

**Colorado Water Resources
and
Power Development Authority**

BOARD MEETING MINUTES

March 7, 2025

Call to Order

Chair Chris Treese called the meeting to order at 9:02 a.m. in the Authority Conference Room, located at 1580 N. Logan Street, Suite #810, Denver, Colorado, 80203, and via video and audio teleconferencing.

Pledge of Allegiance

Chair Treese invited all attendees to join him in the Pledge of Allegiance.

Board Member Identification and Declaration of a Quorum

Board members present: Chris Treese (Chair), Mike Fabbre (Vice-Chair), Karen Wogsland (Secretary/Treasurer), Lucas Hale, Matthew Shuler, Steve Vandiver, Bruce Whitehead, and Eric Wilkinson. Patti Wells was absent. A quorum was declared with eight Board members present.

Introduction of Guests

Chair Chris Treese asked all guests in attendance to introduce themselves and state their affiliation for the record.

Approval of Consent Agenda

Chair Treese announced that the following items were placed on the Consent Agenda for Board consideration at the Project Finance Committee meeting: Agenda items 8(b) Drinking Water Revolving Fund loan applications for Evergreen Metropolitan District, Resolution No. 25-07; and 9(a) Water Pollution Control Revolving Fund loan application for Plum Creek Water Reclamation Authority. After hearing no comments, a motion was made to approve the Consent Agenda, as presented.

Motion: Bruce Whitehead

2nd: Matt Shuler

Vote: Motion Carried unanimously

Approval of Minutes – January 29, 2025

The January 29, 2025, Minutes were presented for approval. After hearing no comments, a motion was made to approve the Minutes of January 29, 2025, as presented.

Motion: Eric Wilkinson

2nd: Steve Vandiver

Vote: Motion Carried unanimously

Other Agency Reports

Report of Department of Natural Resources (“DNR”)

Nate Pearson, Assistant Director for Water Policy, thanked the Board for having him attend the meeting. Mr. Pearson’s first provided a legislative update regarding DNR’s work in the legislature this year noting there are 4 bills in the water space being run at the DNR. Mr. Pearson noted that DNR and CWCB are running a bill to codify, and staff, a snow measurement program. Currently, there are snow monitoring stations that gather data, and the data is supplemented on a basin by basin basis by air born snow monitoring flights. At this time, these efforts are being coordinated between stakeholders and basins on an ad hoc basis

with the state, federal government, and water users all providing funding. The goal of the proposed program is to provide department level leadership over that coordination, help streamline contracting and grant applications related to the program, help gain efficiencies of scale and adding a staff person to help manage the program. Additionally, the Division of Water Resources (“DWR”) is involved in 2 bills. The first involves the cleanup and streamlining of DWR processes mostly related to groundwater permitting. The change would not change the 10-year cycle for abandonment proceedings nor change the process in any other way except staggering the process to spread the work out instead of completing all the work at once. The second DWR bill clarifies geothermal permitting and regulatory authority between DWR and Energy and Carbon Management Commission. Mr. Pearson noted that all the bills are actively moving through the legislature. The last bill Mr. Pearson discussed was a bill from DNR’s Division of Reclamation and Mining Safety to create a more streamlined process for mining companies to clean up abandoned waste rock piles that contribute to negative conditions in our watersheds. Mr. Pearson moved on to discuss updates on CWCB appointments noting that on March 6th, the Senate Ag and Natural Resources Committee voted positively to confirm 3 new appointments to the Colorado Water Conservation Board: Taylor Hawes, Mike Camblin, and Greg Johnson. Mr. Pearson expects them to be confirmed by the full Senate and seated by the next CWCB Board meeting later this month, which will be held in Greeley, CO on March 17th. The Board will be reviewing a number of grant applications. Mr. Pearson concluded his report by speaking about the state severance tax funds indicating there is currently a tight budget situation at the state and noting that there is an approximately \$1B hole to fill. Keith McLaughlin thanked Mr. Pearson for attending the meeting and for being supportive of the SRF programs. Mr. Pearson ended his report by noting that at the November meeting the CWCB board approved the projects in CWCB’s Annual Projects Bill with it likely being introduced sometime in April.

