven't seen it yet. Justin may still be in Mexico.

Hay and Mind Shaft building zoning violations

I have had phone conversations with both Jonathan Hay, the owner of 2 N. Glasgow and Karl (I'm not sure what his last name is), the owner of the Mine Shaft building. Jonathan Hay is actively trying to sell his building to a commercial operation. He may even be willing to lease it for a visitor center/art display area while he tries to sell it. From our phone conversation, I could not get a sense of how the owner of the Mine Shaft intends to rectify his violation. At this point, I think we should decide how to deal with this situation going forward. One option would be requiring that they submit a written statement that tells us how they are planning to come into compliance with the zoning code and include a timeline for their plan to take effect. The other option is to fine them according to Section 740 of the Rico Land Use Code, which is as follows:

Violation of any provision of this RLUC is hereby deemed to be a misdemeanor and any person found guilty hereunder shall be fined not less than \$40.00 nor more than \$1,000 and/or sentenced to jail for a term of not more than one year. Every day the RLUC is violated shall constitute a separate offense. The Town may withhold any building or development permit, stop the review of any pending development application, or issue a stop work order for any pending construction or development activity by a person who is in violation of this RLUC.

I would favor further conversations.

EXECUTIVE SESSION REGARDING SCHOOL NEGOTIATIONS

C.R.S. 24-6-402

Keith has requested that we go into an executive session regarding the closing of the Rico Elementary School and the ultimate outcome of that situation.

REQUEST FOR PROPOSALS FOR PRELIMINARY ENGINEERING REPORTS FOR A CENTRAL SEWER SYSTEM AND A WATER SYSTEM UPGRADE IN RICO COLORADO

The Town of Rico is seeking an engineering firm or team to provide two preliminary engineering reports. One report will supply a detailed analysis of Rico's water systems with the goal of increasing efficiency, quality and productivity and the other report will address the design and feasibility of a central sewer system for the Town of Rico.

Water Preliminary Engineering Report

The Town of Rico has two diversion points. One is Rico Well #1 dated June 2010 and the other is the Silver Creek Flume dated June 1968. At this time, the Silver Creek system is off-line. The proposed scope of work would include both systems. It would consist of an analysis and feasibility study to determine what it would take to re-activate the Silver Creek System. It would also include an evaluation and upgrade plan that would help resolve an average monthly water loss of 47% from the well system. Finally the Town would like to explore the possibility of combining the two systems to create a more reliable water source.

More specifically the scope of work would include the following:

Silver Creek System

- Evaluate the infiltration gallery and determine what, if any capital improvements may be required. Suggest a maintenance routine and schedule.
- Review and analyze the existing Home Spring filtration system including determining whether or not the Hach turbidity meter should be recalibrated, determining whether the pressure reducing valve that controls the pressure of the raw water into the vessels that hold the initial filters is functioning adequately, and determining whether or not the Home Spring filters are working properly.
- Determine whether or not Silver Creek could be a source for hydroelectric power.

Rico Well system

- Analyze the current condition of the mile long supply line that delivers water from the storage tanks to the Town of Rico.
- Suggest a meter replacement plan, from exterior to interior that would ultimately ensure all meters are functioning properly and can be read remotely and thus confirm that household conservation measures are working.

- Provide the Town of Rico with a proposed water line replacement schedule.
- Evaluate the condition of the water tanks and make recommendations regarding repairs and maintenance.
- Evaluate Rico's water storage capacity and determine whether an additional tank may be required in the future.

System as a whole

- Provide a study of the chemical composition of the water of both the well and Silver Creek to ensure that mixing water from the two systems would not cause corrosion in the pipes and leave Rico with a Flint Michigan type situation.
- Estimate costs associated with the suggested improvements so that the Town of Rico can begin to develop a capital improvement plan.
- Provide a cost estimate for remote sensing (SCADA) controls for data acquisition and historic record trending.

Central Sewer Preliminary Engineering Report

The proposed central sewer system and sewer treatment plant will initially serve Rico's commercial core and in future phases will be expanded to serve the entire Town.

More specifically the scope of work will include the following:

- Provide a proposed alignment of a central sewer system that could be built in phases with the commercial core being the first phase, buildings along Soda, Mantz and River Street being the second phase and the balance of the town being the third phase.
- Provide an analysis of different treatment system options including the possibility of smaller satellite treatment plants and innovative treatment techniques.
- Estimate costs associated with the suggested improvements so that the Town of Rico can begin to develop a capital improvement plan.

Proposals must include the price of an update should that be necessary. Both PERs must meet the standards set forth by the USDA Rural Utilities Service as described in Bulletin 1780-2 so that Rico can ultimately apply for supplementary grant funding and / or a low interest loan through the USDA's Rural Development Program for the construction of the system.

In short, the PERs shall include a description of the Town of Rico including the location, environmental resources present, population trends, and community

engagement. It should also incorporate an inventory of existing facilities including location, history, condition and financial status. Water and energy audits should be included. The PERs will evaluate need for the project, alternatives considered, the selection of an alternative and details of the selected alternative including preliminary project design and project schedule. Permit requirements and sustainability requirements will also be included in the PER. The PERs will include an engineer's opinion of probable cost, and an estimation of annual operations and maintenance as well as an estimate of potential income. The complete requirements for the PER are available at www.ricocolorado.gov. Proposals shall include hourly rates of all personnel expected to be working on this project and resumes of senior personnel. Engineers must be licensed in the State of Colorado.

A mandatory meeting for interested engineering firms will take place on April 30th at 10:00 AM at the Rico Town Hall located on 2 Commercial Street, Rico Colorado. The meeting will include a site visit and Rico public works personnel will be available to answer questions. Submit proposals by May 21th by 5:00 PM, in person to 2 Commercial Street Rico, Colorado, by mail to P.O. Box 9, Rico Colorado, 81332, or email to townmanager@ricocolorado.gov

A selection committee will interview the top three firms during the week of May 28th – 31st. The final date will be determined. The bid will be awarded in early June. The successful applicant should be able to complete the work by early August. For more information contact Kari Distefano at (970) 967-2863 or go to the Rico web site at <http://ricocolorado.gov>.

March 20, 2018

Dear Ms. Linda Yellowman,

I am interested in joining the Planning Commission for the Town of Rico.

Sincerely,

A handwritten signature in cursive script, appearing to read "Cristal Hibbard".

CRISTAL HIBBARD

970-596-7366

cristal.hibbard@gmail.com

PO Box 85 • 5 S. Commercial St.
RICO, CO 81332



COLORADO
Department of Local Affairs
Division of Local Government

April 10, 2018

Zach McManus, Mayor
Town of Rico
P. O. Box 9
Rico, Colorado 81332

RE: EIAF 8627 - Rico Central Sewer System Engineering

Dear Mayor McManus:

Attached is the grant contract packet for the above-referenced Energy Impact Assistance Fund project. If the contract is satisfactory as written, please print and sign the contract (original signatures only; no photocopies, stamped or e-signatures).

The second page of this letter is a Return Routing Memorandum that includes a Grantee Checklist. Please use this document to facilitate the return of your grant packet documents. Using the Checklist will ensure that your contract has been signed by the appropriate person, that you have enclosed the correct number of documents for return to the State, that you have correctly addressed your return packet, and that you have notified us that your documents are on their way back to us.

If you would like your copy of the fully executed grant contract to contain original signatures, please make sure you sign and return two (2) main grant agreements to us. If a photocopy of the originally signed fully executed grant contract is acceptable to you, then you need only sign and return one (1) main grant agreement to us.

The State Controller requires hard copies and original signatures for contract execution. We cannot complete the execution of your grant documents without these. Until your grant contract is fully executed (signed by all Parties), you may not incur any costs or expenses for this Project.

If you have any questions about these grant packet documents or the contract execution process, please contact your Regional Manager, Patrick Rondinelli, (970) 247-7311, (patrick.rondinelli@state.co.us) or me at (303) 864-7731.

Sincerely,

Beth Lipscomb
Internal Services Manager
Department of Local Affairs

Enclosures



RETURN ROUTING MEMORANDUM

TO: Antoinette Johns
THROUGH: Kari Distefano, Town Manager, Town of Rico
FROM: Beth Lipscomb
DATE: April 10, 2018
RE: Contract Approvals

FOR FINAL APPROVAL ROUTING:

RE: EIAF 8627 - Rico Central Sewer System Engineering

GRANTEE CHECKLIST:

- the main Grant Agreement is signed by an authorized signator (**original signatures only; no photocopies, stamped or e-signatures**)
- signed by County Chief Elected Official, City/Town Mayor, or District Board President/Chair
 - signed by Other
 - documentation of authority to sign is enclosed
- the correct number of originals are attached
- one (1) signed original for the State
 - one (1) signed original for return to the Grantee
- documents being sent back to the State must be addressed to:
- Department of Local Affairs
ATTENTION: Antoinette Johns
1313 Sherman Street, Room 521
Denver, CO 80203
- you have sent an email to the State (antoinette.johns@state.co.us) indicating the date the hard copy will be/has been posted for return to State



EXHIBIT B – SCOPE OF PROJECT (SOP)

1. PURPOSE

1.1. Energy Impact. The purpose of the Energy and Mineral Impact Assistance Program is to assist political subdivisions that are socially and/or economically impacted by the development, processing, or energy conversion of minerals and mineral fuels.

2. DESCRIPTION OF THE PROJECT(S) AND WORK

2.1. Project Description. The Project consists of the development of a preliminary engineering report (PER) for a central sewer system and treatment plant in Rico, Colorado.

2.2. Work Description. The Town of Rico (Grantee) will hire an engineering firm to develop a PER for a central sewer system and treatment plant that would initially serve Rico’s commercial core and in future phases be expanded to serve the entire Town. This PER must meet the standards set forth by the USDA Rural Utilities Service as described in Bulletin 1780-2. The PER shall include: a) a description of the Town of Rico including the location, environmental resources present, population trends, and community engagement; b) an inventory of existing facilities including location, history, condition and financial status; c) water and energy audits; d) an evaluation of the need for the project, alternatives considered, the selection of an alternative and details of the selected alternative including preliminary project design and project schedule; e) permit requirements and sustainability requirements; and f) an engineer’s opinion of probable cost, and an estimation of annual operations and maintenance as well as an estimate of potential income. Grantee will own resulting designs, drawings, and reports.

2.2.1. A contract for consultant services shall be awarded by Grantee to a qualified firm through a formal Request For Proposals or competitive selection process.

2.3. Responsibilities. Grantee shall be responsible for the completion of the Work and to provide required documentation to DOLA as specified herein.

2.3.1. Grantee shall notify DOLA at least 30 days in advance of Project Completion.

2.4. Recapture of Advanced Funds. To maximize the use of Grant Funds, the State shall evaluate Grantee's expenditure of the Grant Funds for timeliness and compliance with the terms of this Grant. DOLA reserves the right to recapture advanced Grant Funds when Grantee has not or is not complying with the terms of this Grant.

2.5. Eligible Expenses. Eligible expenses shall include: fee studies, planning/design/engineering/construction of wastewater enhancement, sewer, and wastewater treatment projects.

3. DEFINITIONS

3.1. “Cumulative Budgetary Line Item Changes” means a cumulative or increasing accumulation of additional expenses within a specific line item as listed in §6.2 Budget within this **Exhibit B**.

3.2. Project Budget Line Items.

3.2.1. “Architectural/Engineering Services” means professional architectural/engineering fees, RFP/bid advertisements, survey work, water/sewer testing fees, electrical inspection and testing fees, CDPHE permit fees, and attorney’s fees.

3.3. “Substantial Completion” means the Work is sufficiently complete in accordance with the Grant so it can be utilized for its intended purpose without undue interference.

4. DELIVERABLES

4.1. Outcome. The final outcome of this Grant is a completed PER for design of a central sewer system and treatment plant to serve the community.

