



McPherson,  
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## INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Board of Directors  
The Pueblo Conservancy District  
Pueblo, Colorado

We have compiled the accompanying balance sheets – general fund only – of the Pueblo Conservancy District as of March 31, 2014 and December 31, 2013, and the related comparative statements of revenue and expenditures – actual and budget – general fund for the one month and three months ended March 31, 2014 and the year ended December 31, 2013. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

*McPherson, Breyfogle, Daveline & Goodrich, PC*

April 22, 2014

PUEBLO CONSERVANCY DISTRICT  
BALANCE SHEET - GENERAL FUND ONLY  
MARCH 31, 2014 AND DECEMBER 31, 2013

	<u>3/31/2014</u>	<u>12/31/2013</u>
<b>ASSETS</b>		
VECTRA BANK CHECKING	\$ 720,847	\$ 519,433
VECTRA BANK MONEY MARKET	11,908	11,907
BROKERAGE MONEY MARKET ACCOUNTS	(34,156)	268,940
COLOTRUST INVESTMENT	25,093	25,085
STIFEL NICOLAUS INVESTMENT	203,720	209,174
MORGAN STANLEY INVESTMENT	908,535	607,132
ACCRUED INTEREST & OTHER RECEIVABLES	-	2,980
MAINTENANCE ASSESSMENTS RECEIVABLE	<u>551,380</u>	<u>858,533</u>
 TOTAL ASSETS	 <u>\$ 2,387,327</u>	 <u>\$ 2,503,184</u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>		
ACCOUNTS PAYABLE	\$ -	\$ 38,425
PAYROLL TAXES PAYABLE	138	1,102
MAINTENANCE FUND REFUND PAYABLE	<u>15,804</u>	<u>31,288</u>
 TOTAL LIABILITIES	 <u>15,942</u>	 <u>70,815</u>
 DEFERRED INFLOWS OF RESOURCES		
MAINTENANCE ASSESSMENTS	<u>551,380</u>	<u>858,533</u>
 ASSIGNED FUND BALANCE	 597,152	 597,152
UNASSIGNED FUND BALANCE	<u>1,222,853</u>	<u>976,684</u>
 TOTAL FUND BALANCE	 -	 -
	<u>1,820,005</u>	<u>1,573,836</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	 <u>\$ 2,387,327</u>	 <u>\$ 2,503,184</u>

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT  
 COMPARATIVE STATEMENT OF REVENUE AND EXPENDITURES -  
 ACTUAL AND BUDGET - GENERAL FUND  
 FOR THE ONE MONTH AND THREE MONTHS ENDED MARCH 31, 2014  
 AND THE TWELVE MONTHS ENDED DECEMBER 31, 2013