Report of Water Quality Control Division (“WQCD”)

Ron Falco, Clean Water Program Manager, began his report by mentioning that the WQCC will meet virtually Monday, March 10, 2025, noting that it will be a written-comment only rulemaking hearing for Regulation #55: State Funded Water and Wastewater Infrastructure Programs. Mr. Falco continued indicating that WQCD utilizes funding from the BIL lead service line set-aside to provide technical assistance to assist public water systems in meeting the lead service line inventory requirements, also noting that the BIL funds could be used for lead service line removal. Mr. Falco noted the start of the 2025 legislative session on January 8th, 2025, where HB25-1077, Backflow Prevention Devices Requirements, was introduced, which permits individuals engaged in the business of inspecting, testing, or repairing backflow prevention devices from needing a license. The bill passed the House and Senate, so Mr. Falco noted that they don’t anticipate any problems with the bill being signed into law, which will be a relief to many water systems.

Report of Department of Local Affairs (“DOLA”)

Cynthia Thayer, Local Government Services Director, began her report by stating the outlook and circumstances of severance tax in the impact program are as unclear as on the DNR side, but she is confident that they will have more clarity by the April meeting. She indicated that they are anticipating 2 reduction cycles this year. Ms. Thayer then referred to DOLA’s agency report and noted that the impact program did have Tier 2 hearings in Eaton which wrapped March 6th with awards scheduled by the end of the month. Ms. Thayer then mentioned that earlier in the week, Trinidad City Council selected DOLA Southeast Regional Manager Tara Marshall as their City Manager, and Ms. Thayer will keep us informed about Tara’s eventual replacement.

Town of Granby– Resolution No. 25-10

Ian Loffert referred to the PFC meeting and the credit report noting that the Town of Granby is seeking a Drinking Water Revolving Fund (“DWRF”) loan in the amount of \$23,588,997 (comprised of a \$17,588,997 leveraged loan at 3.5% interest, for 30 years, a \$3,000,000 direct loan at 1.75% interest, for 30 years, a \$1,344,609 base direct loan, and a \$1,655,391 BIL loan at 1.75% interest, for 30 years), with an

estimated rate increase of \$9.09. Mr. Loffert also stated that the Town will be contributing reserves from their water fund as well as an obligated balance from their general fund reserves. The project includes the construction of a new conventional surface water treatment plant to replace the existing North Service Area (“NSA”) plant and upgrades to the adjacent existing intake pump station. Mr. Loffert noted that the Town had paid off a CWCBC loan in 2023 and also noted that the Town did a rate increase in 2024 of approximately \$64.00 in preparation for this project. In February 2024, the Town had a DAC business case that was approved by the CWRPDA Board; however, it was approved on a split vote 5 to 4. This application received a favorable recommendation from both the SRF and Project Finance Committees. Ted Cherry, Town Manager, thanked the Board. He noted Granby serves 4 different service areas and this loan is for the North Service Area. Mr. McLaughlin expressed concern regarding residents pushing back on high rates. Mr. Cherry responded that there has been some push back, but this project has been in the works for about 2 years. Also noting that the Town has had a number of meetings including with individual residents to really explain why this is needed. The Town’s board has made an effort to acknowledge the residents’ concern about the high rates and also informing residents that they will contribute money towards this project from Granby’s general and capital improvement funds in the amount of at least \$4M. A motion was made to approve Resolution No. 25-10.

Motion: Eric Wilkinson

2nd: Matt Shuler

Vote: Motion carried on a 7-1 vote, Director Fabbre opposed.

Authority Reports

Public and/or Board Member Comment

None

Report of the Chair

Chair Chris Treese noted Director Patti Wells was not in attendance. Chair Treese announced that he would like to celebrate and congratulate the 2 recent staff promotions Jim Griffiths to Deputy Director and Wesley Williams to Director of Finance. Chair Treese then extended his compliments to Authority staff for the memos written for the Board, noting they are complete, clear and concise, especially given the complexities. Lastly, Chair Treese reminded staff and the Board of the retreat and Board Program Work Session on April 24th.

