

COLORADO WATER RESOURCES and POWER DEVELOPMENT AUTHORITY
9:00 A.M. – March 3, 2023

Hybrid Meeting – In-person and via Zoom
 Authority Conference Room
 Denver, CO 80203

<https://us06web.zoom.us/j/85925826994?pwd=a1FNUGhWeUISeWROUTIPdGVQbnNTUT09>

OR call-in number 1-669-900-6833

Meeting ID: 859 2582 6994

Passcode: 209742

AGENDA

(Order & contents subject to change by action of the Authority)
 Check www.cwrpda.com for agenda changes and other information)

1. **Call to Order** – Steve Vandiver
2. **Roll Call, Declaration of a Quorum & Consent Agenda Approval**
 - (a) Nominating Committee – Recommendation of Officers
3. **Approval of Minutes** – January 25, 2023
4. **Introduction of Guests**
5. **Other Agency Reports**
 - (a) Report of CWCB – Kirk Russell
 - (b) Report of WQCD – Ron Falco 2022 Annual Project Report
 - (c) Report of DOLA – Desi Santerre
6. **Authority Reports**
 - (a) Public and/or Board Member Comment
 - (b) Report of Chair – New Chair
 - (c) Report of Treasurer – New Secretary/Treasurer
 - (d) Report of Executive Director – Keith McLaughlin
 - (e) Manager's Report
 - Accounting
 - Finance
 - Information Systems Policy Review
 - Office
 - (f) Report of Legal Counsel – Karl Ohlsen
7. **Drinking Water Revolving Fund**
 - (a) Loan Applications
 - St. Mary's Glacier Water & Sanitation District – Supplemental, Resolution No. 23-07
 - Town of Silt, DAC Business Case
 - (b) BIL Per Entity Policy Recommendation
 - (c) Status of Projects
8. **Water Pollution Control Revolving Fund**
 - (a) Loan Application
 - Left Hand Water & Sanitation District, Resolution No. 23-08
 - (b) BIL Per Entity Policy Recommendation *(covered above, 7b)*
 - (c) Status of Projects
9. **Small Hydropower Loan Program**
 - (a) Status Report
10. **Water Revenue Bonds**
 - (a) Status Report
11. **Long Hollow Dam & Bobby K. Taylor Reservoir**
 - (a) Status Report
12. **Committee Reports**
 - (a) Project Finance Committee – Minutes
 - (b) Board Program Work Session
 - (c) Nominating Committee – Minutes
13. **Other Business**
 - (a) Legislative Issues and other Business of Interest to the Authority

14. Arrangements for Future Meetings

April 20, 2023 – Possible Board Program Work Session, Time TBD

April 21, 2023 – Board Meeting, 9:00 am, Denver

June 1, 2023 – Mt. Crested Butte Water & Sanitation Project Tours

June 1, 2023 – Possible Board Program Work Session, Time TBD

June 2, 2023 – Board Meeting, 9:00 am, Mt. Crested Butte

August 23, 2023 – Board Meeting, 2:00 pm, Steamboat Springs

15. Adjournment

SLIDES

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CONSENT AGENDA

8. Water Pollution Control Revolving Fund

(a) Loan Application

- Left Hand Water & Sanitation District, Resolution No. 23-08

**Colorado Water Resources
and
Power Development Authority**

BOARD MEETING MINUTES

January 25, 2023

Call to Order

Chair Bob Wolff called the meeting to order at 2:00 p.m. in the VI Conference Room of the Hyatt Regency Aurora-Denver Hotel, located at 13200 E. 14th Place, Aurora, Colorado, 80011, and via video and audio tele-conferencing.

Board Member Identification and Declaration of a Quorum

Board members present: Bob Wolff (Chair), Steve Vandiver (Vice-Chair), George Corkle, Mike Fabbre, Lucas Hale, Patti Wells, Eric Wilkinson and Karen Wogsland. A quorum was declared with eight Board members present. Secretary/Treasurer Chris Treese joined the meeting shortly after the roll call.

Approval of Minutes – December 2, 2022

The December 2, 2022, Minutes were presented for approval. After hearing no comments, a motion was made to approve the Minutes of December 2, 2022, as presented.

Motion: Mike Fabbre
2nd: George Corkle
Vote: Motion carried

Introduction of Guests

Chair Bob Wolff introduced Bruce Whitehead, newly appointed representative of the San Miguel-Dolores-San Juan drainage basin, and soon-to-be replacement on the Authority Board of Directors. Mr. Whitehead has served as a former Division State Engineer, former Colorado State Senator, former Executive Director of the Southwestern Water Conservation District and the Animas-La Plata Water Conservancy District, and is currently consulting for the Animas-La Plata Water Conservancy District. Mr. Whitehead will formally join the Authority's Board of Directors following Senate confirmation. Chair Wolff asked all guests in attendance to introduce themselves for the record and asked all to state their prediction to win the Super Bowl.

Other Agency Reports

Report of Colorado Water Conservation Board ("CWCB")

Kirk Russell, Finance Section Chief of the CWCB, referred to the provided written report and stated the CWCB's Board of Directors met January 23rd and 24th and approved five new loans and two loan increases, as illustrated in the report. The CWCB has approved fourteen new loans totaling approximately \$40.5 million in the current fiscal year. In an average year, the CWCB Board will approve approximately 20 loans totaling \$40-50 million. The CWCB provides a project loan report to the Colorado legislature and this year, the report detailed twelve loans made in calendar year 2022 for a total of approximately \$26 million. These loans are all under \$10 million and therefore are approved by the CWCB without legislative approval. In March, the CWCB Board will consider approval of Water Plan Grants from the December 1st application deadline, as well as Water Supply Reserve Fund (WSRF) grant requests, at the March 2023 Board meeting. Mr. Russell also provided a brief update on severance tax revenues and stated that CWCB's portion of the December 2022 Severance Tax revenue projection of approximately \$76.6 million is a slight drop from earlier projections. However, the December 2022 actual Severance Tax revenue was the 2nd highest on record and well above the 10-year average. If the projections are correct, the CWCB will need to decide how to distribute the additional funds. This year's Projects Bill contains approximately \$82 million of identified projects which has an impact of approximately \$70 million on the Construction Fund

and severance tax. The CWCB Board will meet again on March 15th and 16th in the Yampa/White basin area. Following the report, Director Treese inquired about the amount of online gambling revenues the CWCB expects to receive from Prop DD and Mr. Russell noted that the amount received last fiscal year was approximately \$12 million and that amount is expected to grow for the next fiscal year. *[Mr. Russell later confirmed in an email to the Board that sports betting revenue not subject to TABOR is expected to grow by 76.1% in the current fiscal year, to approximately \$20 million. Exempt sports betting revenue is forecasted to reach approximately \$26.2 million in FY 2023-24 and approximately \$28.9 million in FY 2024-25.]*

Report of Water Quality Control Division (“WQCD”)

Mike Beck, Section Manager of the Water Quality Control Division, referred to the agency report and noted that the Water Quality Control Division held a rule-making hearing on Regulation 55: State Funded Water and Wastewater Infrastructure Grant Programs in December. The General Assembly previously increased the Division’s spending authority for popular training programs. Mr. Beck also reported he and his staff are working diligently with the Governor’s office on securing the required state match for the Bipartisan Infrastructure Law (“BIL”) second year funding cycle. An application for the state match funds has been completed and submitted, and the Division is now awaiting a decision from the Governor’s office. The staff is also looking for alternative state match funding opportunities for years three, four and five. Mr. Beck also provided a brief update on HB22-1358, concerning clean water in schools and childcare centers, and confirmed that the program has received high participation rates. The deadline to complete the required lead testing for all schools and childcare centers is May 31, 2023, and Mr. Beck confirmed that WQCD has collected approximately 1,300 samples and, currently, 118 entities require further action following the initial testing. The bill provides funding for sampling, testing and remediation guidance, as well as resources for necessary remediation action. Mr. Beck also reported on SB20-218, the WQCD PFAS program, and noted that revenue generated from fees collected on fuel trucks entering the state contribute to a fund of up to \$8 million annually that can be used for sampling, grants and other PFAS-related studies. The Division recently issued an RFA for funding received the second year. The WQCD is also working to determine how to support public water systems with the revised lead and copper rule, specifically the process for lead service line inventory. This is critical as it will likely drive projects into the SRF Program(s). Mr. Beck continued the agency report by confirming that Cadmus is under contract to conduct the Clean Watershed Needs Survey and they have been continuing to document Colorado’s clean water needs and submitting the surveys to the EPA. The project is nearing completion and is approximately 85% complete. Mr. Beck concluded the agency report by noting how the reductions in the base program cap grants have negatively impacted the SRF Programs.

Report of Department of Local Affairs (“DOLA”)

Cynthia Thayer, Department of Local Affairs Local Government Services Director, referred to the provided agency report and stated that a list of the Energy and Mineral Impact Assistance Fund (“EIAF”) Grant Program Tier II (up to \$750,000) awards were provided in the written report. The next two application cycles are April 1st and August 1st with available funding of approximately \$25 million. Although, as mentioned by CWCB, those amounts could increase or decrease based on volatile severance tax revenues. Additionally, the Energy and Mineral Impact Assistance Fund Advisory Committee will be meeting in the coming week to consider program guideline updates and determine if changes are necessary for the EIAF grant program. Any program changes will be reported at the March Board meeting, if applicable. Ms. Thayer noted a correction to the written report and stated that two communities, not three, are currently working with the Small and Rural Communities Technical Services Program. A full update will be shared at the March Board meeting. For 2022, DOLA spent a combined total of approximately \$55,600 on technical services projects, including expenditures of approximately \$24,441 on drinking water projects and approximately \$31,160 on wastewater projects. Ms. Thayer thanked the Board for the continued budget for the program in 2023. DOLA staff is currently in the process of hiring the two new term-limited FTEs for BIL support. Two additional Regional Assistant positions were also added as part of the staffing update.

Authority Reports

Report of the Chair

Chair Bob Wolff noted that this would be his last Board meeting and that Bruce Whitehead has been appointed by the Governor as his replacement and will be formally seated after Senate confirmation. Chair Wolff also announced that the Authority's Executive Director, Keith McLaughlin, celebrated his 25-year work anniversary with Authority on January 16th and presented Mr. McLaughlin a 25-year anniversary plaque and thanked him for his exemplary service to the Authority. Chair Wolff added it's been an honor and a great privilege to serve on the Authority Board and he will miss it greatly.

Report of the Treasurer – Treasurer Chris Treese referred to the provided written report and deferred to Controller Justin Noll to provide the Treasurer's report. Mr. Noll noted that financials were provided through October as staff continues to play catch up after falling behind due to staff shortages. Mr. Noll also noted that money market rates continue to rise and the COLOTRUST yield was 4.5%, compared to .08% at this time last year. It was noted that this is the same time of year when the Feds started to increase rates last year, and rates have increased 400 basis points in a one-year time period. Mr. Noll also stated that the Authority has been recruiting for an open Accounting Clerk/Technician position for the past couple of weeks. After several interviews, staff has extended an offer to a candidate, and the offer has been accepted. This new hire will fully staff the Accounting department. A motion was made to accept the Treasurer's Report.

Motion: Chris Treese
 2nd: Mike Fabbre
 Vote: Motion carried

Report of Executive Director – Keith McLaughlin referred to the written report contained in the Board materials and stated that Jim Griffiths, Wesley Williams and Mr. McLaughlin were in the Funding Section at the Colorado Water Congress' Annual Convention, alongside Mr. Russell and the CWCB. The intent of this newly added feature was to have representatives available to answer water project funding questions for CWC conference attendees, but Mr. McLaughlin was unable to gauge its success as it was competing with other valuable conference sessions and only garnered a handful of attendees. Mr. McLaughlin added that if this feature were to continue at future conferences, they would need to find a way to drive more traffic to this section. Mr. McLaughlin also noted that work continues on the Authority's Memorandum of Understanding ("MOU") with the WQCD and DOLA to incorporate the BIL funding and the additional approved FTEs for each agency. A recent meeting was held with Authority staff to address additional internal controls for accounts payable to reduce the potential for fraud and to tighten up the A/P processes. Additionally, the Authority is going to discuss purchasing cyber insurance with its IT consultants, Mytech, to see if it is an avenue worth pursuing and gaining a better understanding of its potential limitations. Director Wells added that one thing to consider when purchasing cyber insurance would be the Colorado Governmental Immunity Act ("CGIA") as it limits claim costs for governmental entities. The Authority's auditors were on-site the second week of January to begin preliminary work on the 2022 audit and work will continue over the coming months. Mr. McLaughlin met with Colorado Forest & Water Alliance ("COFWA") on January 5th and that group has decided to take a pause on its activities and may resume activities in the future. Work on the revised Employee Handbook has been stalled and Mr. McLaughlin may seek guidance from the Board to move forward and work toward its completion as there have been numerous delays and issues with this project. The Authority reached a major milestone last year as it has issued over \$3 billion in loans since inception. To date, the Authority has issued 807 loans totaling approximately \$3.1 billion. Mr. McLaughlin concluded his report with an announcement of staff anniversaries and promotions, noting that Kevin Carpenter celebrated his 2 year anniversary and Valerie Lovato celebrated her 24 year anniversary on January 1st; Justin Noll celebrated his 22 year anniversary on January 15th; and Wesley Williams celebrated his 10 year anniversary on January 7th. Mr. McLaughlin presented Mr. Williams with his 10 year anniversary plaque and thanked him for his dedication and devotion to the Authority. Additionally, Kevin Carpenter was promoted to Financial Analyst II and Ian

Loffert was promoted to Senior Financial Analyst II, effective January 1st. Mr. McLaughlin commended Mr. Carpenter and Mr. Loffert for their hard work.

Resolution of Appreciation to Bob Wolff, Resolution No. 23-01

Keith McLaughlin thanked Chair Wolff for his patience and guidance since he's been in his current role as Executive Director and stated he was fortunate to have Webb Jones, Roy Heald and Bob Wolff serving as Chair since he's taken over the Executive Director's role in 2020. Vice-Chair Steve Vandiver read Resolution No. 23-01, a resolution of appreciation to Bob Wolff, in its entirety for the record. Chair Wolff stated it has been a great experience and a pleasure to serve on the Authority's Board. A motion was made to adopt Resolution No. 23-01.

Motion: Steve Vandiver
2nd: Chris Treese
Vote: Motion carried

Accounting Manager's Report

Controller Justin Noll provided a brief update on previously reported IT projects that are now being implemented, including the installation of a new firewall which replaced the old unit that was at the end of its useful life, as well as a new battery back-up on the server. The server still needs to be replaced, but the new firewall will help to secure the network. As Mr. McLaughlin previously mentioned, the Authority's auditors were on-site for interim work in early January and will return for three weeks in March to complete field work.

Finance Manager's Report

Finance Director Jim Griffiths noted that Wesley Williams distributed a "cheat sheet" of policies and rules associated with the BIL funding and asked that any questions or suggestions for improvements be directed to him. Mr. Griffiths also noted that work continues with the Authority's partners, the WQCD and DOLA, on the best ways to deploy principal forgiveness (PF). This is especially true for the PF funds associated with BIL, because there has been unprecedented interest in securing those available funds. This will be addressed later in today's meeting, but staff wanted to provide context for the discussion. Mr. Griffiths also formally introduced and welcomed the Authority's newest Financial Analyst, Giorgi ("Gio") Gazashvili. Mr. Griffiths shared that Gio was born in the country of Georgia and moved to the state of Georgia and comes to the Authority with non-profit work experience. Staff is thrilled to have Gio in the office and part of the team.

Internet Technology Acceptable Use Policy Review

Wesley Williams announced that the Authority's Internet Technology Acceptable Use Policy, originally adopted by the Board in 2019, governs IT uses, resources and related activities. The policy requires an annual review and, as part of the review process, is examined by the Authority's IT consultant, MyTech Partners, general counsel Karl Ohlsen and Authority staff. Red-lined suggested changes by MyTech and Mr. Ohlsen were provided for the Board's consideration. Director Wells also reached out to staff and suggested the Board consider changing the title from "Internet Technology Acceptable Use Policy" to "Information Systems Policy" to better reflect actual content. As part of the review process, Authority staff asked MyTech if the policy was in line with other agencies and learned that most companies do not have a formal IT policy. Mr. Williams briefly reviewed the suggested redlined changes, none of which were considered substantive. Discussion continued on various portions of the policy that included the use of an email domain for Board members, use of a password manager for Authority staff and Board members, how the policy is disseminated to Authority staff, grouping of similar topics within the policy instead of alphabetical order, the use of the words "on CWRPDA time" and acceptable use, social media use and other wordsmith changes to the existing policy. After further review and discussion, Authority staff will revise the policy incorporating the suggested changes and bring this item back to the Board at the March meeting for approval.

Office Manager's Report

Office Manager Sabrina Speed provided a brief Family and Medical Leave Insurance (“FAMLI”) program update, stating that the Authority met all requisite FAMLI end of year deadlines including written notice to staff of the Board’s decision to opt out of the program and support for those employees who wish to participate, including registering and providing pay information to FAMLI, and posting the required informational posters both physically in the office and electronically. To date, no employee has informed management that they would like to opt-in to the FAMLI program. On January 24th, we received a notice from the FAMLI program stating that the Authority did not qualify as a governmental entity and therefore was ineligible to opt out of participation. Mr. Ohlsen assisted staff in drafting a response with statutory citations that supported the Authority’s contention that it is a governmental agency and it was forwarded to FAMLI for consideration. Ms. Speed also included in the Board materials a notice that the IRS has increased the mileage reimbursement rate to \$0.65.5 from \$0.62.5. The Authority’s website has been updated with the 2023 rate, but if Board members have any outstanding 2022 expenses, hard copies of the 2022 expense report are available. Ms. Speed announced that a sign-up sheet for the June Board meeting was circulated for lodging arrangements. The Board will hold the June 2, 2023, Board meeting in Mt. Crested Butte and will include a tour of the drinking water facility at Mt. Crested Butte Water & Sanitation District, hosted by Director Fabbre on Thursday, June 1st. The Board may also hold a Board Program Work Session on Thursday evening. Additional details will be forthcoming as they are available.

Report of Legal Counsel – Karl Ohlsen

Mr. Ohlsen reported he did not have a formal written report but announced that he’s been working closely with staff on a number of items including minor revisions to the Authority’s Internet Technology Acceptable Use Policy, FAMLI response and the MOA addendum encompassing temporary BIL FTE positions for the WQCD and DOLA.

Drinking Water Revolving Fund

U.S. Bank Trustee Agreement, Resolution No. 23-02

Jim Griffiths referred to Resolution No 23-02, approving a renewal of the DWRF Trustee and Custody Agreements with U.S. Bank, N.A. contained in the Board materials. Mr. Griffiths noted that Resolution No. 23-05, approving a renewal of the WPCRF Trustee and Custody Agreements with U.S. Bank, N.A. and Resolution No. 23-06, approving the renewal of Trustee and Custody Agreements with U.S. Bank, N.A. for programs operated in the Authority’s Water Operation Fund, would all be encompassed in this discussion and would require separate approval, but the fee structure is basically the same for all. Banking services provided by U.S. Bank include services for paying agent, escrow agent, registrar, trustee, loan servicer and others. The Authority’s current contract with U.S. Bank, N.A. for trustee and custody services will expire on February 8, 2023, and this proposed renewal will continue services with U.S. Bank through February 8, 2026. Authority started negotiations with U.S. Bank representatives in November on the contract renewal. Authority staff is pleased with U.S. Bank’s services and would like the contract to continue. U.S. Bank submitted its proposal with a 6.9% increase in fees, which the Authority believes is reasonable, and staff recommends approval of the contract extension. After a few follow-up questions, Mr. Griffiths announced that staff originally expected an increase of approximately 15-20% and was pleased with the modest increase of less than 7% over three years. A motion was made to adopt Resolution No. 23-02, approving a renewal of the DWRF Trustee and Custody Agreements with U.S. Bank, N.A.

Motion: Karen Wogsland
 2nd: Lucas Hale
 Vote: Motion carried

Following the vote, Director Fabbre noted that Resolution No. 23-02 correctly stated the meeting was held in Aurora and Resolutions No. 23-05 and 23-06 stated the meeting was held in Westminster, and suggested that 23-05 and 23-06 be corrected to reflect the meeting was held in Aurora. A subsequent motion was made to adopt Resolution No. 23-05, approving a renewal of the WPCRF Trustee and Custody Agreements with U.S. Bank, N.A., as corrected.

Motion: Patti Wells
 2nd: Eric Wilkinson
 Vote: Motion carried

A subsequent motion was made to adopt Resolution No. 23-06, approving the renewal of Trustee and Custody Agreements with U.S. Bank, N.A. for programs operated in the Authority's Water Operations Fund, as corrected.

Motion: George Corkle
 2nd: Chris Treese
 Vote: Motion carried

BIL State Match, Resolution No. 23-03

Keith McLaughlin referred to Resolution No. 23-03, providing for approval of state match funds for Water Pollution Control Revolving Fund and Drinking Water Revolving Fund BIL Supplemental capitalization grants and terms for use and indicated it was almost identical to Resolution No. 22-32, approved in 2022. As previously mentioned, the Authority and the WQCD have been working closely with the Governor's office to secure the second-year state match funding associated with the BIL funds and have submitted the required application. Since the decision could be rendered any day, the Authority is asking for approval of the Resolution to accept the funds. The updated number for this Resolution is approximately \$135,254,600, under the IJA Funding Program, which requires a commitment of 10% state matching funds on certain funds, in an amount not to exceed \$6,500,000. Director Wilkinson asked Mr. McLaughlin to explain the amounts as they don't equal 10% of the total amount, and Mr. McLaughlin clarified that not all the tranches of funds require a state match so the State Match total does not equal 10% of the total BIL funding. A motion was made to adopt Resolution No. 23-03.

Motion: Eric Wilkinson
 2nd: George Corkle
 Vote: Motion carried

Status of Projects

Ian Loffert reported that staff attended eleven pre-qualification meetings since the December Board meeting. Mr. Loffert also shared a year-end recap of the pre-qualification meetings held throughout 2022 and noted that during the past year, staff attended thirty-seven meetings with potential borrowers. For comparison purposes, a graph detailing the past four year pre-qualification meetings held for each SRF program. The graph showed the drastic increase for calendar year 2022, as demand for funding has increased. Additionally, staff has held numerous project development meetings with potential borrowers. Mr. Loffert also shared a year-end recap of DWRF loan applications received for calendar year 2022, and confirmed there were twelve DWRF loan applications submitted in 2022. Notable activities in the DWRF Program included issuance of seven Design & Engineering Loans totaling approximately \$1.5 million, twelve direct loans totaling approximately \$104 million, three BIL loans (comprised of \$47.3 million in BIL principal forgiveness and \$42.3 million in BIL repayable loans). Additionally, staff processed 171 draws or pay requests, in 2022 for the DWRF Program totaling \$33.4 million. One loan application was submitted for consideration at the March Board meeting from St. Mary's Glacier Water & Sanitation District for a supplemental loan totaling approximately \$500,000, for a new well and distribution system improvements. There were two new \$10,000, Planning Grants issued since that last Board meeting to the City of La Junta (meter replacement and lead service line and supporting infrastructure replacements and replacement of distribution pipelines) and Cucharas Sanitation & Water District (water treatment plant improvements). There is \$130,000 available in 2023 Planning Grants. There was also one Design & Engineering Grant issued since the last Board meeting to Highland Lakes Water District for \$141,550 for improvements to the water treatment plant including a new membrane treatment system and associated appurtenances. There is \$1,358,450 of budgeted Design & Engineering Grants available for 2023. As previously reported by DOLA, Authority staff has noted an increase in late submittal of audits from current borrowers. The Authority requires audit submittal from its borrowers annually to check compliance and

ensure the entities are maintaining proper coverage ratios, and of the 175 borrowers currently in the DWRP Program, 21 audits are missing. Authority staff are trying to obtain the missing audits before the audit reviews are submitted to the Authority's auditors. There is currently one DWRP BIL loan outstanding for Pagosa Area Water & Sanitation District and its closing is expected in the first week in February.

Water Pollution Control Revolving Fund

Loan Application – Town of Lake City, Resolution No. 23-04

Austin Reichel presented the Town of Lake City's request for a Disadvantaged Communities direct loan through the WPCRF loan program in the amount of \$3,016,500, with *\$1,500,000, in BIL principal forgiveness (PF), *\$1,377,551 in BIL Supplemental Loan and *\$138,949 in base loan funding. The loan will be for a term of 20 years, at an interest rate of 2%, and the Town is pledging water and sewer system revenue to secure the loan. The project consists of improving the existing wastewater treatment facility, including capacity expansion and various upgrades and treatment process improvements. The Town has met the requirements of a DAC as it met the benchmarks for MHI, MHV and county job loss. The Town also met three of the five secondary factors. This request comes to the Board with a favorable recommendation from the SRF Committee. A motion was made to approve Resolution No. 23-04, approving a WPCRF direct loan to the Town and execution of a loan agreement and other documents necessary therefor, subject to the Town increasing user rates, if necessary, sufficiently to meet the Authority's rate covenant prior to loan execution. * *Actual BIL and Base loan and PF amounts may be adjusted by a de minimis amount during the loan agreement negotiation process.*

Motion: Patti Wells
2nd: Chris Treese
Vote: Motion carried

BIL Principal Forgiveness – Change Recommendations

Jim Griffiths noted that the BIL Principal Forgiveness (PF) change recommendations is one of those policy items that is brought forward to the Board because staff recognized the need for a change to the current policy based on high demand. Mr. Griffiths stated that the BIL provides an annual WPCRF Supplemental capitalization grant in each of the federal fiscal years 2022 through 2026, and Colorado's 2022 WPCRF Supplemental capitalization grant totaled \$14,246,000, a relatively small amount that will gradually increase in subsequent years. A minimum of forty-nine percent (49%) of this WPCRF Supplemental grant needs to be provided as PF (grants). The Supplemental grant is currently provided to any eligible wastewater project, and the Authority Board and the Water Quality Control Commission ("WQCC") previously approved the BIL eligibility criteria in 2022. The approved criteria included nine metrics, each worth one point. To be eligible, an entity needs to score no less than three points. In addition, an entity that meets the long-established Disadvantaged Communities ("DAC") criteria receives three points and is automatically BIL eligible. Additionally, the Board previously approved the following per project WPCRF Supplemental PF limit: \$1,500,000, per project. Colorado provides PF with a proportional loan amount (approximately 50% PF and 50% loan). To date, staff has noticed that a lot of larger entities, particularly in the metro area, with projects totaling \$20 million or more are requesting funding through the BIL program to gain access to the available PF. The WPCRF program does not have as large of a DAC PF allotment like the DWRP program does, so the larger projects are receiving the bulk of the available PF funds. Staff recommends limiting the WPCRF BIL Supplemental funding only to DACs (currently provided to DACs and BIL eligible non-DACs). BIL eligible non-DACs are often larger communities that are able to act more quickly than DACs. Additionally, the WPCRF base DAC program does not provide up-front PF for construction (only for Design and Engineering). A motion was made to accept staff recommendation and limit WPCRF BIL Supplemental funding to DACs only, effective only after the requisite change to the Intended Use Plan, expected in May 2023.