	ACTUAL		2014 BUDGET	UNUSED BUDGET	2013 ACTUAL
	CURRENT MONTH	YEAR TO DATE			
REVENUES					
INTEREST INCOME					
COLOTRUST	\$ 2	\$ 7	\$ -	\$ -	\$ 32
MONEY MARKET ACCOUNTS	3	10	-	-	27
WELLS FARGO	-	-	-	-	5,575
STIFEL NICOLAUS	835	835	-	-	10,857
MORGAN STANLEY	436	1,531	-	-	9,447
UNREALIZED GAINS (LOSSES)	(15,661)	(9,807)	-	-	(33,520)
TOTAL INTEREST INCOME	(14,385)	(7,424)	22,000	29,424	(7,582)
MAINTENANCE FUND ASSESSMENT	246,145	307,153	870,000	562,847	914,818
CITY OF PUEBLO MAINT. FUND IGA	-	-	50,000	50,000	50,000
MAINTENANCE FUND REFUND	-	-	-	-	(31,288)
OTHER INCOME	-	-	-	-	275
TOTAL REVENUES	\$ 231,760	\$ 299,729	\$ 942,000	\$ 642,271	\$ 926,223
EXPENDITURES					
80 LEGAL FEES	\$ 582	\$ 1,623	\$ 6,000	\$ 4,377	\$ 7,551
81 DIRECTORS FEES	600	1,800	14,400	12,600	7,200
82 FICA TAXES	-	-	1,102	1,102	551
83 ENGINEER/ADMINISTRATIVE	600	4,183	7,200	3,017	7,607
90 AUDIT & BOOKKEEPING	-	-	14,200	14,200	4,970
92 INSURANCE/BONDS	350	3,576	3,500	(76)	3,328
96 OFFICE EXPENSE	28	69	2,000	1,931	1,511
97 OFFICE RENT	-	840	1,000	160	840
100 PROFESSIONAL FEES	-	920	12,500	11,580	12,197
APPRAISAL	-	-	-	-	30,506
103 TRAVEL	-	-	-	-	-
105 REPAIRS & MAINTENANCE	-	-	18,000	18,000	66,868
MAINTENANCE FUND ASSESSMENT	-	-	-	-	-
PROGRAMMING & MAINTENANCE	-	-	10,000	-	-
CONTRACT ADMIN & OVERSIGHT	-	-	15,000	-	-
ARKANSAS RIVER LEVEE REPAIRS	-	-	15,000	15,000	-
LEVEE CERTIFICATION-PRELIM	-	-	264,250	264,250	-
ARKANSAS RIVER DESIGN/CONSTRUCTIO	-	40,549	700,000	-	-
WILDHORSE/DRY CREEK LEVEE-PRELIM	-	-	-	-	-
WILDHORSE/DRY CREEK LEVEE DESIGN	-	-	350,000	350,000	-
WILDHORSE/DRY CREEK LEVEE CONSTRU	-	-	-	-	-
108 CONTINGENCIES	-	-	20,000	20,000	-
109 EMERGENCY REPAIR	-	-	15,000	15,000	-
110 CAPITAL IMPROVEMENTS	-	-	5,000	5,000	-
111 PLANNING & DEVELOPMENT	-	-	5,000	5,000	-
112 HARP - O & M / HARP - IGA CNTRB	-	-	60,000	60,000	75,000
TOTAL EXPENDITURES	2,160	53,560	1,539,152	1,485,592	218,129
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 229,600	\$ 246,169	\$ (597,152)	\$ (843,321)	\$ 708,094

SEE ACCOUNTANTS' COMPILATION REPORT

PUEBLO CONSERVANCY DISTRICT  
INVESTMENTS  
3/31/2014

4/22/201 PM

BROKER	DESCRIPTION	MATURITY DATE	RATE	PAR VALUE	BALANCE 12/31/2013	ADDITIONS	MKT VALUE CHANGE	REDEMPTION SALES	BALANCE 3/31/2014	INTEREST RECEIVED 3/31/2014
<b>CASH ACCOUNTS</b>										
VECTRA BANK	Money Market Account				11,906.83	1.48	-	-	11,908.31	1.48
STIFEL NICOLAUS	Money Market Account				65,897.59	5,792.53	-	-	71,690.12	1.66
MORGAN STANLEY	Cash Sweep Account				203,042.34	(308,888.49)	-	-	(105,846.15)	6.33
TOTAL CASH ACCOUNTS WITH BROKERS					280,846.76	(303,094.48)	-	-	(22,247.72)	9.47
<b>INVESTMENTS</b>										
COLOTRUST	Acct. 7081 - PLUS		6.240%		25,085.33	7.20	-	-	25,092.53	7.20
TOTAL COLOTRUST					25,085.33	7.20	-	-	25,092.53	7.20
STIFEL NICOLAUS	FEDL HOME LN MTG CORP #170217	3/1/2017	8.000%	1,120,000.00	861.92	-	(7.11)	75.39	779.42	16.23
	GNMA POOL #676875	3/15/2023	6.500%	235,000.00	100,112.19	-	(463.26)	2,119.45	97,529.48	1,487.03
	GNMA POOL #003851	5/20/2036	5.500%	165,000.00	24,726.10	-	(117.22)	1,661.37	22,947.51	307.25
	GNMA POOL #MA0318	8/20/2042	3.500%	95,000.00	83,473.47	-	924.72	1,934.66	82,463.53	722.85
TOTAL STIFEL NICOLAUS INVESTMENT					209,173.68	-	337.13	5,790.87	203,719.94	2,533.36
MORGAN STANLEY	FED NATL MTG ASSN	1/15/2014		60,000.00	59,995.80	-	4.20	60,000.00	-	
	TENN VALLEY AUTH	5/1/2016		133,000.00	129,216.15	-	465.50	-	129,681.65	
	FNMA MED TERM NOTE	9/23/2017		100,000.00	94,360.00	-	479.00	-	94,839.00	
	FNMA POOL MA0629	1/1/2021	3.500%	100,000.00	44,812.78	-	(83.49)	2,946.23	41,783.06	364.09
	FNMA	12/27/2027	2.500%	220,000.00	-	192,423.00	(7,878.20)	-	184,544.80	(563.89)
	FNRM 2006-107 PD	6/25/2035	5.000%	78,000.00	46,919.45	-	(430.71)	6,039.90	40,448.84	534.97
	GNMA REMIC TRUST 2010-84 NL	12/20/2036	3.000%	100,000.00	43,381.44	-	(321.95)	3,595.08	39,464.41	308.04
	GNR 2008-7 PN	1/20/2037	4.250%	60,000.00	10,266.10	-	(90.53)	911.62	9,263.95	99.80
	FHR 3393 BY	11/15/2037	5.500%	94,000.00	52,528.78	-	(416.88)	3,965.80	48,146.10	645.93
	FNRM 2008-74 B	9/25/2038	5.500%	53,000.00	16,423.16	-	(215.63)	2,191.03	14,016.50	194.92
	GNMA 10-85 HQ	3/20/2040	5.000%	144,000.00	19,409.18	-	(198.84)	3,185.31	16,025.03	230.46
	FNMA REMIC TRUST 2010-141 AL	12/25/2040	4.000%	90,000.00	89,819.10	-	2,502.90	-	92,322.00	900.00
	FHLMC 4321 YB	7/15/2043	3.500%	200,000.00	-	201,960.00	(3,960.00)	-	198,000.00	(61.11)
TOTAL MORGAN STANLEY INVESTMENT					607,131.94	394,383.00	(10,144.63)	82,834.97	908,535.34	2,653.21
TOTAL INVESTMENTS					841,390.95	394,390.20	(9,807.50)	88,625.84	1,137,347.81	5,193.77
TOTAL ALL ACCOUNTS					1,122,237.71	91,295.72	(9,807.50)	88,625.84	1,115,100.09	5,203.24