Report of the Treasurer

Treasurer Karen Wogsland introduced Justin Noll for the report. Mr. Noll noted an error in the Treasurer report indicating that the financial highlights say December but should be November. Mr. Noll mentioned that COLOTrust’s interest rate is still hovering around 4.5. Mr. Noll then noted that the auditors have begun the audit, and they have been provided with most of the Authority’s financials for the year. The auditors should be conducting the audit for the next 2-3 weeks, with a draft report completed by the beginning of April. Mr. Noll stated that the Budget and Audit Committee will meet before the April Board meeting to discuss the audit. Next, Mr. Noll stated that Monday, March 3rd was a debt service day, which went successfully. There was about \$9.5M in wastewater and about \$3M in drinking water that the Authority paid in debt service, and Mr. Noll concluded his report. Mr. McLaughlin recognized the Accounting team for their work, especially during the audit.

A motion was made to approve the Treasurer’s Report.

Motion: Karen Wogsland

2nd: Mike Fabbre

Vote: Motion carried unanimously

Report of the Executive Director

Keith McLaughlin began by recognizing Mark Henderson from CDPHE advising that he has accepted a position as Assistant Director at Castle Rock Water. Mr. McLaughlin mentioned that Mr. Henderson has been great to work with over the last 6 years and his work with the SRF program has been meaningful. Mr. McLaughlin thanked Mr. Henderson for his contributions to the program. Mr. McLaughlin next referred to his report and mentioned that he is on the selection team for a new Executive Director for CIFA, noting there have been some really good applicants. CIFA is a national association that provides State Revolving Fund (“SRF”) advocacy, information, professional development, and networking. Mr. McLaughlin noted that CIFA continues to advocate for full SRF funding, and separate authorization for Congressionally Directed Spending (“CDS”). Mr. McLaughlin next discussed that he has been working with the benefits consultant (Culture Solutions Group), that provided the Salary and Benefits survey in 2024, is currently reviewing the Authority’s benefits and providing recommendations. Together they have created a benefits survey for staff which will inquire about what benefits are important. Then using both the survey data for Colorado and other areas plus the staff survey, she will write up recommendations for any potential changes. Next, Mr. McLaughlin noted that he is also working on exploring additional health insurance options for the Authority noting that so far he has been unable to find a small group insurance with multiple insurance providers. Mr. McLaughlin concluded his report noting there were no staff anniversaries since his last report. Director Whitehead informed Mr. McLaughlin that he likes the new format of the Executive Director report.

Accounting Manager’s Report

Justin Noll, Controller, reported that he did not have much to report other than introducing Desiree Perea, Accounting Technician who began working at the Authority in August 2024, noting he is happy to have her on the accounting team.

Finance Manager’s Report

Wesley Williams, Finance Director, stated that the Finance Department has gone through some changes since the last board meeting, congratulating Jim Griffiths on his promotion and noting the department is now down one person. The Finance Department will be looking for a Financial Analyst I within the next couple of months. Mr. Williams mentioned that the Board is already aware that there is an OIG audit going on, but we have not heard much of an update in the last few months. Mr. Williams noted that the annual EPA audit has been scheduled for May 19th. Next, Mr. Williams discussed the ADA compliance for the Authority’s website stating that the Authority has identified and hired Streamline to help with the compliance and rebuilding of the website. Mr. Williams noted that the deadline for compliance is July 1st, 2025, and the Authority will unveil a new website soon. Mr. Williams segued into the accessibility policy update mentioning that the board approved the policy in March of 2024, and the new policy update removes the previous Accessibility Officer, Sabrina Speed, and adds Wesley Williams as the new Accessibility Officer. A motion was made to approve the policy update. After the motion was approved, Mr. McLaughlin recognized Mr. Williams stating that when gaps are realized, especially with the recent transitions, Mr. Williams always steps up and helps to resolve the issues, often nominating himself to take on the additional work. Mr. McLaughlin thanked Mr. Williams and congratulated him on his promotion to Finance Director, expressing that he is excited to see what Mr. Williams has planned for Finance.