4.2. Service Area. The performance of the Work described within this Grant shall be located in Rico, Colorado.

4.3. Performance Measures. Grantee shall comply with the following performance measures:

| <u>Milestone/Performance Measure/Grantee will:</u> | <u>By:</u> |
|---|--|
| Provide DOLA with Project Timeline | Within 60 days after the Effective Date of this Grant Agreement. |
| Submit to DOLA draft report for review | No later than 45 days before expiration of this Grant Agreement. |
| Submit Quarterly Pay Requests | See §4.5.2 below |
| Submit Quarterly Status Reports | See §4.5.2 below |
| Submit Project Final Report | August 29, 2020 |

4.4. Budget Line Item Adjustments.

- 4.4.1.** Grantee may request that DOLA move Grant Funds between and among budget line items, so long as the total amount of Grant Funds remains unchanged. To make such budget line item changes, DOLA will use an Option Letter (**Exhibit G**).
- 4.4.2.** Grantee may increase or decrease the amount of any one or any combination of budget line items of “Other Funds” as described in **§6.1**, or move funds between and among budget line items of such “Other Funds,” so long as the total amount of such “Other Funds” is not less than the amount set forth in **§6.1** below. Grantee may increase the Total Project Cost with “Other Funds” and such change does not require an amendment. DOLA will verify the Grantee’s contribution of “Other Funds” and compliance with this section at Project Closeout.

4.5. Quarterly Pay Request and Status Reports. Beginning 30 days after the end of the first quarter following execution of this Grant and for each quarter thereafter until termination of this Grant, Grantee shall submit Pay Requests and Status Reports using a form provided by the State. The State shall pay the Grantee for actual expenditures made in the performance of this Grant based on the submission of statements in the format prescribed by the State. The Grantee shall submit Pay Requests setting forth a detailed description and provide documentation of the amounts and types of reimbursable expenses. Pay Requests and Status Reports are due within 30 days of the end of the quarter but may be submitted more frequently at the discretion of the Grantee.

- 4.5.1.** For quarters in which there are no expenditures to reimburse, Grantee shall indicate zero (0) in the request and specify status of the Work in the Status Report. The report will contain an update of expenditure of funds by line item as per **§6.2** of this **Exhibit B** Scope of Project as well as a projection of all Work expected to be accomplished in the following quarter, including an estimate of Grant Funds to be expended.

4.5.2. Specific submittal dates.

| Quarter | Year | Due Date | Pay Request | Status Report |
|---------------------------------|-------------|-------------------------|--------------------|----------------------|
| 2nd (Apr-Jun) | 2018 | July 30, 2018 | Yes | Yes |
| 3rd (Jul-Sep) | 2018 | October 30, 2018 | Yes | Yes |
| 4th (Oct-Dec) | 2018 | January 30, 2019 | Yes | Yes |
| 1st (Jan-Mar) | 2019 | April 30, 2019 | Yes | Yes |
| 2nd (Apr-Jun) | 2019 | July 30, 2019 | Yes | Yes |
| 3rd (Jul-Sep) | 2019 | October 30, 2019 | Yes | Yes |
| 4th (Oct-Dec) | 2019 | January 30, 2020 | Yes | Yes |
| 1st (Jan-Mar) | 2020 | April 30, 2020 | Yes | Yes |
| 2nd (Apr-Jun) | 2020 | July 30, 2020 | Yes | Yes |

4.6. DOLA Acknowledgment. The Grantee agrees to acknowledge the Colorado Department of Local Affairs in any and all materials or events designed to promote or educate the public about the Work and the Project, including but not limited to: press releases, newspaper articles, op-ed pieces, press conferences, presentations and brochures/pamphlets.

5. PERSONNEL

5.1. Replacement. Grantee shall immediately notify the State if any key personnel specified in §5 of this Exhibit B cease to serve. Provided there is a good-faith reason for the change, if Grantee wishes to replace its key personnel, it shall notify the State and seek its approval, which shall be at the State's sole discretion, as the State executed this Grant in part reliance on Grantee's representations regarding key personnel. Such notice shall specify why the change is necessary, who the proposed replacement is, what their qualifications are, and when the change will take effect. Anytime key personnel cease to serve, the State, in its sole discretion, may direct Grantee to suspend Work until such time as replacements are approved. All notices sent under this subsection shall be sent in accordance with §16 of the Grant.

5.2. Responsible Administrator. Grantee's performance hereunder shall be under the direct supervision of **Kari Distephano, Town Manager (townmanager@ricocolorado.gov)**, an employee or agent of Grantee, who is hereby designated as the responsible administrator of this Project and a key person under this §5. Such administrator shall be updated through the approval process in §5.1. If this person is an agent of the Grantee, such person must have signature authority to bind the Grantee and must provide evidence of such authority.

5.3. Other Key Personnel. None. Such key personnel shall be updated through the approval process in §5.1.

5.4. DLG Regional Manager: Patrick Rondinelli, (970) 247-7311, (patrick.rondinelli@state.co.us)

5.5. DLG Regional Assistant: Leah Smith, (970) 248-7313, (leah.smith@state.co.us)

6. FUNDING

The State provided funds shall be limited to the amount specified under the "Grant Funds" column of §6.2, Budget, below.

6.1. Matching/Other Funds. Grantee shall provide **at least 50%** of the Total Project Cost as documented by Grantee and verified by DOLA at Project Closeout. Initial estimates of Grantee's contribution are noted in the "Other Funds" column of §6.2 below. Increases to Grantee's contribution to Total Project Cost do not require modification of this Grant Agreement and/or Exhibit B.

6.2. Budget

| Budget Line Item(s) | | Total Cost | Grant Funds | Other Funds | Other Funds Source |
|---------------------|------------------------------------|------------------|-----------------|-----------------|--------------------|
| Line # | Cost Category | | | | |
| 1 | Architectural/Engineering Services | \$148,000 | \$74,000 | \$74,000 | Grantee |
| Total | | \$148,000 | \$74,000 | \$74,000 | |

7. PAYMENT

Payments shall be made in accordance with this section and the provisions set forth in §7 of the Grant.

7.1. Payment Schedule. If Work is subcontracted or subgranted and such Subcontractors and/or Subgrantees are not previously paid, Grantee shall disburse Grant Funds received from the State to such Subcontractor or Subgrantee within fifteen days of receipt. Excess funds shall be returned to DOLA.

| Payment | Amount | |
|--------------------|-----------------|--|
| Interim Payment(s) | \$70,300 | Paid upon receipt of actual expense documentation and written Pay Requests from the Grantee for reimbursement of eligible approved expenses. |
| Final Payment | \$3,700 | Paid upon Substantial Completion of the Project (as determined by the State in its sole discretion), provided that the Grantee has submitted, and DOLA has accepted, all required reports. |
| Total | \$74,000 | |

7.2. Interest. Grantee or Subgrantee may keep interest earned from Grant Funds up to \$100 per year for administrative expenses.

8. ADMINISTRATIVE REQUIREMENTS

8.1. Reporting. Grantee shall submit the following reports to DOLA using the State-provided forms. DOLA may withhold payment(s) if such reports are not submitted timely.

8.1.1. Quarterly Pay Request and Status Reports. Quarterly Pay Requests shall be submitted to DOLA in accordance with §4.5 of this Exhibit B.

8.1.2. Final Reports. Within 90 days after the completion of the Project, Grantee shall submit the final Pay Request and Status Report to DOLA.

8.2. Monitoring. DOLA shall monitor this Work on an as-needed basis. DOLA may choose to audit the records for activities performed under this Grant. Grantee shall maintain a complete file of all records, documents, communications, notes and other written materials or electronic media, files or communications, which pertain in any manner to the operation of activities undertaken pursuant to an executed Grant. Such books and records shall contain documentation of the Grantee’s pertinent activity under this Grant in accordance with Generally Accepted Accounting Principles.

8.2.1. Subgrantee/Subcontractor. Grantee shall monitor its Subgrantees and/or Subcontractors, if any, during the term of this Grant. Results of such monitoring shall be documented by Grantee and maintained on file.

8.3. Bonds. If Project includes construction or facility improvements, Grantee and/or its contractor (or subcontractors) performing such work shall secure the bonds hereunder from companies holding certificates of authority as acceptable sureties pursuant to 31 CFR Part 223 and are authorized to do business in Colorado.

8.3.1. Bid Bond. A bid guarantee from each bidder equivalent to 5 percent of the bid price. The “bid guarantee” shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder shall, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.

8.3.2. Performance Bond. A performance bond on the part of the contractor for 100 percent of the contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

8.3.3. Payment Bond. A payment bond on the part of the contractor for 100 percent of the contract price. A “payment bond” is one executed in connection with a contract to assure payment as required by statute of all persons supplying labor and material in the execution of the work provided for in the contract.

8.3.4. Substitution. The bonding requirements in this §8.3 may be waived in lieu of an irrevocable letter of credit if the price is less than \$50,000.

9. CONSTRUCTION/RENOVATION. The following subsections shall apply to construction and/or renovation related projects/activities:

- 9.1. Plans & Specifications.** Construction plans and specifications shall be drawn up by a qualified engineer or architect licensed in the State of Colorado, or pre-engineered in accordance with Colorado law, and hired by the Grantee through a competitive selection process.
- 9.2. Procurement.** A construction contract shall be awarded to a qualified construction firm through a formal selection process with the Grantee being obligated to award the construction contract to the lowest responsive, responsible bidder meeting the Grantee's specifications.
- 9.3. Subcontracts.** Copies of any and all contracts entered into by the Grantee in order to accomplish this Project shall be submitted to DOLA upon request, and any and all contracts entered into by the Grantee or any of its Subcontractors shall comply with all applicable federal and state laws and shall be governed by the laws of the State of Colorado.
- 9.4. Standards.** Grantee, Subgrantees and Subcontractors shall comply with all applicable statutory design and construction standards and procedures that may be required, including the standards required by Colorado Department of Public Health and Environment, and shall provide the State with documentation of such compliance.

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GRANT AGREEMENT

Between

**STATE OF COLORADO
DEPARTMENT OF LOCAL AFFAIRS**

And

TOWN OF RICO

Summary

Award Amount: \$74,000.00

Identification #s:

Encumbrance #: F18MLG8627 (*DOLA's primary identification #*)
Contract Management System #: 108964 (*State of Colorado's tracking #*)

Project Information:

Project/Award Number: EIAF 8627
Project Name: Rico Central Sewer System Engineering
Performance Period: Start Date: _____ End Date: 05/31/20
Brief Description of Project / Assistance: The Project consists of the development of a preliminary engineering report (PER) for a central sewer system and treatment plant in Rico, Colorado.

Program & Funding Information:

Program Name: Energy & Mineral Impact Assistance Fund
Funding source: Federal Funds
Catalog of Federal Domestic Assistance (CFDA) Number (if federal funds): 15.227
Funding Account Codes: _____

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EXHIBIT A – RESERVED.

EXHIBIT B – SCOPE OF PROJECT

EXHIBIT C – RESERVED.

EXHIBIT D – RESERVED.

EXHIBIT E – RESERVED.

EXHIBIT F – RESERVED.

EXHIBIT G – FORM OF OPTION LETTER

FORM 1 – RESERVED.

1. PARTIES

This Agreement (hereinafter called “Grant”) is entered into by and between the **TOWN OF RICO** (hereinafter called “Grantee”), and the STATE OF COLORADO acting by and through the Department of Local Affairs for the benefit of the Division of Local Government (hereinafter called the “State” or “DOLA”).

2. EFFECTIVE DATE AND NOTICE OF NONLIABILITY.

This Grant shall not be effective or enforceable until it is approved and signed by the Colorado State Controller or designee (hereinafter called the “Effective Date”). The State shall not be liable to pay or reimburse Grantee for any performance hereunder, including, but not limited to costs or expenses incurred, or be bound by any provision hereof prior to (*see checked option(s) below*):

- A. The Effective Date.
- B. The Effective Date; provided, however, that all Project costs, if specifically authorized by the federal funding authority, incurred on or after March 1, 20XX, may be submitted for reimbursement as if incurred after the Effective Date.
- C. insert date for authorized Pre-agreement Costs (as such term is defined in §4) , if specifically authorized by the funding authority . Such costs may be submitted for reimbursement as if incurred after the Effective Date.

3. RECITALS

A. Authority, Appropriation, and Approval

Authority to enter into this Grant exists in C.R.S. 24-32-106 and 29-3.5-101 and funds have been budgeted, appropriated and otherwise made available pursuant to C.R.S. 34-63-101, et seq. (through Colorado’s Mineral Leasing Fund) and a sufficient unencumbered balance thereof remains available for payment. Required approvals, clearance and coordination have been accomplished from and with appropriate agencies.

