September 17, 2019

Tom Lovett
Route 1 Box 357
Duncan, AZ 85534

RE: Funding Agreement (Amendment No.1) – New Mexico New Model Community Ditch Association

Dear Mr. Lovett,

This letter shall serve as official notice to proceed up to $29,233.18 of the New Mexico New Model Community Ditch Association Funding Agreement.

Please make sure that all invoices that are submitted under this agreement reference the Purchase Order number 55000-0000019558.

All deliverables under this contract will be due to the ISC as stated in the agreement.

If you have any questions, please contact Ali Effati at (505) 827-5801.

Sincerely,

[Signature]

Marcos Mendiola
Program Manager
Interstate Stream Commission

Copy to:
Ali Effati
Karla Saiz
State of New Mexico  
Purchase Order

Page: 1

Dispatched

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<tr>
<th>Purchase Order</th>
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<th>Revision</th>
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<tr>
<td>STEVEN BAROS</td>
<td>USD</td>
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Supplier: 0000054617  
NM NEW MODEL COMMUNITY  
DITCH ASSOCIATION  
308 FRANKLIN RD  
VIRDEN NM 88045-9523  
United States

Ship To: P.O. Box 25102  
Santa Fe NM 87504-5102  
United States

Bill To: P.O. Box 25102  
Santa Fe NM 87504-5102  
United States

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<td>Design and engineering work on the agricultural water conservation project. Provide funds to the New Model Canal 55000-30810-A150100-547400- - - -91836-99999</td>
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<td>EA</td>
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Schedule Total  

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Total PO Amount  

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<tr>
<th>Total PO Amount</th>
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<tbody>
<tr>
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Agency Approval: I certify that the proposed purchase represented by this document is authorized by and is made in accordance with all State (and if applicable Federal) legislation rules and regulations. I further certify that all funds have been properly accounted for and budgetary authority exists for this proposed purchase and all other outstanding purchase commitments and accounts payable.

Authorized Signature
AMENDMENT No. 1 TO
DITCH IMPROVEMENT DESIGN AND ENGINEERING FUNDING AGREEMENT
BETWEEN
THE NEW MEXICO INTERSTATE STREAM COMMISSION
AND THE NEW MEXICO NEW MODEL COMMUNITY DITCH ASSOCIATION

The New Mexico Interstate Stream Commission ("ISC or Commission") and the New
Mexico New Model Community Ditch Association ("New Model Canal") entered into a Ditch
Improvement Design and Engineering Funding Agreement ("Agreement") on April 25, 2017.
The ISC and the New Model Canal (collectively the "Parties") now wish to amend the
Agreement to reflect changed conditions, and to correct certain inaccuracies in the Agreement.

WHEREAS, when the Parties entered into the Agreement, a total amount of $54,820 out
of the full ISC allocation was set aside for design and engineering, based on an estimate provided
by the New Model Canal; and

WHEREAS, on April 2, 2019, the New Model Canal informed the ISC that it needs an
additional $9,900 to complete the design and engineering phase of its project; and

WHEREAS, at its April 19, 2019 meeting, the Commission approved the New Model
Canal’s request to increase the amount for design and engineering; and

WHEREAS, this increase will leave a total of $135,280 out of the Commission’s original
allocation of $200,000, which can only be used for the construction of the project.

NOW THEREFORE, in consideration of the mutual benefits, covenants and obligations
contained in the Agreement, the Parties agree as follows:

1. Article I.B. is hereby amended to reflect that the Commission has approved a $9,900
increase in funding for design and engineering, bringing the total Funding Amount
for design and engineering under the Agreement to Sixty-Four thousand, Seven
Hundred and Twenty dollars ($64,720). All references in the Agreement to the
Funding Amount henceforth refer to $64,720.

2. Article I.C. is hereby amended to reflect that the Reversion Date for the Agreement
shall be December 31, 2020. All references in the Agreement to the Reversion Date
henceforth refer to December 31, 2020.

3. Article I.D.(ii) is hereby amended to require that, prior to execution of this
Amendment No. 1, the New Model Canal shall submit to the ISC staff an executed
Revised Design Proposal Budget on the form provided by the ISC staff and attached
to this Amendment No. 1 as Exhibit B. This Amended Design Proposal Budget shall
be incorporated into and made part of the Agreement, through this Amendment No. 1.
The Revised Design Proposal Budget shall list all the proposed tasks that the New
Model Canal believes remain reasonably necessary to accomplish the Design
Proposal. Out of that list of remaining tasks, the Revised Design Proposal Budget
shall outline all the design tasks for which the New Model Canal plans on seeking
reimbursement from the Funding Amount and all the design tasks for which the New
Model Canal has obtained additional funding from other sources. All references in the Agreement to Exhibit B shall henceforth refer to Amended Exhibit B.