# PUEBLO CONSERVANCY DISTRICT

MARCH 2014 - APRIL 2014

## RECEIPTS

VENDOR	ITEM	AMOUNT
Stifel Nicolaus	Interest	\$ 827.56
Pueblo County Treasurer	Maintenance Fund Assessment Collections	\$ 60,615.15
		\$ 61,442.71

## DEBITS

VENDOR	ITEM	AMOUNT	CHECK	CODE
Black Hills Energy	Electrical Billing	Pre-paid		105
MBDG, PC	March Bookkeeping	\$ 350.00	230	90
Don Banner - B&B, PC	Attorney Fees	\$ 459.00	231	80
Kidd Engineering	Engineer/Admin Fees	\$ 600.00	232	83
	March 13th 2020 Commission Presentation	\$ 315.00	"	83
Director Cordova	Director Fees	\$ 184.70	233	81
Director Phillips	Director Fees	\$ 184.70	234	81
Director Willumstad	Director Fees	\$ 184.70	235	81
NorthStar Engineering	Arkansas Levee "As-Constructed" Survey and Conditional Evaluation Contract	\$ 31,725.58	236	105
HARP Authority	2014 IGA Contribution	\$ 50,000.00	237	112
HARP Authority	Annual O&M Allocation	\$ 10,000.00	"	112
United States Treasury	2014 1st Quarter 941 W/H	27,840	238	82
		\$ 94,003.68		

**FW: Proposal for Final Engineering Services for Arkansas river Levee**

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**From:** Kim Kock <kkock@northstar-co.com>  
**To:** 'RKidd'  
**Cc:** "Donald J. Banner" <dbanner@comcast.net>  
**Subject:** FW: Proposal for Final Engineering Services for Arkansas river Levee  
**Date:** Apr 22, 2014 1:19 PM  
**Attachments:** [4-23-14 Proposal.pdf](#)

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Rick and Don: Attached is a copy of the Proposal I intend to present to the Conservancy District Board tomorrow morning. I wanted you both to have an opportunity to review before tomorrow's meeting so you were not hit cold. I have labeled the work as Task D so that it can follow Tasks A through C (A – Survey, B – Conditional Assessment, C – Geotech) of our November 20, 2013 Contract with the District. I have used the exact same Contract wording as is in the November 20 contract. There are a lot of various work activities that have to happen in a short time frame to meet an October 2014 start of construction. I have cleared the schedule of 5 staff people including myself and Mike Cuppy such that we can start this work on Thursday the 24<sup>th</sup>. The fees in this Proposal are actually \$40,000 less than what I told the Board they would be last month. NorthStar and CTL have been able to identify some cost savings in the various Tasks that we are passing on to the Board via this Proposal.