B. Consideration

The Parties acknowledge that the mutual promises and covenants contained herein and other good and valuable consideration are sufficient and adequate to support this Grant.

C. Purpose

The purpose of this Grant is described in **Exhibit B**.

D. References

All references in this Grant 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.

4. DEFINITIONS

The following terms as used herein shall be construed and interpreted as follows:

A. Budget

“Budget” means the budget for the Project and/or Work described in **Exhibit B**.

B. Closeout Certification

“Closeout Certification” means the Grantee’s certification of completion of Work submitted on a form provided by the State.

C. Evaluation

“Evaluation” means the process of examining Grantee’s Work and rating it based on criteria established in **§6** and **Exhibit B**.

D. Exhibits and other Attachments

The following are attached hereto and incorporated by reference herein:

- i. Exhibit B (Scope of Project)
- ii. Exhibit G (Form of Option Letter)

E. Goods

“Goods” means tangible material acquired, produced, or delivered by Grantee either separately or in conjunction with the Services Grantee renders hereunder.

F. Grant

“Grant” means this agreement, its terms and conditions, attached exhibits, documents incorporated by reference pursuant to the terms of this Grant, and any future modifying agreements, exhibits, attachments or references incorporated herein pursuant to Colorado State law, Fiscal Rules, and State Controller Policies.

G. Grant Funds

“Grant Funds” means available funds payable by the State to Grantee pursuant to this Grant.

H. Party or Parties

“Party” means the State or Grantee and “Parties” means both the State and Grantee.

I. Pay Request(s)

“Pay Request(s)” means the Grantee’s reimbursement request(s) submitted on form(s) provided by the State.

J. Pre-agreement costs

“Pre-agreement costs,” when applicable, means the costs incurred on or after the date as specified in **§2** above, and prior to the Effective Date of this Grant. Such costs shall have been detailed in Grantee’s grant application and specifically authorized by the State and incorporated herein pursuant to **Exhibit B**.

K. Project

“Project” means the overall project described in **Exhibit B**, which includes the Work.

L. Project Closeout

“Project Closeout” means the submission by the Grantee to the State of an actual final Pay Request, a final Status Report and a Closeout Certification.

M. Program

“Program” means the grant program specified on the first page of this Grant that provides the funding for this Grant.

N. Review

“Review” means examining Grantee’s Work to ensure that it is adequate, accurate, correct and in accordance with the criteria established in **§6** and **Exhibit B**.

O. Services

“Services” means the required services to be performed by Grantee pursuant to this Grant.

P. Status Report(s)

“Status Report(s)” means the Grantee’s status report(s) on the Work/Project submitted on form(s) provided by the State.

Q. Subcontractor

“Subcontractor” means third-parties, if any, engaged by Grantee to carry out specific vendor related services.

R. Subgrantee

“Subgrantee” means third-parties, if any, engaged by Grantee to aid in performance of its obligations. Subgrantee is bound by the same overall programmatic and grant requirements as Grantee.

S. Subject Property

“Subject Property” means the real property, if any, for which Grant Funds are used to acquire, construct, or rehabilitate.

T. Substantial Progress in the Work

“Substantial Progress in the Work” means Grantee meets all deliverables and performance measures within the time frames specified in **Exhibit B**.

U. Work

“Work” means the tasks and activities Grantee is required to perform to fulfill its obligations under this Grant and **Exhibit B**, including the performance of the Services and delivery of the Goods.

V. Work Product

“Work Product” means the tangible or intangible results of Grantee’s Work, including, but not limited to, software, research, reports, studies, data, photographs, negatives or other finished or unfinished documents, drawings, models, surveys, maps, materials, or work product of any type, including drafts.

5. TERM

A. Initial Term-Work Commencement

Unless otherwise permitted in **§2** above, the Parties’ respective performances under this Grant shall commence on the Effective Date. This Grant shall terminate on **MAY 31, 2020** unless sooner terminated or further extended as specified elsewhere herein.

B. Two Month Extension

The State, at its sole discretion upon written notice to Grantee as provided in **§16**, may unilaterally extend the term of this Grant for a period not to exceed two months if the Parties are negotiating a replacement Grant (and not merely seeking a term extension) at or near the end of any initial term or any extension thereof. The provisions of this Grant in effect when such notice is given, including, but not limited to prices, rates, and delivery requirements, shall remain in effect during the two month extension. The two-month extension shall immediately terminate when and if a replacement Grant is approved and signed by the Colorado State Controller.

6. STATEMENT OF WORK

A. Completion

Grantee shall complete the Work and its other obligations as described herein and in **Exhibit B**. Except as specified in §2 above, the State shall not be liable to compensate Grantee for any Work performed prior to the Effective Date or after the termination of this Grant.

B. Goods and Services

Grantee shall procure Goods and Services necessary to complete the Work. Such procurement shall be accomplished using the Grant Funds and shall not increase the maximum amount payable hereunder by the State.

C. Employees

All persons employed by Grantee or Subgrantees shall be considered Grantee's or Subgrantees' employee(s) for all purposes hereunder and shall not be employees of the State for any purpose as a result of this Grant.

7. PAYMENTS TO GRANTEE

The State shall, in accordance with the provisions of this §7, pay Grantee in the following amounts and using the methods set forth below:

A. Maximum Amount

The maximum amount payable under this Grant to Grantee by the State is **\$74,000.00 (SEVENTY FOUR THOUSAND and XX/100 DOLLARS)**, as determined by the State from available funds. Grantee agrees to provide any additional funds required for the successful completion of the Work. Payments to Grantee are limited to the unpaid obligated balance of the Grant as set forth in **Exhibit B**.

B. Payment

i. Advance, Interim and Final Payments

Any payment allowed under this Grant or in **Exhibit B** shall comply with State Fiscal Rules and be made in accordance with the provisions of this Grant or such Exhibit. Grantee shall initiate any payment requests by submitting invoices to the State in the form and manner set forth and approved by the State.

ii. Interest

The State shall not pay interest on Grantee invoices. The State shall fully pay each invoice within 45 days of receipt thereof if the amount invoiced represents performance by Grantee previously accepted by the State.

iii. Available Funds-Contingency-Termination

The State is prohibited by law from making fiscal commitments beyond the term of the State's current fiscal year. Therefore, Grantee's compensation is contingent upon the continuing availability of State appropriations as provided in the Colorado Special Provisions, set forth below. If federal funds are used with this Grant in whole or in part, the State's performance hereunder is contingent upon the continuing availability of such funds. Payments pursuant to this Grant shall be made only from available funds encumbered for this Grant and the State's liability for such payments shall be limited to the amount remaining of such encumbered funds. If State or federal funds are not fully appropriated, or otherwise become unavailable for this Grant, the State may immediately terminate this Grant in whole or in part to the extent of funding reduction without further liability in accordance with the provisions herein.

iv. Erroneous Payments

At the State's sole 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, may be recovered from Grantee by deduction from subsequent payments under this Grant or other grants or agreements between the State and Grantee or by other appropriate methods and collected as a debt due to the State. Such funds shall not be paid to any person or entity other than the State.

C. Use of Funds

Grant Funds shall be used only for eligible costs identified herein and/or in **Exhibit B**.

i. Budget Line Item Adjustments.

Modifications to uses of such Grant Funds shall be made in accordance with §4.4 of Exhibit B. For line item adjustments, the State will provide written notice to Grantee in a form substantially equivalent to Exhibit G (“Option Letter”). If exercised, the provisions of the Option Letter shall become part of, and be incorporated into, this Grant.

D. Matching/Leveraged Funds

Grantee shall provide matching and/or leveraged funds in accordance with Exhibit B.

8. REPORTING - NOTIFICATION

Reports, Evaluations, and Reviews required under this §8 shall be in accordance with the procedures of and in such form as prescribed by the State and in accordance with §19, if applicable.

A. Performance, Progress, Personnel, and Funds

State shall submit a report to the Grantee upon expiration or sooner termination of this Grant, containing an Evaluation and Review of Grantee’s performance and the final status of Grantee’s obligations hereunder. In addition, Grantee shall comply with all reporting requirements, if any, set forth in Exhibit B.

B. Litigation Reporting

Within 10 days after being served with any pleading in a legal action filed with a court or administrative agency, related to this Grant or which may affect Grantee’s ability to perform its obligations hereunder, Grantee shall notify the State of such action and deliver copies of such pleadings to the State’s principal representative as identified herein. If the State’s principal representative is not then serving, such notice and copies shall be delivered to the Executive Director of DOLA.

C. Performance Outside the State of Colorado and/or the United States

[Not applicable if Grant Funds include any federal funds]

Following the Effective Date, Grantee shall provide written notice to the State, in accordance with §16 (Notices and Representatives), within 20 days of the earlier to occur of Grantee’s decision to perform, or its execution of an agreement with a Subgrantee to perform, Services outside the State of Colorado and/or the United States. Such notice shall specify the type of Services to be performed outside the State of Colorado and/or the United States and the reason why it is necessary or advantageous to perform such Services at such location or locations. All notices received by the State pursuant to this §8.C shall be posted on the Colorado Department of Personnel & Administration’s website. Knowing failure by Grantee to provide notice to the State under this §8.C shall constitute a material breach of this Grant.

D. Noncompliance

Grantee’s failure to provide reports and notify the State in a timely manner in accordance with this §8 may result in the delay of payment of funds and/or termination as provided under this Grant.

E. Subgrants/Subcontracts

Copies of any and all subgrants and subcontracts entered into by Grantee to perform its obligations hereunder shall be submitted to the State or its principal representative upon request by the State. Any and all subgrants and subcontracts entered into by Grantee related to its performance hereunder shall comply with all applicable federal and state laws and shall provide that such subgrants be governed by the laws of the State of Colorado.

9. GRANTEE RECORDS

Grantee shall make, keep, maintain and allow inspection and monitoring of the following 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 (the “Record Retention Period”) until the last to occur of the following:

- (i) a period of five years after the date this Grant is completed or terminated, or final payment is made hereunder, whichever is later, or
- (ii) for such further period as may be necessary to resolve any pending matters, or

- (iii) if an audit is occurring, or Grantee has received notice that an audit is pending, then until such audit has been completed and its findings have been resolved.

B. Inspection

Grantee shall permit the State, the federal government (if Grant Funds include federal funds) and any other duly authorized agent of a governmental agency to audit, inspect, examine, excerpt, copy and/or transcribe Grantee's records related to this Grant during the Record Retention Period for a period of five years following termination of this Grant or final payment hereunder, whichever is later, to assure compliance with the terms hereof or to evaluate Grantee's performance hereunder. The State reserves the right to inspect the Work at all reasonable times and places during the term of this Grant, including any extension. If the Work fails to conform to the requirements of this Grant, the State may require Grantee promptly to bring the Work into conformity with Grant requirements, at Grantee's sole expense. If the Work cannot be brought into conformance by re-performance or other corrective measures, the State may require Grantee to take necessary action to ensure that future performance conforms to Grant requirements and exercise the remedies available under this Grant, at law or in equity in lieu of or in conjunction with such corrective measures.

C. Monitoring

Grantee shall permit the State, the federal government (if Grant Funds include federal funds), and other governmental agencies having jurisdiction, in their sole discretion, to monitor all activities conducted by Grantee pursuant to the terms of this Grant using any reasonable procedure, including, but not limited to: internal evaluation procedures, examination of program data, special analyses, on-site checking, formal audit examinations, or any other procedures. All monitoring controlled by the State shall be performed in a manner that shall not unduly interfere with Grantee's performance hereunder.

D. Final Audit Report

Grantee shall provide a copy of its audit report(s) to DOLA as specified in **Exhibit B**.

10. CONFIDENTIAL INFORMATION-STATE RECORDS

Grantee shall comply with the provisions of this **§10** if it becomes privy to confidential information in connection with its performance hereunder. Confidential information, includes, but is not necessarily limited to, state records, personnel records, and information concerning individuals.

A. Confidentiality

Grantee shall keep all State records and information confidential at all times and comply with all laws and regulations concerning confidentiality of information. Any request or demand by a third party for State records and information in the possession of Grantee shall be immediately forwarded to the State's principal representative.

B. Notification

Grantee shall notify its agent, employees, Subgrantees, and assigns who may come into contact with State records and confidential information that each is subject to the confidentiality requirements set forth herein, and shall provide each with a written explanation of such requirements before they are permitted to access such records and information.