Motion: Steve Vandiver
2nd: George Corkle
Vote: Motion carried

Status of Projects

Kevin Carpenter reported that staff attended nine WPCRF pre-qualification meetings since the last Board meeting. Mr. Carpenter revisited the graph previously shared and confirmed that staff attended thirty-two WPCRF pre-qualification meetings in 2022, a significant increase from the past three years. Eleven loan applications were submitted in 2022, an increase from 2021, but not as significant as the increase in pre-qualification meetings. Two Design and Engineering Loans closed in 2022, totaling approximately \$224,000. Fourteen direct or leveraged loans closed in 2022 totaling approximately \$156 million. Of that total amount, three were BIL loans (comprised of \$3.44 million in BIL principal forgiveness and \$3.16 million in BIL repayable loans). Additionally, staff processed 134 draws, or pay requests, in 2022 for the WPCRF Program totaling approximately \$73 million. There are currently 15 missing WPCRF audits missing from 2021 that have not been submitted, representing less than 10% of the total WPCRF loan portfolio. One WPCRF loan application is expected for the March Board meeting from the Left Hand Water & Sanitation District for \$480,000, for lift station improvements. One \$10,000 Planning Grant was issued since the last Board meeting to the Mountain View Villages Water & Sanitation District for improvements to the wastewater treatment plant. There is \$140,000, remaining for 2023 Planning Grants. There were no Design & Engineering Grants issued since the last Board meeting, and the full \$1,500,000, of budgeted Design & Engineering Grants remains available for 2023. Capacity remains a concern in the WPCRF program and staff reached out to current projects in the pipeline to inform the entities of the new request limit of \$18 million that was approved by the Authority Board in December 2022. There is currently one WPCRF BIL loan outstanding for the Meeker Sanitation District and closing is expected in March, following completion of the District's audit.

Small Hydropower Loan Program

Wesley Williams noted two brief SHLP updates after some period of inactivity due to COVID-19 impacting many entities' budgets. The Town of Carbondale reached out to staff to discuss moving forward with its planned small hydropower project and inquire about potential funding. The project includes running pipelines through private properties and one of the landowners isn't in support of the project, making it difficult to proceed. The Town may also request a second SHLP grant if they are able to secure certain permits and/or easements. Staff are currently reviewing the feasibility study to determine if this is a separate project to determine funding eligibility. Additionally, the Town of Cortez has paid off its loan on January 13, 2013, with available funds on hand to resolve the on-going power purchase agreement revenue issue.

Water Revenue Bond Program

Status Report

Wesley Williams reported one update within the WRBP and stated that staff reached out to the City of Sterling to discuss the \$18 million request limit and to explore alternative funding options. In those discussions, staff learned that the City's treatment plant budget experienced a significant increase, rising from approximately \$30 million to \$60 million and needs additional funding to complete its project. The City held a vote to increase its debt in November and was successful in obtaining authorization for the additional \$29 million. Authority staff are working with the City to determine if they are BIL eligible and if so, the City may request a \$3 million BIL loan with a half grant, half loan combination and the remaining \$26 million could be issued under the WRBP. The City will benefit from receiving the cost of issuance subsidy through this program in addition to the BIL grant funds. If the City wishes to pursue a loan through the WRBP, then it would need to secure a rating from a rating agency as well as potentially purchasing insurance, but both costs would be covered by the WRBP's cost of issuance subsidy. The WRBP program may be utilized more frequently due to the \$18 million loan limit in the WPCRF program.

Long Hollow Dam and Bobby K. Taylor Reservoir

Status Report

Mr. Griffiths reported the water level in the reservoir needs to reach 5,161 acre-feet before the Authority is released from its financial obligation to cover certain ongoing expenses, and the current water level is 403 acre-feet.

New Business

Legislative Issues and Other Business of Interest to the Authority

Keith McLaughlin reported that he testified on the Authority's Joint Resolution, HJR23-1007, which was unanimously moved to the full House for approval. The hearing was held on the first day of the House Ag Committee's calendar in part due to last year's late hearings. The Authority will follow the Joint Resolution through the process to ensure that it is signed before the statutory deadline. Additionally, Mr. McLaughlin received a request to meet with Representative Velasco, and has invited representatives from the WQCD as well as Director Treese, to discuss a water quality bill and possible collaboration. Mr. McLaughlin announced that the Colorado Water Congress State Affairs has resumed its meetings and he is tracking all water bills and will report any significant activity to the Board as deemed necessary and will provide a year-end summary when the legislative session ends. Director Chris Treese and Appointee Bruce Whitehead are scheduled in Senate Ag on Thursday, January 26th at 1:30 pm for their confirmation hearing. Mr. McLaughlin and staff are currently working with CIFA to address additional funding cuts to the SRF programs due to earmarks that appear to continue during BIL. Director Wilkinson was congratulated on his induction to the Colorado Agriculture Hall of Fame.

Arrangements for Future Meetings

Future Board meetings will be held on March 3, 2023, April 21, 2023, and June 2, 2023. The March and April meeting will be held in Denver and the June meeting is scheduled to be held in Mt. Crested Butte.

Adjournment

Chair Wolff adjourned the meeting at 4:40 p.m.

Respectfully submitted,

Sabrina Speed, 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 SABRINA SPEED AT (303) 830-1550, EXT. 1010, FOR INFORMATION.



Board Report - Colorado Water Resources & Power Development Authority

March 2023

REPORT INDEX

1. **WQCC actions (current and future)**
2. **WQCD highlights**
 - 2.1. Emerging issues/status updates/success stories
 - 2.2. Budget
 - 2.3. Legislative
 - 2.4. Grants and Loans Updates
3. **Drinking Water Program**
 - 3.1. Project reporting
 - 3.2. Source water protection
 - 3.3. Coaching and training
4. **Clean Water Program**
 - 4.1. WPCRF Project Budget / Expenditures

1. **WQCC actions (current and future)**

Past WQCC actions include:

- The Water Quality Control Commission met on December 12, 2022. The commission held a written comment only rulemaking hearing for Regulation #55: State Funded Water and Wastewater Infrastructure Programs (5 CCR 1002-55). They also held two administration action hearings for two policies: Policy 06-1: Temperature Criteria Methodology and Policy 17-1: Voluntary Incentive Program for Early Nutrient Reductions. They held an Administrative Action Hearing for the North Front Range Water Quality Planning Association 208 Plan Update. There were two information briefings to the commission: Clear Creek/Standley Lake Triennial Water Quality Report and the Water Quality Roadmap.
- The Water Quality Control Commission did not meet in January 2023.
- The Water Quality Control Commission met on February 13, 2023. The commission heard SB89-181 Briefings from groundwater implementing agencies.

Upcoming rulemaking hearings and briefings include:

- The Water Quality Control Commission will meet on March 13, 2023. The WQCC will hold an Administrative Action Hearing to consider funding recommendation for Nonpoint Source 319 Fund Projects. The WQCC will hold a Routine Review Informational Hearing Regulation #43: On-Site Wastewater Treatment System Regulations (5 CCR 1002-43). The WQCC will hold an informational briefing on Water Quality Compliance Tools.
- Many of the 2022 commission meetings were held in a hybrid manner with most commissioners present on the Cherry Creek campus as well as some Water Quality Control Division staff. The commission office is now making determinations on whether future meetings will be hybrid or virtual. The [WQCC Long Range Schedule](#) will include each month whether the meeting is intended to be hybrid or fully virtual. Opportunity will be made available for parties to rulemaking hearings and interested members of the public to participate remotely in the meeting and provide testimony and public comment. The Commission has noted a substantial increase in public participation by holding its meetings via Zoom.

2. **WQCD highlights**

2.1. **Emerging issues/status updates/success stories**

- The department has received approval for the second year match from the Governor's office and is currently working with them on the IGA to receive it.
- HB22-1358 Clean Water in Schools and Child Care Act has been launched and CRWA has trainers stationed across the state to provide assistance for schools and child care providers to comply. Feel free to visit the program's [dashboard](#) for the latest up-to-date information.





- The WQCD is continuing to implement the Federal Public School Lead Testing Program.
- The WQCD recently released an RFA for the second year of funding. We expect to continue to see a number of applications that will include sampling, infrastructure and independent studies. The project need has increased as a result of the revised health advisory from the EPA.
- The division received notice of funding allocation for the additional grant opportunity for PFAS under the infrastructure bill. It is anticipated that Colorado will receive \$86 million for the first two years of funding of the infrastructure bill.
- The WQCD is working to determine how to support public water systems with the revised lead and copper rule, specifically the process for lead service line inventory. This is critical as it will potentially drive projects into the SRF program.
- The WQCD is under contract with Cadmus to conduct the Clean Watersheds Needs Survey and they have been continuing to document Colorado's clean water needs, and submit the surveys to EPA. The project is nearing completion and is about 85% complete.
- The infrastructure unit that was created to assist with the additional projects as a result of the Bipartisan Infrastructure law has added 4 new staff that will be starting to work on SRF projects.

2.2. Budget

- Nothing new to report.

2.3 Legislative

- Nothing new to report.

2.4. Grants and Loans Unit Updates

- Nothing new to report

Pre-qualification Meetings 1/12/2023-2/17/2023			
Entity	Date	Estimated Project Cost	Program
Spring Canyon Water and Sanitation District	1/17/2023	\$690,000	WPCRF
Town of Merino	1/19/2023	\$7,510,944	WPCRF
Cortez Sanitation District	1/26/2023	\$16,640,000	WPCRF
East Alamosa Water and Sanitation District	2/2/2023	\$675,000	WPCRF
Town of Pritchett	1/23/2023	\$250,000	DWRF
Baca Grande Water and Sanitation District	1/31/2023	\$1,036,479	DWRF
Lincoln County-Karval Water Users Association	2/1/2023	\$1,090,900	DWRF
Clty of Aurora	2/7/2023	\$60,000,000	DWRF
City of Manitou Springs	2/14/2023	\$2,773,260	DWRF





3. Safe Drinking Water Program

3.1. Project Reporting

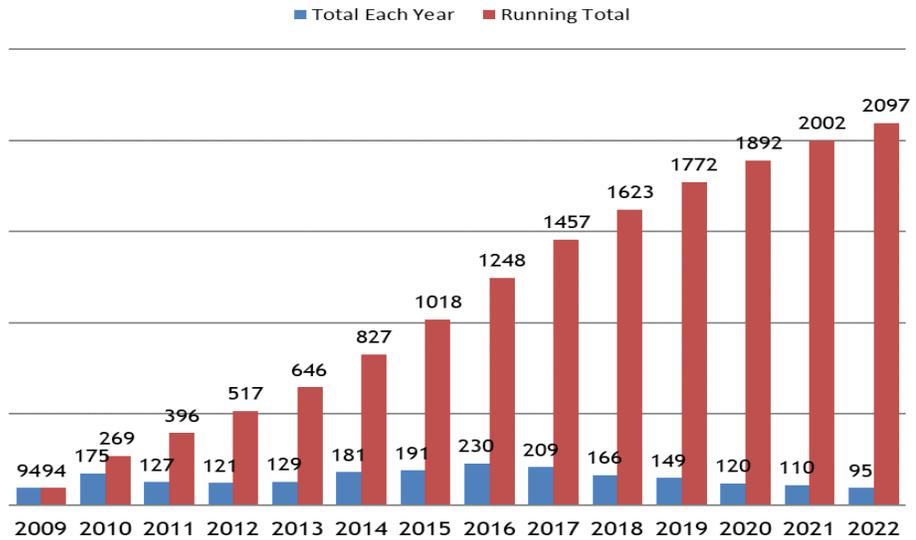
- Nothing new to report

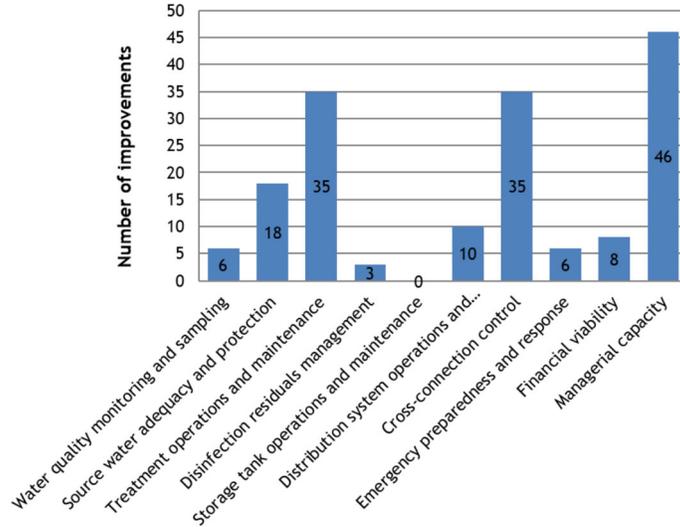
3.2. Source water protection

- The following source water protection planning grants were approved or funded during this reporting period:
 - Town of Crested Butte for \$5,000
 - San Souci Cooperative for \$5,000
- Colorado Rural Water Association (CRWA) continues to work on source water protection planning and Wildland Fire Decision Support (WFDSS) projects. The Division has issued a 6 month contract extension to CRWA until June 30, 2023. The contract amount is \$87,760.
- The Division has announced a Request for Proposals (RFP) for the source water protection and WFDSS work that will be awarded July 1, 2023.

3.3. Coaching and training

- The team provided a “Monitoring and Operating for Regulatory Compliance” webinar training session on January 4. The webinar training was attended by 5 water professionals from 5 drinking water systems.
- The team provided a “Sanitary Survey Preparation” webinar training session on January 18. The webinar training was attended by 27 water professionals from 18 drinking water systems.
- In January, Jessica Morgan, Liaison to the Water & Wastewater Facility Operators Certification Board and Kyra Gregory, Drinking Water Training Specialist attended the Water Professionals International’s (WPI) annual conference in Clearwater Beach, Florida. The Water and Wastewater Facility Operators Certification Board received WPI’s annual Certificate Program Award, which recognizes contributions toward establishing and advancing the certification of environmental professionals and for contributing time and effort, innovative and successful approaches, leadership, and development of materials.
- In January, Jessica Morgan worked with the Town of Yampa in Routt County, Colorado, in preparing its youngest employee for entering the operator profession. This individual recently graduated high school and is currently working under the town’s current ORC in order to train and prepare for becoming its next ORC.
- The 2022 annual running monthly average is 79% of all systems that received one-on-one assistance are making at least one improvement.
- Total coaching and training events:
 - 2022 improved performance as a result of assistance:





4. Clean Water Program
4.1. 2022 WPCRf Project Budget

Contract	Contract Amount	Balance
Colorado Rural Water	150,000.00	0.00
Measurable Results	100,000.00	0.00
CSU E-rams	90,000.00	0.00
USGS	60,000.00	0.00
North Front RWQPA	25,000.00	0.00
Northwest CO COG	25,000.00	0.00
Pikes Peak ACOG	25,000.00	0.00
Pueblo ACOG	25,000.00	0.00
WAIS	34,320.00	0.00
PG Env (temperature)	50,000.00	0.00
Tetra Tech	32,000.00	0.00
School of Mines/Lab/ CGS	180.00	0.00
Hydros	50,000.00	0.00
CSU/CNHP	7,501.00	0.00
Philosophy Communications	100,000.00	0.00
ACZ - GW Samples	16,749.00	0.00





Aquatics Assoc	15,000.00	0.00
BSA	4,342.00	0.00
Cadmus	37,500.00	0.00
Total	\$820,939.50	\$0



2022

ANNUAL PROJECT REPORT



Foreword

Annual report

The Water Quality Control Division of the Colorado Department of Public Health and Environment is pleased to submit the Colorado Water Resources and Power Development Authority annual project report for the period of January 1, 2022 through December 31, 2022. This report covers all projects funded through the Water Quality Control Division's 2022 Colorado Water Resources and Power Development Authority budget. This annual report is due by March 1 of each year.



Nicole Rowan, Director
Water Quality Control Division
Colorado Department of Public Health and Environment
March 1, 2023



Executive Summary

2022 CWRPDA projects

The State of Colorado receives federal funding for water and wastewater infrastructure projects within two state revolving loan funds (SRF), the Water Pollution Control Revolving Fund and the Drinking Water Revolving Fund. The agencies that have responsibility for administering the SRFs are the Water Quality Control Division (division) within the Colorado Department of Public Health and Environment (CDPHE), the Colorado Water Resources and Power Development Authority (Authority), and the Colorado Department of Local Affairs (DOLA), collectively the SRF agencies.

Outside of providing subsidized financing to eligible entities, the funds can also be used to further public health and environmental priorities. This report illustrates how the State of Colorado has used administrative fees from the funds to help advance these priorities by providing an overview of each clean water and drinking water project funded through this source. The division also works to leverage other funding sources and partners in order to move the needle further with respect to water priorities. For example, the division previously received funding through the Environmental Protection Agency (EPA) Clean Water Act Section 319 Nonpoint Source grant funding, Colorado Parks and Wildlife, the Department of Natural Resources, etc. Leveraging of these SRF funds for nonpoint source work is particularly important because national Section 319 guidance encourages states to utilize SRF funds for nonpoint source projects in order to maximize state investments in on-the-ground nonpoint source implementation projects that result in water quality improvements.

Shared Mission Statement

The mission of the Colorado State Revolving Funds and SRF agencies is to actively target and allocate affordable resources to projects and initiatives that result in public health, environmental, and community benefits while maintaining perpetual, self-sustaining revolving loan fund programs. The SRF agencies are dedicated to providing affordable financing to systems by capitalizing on all available funds to address high priority water projects related to public health and water quality issues and to communities for projects they need and support. The SRF agencies will manage the funds in a manner that provides benefits for current and future generations.

Table of Contents

2022 annual project report



This document contains interactive navigation for your convenience. Click on the footer or page number from any page to return to this Table of Contents page.

- Foreword & Executive summary 2
- Program focus & terms 4
- Nonpoint source – Program priority projects..... 6
- Nonpoint source projects - Disaster support..... 10
- Standards support 14
- Statewide lakes and reservoir TMDLs 18
- Source water program 22
- Tool development 23
- Safe drinking water - Assistance Grants 25
- Monitoring and assessment 26

Program focus & terms

Clean water projects focus on maintaining and improving the water quality of Colorado's rivers, lakes, and streams. Projects utilize regulatory tools that help identify and mitigate threats to water quality. Tools range from incentive programs, advance planning for prevention, and structured plans and limits for contaminants that threaten the quality of Colorado's waterways.

The safe drinking water program works to ensure that visitors and residents in Colorado always have clean and safe drinking water. The Water Quality Control Division aims to prevent waterborne disease and reduce public health risks from drinking water sources.

Statutory authority

Colorado's state-level governing act is the Colorado Water Quality Control Act, which outlines state water regulations under the Clean Water Act. The Clean Water Act is the primary federal law that governs water pollution nationwide, and the objective of this act is to restore and maintain the integrity of the nation's waters by preventing pollution. The act is administered by the EPA in coordination with state governments. The division's clean water program develops and implements water quality classifications and standards for surface water and groundwater under the Colorado Water Quality Control Act and the Clean Water Act.

Nonpoint source program

Unlike pollution that makes its way to waterbodies through pipes and other conveyances from sources such as wastewater treatment plants or stormwater in permitted urbanized areas, nonpoint source (NPS) pollution occurs when rainfall or snowmelt running off over land and through the ground carries pollutants from many diffuse sources to waterbodies.

Nonpoint source pollution is not regulated in this state. Instead of utilizing regulatory mechanisms such as discharge permits, the state provides funding assistance to local communities to voluntarily address nonpoint source pollution. One of the sources for this funding assistance is an EPA Clean Water Act Section 319 Nonpoint Source grant that the state receives annually. In addition to the Section 319 Nonpoint Source grant, the state leverages other funding streams, such as SRF and local matching funds, to maximize the water quality improvement achieved through this incentive-based approach to reducing nonpoint source pollution.

Nonpoint source activities focus on local priorities that are identified in watershed plans. These watershed plans are required in order to utilize EPA Clean Water Act Section 319 grant funds in the most effective way for on-the-ground nonpoint source pollution reduction projects. Nonpoint sources of pollution are usually addressed using a combination of best management practices (BMPs) such as fencing and re-vegetation along a stream bank, education of local communities about opportunities to reduce nonpoint source pollution, and outreach to engage as many people as possible in promoting water quality improvement activities. This voluntary, practice-based approach empowers local communities to find solutions to address local water quality nonpoint source impacts.

Program focus & terms



Total maximum daily loads

The Clean Water Act requires states to create a list of impaired waterbodies that do not meet water quality standards. This list is called the 303(d) list and is reviewed and approved by the Water Quality Control Commission and the EPA. The list is updated every two years.

A total maximum daily load (TMDL) is the maximum amount of a pollutant that a waterbody can receive and continue to meet water quality standards. Developing a TMDL is one way for a waterbody to be removed from the 303(d) list. TMDLs are usually developed for one particular part of a waterbody, though it can be an entire river or lake. They are only set for pollutant(s) that exceed water quality standards (such as zinc, selenium, or sediment).

Colorado Water Resources and Power Development Authority funded programs

PROGRAM LINE	TOTAL APPROPRIATION	2022 EXPENDED
Program Priority Projects	\$ 1,700,000	\$1,588,874
Disaster Support / Contingency	\$ 200,000	\$43,552
Drinking Water Excellence Program	\$ 150,000	\$148,799
TOTALS	\$ 2,050,000	\$1,781,225

Program priority project

Measurable Results Program – Lab Budget

Background

The Measurable Results Program (MRP) is an ongoing, voluntary program that measures the impact that the State Revolving Fund (SRF) has on water quality. The SRF supports upgrades on wastewater treatment plants and projects that improve water quality in the state. By participating in this program, entities agree to collaborate with the program manager and monitor water quality before and after construction projects.



Three Lakes Water & Sanitation District Table Mountain Facility Copper Removal Project

Accomplishments

The following list includes projects that are currently included in this program.

Three Lakes Water & Sanitation District Table Mountain Facility Copper Removal Project (Point Source)

Post-construction sampling completed December 2021. Data analysis and reporting complete. Results and fact sheet submitted to stakeholders May 2022.

City of Idaho Springs WWTP Secondary Treatment Expansion (Point Source)

Post-construction sampling March-December 2022. Data analysis and reporting 2nd quarter 2023.

City of Ouray Wastewater Treatment Facility Improvements (Point Source)

New project with pre-project sampling beginning May 2022. Estimated completion 2024 or 2025.

Kerber Creek Post-Mitigation (Nonpoint Source)

Second year post mitigation high/low flow sampling in 2022. Data to stakeholders.

Net and Percentage Change in Effluent from Three Lakes Water & Sanitation District

Median Reduction in Treated Effluent

PARAMETER	% REDUCTION
Ammonia	80.6%
Dissolved Copper	94.1%
Dissolved Zinc	50.7%

Median Reduction in Willow Creek

PARAMETER	% REDUCTION
Ammonia	100%
Dissolved Copper	88.5%
Dissolved Zinc	**N/A

**Pre and Post project medians are below detection. 4/10 reportable values pre-project; 0/9 reportable values post-project

Willow Creek is the main receiving water for discharge from the Three Lakes Water & Sanitation District treatment facility.

CONTRACTING PERIOD

January 2022 to December 2022

CONTRIBUTORS

City of Idaho Springs, Three Lakes Water and Sanitation District & Northern Water Conservancy District, City of Ouray, Trout Unlimited, Division of Reclamation Mining and Safety

PROJECT COST \$ 75,000

2022 PA EXPENDED \$ 62,294

PA BALANCE \$ 17,706

Program priority project– nonpoint source

Selenium Implementation Scenarios

Background

The Lower Arkansas Valley is listed as impaired water for selenium, which is released from the shale below the valley. As a nonpoint source pollutant, Best Management Practices (BMPs) are the division’s main tool in controlling the release of selenium. Understanding how BMPs impact selenium and nitrate levels in the area between the John Martin Reservoir and the Colorado-Kansas state line is critical in developing and implementing an alternative restoration plan in the area. This will ultimately help ensure that these waters meet water quality standards.

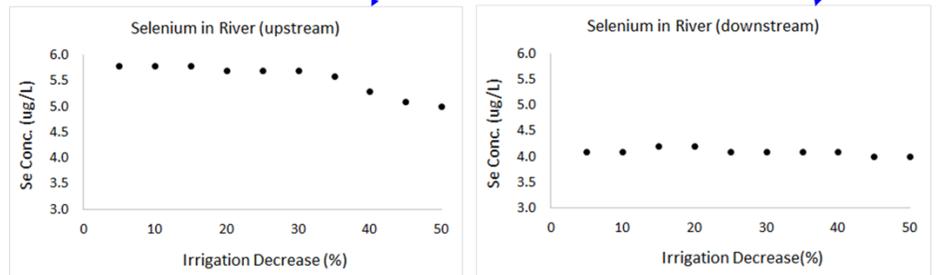
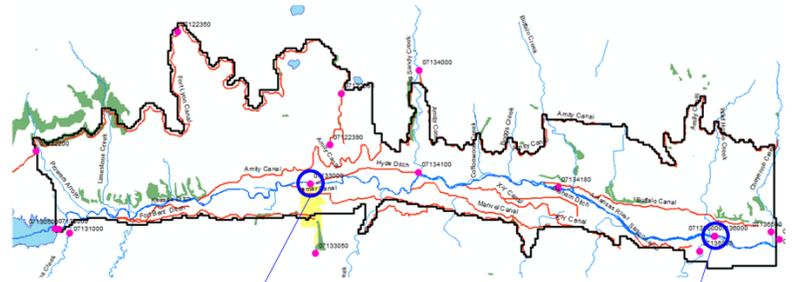


Figure 1. Simulated selenium concentration at Lamar under various treatment levels for two BMPs in 2060.

Accomplishments

Colorado State University examined several BMPs, how they affected selenium in the region, and ran a selenium simulation model spanning the years 2020-2060 to identify which BMPs (or combinations of BMPs) are the most efficient at reducing selenium levels. Further, this model identified what level of each BMP implementation (i.e. how much irrigation efficiency, etc.) would produce the most significant selenium reduction. Some of the most effective BMPs are decreased irrigation volumes (i.e. improved irrigation efficiency), enhanced riparian buffer zones, canal sealing, land fallowing, and agricultural runoff treatment. This information can help this area reduce selenium levels and improve water quality in a shorter timeframe.

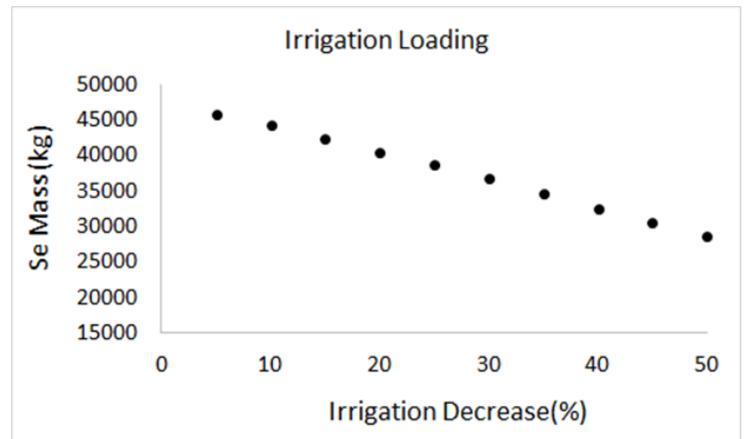
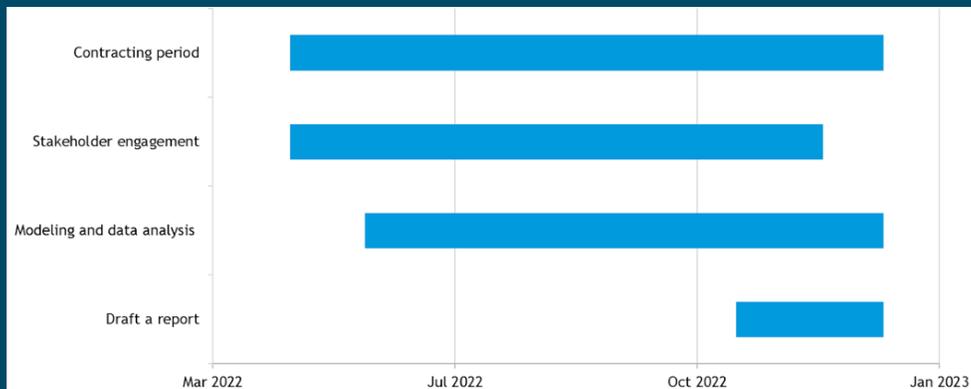


Figure 2. Load reduction under various irrigation efficiency improvements in kg in 2060.