Motion: Lucas Hale

2nd: Mike Fabbre

Vote: Motion Carried unanimously

Interim Loan Program Recommendation

Jim Griffiths, Deputy Director, reported that there was a brief and efficient discussion on the interim loan program at the previous night’s Board Program Work Session where it was voted to recommend the

suspension of the interim loan program for another year. Mr. Griffiths indicated that formal action is needed today as a Board and a motion was made to suspend the interim loan program for 1 year.

Motion: Lucas Hale

2nd: Karen Wogsland

Vote: Motion Carried unanimously

Office Manager's Report

Heather Newton, Office Manager, noted that she had nothing to report this meeting.

Report of Legal Counsel (Reported after DWRP Status of Projects)

Karl Ohlsen, General Counsel, reported that he has been spending a significant amount of time trying to revamp the language in our Resolutions and agreements to cover the Authority due to the uncertainty with the federal funding. Mr. Ohlsen then noted that he has also been working on the Arkansas Valley Conduit Intergovernmental Agreement and has confirmed with Lee Miller that it will be Southeastern that owns the spurs and delivery lines, so Mr. Ohlsen will include that in the recitals of the Intergovernmental Agreement.

Drinking Water Revolving Fund

Arkansas Valley Conduit ("AVC") Intergovernmental Agreement

Leann Noga, Executive Director, provided a project update stating that the short federal fund freeze did not affect work in the field on the trunk line. Further noting that Boone Reach 1 is about 80% complete with about 30,000 linear feet in the ground. Boone Reach 2 is about 78% complete with about 25,000 linear feet in the ground. Ms. Noga also reported that the injection site, which will be built east of Pueblo, is scheduled to have the start of the concrete foundation poured next week. Ms. Noga stated that the environmental reports will be done for the spur and delivery line portion around June. Ms. Noga indicated that, in regard to the application with CWRPDA, the PNA is expected to be submitted towards the end of March, and also noted they are continuing to work through the emerging contaminant applications. There are 4 participants (Fowler and Crawley County Water Association, Olney Springs and Manzanola) that are qualifying for the emerging contaminants and are moving forward. Ms. Noga thanked the Board for entertaining the agreement that is set forth, as well as thanked Karl Ohlsen and Keith McLaughlin for their work on the agreement. Mr. McLaughlin thanked Ms. Noga and recognized the change in leadership at the District, noting that Ms. Noga has been great to work with, very accessible, and has maintained very consistent communication. Chair Treese cited that one of the challenges the Authority will have is funding private nonprofit participants in AVC and asked Ms. Noga if there have been conversations with the participants to consider changing their organization structure. Ms. Noga replied yes, they do meet with the participants about every 6 months and are hopeful that some PNPs will convert to governmental entities. Mr. Griffiths addressed the board and reiterated that the Intergovernmental Agreement was discussed the previous evening at the Board Program Work Session and the direction from the BPWS was that staff needed to do some more work. One of the items identified was relating to the administrative costs that would be incurred to make a loan for a spur line and determining what would be a reasonable charge. Another item needing to be resolved involves connecting with CWCB regarding to the Attorney General's opinion. There was consensus among the board members to table the conversation, no motion was made or needed.

City of Cañon City– Resolution No. 25-06

Austin Reichel referred to the credit report and noted that the City of Cañon City came off the consent agenda due to the conversation at the BPWS regarding loan prepayments and indicated the City has a large amount of reserves. Mr. Reichel stated the City is seeking a Drinking Water Revolving Fund ("DWRP") loan in the amount of \$6,600,000 (comprised of a \$4,272,305 leveraged loan at 3.25% interest, for 20 years, a \$827,695 direct loan at 3.25% interest for 20 years, and BIL Supplemental Principal Forgiveness of