C. Use, Security, and Retention

Confidential information of any kind shall not be distributed or sold to any third party or used by Grantee or its agents in any way, except as authorized by this Grant or approved in writing by the State. Grantee shall provide and maintain a secure environment that ensures confidentiality of all State records and other confidential information wherever located. Confidential information shall not be retained in any files or otherwise by Grantee or its agents, except as permitted in this Grant or approved in writing by the State.

D. Disclosure-Liability

Disclosure of State records or other confidential information by Grantee for any reason may be cause for legal action by third parties against Grantee, the State or their respective agents. Grantee shall, to the extent permitted by law, indemnify, save, and hold harmless the State, its employees and agents, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees and related costs, incurred as a result of any act or omission by Grantee, or its employees, agents, Subgrantees, or assignees pursuant to this **§10**.

11. CONFLICTS OF INTEREST

Grantee shall not engage in any business or personal activities or practices or maintain any relationships which conflict in any way with the full performance of Grantee's obligations hereunder. Grantee acknowledges that with respect to this Grant, even the appearance of a conflict of interest is 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 to the State hereunder. If a conflict or appearance exists, or if Grantee is uncertain whether a conflict or the appearance of a conflict of interest exists, 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 apparent conflict constitutes a breach of this Grant.

12. REPRESENTATIONS AND WARRANTIES

Grantee makes the following specific representations and warranties, each of which was relied on by the State in entering into this Grant.

A. Standard and Manner of Performance

Grantee shall perform its obligations hereunder in accordance with the highest standards of care, skill and diligence in the industry, trades or profession and in the sequence and manner set forth in this Grant.

B. Legal Authority – Grantee and Grantee's Signatory

Grantee warrants that it possesses the legal authority to enter into this Grant and that it has taken all actions required by its procedures, by-laws, and/or applicable laws to exercise that authority, and to lawfully authorize its undersigned signatory to execute this Grant, or any part thereof, and to bind Grantee to its terms. If requested by the State, Grantee shall provide the State with proof of Grantee's authority to enter into this Grant within 15 days of receiving such request.

C. Licenses, Permits, Etc.

Grantee represents and warrants that as of the Effective Date it has, and that at all times during the term hereof it shall have, at its sole expense, all licenses, certifications, approvals, insurance, permits, and other authorization required by law to perform its obligations hereunder. Grantee warrants that it shall maintain all necessary licenses, certifications, approvals, insurance, permits, and other authorizations required to properly perform this Grant, without reimbursement by the State or other adjustment in Grant Funds. Additionally, all employees and agents of Grantee performing Services under this Grant shall hold all required licenses or certifications, if any, to perform their responsibilities. Grantee, if a foreign corporation or other foreign entity transacting business in the State of Colorado, further warrants that it currently has obtained and shall maintain any applicable certificate of authority to transact business in the State of Colorado and has designated a registered agent in Colorado to accept service of process. Any revocation, withdrawal or non-renewal of licenses, certifications, approvals, insurance, permits or any such similar requirements necessary for Grantee to properly perform the terms of this Grant shall be deemed to be a material breach by Grantee and constitute grounds for termination of this Grant.

13. INSURANCE

Grantee and its Subgrantees shall obtain and maintain insurance as specified in this section at all times during the term of this Grant: All policies evidencing the insurance coverage required hereunder shall be issued by insurance companies satisfactory to Grantee and the State.

A. Grantee

i. Public Entities

If Grantee is a "public entity" within the meaning of the Colorado Governmental Immunity Act, CRS §24-10-101, et seq., as amended (the "GIA"), then Grantee shall maintain at all times during the term of this Grant such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the GIA. Grantee shall show proof of such insurance satisfactory to the State, if requested by the State. Grantee shall require each subgrant with Subgrantees that are public entities, providing Goods or Services hereunder, to include the insurance requirements necessary to meet Subgrantee's liabilities under the GIA.

ii. Non-Public Entities

If Grantee is not a "public entity" within the meaning of the GIA, Grantee shall obtain and maintain during the term of this Grant insurance coverage and policies meeting the same requirements set forth in §13(B) with respect to Subgrantees that are not "public entities".

B. Grantees, Subgrantees and Subcontractors

Grantee shall require each subgrant with Subgrantees and each contract with Subcontractors, other than those that are public entities, providing Goods or Services in connection with this Grant, to include insurance requirements substantially similar to the following:

i. Workers' Compensation

Workers' Compensation Insurance as required by State statute, and Employer's Liability Insurance covering all of Grantee, Subgrantee and Subcontractor employees acting within the course and scope of their employment.

ii. General Liability

Commercial General Liability Insurance written on ISO occurrence form CG 00 01 10/93 or equivalent, covering premises operations, fire damage, independent contractors, products and completed operations, blanket contractual liability, personal injury, and advertising liability with minimum limits as follows: (a) \$1,000,000 each occurrence; (b) \$1,000,000 general aggregate; (c) \$1,000,000 products and completed operations aggregate; and (d) \$50,000 any one fire.

iii. Automobile Liability

Automobile Liability Insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit of \$1,000,000 each accident combined single limit.

iv. Malpractice/Professional Liability Insurance

This section shall | shall not apply to this Grant.

Grantee, Subgrantees and Subcontractors shall maintain in full force and effect a Professional Liability Insurance Policy in the minimum amount of \$1,000,000 per occurrence and \$1,000,000 in the aggregate, written on an occurrence form, that provides coverage for its work undertaken pursuant to this Grant. If a policy written on an occurrence form is not commercially available, the claims-made policy shall remain in effect for the duration of this Grant and for at least two years beyond the completion and acceptance of the work under this Grant, or, alternatively, a two year extended reporting period must be purchased. The Grantee, Subgrantee or Subcontractor shall be responsible for all claims, damages, losses or expenses, including attorney's fees, arising out of or resulting from such party's performance of professional services under this Grant, a subcontract or subgrant.

v. Umbrella Liability Insurance

For construction projects exceeding \$10,000,000, Grantee, Subgrantees and Subcontractors shall maintain umbrella/excess liability insurance on an occurrence basis in excess of the underlying insurance described in §13B(i)-(iv) above. Coverage shall follow the terms of the underlying insurance, included the additional insured and waiver of subrogation provisions. The amounts of insurance required in subsections above may be satisfied by the Grantee, Subgrantee and Subcontractor purchasing coverage for the limits specified or by any combination of underlying and umbrella limits, so long as the total amount of insurance is not less than the limits specified in each section previously mentioned. The insurance shall have a minimum amount of \$5,000,000 per occurrence and \$5,000,000 in the aggregate.

vi. Property Insurance

This subsection shall apply if Grant Funds are provided for the acquisition, construction, or rehabilitation of real property.

Insurance on the buildings and other improvements now existing or hereafter erected on the premises and on the fixtures and personal property included in the Subject Property against loss by fire, other hazards covered by the so called "all risk" form of policy and such other perils as State shall from time to time require with respect to properties of the nature and in the geographical area of the Subject Property, and to be in an amount at least equal to the replacement cost value of the Subject Property. Grantor will at its sole cost and expense, from time to time and at any time, at the request of State provide State with evidence satisfactory to State of the replacement cost of the Subject Property.

vii. Flood Insurance

If the Subject Property or any part thereof is at any time located in a designated official flood hazard area, flood insurance insuring the buildings and improvements now existing or hereafter erected on the Subject Property and the personal property used in the operation thereof in an amount equal to the lesser of the amount required for property insurance identified in §vi above or the maximum limit of coverage made available with respect to such buildings and improvements and personal property under applicable federal laws and the regulations issued thereunder.

viii. Builder's Risk Insurance

This subsection shall apply if Grant Funds are provided for construction or rehabilitation of real property.

Grantee, Subgrantee and/or Subcontractor shall purchase and maintain property insurance written on a builder's risk "all-risk" or equivalent policy form in the amount of the initial construction/rehabilitation costs, plus value of subsequent modifications and cost of materials supplied or installed by others, comprising total value for the entire Project at the site on a replacement cost basis without optional deductibles. Such property insurance shall be maintained, unless otherwise agreed in writing by all persons and entities who are beneficiaries of such insurance, until final payment has been made or until no person or entity other than the property owner has an insurable interest in the property.

- a) The insurance shall include interests of the property owner, Grantee, Subgrantee, Subcontractors in the Project as named insureds.
- b) All associated deductibles shall be the responsibility of the Grantee, Subcontractor and Subgrantee. Such policy may have a deductible clause but not to exceed \$10,000.
- c) Property insurance shall be on an "all risk" or equivalent policy form and shall include, without limitation, insurance against the perils of fire (with extended coverage) and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake, flood, windstorm, falsework, testing and startup, temporary buildings and debris removal including demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for Grantee's, Subgrantee's and Subcontractor's services and expenses required as a result of such insured loss.
- d) Builders Risk coverage shall include partial use by Grantee and/or property owner.
- e) The amount of such insurance shall be increased to include the cost of any additional work to be done on the Project, or materials or equipment to be incorporated in the Project, under other independent contracts let or to be let. In such event, Subgrantee and Subcontractor shall be reimbursed for this cost as his or her share of the insurance in the same ratio as the ratio of the insurance represented by such independent contracts let or to be let to the total insurance carried.

ix. Pollution Liability Insurance

If Grantee and/or its Subgrantee or Subcontractor is providing directly or indirectly work with pollution/environmental hazards, they must provide or cause those conducting the work to provide Pollution Liability Insurance coverage. Pollution Liability policy must include contractual liability coverage. The policy limits shall be in the amount of \$1,000,000 with maximum deductible of \$25,000 to be paid by the Grantee's Subcontractor and/or Subgrantee.

C. Miscellaneous Insurance Provisions

Certificates of Insurance and/or insurance policies required under this Grant shall be subject to the following stipulations and additional requirements:

- i. **Deductible.** Any and all deductibles or self-insured retentions contained in any Insurance policy shall be assumed by and at the sole risk of the Grantee, its Subgrantees or Subcontractors,
- ii. **In Force.** If any of the said policies shall fail at any time to meet the requirements of the Grant as to form or substance, or if a company issuing any such policy shall be or at any time cease to be approved by the Division of Insurance of the State of Colorado, or be or cease to be in compliance with any stricter requirements of the Grant, the Grantee, its Subgrantee and its Subcontractor shall promptly obtain a new policy.

iii. Insurer. All requisite insurance shall be obtained from financially responsible insurance companies, authorized to do business in the State of Colorado and acceptable to Grantee,

iv. Additional Insured

Grantee and the State shall be named as additional insureds on the Commercial General Liability and Automobile Liability Insurance policies (leases and construction Grants require additional insured coverage for completed operations on endorsements CG 2010 11/85, CG 2037, or equivalent).

v. Primacy of Coverage

Coverage required of Grantee, Subgrantees and Subcontractors shall be primary over any insurance or self-insurance program carried by Grantee or the State.

vi. Cancellation

The above insurance policies shall include provisions preventing cancellation or non-renewal without at least 45 days prior notice to the Grantee and Grantee shall forward such notice to the State in accordance with §16 (Notices and Representatives) within seven days of Grantee's receipt of such notice.

vii. Subrogation Waiver

All insurance policies in any way related to this Grant and secured and maintained by Grantee or its Subgrantees and Subcontractors as required herein shall include clauses stating that each carrier shall waive all rights of recovery, under subrogation or otherwise, against Grantee or the State, its agencies, institutions, organizations, officers, agents, employees, and volunteers.

D. Certificates

Grantee, Subgrantee and Subcontractor shall provide certificates showing insurance coverage required hereunder to the State within seven business days of the Effective Date of this Grant or of their respective subcontract or subgrant. No later than 15 days prior to the expiration date of any such coverage, Grantee, Subgrantee and Subcontractor shall deliver to the State or Grantee certificates of insurance evidencing renewals thereof. In addition, upon request by the State at any other time during the term of this Grant, subgrant or subcontract, Grantee, Subgrantee and Subcontractor shall, within 10 days of such request, supply to the State evidence satisfactory to the State of compliance with the provisions of this §13.

14. BREACH

A. Defined

In addition to any breaches specified in other sections of this Grant, the failure of either Party to perform any of its material obligations hereunder in whole or in part or in a timely or satisfactory manner, constitutes a breach. 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 20 days after the institution or occurrence thereof, shall also constitute a breach.

