

**Request for Proposals
For Legal Services
for the Animas-La Plata Operation, Maintenance and Replacement Association**

The Animas-La Plata Operation, Maintenance and Replacement Association (“Association”) in Durango, Co., invites proposals from experienced law firms or individuals in response to this Request for Proposals (“RFP”) to provide legal services to the Association. Interested parties may submit proposals to provide all or a portion of the services set forth in Section V of this RFP. ---The Association may select one or more firms to provide all or a portion of the services requested.

I. Timeline of Events

Issuance of RFP	July 6, 2010
Deadline for Questions	August 20, 2010
Notice of Intent	August 27, 2010
Proposal Due Date	September 3, 2010
Interviews	October 4, 2010

II. Contact Information

The Association’s designated contact for this RFP is Russell Howard, General Manager of the Association. Contacts with other Association representatives are not permitted. If unauthorized contacts are made, this will be a factor considered by the Association in the RFP process.

Questions regarding this RFP should be faxed to the Association’s designated contact, Russell Howard at 970-259-0915 on or before August 20, 2010. Responses to the questions will be posted at the San Juan Water Commission’s website at www.sjwc.org under “RFP for Legal Services for ALP OM&R Association.” No other communication of questions and answers shall be made.

Each interested party should fax a brief Notice of Intent to Russell Howard at 970-259-0915, on or before August 27, 2010. Such notice should contain the Respondent’s name, address, phone number, e-mail address and contact person. Submission of a Notice of Intent is strongly encouraged, but it is not a pre-requisite for submitting a proposal. All contacts with the Association shall be consistent with this RFP. Any other contact will be an adverse factor to be considered by the Association in the RFP selection process.

Submit seven (7) copies of the proposal and a copy on CD, in either Microsoft Word or PDF format, no later than **3 p.m. September 3, 2010**, in a sealed package or packages. All proposals shall be delivered to:

Animas-La Plata Operation, Maintenance and Replacement Association
7037 CR 211
Trailer B, Durango, CO 81303

or mailed to:

Animas-La Plata Operation, Maintenance and Replacement Association
103 E. Everette Street
Durango, CO 81303

Email address: RHoward@southern-ute.nsn.us; or fax 970-259-0915

Proposals received, by mail, email or faxed, after the Proposal Due Date will not be considered.

The Association will not provide reimbursement for any costs or expenses incurred in connection with the RFP. All material that is submitted in response to this RFP will become the sole property of the Association.

Interviews of the top-qualifying individuals or law firms may be conducted at the Association's discretion on a specific day or days to be disclosed later. All top-qualifying Respondents will be notified of the exact interview date(s) in advance.

III. Contract Period

The term of the contract will be negotiated with the successful individual or law firm. The Association may terminate the contract, or postpone or delay all or any part of the contract, in its sole discretion, upon written notice.

IV. Background

The Association was formed in March 2009 to operate the Animas-La Plata Project ("ALP" or the "Project") in Durango, Co., which provides for the delivery of water from the Animas River by direct flow and reservoir storage and release. About 57,100 acre feet per year of consumptive use water can be produced by the ALP.

The founding members of the Association, who are represented on its Management Committee, are the Colorado Water Resources and Power Development Authority (a political subdivision of the State of Colorado); the San Juan Water Commission, a political subdivision of the State of New Mexico, the La Plata Water Conservancy District, a political subdivision of the State of New Mexico; the Southern Ute Indian Tribe, a federally recognized Indian tribe; the Navajo Nation, a federally recognized Indian tribe; and the Ute Mountain Ute Tribe, a federally recognized Indian tribe. The State of Colorado, acting through the Colorado Water Conservation Board, may become a member of the Association. Each of these entities has a statutory allocation of water from the Project.

The ALP includes the physical structures of a dam, reservoir, pumping plant, inlet conduit, and other appurtenant facilities to divert and store water from the Animas River. The ALP was authorized by statutory enactments, including the Colorado River Storage Project Act of 1956,

the Colorado River Basin Project Act of 1968, the Colorado Ute Indian Water Rights Settlement Act of 1988, and the Colorado Ute Settlement Act Amendments of 2000. Construction of the ALP by the United States began in 2001, and the ALP is anticipated to be operational in 2012. Currently, the Bureau of Reclamation (“Reclamation”) is finalizing construction on the facilities to divert and store water, and filling the reservoir.

The Association was formed pursuant to an Intergovernmental Agreement (“IGA”) dated March 4, 2009, pursuant to the Colorado Uniform Unincorporated Nonprofit Association Act, 7-30-101 et seq. CRS (2006), by and among the six governments or governmental entities listed above, each of which is entitled, pursuant to statutes, court decrees, permits, and/or contracts, to receive and use water from the ALP. They have elected to participate in and be responsible for the operation, maintenance and replacement (“OM&R”) of the ALP. One other entity, the State of Colorado, may elect to join the Association later.