4. Article III is hereby modified to add Mr. Robert Williams as an Alternate Representative for the New Model Canal. Mr. Williams’ contact information is as follows:

Name: Mr. Robert Williams  
Address: 308 Franklin Rd  
Virden, NM 88045-9523  
E-mail: rgwilliams@starcon.org  
Telephone: (281) 753-2081

5. The text of Article VIII.A. is hereby modified to read as follows:

“...In order that the ISC staff may adequately monitor Design Proposal activity, the New Model Canal shall submit to the ISC Periodic Reports for the Design Proposal. The Periodic Report shall be submitted by the New Model Canal and shall be on a form prescribed by the ISC. The Periodic Report form is attached hereto as Exhibit D.

The Periodic Report shall be due quarterly beginning with the first full quarter following execution of this Agreement by the last signatory and ending with the submission of a Final Report for the Design Proposal. The Periodic Report shall be submitted to the ISC no later than seven (7) calendar days following the last day of each quarter. The ISC may, in its discretion, change the reporting period from time to time by giving the New Model Canal a minimum of thirty (30) days’ advance written notice of any change to the reporting period; provided, however, that in no event shall the reporting period be less than one month.”

6. The text of Article IX.C.(ii) is hereby modified to read as follows:

“Pursuant to the limitations contained in Article XIV of the Agreement, approval of a Request for Payment by the ISC shall not be interpreted as a warranty or guarantee of any kind.”

7. The text of Article X.A.(i) is hereby modified to read as follows:

“The Funding Amount must be spent in accordance with all applicable laws, regulations, policies and guidelines, including, but not limited to, the New Mexico Procurement Code, NMSA 1978, Sections 13-1-28 through 13-1-199, and any applicable local procurement ordinances.”

8. The text of Article X.A.(viii) is hereby modified to read as follows:

“The New Model Canal shall perform all operations and maintenance of the Project for the design life of the Project after completion and acceptance of the work under the construction contract(s) to assure satisfactory operation of the Project and service to the members of the New Model Canal. The New Model Canal’s obligation to maintain the Project shall survive termination of the Agreement and close out of the Project, and shall last for the life of the Project.”
9. The text of Article XIV.B. is hereby modified to read as follows:

"The New Model Canal shall implement the Project in all respects. The New Model Canal shall provide all necessary qualified personnel, material, and facilities to implement the Project. The New Model Canal shall finance or provide Project engineering, permitting, and all Project cost overruns. The Project is the New Model Canal's sole responsibility and nothing herein is intended to impose upon the ISC any responsibility or liability for any current or future design, construction, operation or maintenance of the Project."

All terms of the Agreement not expressly amended by this Amendment No. 1 remain in full force and effect upon enactment of this Amendment No. 1.
IN WITNESS WHEREOF, the Parties have executed this Amendment No. 1 as of the date of last signature thereof.

NEW MEXICO NEW MODEL COMMUNITY DITCH ASSOCIATION

Tom Lovett, President

Robert Williams, Treasurer

NEW MEXICO INTERSTATE STREAM COMMISSION

ISC Director

Approved as to Agency budget sufficiency:

Jefr Virem, Director of Program Support

Approved as to legal sufficiency:

Dominique M. Work
ISC Office of the General Counsel

Date

4/20/2019

4/26/2019

9/10/19

9/9/19

9/3/2019
Entity: New Mexico New Model Ditch Association

Mailing Address: Route 1, Box 357
Duncan, AZ 78749

Telephone: (928) 965-6198

Email: tomlott639@yahoo.com

Contact Name: Tom Lovett

Funding Amount: $64,720.00

Project Description: New Mexico New Model Ditch Association

Design and Engineering Proposal Description (include description of deliverables, need for third-party contractors, cost and completion date – can include additional attachments):

PROJECT PURPOSE AND NEED

JHE developed the Preliminary Design Report for the New Mexico Model Canal Improvements Project in order to develop the necessary improvements to the canal to accommodate flood control, de-silting, and deliver the proper volumetric flow to the respective farming community stakeholders.