B. Notice and Cure Period

In the event of a breach, notice of such shall be given in writing by the aggrieved Party to the other Party in the manner provided in §16. If such breach is not cured within 30 days of receipt of written notice, or if a cure cannot be completed within 30 days, or if cure of the breach has not begun within 30 days and pursued with due diligence, the State may exercise any of the remedies set forth in §15. Notwithstanding anything to the contrary herein, the State, in its sole discretion, need not provide advance notice or a cure period and may immediately terminate this Grant in whole or in part if reasonably necessary to preserve public safety or to prevent immediate public crisis.

15. REMEDIES

If Grantee is in breach under any provision of this Grant or if the State terminates this Grant pursuant to §15(B), the State shall have the remedies listed in this §15 in addition to all other remedies set forth in other sections of this Grant following the notice and cure period set forth in §14(B), if applicable. The State may exercise any or all of the remedies available to it, in its sole discretion, concurrently or consecutively.

A. Termination for Cause and/or Breach

If Grantee fails to perform any of its obligations hereunder with such diligence as is required to ensure its completion in accordance with the provisions of this Grant and in a timely manner, the State may notify

Grantee of such non-performance in accordance with the provisions herein. If Grantee thereafter fails to promptly cure such non-performance within the cure period, the State, at its option, may terminate this entire Grant or such part of this Grant as to which there has been delay or a failure to properly perform. Exercise by the State of this right shall not be deemed a breach of its obligations hereunder. Grantee shall continue performance of this Grant to the extent not terminated, if any.

i. Obligations and Rights

To the extent specified in any termination notice, Grantee shall not incur further obligations or render further performance hereunder past the effective date of such notice, and shall terminate outstanding orders and subgrants/subcontracts with third parties. However, Grantee shall complete and deliver to the State all Work, Services and Goods not cancelled by the termination notice and may incur obligations as are necessary to do so within this Grant's terms. At the sole discretion of the State, Grantee shall assign to the State all of Grantee's right, title, and interest under such terminated orders or subgrants/subcontracts. Upon termination, Grantee shall take timely, reasonable and necessary action to protect and preserve property in the possession of Grantee in which the State has an interest. All materials owned by the State in the possession of Grantee shall be immediately returned to the State.

ii. Payments

The State shall reimburse Grantee only for accepted performance up to the date of termination. If, after termination by the State, it is determined that Grantee was not in breach or that Grantee's action or inaction was excusable, such termination shall be treated as a termination in the public interest and the rights and obligations of the Parties shall be the same as if this Grant had been terminated in the public interest, as described herein.

iii. Damages and Withholding

Notwithstanding any other remedial action by the State, Grantee also shall remain liable to the State for any damages sustained by the State by virtue of any breach under this Grant by Grantee and the State may withhold any payment to Grantee for the purpose of mitigating the State's damages, until such time as the exact amount of damages due to the State from Grantee is determined. The State may withhold any amount that may be due to Grantee as the State deems necessary to protect the State, including loss as a result of outstanding liens or claims of former lien holders, or to reimburse the State for the excess costs incurred in procuring similar goods or services.

B. Early Termination in the Public Interest

The State is entering into this Grant for the purpose of carrying out the public policy of the State of Colorado, as determined by its Governor, General Assembly, and/or Courts. If this Grant ceases to further the public policy of the State, the State, in its sole discretion, may terminate this Grant in whole or in part. Exercise by the State of this right shall not constitute a breach of the State's obligations hereunder. This subsection shall not apply to a termination of this Grant by the State for cause or breach by Grantee, which shall be governed by §15(A) or as otherwise specifically provided for herein.

i. Method and Content

The State shall notify Grantee of such termination in accordance with §16. The notice shall specify the effective date of the termination and whether it affects all or a portion of this Grant.

ii. Obligations and Rights

Upon receipt of a termination notice, Grantee shall be subject to and comply with the same obligations and rights set forth in §15(A)(i).

iii. Payments

If this Grant is terminated by the State pursuant to this §15(B), Grantee shall be paid an amount which bears the same ratio to the total reimbursement under this Grant as the Services satisfactorily performed bear to the total Services covered by this Grant, less payments previously made. Additionally, if this Grant is less than 60% completed, the State may reimburse Grantee for a portion of actual out-of-pocket expenses (not otherwise reimbursed under this Grant) incurred by Grantee which are directly attributable to the uncompleted portion of Grantee's obligations hereunder; provided that the sum of any and all reimbursement shall not exceed the maximum amount payable to Grantee hereunder.

C. Termination for No Substantial Progress in the Work

The State may elect to terminate this Grant upon receipt and review of any Quarterly Progress Report, submitted per the time periods defined in **Exhibit B**, if such Quarterly Progress Report fails to evidence Substantial Progress in the Work as directed, defined and expected under **Exhibit B**. Further, the State may elect to terminate this Grant if the Grantee fails to complete Project Closeout within **three months** of completion of the Work. Exercise by the State of this right shall not be deemed a breach of its obligations hereunder.

i. Obligations and Rights

To the extent specified in any termination notice, Grantee shall not incur further obligations or render further performance hereunder past the effective date of such notice, and shall terminate outstanding orders and subgrants/subcontracts with third parties. However, Grantee shall complete and deliver to the State all Work, Services and Goods not cancelled by the termination notice and may incur obligations as are necessary to do so within this Grant's terms. At the sole discretion of the State, Grantee shall assign to the State all of Grantee's right, title, and interest under such terminated orders or subgrants/subcontracts. Upon termination, Grantee shall take timely, reasonable and necessary action to protect and preserve property in the possession of Grantee in which the State has an interest. All materials owned by the State in the possession of Grantee shall be immediately returned to the State.

ii. Payments

The State shall reimburse Grantee only for accepted performance up to the date of termination.

iii. Damages and Withholding

Notwithstanding any other remedial action by the State, Grantee also shall remain liable to the State for any damages sustained by the State by virtue of any breach under this Grant by Grantee and the State may withhold any payment to Grantee for the purpose of mitigating the State's damages, until such time as the exact amount of damages due to the State from Grantee is determined. The State may withhold any amount that may be due to Grantee as the State deems necessary to protect the State, including loss as a result of outstanding liens or claims of former lien holders, or to reimburse the State for the excess costs incurred in procuring similar goods or services.

D. Remedies Not Involving Termination

The State, at its sole discretion, may exercise one or more of the following remedies in addition to other remedies available to it:

i. Suspend Performance

Suspend Grantee's performance with respect to all or any portion of this Grant pending necessary corrective action as specified by the State without entitling Grantee to an adjustment in price/cost or performance schedule. Grantee shall promptly cease performance and incurring costs in accordance with the State's directive and the State shall not be liable for costs incurred by Grantee after the suspension of performance under this provision.

ii. Withhold Payment

Withhold payment to Grantee until corrections in Grantee's performance are satisfactorily made and completed.

iii. Deny Payment

Deny payment for those obligations not performed, that due to Grantee's actions or inactions, cannot be performed or, if performed, would be of no value to the State; provided, that any denial of payment shall be reasonably related to the value to the State of the obligations not performed.

iv. Removal

Demand removal of any of Grantee's employees, agents, or Subgrantees whom the State deems incompetent, careless, insubordinate, unsuitable, or otherwise unacceptable, or whose continued relation to this Grant is deemed to be contrary to the public interest or not in the State's best interest.

v. Intellectual Property

If Grantee infringes on a patent, copyright, trademark, trade secret or other intellectual property right while performing its obligations under this Grant, Grantee shall, at the State's option **(a)** obtain for the

State or Grantee the right to use such products and services; (b) replace any Goods, Services, or other product involved with non-infringing products or modify them so that they become non-infringing; or, (c) if neither of the foregoing alternatives are reasonably available, remove any infringing Goods, Services, or products and refund the price paid therefore to the State.

16. NOTICES and REPRESENTATIVES

Each individual identified below is the principal representative of the designating Party. All notices required to be given hereunder shall be hand delivered with receipt required or sent by certified or registered mail to such Party's principal representative at the address set forth below. In addition to, but not in lieu of a hard-copy notice, notice also may be sent by e-mail to the e-mail addresses, if any, set forth below. Either Party may from time to time designate by written notice substitute addresses or persons to whom such notices shall be sent. Unless otherwise provided herein, all notices shall be effective upon receipt.

A. State:

Chantal Unfug, Division Director
Division of Local Government
Colorado Department of Local Affairs
1313 Sherman Street, Room 521
Denver, Colorado 80203
Email: chantal.unfug@state.co.us

B. Grantee:

Zach McManus, Mayor
Town of Rico
P. O. Box 9
Rico, Colorado 81332
Email: zacholope@gmail.com

17. RIGHTS IN DATA, DOCUMENTS, AND COMPUTER SOFTWARE

This section shall | shall not apply to this Grant.

Any software, research, reports, studies, data, photographs, negatives or other documents, drawings, models, materials, or Work Product of any type, including drafts, prepared by Grantee in the performance of its obligations under this Grant shall be the exclusive property of the State and, all Work Product shall be delivered to the State by Grantee upon completion or termination hereof. The State's exclusive rights in such Work Product shall include, but not be limited to, the right to copy, publish, display, transfer, and prepare derivative works. Grantee shall not use, willingly allow, cause or permit such Work Product to be used for any purpose other than the performance of Grantee's obligations hereunder without the prior written consent of the State.

18. GOVERNMENTAL IMMUNITY

Notwithstanding any other provision to the contrary, nothing herein shall constitute a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions of the GIA. Liability for claims for injuries to persons or property arising from the negligence of the State of Colorado, its departments, institutions, agencies, boards, officials, and employees is controlled and limited by the provisions of the GIA and the risk management statutes, CRS §24-30-1501, et seq., as amended.

19. STATEWIDE CONTRACT MANAGEMENT SYSTEM

If the maximum amount payable to Grantee under this Grant is greater than \$100,000 either on the Effective Date or at anytime thereafter, this §19 applies.

Grantee agrees to be governed, and to abide, by the provisions of CRS §24-102-205, §24-102-206, §24-103-601, §24-103.5-101 and §24-105-102 concerning the monitoring of vendor performance on state Grants and inclusion of Grant performance information in a statewide Contract Management System.

Grantee's performance shall be subject to Evaluation and Review in accordance with the terms and conditions of this Grant, State law, including CRS §24-103.5-101, and State Fiscal Rules, Policies and Guidance. Evaluation and Review of Grantee's performance shall be part of the normal Grant administration process and Grantee's performance will be systematically recorded in the statewide Contract Management System. Areas of Evaluation

and Review shall include, but shall not be limited to quality, cost and timeliness. Collection of information relevant to the performance of Grantee's obligations under this Grant shall be determined by the specific requirements of such obligations and shall include factors tailored to match the requirements of Grantee's obligations. Such performance information shall be entered into the statewide Contract Management System at intervals established herein and a final Evaluation, Review and Rating shall be rendered within 30 days of the end of the Grant term. Grantee shall be notified following each performance Evaluation and Review, and shall address or correct any identified problem in a timely manner and maintain work progress.

Should the final performance Evaluation and Review determine that Grantee demonstrated a gross failure to meet the performance measures established hereunder, the Executive Director of the Colorado Department of Personnel and Administration (Executive Director), upon request by the Department of Local Affairs, and showing of good cause, may debar Grantee and prohibit Grantee from receiving future grants and bidding on future contracts. Grantee may contest the final Evaluation, Review and Rating by: **(a)** filing rebuttal statements, which may result in either removal or correction of the evaluation (CRS §24-105-102(6)), or **(b)** under CRS §24-105-102(6), exercising the debarment protest and appeal rights provided in CRS §§24-109-106, 107, 201 or 202, which may result in the reversal of the debarment and reinstatement of Grantee, by the Executive Director, upon a showing of good cause.

20. RESTRICTION ON PUBLIC BENEFITS

This section shall | shall not apply to this Grant.

Grantee must confirm that any individual natural person is lawfully present in the United States pursuant to CRS §24-76.5-101 et seq. when such individual applies for public benefits provided under this Grant by requiring the applicant to:

- A. Produce an identification document in accordance with §2.1.1 through §2.1.3 of Colorado Department of Revenue's Rule #1 CCR 201-17, Rule for Evidence of Lawful Presence, as amended.
- B. Execute an affidavit herein attached as **Form 1**, Residency Declaration, stating
 - i. That he or she is a United States citizen or legal permanent resident; or
 - ii. That he or she is otherwise lawfully present in the United States pursuant to federal law.