I have not included any construction activities or costs for a "test section" in this Proposal. NorthStar and CTL have had numerous meetings with ASI to discuss options, methods, costs, etc. I have received cost information back from ASI but the dollars are too high right now for this "test section" due to several unknowns that we can get resolved in the first month or two of design activities. Construction of either a "test section" or full blown phase will not start until October so there remains some time to resolve ASI's contingencies, reduce their estimated costs, and for the Board to decide if they want to pursue a "test section" or just go to Bid with the first phase.

The Board will not need to decide tomorrow morning whether to proceed with construction of a "test section" or not. That decision can be deferred for a month or two. All they will have to decide is whether to move forward with final design services. That should significantly simplify discussions tomorrow. So you are aware, Appendix J of the Phase II Report estimated design services at \$700,000 plus a 25 % contingency. NorthStar's and CTL's proposed total fees for those services (Tasks A through D) are coming in at \$587,250 (Tasks A-C of November 20 Contract \$264,500 and Task D – this Proposal \$322,750). That is 16% below our estimate in the Phase II Report before the application of contingencies.

Thank you for your time in looking over this document. Please let me know if you have any questions. I look forward to seeing both of you tomorrow morning. Kim Kock

**From:** Keri Kock [mailto:kerik@northstar-co.com]  
**Sent:** Tuesday, April 22, 2014 12:08 PM  
**To:** Kim Kock  
**Subject:**



111 E. 5<sup>th</sup> Street  
Pueblo, CO 81003

(719) 544-6823  
(719) 544-6825 Fax

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Kim K. Kock, P.E.

JN 12 008 01  
Date April 23, 2014

Pueblo Conservancy District  
c/o Kidd Engineering, Inc.  
1001 East Evans Avenue  
Pueblo, CO 81004

Attn: Rick Kidd, P.E., District Administrator and Conservancy District Board Members

Re: Engineering Design Services, Permitting, and Regulatory Approvals for 2.8 miles of the Arkansas River Levee (between the Wildhorse Creek Confluence and Runyon Lake). This Proposal is an extension of the November 20, 2013 Contract between NorthStar and the Pueblo Conservancy District for Preliminary Data Acquisition. The Services of his Proposal are intended to convert all preliminary data acquired into Final Design Documents for Option 2 Improvements (as Defined in the "Development of Assessment – Phase II, Final Report" dated September 25, 2012). These Final Design Documents will then be routed and processed to obtain required Project Permits and Approvals. The Final Design Documents will also be formalized for Bidding and Construction purposes. Fees stated here-in are in addition to the Task A through Task C total fees detailed in the referenced November 20, 2013 Contract.

We are pleased to present this Proposal for performing professional engineering services with regard to the above referenced project. Please find a list below of the services that are to be provided:

**TASK D: ENGINEERING DESIGN SERVICES, PERMITTING, AND REGULATORY APPROVALS, to include:**

1. Based on preliminary information developed or obtained during performance of the November 20, 2013 Contract services including: "As-constructed" Survey (Task A), Visual Conditional Assessment /Evaluation (Task B), and Geotechnical Investigations (Task C), make a determination regarding removal, repair, or re-use of each existing lower half (Option 2) concrete slope-paved panel ("panel"). Details will be provided as to which panels can remain in place without any improvement, which panels can remain with improvements, and which panels must be replaced. This process will also detail what improvements are required to leave existing panels in place and what upstream and downstream improvements are required to insure stability of those existing panels left in place. This process will also include the following services:
  - a. Embankment and foundation stability analysis evaluating expected seepage during base flood loading conditions, including flooding depth, duration, penetrations, and other seepage and stability factors.