Necessary improvements were identified for the following locations:

Joe Elledge Gate

The Joe Elledge Gate location appears to be designed for three primary reasons, flood control, de-silting, and to establish a water elevation necessary to convey water to the downstream farmers and accommodate the volumetric flow as determined by the respective permits in place. The concerns noted in this area are as follows:

- The existing 80"W x 87" Carbon Steel de-silting gate is difficult to open when the channel is dry and extremely difficult without the force of multiple members concurrently turning the handwheel using additional mechanical leverage under full head conditions.
• The existing flood control spillway weir wall has been modified from its original design which allowed the ability to adjust the overflow elevation. The as inspected condition identified there is no longer the capability of adjusting the channel overflow elevation and is fixed by TOC elevation of the cast-in-place weir elevation.

• There are no means of accommodating automatic emergency release of abnormal and extreme channel elevations when the channel continues to rise beyond what the existing weir wall and spillway can release to the Gila River during flood seasons. In addition to being extremely difficult to open manually, this poses a significant safety concern requiring multiple members needing to access the gate for manual operation during high elevation and high flow conditions.

Clock Overflow

The Clock Overflow location appeared to serve three purposes, de-silting, flood control discharging excess volumes of water to the Gila River, and flow regulation determined by a flow meter (The Clock) downstream. The concerns noted in this area are as follows:

• Large amounts of silt collect in this area

• Controlling flow with the clock is difficult as it requires one to walk back and forth from the gate to the clock to make position adjustments to regulate downstream flow.

• The existing gate manual actuator does not have a gear reducer and is difficult to operate.

Goodner Improvement

Improvements at this location are needed as a result of severe flooding that has eroded the bank of the Gila River to the point the existing concrete lined canal channel was washed away. Upon inspection a temporary native soil lined canal has been previously excavated to allow continued used of the New Mexico New Model Canal.

Thomas Crossover/Overshot

The Thomas Crossover/Overshot location will require improvements to the existing sheet flow crossover/overshot. The existing infrastructure elevation is higher than the invert of the channel which creates a situation where the channel backs up and provides an area for silt collection requiring constant maintenance.

TASK 1 – CODE RESEARCH AND REVIEW

Review existing plans, maps, records, planning studies, and other relevant information related to the project as provided by the CLIENT if available.
Review Federal/State/Local (County/City) code requirements. CLIENT will assist with identifying respective code, and permitting requirements with the help of the United States Department of Agriculture.

**TASK 2 – DESIGN**

Based on the project purpose and need described above, JHE proposes the following design scope of services for each area of concern:

**Joe Elledge Gate**

1. Design the replacement of the existing gate with a new gate inclusive of seals which decrease friction during opening and closing under full head conditions.

2. New gate design includes an electric actuator with geared reduction and manual override for manual operation of the gate if power was unavailable.

3. New gate design includes a local control panel for gate actuation and includes automatic controls which open the gate in the event of high level conditions using redundant level switches.

**Clock Overflow**

1. Design a larger silt collector to accommodate the amounts of silt that accumulates at this location. This improvement will require the 48” conveyance pipe to the Gila River to be lowered better enabling flushing of the de-silting box.

2. Design an electrically controlled actuator with gear reducer equipped with manual override handwheel for times when power may not be available. Actuator to have automatic control capability provided by a relay cabinet. Relay cabinet includes high level control via redundant level switches for flood control measures. Relay cabinet would also include capabilities to transmit gate position and include a local indication of flow captured from the downstream flow meter which is already being transmitted elsewhere.

**Goodner Improvement**

1. Design approximately 1000’ of 48” corrugated HDPE piping with a straight alignment reconnecting the ends of the existing concrete lined channel which are still intact.
2. New HDPE piping to be backfilled with CLSM and a minimum of 4 sheet flow crossovers/overshots installed to allow sheet flow during weather events to naturally convey to the Gila River.

3. Design headwalls at either end of the NEW HDPE piping to protect to interface between concrete lined channel and HDPE from erosion.

4. Design protection of the new pipe alignment canal from future erosion of the Gila River. Proposed erosion mitigation efforts would include placing riprap and covered a cement slurry topping where shown and notated on the attached site plans.

**Thomas Crossover/Overshot**

1. Design approximately 100 LF of new 48' corrugated HDPE pipe to replace the existing severely eroded concrete lined channel.