\$1,500,000). The project consists of replacing aging distribution lines throughout the City's water system. As a result of the prepayment conversation at the BPWS, staff recommended that any prepayment within the first three years should include all interest due up to the 3-year date (similar to a 'call' provision in a leveraged loan) and this condition be added to Resolution No. 25-06. A motion was made to approve Resolution No. 25-06. Director Whitehead questioned if there had been discussion with the City regarding a 'call' date of 3 years and what is the basis of the 3 years. Mr. Williams answered that since the leveraged loan is the majority of the funds for this project, and has a call date of 10 years, he does not anticipate the 3 years being an issue. Mr. Williams further answered that there is currently not a policy in place to stop the City from paying off their loan, noting again that the City has large reserves. Mr. McLaughlin also replied that the Authority went with the 3 years (versus 5 or 7 years) which is the earliest number of years given there currently is not a policy in place. Director Whitehead indicated he would like to make a substitute motion to approve the original Resolution No. 25-06 without the condition of the 3-year call date citing he feels there should be more discussion. 2nd: none. The motion dies for lack of 2nd. Director Vandiver motioned to approve Resolution No. 25-06 as amended with the 3-year call date condition.

Motion: Steve Vandiver

2nd: Mike Fabbre

Vote: Motion carried unanimously

City of Fort Lupton – Resolution No. 25-08

Austin Reichel referred to the PFC meeting and the credit report noting that the City of Fort Lupton is seeking a Drinking Water Revolving Fund ("DWRF") loan in the amount of \$19,000,000 (comprised of a \$13,000,000 leveraged loan at 3.5% interest, for 30 years, a \$3,000,000 direct loan at 1.75% interest for 30 years, and \$3,000,000 BIL principal forgiveness). The project includes the installation of a new elevated storage tank, and a new pump station and associated pipelines. This application received a favorable recommendation from both the SRF and Project Finance Committees. Mr. Reichel noted that during the PFC meeting, a question arose about the City's participation in the NISP project and whether or not that would impact the loan. Chris Cross, City Administrator, approached the Board to answer questions from the Board also indicating that he had provided his response regarding the NISP project participation via an email to Mr. Reichel. His email response was as follows: "At our current level of participation, it would be around \$50 Million.(The estimate from Northern) There are still a lot of factors in the ether though around the project. We evaluate them constantly in our rate adjustment projections. Ultimately the City's goal will remain to minimize the amount of leveraged funds the City has to secure for the NISP project. It will continue to allocate a portion of each year's water revenues into its reserve account to prepare for the future payments to support the NISP project. There is group financing on the project being worked on with all the participants. We currently have a healthy cash-in-lieu match to help offset our financing for the project but also evaluate our participation level and customer base to make sure we can sustain a healthy rate structure going forward. It fluctuates around 3% but we also plug a 3% inflation rate for O&M and have a conservative 2 to 3% growth factor."

A motion was made to approve Resolution No. 25-08.

Motion: Eric Wilkinson

2nd: Bruce Whitehead

Vote: Motion carried unanimously

Town of Frisco– Resolution No. 25-09

Wesley Williams noted that this project was pulled off the consent agenda due to uncertainty of BIL funds for the Town. Mr. Williams summarized the credit report to the Board. The Town of Frisco is seeking a Drinking Water Revolving Fund ("DWRF") loan in the amount of \$8,200,000 (100% Principal Forgiveness). The proposed project consists of granular activated carbon (GAC) treatment for per- and polyfluoroalkyl substances ("PFAS"), including treatment vessels, a treatment building, and conveyance

pipng & site work. This application received a favorable recommendation from both the SRF and Project Finance Committees. Ryan Thompson, the Town's Water Superintendent, presented an overview of the project indicating that this particular water source tested positive for PFAS in 2020. The Town took the well offline to perform a study and are now looking for funding to construct a new PFAS removal facility. Director Vandiver asked Mr. Thompson about the source of PFAS. Mr. Thompson noted that there is a fire training facility upstream from the water source, and that no one has taken responsibility for the contamination. Mr. Thompson also stated that within the same Summit County campus there was a landfill in the 1950's – 1960's, but the Town has not conducted any engineering studies to ascertain the chemical plume and its location. Director Wogsland asked Mr. Thompson if there are any plans to find the plume and assign responsibility or get it cleaned up. Mr. Thompson responded that the Town is first focusing on removing the contamination from the water. Director Vandiver asked Mr. Thompson if they had considered other options, to which Mr. Thompson answered they had, but this project is the best option for the Town. A motion was made to approve Resolution No. 25-09.