CONTRACTING PERIOD

May 2022 to December 2022

CONTRIBUTORS

Colorado State University

TOTAL PROJECT COST \$ 28,000

2022 PA EXPENDED \$27,996

PA BALANCE \$ 3

Program priority project– nonpoint source

Straight Creek biomonitoring and pebble count

Background

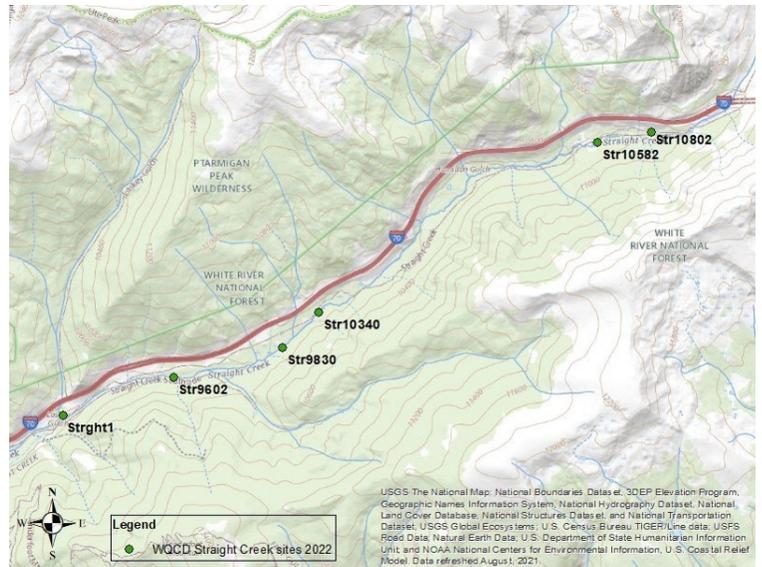
Straight Creek can be seen between the Eisenhower-Johnson Memorial Tunnel and the town of Silverthorne. The creek is part of the Middle Blue River Basin, which is prized for fishing and recreation and supplies drinking water for numerous communities. Because of this, the water quality in Straight Creek is incredibly important. The nearby interstate experiences harsh weather conditions and requires significant road maintenance. Studies show that runoff contains sediment from road maintenance and other materials that impact the water quality in Straight Creek. In 1998, the creek was listed as impaired by sediment.

Straight Creek was removed from the impaired waters list in 2018 because best management practices were implemented. The creek is widely considered a nonpoint source program success story. It is a division priority to continue to track the health of Straight Creek to understand potential impacts from nonpoint sources of pollution. This project consisted of biomonitoring (macroinvertebrate sampling, sorting and identification, and data analysis) and a pebble count study at six study sites on Straight Creek.

Accomplishments

Results from the biomonitoring and pebble count studies were inconsistent among the six study sites. For example, data showed that some waters upstream of the sample sites are considered impaired for aquatic life use but macroinvertebrate health had improved downstream of the sample sites.

Sand applied to Interstate 70 is likely a source of fine sediment that enters Straight Creek throughout the year. Snow melting and rain may also cause this sediment to move downstream easily. This study suggests that sediment likely influences the macroinvertebrate community and habitat but there are other things contributing to the impacts on aquatic life in Straight Creek. The impacts of these combined stressors (increased sediment, road salts, petroleum products, etc.) on the creek are expected to vary from year to year and even between seasons.



Map of study sites used for Macroinvertebrate and Pebble Count studies on Straight Creek in 2022.

CONTRACTING PERIOD

August 2022 to December 2022

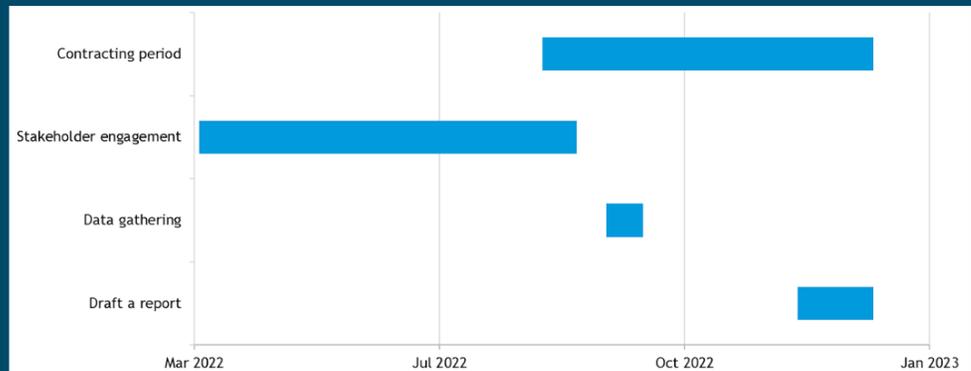
CONTRIBUTORS

Summit Water Quality Committee

PROJECT COST \$ 21,683

2022 PA EXPENDED \$ 21,677

PA BALANCE \$ 6



Program priority project– nonpoint source

EPA Nine-element watershed-based plans

Background

The division is working with local communities to develop and implement the EPA nine-element watershed-based plans. These plans evaluate nonpoint sources of pollution and ways to improve water quality in areas across the state that are experiencing, or expected to experience, growth. Water quality impacts in these areas have the potential to be significant and the planning stages for future growth is the best time to address potential impacts.

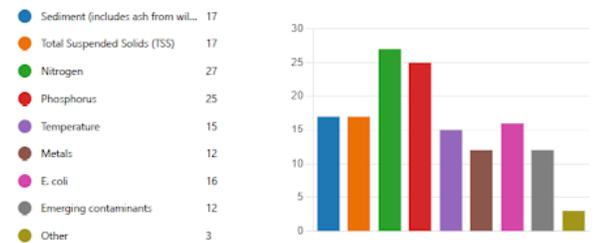
These plans are also required when local communities request project funding assistance through the NPS program, which supports the implementation of BMPs to address nonpoint source pollution. Funding assistance is focused on voluntary, non-regulatory actions. It is important to consider many factors when evaluating where a watershed plan and prioritized projects should be developed.

Accomplishments

North Front Range Water Quality Planning Association (NFRWQPA)

The NFRWQPA is developing a plan that will show how pollutant loading from different nonpoint sources contributes to the inability to attain water quality standards in Larimer and Weld counties. The plan will also prioritize what projects can be implemented to reduce water quality impacts from these sources.

12. What are the major pollutants of concern? (check all that apply)



NFRWQPA survey responses about major pollutants of concern.

Northwest Colorado Council of Governments (NWCCOG)

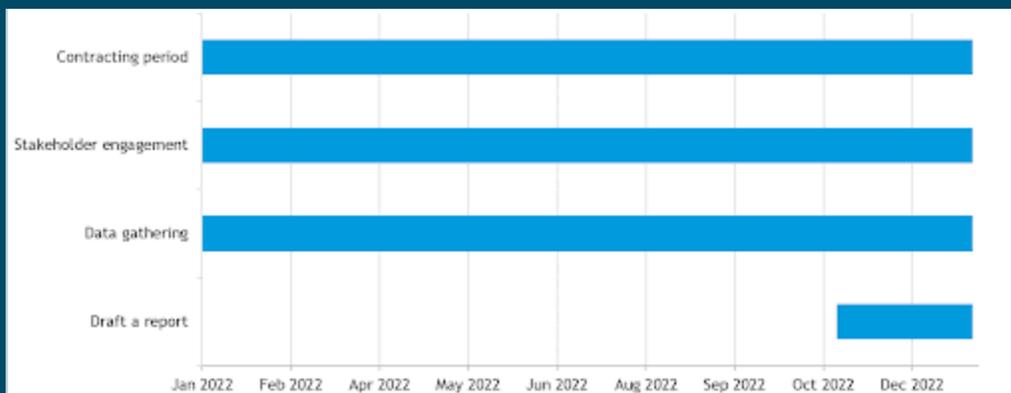
The NWCCOG created a NPS assessment that outlines the prioritization of types of NPS pollution, NPS pollutants, and a list of priority implementation measures that will help shape their watershed-based plan and future NPS project funding requests to the division.

Pueblo Area Council of Governments (PACOG)

The PACOG did a survey and took an inventory of waterbodies that are impaired by nonpoint sources of pollution. PACOG developed a preliminary list and evaluation for BMPs to consider pursuing, which will support the final areas and pollutants that are prioritized in their watershed-based plan. Survey results highlight two primary concerns: NPS pollution agricultural runoff, and failed onsite wastewater treatment systems.

Pikes Peak Area Council of Governments (PPACG)

PPACG engaged with stakeholders in each of the three counties in their region (Park, Teller, and El Paso). PPACG continues to refine the issues and priorities that will make up its final watershed-based plan.



CONTRACTING PERIOD

January 2022 to December 2022

CONTRIBUTORS

NFRWQPA, NWCCOG, PACOG, PPACG

TOTAL PROJECT COST \$ 100,000

NFRWQPA FUNDS \$ 25,000

NWCCOG FUNDS \$ 25,000

PAOCG FUNDS \$ 25,000

PPACG FUNDS \$ 25,000

2022 PA EXPENDED \$100,000

PA BALANCE \$ 0

Program priority project – disaster support

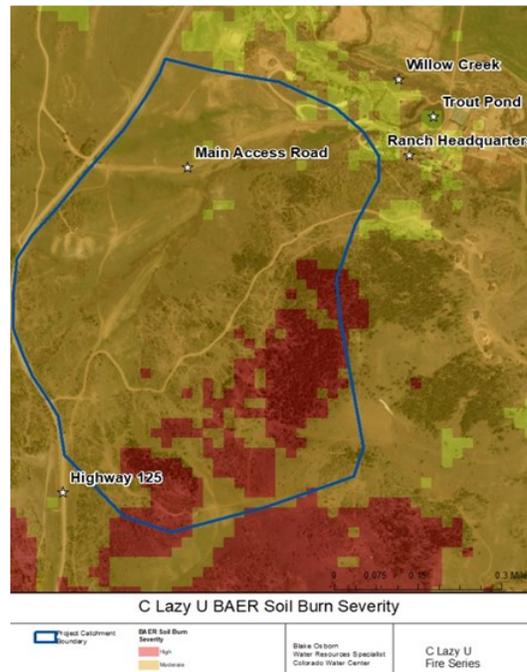
Water quality impacts—East Troublesome Fire

Background

The East Troublesome Fire burned over 10,000 acres in Grand County during October 2020. Large areas in the region became vulnerable to intensive flooding and erosion issues because burned landscapes are less capable of buffering such events. In 2021, the division implemented BMPs to reduce hillslope erosion from high-severity wildfire conditions and installed monitoring and sampling devices to assess the effectiveness of these BMPs. Colorado State University (CSU) installed BMPs such as mulching, silt fencing, sediment ponds, and log erosion barriers (LEB). Limited storm events in 2021 showed that LEBs captured sediment and reduced hillslope flow paths and runoff velocity. However, because of limited rain in 2021, sediment ponds did not accumulate any sediment and the contractor was unable to determine how effective the BMPs would be at reducing hillslope erosion.



CSU staff installing silt fencing in a burned area



Accomplishments

The staff was able to collect limited data in 2022 due to the similar rain conditions to that of 2021. Annual load reductions were not calculated or reported using water samples collected because of the lack of data. Staff relied on the literature review on the effectiveness of BMPs implemented. The review indicated that the first three years after a fire were the most susceptible to erosion and sediment movement and CSU presented three years of load reduction data. It is expected that the installed BMPs will continue to help reduce soil erosion and water quality degradation until natural vegetation returns.

CONTRACTING PERIOD

April 2022 to December 2022

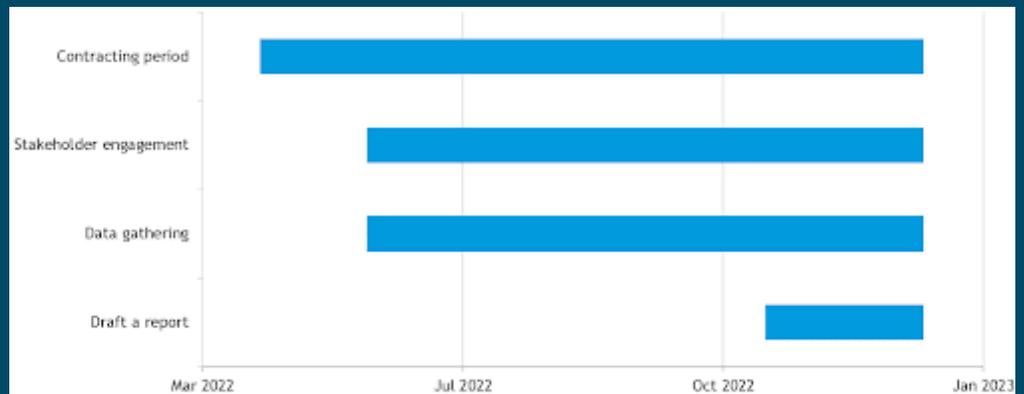
CONTRIBUTORS

Colorado State University and C Lazy U Ranch

PROJECT COST \$17,150

2022 PA EXPENDED \$ 16,883

PA BALANCE \$ 267



Program priority project – disaster support

Grizzly Creek Wildfire

Background

In response to the 2020 wildfire season impacting the Colorado River, phase one of this project was completed in 2021 to address water quality issues related to the Grizzly Creek wildfire. These water quality issues affect the ability of Silt Water Conservancy District to effectively treat the water and provide safe drinking water to their community. Phase two (2022) of the project continued to address water quality issues created from debris flows, runoff, ash flows, sedimentation and nutrient loading.

Accomplishments

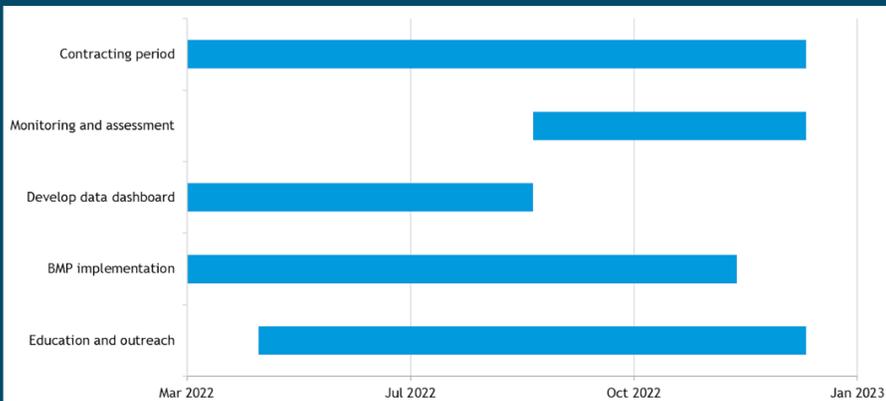
Soil moisture sensors and additional in-channel water quality monitoring were added to the Grizzly Creek Post-Fire Monitoring Network to track changes to water quality and quantity. Soil moisture is measured in the Grizzly Creek burn scar area to determine levels of absorption for melting snowpack and precipitation. Information is reported to the United States Geological Survey (USGS) National Water Information System (NWIS) in near real-time. The rain gauge network also provides information for flash flood watches and warnings in Glenwood Canyon. Monitoring will also include testing of mulch with the US Forest Service to measure the retention of moisture on the surface of the soil. This equipment is part of an early-warning system for downstream users and help protect infrastructure. As part of this project, the division developed a dashboard to view data.



Five-parameter sonde installation at Rulison, CO



Soil moisture sensor installed at the Coffee Pot location.



CONTRACTING PERIOD

March 2022 to December 2022

CONTRIBUTORS

Colorado Water Conservation Board, Pitkin County Health Rivers, Glenwood Canyon Restoration Alliance, Garfield County, Colorado Association of Stormwater and Floodplain Managers

PROJECT COST

\$ 206,600

2022 PA EXPENDED

\$ 206,332

BALANCE

\$ 277

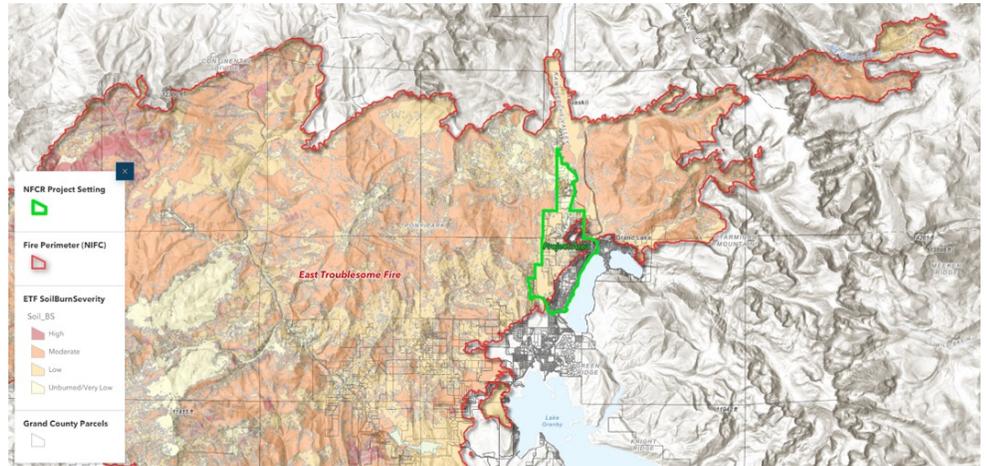
Program priority project – disaster support

East Troublesome Fire Restoration in the North Fork

Background

In The East Troublesome Fire (ETF) burned almost 200,000 acres in Colorado, and almost 20,000 acres in the North Fork valley, making it the second-largest fire in Colorado’s recorded history. The fire caused severe damage to vegetation in the region, which makes the area vulnerable to erosion.

After a wildfire, sediment, nutrients and metals are transported into nearby waterbodies. This runoff can negatively affect water quality in these nearby waterbodies and the division saw these negative impacts in Shadow Mountain Reservoir after the fire. The ETF fire and the impacts that followed increased existing concerns about algal blooms, weed infestations and water clarity. This project helped stakeholders coordinate and quickly enact mitigation for larger restoration projects that may take many years to complete. This project also helps identify potential implementation projects for future funding opportunities.



Map of project area in relation to the ETF boundary and soil burn severity.

After a wildfire, sediment, nutrients and metals are transported into nearby waterbodies. This runoff can negatively affect water quality in these nearby waterbodies and the division saw these negative impacts in Shadow Mountain Reservoir after the fire. The ETF fire and the impacts that followed increased existing concerns about algal blooms, weed infestations and water clarity. This project helped stakeholders coordinate and quickly enact mitigation for larger restoration projects that may take many years to complete. This project also helps identify potential implementation projects for future funding opportunities.

Accomplishments

The Upper Colorado River Watershed Group (UCRWG) collaborated with stakeholders and organized community education events. UCRWG developed a sampling plan, completed water quality sampling and implemented BMPs such as planting willow and conifer saplings. In addition, the group analyzed historical and new data to identify and prioritize areas for future erosion prevention work. Initial water quality results show that Supply Creek had more ash and dissolved ions and an increase in chemicals post-runoff. Results also indicate the best fishery habitat of the four sampling locations is upstream near Baker Gauge which is highly populated with stoneflies and mayflies. Initial survey discussions with stakeholders helped identify eight potential process-based restoration projects in the North Fork of the Colorado River. Supply Creek is the focus of a proposed 2023 NPS project.



Planting willow sprigs in the North Fork of the Colorado River.

CONTRACTING PERIOD

May 2022 to December 2022

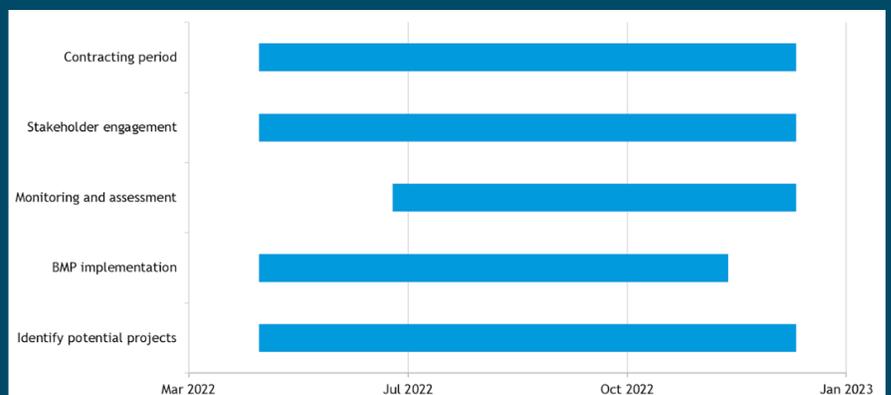
CONTRIBUTORS

UCRWG, WaterSMART, Fire on the Mountain Inc., Maki Foundation, and Wolcott Family Foundation

PROJECT COST \$ 193,400

2022 PA EXPENDED \$ 193,400

BALANCE \$ 0



Program priority project – disaster support

Marshall Fire surface water impacts

Background

After the Marshall Fire, the division was concerned about human health effects from indirect exposure to low levels of polycyclic aromatic hydrocarbons (PAHs) that were released into surface waters in the burn area. PAHs are a class of chemicals that can be produced by burning coal, oil, gas, wood, and garbage, among other things. These chemicals bind to or form small particles in the air and can be inhaled. The division investigated the potential release of PAHs into nearby surface waters and collected samples from eight locations in Coal Creek and Rock Creek in spring 2022.



Since the state laboratory does not currently analyze PAHs, the division sent these samples to Eurofins Environment Testing (EET) to perform the analysis and report the data results.

Accomplishments

The division received analytical data results from EET and all results were below the laboratory instrumentation detection limits. This means that this class of chemical, released from residential or commercial sources during the fire, did not accumulate in surface waters within the burn area.



CONTRACTING PERIOD

March 2022 to June 2022

CONTRIBUTORS

Eurofins

PROJECT COST \$ 2,115

2022 PA EXPENDED \$ 2,115

BALANCE \$ 0

Program priority project – standards support

Discharger specific variance

Background

There are a number of small and/or disadvantaged communities in Colorado with lagoon wastewater treatment plants (WWTP) that discharge to zero or near zero low-flow streams with permit limits for ammonia that cannot feasibly achieve the effluent limits with lagoon technology. One option for WWTPs is to request relief from more stringent effluent limits by evaluating available options and proposing an alternative standard or variance, called a Discharger Specific Variance (DSV). The goal of the DSV package project is to complete an in-depth evaluation of the WWTP inventory in order to identify small-community, lagoon-based treatment systems that need and would qualify for regulatory relief using a DSV as a compliance solution.

Using the WWTP inventory, the division identified small communities with lagoon-based treatment that could be a candidate for an ammonia and/or total inorganic nitrogen-based DSV. This included facilities that would otherwise be required to completely overhaul the treatment process by replacing a lagoon with a mechanical plant (approximately a \$4 million upgrade). On behalf of the set of identified communities, the division developed a proposal to submit to the Water Quality Control Commission that will meet the qualifications for a DSV for numerous small and disproportionately impacted communities.

Accomplishments

This project is ongoing. The division routinely screens facilities throughout Colorado to identify additional DSV candidates on an ongoing basis. This project has and will continue to benefit small and disproportionately impacted communities that would otherwise be unable to comply with regulatory requirements.

In 2021, the division reviewed information on facilities that may qualify for a DSV and the division offered to develop DSV proposals for eight public utilities. Two facilities chose to develop a DSV application and the division then worked with the towns and other stakeholders to develop the DSV proposals for the Town of La Jara in the San Luis Valley and the Town of Crooke in the Lower South Platte. In June 2022, the Water Quality Control Commission adopted two new DSVs based on the information included in these proposals. The remaining facilities may still choose to participate in future DSV development efforts, and the division will continue to work with these facilities.



CONTRACTING PERIOD

January 2018 to June 2022

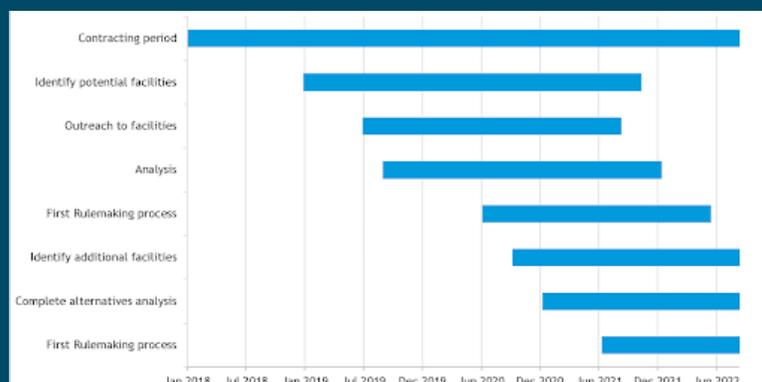
CONTRIBUTORS

N/A

PROJECT COST: \$ 74,869

2022 PA EXPENDED \$ 74,869

PA BALANCE \$ 0



Program priority project– standards support

Selenium fate and transport fact sheet

Background

Colorado has a high prevalence of naturally occurring selenium in the environment which can negatively impact reproduction in aquatic life. These high levels of selenium in Colorado’s surface and groundwater result in the element’s presence in municipal wastewater treatment systems. The majority of these treatment systems are designed to treat mainly organic materials and nutrients and do not treat selenium efficiently. The division will use the fact sheet developed in this project to provide guidance to municipal wastewater treatment facilities to determine selenium fate and transport in their system and optimize and/or improve current treatment processes to achieve maximum biological selenium treatment.

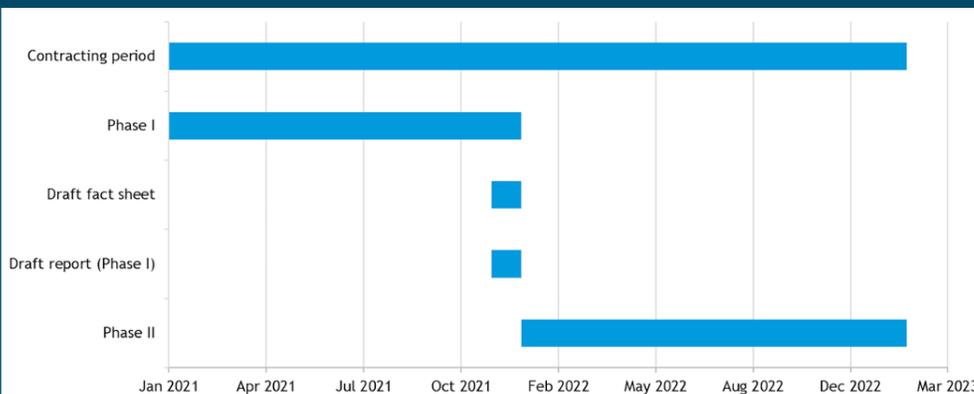
The fact sheet describes:

- Key parameters and sampling regimes to determine fate and transport of selenium in wastewater.
- Limits of the technology of biological selenium treatment.
- Available add-on technologies and/or chemical removal techniques to achieve higher selenium removal.
- Case studies to identify reliably achievable, technology-based selenium removal from biological wastewater treatment technologies.