2. Design NEW headwalls at either end of NEW 48" HDPE pipe and align them so they direct sheet flow from weather events toward the existing wash and away from the Thomas pasture (not perpendicular to the NEW 48" pipe)

3. Design a NEW headwall with approximate 2' deep footer to direct sheet flow from weather events across the NEW Crossflow/Overshot to avoid further damaging and eroding the existing concrete lined channel.

The design project scope is broken into the following phases for billing and review purposes. A summary of phase deliverables is as follows:

**2.1 - 30% DESIGN DOCUMENTS**

2.1.1 JHE will arrange for two representatives to meet with CLIENT on site to review and respond to any questions or concerns related to the 30% Design Documents

2.1.2 Prepare 30% schematic design including a site plan that shows project location, extents, plan index sheet, and 30% design drawings for the improvements described in Task 2.

2.1.3 Prepare a preliminary specification list index showing the relevant specifications required for construction.
30% schematic design drawings and preliminary specification list will be provided to CLIENT in PDF format.

2.2 - 60% DESIGN DOCUMENTS

2.2.1 JHE will arrange for two representatives to meet with CLIENT on site to review and respond to any questions or concerns related to the 60% Design Documents

2.2.2 Prepare 60% design drawings which incorporate responses to CLIENT comments on the 30% design submittal.

2.2.3 Prepare preliminary specifications for construction incorporating responses to CLIENT comments on the preliminary specification list.

2.2.4 Prepare a Class B (margin of error +/- 10%) estimate of the probable construction cost including a quantity takeoff sheet for the project.

60% design drawings and specifications will be provided to CLIENT in PDF format.

2.3 – 100% DESIGN DOCUMENTS

2.3.1 JHE will arrange for two representatives to meet with CLIENT on site to review and respond to any questions or concerns related to the 100% Design Documents

2.3.2 Prepare 100% Construction Contract Drawings which incorporate CLIENT’s comments from 60% design submittal.

2.3.3 Prepare 100% Construction Contract Specifications which incorporate CLIENT’s comments from 60% design submittal.

2.3.4 Prepare a Class A (margin of error +/- 5%) estimate of the probable construction cost, including a quantity take-off sheet for the project.

100% design drawings and specifications will be provided to CLIENT in PDF format.

Budget:

Of the $123,460 total budget for engineering services, New Model Canal has paid $58,740.00, and the balance will be paid using the AWSA Funding Amount. See the attached table for the major design phase tasks, along with cost estimates, funding sources and schedule for each task.
## Design Phase Tasks, Cost Estimates, Funding Sources, and Schedule

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<tr>
<th>Design Task #</th>
<th>Description</th>
<th>Design Deliverables</th>
<th>Est. Design Cost ($)</th>
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<td>Research and understand State / Local Code design requirements</td>
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<td>7,434</td>
<td>Other</td>
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| 2.1           | Develop 30% Design Project Documents                                         | 1) 30% schematic design, including a site plan that shows project location, extents, plan index sheet, and 30% design drawings for the improvements  
                       |                                                                                | 2) A preliminary specification list index showing the relevant specifications required for construction | 56,326               | Other/AWSA                          | Completed 11/30/16 |
| 2.2           | Develop 60% Design Project Documents                                         | 1) 60% design drawings  
                       |                                                                                | 2) Preliminary specifications for construction                                      | 26,202               | Other/AWSA                          | Completed 9/28/18  |
| 2.3           | Develop 100% Design Project Documents                                        | 1) 100% Construction contract drawings  
                       |                                                                                | 2) 100% construction Contract specifications                                      | 24,930               | Other/AWSA                          | Anticipated 9/30/19 |
| 2.4           | Direct Costs                                                                 | Travel, printing, etc                                                               | 8,568                | Other/AWSA                          |                  |

### Grand Total Design Cost

|                         | 123,460 |

| AWSA Funding Amount     | 64,720  |
| Other Funding Amount secured by New Model | 58,740  |
Schedule

JHE has completed the 30% design for the New Mexico New Model Canal Improvements Project and has ceased work until issuance of an NTP from ICS via New Mexico New Model. The schedules for delivery of the 60% and 100% Design Documents is as follows:

60% Design Complete........................................120 Calendar days from NTP
100% Design Complete........................................180 Calendar Days after New Mexico New Model and ICS approve 60% Design Documents.

Signature(s) of authorized signatories:

[Signature]

Date: 5/30/19

ISC Use Only

This Proposal is hereby approved

[Signature]

Name

Title Gila Basin Manager

Interstate Stream Commission

Date 8/30/19