The Association entered into a contract with Bureau of Reclamation (BOR) on December 30, 2009 for operation and maintenance of the ALP. When construction is complete and other conditions are met, the Association will take over responsibility for the operation, maintenance and replacement of the ALP and its facilities.

Copies of the IGA and the Reclamation contract can be found at the San Juan Water Commission’s website at www.sjwc.org. The use of Project water will increase over time.

V. Scope of Services

The Association will have a need for legal advice, assistance and representation to accomplish project goals. Full utilization of Project water supplies will take many years to develop, yet it is anticipated that the Association will require the resources of outside counsel before full development, as issues arise. The individuals or law firms selected should have demonstrable qualifications to handle all or a portion of the following legal services. Assistance on some or all of these matters may be available from counsel representing the Association members. Retained counsel shall advise the Association with respect to its rights and obligations under its various agreements. Legal counsel responsibilities and duties performed for the Association shall include the following:

1. To advise the Association in connection with potential disputes arising out of Association agreements, including disputes among the Association’s members or between the Association and one of its members.
2. To advise the Association regarding issues that may arise during the transfer of the OM&R of the Project to the Association from the BOR.
3. To advise the Association on internal policies and procedures.
4. To advise the Association with respect to corporate governance issues.
5. To advise the Association regarding the administration of ALP water and water rights pursuant to applicable federal and state law. Although some of these issues may affect the individual rights of Association members, the Association does not represent individual members with regard to such matters.

6. To advise the Association regarding state and federal regulatory filings.
7. To advise the Association regarding state and federal legislative developments that may affect the interests of the Association.
8. To assist and possibly represent the Association in any litigation or administrative proceedings affecting the interests of the Association.

VI. Proposal Requirements

The following is a list of the information to be provided by the Respondent for the legal services sought. A proposal that does not include the information required below may be deemed non-responsive and subject to rejection. Proposals should respond to all the items listed below, in the order listed, and conclude with a separate section on cost.

In setting forth its qualifications, each law firm shall provide, in concise and adequate detail, the information sought below. Responses shall be limited to 10 single-sided pages (not including resumes) and shall be prepared on 8 ½ x 11-inch paper using at least 12 point type with standard margins.

1. Management and Qualifications

- a. Describe the legal services that you or your firm could provide for the Association.
- b. State the names of the partners and associates who would be assigned to the Association's account; describe the expected services to be provided by each attorney; and provide attorney resumes. Identify the partner in charge.
- c. Describe your experience related to the services to be provided in response to this RFP, including a brief summary of any notable cases, transactions, issues and/or matters handled by your firm, which you feel, demonstrate the nature and extent of your firm's expertise. Please submit three references with your proposal.
- d. Describe the type of word processing equipment and software to be utilized, and its ability to interface with other off-site equipment and software for electronic mail purposes (both sending and receiving).
- e. Identify the nature of any potential conflict of interest you or your firm might have in providing services to the Association.
 - i) State whether your firm has ever represented or currently represents any member of the Association, the City of Durango, Southwestern Water Conservation District, Animas-La Plata Water Conservancy District, other water users in Colorado Water District 7 or in New Mexico, the State of Colorado or the State of New Mexico. If so, state the name of each such client and the nature of your representation.
 - ii) Discuss fully any conflicts of interest, actual or potential, which might arise in connection with your firm's involvement with the Association. If your firm believes

that a conflict of interest might arise in the future, please describe how such conflict would be resolved.

- f. Identify any past, pending or threatened litigation or administrative or state ethics board or similar body proceedings to which you or any of your partners are a party and which would either materially impair your ability to perform the services enumerated herein, or, if decided in an adverse manner, materially adversely affect the financial condition of your firm.

2. Cost

Proposals shall include the following:

- a. State the rates at which the services of partners, associates, and non-attorney law clerks, paralegals, or other paraprofessionals would be provided to the Association for the next two years.* Include:
 - i) For each attorney whose resume is provided in response to VI above, the normal hourly rate and the hourly rate you propose to charge the Association.
 - ii) For each applicable category of billable, non-attorney personnel including law clerk, paralegal, or other paraprofessional, you're normal hourly rate and the hourly rate you propose to charge the Association.
 - iii) A schedule of all out-of-pocket disbursements, which you anticipate will result in a charge to the Association and the rate for each. Note that the Association expects that disbursements will be charged at the firm's actual out-of-pocket cost, without mark-up.

Note that clerical support costs are to be included in the law firm's hourly rates for attorney and paraprofessionals.

- b. In addition, each firm may propose any alternative fee structure deemed appropriate as a supplement to the fee requested above.
- c. State any special considerations with respect to billing or payment of fees and expenses that your firm offers and that you believe would differentiate it from other Respondents and make your firm's services more cost effective for the Association.
- d. The Association expects to receive the lowest rates charged by your firm for its non-profit clients. If for any reason your firm is not prepared to do so, please indicate your reasons.