Accomplishments

The outline of the fact sheet and a report on Phase I of the fact sheet were completed in 2021. Phase II of this project began in 2022 and included a literature review, case study examples, and a second draft report. The division anticipates the fact sheet will be completed in the spring of 2023.

SELENIUM is an essential element that occurs naturally in terrestrial and aquatic ecosystems. Elevated levels of selenium can be highly toxic to aquatic life and aquatic-dependent wildlife. Selenium is transferred through food chains and accumulates in the wildlife bodies. It can then be transferred through egg-laying vertebrates (i.e., fish and birds).



CONTRACTING PERIOD

January 2021 to December 2022

CONTRIBUTORS

Tetra Tech

PROJECT COST \$32,000

2022 PA EXPENDED \$22,000

BALANCE \$ 10,000

Program priority project – standards support

Freshwater mussels in Colorado

Background

The EPA released revised water quality criteria for ammonia in 2013. The updated criteria reflect recent information about the toxicity of ammonia on new and more sensitive species, including freshwater mussels. These new criteria may require that existing facilities meet more stringent ammonia permit limits. However, the EPA recognizes that the new criteria may be overly stringent for waters that do not support ammonia-sensitive species and allows states to determine site-specific criteria where mussel species are not present. Because of this, it is critical that the division understand the distribution of these freshwater mussels in Colorado in order to effectively implement the updated water quality criteria effectively.



Accomplishments

The Colorado Natural Heritage Program (CNHP) began phase I of this project in March 2021 by reviewing records of freshwater mussels in Colorado and collecting literature on freshwater mussels. This information examined the ecological characteristics of the freshwater mussels and identified other watersheds where these mussels may exist.

CNHP began the second phase of the project in 2022 to identify environmental conditions where Colorado freshwater mussels could be present and how they are distributed. This information will help to identify waterbodies with good habitats for freshwater mussels and to infer mussel distributions across the state. CNHP also conducted field surveys of freshwater mussels at historically known observation sites from Boulder to Fort Collins. The report is expected in early 2023.



CONTRACTING PERIOD

March 2021 to February 2023

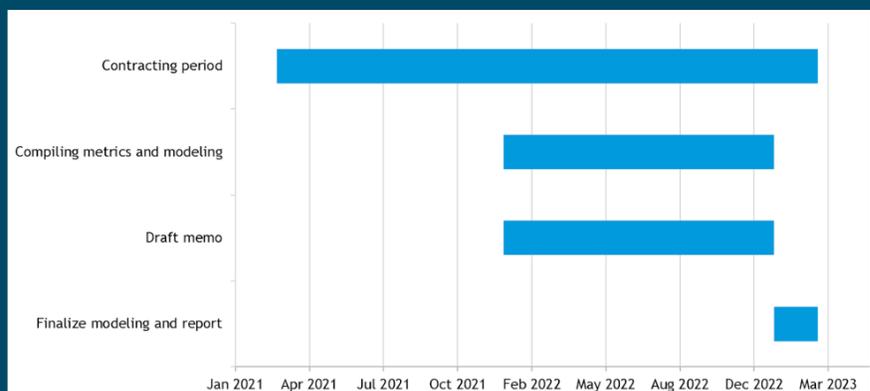
CONTRIBUTORS

Colorado State University, Colorado Natural Heritage Program

PROJECT COST \$ 41,054

2022 PA EXPENDED \$ 40,590

BALANCE \$ 463



Program priority project – standards support

Arsenic and Selenium

Background

This project analyzes concentrations of selenium and different chemical forms of arsenic in fish tissue, as these different forms have different effects on human health. One of the primary goals is to evaluate the ratio of inorganic to total arsenic in the fish, as inorganic arsenic is more toxic than organic arsenic and the consumption of freshwater fish may represent a significant source of inorganic arsenic in humans. Results from this study will be used to update arsenic water quality standards for human health and water quality protection in Colorado. This project will also use the selenium concentrations measured in fish tissues to support updated selenium standards for Colorado waters.



Accomplishments

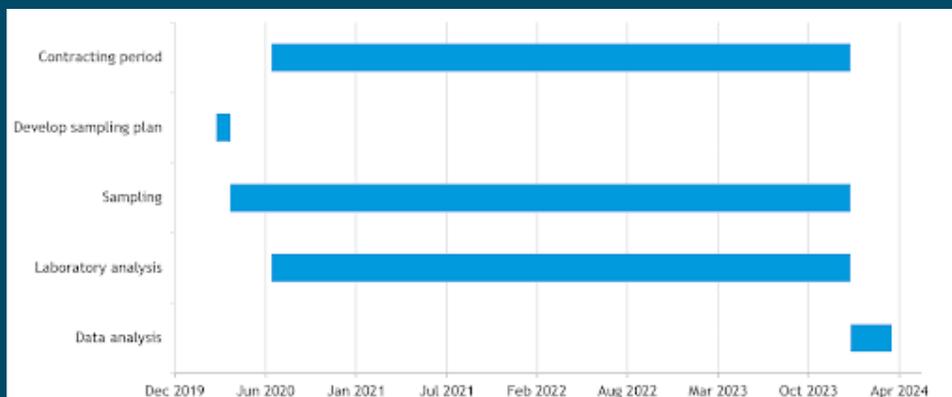
In 2022, the division collected 25 samples from eight lakes and four streams. Brooks Applied Labs completed the analysis for all samples and a preliminary review of the data suggests that inorganic arsenic typically makes up less than ten percent of the total arsenic in the fish tissue samples collected. The selenium data suggests that fish selenium concentrations are generally below the EPA’s recommended threshold; only two out of the 115 fish tissue samples collected between 2020-2022 are above the threshold. The division will continue to analyze the sample results after the 2023 sampling season is complete. These results will be important for supporting updated arsenic and selenium standards for Colorado waters.



(Top): White River

(Middle) Fountain Creek

(Bottom) Lake Isabel



CONTRACTING PERIOD
July 2020 to December 2023

CONTRIBUTORS
Brooks Applied Labs

PROJECT COST \$ 28,500

2022 PA EXPENDED \$ 13,499

BALANCE \$15,001

Program priority project – TMDLs

E. coli TMDL

Background

The water quality standard for *E. coli* protects recreational uses. Data are important for the development of TMDLs that (when implemented) will protect local communities that use streams for recreation. Because *E. coli* data are variable, assessment methods require data to be collected often.

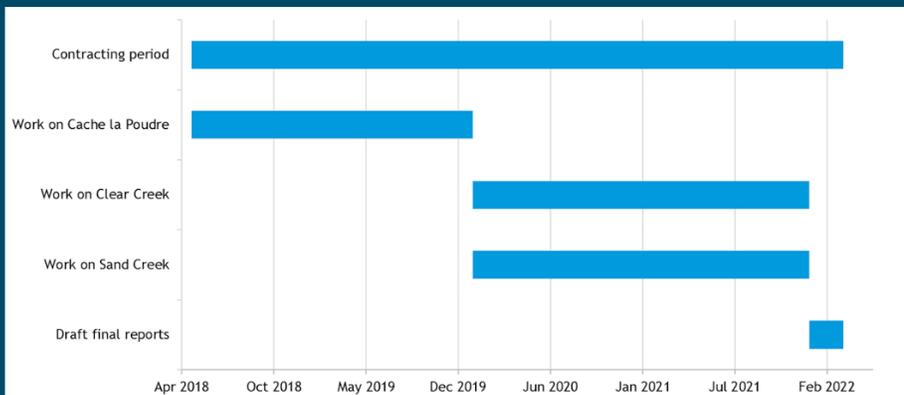
Through this project, the division’s Watershed Analysis and Implementation Support workgroup partnered with Colorado State University (CSU) to monitor *E. coli* and stream flow. The project supports the development of *E. coli* TMDLs for impaired water bodies in the South Platte basin. This includes segments of the Cache La Poudre River, Sand Creek, and Clear Creek. The division and CSU will collect *E. coli* and stream discharge data for each basin over two seasons.

Accomplishments

CSU began monitoring *E. coli* on Sand Creek and Clear Creek in 2020. Because of the COVID-19 pandemic, CSU was unable to sample during the original contract period and the contract was extended in order to continue monitoring and complete the final reports through early 2022. Sampling included field measurements for stream flow so that the division can calculate *E. coli* loads and use this information to develop TMDLs.



CSU developed an *E. coli* database that contains information about samples collected in three streams in the South Platte Basin: Cache la Poudre, Clear Creek, and Sand Creek. This database allows the division to conduct a statistical analysis of *E. coli* data to evaluate various assessment options for determining impairments while also supporting the development of TMDLs. During 2022, CSU drafted the final report and submitted it to the division.



CONTRACTING PERIOD	
May 2018 to March 2022	
CONTRIBUTORS	
Colorado State University	
PROJECT COST	\$ 4,700
2022 PA EXPENDED	\$ 4,700
PA BALANCE	\$ 0

Program priority project – TMDLs

E. coli data sets for TMDLs

Background

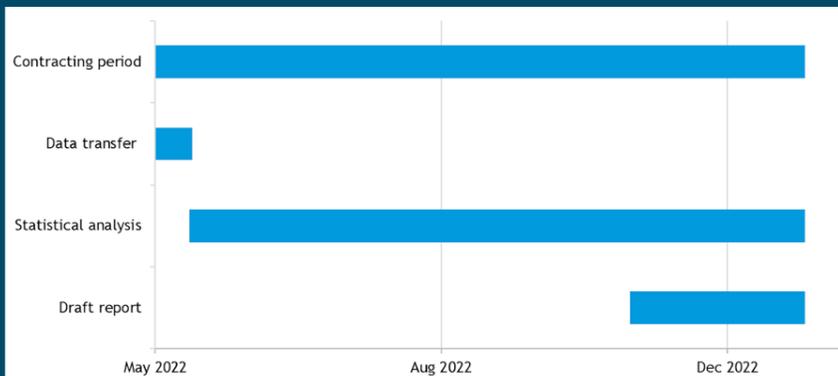
Numbers of *E. coli* bacteria in a water body change often and it is important to gather data frequently to ensure accuracy and for the purpose of developing *E. coli* TMDLs for 303(d) listed impairments. However, consistent data sets are not always available to the division. For this reason, the division partnered with the University of Colorado to perform statistical analyses and evaluation of *E. coli* data collected from the Cache La Poudre River, Sand Creek, Clear Creek, South Platte River, Fountain Creek, and Monument Creek. These analyses support the division by understanding the limitations in *E. coli* data sets, the statistical impacts of different assessment methods and the level of flexibility that would be needed for TMDL assessments of *E. coli* data sets with different numbers of samples.



Accomplishments

The project report provides more details that will help the division develop TMDLs when data sets are not sufficient. In cases where there are not enough data collected from a single year (as required by the current 303(d) listing methodology), an assessment based on data pooled across years shows similar results. For example, five samples within a two-month period (taken from different years) generally produce results that are similar to an assessment of data where five samples were taken from the same year.

The project report provides additional results that will be useful to develop TMDLs that will protect the environment and public health by meeting recreational water quality standards for surface waters.



CONTRACTING PERIOD

May 2022 to December 2022

CONTRIBUTORS

University of Colorado, Boulder

PROJECT COST \$ 130,000

2022 PA EXPENDED \$ 130,000

PA BALANCE \$ 0

Program priority project – TMDLs

Bear Creek Watershed and Reservoir TMDLs

Background

This project builds on previously developed watershed and reservoir water quality models. These models simulate the watershed and reservoir systems and a reservoir’s response to different pollutant reduction approaches. The models can be used by the division to develop nutrient TMDLs and guide stakeholder implementation of those TMDLs to improve water quality while playing an important role in water quality improvement projects to address the most impactful pollutant sources.

Accomplishments

Tetra Tech improved water quality models, addressed stakeholders’ questions about the watershed and previous reservoir models, and helped the division develop a reservoir nutrient TMDL for Bear Creek. Tetra Tech developed a report that included specific information to help the division understand the changes to the models, which improves the division’s ability to operate the models and evaluate the different pollutant reduction approaches. The report also will be used to help the division respond to public notice comments. In addition, Tetra Tech refined the previously developed water quality models and evaluated options for reducing nutrients to help Bear Creek meet water quality standards for phosphorus and chlorophyll.



Photo courtesy of Russ Clayshulte, Bear Creek Watershed Association

CONTRACTING PERIOD

September 2022 to December 2022

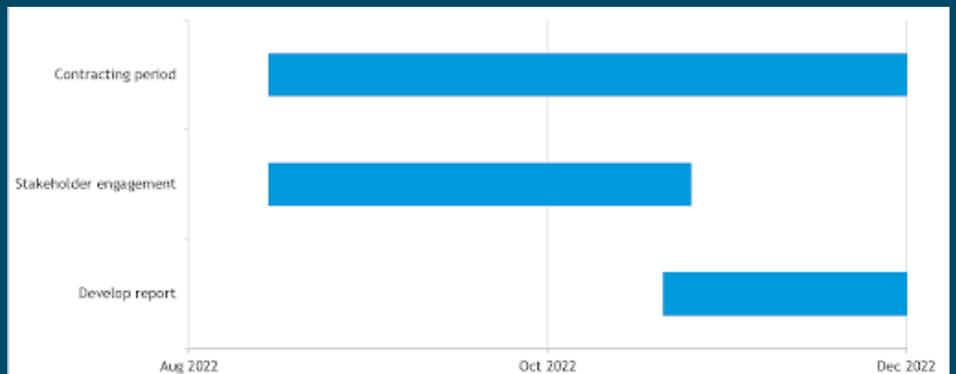
CONTRIBUTORS

Tetra Tech

PROJECT COST \$ 59,630

2022 PA EXPENDED \$ 59,630

BALANCE \$ 0



Program priority project – TMDLs

Temperature studies

Background

This project informs the division of the underlying causes of the elevated temperatures for rivers included on the 303(d) list of impaired waters for temperature. The 303(d) list identifies 37 waterbody segments as impaired for temperature. These streams and rivers regularly exceed temperature standards that were adopted to protect aquatic life. The division must understand the cause of the elevated river temperatures in order to protect the fish and aquatic community in these waterbodies. The temperature study conducted in this reporting year focused on the Roaring Fork River and the Lower Arkansas River. Identifying the causes of impairment for these river systems will help the division identify the best pathways to restore the rivers and protect the fish and aquatic community.

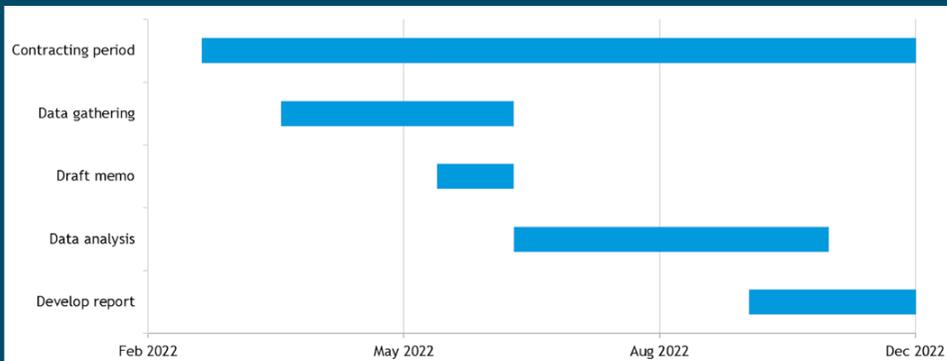


Accomplishments

Hydros Consulting Inc. (Hydros) evaluated existing flow and temperature data provided by the division from the Roaring Fork and Arkansas rivers. Hydros then drafted a technical memo that identified data gaps and data collection recommendations to help guide future monitoring efforts for these rivers. The final report presents preliminary findings on temperature dynamics in the Roaring Fork and Arkansas rivers. More data collection will help the division gain a better understanding of the temperature dynamics in these rivers and help identify the best pathways to restore and protect the rivers from impacts due to elevated temperatures.



(Top) Roaring Fork River. (Bottom) Brown trout.



CONTRACTING PERIOD

March 2022 to December 2022

CONTRIBUTORS

Hydros Consulting Inc.

PROJECT COST \$ 49,980

2022 PA EXPENDED \$ 49,967

BALANCE \$ 13

Program priority projects – Source water

Extended source water protection plan implementation

Background

Source water protection plans have been substantially implemented since 2008. The division prioritizes local community drinking water protection efforts and has technically and financially supported source water protection plans since 2008.

One significant statewide risk to public water systems is wildfire and the post-fire implications to water quality and drinking water operations. This project enables the division to enhance the extensive community based programs, identify and prioritize critical public water system infrastructure at risk, assist in protecting and restoring watersheds, and integrate these local community planning efforts with wildland fire emergency operations (as practical).

This project aims to continue source water protection and watershed planning efforts with Colorado Rural Water Association (CRWA). These enhanced source water protection planning collaborative efforts have a direct connection to watershed protection efforts. The project leverages existing statewide protection planning partnerships to facilitate watershed restoration and protection, protect watershed health and drinking water sources, and to further implement local and rural protection plans.

Accomplishments

The number of substantially implemented protection plans on a statewide basis has increased by 0.8% in 2022. We reported 249 substantially implemented protection plans in 2021, and 251 substantially implemented protection plans in 2022. CRWA hired and trained two new employees during this performance period. This reporting is completed via the Performance Accountability Report to Region 8 EPA.

Completed Analyses

Critical water system infrastructure components were evaluated throughout 36 water systems.

- City of Grand Junction
- Town of Ward
- Vallecito Valley Subdivision
- Wilson Mesa
- Root Creek Water District
- San Bernardo HOA
- Ponderosa Homes Subdivision
- Purgatory Metropolitan District
- Goodman POA
- Mountain River RV Park
- Los Ranchitos HOA
- Happy Scenes Water Systems, Inc.
- Hermosa Village
- Illium Valley Water System
- Heartwood Co Op Housing
- Forest Grove Estates
- City of Gunnison
- Aldasoro Ranch Homeowners Company
- Town of Rico
- Town of Ophir
- Last Dollar P.U.D. Association
- Pine Brook Hills Water District
- Town of Breckenridge
- Town of Lake City
- Cathedral Water Company
- Moraine Park WS
- Granby North Service Area
- Granby South Service Area
- Granby West Service Area
- Bone Mesa Domestic Water District
- Prince Creek Village HOA
- Waterview Condominium Association
- Pitkin Green HOA
- Starwood Metropolitan District
- White Horse Springs Water District
- Fox Meadows HOA

CONTRACTING PERIOD

January 2022 to December 2022

CONTRIBUTORS

Colorado Rural Water Association

PROJECT COST

\$ 150,000

2022 EXPENDED

\$ 150,000

BALANCE

\$ 0

36,609 CUSTOMERS

Served by these substantially implemented protection plans

Program priority projects – tool development

eRAMS

Background

This project is to maintain the internet-based, readily accessible, Environmental Risk Assessment and Management System (eRAMS). This system houses watershed-based assessment and nonpoint source management tools that support planning, prioritization of resources, assessment, and implementation decisions. It also helps partners, stakeholders, and division staff coordinate and evaluate information using common and shared approaches.

Accomplishments

It is time-consuming to analyze data from a variety of state and federal databases. This project developed several dashboards to improve efficiency and easy access to data. This allows the division staff and the stakeholders to produce transparent and efficient water quality analysis/products.

The development and maintenance of dashboards helps the division pull the most up-to-date data from several state and federal databases to produce water quality data analysis.

Colorado Water Assessment Tool and Reporter (WATR) v. 0.21.5 START NEW ASSESSMENT

Assessment Results				Summary of Parameters	Rationale	Assessment Summary	2 nd Water Supply	Nutrient Summary	E. coli Summary	Ammonia Summary (Acute)	Ammonia Summary (Chronic)	Prime Data	Chronic Data	Acute Data
Analyte	Uses	List	Qualifier	Action	Constituent	"J" Flag	Chronic	Acute		(TREC)	Quality	Chronic	Acute	# of Samples (n)
Al-T	AC	No	None	None	Ag-D	0	3,474	22,025	NS	NS	0	6	6	
Fe-D	WS	No	None	None	Ag-T	0	NS	NS	100	NS	0	6	N/A	
Fe-T	AC	No	None	None	Al-D	1	NS	NS	NS	NS	1280.25	2	2	
Se-D	AC	No	None	None	Al-T	0	1437,661	NS	NS	NS	1695	4	4	
Se-T	AG	No	None	None	As-D	0	150	340	NS	NS	3,995	6	6	
Se-D	AA	No	None	None	As-T	0	NS	NS	0.02-10	100	4,225	6	NA	
SD4-T	WS	No	None	None	B-T	0	NS	NS	NS	750	N/A	0	0	
U-T	WS	No	None	None	Be-D	0	NS	NS	NS	NS	N/A	0	0	
					Be-T	0	NS	NS	4	100	N/A	0	0	
					Cd-D	1	2,032	9,984	NS	NS	0.02	6	6	
					Cd-T	1	NS	NS	5	10	0	4	4	
					Chlor-A	0	NS	NS	NS	NS	N/A	0	0	
					Chloride-T	0	NS	NS	250	NS	222.1	4	NA	
					Chlorine-T	0	0.011	0.019	NS	NS	N/A	0	0	
					Cr-D	2	11	16	NS	NS	1,719	2	2	
					Cr-T	0	11	16	50	100	0	4	4	
					Cr3-D	0	NS	NS	NS	NS	N/A	0	0	
					Cr3-T	0	NS	NS	50	100	N/A	0	0	
					Cr6-D	0	11	16	NS	NS	N/A	0	0	
					Cr6-T	0	11	16	50	100	N/A	0	0	
					Cu-D	1	26,28	49,618	NS	NS	1.9	6	6	
					Cu-T	1	NS	NS	1000	200	0	6	NA	

Dashboards

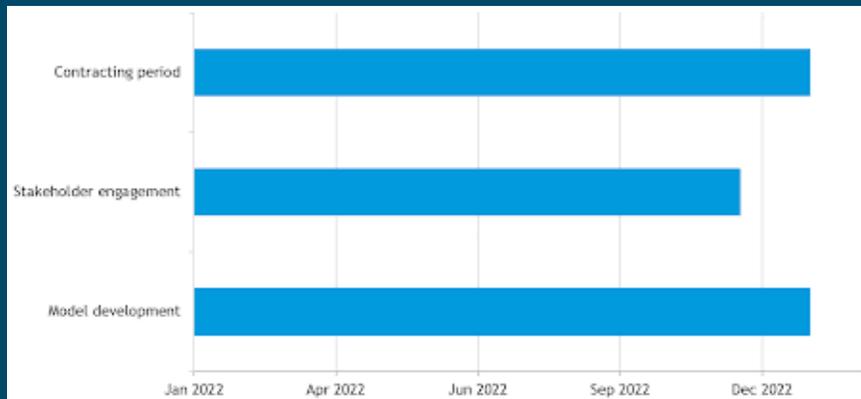
This project developed several dashboards:

1. TMDL dashboard - used to develop TMDLs to restore water quality
2. CO WATR dashboard - used to automate water quality assessment and listing processes
3. Nonpoint Source Priority dashboard - used to identify priority actions to restore and protect water quality

CONTRACTING PERIOD
January 2022 to December 2022

CONTRIBUTORS:
Colorado State University

PROJECT COST \$ 90,000
2022 PA EXPENDED \$ 89,998
BALANCE \$ 2



Program priority projects – tool development

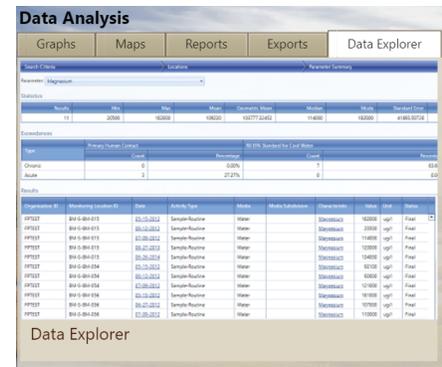
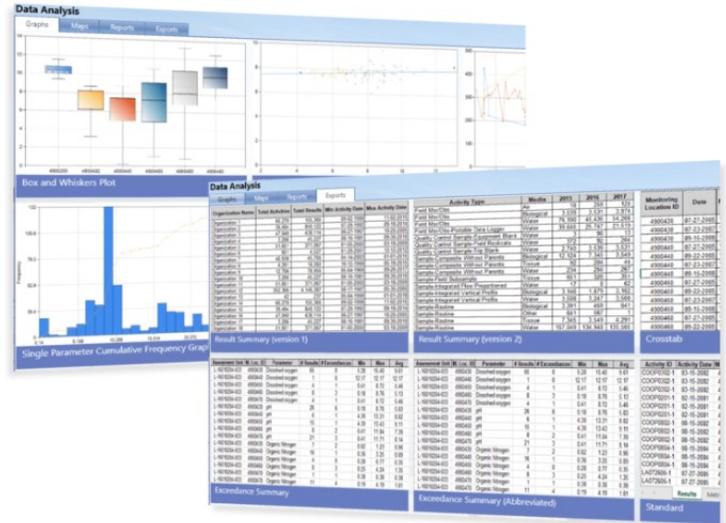
Ambient Water Quality Monitoring System

Background

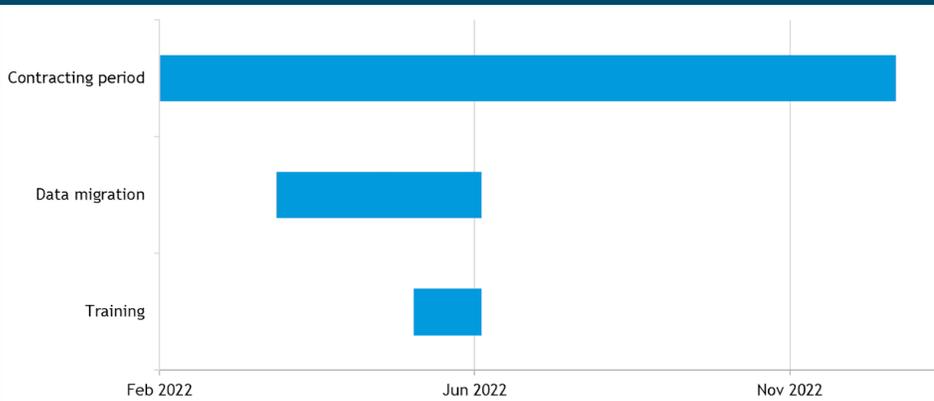
This project was a one-time data migration of the division’s historical fish tissue data to the Ambient Water Quality Monitoring System (AWQMS). Before this project, the division stored its fish tissue data in an internal database and it was not nationally available on the EPA’s Water Quality Exchange (WQX). The primary goals of this project were to migrate the fish tissue data, make the data available to the public, and create a procedure for uploading future data into AWQMS and WQX.

Accomplishments

The division contracted with Gold Systems, the developer of AWQMS, to perform the data migration and make it easier for the division to migrate future fish tissue data into AWQMS. Gold Systems provided a live training session to division staff and provided a standard operating procedure on how to import and organize fish tissue data. A total of 18,516 individual fish tissue results were entered into AWQMS, and division staff now know how to store, prepare and import this type of data. This allows the division to aggregate large volumes of environmental data and facilitate information analytics, visualization, and data analysis, which will ultimately inform decision-making and improve public health and environmental outcomes.