Motion: Lucas Hale

2nd: Karen Wogsland

Vote: Motion carried unanimously

Town of Paonia– Resolution No. 25-11

Giorgi Gazashvili referred to the PFC meeting and the credit report noting that the Town of Paonia is seeking a Drinking Water Revolving Fund ("DWRF") loan in the amount of \$9,744,000 (comprised of a \$3,744,000 leveraged loan at 3.25% interest, for 20 years, \$3,000,000 direct loan at 1.5% interest for 20 years, and \$3,000,000 BIL Principal Forgiveness) with an estimated rate increase of \$6.07. Mr. Gazashvili noted that the Town has also applied for a \$1,000,000 EIAF grant to be considered in March 2025, and should this be awarded, it will be for this project, reducing the cost by \$1,000,000 or equal to the amount of the award. The project is for the initial phase of a multi-stage project to improve the drinking water system in the Town of Paonia. This phase involves installing a temporary tank and repairing and relining the finished water storage tank. Additionally, the project includes replacing distribution piping and enhancements to raw water monitoring in the spring structures. This application received a favorable recommendation from both the SRF and Project Finance Committees. During the PFC meeting, there were a few questions needing answers. The first question raised was regarding the incremental rate increases proposed and approved through 2029 and if it would be sufficient, to which the answer from the Town was yes. The second question was about the structure of the IGAs and an answer was provided from DOLA stating it is believed to be a master meter agreement. The last question was regarding refunding bonds issued and the rate associated, and Mr. Williams answered the question during the PFC meeting stating the bonds were not rated AAA. Stefen Wynn, Town Administrator, thanked the board for their consideration and noted that it is believed that the bond rating is due to multiple years of late audits, but assured the Board that the Town is now on track for on-time audits. A motion was made to approve Resolution No. 25-11.

Motion: Mike Fabbre

2nd: Steve Vandiver

Vote: Motion carried unanimously

Private Nonprofit Public Water Systems- Lending Process Improvements

Ian Loffert provided a brief update noting there was a helpful discussion the previous night at the Board Program Work Session ("BPWS"). Mr. Loffert indicated that there were some suggestions made at the meeting to include looking at adding an administrative fee, additional guardrails, and researching examples of where a PNP might benefit from remaining as a PNP. Authority staff will work on these recommendations and bring them, along with action items, before the Board at the April board meeting. Director Wilkinson asked if there is a possibility of putting together a form/contract that could be put out there to indicate that if you are a PNP coming to the Authority for funding, this is the contract you will sign.

Mr. Loffert replied that staff is working on a variation of that which includes steps and processes that need to be met before coming in for a loan application.

Direct Loan Prepayment When Principal Forgiveness is Provided

Kevin Carpenter reported that there was a nice long discussion at the BPWS regarding prepayment of loans that involve principal forgiveness and there was a recommendation to table the discussion until the April Board retreat. Due to the concern on this topic from the Board, staff has added recommended conditions to 2 credits presented at this March 7th Board meeting that are in line with the Authority's current existing policy that allows the Board to put prepayment conditions on any loan application on a case-by-case basis. Formal action is requested to table this agenda topic to a later board retreat or BPWS and a motion was made to approve. Director Wilkinson requested that staff provide recommendations for the Board to consider during the April work session and/or board meeting and examine the nexus that this agenda item may have with AVC consideration.

Motion: Eric Wilkinson

2nd: Bruce Whitehead

Vote: Motion carried unanimously

Status of Projects

Giorgi Gazashvili reported that since the January board meeting, the Authority had 3 pre-qualification meetings (North Pecos Water & Sanitation District, Tiger Run Resort HOA, and Whitehaven Mobile Home Park), and received 2 loan applications for the February 5th deadline (Swiss Village HOA and Teller County WSD No. 1). Mr. Gazashvili also indicated there were no new planning grants issued, leaving 15 remaining for the 2025 budget in the amount of \$150,000. The Authority has issued 2 new Design and Engineering grants (Town of Cheraw and City of Gunnison), leaving \$0.00 remaining in the D&E budgeted funds. Lastly, Mr. Gazashvili noted there are 17 outstanding audits out of 224 borrowers, and an approximate outstanding balance of \$490M in DWRP loans.