[The following applies if Grant is funded with federal funds].

Notwithstanding the foregoing, to the extent that there is any conflict with the provisions above or those set forth in the Residency Declaration attached hereto as **Form 1** and any provision of federal law, the provisions of federal law shall prevail.

21. GENERAL PROVISIONS

A. Assignment and Subgrants

Grantee's rights and obligations hereunder are personal and may not be transferred, assigned or subgranted without the prior, written consent of the State. Any attempt at assignment, transfer, or subgranting without such consent shall be void. All assignments, subgrants, or subcontracts approved by Grantee or the State are subject to all of the provisions hereof. Grantee shall be solely responsible for all aspects of subgranting and subcontracting arrangements and performance.

B. Binding Effect

Except as otherwise provided in §21(A), all provisions herein contained, including the benefits and burdens, shall extend to and be binding upon the Parties' respective heirs, legal representatives, successors, and assigns.

C. Captions

The captions and headings in this Grant are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions.

D. Counterparts

This Grant may be executed in multiple identical original counterparts, all of which shall constitute one agreement.

E. Entire Understanding

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

F. Indemnification-General

Grantee shall, to the extent permitted by law, indemnify, save, and hold harmless the State, its employees and agents, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees and related costs, incurred as a result of any act or omission by Grantee, or its employees, agents, Subgrantees, or assignees pursuant to the terms of this Grant; however, the provisions hereof shall not be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions, of the GIA, or the Federal Tort Claims Act, 28 U.S.C. 2671 et seq., as applicable, as now or hereafter amended.

G. Jurisdiction and Venue

All suits, actions, or proceedings related to this Grant shall be held in the State of Colorado and exclusive venue shall be in the City and County of Denver.

H. Applicable Laws

At all times during the performance of this Grant, Grantee shall comply with all applicable Federal and State laws and their implementing regulations, currently in existence and as hereafter amended. Grantee also shall require compliance with such laws and regulations by subgrantees under subgrants permitted by this Grant.

I. Use Covenants

This section shall | shall not apply to this Grant:

For Subject Property that is owned by Grantee upon execution of this Grant, Grantee shall record a Use Covenant substantially equivalent to **Exhibit F** with the county in which the property resides as soon as reasonably practicable after execution of this Grant. For Subject Property acquired by Grantee using Grant Funds, Grantee shall record a Use Covenant substantially equivalent to **Exhibit F** with the county in which the property resides as soon as reasonably practicable after acquisition of such property.

J. Modification

i. By the Parties

If either the State or the Grantee desire to modify the terms of this Grant to either increase or decrease total awarded funds, make budget line item adjustments to Grant Funds, and/or change the performance period or term of the Grant, this may be achieved unilaterally by DOLA through an Option Letter (**Exhibit G**). Except as otherwise provided in this Grant, no modification shall be effective unless agreed to in writing by the Parties in an amendment, properly executed and approved in accordance with applicable Colorado State law, State Fiscal Rules, and Office of the State Controller Policies. Changes to the Grant shall be authorized for approval by the following State or DOLA parties:

a) Approval by Division Director

The Division Director of DOLA, or his delegee, shall have authority to approve changes to the Responsible Administrator and Key Personnel specified in §5 of **Exhibit B** and the Principal Representative in §16.

b) Approval by DOLA Controller

The DOLA Controller shall have authority to approve all changes to the Grant which are not reserved to the Division Director above.

ii. By Operation of Law

This Grant is subject to such modifications as may be required by changes in Federal or Colorado State law, or their implementing regulations. Any such required modification automatically shall be incorporated into and be part of this Grant on the effective date of such change, as if fully set forth herein.

K. Order of Precedence

The provisions of this Grant shall govern the relationship of the Parties. In the event of conflicts or inconsistencies between this Grant and its exhibits and attachments including, but not limited to, those

provided by Grantee, such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority:

- i. Colorado Special Provisions
- ii. The provisions of the main body of this Grant (excluding the cover page)
- iii. Any executed Option Letters
- iv. Exhibit B (Scope of Project)
- v. The cover page of this Grant

L. Severability

Provided this Grant can be executed and performance of the obligations of the Parties accomplished within its intent, the provisions hereof are severable and any provision that is declared invalid or becomes inoperable for any reason shall not affect the validity of any other provision hereof.

M. Survival of Certain Grant Terms

Notwithstanding anything herein to the contrary, provisions of this Grant requiring continued performance, compliance, or effect after termination hereof, shall survive such termination and shall be enforceable by the State if Grantee fails to perform or comply as required.

N. Taxes

The State is exempt from all federal excise taxes under IRC Chapter 32 (No. 84-730123K) and from all State and local government sales and use taxes under CRS §§39-26-101 and 201 et seq. Such exemptions apply when materials are purchased or services rendered to benefit the State; provided however, that certain political subdivisions (e.g., City of Denver) may require payment of sales or use taxes even though the product or service is provided to the State. Grantee shall be solely liable for paying such taxes as the State is prohibited from paying for or reimbursing Grantee for them.

O. Third Party Beneficiaries

Enforcement of this Grant and all rights and obligations hereunder are reserved solely to the Parties, and not to any third party. Any services or benefits which third parties receive as a result of this Grant are incidental to the Grant, and do not create any rights for such third parties.

P. Waiver

Waiver of any breach of a term, provision, or requirement of this Grant, or any right or remedy hereunder, whether explicitly or by lack of enforcement, shall not be construed or deemed as a waiver of any subsequent breach of such term, provision or requirement, or of any other term, provision, or requirement.

Q. CORA Disclosure

To the extent not prohibited by federal law, this Grant and the performance measures and standards under CRS §24-103.5-101, if any, are subject to public release through the Colorado Open Records Act, CRS §24-72-101, et seq.

THE REST OF THIS PAGE INTENTIONALLY LEFT BLANK

22. COLORADO SPECIAL PROVISIONS

A. The Special Provisions apply to all Grants except where noted in *italics*.

i. CONTROLLER'S APPROVAL. CRS §24-30-202 (1).

This Grant shall not be deemed valid until it has been approved by the Colorado State Controller or designee.

ii. FUND AVAILABILITY. CRS §24-30-202(5.5).

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

iii. GOVERNMENTAL IMMUNITY.

No term or condition of this Grant shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, of the Colorado Governmental Immunity Act, CRS §24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. §§1346(b) and 2671 et seq., as applicable now or hereafter amended.

iv. INDEPENDENT CONTRACTOR

Grantee shall perform its duties hereunder as an independent Grantee 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 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. Unemployment insurance benefits shall be available to Grantee and its employees and agents only if such coverage is made available by Grantee or a third party. Grantee shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this Grant. Grantee shall not have authorization, express or implied, to bind the State to any Grant, liability or understanding, except as expressly set forth herein. Grantee shall (a) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (b) provide proof thereof when requested by the State, and (c) be solely responsible for its acts and those of its employees and agents.

v. COMPLIANCE WITH LAW.

Grantee shall strictly 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.

vi. CHOICE OF LAW.

Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this grant. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. Any provision incorporated herein by reference which purports to negate this or any other Special Provision in whole or in part shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision shall not invalidate the remainder of this Grant, to the extent capable of execution.

vii. BINDING ARBITRATION PROHIBITED.

The State of Colorado does not agree to binding arbitration by any extra-judicial body or person. Any provision to the contrary in this Grant or incorporated herein by reference shall be null and void.

viii. SOFTWARE PIRACY PROHIBITION. Governor's Executive Order D 002 00.

State or other public funds payable under this Grant 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 Grant 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 Grant, including, without

limitation, immediate termination of this Grant and any remedy consistent with federal copyright laws or applicable licensing restrictions.

ix. EMPLOYEE FINANCIAL INTEREST. CRS §§24-18-201 and 24-50-507.

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 Grant. 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.

x. VENDOR OFFSET. CRS §§24-30-202 (1) and 24-30-202.4.

[Not applicable to intergovernmental agreements] Subject to CRS §24-30-202.4 (3.5), the State Controller may withhold payment under the State's vendor offset intercept system for debts owed to State agencies for: (a) unpaid child support debts or child support arrearages; (b) unpaid balances of tax, accrued interest, or other charges specified in CRS §39-21-101, et seq.; (c) unpaid loans due to the Student Loan Division of the Department of Higher Education; (d) amounts required to be paid to the Unemployment Compensation Fund; and (e) other unpaid debts owing to the State as a result of final agency determination or judicial action.

xi. PUBLIC GRANTS FOR SERVICES. CRS §8-17.5-101.

[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 shall perform work under this Grant and shall confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this Grant, through participation in the E-Verify Program or the State program established pursuant to CRS §8-17.5-102(5)(c), Grantee shall not knowingly employ or contract with an illegal alien to perform work under this Grant or enter into a grant with a Subgrantee that fails to certify to Grantee that the Subgrantee shall not knowingly employ or contract with an illegal alien to perform work under this Grant. Grantee (a) shall not use E-Verify Program or State program procedures to undertake pre-employment screening of job applicants while this Grant is being performed, (b) shall notify the Subgrantee and the granting State agency within three days if Grantee has actual knowledge that a Subgrantee is employing or contracting with an illegal alien for work under this Grant, (c) shall terminate the Subgrant if a Subgrantee does not stop employing or contracting with the illegal alien within three days of receiving the notice, and (d) shall comply with reasonable requests made in the course of an investigation, undertaken pursuant to CRS §8-17.5-102(5), by the Colorado Department of Labor and Employment. If Grantee participates in the State program, Grantee shall deliver to the granting 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 State program. If Grantee fails to comply with any requirement of this provision or CRS §8-17.5-101 et seq., the granting State agency, institution of higher education or political subdivision may terminate this Grant for breach and, if so terminated, Grantee shall be liable for damages.

xii. PUBLIC GRANTS WITH NATURAL PERSONS. CRS §24-76.5-101.

Grantee, if a natural person eighteen (18) years of age or older, hereby swears and affirms under penalty of perjury that he or she (a) is a citizen or otherwise lawfully present in the United States pursuant to federal law, (b) shall comply with the provisions of CRS §24-76.5-101 et seq., and (c) has produced one form of identification required by CRS §24-76.5-103 prior to the Effective Date of this Grant.

(Special Provisions - effective 1/1/09)

SIGNATURE PAGE

THE PARTIES HERETO HAVE EXECUTED THIS GRANT

*** Persons signing for Grantee hereby swear and affirm that they are authorized to act on Grantee’s behalf and acknowledge that the State is relying on their representations to that effect.**

| | |
|--|---|
| <p style="text-align: center;">GRANTEE TOWN OF RICO</p> <p>By: _____ Name of Authorized Individual (print)</p> <p>Title: _____ Official Title of Authorized Individual</p> <p>_____ *Signature</p> <p>Date: _____</p> | <p style="text-align: center;">STATE OF COLORADO John W. Hickenlooper, GOVERNOR DEPARTMENT OF LOCAL AFFAIRS</p> <p>By: _____ Irv Halter, Executive Director</p> <p>Date: _____</p> <hr/> <p style="text-align: center;">PRE-APPROVED FORM CONTRACT REVIEWER</p> <p>By: _____ Tara Tubb, EIAF Program Manager</p> <p>Date: _____</p> |
|--|---|

ALL GRANTS REQUIRE APPROVAL BY THE STATE CONTROLLER

CRS §24-30-202 requires the State Controller to approve all State grants. This Grant is not valid until signed and dated below by the State Controller or delegate. Grantee is not authorized to begin performance until such time. If Grantee begins performing prior thereto, the State of Colorado is not obligated to pay Grantee for such performance or for any goods and/or services provided hereunder.

**STATE CONTROLLER
Robert Jaros, CPA**

By: _____
Yingtse Cha, Controller Delegate

Date: _____



COLORADO

Colorado Water
Conservation Board

Department of Natural Resources

Contract CORE No. POGG1 2018-846
CMS #

April 10, 2018

Town of Rico
Attn: Kari Distefano, Town Manager
P.O. Box 9
Rico, CO 81332-009

Dear Kari:

We are pleased to inform you that the Colorado Department of Natural Resources, Colorado Water Conservation Board (CWCB) has approved your application for funding pursuant to the WSRF Grant Program (“Program”) in the amount of \$60,000. This letter authorizes you to proceed with the Water System Engineer’s Analysis Project (“Project”) in accordance with the terms of this Grant Award Letter.