Photos of AWQMS, courtesy of Gold Systems.



CONTRACTING PERIOD

February 2022 to December 2022

CONTRIBUTORS:

N/A

PROJECT COST \$ 8,510

2022 PA EXPENDED \$ 8,510

PA BALANCE \$ 0

Safe Drinking Water Program — grants

Assistance Grants

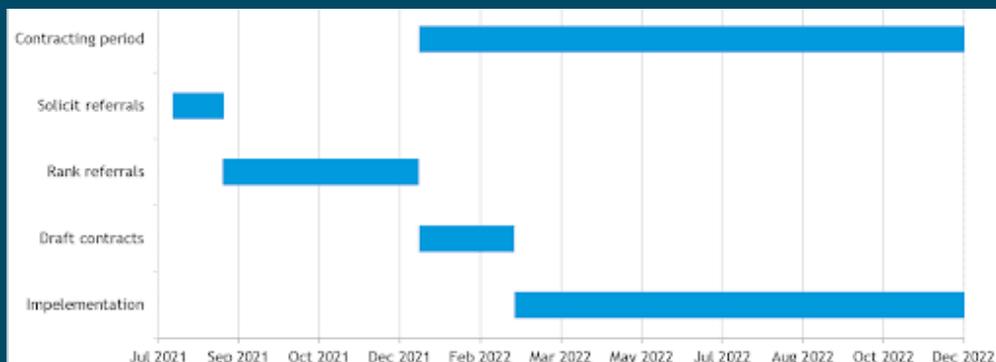
Background

The assistance grant program provides financial aid for systems that need help reaching or exceeding compliance requirements or addressing a water quality challenge. This program helps systems address infrastructure needs while requiring systems to address operational and administrative improvements such as emergency response plans, main break response procedures, and storage tank inspection plans.

Accomplishments

Seven systems completed work under this program, spending a total of \$148,799 and impacting 3,863 people. Four of the systems are in disproportionately impacted communities, and two are located within one mile of a disproportionately impacted community.

ASSISTANCE GRANTS - COMPLETED WORK			
System	Project	Funding spent	Population
Asgard Subdivision	Installed chemical feed pump to help automate blending to reduce nitrate levels.	\$ 6,232	80
Easterseals Colorado	Replacing aging and unreliable infrastructure.	\$ 25,000	108
Gateway Childcare	Installed optimal corrosion control treatment.	\$ 6,146	80
Liberty School	Replaced aging and unreliable infrastructure.	\$ 18,912	102
Marble Water Company	Completed tank improvements	\$ 25,507	1133
Riverside Water Company	Completed a master plan and preliminary engineering report.	\$ 25,000	90
Town of Dillon	Design an OCCT system and install upgraded monitoring technology.	\$ 44,000	3,254
Seven systems		\$ 148,799	3,827



CONTRACTING PERIOD

January 2022 to December 2022

CONTRIBUTORS:

N/A

PROJECT COST \$ 150,000

2022 PA EXPENDED \$ 148,799

BALANCE \$ 1,201

Program priority projects – monitoring

Benthic Macroinvertebrates stressors

Background

The purpose of this project is to collect biological and habitat data to help identify stressors that are impacting the benthic macroinvertebrate communities. When a waterbody is on the 303(d) list for benthic macroinvertebrates and there is no clear pollutant causing the impairment, the impairment is identified as “provisional.” When waterbodies are listed as provisional, the division must work with others to do water quality monitoring and/or other water quality studies to determine the cause of the impairment. This determination should be made within ten years of the provisional listing. Additionally, the division will develop a TMDL for a provisionally listed waterbody if we determine that the impairment is caused by pollutants.



PERIPHYTON

Periphyton is a community of microorganisms that are attached and grow to submerged surfaces, and are an important foundation for food webs in streams and rivers. Periphyton also provide important habitat for other organisms.

Data collection for determining stressors can take years. With existing workload and staffing challenges, the division determined that hiring a consultant to collect the necessary data was the best approach.



Photos of West Plum Creek.

Accomplishments

As of December 2022, all biological sampling was completed for the West Plum Creek watershed. This includes flow measurements, benthic macroinvertebrates, habitat, and periphyton. The benthic

macroinvertebrates and periphyton have been sent to their respective laboratories to be processed for analysis. PG Environmental is completing a review of the remaining provisional benthic macroinvertebrate listings and assessing other information determine where to focus sampling in 2023.

CONTRACTING PERIOD

June 2022 to December 2022

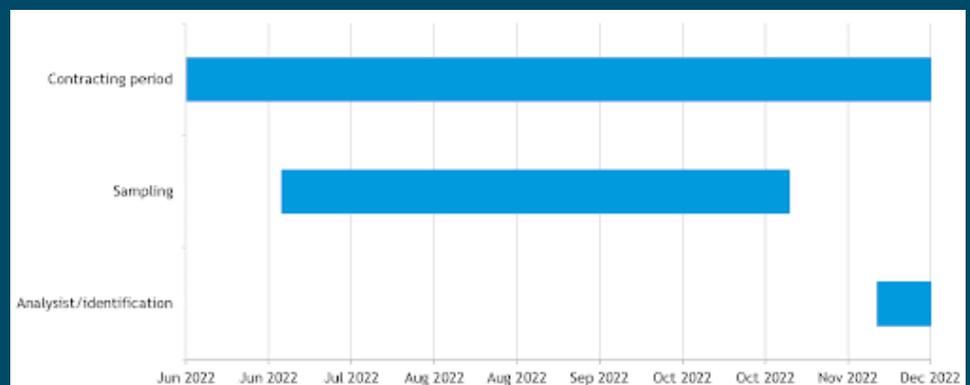
CONTRIBUTORS:

PG Environmental

PROJECT COST \$ 50,000

2022 PA EXPENDED \$ 46,944

BALANCE \$ 3,056



Program priority projects– tool development

Benthic macroinvertebrate analysis

Background

The division collects aquatic benthic macroinvertebrate samples from several locations in Colorado to develop and maintain biological indicators and thresholds. Biological indicators (i.e. the presence or absence of certain types of species) provide useful clues as to the overall health of a waterbody. Biological thresholds, often referred to as biological criteria, provide the methodology for determining whether the aquatic life use is attained, impaired, in rivers and streams.

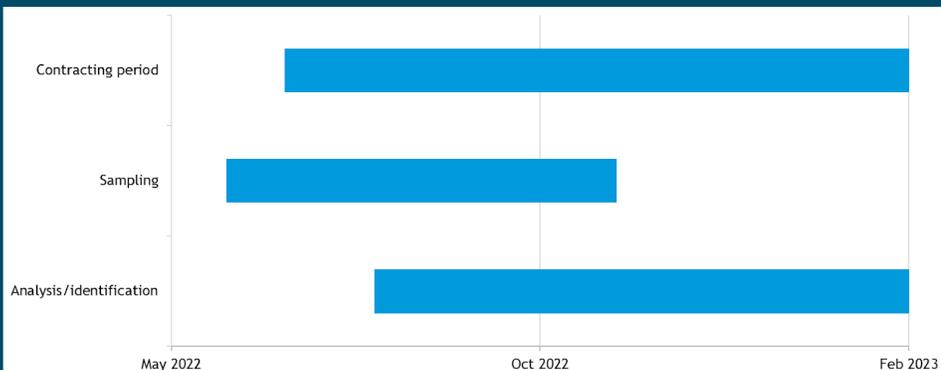
This information also helps the division's monitoring and assessment program evaluate biological health throughout the state to determine the health of the surveyed system. These findings inform Colorado's biennial Integrated Report, which is prepared according to Sections 303(d), 305(b), and 314 of the Federal Clean Water Act.

Accomplishments

Aquatics Associates is processing samples from the division's summer field season. Aquatics Associates sorted, counted, and prepared 87 samples to be identified by a certified taxonomist. The results were put into worksheets and sent to the division in December 2022. The division will use this information to update Policy 10-1 (aquatic life policy) and Policy 98-1 (sediment guidance). The division will also use this information to review existing 303(d) listings with more recent data. Overall, these policies and actions help determine how effectively Colorado is achieving the ultimate goals of the Colorado Water Quality Control Act and the Federal Clean Water Act, which are to restore, maintain, protect, and improve the quality of Colorado's water resources.

BENTHIC MACROINVERTEBRATE

Macroinvertebrates are animals without backbones that are large enough to be seen with the naked eye. Benthic means "bottom dwelling." Benthic macroinvertebrates are small aquatic animals and the aquatic larval stages of insects. They include dragonfly and stonefly larvae, snails, worms, and beetles.



CONTRACTING PERIOD

July 2022 to June 2023

CONTRIBUTORS

Aquatic Associates, Inc.

PROJECT COST \$ 18,060

2022 PA EXPENDED \$16,269

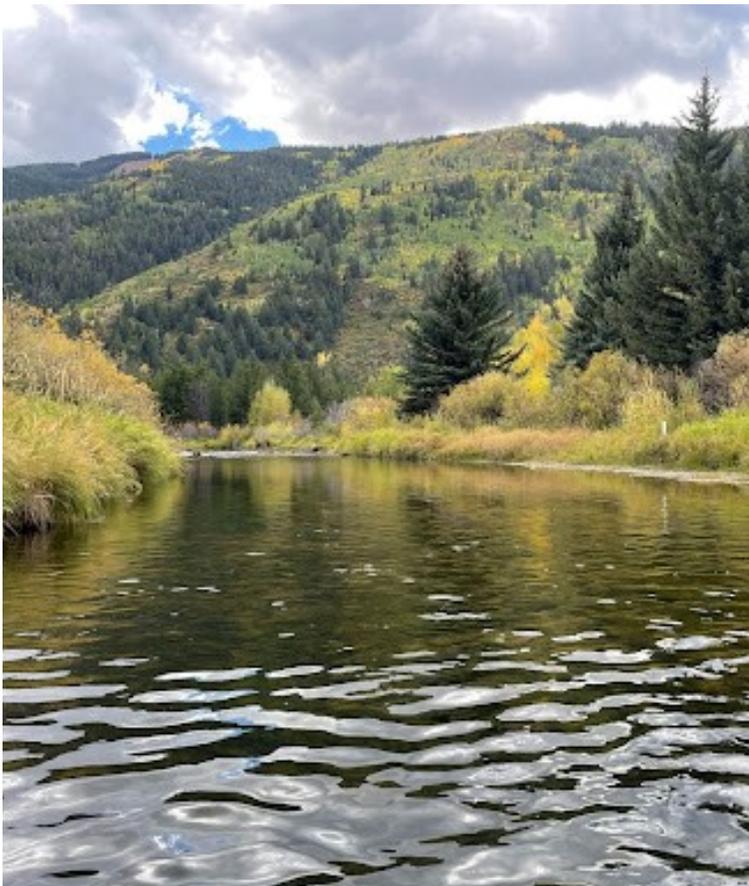
BALANCE \$1,791

Program priority projects – monitoring

Temperature monitoring

Background

This project supports the collection of continuous temperature data for waterbodies that do not meet water quality standards. The 303(d) list of impaired waters identifies 37 waterbody segments as impaired for temperature. The continuous temperature data collected for this project will be used to support temperature studies that focus on determining the underlying causes of temperature exceedances for waterbodies of concern.



(Top) Roaring Fork River sampling

(Left) Fryingpan River

Accomplishments

PG Environmental (PG) installed temperature data loggers at six sites along the Arkansas River and eight sites along the Roaring Fork River in the summer of 2022. PG maintained these temperature data loggers and installed new loggers as recommended by the division. This project also included the development of temperature data tool that assists with fixing errors in temperature data collected for this project. The temperature data collected by PG was submitted to the division in December 2022. This project will continue into 2023 and there are plans to install new temperature loggers in different rivers of focus.

Photos courtesy of PG Environmental

CONTRACTING PERIOD

May 2022 to December 2022

CONTRIBUTORS:

PG Environmental

PROJECT COST

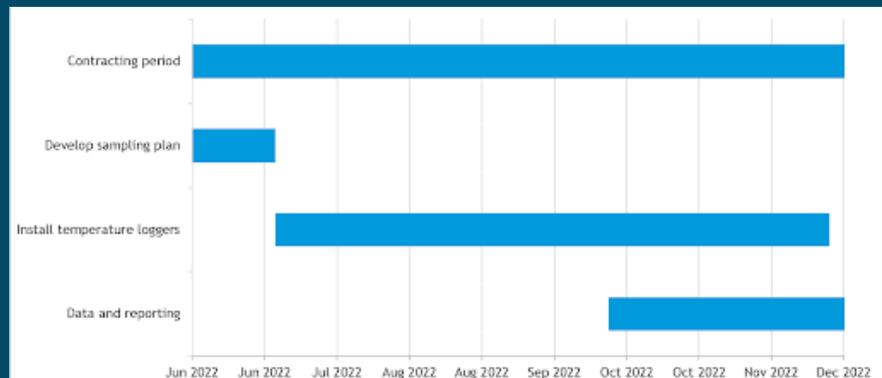
\$ 60,000

2022 PA EXPENDED

\$ 57,682

BALANCE

\$ 2,318



Program priority projects – tool development

Algae

Background

Periphyton is a community of microorganisms that are attached and grow to submerged surfaces, and are an important foundation for food webs in streams and rivers. Periphyton also provide important habitat for other organisms. Because periphyton develops on submerged surfaces, they are influenced and affected by physical, chemical, and biological disturbances. Diatoms, which are found in the periphyton community, are useful ecological indicators because they are sensitive indicators of environmental change, are fast-growing, and respond to pollution. These factors make diatoms a good biological organism for assessing water quality.

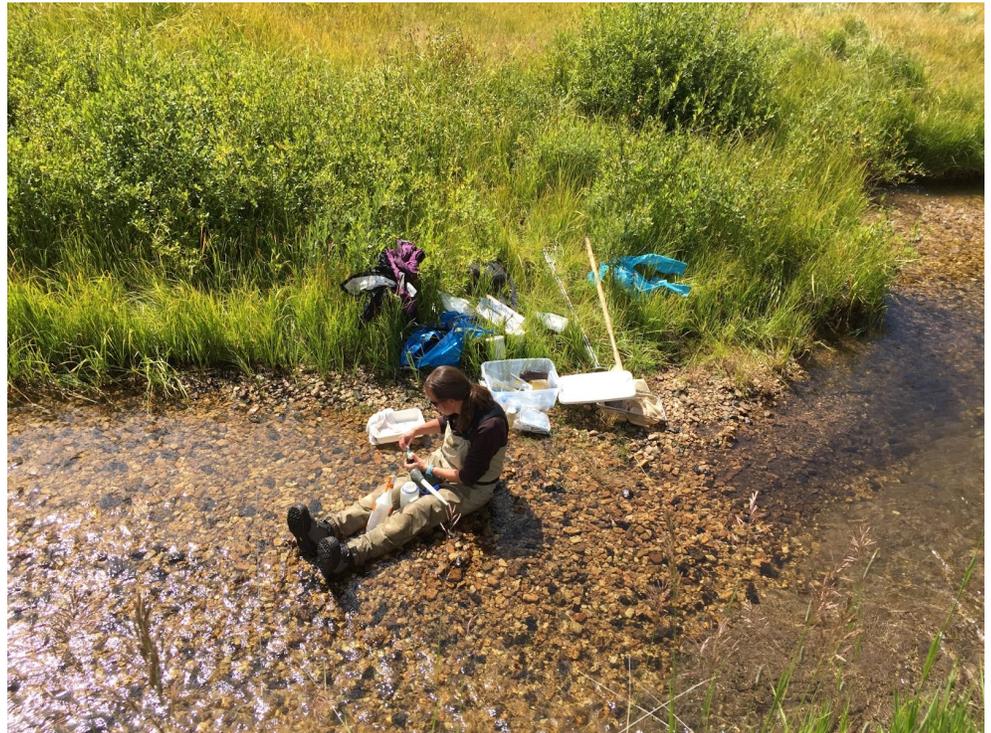


Periphyton. Photo credit: U.S. Geological Survey

Accomplishments

BSA Environmental Services provided 13 samples for analysis to the division. The division will analyze the results to assist in determining potential stressors to benthic macroinvertebrates in the watershed.

Although this data was collected for the provisional study, there are secondary uses for these data. This includes providing diatom information that can be used in USGS’s regional multi-metric indices. These data will also increase the dataset of algae statewide to assist in the decision-making for designated uses and assessment of stream health within the state.



CONTRACTING PERIOD

January 2022 to December 2022

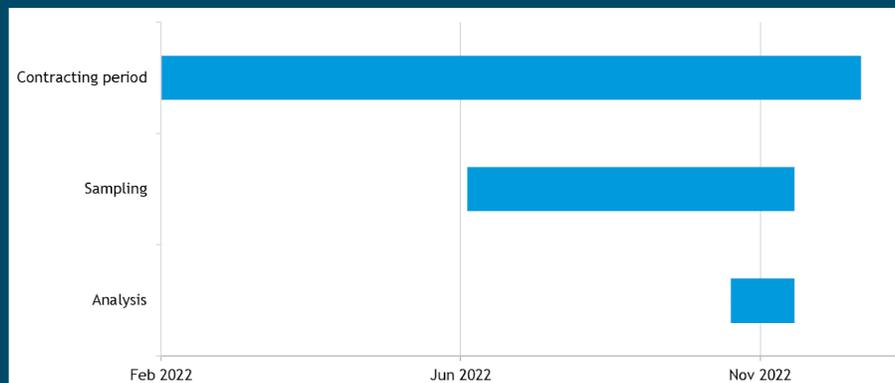
CONTRIBUTORS:

BSA Environmental Services, Inc.

PROJECT COST \$ 7,000

2022 PA EXPENDED \$ 2,658

BALANCE \$ 4,342

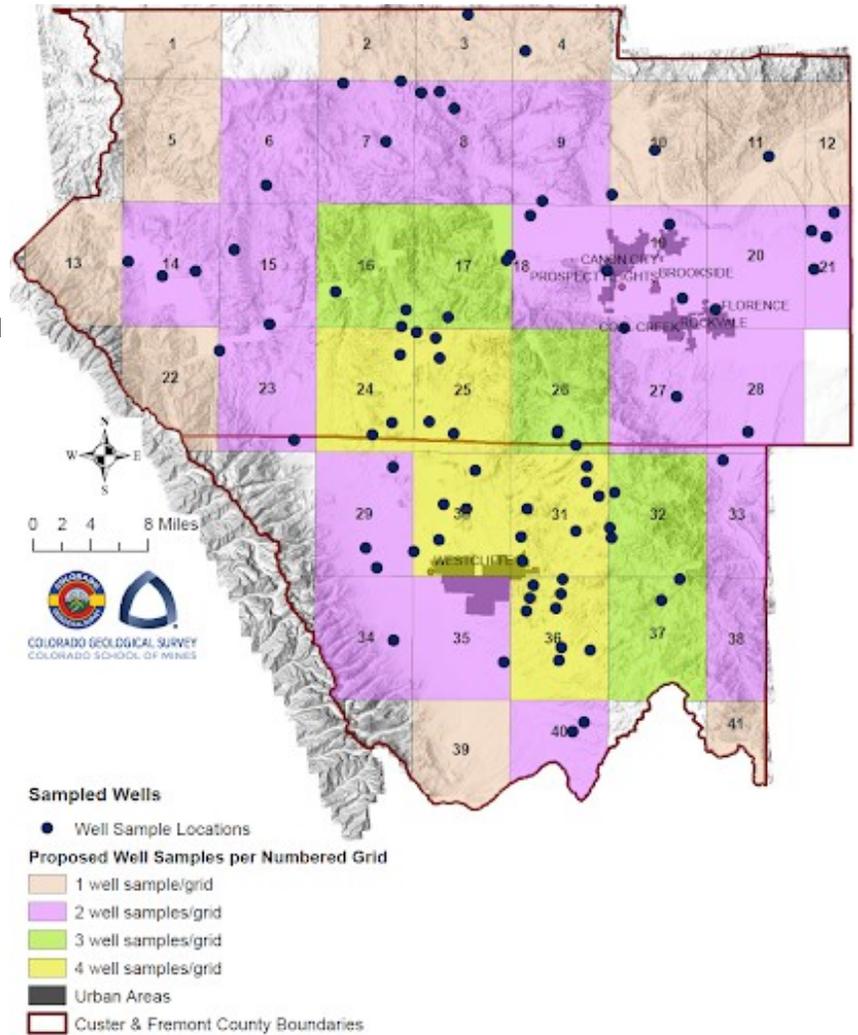


Program priority projects – monitoring

Groundwater impacts to surface water

Background

The purpose of this project is to sample and analyze groundwater samples from 85 wells in Colorado for metals and radionuclides, such as radium and uranium. Uranium and radium generally occur naturally at low levels in soil, water, rocks, coal, and plants in Colorado. Colorado’s natural geology includes some areas with high mineral content and high uranium and radium as well. This project helps the division gain a better understanding of how hydrologically connected groundwater could impact surface water in areas where we may expect to see radionuclides present. Monitoring of groundwater conditions will allow the division to gather baseline data regarding background conditions of radionuclides and metals in groundwater in Colorado. This information will help stakeholders make informed decisions regarding the care and use of groundwater in these regions of the state.



Accomplishments

Colorado Geological Survey (CGS) partnered with local health departments and engaged with local communities to seek volunteers for sampling in Fremont and Custer counties. Volunteers agreed to sample their drinking water wells according to directions sent by CGS using pre-labeled sampling kits. Samples were collected from 85 wells throughout the summer and fall of 2022 and analyzed. The division and CGS received analytical results and volunteers were provided their sample results and educational materials. The division selected the locations in this study in order to leverage resources from other studies being implemented in the area and to focus on areas of suspected concern.

CONTRACTING PERIOD

January 2022 to December 2022

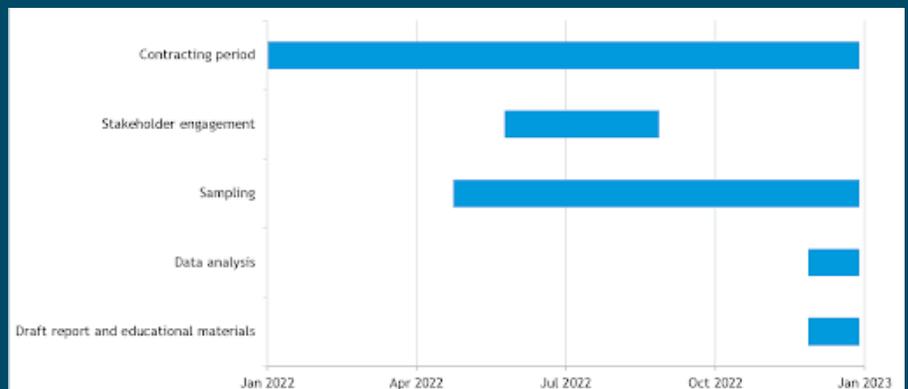
CONTRIBUTORS:

School of Mines, Colorado Geological Survey

PROJECT COST \$ 57,100

2022 PA EXPENDED \$ 57,100

BALANCE \$ 0



Program priority projects – monitoring

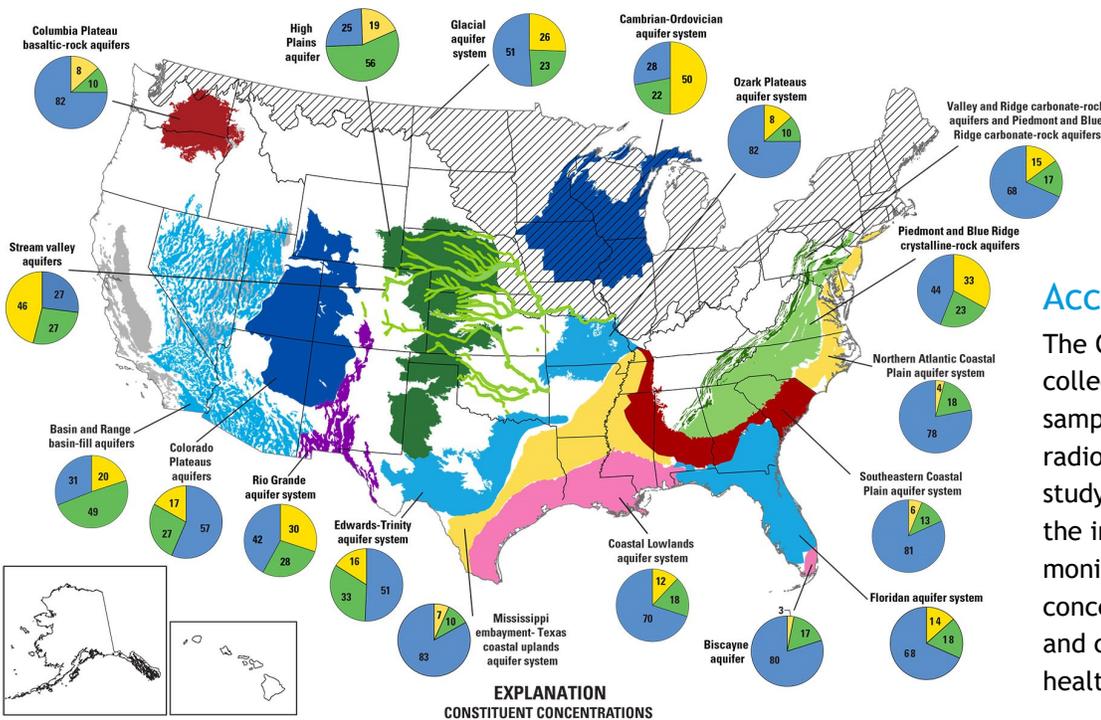
Groundwater testing for radionuclides and metals

Background

The purpose of this project is to analyze radionuclides and metals from groundwater samples collected from wells in Colorado. Samples were collected as a part of a larger project to develop a database of baseline water quality information for groundwater conditions in Colorado. Through a partnership with the Colorado Geologic Survey, volunteers in Fremont and Custer counties collected samples and a certified laboratory analyzed the samples for radionuclides and metals. This information will help both the division and stakeholders to make informed decisions regarding the care and use of groundwater in these regions of the state.



OVERVIEW OF WATER QUALITY IN PRINCIPAL AQUIFERS, 2013-2021 Exceedances of human-health benchmarks by one or more inorganic contaminants



Accomplishments

The Colorado Geological Survey collected 84 groundwater samples that were analyzed for radionuclides and metals. This study (like the USGS study in the image to the left) is monitoring inorganic concentrations in groundwater and comparing them to human health benchmarks.

The Colorado Geologic Survey will summarize the results and finalize the report in the spring of 2023.

