

James H Holt
James Holt LLC
PO Box 10063
Prescott AZ 86304-0063

January 15, 2020

Leslie Graser
Water Resources Administrator
City of Prescott
433 N Virginia St
Prescott AZ 86301

SUBJECT: PROPOSAL - CONSULTATION SERVICES OF JAMES HOLT LLC TO THE CITY OF PRESCOTT FOR MANAGEMENT AND COMPLETION OF COMPREHENSIVE AGREEMENT # 1

Ms. Graser:

James Holt LLC is pleased to provide the following scope of work and cost proposal to provide specialized consultation services to the City of Prescott (City) to accomplish the completion of Comprehensive Agreement No. 1 and additional tasks pertaining to the administration of the City's water resources within its Assured Water Supply water portfolio, as formally recognized and managed by the State of Arizona.

Task 1 – Agreement in Principle and Comprehensive Agreement No 1

Assist the City's Water Resource Management Section in work projects related to City Contract Nos. 2010-128 and 2013-058, and its associated supporting contracts for monitoring and modeling groundwater conditions in the Big Chino Sub-basin of Yavapai County, Arizona. This \$5.6M effort addresses concerns related to possible future groundwater pumping in the Big Chino Sub-basin.

Work products include but are not limited to: monthly project budget tracking, preparation of meeting agendas, gathering and distributing necessary data sets to other project contract holders (United States Geological Survey, Golder Associates, etc.), multi-stakeholder meetings, annual reports, contract management and closure, and analysis of deliverables from the contract holders, products to organize and disseminate information to the project Principals (Prescott City Council, Town of Prescott Valley Council, and Salt River Project Board).

Task 2 – Assured Water Supply

Assist the City's Water Resource Management Section with review, analysis, and modification, as may be necessary, of Prescott's Decision and Order of Assured Water Supply issued by the Arizona Department of Water Resources (ADWR), to recognize and acknowledge the sources, quantities, and roles of renewable resources, Little Chino groundwater supplies, and imported Big Chino Sub-basin groundwater in the City's overall water supply.

Work products include but are not limited to: collaboration on the City's Long-Term Water Management tool, analysis of data sets within the tool (existing and new), engagement with ADWR to complete Prescott Lakes Master plan groundwater allowance increases, review and engagement with ADWR to complete corrections needed related to the City's and Chino Valley Irrigation District's (CVID) long-term storage accounts.

Task 3 – Chino Valley Irrigation District

Assist the City's Water Resource Management Section by providing continuing assistance associated with implementation of the City's complex water and infrastructure transfer agreement with the CVID.

Work products include but are not limited to: collaborative review of the City's obligations (M&I, effluent block, etc.) and identifying those remaining, assessment of Irrigation Grandfathered Rights (CVID only) acquired by the City and alternative water that may have been allocated to properties that relinquished said right to the City, and compile properties that have penalties for usage greater than their contract amount and prepare plan for corrective actions.

Task 4 – Big Chino Water Ranch Land Restoration & Management Plan

Assist the City's Water Resource Management Section with the implementation of the City's Draft Land Restoration and Management Plan for the Big Chino Water Ranch, dated November 2012.

Work products include but are not limited to: identification and documentation of unique resources, conditions and values of the Big Chino Water Ranch (BCWR) and to offer guidelines for long term management practices that enhance the City's stewardship of the lands within the BCWR. These efforts include the restoration and enhancement of plant and wildlife habitats; pursuit of opportunities for ongoing cooperative research agreements with scientific and conservation groups; development of opportunities for application of alternative technologies which may benefit the BCWR; and to develop and maintain constructive relations with the owners of neighboring properties.

COST AND SCHEDULE

James Holt LLC shall be compensated at the rate of \$125.00/hour for 2 years, with 2 additional 1-year renewals, for services authorized through this Agreement by the City. No minimum amount of compensation shall be guaranteed, and the total annual amount of compensation shall not exceed \$100,000.00 per fiscal year without prior approval by the City. James Holt LLC shall itemize all services rendered and expenses incurred, accompanied by receipts for all actual reimbursable expenses. Services and expenses shall be submitted to the City monthly.

Ms. Leslie Graser

Proposal – Consultation Services of James Holt LLC to the City of Prescott

Management & Completion of Comprehensive Agreement No 1

January 15, 2020

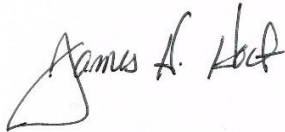
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James Holt LLC shall be reimbursed for direct expenses incurred while performing services in support of this Scope of Work. Reimbursable expenses shall include postage, reproduction and copying costs, reasonable expenses related to City-approved travel including meals, lodging and mileage. Expenses shall be reimbursed at actual cost without mark-up except for mileage which shall be reimbursed at the IRS Standard rate per mile in effect at the time of such travel (\$0.58 per mile for 2019).

Services performed pursuant to this Agreement shall be on an open-ended, as-needed basis as authorized by the Prescott City Manager or his designee.

If you have any questions or comments, please do not hesitate to contact James Holt at 928-771-0610. We look forward to assisting you in this matter.

Sincerely,

A handwritten signature in black ink that reads "James H. Holt". The signature is written in a cursive style with a large, stylized initial "J".

James H Holt
James Holt LLC