Attached to this letter are the terms and conditions of your Grant. Please review these terms and conditions, as they are requirements of this Grant to which you, Town of Rico agree by accepting the Grant Funds.

The WSRF Criteria & Guidelines can be located on our website for additional information.

If you have any questions or concerns regarding the project, please contact Megan Holcomb, Project Manager at 303-866-3441 ext. 3222 or at Megan.Holcomb@state.co.us. Please send the 6-month progress reports and invoices directly to the Project Manager and cc me at Dori.vigil@state.co.us.

Thank you.

Sincerely,

//s//

Doriann Vigil
Program Assistant II
O 303-866-3441 ext. 3250
1313 Sherman Street, Rm. 719, Denver, CO 80203
Dori.vigil@state.co.us / cwcb.state.co.com

Attachments



STATE OF COLORADO
Department of Natural Resources

ORDER *****IMPORTANT*****

Number: POGG1,PDAA,201800000846

Date: 04/10/18

Description:

PDAA 2500 WSRF - WATER SYSTEMS
ANALYSIS_SW BASIN

Effective Date: 04/10/18

Expiration Date: 04/30/19

The order number and line number must appear on all invoices, packing slips, cartons, and correspondence. Please review each line for its corresponding shipping/billing address and delivery instructions.

BUYER

Buyer:

Email:

VENDOR

TOWN OF RICO
PO BOX 9
RICO, CO 81332-0009

Contact: .

Phone: .

EXTENDED DESCRIPTION

| Line Item | Commodity/Item Code | UOM | QTY | Unit Cost | Total Cost | MSDS Req. |
|---|---------------------|-----|-----|-----------|-------------|--------------------------|
| 1 | G1000 | | 0 | 0.00 | \$30,000.00 | <input type="checkbox"/> |
| Description: PDAA 2500 WSRF - WATER SYSTEMS ANALYSIS_SW BASIN | | | | | | |

Service From: 04/10/18 Service To: 04/30/19

Delivery Instructions

FOB: FOB Dest, Freight Allowed Delivery Date:

| Ship To: | | Bill To: | |
|---|--|--|--|
| COLORADO WATER BOARD CONSERVATION 1313 SHERMAN STREET, ROOM 718 DENVER, CO 80203 | | COLORADO WATER BOARD CONSERVATION 1313 SHERMAN STREET, ROOM 718 DENVER, CO 80203 | |

| Line Item | Commodity/Item Code | UOM | QTY | Unit Cost | Total Cost | MSDS Req. |
|---|---------------------|-----|-----|-----------|-------------|--------------------------|
| 2 | G1000 | | 0 | 0.00 | \$30,000.00 | <input type="checkbox"/> |
| Description: PDAA 2500 WSRF - WATER SYSTEMS ANALYSIS_SW BASIN | | | | | | |

Service From: 04/10/18 Service To: 04/30/19

Delivery Instructions

FOB: FOB Dest, Freight Allowed Delivery Date:



STATE OF COLORADO
Department of Natural Resources

| Ship To: | Bill To: |
|---|--|
| COLORADO WATER BOARD CONSERVATION 1313 SHERMAN STREET, ROOM 718 DENVER, CO 80203 | COLORADO WATER BOARD CONSERVATION 1313 SHERMAN STREET, ROOM 718 DENVER, CO 80203 |
| TERMS AND CONDITIONS | |
| https://www.colorado.gov/pacific/osc/small-dollar-grant-award-terms-conditions | |
| DOCUMENT TOTAL = \$60,000.00 | |



Last Update: October 24, 2017

| Colorado Water Conservation Board | |
|--|---|
| Water Supply Reserve Fund | |
| <u>Exhibit A - Statement of Work</u> | |
| Date: | December 14, 2017 |
| Water Activity Name: | Town of Rico Water System Engineer’s Analysis |
| Grant Recipient: | Town of Rico |
| Funding Source: | Town of Rico |
| Water Activity Overview: (Please provide brief description of the proposed water activity (no more than 200 words). Include a description of the overall water activity and specifically what the WSRF funding will be used for.) | |
| <p>The Town of Rico would like to engage an engineering firm to provide a detailed analysis of Rico’s water systems with the goal of increasing efficiency, quality and productivity. The primary beneficiaries of this project will be the residents of Rico however our guests will also benefit from a more reliable, efficient water system.</p> <p>The Town of Rico has two diversion points. One is Rico Well #1 dated June 2010 and the other is the Silver Creek Flume dated June 1968. At this time, the Silver Creek system is off-line. The proposed scope of work would include both systems. It would consist of an analysis and feasibility study to determine what it would take to re-activate the Silver Creek System. It would also include an evaluation and upgrade plan that would help resolve an average monthly water loss of 47% from the well system. Finally the Town would like to explore the possibility of combining the two systems to create a more reliable water source. WSRF funding would be used to hire an engineering firm to help Rico accomplish the following objectives.</p> | |
| Objectives: (List the objectives of the project) | |
| <ul style="list-style-type: none"> • To enhance the Town of Rico’s municipal water supply by reactivating the Silver Creek system. • To increase the efficiency of Rico’s water pipes and reduce water loss from leaks • To create a plan to replace existing exterior meter boxes with interior meters boxes over the course of several years. | |



Last Update: October 24, 2017

| Tasks |
|--|
| Provide a detailed description of each task using the following format: |
| <u>Task 1 - (Name) Silver Creek Engineering Report</u> |
| Description of Task: |
| Following the issuance of a request for proposals, the Town of Rico will engage an engineering firm to evaluate the Silver Creek diversion point and accompanying infiltration galleries and storage tanks. |
| Method/Procedure: Engineering analysis to ensure water quality compliance and determine the possibility of bringing the Silver Creek source back on line. |
| <p>The engineering firm that is hired will perform the following tasks:</p> <ul style="list-style-type: none"> • Evaluate the infiltration gallery and determine what, if any capital improvements may be required. Suggest a maintenance routine and schedule. • Review and analyze the existing Home Spring filtration system including determining whether or not the Hach turbidity meter should be recalibrated, determining whether the pressure reducing valve controlling the pressure of the raw water into the vessels that hold the initial filters is functioning adequately, and determining whether or not the Home Spring filters are working properly. • Analyze the current condition of the mile long supply line that delivers water from the storage tanks to the Town of Rico. • Provide an engineer’s estimate of probable costs for the necessary improvement to make the Silver Creek System operational. This could include a new filtration system. • Determine whether an additional 100,000 storage tank would be necessary to accommodate moderate growth. |



Last Update: October 24, 2017

| Tasks |
|---|
| Grantee Deliverable: (Describe the deliverable the grantee expects from this task) |
| The engineering firm will supply a comprehensive analysis of the Silver Creek Water system that would include the items listed above. This will allow the Town of Rico to implement a strategy with which to undertake water system improvements. |
| CWCB Deliverable: (Describe the deliverable the grantee will provide CWCB documenting the completion of this task) |
| The Town of Rico will provide the CWCB with a copy of the engineering analysis as well as copies of invoices from the selected engineering firm and proof of payment. |

| Tasks |
|---|
| Provide a detailed description of each task using the following format: |
| <u>Task 2 Evaluation of Water Line from Rico Well #1 to ensure water conservation measures.</u> |
| Description of Task: |
| Following the issuance of a request for proposals, the Town of Rico will engage an engineering firm to evaluate the water line from the Rico Well #1 throughout the Town of Rico including service lines and meter boxes. |
| Method/Procedure: Engineering Evaluation |



Last Update: October 24, 2017

Tasks

The engineering firm that is hired will perform the following tasks:

- Suggest a meter replacement plan that would replace exterior meters with meters located within building and ultimately ensure that all meters are functioning properly and can be read remotely thus confirming household conservation measures are working.
- Provide the Town of Rico with a proposed water line replacement schedule.
- Provide a study of the chemical composition of the water of both Well #1 and Silver Creek to ensure that mixing water from the two systems would not cause corrosion in the pipes and leave Rico with a Flint Michigan type situation.
- Estimate costs associated with the suggested improvements so the Town of Rico can begin to develop a capital improvement plan.
- Determine whether or not it would be possible to treat the well water to prevent mineral build-up in appliances.

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

The engineering firm will supply a comprehensive analysis of the water pipe system that would include the items listed above. This will allow the Town of Rico to determine a strategy with which to undertake water system improvements.

CWCB Deliverable: (Describe the deliverable the grantee will provide CWCB documenting the completion of this task)

The Town of Rico will provide the CWCB with a copy of the engineering analysis as well as copies of invoices from the selected engineering firm and proof of payment. The Town of Rico will also provide the CWCB with a written plan explaining these strategies and how they will be incorporated into our capital improvement plan and our land use code.

Repeat for Task 3, Task 4, Task 5, etc.

Budget and Schedule

Budget: This Statement of Work and Schedule shall be accompanied by a Budget ([link?](#)) that reflects the Tasks identified in the Statement of Work and Schedule and shall be submitted to CWCB in an excel format.

Schedule: This Statement of Work and Budget shall be accompanied by a Schedule ([link?](#)) that reflects the Tasks identified in the Statement of Work and Budget and shall be submitted to CWCB in an excel format.



Last Update: October 24, 2017

Reporting Requirements

Reporting: The grantee shall provide their respective Roundtable(s) and the CWCB a Progress Report every 6 months, beginning from the date of executed contract. The Progress Report shall describe the status of the water activity, the completion or partial completion of the tasks identified in the Statement of Work 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: May 19, 2017



COLORADO
 Colorado Water
 Conservation Board
 Department of Natural Resources

Colorado Water Conservation Board

Water Supply Reserve Fund

Exhibit B - BUDGET AND SCHEDULE

Date: 12/12/2017

Water Activity Name: Water Systems Analysis

Grantee Name: Town of Rico

| <u>Task No.</u> | <u>Description</u> | <u>Start Date</u> ⁽¹⁾ | <u>End Date</u> | <u>Matching Funds</u> (cash & in-kind) ⁽²⁾ | <u>WSRF Funds</u> (Basin & Statewide combined) ⁽²⁾ | <u>Total</u> |
|-----------------|---|----------------------------------|-----------------|--|--|--------------|
| <u>1</u> | The Town of Rico will engage an engineering firm to evaluate the Silver Creek diversion point and accompanying infiltration galleries and storage tanks. | 4/10/18 | 4/30/19 | \$30,000 | \$30,000 | \$60,000 |
| 2 | The Town of Rico will engage an engineering firm to do an evaluation of the water line from Rico Well #1 throughout the Town of Rico to ensure water conservation measures. | 6/15/18 | 4/30/19 | \$30,000 | \$30,000 | \$60,000 |
| Total | | | | \$60,000 | \$60,000 | \$120,000 |

(1) Start Date for funding under \$100K - 45 Days from Board Approval; Start Date for funding over \$100K - 90 Days from Board Approval.

(2) Round values up to the nearest hundred dollars.