Photos courtesy of U.S. Geological Survey

CONTRACTING PERIOD

April 2022 to February 2023

CONTRIBUTORS:

Colorado Geological Survey

PROJECT COST

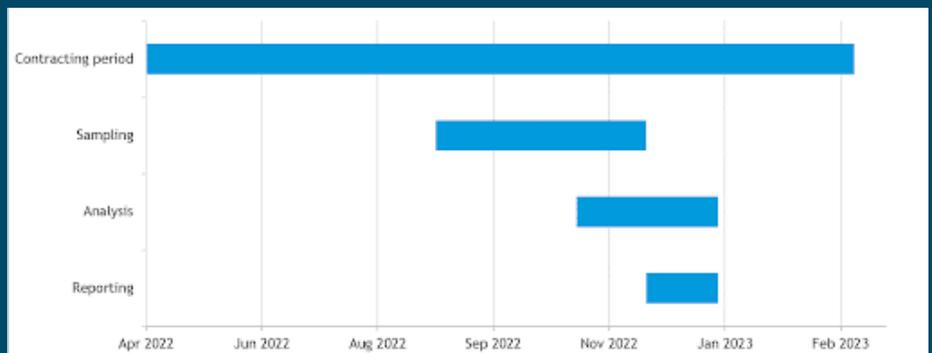
\$ 40,011

2021 PA EXPENDED

\$ 27,915

BALANCE

\$ 12,096



Program priority projects – monitoring

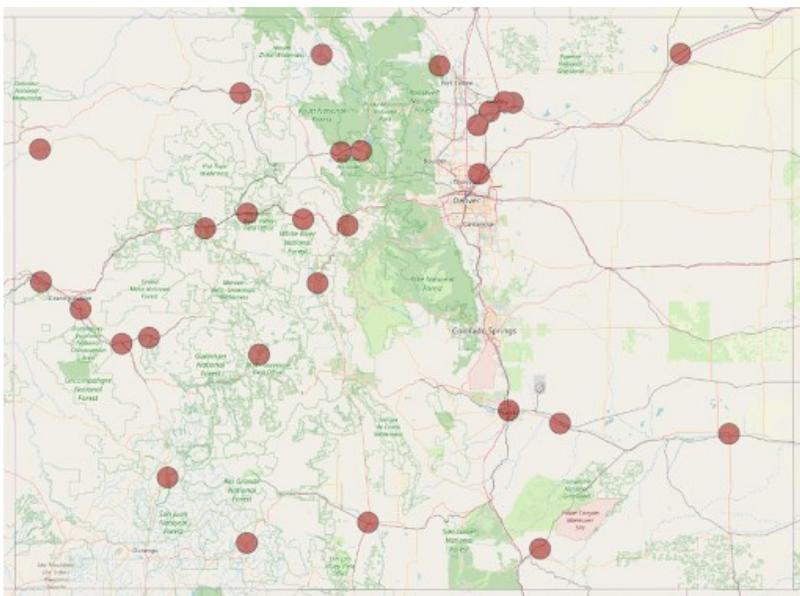
Water quality trends analysis

Background

The division established a long-term water-quality sampling network of 29 stream sites across the state. Samples have been collected every other month at these sites since 2012 and analyzed for a suite of parameters. The outcome of this work will help us understand if water quality is improving due to the implementation of new standards and regulations. It will also allow us to see if other stressors, such as climate change and population growth, are impacting water quality. The main objective of the study is to characterize trends in selected water quality and quantity conditions at these sites.



Gunnison River above Whitewater



Map of 29 trend sites sampled by division staff bimonthly since 2012.

Accomplishments

The USGS gathered and examined water quality and streamflow data from department and USGS databases for the 29 sites. Data reviewed included major and minor ions, nutrients, total dissolved solids, and selected trace metals. As part of the data collection process, USGS examined select datasets for initial data quality control and assurance. USGS also developed processes in order to readily retrieve data during future data requests.

In 2023, this study will continue to include data exploratory analyses. Any correlations between the constituents analyzed and potential causes within the watershed will be reviewed and published in a peer-reviewed USGS Scientific Investigations Report.

CONTRACTING PERIOD

November 2022 to December 2022

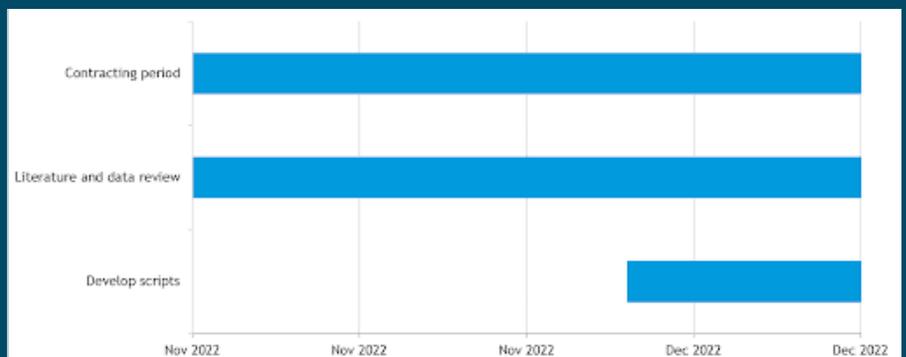
CONTRIBUTORS:

U.S. Geological Survey

PROJECT COST \$ 30,000

2022 PA EXPENDED \$ 30,000

BALANCE \$ 0





COLORADO

Department of Public Health & Environment

4300 CHERRY CREEK DRIVE SOUTH, DENVER, CO 80246 | 303-692-3500

CDPHE.COLORADO.GOV/WQCD





To: Colorado Water Resources and Power Development Authority Board
From: Cynthia Thayer and Desi Santerre, DLG
Date: February 17, 2023
Re: DOLA Agency Update

Energy and Mineral Impact Assistance Program

The next two application deadlines are April 1, 2023, and August 1, 2023, with anticipated available funding of about \$25 million for each cycle. Tier I and Tier II applications will be accepted.

Outreach & Education

The subcommittee will partner with the CDPHE Local Assistance Unit on four workshops throughout the state in 2023. Additionally, proposals have been submitted for sessions at five conferences, and the subcommittee is meeting in March to start planning the summer SRF regional workshops.

DAC & BIL Benchmarks

DOLA staff has completed analysis of the DAC and BIL benchmarks and provided the annual update memo to SRF program staff.

The interactive 2023 SRF DAC map and the 2017-2021 American Community Survey detailed mapping applications can be found in the State Demography Office’s map gallery here:

<https://demography.dola.colorado.gov/assets/html/gis.html>.

Small and Rural Communities Technical Services Program:

One community is currently working with DOLA’s contractor and one project was completed in February.

Owner	Type	Recommendation / Analysis	Project Status
Town of Paonia	Wastewater	DOLA’s contractor detailed a variety of administrative, optimization, and replacement alternatives for the Town to consider in preparation for the new Regulation 31 effluent limits. The technical memorandum also made recommendations on steps the Town should follow to evaluate their best course of action, including data needs, budgeting for planning, permitting, infrastructure improvements, and O&M, and analysis of optimization, retrofit, and replacement options.	Complete
Town of Silt	Drinking water	Pending	Open

Budget

As of the date of this report, there is no 2023 budget update for the Small and Rural Communities Technical Services Program.

Staffing

DOLA is in the process of hiring the two new term-limited FTEs for BIL support.





COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

Treasurer's Report

March 3, 2023

The financial reports are located after the Treasurer's Report in your electronic documents.

Authority – November 2022 statements

Balance Sheet

- Assets totaled \$54.1 million, compared to \$55.1 million in 2022. Decrease is mainly due to normal operations of the general Authority.

Income Statement

- The November statements do not include the budget line-item amendments that were discussed at the December meeting.
- Because the November statements have not been adjusted for the year-end budget reclassifications, certain line items may exceed 91%, which is the target budget percentage after 11 months.

NOTE: the December financial statements will not be complete until all 2022 data has been received and recorded.

The Financial Highlights Report for November

- State Treasurers Cash Pool earned 2.63%
- COLOTRUST interest rate is 3.83%

Financing Programs

- The WRBP program is through December and all other program financial statements are through November in the remaining programs.
- All programs continue to function normally.

Accounting Department Activities

- Staff is close to having all transactions processed for the year.
- Forvis will be conducting their final audit work starting March 6th and they are usually here for 3 weeks.
- In addition to the year-end process, preparations were made for the payment of DWRF and WPCRF debt service that is due on March 1st.

**COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY
AUTHORITY CASH TRANSACTIONS for the MONTH ENDING JANUARY 31, 2023**

CHECKS				
Date	Check#	Payee	Description	Amount
1/3/2023	26411	Arbitrage Compliance Specialists	WPCRf + DWRF Arbitrage Calculations	5,000.00
1/3/2023	26412	Automated Business Products	Monthly Copier Service	223.39
1/3/2023	26413	VOID		
1/3/2023	26414	Iron Mountain	Monthly Records Storage (Finance & Accounting)	503.89
1/3/2023	26415	InterLynk Communications	Monthly Phone Support	75.00
1/3/2023	26416	Office Depot	Misc. Office Supplies	185.79
1/17/2023	26417	About Time Awards	Name Plate and Name Tag for Giorgi Gazashvili	38.00
1/17/2023	26418	Carlson, Hammond & Paddock	December Legal Services	1,820.75
1/17/2023	26419	City of Gunnison	Planning Grant Draw 2	936.00
1/17/2023	26420	Interior Concepts	Conference Chairs	2,160.27
1/17/2023	26421	Lincoln National Life Insurance	Monthly LTD / Life Insurance	859.21
1/17/2023	26422	Manager of Finance	4th Qtr Denver Occupational Privilege Tax	351.00
1/17/2023	26423	Mytech Partners	Monthly Software & Tech Support	5,099.80
1/17/2023	26424	Office Depot	Misc. Office Supplies	196.60
1/17/2023	26425	Wells Fargo Corporate Card	Speed, Noll, Williams, & McLaughlin Credit Card Expense	9,584.67
1/19/2023	26426	Pinnacle Assurance	Yearly Workers Comp Insurance	1,555.00
1/24/2023	26427	Colorado Department of Revenue	Additional Taxes Owed	8.00
1/31/2023	26428	About Time Awards	Keith + Wes Service Awards	234.00
1/31/2023	26429	Automated Business Products	Monthly Copier Service	245.28
1/31/2023	26430	CIFA	Yearly Membership Dues	5,000.00
1/31/2023	26431	George Corkle	Travel Expense for Board Meeting	256.50
1/31/2023	26432	InterLynk Communications	Monthly Phone Support	75.00
1/31/2023	26433	Office Depot	Misc. Office Supplies	77.75
1/31/2023	50074	George Corkle	Board per diem check	87.55
1/31/2023	50075	Bob Wolff	Board per diem check	350.20
TOTAL CHECKS \$				34,923.65
WIRE TRANSFERS INCOMING/(OUTGOING)				
Date			Description	Amount
TOTAL WIRE TRANSFERS \$				-
ACH TRANSFERS INCOMING/(OUTGOING)				
Date	Payee		Description	Amount
1/4/2023		Century Link	Monthly Internet Payment for December	(307.94)
1/4/2023		Wesley Williams	Benefits: Tuition Reimbursement	(2,733.40)
1/13/2023		Authority Staff	Payroll	(33,922.64)
1/17/2023		PERA	Authority Staff PERA & 401k Contributions	(23,220.48)
1/18/2023		Colorado Water Congress	CWC Meals for Board Members	(375.00)
1/18/2023		Employers Council Services	Verification for Giorgi Gazashvili and Market Analysis	(561.00)
1/18/2023		Norton Rose Fulbright	2022 Legal Services	(1,087.50)
1/31/2023		Authority Staff	Payroll	(38,006.39)
1/31/2023		PERA	Authority Staff PERA & 401k Contributions	(25,258.45)
1/31/2023		PERA	PERACare Insurance Payment	(15,755.49)
TOTAL ACH TRANSFERS \$				(141,228.29)

TOTAL CASH TRANSACTIONS for the MONTH ENDING January 31, 2023 \$ (106,304.64)

Colorado Water Resources and Power Development Authority				
January Credit Card Detail				
Cardholder	Transaction Date	Transaction Amount	Payee	Description
Keith McLaughlin	12/7/2022	101.32	Las Delicias	Keith, Valerie, Justin, & Wes lunch
Keith McLaughlin	12/7/2022	66.74	Park & Co.	Keith +1 lunch
Keith McLaughlin	12/15/2022	16.30	Zoom	Monthly subscription
Keith McLaughlin	12/20/2022	76.39	The Rotary	Keith, Justin, Jim, & Sabrina lunch
		<u>260.75</u>		
Justin Noll	12/10/2022	251.44	Adobe Acrobat Pro	Monthly license fees
Justin Noll	12/11/2022	303.02	Comcast	Monthly internet
Justin Noll	12/30/2022	199.98	GoDaddy	SSL renewal
		<u>754.44</u>		
Sabrina Speed	12/13/2022	776.66	Courtyard by Marriott	Board hotels
Sabrina Speed	12/16/2022	1,529.50	Naylor	Colorado Rural Water Association 2023 advertising
Sabrina Speed	12/17/2022	787.73	Hideaway Steakhouse	Authority Christmas lunch
Sabrina Speed	12/19/2022	503.81	Indeed	Accounting Tech job posting
Sabrina Speed	12/24/2022	10.00	Livenotary.com	Monthly remote notary fee
Sabrina Speed	12/27/2022	4,250.00	Colorado Water Congress	CWC conference registrations and meals
Sabrina Speed	12/30/2022	242.50	Denver Post	Authority budget notice
Sabrina Speed	1/1/2022	126.19	Indeed	Accounting Tech job posting
Sabrina Speed	1/3/2022	24.40	Federal Express	Shipping for Brian Fred's Resolution of Appreciation
		<u>8,250.79</u>		
Wesley Williams	12/15/2022	52.39	Wall Street Journal	Monthly subscription
Wesley Williams	12/18/2022	49.00	Audioeye	Monthly subscription
Wesley Williams	12/20/2022	163.40	DoorDash Sliceworks	SRF committee meeting lunch
Wesley Williams	12/24/2022	53.90	Jibble	Monthly subscription
		<u>318.69</u>		
	Total	<u><u>9,584.67</u></u>		

Colorado Water Resources and Power Development Authority

INCOME STATEMENT**Budget To Actual**

Calendar Year-To-Date as of November 30, 2022

	Budget For 2022	Actual Year-To-Date	Balance	% Actual/ Budget
INCOME:				
Interest on investments - COLOTRUST	\$ -	\$ 272,961.31	\$ (272,961.31)	0%
Interest on investments - COLOTRUST-Interim Loan Project	-	68,067.06	(68,067.06)	0%
Interest on investments - STCP	-	27,926.00	(27,926.00)	0%
Investment interest income - from WPCRF	-	-	-	0%
Investment interest Income - from WRBP	-	-	-	0%
Subtotal Interest on Investments	28,000.00	368,954.37	(340,954.37)	1318%
Interest on Investments - STCP-La Plata River Escrow	1,200.00	2,100.00	(900.00)	175%
Interest on loans	527,000.00	147,132.93	379,867.07	28%
Interest on leases	-	-	-	0%
Lease income	46,500.00	43,522.50	2,977.50	94%
Gain/Loss on sale of assets	-	-	-	0%
Miscellaneous income	-	319.81	(319.81)	0%
TOTAL INCOME	\$ 602,700.00	\$ 562,029.61	\$ 40,670.39	93%
EXPENSES:				
<u>Board Expenses:</u>				
Per diems & PERA on per diems	\$ 18,000.00	\$ 12,400.00	\$ 5,600.00	69%
Travel, lodging, meals, etc.	40,000.00	29,999.40	10,000.60	75%
Meeting expenses	20,000.00	5,644.19	14,355.81	28%
Memberships	13,000.00	11,328.00	1,672.00	87%
Board insurance	30,000.00	-	30,000.00	0%
Total Board Expenses	121,000.00	59,371.59	61,628.41	49%
<u>Salary Expenses:</u>				
Staff salaries	1,500,000.00	1,155,508.39	344,491.61	77%
Temporary services	50,000.00	-	50,000.00	0%
Annual vacation and sick leave accrual	60,000.00	-	60,000.00	0%
Total Salary Expenses	1,610,000.00	1,155,508.39	454,491.61	72%
<u>Employee Benefits:</u>				
Pension expense*	311,400.00	240,664.73	70,735.27	77%
Healthcare trust expense	15,600.00	-	15,600.00	0%
Medical and dental insurance	243,000.00	135,290.69	107,709.31	56%
HRA reimbursement	-	7,314.30	(7,314.30)	0%
LTD/Life insurance	13,000.00	10,759.20	2,240.80	83%
Medicare - employer's match	22,500.00	16,410.77	6,089.23	73%
Denver city tax - employer's match	800.00	568.00	232.00	71%
State Workman's Comp. Insurance	2,500.00	1,073.00	1,427.00	43%
Tuition reimbursement	15,000.00	9,902.01	5,097.99	66%
Public transportation incentive	1,400.00	308.00	1,092.00	22%
Total Employee Benefits	625,200.00	422,290.70	202,909.30	68%
<u>Outside Services Employed:</u>				
General legal fees	100,000.00	25,236.93	74,763.07	25%
General consulting services	50,000.00	153.50	49,846.50	0%
Audit and budgetary fees	16,000.00	14,145.00	1,855.00	88%
Total Outside Services	166,000.00	39,535.43	126,464.57	24%
<u>Employee / Administrative Expenses:</u>				
Travel, lodging, meals, etc.	15,000.00	11,190.96	3,809.04	75%
Registration and training fees	10,000.00	5,282.50	4,717.50	53%
Contributions and sponsorships	40,000.00	17,000.00	23,000.00	43%
Dues, subscriptions and publications	10,000.00	9,199.83	800.17	92%
Total Employee / Administrative Expenses	75,000.00	42,673.29	32,326.71	57%
<u>General Office Expenses:</u>				
Office rent and deposits	244,000.00	220,295.32	23,704.68	90%
Interest expense-leases*	-	-	-	0%
Telephone and internet charges	20,000.00	12,975.61	7,024.39	65%
Postage and delivery fees	3,500.00	996.90	2,503.10	28%
Copying and printing costs	3,000.00	4,093.98	(1,093.98)	136%
Office supplies	18,000.00	12,906.96	5,093.04	72%

Colorado Water Resources and Power Development Authority

INCOME STATEMENT**Budget To Actual**

Calendar Year-To-Date as of November 30, 2022

	Budget For 2022	Actual Year-To-Date	Balance	% Actual/ Budget
Technical support activities	75,000.00	49,921.88	25,078.12	67%
Office insurance	6,000.00	5,296.00	704.00	88%
Records retention	6,000.00	5,439.01	560.99	91%
Total General Office Expenses	375,500.00	311,925.66	63,574.34	83%
Office Assets Expenses:				
Furniture & fixtures	20,000.00	2,562.50	17,437.50	13%
Machines	20,000.00	2,233.35	17,766.65	11%
Computer software	40,000.00	15,857.04	24,142.96	40%
Depreciation expense	N/A	-	N/A	0%
Machine maintenance & maintenance contracts	15,000.00	7,572.08	7,427.92	50%
Other expense	-	410.65	(410.65)	0%
Office improvements	10,000.00	-	10,000.00	0%
Total Office Assets Expenses	105,000.00	28,635.62	76,364.38	27%
TOTAL OPERATING EXPENSES	\$ 3,077,700.00	\$ 2,059,940.68	\$ 1,017,759.32	67%
Expenses Allocated to Programs:				
Salaries allocated to project expenses	(39,500.00)	(19,383.00)	(20,117.00)	49%
Allocated salaries expense - WPCRF	(368,000.00)	(322,308.00)	(45,692.00)	88%
Allocated employee benefits - WPCRF	(193,000.00)	(165,373.72)	(27,626.28)	86%
Allocated overhead expense - WPCRF	(146,500.00)	(152,344.74)	5,844.74	104%
Allocated salaries expense - DWRF	(294,000.00)	(263,506.00)	(30,494.00)	90%
Allocated employee benefits - DWRF	(155,000.00)	(135,092.80)	(19,907.20)	87%
Allocated overhead expense - DWRF	(130,800.00)	(124,370.38)	(6,429.62)	95%
Total Allocated Expenses to Programs	(1,326,800.00)	(1,182,378.64)	(144,421.36)	89%
NET OPERATING EXPENSES	\$ 1,750,900.00	\$ 877,562.04	\$ 873,337.96	50%
Approved Projects Expenses:				
WRBP Expenses	120,000.00	59,754.43	60,245.57	50%
La Plata River Escrow Expenses	180,000.00	20,562.00	159,438.00	11%
Small Hydro Loan Program expenses	35,000.00	11,320.15	23,679.85	32%
Small Hydro Loan Program Planning & Design Grants	75,000.00	-	75,000.00	0%
Watershed Protection & Forest Health Program Expenses	65,000.00	-	65,000.00	0%
Principal Forgiven -Loans Receivable	-	-	-	0%
Other Potential Projects	1,000,000.00	-	1,000,000.00	
Total Project Expenses	\$ 1,475,000.00	\$ 91,636.58	\$ 1,383,363.42	6%
TOTAL EXPENSES	\$ 3,225,900.00	\$ 969,198.62	\$ 2,256,701.38	30%
OPERATING INCOME / (LOSS)		\$ (407,169.01)		
Transfers In / (Out)		\$ -		
Change in Net Position		\$ (407,169.01)		

*These numbers are based on contributions instead of budgeted amounts

DWRF - Drinking Water Revolving Fund

PERA - Public Employees' Retirement Association

STCP - State Treasurer Cash Pool

WPCRF - Water Pollution Control Revolving Fund

WRBP - Water Revenue Bonds Program

Colorado Water Resources and Power Development Authority
Financial Highlights
November 30, 2022

<u>Account Balances:</u>	<u>YIELD:</u>	<u>BALANCE:</u>
<u>Unrestricted:</u>		
Cash - US Bank (Checking Account)	0.00%	\$ 763,330.32
State Treasurers Cash Pool	2.63%	\$ 569,522.69
COLOTRUST Checking Investment Account (Average Daily Yield)	3.83%	\$ 15,910,398.87
COLOTRUST Authority Loan Account (Average Daily Yield)	3.83%	\$ 205,679.11
<u>Board Designated:</u>		
State Treasurers Cash Pool - La Plata River Escrow	2.63%	\$ 160,064.26
State Treasurers Cash Pool - Self Insurance Fund	2.63%	\$ 1,523,123.00
<u>Restricted:</u>		
COLOTRUST - I Loan Projects (Average Daily Yield)	3.83%	\$ 6,092,983.97
SHLP Loan Program	3.83%	\$ 2,098,279.92
SHLP Project Accounts	3.83%	\$ -

<u>WPCRF State Match Receivable</u>	<u>Budget</u>	<u>Balance</u>
Loans Receivable - WPCRF State Match 1/1/2022		-
State Match Transferred to Holding Account	2,800,000.00	1,851,200.00
Repayment from WPCRF Administrative Fees	(3,000,000.00)	-
Loans Receivable - WPCRF State Match YTD Balance		<u>\$ 1,851,200.00</u>

<u>DWRF State Match Receivable</u>	<u>Budget</u>	<u>Balance</u>
Loans Receivable - DWRF State Match 1/1/2022		7,879,157.69
State Match Transferred to Holding Account	4,800,000.00	2,769,200.00
Repayment from DWRF Administrative Fees	(6,000,000.00)	-
Loans Receivable - DWRF State Match YTD Balance		<u>\$ 10,648,357.69</u>

<u>Interim Loans Receivable</u>	<u>Budget</u>	<u>Balance</u>
I Loans Receivable 1/1/2022		-
I Loan Funds Drawn	12,000,000.00	907,016.03
I Loan Repayments	(12,000,000.00)	-
I Loans Receivable YTD Balance		<u>\$ 907,016.03</u>

<u>Admin Fee Accounts</u>	<u>1/1/2022 Balance</u>	<u>Misc Additions/ Subtractions</u>	<u>Admin Draws</u>	<u>St Match Loan Payment</u>	<u>11/30/2022 Balance</u>
WPCRF - COLOTRUST	\$ 11,903,796.75	6,378,840.71	(4,495,299.57)	-	\$ 13,787,337.89
DWRF - COLOTRUST	\$ 7,787,519.98	5,159,884.19	(2,210,731.64)	-	\$ 10,736,672.53

<u>SRF Reloan Accounts</u>	<u>Reloan Balance</u>	<u>Project Grant Funds Available</u>	<u>Bond Proceeds Available</u>	<u>Project Costs Payable (obligated)</u>	<u>11/30/2022 Unobligated Funds</u>
WPCRF - COLOTRUST	\$ 110,518,422.57	4,313,400.19	53,108,055.89	(161,419,509.36)	\$ 6,520,369.29
DWRF - COLOTRUST	\$ 105,359,027.36	4,751,845.95	8,266,145.66	(55,406,944.62)	\$ 62,970,074.35

Colorado Water Resources and Power Development Authority
Drinking Water Revolving Fund
Statement of Net Position
As of November 30, 2022

Current Assets:	
Cash and Equivalents	\$ 116,095,700
Federal Grants Receivable	-
Investment Income Receivable	-
Loans Receivable	-
Due From Other Funds	-
Accounts Receivable-Borrowers	-
Other Assets	-
Restricted Assets:	
Cash and cash equivalents	-
Investments	-
Investment income receivable	-
Total Current Assets	<u>116,095,700</u>
Noncurrent Assets:	
Restricted Assets:	
Cash and Equivalents	22,342,349
Investments	10,207,340
Investment Income Receivable	-
Loans Receivable	332,238,038
Other Assets	-
Total Noncurrent Assets	<u>364,787,727</u>
Total Assets	<u>480,883,427</u>
Deferred Outflows-Refundings	155,602
Current Liabilities:	
Project Costs Payable - Current	-
Bonds Payable	-
Accrued Interest Payable	-
Accounts Payable-Borrowers	1,171,647
Due to Other Funds	-
Accounts Payable-Other	-
Other Liabilities	-
Total Current Liabilities	<u>1,171,647</u>
Noncurrent Liabilities:	
Project Costs Payable - Long Term	55,406,945
Advance Payable	10,648,358
Bonds Payable, net	63,085,000
Other Liabilities	1,684,941
Total Noncurrent Liabilities	<u>130,825,243</u>
Total Liabilities	<u>131,996,890</u>
Fund Net Position:	
Invested in Capital Assets	-
Restricted	349,042,138
Unrestricted	-
Total Fund Net Position	<u>\$ 349,042,138</u>

Colorado Water Resources and Power Development Authority
 Drinking Water Revolving Fund
 Statement of Changes in Net Position
 November 30, 2022

Operating Revenues:	
Interest on Loans	\$ 1,293,855
Interest on Investments	1,392,652
Administrative Fee	3,069,729
EPA Grants	4,273,049
Total Operating Revenues	<u>10,029,286</u>
Operating Expenses:	
Interest on Bonds	1,828,355
Grant Administration	1,425,292
EPA Set Asides	3,731,550
Principal Forgiven	5,270,168
Other	10,000
Total Operating Expenses	<u>12,265,364</u>
Operating Income	(2,236,079)
EPA Capitalization Grants	6,343,314
Grants From The State	3,555,000
Operating Transfers In/(Out)	153,473
Change in Net Position	<u>7,815,708</u>
Fund Net Position-Beginning of Year	<u>341,226,430</u>
Fund Net Position-End of Year	<u>\$ 349,042,138</u>

Colorado Water Resources and Power Development Authority
Water Pollution Control Revolving Fund
Statement of Net Position
As of November 30, 2022