VII. Evaluation and Selection

1. Evaluation Criteria

A Selection Committee consisting of members of the Association's Management Committee and staff will evaluate the proposals. This Selection Committee will make its recommendations to

the Management Committee for final approval. The Selection Committee will consider the following factors, not necessarily listed in the order of importance:

- a. Qualifications of the attorneys proposed to serve the Association's account.
- b. Quality and depth of the firm's expertise, resources and prior capability in providing similar services.
- c. Anticipated cost of legal services and disbursements, including such factors as hourly rates, discounts and cost-effectiveness. (Although proposed fees will be given significant weight in the selection process, the Association reserves the right to negotiate lower fees or a different fee structure than proposed with any firm selected.)
- d. Commitment of time (especially by the partner in charge) and resources to the Association.
- e. Overall organization, completeness, and quality of proposal, including cohesiveness, conciseness, clarity of response and demonstrated understanding of the Association.
- f. Interviews, if conducted.

The non-cost criteria listed above will be given more consideration than the cost criteria in the Association's evaluation of proposals.

2. Selection Process

The Selection Committee will initially review all proposals to determine if the responses include all requested information and detail. Any proposal that does not address all requested requirements or is incomplete may be rejected.

The Selection Committee will evaluate all responsive and responsible proposals based on the criteria enumerated in Section VII, as referenced above. The Selection Committee may afford firms the opportunity to clarify proposals for the purpose of assuring a full understanding of their responsiveness to the RFP.

The Selection Committee may also conduct interviews of Respondents found to be most qualified to perform the services required, based upon the criteria listed in this RFP. Selected respondents will be notified in advance of the exact interview date.

All Respondents will be notified in writing after suitable individuals or firms have been selected.

VIII. Proposal Instructions and Conditions

1. Limitations

- a. This RFP does not commit the Association to award a contract; pay any costs incurred in the preparation of a response; or procure or contract for services of any kind whatsoever. The Association reserves the right, in its sole discretion, to accept or reject any or all responses as a result of the RFP, to negotiate with any or all firms considered, or to cancel this RFP in whole or in part at any time. The Association reserves the right to request additional information from all Respondents.

- b. Respondents may be requested to clarify the contents of their proposal. Other than to provide such information as may be required by the Association, no Respondent will be allowed to alter its proposal or to add new information after the RFP due date.
- c. Respondents may be required to participate in negotiations and make necessary changes requested by the Association in a proposal regarding price, technical substance, or other revisions.
- d. All material submitted in response to this RFP will become the sole property of the Association.

2. Proposal Submission.

- a. Proposals must include a cover letter indicating the mailing address of the office from which the proposal is submitted, the name and e-mail address of the individual who will represent the firm as the primary contact person for the proposal, and the telephone and facsimile numbers of the primary contact person.
- b. Non-responsive proposals include, but are not limited to, those that:
 - i) are irregular or not in conformance with RFP requirements and instructions;
 - ii) are conditional; or
 - iii) are not submitted on time or are submitted at any time via facsimile or e-mail.

The Association may waive minor informalities or irregularities in a proposal that are merely a matter of form and not substance; the correction of which would not be prejudicial to other proposals.

3. Administrative Specifications

- a. All proposals must be signed by an authorized officer of the firm.
- b. The successful Respondent(s) must agree to provide the Association with audit access on request during the term of the contract and for 7 years thereafter.
- c. The Association, at any time, in its sole discretion, may terminate its contract with the successful Respondent(s), or postpone or delay all or any part of the contract, upon written notice.
- d. All Respondents are obligated to update any changes in their proposal prior to the proposal due date.

4. Addenda: Errors and Omissions

- a. If a Respondent discovers any ambiguity, conflict, discrepancy, omission or other error in this RFP, immediately notify Russ Howard, in writing, of such error and request clarification or modification to the document.

- b. Should the Association find it necessary, modification to the RFP will be made by addenda. Such modifications will be posted on the RFP web site.
- c. If a Respondent fails to notify the Association of a known error or an error that reasonably should have been known prior to the final filing date for submission, the Respondent shall assume the risk. If awarded the contract, the Respondent(s) shall not be entitled to additional compensation or time by reason of the error or its late correction.

5. Debriefing of Unsuccessful Respondents

Upon written request, a debriefing will be scheduled with an unsuccessful Respondent after the Association has provided notice of its selection of one or more successful Respondent(s). Discussion will be limited to a critique of the proposal submitted by the Respondent requesting the debriefing. Comparisons between proposals or evaluations of the other proposals will not be discussed. Debriefings may be conducted in person or on the telephone, at the Association's discretion.

IX. Contract Approval

The Association's selection of one or more successful Respondents shall require the approval of the Association's Management Committee. A contract entered into in connection with this RFP shall not be valid, effective or binding until approved by the Management Committee and signed by its Chair. No payment shall be made under a contract until such approval is obtained.