- b. Settlement analysis assessing potential freeboard loss due to settlement, showing the minimum freeboard will be maintained.
  - c. Risk analysis of leaving existing concrete lined panels in place.
  - d. Embankment protection evaluation demonstrating no appreciable erosion of levee embankment during the base flood.
2. Prepare design for embankment stabilization and new concrete slope paving panels for those areas where the existing panels (Option #2) need to be removed. This Task shall also include the performance of Subtask a, b, and d of Task D.1 above for all proposed improvements.
3. Prior to finalizing design documents for the levee improvements complete the following FEMA required evaluations and design new improvements where required to meet FEMA Standards:
  - a. Freeboard evaluation and design for the 100 year design storm event.
  - b. Closure design showing all openings have closure devices, closures are designed according to sound engineering practice, and are a structural part of the levee during operations.
  - c. Complete an interior drainage analysis identifying the sources and magnitude of interior flooding.
  - d. Prepare a sediment transport risk assessment.
  - e. Prepare final structural design calculations for the existing levee embankment with concrete slope paving, proposed levee embankment improvements, and proposed concrete slope paving with subgrade improvements..
4. Prepare Final Design Documents (90%) for the entire 2.8 mile length of the Arkansas River Levee (Option #2) meeting all criteria established in Tasks D.1-D.3 above. This Task shall include the following:
  - a. Review of existing Pueblo Conservancy District ownership related to the Arkansas River levee. Identification of and preparation of legal descriptions for potential temporary construction easements across existing public, private, or railroad property for construction access and staging areas.
  - b. Design of embankment improvements to allow construction equipment to access proposed levee improvements from the top of the existing embankment. This design shall include a review of widening the top of the embankment to provide adequate working clearances for construction equipment. Options may include the installation of permanent sheet piles or masonry walls, each with temporary pile and timber mat supports to provide access to work areas. Options will be reviewed with the District's Board of Directors as some of these improvements can be made permanent and in which case will be visible from areas on the outside of the levee.
  - c. Design of riverway improvements necessary for construction equipment to access proposed levee improvements from the river side of the levee. Improvements shall meet the requirements of regulatory agencies governing the "waters of the United States".
  - d. Details of options to support the existing upper concrete panels when the lower panels are removed for replacement. Details regarding saw cuts, construction joints, contraction/expansion joints, etc. will also be included.



- e. Preparation of subgrade improvement details covering a range of anticipated conditions which may be encountered when the lower concrete panels are removed for replacement. These options may include, but not be limited to, granular fills, recycled concrete fills, flowable fills, pressure grout, etc.
  - f. Preparation of details for new foundation system for new concrete panels in those areas where existing conditions require a new panel foundation system or new panel edge treatment.
  - g. Preparation of final panel details including reinforcing, ties to existing panels, closures between panels where required, sealing of panel joints, finishing of panels, etc.
  - h. Preparation of final details for appurtenant improvements such as penetration closures, interior drainage system, utility crossings, maintenance access, etc.
5. All documents prepared for Task D.1 through D.4 shall be completed as required for submittal and accreditation by the Federal Emergency Management Agency (FEMA). Requirements of 44 CFR 65.10, FEMA's "Guidelines and Specifications for Flood Hazard Mapping Partners", and various United States Army Corps of Engineers levee reference standards will be met during the design process. The final design documents, along with an Operations and Maintenance Plan and Potential Risk Notification Checklist will be submitted to FEMA for review and comment. Any comments received will be incorporated into the final Construction Documents of Task D.6 below. Final Levee Certification by FEMA will not occur until all proposed construction improvements are completed. The documents prepared herein will serve as the basis for the Final Levee Certification submittal package. Final FEMA accreditation will not occur until "as-built" drawings are certified and submitted after construction of improvements are completed.
- a. NorthStar will review the City's/Conservancy District's/Corps current Operation and Maintenance Plans, if they exist, to identify maintenance deficiencies. NorthStar will also prepare draft and final Operation and Maintenance Plans to develop tasks needed for levee certifications and to meet FEMA minimum requirements.
  - b. NorthStar will prepare draft and final letters of potential risk notification to all residential and commercial property owners within potential flood zones (shaded and zoned) for Conservancy District review and approval. NorthStar will also prepare a list of residential and commercial properties protected by the Arkansas River levee system.
6. Submit design documents complete with required application forms to the following agencies to obtain project required permits or approvals prior to the commencement of construction operations:
- a. United States Army Corps of Engineers.
  - b. State of Colorado Division of Parks and Wildlife.
  - c. United States Bureau of Reclamation.
  - d. Colorado Department of Transportation.
  - e. Colorado Water Conservation Board.
  - f. Historical Arkansas Riverwalk Project (HARP).
  - g. All railroad ownership adjacent to the levee embankment.