Current Assets:	
Cash and Equivalents	\$ 124,305,760
Federal Grants Receivable	-
Investment Income Receivable	-
Loans Receivable	-
Due From Other Funds	-
Accounts Receivable-Borrowers	-
Other Assets	-
Restricted Assets:	
Cash and cash equivalents	-
Investments	-
Investment income receivable	-
Total Current Assets	<u>124,305,760</u>
Noncurrent Assets:	
Restricted Assets:	
Cash and Equivalents	87,633,786
Investments	-
Investment Income Receivable	-
Loans Receivable	631,520,096
Other Assets	-
Total Noncurrent Assets	<u>719,153,882</u>
Total Assets	<u>843,459,643</u>
Deferred Outflows-Refundings	996,503
Current Liabilities:	
Project Costs Payable - Current	-
Bonds Payable	-
Unearned Revenue	-
Accrued Interest Payable	-
Accounts Payable-Borrowers	1,142,814
Due to Other Funds	-
Accounts Payable-Other	-
Other Liabilities	-
Total Current Liabilities	<u>1,142,814</u>
Noncurrent Liabilities:	
Project Costs Payable - Long Term	161,419,509
Advance Payable	1,851,200
Bonds Payable, net	178,105,000
Unearned Revenue	349,486
Other Liabilities	7,911,800
Total Noncurrent Liabilities	<u>349,636,996</u>
Total Liabilities	<u>350,779,810</u>
Fund Net Position:	
Invested in Capital Assets	-
Restricted	493,676,335
Unrestricted	-
Total Fund Net Position	<u>\$ 493,676,335</u>

Colorado Water Resources and Power Development Authority
Water Pollution Control Revolving Fund
Statement of Changes in Net Position
November 30, 2022

Operating Revenues:	
Interest on Loans	\$ 3,456,578
Interest on Investments	1,643,986
Administrative Fee	3,762,965
EPA Grants	370,240
Other	3,350
Total Operating Revenues	<u>9,237,119</u>
Operating Expenses:	
Interest on Bonds	4,659,234
Grant Administration	2,025,781
Principal Forgiven	239,571
Other	18,300
Total Operating Expenses	<u>6,942,886</u>
Operating Income	2,294,234
EPA Capitalization Grants	6,211,494
Grants From The State	1,423,600
Operating Transfers In/(Out)	<u>(153,473)</u>
Change in Net Position	9,775,854
Fund Net Position-Beginning of Year	<u>483,900,481</u>
Fund Net Position-End of Year	<u>\$ 493,676,335</u>

Colorado Water Resources and Power Development Authority
Water Revenue Bonds Program
Statement of Net Position
As of November 30, 2022

Current Assets:	
Cash and Equivalents	\$ -
Investment Income Receivable	-
Loans Receivable	-
Due From Other Funds	-
Accounts Receivable-Borrowers	-
Other Assets	-
Restricted Assets:	
Cash and cash equivalents	-
Investments	-
Investment income receivable	-
Total Current Assets	<u>-</u>
Noncurrent Assets:	
Restricted Assets:	
Cash and Equivalents	7,722,282
Investments	-
Investment Income Receivable	-
Loans Receivable	27,825,000
Other Assets	<u>86,533</u>
Total Noncurrent Assets	<u>35,633,814</u>
Total Assets	<u>35,633,814</u>
Deferred Outflows-Refundings	205,337
Current Liabilities:	
Project Costs Payable - Current	-
Bonds Payable	-
Accrued Interest Payable	-
Accounts Payable-Borrowers	93,522
Due to Other Funds	-
Accounts Payable-Other	-
Other Liabilities	-
Total Current Liabilities	<u>93,522</u>
Noncurrent Liabilities:	
Project Costs Payable - Long Term	6,216,662
Bonds Payable, net	27,970,000
Debt Service Reserve Deposit	1,136,700
Other Liabilities	-
Total Noncurrent Liabilities	<u>35,323,362</u>
Total Liabilities	<u>35,416,885</u>
Fund Net Position:	
Invested in Capital Assets	-
Restricted	422,266
Unrestricted	-
Total Fund Net Position	<u>\$ 422,266</u>

Colorado Water Resources and Power Development Authority
 Water Revenue Bonds Program
 Statement of Changes in Net Position
 November 30, 2022

Operating Revenues:	
Interest on Loans	\$ 763,849
Total Operating Revenues	763,849
Operating Expenses:	
Interest on Bonds	721,190
Total Operating Expenses	721,190
Operating Income	42,659
Change in Net Position	42,659
Fund Net Position-Beginning of Year	379,607
Fund Net Position-End of Year	\$ 422,266

Current Assets:	
Cash and Equivalents	
Federal Grants Receivable	
Investment Income Receivable	
Loans Receivable	1,605,000.00
Leases Receivable	
Due From Other Funds	
Accounts Receivable-Borrowers	434,159.65
Interest Receivable-Leases	
Other Assets	
Restricted Assets:	
Cash and cash equivalents	6,334,190.38
Investments	
Investment income receivable	26,913.14
Total Current Assets	<u>8,400,263.17</u>
Noncurrent Assets:	
Restricted Assets:	
Cash and Equivalents	1,136,700.02
Investments	
Investment Income Receivable	0.00
Advance Receivable	
Loans Receivable	26,220,000.00
Leases Receivable	
Water Depletion Rights-ALP	
Capital Assets-Equipment, Net of Accumulated Depreciation	
Lease Assets	
Other Assets	81,141.05
Total Noncurrent Assets	<u>27,437,841.07</u>
Total Assets	<u>35,838,104.24</u>
Deferred Outflows-Refundings	188,188.69
Deferred Outflows-Pension	
Deferred Outflows-OPEB	
Current Liabilities:	
Project Costs Payable - Current	6,216,662.45
Bonds Payable	1,605,000.00
Unearned Revenue	
Lease Liability	
Accrued Interest Payable	350,561.46
Accounts Payable-Borrowers	144,441.07
Interest Payable-Leases	
Due to Other Funds	
Accounts Payable-Other	
Other Liabilities	
Total Current Liabilities	<u>8,316,664.98</u>
Noncurrent Liabilities:	
Project Costs Payable - Long Term	0.00
Advance Payable	
Bonds Payable, net	26,220,000.00
Unearned Revenue	
Lease Liability	
Pension Liability	
HCTF Liability	
Debt Service Reserve Deposit	1,136,700.02
Other Liabilities	
Total Noncurrent Liabilities	<u>27,356,700.02</u>
Total Liabilities	<u>35,673,365.00</u>
Deferred Inflows-Refundings	
Deferred Inflows-Pension	
Deferred Inflows-OPEB	
Deferred Inflows-Leases	
Fund Net Position:	
Invested in Capital Assets	
Restricted	352,927.93
Unrestricted	
Total Fund Net Position	<u>352,927.93</u>

Colorado Water Resources and Power Development Authority
Water Revenue Bonds Pgm
Statement of Changes in Net Position
As of December 31, 2022

Operating Revenues:	
Interest on Loans	<u>1,198,008.36</u>
Total Operating Revenues	<u>1,198,008.36</u>
Operating Expenses:	
Interest on Bonds	1,219,295.91
Bond Issuance Expense	<u>5,391.53</u>
Total Operating Expenses	<u>1,224,687.44</u>
Operating Income	(26,679.08)
Change in Net Position	<u>(26,679.08)</u>
Fund Net Position-Beginning of Year	<u>379,607.01</u>
Fund Net Position-End of Year	<u><u>352,927.93</u></u>



**COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY
EXECUTIVE DIRECTOR'S REPORT
March 3, 2023, Board Meeting**

ACTIVITIES SINCE LAST MEETING

1. On January 26, Director Chris Treese, appointee Bruce Whitehead and I successfully attended the confirmation hearing in Senate Agriculture and Natural Resources. On Jan. 31, a motion was made in the full Senate to appoint Bruce Whitehead and reappoint Director Treese to the CWRPDA Board, and the motion passed 34-0.
2. On January 27, Director Treese, Michael Beck and I attended a virtual meeting with Representative Velasco to discuss funding for Trailer Park Communities within the Representative's District 57 (Eagle, Garfield, Pitkin).
3. On January 30, February 13, 21, I attended the [Colorado Water Congress State Affairs Committee](#).
4. On February 1, Authority staff and I met with EPA region 8 representative, Jennifer Berig, to ensure that a Forvis proposed change in principal forgiveness accounting were not in conflict with EPA. According to EPA, each State has the discretion to record and report BIL and base principal forgiveness funds.
5. On February 2, Justin Noll and I met with MyTech to discuss Cybersecurity Insurance and other related security measures.
6. On February 2, Jim Griffiths and I met with Arkansas Valley Conduit (AVC) engineering consultant Jason Meyer of GMS, and [Southeastern Colorado Water Conservancy District's](#) Kevin Meador and Mark Scott.
7. On February 2, 9, 16, 23 Jim Griffiths, Wes Williams and I attended virtual Bipartisan Infrastructure Law (BIL) steering meetings with the Water Quality Control Division (WQCD) and the Department of Local Affairs (DOLA).
8. On February 2, I testified and provided written material in Senate Agriculture and Natural Resources in support of [HJR 23-1007](#), Water Projects Eligibility List. Our resolution was well received and passed unanimously. Our resolution passed the third reading in the Senate on February 7, was signed by the Senate President, and the Speaker of the House and sent to the Governor on February 16 for signature.
9. On February 3, I attended the Colorado Water Congress Federal Affairs Committee.
10. On February 3, Jim Griffiths and I attended a meeting with several of Senator Bennett's staff to discuss direct appropriations and the impact on Colorado's SRFs.
11. On February 3, Sabrina Speed attended a Society of Human Resources Management conference in Denver.
12. On February 7, Accounting and I attended a virtual meeting with the CWRPDA's auditor FORVIS to discuss BIL and base principal forgiveness recording and reporting.
13. On February 8, Jim Griffiths discussed a recent Colorado Open Records Act (CORA) request with CWRPDA's general Counsel, Karl Ohlsen.
14. On February 9, Jim Griffiths and I discussed the Arkansas Valley Conduit (AVC) funding with Karl Ohlsen.
15. On February 10, I attended a [Council of Infrastructure Financing Authorities \(CIFA\)](#) Board of Directors meeting.
16. On February 10, I attended a meeting with the Brighton Housing Authority's Executive Director, Debbie Bristol.
17. On February 10, Jim Griffiths and I met with Kirk Russell of the Colorado Water Conservation Board (CWCB) to discuss AVC funding.
18. On February 13, I attended a Colorado Water Congress Board of Directors meeting.
19. On February 14, I met with the State Revolving Fund (SRF) Committee to discuss potential policy recommendations.

20. On February 14, I had a conference call with Town of Gypsum's attorney, Bob Cole, regarding SRF funding limitations.
21. On February 16, I attended a CIFA Policy Committee meeting. The meeting was focused on EPA's potential reallocation formula for Lead Service Line distribution.
22. On February 17, Wes Williams, Ian Loffert and I attended a virtual meeting with CWRPDA's financial advisor Guy Nagahama, to discuss potential Arkansas Valley Conduit (AVC) financing structures.
23. On February 22, I attended a Board Nominating Committee meeting to discuss potential CWRPDA Board officers and Board Committee assignments.
24. On February 22, I attended a Cybersecurity webinar hosted by FORVIS.
25. On February 23, I attended a 2023 Benefits and Compliance Webinar hosted by HUB.
26. On February 24, Jim Griffiths and I attended a virtual meeting with the Iowa State Revolving Fund program to discuss [SWIFIA funding](#).

FUTURE ACTIVITIES

1. On February 27, CWRPDA finance staff and I will attend the Project Finance Committee meeting.
2. On March 2, CWRPDA staff, SRF staff and I will attend the Board Program Work Session (BPWS).
3. On March 3, CWRPDA staff, SRF staff and I will attend the CWRPDA Board meeting.

FUTURE MEETINGS

April 20, 2023 – Board Program Work Session (Time-TBD, Denver with virtual option).

April 21, 2023 – Board meeting (9:00 a.m., Denver with virtual option).

June 1-2, 2023 – Board meeting (9:00 a.m., Crested Butte), Board program Work Session- if necessary (Time TBD, Crested Butte).

August 22-23, 2023 – Board meeting and potential Board Retreat in Steamboat Springs, in conjunction with the Colorado Water Congress Summer Conference (Time TBD).

Remaining 2023 tentative Board Program Work Session and Board meeting schedule [linked here](#).



For Immediate Release: February 1, 2023

Patti Wells awarded prestigious 2023 Aspinall Award

Presented by the Colorado Water Congress

Denver – Feb. 1, 2023- The Colorado Water Congress awarded Patti Wells, the first woman to be named Denver City Attorney and the first woman to be the lead lawyer for Colorado’s largest water provider, the 2023 Wayne N. Aspinall “Water Leader of the Year’ Award.

The Aspinall Award is given annually in recognition of a career of service and contribution to Colorado’s water community. It is awarded to a person who has dedicated a significant part of his or her career to the advancement of the state and its programs to protect, develop and preserve the state’s water resources.

The previous Aspinall Award winners and Colorado Water Congress officers selected Wells for this award.

About Patti Wells

In addition to being the first female Denver City Attorney, Ms. Wells served as the City Attorney and Deputy City Attorney for the City and County of Denver for nine years. She spent the rest of her career serving as General Counsel for Denver Water from 1991 to 2018. There, she worked to develop, protect, and preserve the water supply for Colorado’s largest and oldest water utility, which provides drinking water to approximately one quarter of the state’s population.

In addition to her accomplished career at Denver Water, Ms. Wells served on the Colorado Water Conservation Board under two different governors, where she played a key role in developing Colorado’s Water Plan. She also served the state as a member of the Colorado Water Quality Control Commission where she helped establish water quality standards to protect public health and the environment, and served as a board member of the Colorado Water Trust.

About the Wayne N. Aspinall Award

The Colorado Water Congress presents the prestigious Wayne N. Aspinall Award annually to a Coloradan who has long demonstrated courage, dedication, knowledge and leadership in the development, protection and preservation of Colorado water - those attributes possessed by Mr. Aspinall. The late Wayne Aspinall, a lawyer and former member of the U.S. House of Representatives, remains one of the most influential water leaders in Colorado history.

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Information Systems Policy, version 2.0.0

Status: Working Draft Approved Adopted
 Last Review Date: January 25, 2023

Information Systems Policy

Purpose

The purpose of the Colorado Water Resources & Power Development Authority (“CWRPDA”) Information Systems Policy is to establish acceptable practices regarding the use of CWRPDA **Information Resources** (“Information Resources” is defined as but not limited to the storing, processing and transmitting of any data, verbally, virtually, paper, digitally) in order to protect the confidentiality, integrity and availability of information created, collected, and maintained by the CWRPDA.

Audience

The CWRPDA Information Systems Policy applies to any individual, entity, or process that interacts with any CWRPDA Information Resources.

Contents

Acceptable Use	Mobile Devices and Bring Your Own Device (BYOD)
Access Management	Physical Security
Authentication/Passwords	Privacy
Clear Desk/Clear Screen	Removable Media
Data Security	Security Training and Awareness
Email and Electronic Communication	Social Media
Hardware and Software	CWRPDA Voice Mail
Internet	Incidental Use

Policy

Acceptable Use

- Personnel are responsible for complying with CWRPDA policies when using CWRPDA Information Resources **at all times**.
- Personnel must promptly report the theft, loss, or unauthorized disclosure of CWRPDA confidential or internal information to your department manager.

Personnel must not purposely engage in any activity using CWRPDA Information Resources that may

- Harass, threaten, or abuse others;
 - Degrade the performance of CWRPDA Information Resources;
 - Deprive authorized CWRPDA personnel access to a CWRPDA Information Resource;
 - Obtain additional IT resources beyond those approved by CWRPDA Management (“CWRPDA Management” is defined as Executive Director, Finance Director, Office Manager, Controller);
 - Circumvent CWRPDA computer security measures.
- Personnel must not download, install, or run security programs or utilities that reveal or exploit weakness in the security of a system. For example, CWRPDA personnel should not run password cracking programs, packet sniffers, port scanners, or any other non-approved programs on any CWRPDA Information Resource.
 - All inventions, intellectual property, and proprietary information, including reports, drawings, blueprints, software codes, computer programs, data, writings, and technical information, developed on CWRPDA time and/or using CWRPDA Information Resources are the property of CWRPDA.
 - Use of encryption must be managed in a manner that allows designated CWRPDA personnel to promptly access all data.
 - CWRPDA Information Resources are provided to facilitate company business and must not be used for personal financial gain.
 - Personnel must cooperate with all incident investigations, including but not limited to any federal or state investigations.
 - Personnel must respect and comply with all legal protections provided by patents, copyrights, trademarks, and intellectual property rights for any software and/or materials viewed, used, or obtained using CWRPDA Information Resources.
 - Personnel must not intentionally access, create, store or transmit material that CWRPDA deems to be offensive, indecent, or obscene.

Access Management

- Personnel are permitted to use only those network and host addresses issued to them and must not attempt to access any data or programs contained on CWRPDA systems for which they do not have authorization or explicit consent.
- All remote access connections made to internal CWRPDA networks and/or environments must be made through approved and CWRPDA-provided virtual private networks (VPNs), and remote desktop server.
- Personnel must not divulge any access information to anyone not specifically authorized to receive such information.
- Personnel must not share their CWRPDA authentication information unless such sharing is expressly approved in advance by CWRPDA Management, including:
 - Account passwords,
 - Personal Identification Numbers (PINs),

- Access cards, keys and door codes,
- Digital certificates,
- Similar information or devices used for identification and authentication purposes.
- Lost or stolen access cards, door codes, and keys must be reported to your department manager as soon as practical.
- A service charge may be assessed for access cards and/or keys that are lost, stolen, or are not returned.

Authentication/Passwords

- All personnel are required to maintain the confidentiality of personal authentication information.
- CWRPDA Management encourages the use of password management software (LastPass as one example) for password management.
- Any group/shared authentication information must be maintained solely among the authorized members of the group.
- All passwords, including initial and/or temporary passwords, must be constructed and implemented according to the following CWRPDA rules:
 - Must not be easily tied back to the account owner by including readily-identifiable information, such as: user name, social security number, nickname, relative's names, birth date, etc.
 - Should not include only common words, such as dictionary words or acronyms.
 - Should not be the same passwords as used for non-business purposes.
 - Use of numbers and special characters is recommended (*&^%\$#).
 - Use of upper and lower case recommended.
- Unique passwords should be used for each system.
- User account passwords must not be divulged to anyone outside CWRPDA staff and IT contractors.
- Passwords must be provided to authorized CWRPDA Management on demand or upon termination of the relationship with CWRPDA.
- If the security of a password is in doubt, the password should be changed immediately.

Clear Desk/Clear Screen

- Personnel must log off from applications, files or network services when they are no longer needed.
- Personnel must log off or lock their workstations and laptops when their workspace is unattended.
- Confidential or internal information must be removed or placed in a locked drawer or file cabinet when the workstation is unattended and at the end of the workday if physical access to the workspace cannot be secured by other means.
- Personal items, such as phones, wallets, purses and keys, should be removed or placed in a locked drawer or file cabinet when the workstation is unattended.

- File cabinets containing confidential information must be locked when not in use or when unattended.
- Physical and/or electronic keys used to access confidential information must not be left on an unattended desk or in an unattended workspace if the workspace itself is not physically secured.
- Passwords must not be posted on or under a computer or in any other physically accessible location.
- Copies of documents containing confidential information must be removed immediately from printers and fax machines by the employee that is initiating the printing/faxing.

Data Security

- Confidential information transmitted via USPS or other mail service must be secured. Packages that are delivered outside of the office, when the office is closed, will be secured as soon as practical.
- Only authorized cloud computing applications may be used for sharing, storing, and transferring confidential or internal information. Confidential or internal information must only be shared with, or transferred to, other individuals or entities which are authorized by CWRPDA Management to receive such information.
- Information must be shared, handled, transferred, saved, and destroyed appropriately, based on the information sensitivity.
- Confidential information must be transported either by a CWRPDA employee or a courier approved by CWRPDA Management.
- All electronic media containing confidential information must be securely disposed. Please contact CWRPDA Management for guidance or assistance.

Email and Electronic Communication

- Forwarding of electronic messages containing confidential information outside the CWRPDA internal systems is prohibited.
- Electronic communications must not misrepresent the originator or CWRPDA.
- Personnel are responsible for the accounts assigned to them and for the actions taken with their accounts.
- CWRPDA Employees must not use personal email accounts to send or receive CWRPDA confidential information.
- Any personal use of CWRPDA provided email must not:
 - Involve solicitation.
 - Be associated with any political entity.
 - Have the potential to harm the reputation of CWRPDA.
 - Forward chain emails.
 - Contain or promote anti-social or unethical behavior.
 - Violate local, state, federal, or international laws or regulations.
 - Result in unauthorized disclosure of CWRPDA confidential information.
 - Attack, hack or limit service on any other systems on the internet.
- Personnel must send confidential information using secure electronic messaging solutions only.

- When emailing personal documents (pay stubs, W-2s, medical forms etc) that contain personal information, employees will make efforts to limit the amount of personal information contained in the transmittal.
- Personnel must use caution when responding to, clicking on links within, or opening attachments included in electronic communications.
- Personnel must use discretion in disclosing confidential or internal information including but not limited to “Out-of-Office” or other automated responses, such as employment data or other sensitive data.

Hardware and Software

- All hardware must be approved by CWRPDA Management before being connected to CWRPDA networks.
- Software installed on CWRPDA equipment must be approved by CWRPDA Management.
- All CWRPDA assets taken off-site should be physically secured at all times.
- Employees must not allow family members or other non-employees to access CWRPDA Information Resources unless otherwise approved by the Executive Director.

Internet

- The Internet must not be used to communicate CWRPDA confidential or internal information, unless the confidentiality and integrity of the information is ensured and the identity of the authorized recipient(s) is established.
- Use of the Internet with CWRPDA networking or computing resources shall be for business-related activities. However, incidental use of the internet or CWRPDA information systems is allowed while on personal time. Incidental use is acceptable as long as it does not consume more than a trivial amount of resources, does not interfere with productivity, and does not preempt any business activity. Unapproved activities include, but are not limited to:
 - Recreational games,
 - Accessing or distributing pornographic or sexually oriented materials,
 - Accessing or distributing racist, violent or other potentially offensive material,
 - Broadcasting personal views on social, political or religious issues,
 - Attacking, hacking or limiting service on any other systems on the internet,
 - Attempting or making unauthorized entry to any network or computer accessible from the Internet.
- Streaming media or audio will be limited or eliminated if it is impairing or impacting the CWRPDA network.
- Access to the Internet from outside the CWRPDA network using a CWRPDA owned computer, laptop or tablet must adhere to all of the same policies that apply to use from within CWRPDA facilities.

Mobile Devices and Bring Your Own Device (BYOD)

- The use of a personally-owned mobile device to connect to the CWRPDA network is a revocable privilege granted to employees upon approval of CWRPDA Management.
- All personally-owned laptops and/or workstations must have approved virus and spyware detection/protection software along with personal firewall protection active and updated in a frequency consistent with the developers' recommendations.
- CWRPDA confidential information should not be stored on any personally-owned mobile device.
- Theft or loss of any mobile device that has been used to create, store, or access confidential or internal information must be reported to the CWRPDA Management immediately.
- All mobile devices must maintain up-to-date versions of all software and applications.
- All personnel are expected to use mobile devices in an ethical manner.
- Jail-broken or rooted devices should not be used to connect to CWRPDA Information Resources.
- In the event that there is a suspected incident or breach **associated with a CWRPDA device**, it may be necessary to remove the device from the personnel's possession as part of a formal investigation.
- All mobile device usage in relation to CWRPDA Information Resources may be monitored at the discretion of CWRPDA Management.
- CWRPDA IT support for personally-owned mobile devices is limited to assistance in complying with this policy.
- Use of personally-owned devices must be in compliance with all other CWRPDA policies.
- CWRPDA reserves the right to revoke the privilege of using personally-owned mobile devices for CWRPDA purposes in the event that personnel do not abide by the requirements set forth in this policy.
- Texting or emailing while driving is not permitted while on company time or when using CWRPDA resources. Only hands-free talking while driving is permitted while on company time or when using CWRPDA resources.

Physical Security

- Visitors must be accompanied by authorized personnel.
- Eating or drinking is not allowed in the server room. Caution must be used when eating or drinking near workstations or information processing facilities.

Privacy

- Information created, sent, received, or stored on CWRPDA Information Resources is not private and may be accessed by CWRPDA Management at any time, under the direction of CWRPDA Executive Director, without knowledge of the user or resource owner.
- CWRPDA may log, review, and otherwise utilize any information stored on or passing through its Information Resource systems.
- Systems Administrators, CWRPDA Management, and other authorized CWRPDA personnel may have privileges that extend beyond those granted to standard business personnel. Personnel with extended privileges should not access files and/or other information that is not specifically required to carry out an employment-related task.

- The Executive Director may grant limited Information System access to CWRPDA vendors such as auditors. Access will be limited to what is needed to perform specific work.

Removable Media

- The use of removable media for storage of CWRPDA information must be supported by a reasonable business case.
- All removable media use must be approved by CWRPDA Management prior to use.
- Personally-owned removable media use is not permitted for storage of CWRPDA information.
- Personnel are not permitted to connect removable media without prior approval from CWRPDA management.
- Confidential and internal CWRPDA information should not be stored on removable media without the use of encryption.
- The loss or theft of a removable media device that may have contained CWRPDA information must be reported as soon as possible to the CWRPDA Management.

Security Training and Awareness

- All new personnel must complete an approved security awareness training class prior to, or at least within 10 days of, being granted access to any CWRPDA Information Resources.
- All personnel must be provided with and acknowledge they have received and agree to adhere to the CWRPDA Information Security Policies before they are granted access to CWRPDA Information Resources.
- All personnel must complete security awareness training no less than four times a year.

Social Media

- Communications using social media should be made in compliance with all applicable CWRPDA policies.
- Personnel are personally responsible for the content they publish online.
- Creating any public social media account intended to represent CWRPDA, including accounts that could reasonably be assumed to be an official CWRPDA account, requires the permission of the CWRPDA Executive Director.
- When discussing CWRPDA or CWRPDA -related matters, you should:
 - Identify yourself by name,
 - Identify yourself as an CWRPDA representative, and
 - Make it clear that you are speaking for yourself and not on behalf of CWRPDA, unless you have been explicitly approved to do so.
- Personnel should not misrepresent their role at CWRPDA.
- When publishing CWRPDA -relevant content online in a personal capacity, a disclaimer should accompany the content. An example disclaimer is: “The opinions and content are my own and do not necessarily represent CWRPDA’s position or opinion. The mere appearance or participation by CWRPDA personnel, in any capacity, does not constitute an endorsement of the

opinions and content by the CWRPDA, and the CWRPDA cannot be held liable for the opinions and content contained herein.”

- Content posted online should not violate any applicable laws (i.e. copyright, fair use, financial disclosure, or privacy laws).
- The use of discrimination (including age, sex, race, color, creed, religion, ethnicity, sexual orientation, gender, gender expression, national origin, citizenship, disability, or marital status or any other legally recognized protected basis under federal, state, or local laws, regulations, or ordinances) in published content that is affiliated with CWRPDA will not be tolerated and is prohibited.
- Confidential information, internal communications and non-public financial or operational information may not be published online in any form.

CWRPDA Voice Mail

- Personnel must not disclose confidential or internal information in voice mail greetings, such as employment data or other sensitive data.
- Personnel must not access another user’s voicemail account unless it has been explicitly authorized by CWRPDA Management or voicemail’s user.

Incidental Use

- As a convenience to CWRPDA personnel, incidental use of Information Resources is permitted. The following restrictions apply:
 - Incidental personal use of electronic communications, Internet access, fax machines, printers, copiers, and so on, is restricted to CWRPDA approved personnel; it does not extend to family members or other acquaintances unless approved by the Executive Director.
 - Incidental use should not result in direct costs to CWRPDA.
 - Incidental use must not interfere with the normal performance of an employee’s work duties.
 - No files or documents may be sent or received that may cause legal action against, or embarrassment to, CWRPDA or its customers.
 - Incidental use must adhere to all policies/ directives contained herein.
- Storage of personal email messages, voice messages, files and documents within CWRPDA Information Resources must be nominal.
- All information located on CWRPDA Information Resources is owned by CWRPDA, may be subject to open records requests, and may be accessed in accordance with this policy.