Water Pollution Control Revolving Fund

Gardner Public Improvement District– Resolution No. 25-12

Kevin Carpenter referred to the PFC meeting and the credit report noting that Gardner Public Improvement District is seeking a Water Pollution Control Revolving Fund ("WPCRF") loan in the amount of \$1,000,000 (comprised of a \$478,723 BIL loan at 1.75% interest, for 30 years, and a \$521,277 BIL Principal Forgiveness). The project includes replacing the collection system and installing a new wastewater treatment facility ("WWTF") effluent pipe extension. The collection system portion of the project consists of upgrades to existing pipes and the replacement of manholes. This application received a favorable recommendation from both the SRF and Project Finance Committees. Mr. Carpenter noted that this application was not put on the consent agenda due to previous years of negative operating income and the 2023 audit changes, but there were no outstanding questions from the PFC meeting. Mr. Carpenter indicated that due to discussion at the BPWS, staff are adding a recommended condition to the loan to restrict prepayment for 3 years after loan execution. The District has indicated that although they do not have the reserves for a prepayment, the District has indicated the possibility of using ARPA funds to prepay. The condition was added to address the Board's concerns about prepayment on loans involving principal forgiveness. Carl Young, County Administrator, addressed the board first thanking them for considering the District's application. Mr. Young then moved on to request there be an option to possibly make a prepayment if the District has left over ARPA funds. In response to a question by Director Wilkinson, Mr. Young replied that it would only prepay some of the principal, using ARPA funds, not reserves.

Bruce Whitehead motioned to approve without the term and condition of the 3-year call date. No 2nd, motion dies. Director Vandiver motioned to approve Resolution No. 25-12 as amended with the 3-year call date condition.

Motion: Steve Vandiver

2nd: Eric Wilkinson

Vote: Motion carried unanimously

Town of Gilcrest- Additional Bonds Test Waiver and Consent

Austin Reichel noted that the Town of Gilcrest is in need of additional wastewater treatment facility upgrades and are trying to get a loan from the United States Department of Agriculture, Rural Utility Service (“RUS”). Mr. Reichel stated that as a requirement of RUS funding, the Town must get an interim loan for the construction time period. Once construction is complete, the interim financing is repaid from the RUS loan proceeds. The Town expects to enter into an interim construction loan with CoBank ACB (“CoBank”), in an amount not to exceed \$1,474,000 (the “Interim Loan”), which will be payable from Pledged Revenues on a subordinate basis to the 2015 Loan. The Interim Loan would be structured as an interest only loan for two years with the total principal amount of the loan coming due at maturity. Under this structure, the Town would have a payment in excess of \$1,474,000 coming due in one year (often called a “balloon” payment) and would not be able to meet the ABT at this balloon maturity. The Town projects that it will meet the 2015 Loan ABT when it issues permanent financing with the RUS. A motion was made to wave the 110% additional bonds test as outlined in the memo.

Motion: Eric Wilkinson

2nd: Steve Vandiver

Vote: Motion carried unanimously

Direct Loan Prepayment When Principal Forgiveness is Provided (same as 8(d))

Status of Projects

Austin Reichel reported that since the January board meeting, there has been 1 WPCRF pre-qualification (Whitehaven Mobile Home Park), and no loan applications for the February 5th deadline. Mr. Reichel stated there has been 1 Planning Grant awarded (City of Burlington), and no Design & Engineering grants awarded. Mr. Reichel concluded by noting there are 10 missing audits and 205 outstanding WPCRF loans with an approximate balance of \$633M.

Small Hydropower Loan Program

Status of Projects

Wesley Williams indicated that he has heard back from the City of Aspen regarding their hydropower project timeline. Mr. Williams stated that Aspen is applying for a WaterSmart Grant through the Bureau and if they receive that grant they will likely not come to the Authority for their small hydropower loan. The City informed Mr. Williams that they anticipate they will hear back regarding a decision on the WaterSmart Grant sometime late summer and they will update Mr. Williams at that time. Chair Treese asked if it was possible for Aspen to use the Authority for a portion of their loan if they do not receive full funding for project costs from the WaterSmart grant to which Mr. Williams answered yes.