- h. Respective divisions or departments of the City and County of Pueblo whose facilities or responsibilities may be impacted by the proposed levee improvements.
  - i. Utility agencies having utility crossings or penetrations of the levee.
  - j. Others as identified during project design process.
  - k. NorthStar intends to schedule and administer preliminary meetings with each of the referenced agencies during the initial design phase to inform those agencies of the intended project and construction schedule and to identify their approval and permitting processes. NorthStar will also maintain close contact with each agency during the design process in an attempt to expedite the approval and permitting process due to limited construction seasons for the levee improvements.
7. Incorporate any comments received from FEMA (Task D.5) and the various regulatory agencies (Task D.6) into the Final Design Documents and prepare final Construction Documents (100% complete) complete with Specifications, Bidding Documents, and construction cost estimates. This Task does not include Bid Administration, Construction Administration, Construction Management, or Construction Staking services. A separate Proposal will be prepared for those services for each of the three intended construction seasons.

**TOTAL TASK A:** ..... **\$322,750.00**

**EXCLUSIONS TO THE PROPOSED SCOPE OF WORK**

- 1. Revisions to existing hydrologic and hydraulic data and calculations is not included in the proposed scope of work. Flow data and water surface elevations will be taken from hydrologic studies and hydraulic analysis previously completed by FEMA consultants.
- 2. Scope excludes design modifications to any interior drainage improvement.
- 3. Scope excludes preparation of drainage studies for any storm sewer system which penetrates the levee. Existing information on those systems will be obtained from the City of Pueblo, Department of Public Works.

We will perform the above listed services on a Fixed Fee Rate basis. Our fees for providing these services will be as shown above. Any item or service not specifically listed in the scope of services given above is not included in this contract. Any extra services which may be required to complete the job will be billed per our current time and material rates. Any extra work that is required by NorthStar or by the client to complete the project shall be in writing, acknowledged and made a portion of the Agreement.

Please note that any City, County, utility company, or title company fees are the responsibility of the client and are not included in this budget. Also, all direct reimbursable expenses incurred in performance of this project will be invoiced at cost plus ten percent.

Our company policy is to send an invoice to the address listed above no later than the 1<sup>st</sup> day of every month; payment is due on receipt of invoice and to be received no later than the 25<sup>th</sup> day of

that month. Should you require a different submittal date, please so advise. Payment not received by NorthStar by the 25<sup>th</sup> will cause all work to stop on the project, and an assessment of two percent monthly.

NorthStar agrees to assign to the District all intellectual property rights in all data gathered, analysis made and work product of Providers concerning this project.

NorthStar agrees that the District may use as the District deems necessary or desirable all information provided to the District by NorthStar which shall become the exclusive property of the District.

This Contract however shall not be construed to give to NorthStar any right beyond the rights set forth in this Contract and should District choose to use third parties for additional services relative to completing the project, the District shall have the right to do so.

NorthStar agrees to comply with all applicable local, State and Federal laws concerning NorthStar's services to Conservancy.

This Agreement may not be assigned by NorthStar without the written consent of Conservancy.

In the event the client wishes to terminate the services of NorthStar, the client shall pay NorthStar time and materials rates up to the date of termination.

NorthStar and the District each agree to indemnify and hold the others harmless, and their respective officers, employees, agents, and representatives from and against liability for all claims, losses, damages, and expenses, including reasonable attorneys' fees, to the extent such claims, losses, damages, or expenses are caused by the indemnifying party's negligent acts, errors, or omissions.

Please review this proposal carefully, for it represents a binding contract when signed. If this proposal is acceptable, please have a duly authorized representative sign on the space provided below and return the original to us as notice of authorization to proceed. We appreciate the opportunity to be of service to you.

NorthStar Engineering and Surveying, Inc.

Kim Kock, P.E.  
President/Principal

Accepted By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_