

POLICY FOR CONSIDERATION OF FINANCIAL ASSISTANCE REQUESTS FROM THE UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT

The Upper Gunnison River Water Conservancy District (“District”) will consider requests for financial assistance for water resource projects pursuant to established programs (e.g., Grant Program) within District boundaries which are in accordance with the District's statutory purposes, subject to annual appropriation. Generally, these purposes are: the promotion of beneficial use of water for agricultural, recreational, domestic, municipal, industrial, and other purposes; watershed management activities; water quality enhancement projects; and water use efficiency enhancement projects.

Such requests must be submitted to the District in writing in compliance with the following criteria:

1. Requests for financial assistance will be considered for only those projects which are consistent with the District's mission.
<http://www.ugrwcd.org/Pages/mission%20statement.htm>
2. The District will determine annually, through its budgeting process, the funding available for assistance.
3. The District Board will generally consider assistance requests at its April meeting each year. All requests for assistance must be submitted in writing to the District by March 31 of the given year, unless otherwise specified.
4. The District will periodically promulgate guidelines to be utilized to evaluate and prioritize assistance requests. Through these criteria and guidelines, the District may target projects that address specific objectives, needs, areas or activities.
5. A completed project with a total cost of \$50,000 or less is eligible for funding if it was completed within one year preceding the application due date.
6. The Applicant making a request for assistance must demonstrate the ability to undertake and complete the project.
7. The Applicant and all other interest holders, such as facility owners, must accept all responsibility and liability associated with the proposed project, including but not limited to property interests, water rights, environmental and permit compliance, on-site and off-site project

impacts, project construction, project operations, project maintenance and other obligations.

8. Proposed projects must be supported by a detailed budget which shows the capital and operational funding requirements and all available funding sources.
9. A single grant recipient may not receive financial assistance from the UGRWCD that exceeds a total of \$150,000 in any consecutive five - year period, except under extraordinary circumstances.
10. Financial assistance will be limited to 50% of the project cost, up to a maximum financial assistance of \$50,000.
11. Financial assistance will be disbursed in the following manner:
The District will forward fifty percent (50%) of each grant amount (not to exceed \$25,000) to the grant recipient ("Grantee") once a grant contract has been signed and all other required documentation has been received and approved. The remaining grant amount will be forwarded once the project has been completed and the District has received a completed "Request for Final Payment" form from the Grantee. The final grant amount may be less than the total grant amount originally approved by the District Board if the documented final cost of the Project is less than the original cost estimate.
12. Applications for assistance from the District will be reviewed and prioritized solely at the District's discretion. Acceptance for review by the District of an application for financial assistance shall not constitute an obligation on the part of the District to provide such financial assistance. Requests will be evaluated and ranked in competition for available funding. Incomplete applications will be rejected.
13. In providing financial assistance, the District may evaluate or assess the technical adequacy of the proposal in order to prioritize project assistance requests. However, such an assessment shall not constitute a warranty or an engineering opinion on the project upon which the Applicant or any third party may rely.
14. Financial assistance will be implemented by a contract prepared by the District's Legal Counsel. This contract will include appropriate special conditions, including but not limited to: 1) Limitations on the use of financial assistance; 2) indemnification of the District by the Applicant; 3) insurance requirements of the Applicant; and 4) repayment requirements of the Applicant required by the District Board for limiting the use of grant funds. Grantees shall have sixty (60) days after the District's mailing of the final grant contract or any amendment to a grant

contract to them in which to execute the final grant contract or amendment and deliver the executed original to the District offices. If such execution and delivery are not accomplished in that time, the Grantee shall be deemed to have rejected the District's offer to contract and that offer shall terminate. If a Grantee fails to execute and deliver an amendment within that time, the District may terminate the original grant contract and demand full repayment if grant funds already have been distributed. The District's Legal Counsel may modify the grant contract on a case-by-case basis to accommodate special circumstances, including completed projects, commenced projects, and projects sponsored by public entities subject to the Colorado Governmental Immunity Act. The insurance requirements may be modified with the approval of Legal Counsel. Once a contract has been signed, the estimated commencement and completion dates may be extended upon written request by the Grantee and written approval by Legal Counsel. All other substantive changes to the grant contract must be approved by the Board.

15. Disbursements of financial assistance must be completed within three (3) years of the contract date unless there is a high likelihood that the project will be completed within an agreed upon reasonable time frame and an extension is authorized by staff and/or board action.