Water Revenue Bonds Program

Status of Projects

Wesley Williams reported there is nothing to note for the Water Revenue Bonds Program. Mr. Williams used this opportunity to state that it was a pleasure working with Mark Henderson and he will be missed in the SRF program.

Board Program Work Session

Committee Chair Mike Fabbre reported that the staff provided great presentations and there was good discussion at the BPWS. Chair Fabbre noted a discrepancy in the agenda, indicating that the agenda in the packet is slightly different then the agenda used at the BPWS, mentioning that agenda item #4 Information

Systems Policy was cut and substituted with the Loan Capacity with Federal Cap Grant Uncertainty. Chair Fabbre further stated that it was a very long and great discussion on that topic with all the uncertainties going on at the Federal level. Chair Fabbre highlighted the discussions from the night before and indicated all agenda items were discussed.

Project Finance Committee

Committee Chair Bruce Whitehead noted that the Project Finance Committee met on March 3rd, 2025, and they had good participation during the meeting. Chair Whitehead noted that staff did a great job with preparing all the materials for the meeting and that all applications received a favorable recommendation from staff to the Board. Chair Whitehead stated that the Minutes accurately reflect what occurred.

Governmental/Public Affairs Committee

Committee Chair Matt Shuler reported that at the Committee meeting, no formal action was needed on the items discussed and nothing was needed to be brought to the full Board. There was great conversation at the meeting, and it was informative. Chair Shuler recommended that all Board members should attend this Committee meeting due to the nature of the topics and the discussions.

Legislative Issues and Other Business

Keith McLaughlin reported that the National CIFA conference is coming up in April which is centered around legislative issues. Mr. McLaughlin noted that Jessica Kramer, President Trump's nominee to lead the Office of Water will be speaking at the CIFA conference. Mr. McLaughlin noted that Ms. Kramer is the Deputy Secretary for EPA in Florida, she has also worked for several Congressional members, has been very involved in water, and she is strong on water issues. The hope is that with her in place, some of the water programs will be spared from the federal cuts. Mr. McLaughlin then moved to discuss state issues in HJR 25-1004, the project eligibility list that gets run annually, was signed by the Governor on February 7th, which may be the quickest it has ever been signed. Next, Mr. McLaughlin noted that the confirmation hearing for Directors Wells and Wilkinson has been scheduled Thursday, March 13th, and expressed his gratitude for them being willing to attend the hearing, and more importantly for their willingness to serve another term. Regarding other business, Mr. McLaughlin reported that there are articles included in the packet, but he wanted to specifically note the article from Lobbyist Christine Arbogast which highlights that some of the cuts at EPA are likely to slow down Congressionally Directed Spending which may help the Authority and the SRF's because this may cause Congress to recognize that the funds are not getting out and would be better allocated back to the states. Lastly, Mr. McLaughlin referred to the Board Retreat and BPWS tentative agenda, noting that it is color coded with yellow being likely agenda items, and the full long list below, noting that the list does need to be trimmed down. Mr. McLaughlin and Chair Treese requested that the Board provide recommendations for additions or subtractions to the list.

Chair Treese invited Mark Henderson to address the Board so the Board could express their gratitude for his many years of service to the SRF program. Mr. Henderson stated what a pleasure it has been to have served this Board and noted the Board is very astute and thoughtful, and that has helped make the SRF program better. Mr. Henderson stated that he will miss working with the Board, CDPHE, DOLA, and Authority staff.

Adjournment

Chair Treese adjourned the meeting at 12:07 p.m.

Respectfully submitted,

Heather Newton, Assistant Secretary

NOTE-FOR INFORMATION ONLY - COPIES OF THE DOCUMENTS REFERRED TO IN THE TEXT OF THESE MINUTES ARE ON FILE IN THE AUTHORITY OFFICE AND MAY BE OBTAINED BY SUBMITTING A "REQUEST FOR PUBLIC RECORDS." PLEASE CALL HEATHER NEWTON AT (303) 830-1550, EXT. 1010, FOR INFORMATION.