Reimbursement eligibility commences upon the grantee's receipt of a Notice to Proceed (NTP)

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

Engineering

Town of Rico Water Systems Engineering Analysis

| | Water Consultants | | | | | | Subtotal |
|-----------------------------------|---------------------------|---------------------------------|--------------------------|-----------------------------------|-------------------------------|--|----------|
| | Senior Principal Engineer | Senior Water Resources Engineer | Water Resources Engineer | Geologist/Water Resources Analyst | Chemist/Water Quality Analyst | | |
| Evaluation of Existing Facilities | \$ 190 | \$ 160 | \$ 130 | \$ 100 | \$ 100 | | |

| | Estimated Hours | | | | | | |
|--|-----------------|-----------|-----------|----------|-----------|--|------------------|
| Evaluation of Existing Infiltration Gallery | 2 | 4 | 16 | 0 | 0 | | \$3,100 |
| Evaluation of Existing Filtration System | 2 | 4 | 8 | 0 | 8 | | \$2,860 |
| Evaluation of Silver Creek as Hydroelectric Power Source | 0 | 1 | 4 | 0 | 0 | | \$680 |
| Evaluation of Existing Supply Line to Tanks | 1 | 2 | 8 | 0 | 0 | | \$1,550 |
| Evaluation of Existing Tanks | 1 | 2 | 6 | 0 | 0 | | \$1,290 |
| Water Quality Testing & Analysis | 2 | 4 | 4 | 8 | 20 | | \$4,340 |
| | 8 | 17 | 46 | 8 | 28 | | \$ 13,820 |

| | Water Consultants | | | | | | Subtotal |
|---|---------------------------|--|--------------------------|-----------------------------------|-------------------------------|--|----------|
| | Senior Principal Engineer | Senior Water Resources Engineer/Consultant | Water Resources Engineer | Geologist/Water Resources Analyst | Chemist/Water Quality Analyst | | |
| Cost Estimates of Necessary Improvements and Administration | \$190 | \$160 | \$130 | \$100 | \$100 | | |

| | Estimated Hours | | | | | | |
|---|-----------------|-----------|-----------|-----------|-----------|--|-----------------|
| Cost Estimate for Infiltration Gallery Improvements | 0 | 2 | 8 | | | | \$1,360 |
| Cost Estimate for Filtration System Improvements | 0 | 2 | 6 | | | | \$1,100 |
| Cost Estimate for Supply Line Improvements | 0 | 2 | 4 | | | | \$840 |
| Cost Estimate for Tank Improvements | 0 | 2 | 4 | | | | \$840 |
| Cost Estimate for Replacing Meters | 0 | 2 | 8 | | | | \$1,360 |
| Cost Estimate for Remote Sensing (SCADA) Controls | 0 | 2 | 4 | | | | \$840 |
| Project Management | 5 | 7 | 6 | 4 | 3 | | \$3,550 |
| Report, Conclusions and Recommendations | 25 | 40 | 16 | 10 | 10 | | \$15,230 |
| | 30 | 59 | 56 | 14 | 13 | | \$25,120 |
| Subtotal Hours | 38 | 76 | 102 | 22 | 41 | | 279 |
| Subtotal Labor/ Subcontractor cost | \$7,220 | \$12,160 | \$13,260 | \$2,200 | \$4,100 | | \$38,940 |
| Subcontractor Administration Fee @ 5% | | | | | | | |
| Other Direct Costs (see below) | | | | | | | |

Subcontracts

| | Subcontracts | | | | | Subtotal |
|----------|--------------|------------------------------|-----|-----|-----|----------|
| | Geotechnical | Water Rights and other Legal | | | | |
| Lump sum | \$0 | \$0 | \$0 | \$0 | \$0 | \$3,100 |

| | Estimated Cost per Task and subcontractor | | | | | |
|--|---|---------|-----|-----|-----|---------|
| | \$0 | \$6,000 | \$0 | \$0 | \$0 | \$8,860 |
| | \$0 | \$0 | \$0 | \$0 | \$0 | \$680 |
| | \$4,000 | \$0 | \$0 | \$0 | \$0 | \$5,550 |
| | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,290 |
| | \$0 | \$0 | \$0 | \$0 | \$0 | \$4,340 |

| | Subcontracts | | | | Subtotal |
|----------|--------------|------------------------------|--------------------------------|---|----------|
| | Geotechnical | Water Rights and other Legal | Technical editing and proofing | Report Word Processing and Graphic Design | |
| Lump sum | \$0 | \$0 | \$0 | \$0 | \$0 |

| | Estimated Cost per Task and subcontractor | | | | | |
|--|---|---------|---------|---------|---------|----------|
| | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,360 |
| | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,100 |
| | \$0 | \$0 | \$0 | \$0 | \$0 | \$840 |
| | \$0 | \$0 | \$0 | \$0 | \$0 | \$840 |
| | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,360 |
| | \$0 | \$0 | \$0 | \$0 | \$0 | \$840 |
| | \$0 | \$0 | \$0 | \$0 | \$0 | \$3,550 |
| | \$1,000 | \$1,500 | \$1,500 | \$4,000 | \$8,000 | \$23,230 |

| | | | | | | |
|--|---------|---------|---------|---------|----------|-----------|
| | \$5,000 | \$7,500 | \$1,500 | \$4,000 | \$18,000 | \$113,880 |
| | \$250 | \$375 | \$75 | \$200 | \$900 | \$900 |

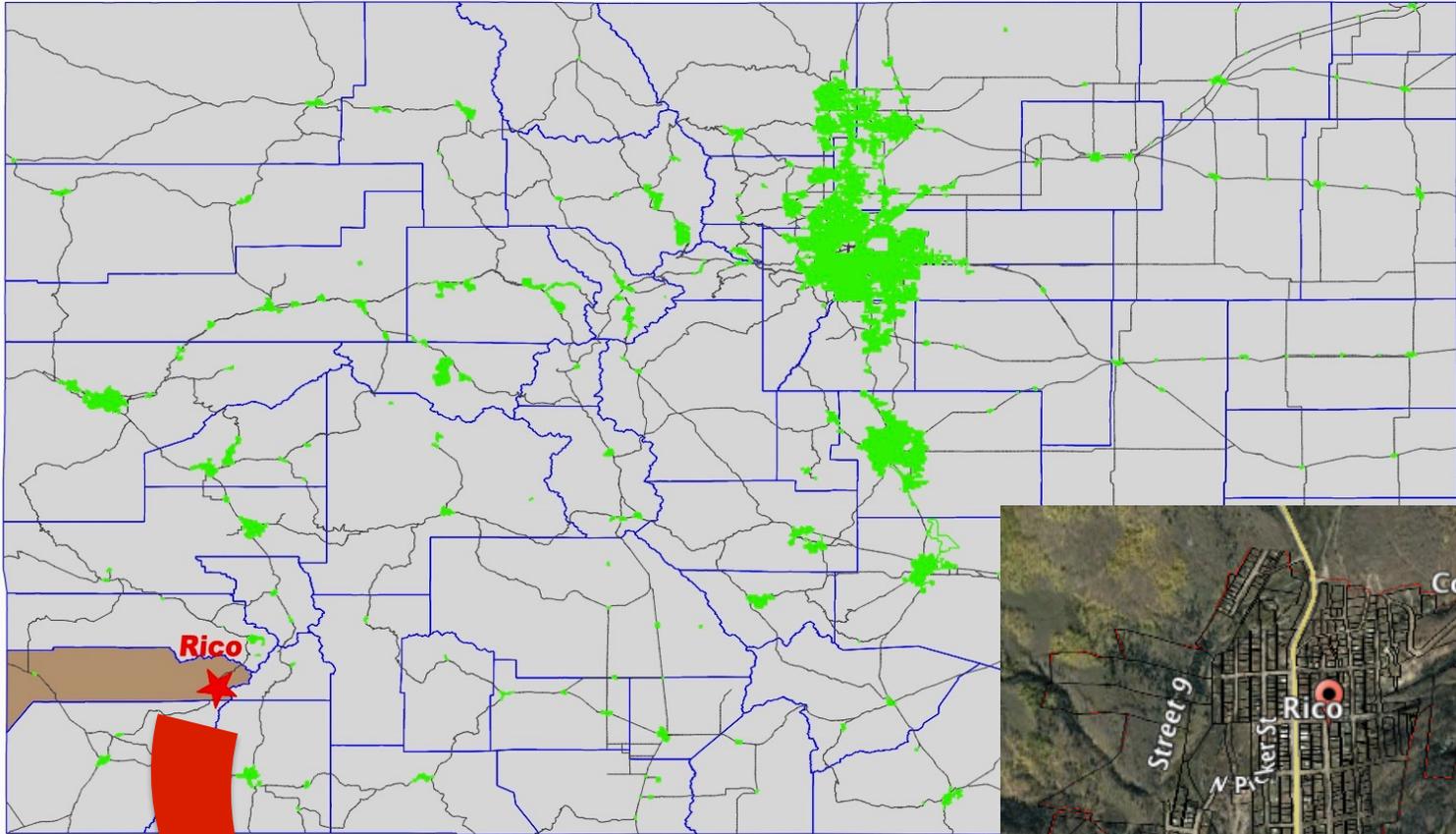
Total \$119,218

Other Direct Costs

| Item: | Copies & Printing (Black & White) | Copies & Printing (Color) | Materials and Final Report Production | Lodging and Meals | Travel Expenses (Airfare and Car Rental) | Mileage |
|---------------------|-----------------------------------|---------------------------|---------------------------------------|-------------------|--|---------|
| Units: | No. | No. | Lump Sum | Per Diem | Lump Sum | Miles |
| Unit Cost: | \$0.10 | \$0.50 | | \$ 100.00 | | \$0.535 |
| Total Units: | 550 | 290 | 1,900 | 10 | | 2,500 |
| Total Cost: | \$55 | \$145 | \$1,900 | \$1,000 | \$0 | \$1,338 |

| CWCB Funds | Southwest Water Conservancy District | Town of Rico |
|--------------|--------------------------------------|------------------|
| \$60,000 | \$30,000 | \$30,000 |
| Total | | \$120,000 |

\$4,438



Town of Rico CWCB
Grant Request
Project Area



THE SOUTHWESTERN WATER CONSERVATION DISTRICT

Developing and Conserving the Waters of the
SAN JUAN AND DOLORES RIVERS AND THEIR TRIBUTARIES
IN SOUTHWESTERN COLORADO
West Building – 841 East Second Avenue
DURANGO, COLORADO 81301
(970) 247-1302

February 22, 2018

Kari Distefano
Town of Rico
PO Box 9
Rico, CO 81332

Re: 2018 Water System Engineering Analysis

Dear Ms. Distefano:

Thank you for the application for financial assistance, which the Southwestern Water Conservation District Board of Directors considered at their February 14 meeting.

After discussing the merits of the application, the Board voted to approve the grant request for 25% of the actual project cost, up to a maximum of \$30,000. Enclosed with this letter is a *Document of Understanding* that outlines the conditions of the grant. Please review, sign, and return it at your earliest convenience.

We ask that the Town of Rico request the funds when the money is needed in 2018. There is a *Request for Release of Funds* form enclosed that also needs to be signed and sent to our office (or lauras@swwcd.org).

If you have any questions, please contact the District office at (970) 247-1302.

Best Regards,

Bruce Whitehead
Executive Director



THE SOUTHWESTERN WATER CONSERVATION DISTRICT
Developing and Conserving the Waters of the
SAN JUAN AND DOLORES RIVERS AND THEIR TRIBUTARIES
IN SOUTHWESTERN COLORADO

**Financial Assistance
Document of Understanding**

Name: Kari Distefano
Organization: Town of Rico
Project: 2018 Water System Engineering Analysis

The following conditions apply to your request for financial assistance:

- 1) The grant funds will be used only for the purposes described in the application.
- 2) A final written report, including a description of work completed and a detailed accounting of the use of funds, will be due to Southwestern Water Conservation District within three (3) months of the final expenditure or by December 31, 2018, whichever occurs first.
- 3) Funding will be requested when it is needed in 2018. Upon the District's receipt of the *Request for Release of Funds* form, the grant will be made available.

My signature indicates that I understand and agree to the conditions as outlined above.

Signature

Date

If you have updated contact information, please include it below. Otherwise, you may leave this portion of the form blank.

Address

City, State, Zip Code

Phone

Fax

Email



THE SOUTHWESTERN WATER CONSERVATION DISTRICT
Developing and Conserving the Waters of the
SAN JUAN AND DOLORES RIVERS AND THEIR TRIBUTARIES
IN SOUTHWESTERN COLORADO

**Financial Assistance
Request for Release of Funds**

Date _____
Organization _____
Project _____
Contact Person _____

I, the undersigned, do hereby request the release of funds in the amount of \$_____.

By signing this document, I assure Southwestern Water Conservation District that the funds are needed at this time and will only be used for the specific purpose and amount indicated in my application.

I understand that if the intended use of grant funds changes, board approval will be necessary. I also understand that the District may require additional documentation regarding the use of the funds at its discretion.

I acknowledge the District's requirement for a final written report, including a description of work completed and a detailed accounting of the use of funds.

Printed Name

Signature

Date

Please mail this request to SWCD, 841 E. 2nd Ave., Durango, CO 81301 or e-mail lauras@swgcd.org.

SWCD Use Only:

Check # _____

Date _____

Approved _____

Acct Number _____