Waivers

Waivers from certain policy provisions may be approved by CWRPDA Executive Director.

Enforcement

Personnel found to have violated this policy are subject to disciplinary action, up to and including termination of employment, and related civil or criminal penalties.

Any vendor, consultant, or contractor found to have violated this policy is subject to sanctions up to and including removal of access rights, termination of contract(s), and related civil or criminal penalties.

Review

The Information Systems Use Policy shall be formally approved and adopted by the Authority's Board of Directors and reviewed annually. Any modifications to the Policy shall be reflected in the **Version History** of said document.

Version History

Version	Modified Date	Approved Date	Approved By	Reason/Comments
1.0.0	N/A	Jan. 30, 2019	BOD	Original adoption
1.1.0	N/A	January 29, 2020	BOD	Annual Review
1.2.0	January 29, 2021	January 29, 2021	BOD	Clean up items and Annual Review
1.3.0	January 26, 2022	January 26, 2022	BOD	Clean up items and Annual Review
2.0.0	March 3, 2023	TBD	TBD	Changes and Annual Review



COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

The Amp - Suite 820, 1580 N Logan Street, Denver, Colorado 80203-1939
303/830-1550 · Fax 303/832-8205 · info@cwrpda.com

MEMORANDUM

February 27, 2023

TO: Project Finance Committee and Karl Ohlsen

FROM: Jim Griffiths, Finance Director
Ian Loffert, Sr. Financial Analyst II

RE: Review of the St. Mary's Glacier Water and Sanitation District - Supplemental DAC Base Direct Loan Request
Drinking Water Revolving Fund ("DWRF")

The Division of Local Government has forwarded to the DWRF Committee its analysis of the above listed project. The DWRF Committee, composed of representatives from the Division of Local Government, the Water Quality Control Division, and the Authority, has reviewed the technical and financial aspects of the proposed project and agreed to forward the request to the Authority's Project Finance Committee with the following recommendation:

St. Mary's Glacier Water and Sanitation District

On October 5, 2018, the Authority Board of Directors approved the St. Mary's Glacier Water and Sanitation District ("the District") for a Disadvantaged Communities Base direct loan through the DWRF loan program. The loan was subsequently executed on December 27, 2018, in the amount of \$1,800,000 plus \$1,200,000 of principal forgiveness for a term of up to 30 years at an interest rate of 0.00%. The project scope has not changed and consists of new well and well improvements, treatment, and distribution system improvements.

Due to higher than anticipated construction costs, the District is seeking a supplemental Disadvantaged Communities Base direct loan through the DWRF loan program in the amount of \$200,000 plus \$300,000 of principal forgiveness. The District's project was authorized by HJR 11-1008.

Recommendation

Based on the attached 2023 DWRF credit report update and the 2018 DWRF credit report, staff recommends that the Project Finance Committee forward to the Board a recommendation authorizing staff to begin negotiating a DWRF Disadvantaged Communities direct loan with the District in the amount of \$200,000 plus \$300,000 of principal forgiveness. The loan will be for a term of up to 30 years, at an interest rate of 0.00%. The Board will consider this request on March 3, 2023.

Note: A Zoom conference call has been scheduled for Monday, 9:00 a.m. February 27, 2023. The link to join via online is: <https://us06web.zoom.us/j/84283811765?pwd=cXorWVVRzJ5eFh4blZtZUJNM3NoUT09>. If you prefer to dial-in, the call-in number is: **1-669-900-6833**, and the Meeting ID is **842 8381 1765**. The passcode is: **020871**.

Attachments: St. Mary's Glacier Water and Sanitation District 2023 DWRF Credit Report Update and 2018 Credit Report

DWRF LOAN CREDIT REPORT

St. Mary's Glacier Water and Sanitation District ("the District"), Clear Creek County

Recommendation:	APPROVAL
Loan Request:	\$500,000
Interest Rate & Term:	0%, 30 years
Annual Debt Service:	\$6,667
Pledge:	Water and sewer revenue
Current Rate:	\$110 (water), \$110 (sewer)
Estimated Rate Increase:	\$0.00

<u>Project Budget</u>	
2023 DWRF Principal Forgiveness	\$300,000
2023 DWRF Supplemental Loan	\$200,000
2019 DWRF Principal Forgiveness	\$1,200,000
2018 DWRF Original Loan	\$1,800,000
2017 Planning Grant	\$10,000
2018 D&E Grant	\$300,000
2019 EIAF Award	\$1,000,000
Reserves	\$351,677
Total	\$5,161,677

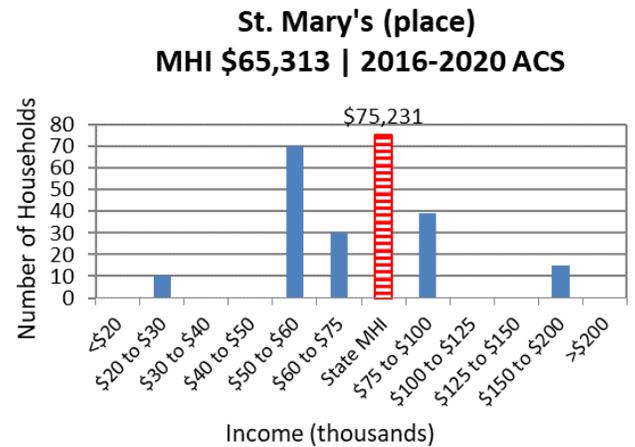
PROJECT DESCRIPTION: The project consists of well improvements, treatment, and distribution system improvements. The distribution system improvements include the replacement and repair of distribution lines, installation of a pump station, improvements to the storage tank and yard piping, and rehabilitation of pressure-reducing valves.

COMMUNITY PROFILE:

St. Mary's Glacier Water and Sanitation District

	2017	2018	2019	2020	2021	2022	Avg. Annual Change
District Population	766	771	778	788	788		0.69%
Clear Creek County Population	9,427	9,385	9,414	9,394	9,449		0.06%
Clear Creek County Jobs	4,116	4,248	4,374	3,915	4,161		0.27%
Number of Water Taps		309	311	315	315	320	0.88%
Number of Sewer Taps		309	311	315	315	320	0.88%
Assessed Value (\$000)		5,955	5,953	7,243	7,294	8,814	10.30%
Actual Value (\$000)		57,491	57,524	71,922	72,684	88,161	11.28%

BORROWER BRIEF: The District is located in the mountains of Clear Creek County, roughly 10 miles northwest of Idaho Springs and 45 miles west of Denver.



RECOMMENDATION: The District serves a remote, mountain community in Clear Creek County. The District executed a DWRF loan in 2018, but due to higher than anticipated material costs, the District is requesting a supplemental loan of \$500,000 to complete its existing project and return its water system to compliance. The proposed loan is affordable for the District. Therefore, we recommend the DWRF Committee approve a \$200,000 direct loan and \$300,000 in principal forgiveness to the District.

PROJECT SUMMARY:

System summary: The District owns and maintains four wells, associated wellhead water treatment facilities, a 250,000-gallon finished water storage tank, and an extensive water distribution system to serve the estimated 307 water taps within the District. There are approximately 44,000 feet of line and 20,000 feet of service lines. Per District statute, the District owns and maintains the service lines. The community was developed in the 1960s and has nearly 300 undeveloped lots spread out through the 600-acre District.

Reason/need: District source water wells were reclassified as GWUDI (Ground Water Under Direct Influence of Surface Water), which requires additional treatment and/or drilling for a new water source. In addition, the system has excessive distribution leakage with 65% of water unaccounted for (reduced to estimated 46% based on the last sanitary survey), and tank and line freezing in the winter due to what is suspected to be an improperly bedded and installed initial distribution system at the time the community was developed. This supplemental funding request is required to complete the originally funded project due to higher than anticipated material costs.

System Compliance: The District was issued an enforcement order on October 17, 2019 to address high leakage rates in the distribution system and to install surface water treatment to address source water wells that were re-classified as GWUDI. On January 10, 2023, a second enforcement order was issued to the District for failure to complete in a timely manner the milestones required in the 2019 enforcement order, and for failure to install optimal corrosion control treatment in order to maintain compliance with lead and copper regulations. The District has been working with the CDPHE drinking water compliance section regarding the enforcement orders and has a compliance schedule to install surface water treatment and optimal corrosion control treatment by April 10, 2023. The District confirmed they are on track to complete installation of surface water treatment and optimal corrosion control to address those items in the enforcement order. Additionally, the District has worked with the CDPHE drinking water compliance section to develop an approved long-term distribution system improvement plan to address the high distribution system leakage rates. The long-term plan will be carried out to maintain compliance with the enforcement order requirements.

Project Delivery Method: Design/Bid/Build. This project commenced construction on May 1, 2019, and is seeking supplemental funding in order to complete the project.

Contingency: 11.5% of the total project cost is included as contingency.

Project Useable Life: The project has an estimated useful life of greater than 30 years.

CURRENT INDICATORS:	2019	2020	2021	Weak	Average	Strong
Total Debt per Capita (\$):	49	2,202	2,086	X >\$2,000	___ \$1,000-2,000	___ <\$1,000
Total + New Debt/Capita (\$):			2,340	X >\$2,000	___ \$1,000-2,000	___ <\$1,000
Total Debt/Tap (\$):	122	5,505	5,215	X >\$5,000	___ \$2,500-5,000	___ <\$2,500
Total Debt + New Debt/Tap (\$):			5,850	X >\$5,000	___ \$2,500-5,000	___ <\$2,500
Current W&S Debt/Tap (\$):	122	5,505	5,215	X >\$2,000	___ \$1,000-2,000	___ <\$1,000
Current W&S + New W&S Debt/Tap (\$):			5,850	X >\$2,000	___ \$1,000-2,000	___ <\$1,000
Total Debt/Assessed Value:	0.64%	24%	23%	___ >50%	___ 25-50%	X <25%
Total Debt + New W&S Debt/Assessed Value:			25%	___ >50%	X 25-50%	___ <25%
Total Debt/Actual Value:	0.07%	2.41%	2.26%	___ >10%	___ 5-10%	X <5%
Total Debt + New W&S Debt/Actual Value:			2.54%	___ >10%	___ 5-10%	X <5%
Curr. W&S Debt + New Debt/Tap/MHI:			8.96%	___ >20%	___ 10-20%	X <10%
W&S Fund Current Ratio (CA/CL):	261%	78%	126%	___ <100%	X 100-200%	___ >200%
W&S Fund Reserves/Current Expense:	54%	-22%	47%	X <50%	___ 50-100%	___ >100%
W&S Operating Ratio (OR/OE):	143%	126%	140%	___ <100%	___ 100-120%	X >120%
Coverage Ratio (TR-OE)/DS:	1,041%	334%	487%	___ <110%	___ 110-125%	X >125%
Coverage Ratio (TR-OE)/DS Excluding Tap Fees:	970%	227%	432%	___ <110%	___ 110-125%	X >125%
Coverage Ratio with New Loan:			438%	___ <110%	___ 110-125%	X >125%
Coverage Ratio with New Loan Excluding Tap Fees:			390%	___ <110%	___ 110-125%	X >125%
Current Annual W&S Rates/MHI:			3.49%	X >3.0%	___ 1.5-3.0%	___ <1.5%
Current W&S Rates + New W&S Debt Service/MHI:			3.52%	X >3.0%	___ 1.5-3.0%	___ <1.5%
Operation and Maintenance Reserve:			51%	___ <25%	___ 25-50%	X >50%
TOTAL:			9	2	10	

FINANCIAL ANALYSIS: Of the twenty-one current indicators calculated, ten are rated strong, two are average, and nine are considered weak. Overall, the indicators illustrate a relatively strong water and sewer financial condition, but large community debt burden.

- Based on 2021 financial information, debt service coverage with the proposed loan is 438%. No projected rate increase is necessary for the District to meet the program’s 110% coverage ratio requirement. In the above indicators, the reduced coverage ratio in 2020 is attributed to additional debt service due as a result of the District’s 2018 DWRP loan.

Additional Project Financing

Through the SRF application process, the District received a \$10,000 planning grant and \$300,000 design and engineering grant. The District also received \$1,200,000 in principal forgiveness on its original loan in 2018 and is eligible for an additional \$300,000 in principal forgiveness on the proposed supplemental loan. If awarded, the District would receive a total of \$1,500,000 in principal forgiveness on both the original and supplemental loan, which is below the \$2,000,000 principal forgiveness maximum.

In November 2019, the District also received a \$1,000,000 EIAF award for water system improvements.

DESCRIPTION OF THE LOAN:

A \$200,000 supplemental loan with a 30-year term, two payments annually at an interest rate of 0% will cost the District approximately \$6,667 in debt service annually.

Disadvantaged Community (DAC):

Based on 2016-2020 American Community Survey data, the District met the requirements of a DAC, qualifying under scenario #3. The District also met the criteria for a DAC for their original loan application in 2018.

In order to qualify as a DAC, an applicant must meet one of three scenarios.

- Meets benchmarks for P1, and either P2 or P3
- Meets benchmarks for P1, not for P2 or P3, and meets two or more secondary factors
- P1 is unreliable. Meets benchmarks for P2 and P3, and two or more secondary factors

	Benchmark		Borrower	Met?		Benchmark		Borrower	Met?
P1: MHI	\$60,185	>	\$65,313	U	S1: County MHI	\$60,185	>	\$71,919	N
P2: MHV	\$369,900	>	\$297,375	Y	S2: Population Loss	0.00%	>	N/A	N/A
P3: County Unemployment	7.1%	<	5.45%	N	S3: Assessed Value per Housing unit	\$21,569	>	\$33,003	N
County Job Loss	0	>	-10.0%	Y	S4b: Current and Projected System Debt	0.73%	<	2.29%	Y
					S4b: 80th Percentile	2.09%	<	2.29%	Y
					S5b: System Cost Per Tap to MHI	2.15%	<	3.66%	Y
					S5b: 80th Percentile	3.14%	<	3.66%	Y

As a special district, ten-year population data was not available for the District.

Interest rate: Per the 2023 DWRP Intended Use Plan, supplemental loans will have the same interest rate as the initial loan, or the prevailing interest rate, whichever is lower. Since the District’s DWRP loan executed in 2018 had a 0% interest rate, the District’s proposed supplemental loan is also eligible for a 0% interest rate.

Principal forgiveness: As a DAC, the District is eligible for loan forgiveness on their supplemental loan. Based on the priority point scoring matrix outlined in the 2023 DWRP Intended Use Plan, the District is eligible for 60% loan forgiveness.

ECONOMIC ANALYSIS: The District has a 2021 population estimated at 788 and has grown at an average annual rate of 0.69% since 2018. Clear Creek County has experienced an average population increase of 0.06% since 2017, whereas the state population grew approximately 0.95% annually.

Clear Creek County’s economy is dominated primarily by tourism (33.40% of jobs in the county), followed by retirees (16.66%) and the mining industry (12.02%). The area has historically been economically dependent on the mining industry, but has recently invested in growing its tourism sector. In 2017, the CO Division of Property Tax reported that over 50% of the county’s assessed value came from producing mines. In 2021, producing mines accounted for closer to 25% of the county’s assessed value.

The area’s largest employers include the Henderson Mine (600 employees), Clear Creek School District (175 employees), Clear Creek County (171 employees), Tommyknocker Brewery and Pub (60 employees), and Beau Jo’s restaurant (60 employees). The Henderson mine is scheduled to continue operations until at least 2026.

No customers account for more than 3% of system utilization, and the District does not serve any commercial customers.

ORGANIZATIONAL ANALYSIS:**Bond Rating**

The District's debt has not been rated by Fitch, Moody's, or Standard & Poor's in the last five years.

Section 37-60-126(2) C.R.S. (Water Conservation Planning)

The District does not sell more than 2,000 acre-feet of water per year.

Organizational Structure

The District, organized in 1969, is a Title 32-1 special district governed by a board of directors. The District provides water and wastewater services. The District has two employees, a District Manager and operations employee, and also contracts for operating services with an independent contractor. The contract is rebid on a regular basis, and the operator in responsible charge serves at the pleasure of the board.

- The District has generally been in compliance with Colorado statutory budgeting and auditing requirements for the past five years.
- The District maintains general liability insurance coverage through the Colorado Special Districts and Liability Pool.
- There are currently no pending lawsuits against the District.
- There have been no recall elections in the last ten years.

Technical/Managerial/Financial (TMF)

CDPHE and DLG conducted a review of the District's technical, managerial and financial capacity to operate the water system. The review resulted in the requirement to deliver necessary documentation to the CDPHE drinking water compliance section for completion of surface water treatment and optimal corrosion control.

Capital Improvement Plan

The District recently approved a long-range capital plan. The District is considering \$5,462,000 in capital improvements to the wastewater treatment plant in 2025 and 2026.

Intergovernmental

The District does not currently have any intergovernmental agreements.

REVENUE ANALYSIS:

The District's healthy financial position is evidenced through its consistently positive net operating income and strong debt service coverage ratio. Operating revenues increased by approximately \$160,000 in 2019 due to increased revenue from user fees, surcharges, and availability-of-service fees, and revenues have remained high through 2021.

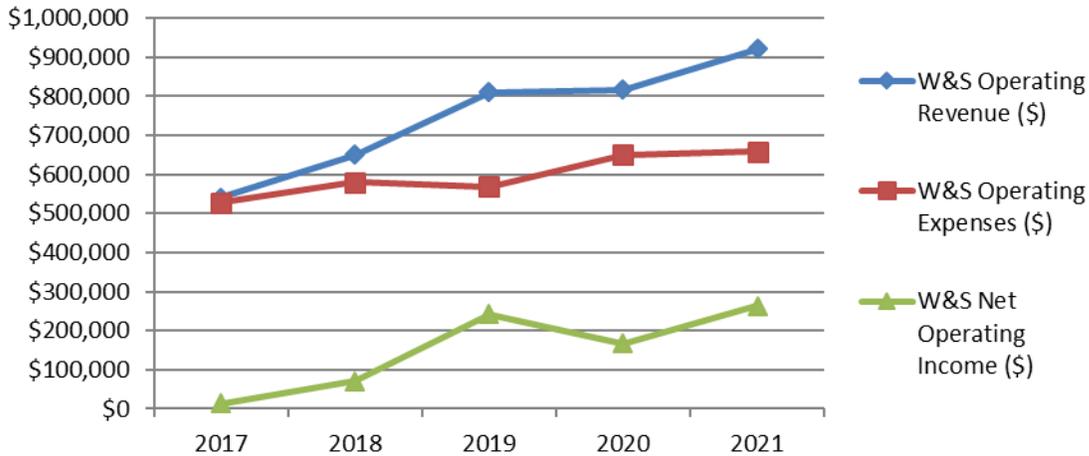
However, the District's reserves have fluctuated significantly over the past five years, from approximately negative \$160,000 in 2020 to over \$300,000 in 2021. These recent fluctuations are likely attributed to two trends – increasing liabilities as a result of the District's 2018 CWRPDA loan, followed by increasing assets as a result of increased cash and revenue from customer accounts. The District's nearly doubled increase in current assets in 2021 was a result of \$906,919 in loan accounts receivable, likely attributed to the accounting of loan revenue as part of the District's current assets.

The District had negative reserves in 2020. Moving forward, the District will need to ensure a three months operations and maintenance reserve is maintained. According to the submitted cash flow projection, the District is projected to have adequate funds to meet this reserve requirement moving forward.

TRENDS	2017	2018	2019	2020	2021	2022	2023
Monthly Water Rate (\$)	66.67	85.00	92.50	95.00	95.00	110.00	110.00
Monthly Sewer Rate (\$)	66.67	85.00	92.50	95.00	95.00	110.00	110.00
Residential Water Tap Fee (\$)	9,000	9,000	9,000	9,000	9,000	13,500	13,500
Residential Sewer Tap Fee (\$)	9,000	9,000	9,000	9,000	9,000	13,500	13,500
Total W&S Revenue (\$)	593,366	722,459	828,965	986,016	954,961		
Tap/Development Fees (\$)	52,500	72,000	18,000	108,000	33,000		
W&S Operating Revenue (\$)	540,866	650,459	810,965	817,140	921,961		
W&S Operating Expenses (\$)	527,270	579,778	568,178	650,084	658,914		
W&S Net Operating Income (\$)	13,596	70,681	242,787	167,056	263,047		
W&S Debt (\$)	82,391	59,998	37,983	1,734,152	1,642,881		
Total Debt (\$)	82,391	59,998	37,983	1,734,152	1,642,881		

W&S Debt Service (\$)	39,248	26,512	25,041	100,596	60,848
W&S Debt Service/Tap/Month (\$)	10.67	7.16	6.71	26.61	16.10
W&S Fund Reserves (\$)	-736	147,116	327,693	-166,055	337,355

Ratios	2017	2018	2019	2020	2021	5-yr Average
Operating Revenue as % of Total Revenue	91%	90%	98%	83%	97%	92%
Operating Revenue as % of Expenses	103%	112%	143%	126%	140%	125%
Tap Fee Revenue as % of Total	8.85%	9.97%	2.17%	11%	3.46%	7.08%



Recent Rate Increases

The District’s most recent rate increase of \$15 per month for water services and \$15 per month for sewer services was implemented on January 1, 2022.

User Charges & System Utilization

The District’s estimated residential monthly water rate is \$110, compared to the 2021 estimated state median of \$55.72. Residential users pay an annual base rate of \$1,320 (\$110 monthly) up to 60,000 gallons and \$18 per 1,000 gallons used over 60,000 gallons per year. Typical residential consumption is approximately 2,000 gallons per month. Multi-family and commercial users have the same rate structure.

The District’s residential monthly sewer rate is estimated at \$110, compared to the 2021 estimated state median of \$40.38. This includes an annual base rate of \$1,320 (\$110 monthly) up to 60,000 gallons, and \$18 per 1,000 gallons used over 60,000 gallons per year. Typical residential consumption is approximately 1,800 gallons per month. Multi-family and commercial units have the same sewer rate structure.

The District also charges an availability-of-service fee for properties where water and/or sewer lines are available and ready for connection, but a connection has not been made. The 2023 availability-of-service fee is an annual charge of \$178.50.

Contributed Capital

Revenue from tap fees has ranged from \$18,000 to \$108,000 and averaged 6% of total water and sewer revenue during the last five years. The District’s most recent tap fee and facilities improvement fee increase in 2022 increased the total fees by \$4,500 per SFE.

- Residential sewer facility improvement fees are \$12,750 per SFE, alongside a tap fee of \$750 and permit charge of \$50-100.
- Residential water facility improvement fees are \$12,750 per SFE, alongside a tap fee of \$750 and permit charge of \$50-100.

Current System Utilization		
	Usage	Revenue
Residential	100%	100%
Non-residential (per EQR)	0%	0%

Current Fee Summary		
Tap size	Sewer user/tap fees	Water user/tap fees
¾"	\$110/\$13,500	\$110/\$13,500
¾"	\$110/\$13,500	\$110/\$13,500

DEBT as of December 31, 2021

Executed	Lender	Term End	Pledge	Outstanding	Interest Rate	Annual payment
Dec 2018	CWRPDA – DWRP	2049	Water and sewer revenue	\$1,673,305	0%	\$60,847

LOAN COVENANTS: The District will have to meet the Authority’s 110% rate covenant, 3 month operations and maintenance reserve fund covenant and the 110% additional bonds test (if applicable) on an annual basis.

The District has met the Loan Covenants on its DWRP direct loan dated 2018 with the Authority. The District has had no debt service payment issues.

Prepared by: Kelly Shen
Date: February 14, 2023

Project # 132331D-Q
Cost Categories: 154 – Source: 15%; 153 – Distribution/Transmission Lines: 85%

February 14, 2023	
DWRF Credit Report	
St. Mary's Glacier Water and Sanitation District, Clear Creek County, CO	
Using most recent data available	
(Census, audits, local records)	
Estimated Population - 2021	788
Number of Water Taps/Customers - 2021	315
Total Assessed Valuation (in thousands) - 2021	\$7,293,620
Actual Value of All Real Property (in thousands) - 2021	\$72,683,630
Median Household Income (MHI) - 2020	\$65,313
Monthly W&S Rate - 2021	\$190.00
W&S Operating Revenue - 2021	\$921,961
W&S Total Revenue - 2021 [May include non-operating revenue, such as contributed capital, tap & system development fees, interest income, S.O. tax and property tax. Excludes one-time capital grants.]	\$954,961
W&S Tap and System Development Fee Revenue - 2021	\$33,000
W&S Operating Expense - 2021	\$658,914
W&S Current Expense - 2021	\$719,762
W&S Debt - 2021	\$1,642,881
Total Debt - 2021	\$1,642,881
W&S Fund Reserves - 2021	\$337,355
W&S Debt Service - 2021	\$60,848
New W&S Debt [Requested DWRF loan amount.]	\$200,000
Requested DWRF Loan Term	30
Requested DWRF Loan Interest Rate	0.00%
New Loan's Annual W&S Debt Service (two payments annually)	\$6,667

Current Indicators (2021)				
St. Mary's Glacier Water and Sanitation District				
(Water and Sewer)				
1	Total Debt	\$1,642,881 ÷	Population	788 = \$2,086
	New Debt	\$200,000 ÷	Population	788 = \$254
	Total Debt + New Debt	\$1,842,881 ÷	Population	788 = \$2,340
2	Total Debt	\$1,642,881 ÷	Number of Taps	315 = \$5,215
	New Debt	\$200,000 ÷	Number of Taps	315 = \$635
	Total Debt + New Debt	\$1,842,881 ÷	Number of Taps	315 = \$5,850
3	Total Debt	\$1,642,881 ÷	Assessed Value	\$7,293,620 = 22.52%
	New Debt	\$200,000 ÷	Assessed Value	\$7,293,620 = 2.74%
	Total Debt + New Debt	\$1,842,881 ÷	Assessed Value	\$7,293,620 = 25.27%
4	Total Debt	\$1,642,881 ÷	Actual Value	\$72,683,630 = 2.26%
	New Debt	\$200,000 ÷	Actual Value	\$72,683,630 = 0.28%
	Total Debt + New Debt	\$1,842,881 ÷	Actual Value	\$72,683,630 = 2.54%
5	Current W&S Debt	\$1,642,881 ÷	Number of Taps	315 = \$5,215
	(Current + New W&S Debt) / Number of Taps	\$5,850 ÷	MHI	\$65,313 = 8.96%
6	Current Ratio (CA / CL)			
	Current Assets	\$1,644,626 ÷	Current Liabilities	\$1,307,271 = 126%
7	Reserve/Expense Ratio			
	Reserves	\$337,355 ÷	Current Expenses	\$719,762 = 47%
8	Operating Ratio (OR / OE)			
	Operating Revenues	\$921,961 ÷	Operating Expenses	\$658,914 = 140%
9	Coverage Ratio [(TR - OE) / DS]			
	Total Revenues	\$954,961 -		
	Minus Operating Expenses	<u>\$658,914</u>		
	=	\$296,047 ÷	Current Debt Service	\$60,848 = 487%
	Coverage Ratio Excluding Tap and			
10	Development Fee Revenue	\$296,047		
	Minus Tap and Development Fee Revenue	<u>\$33,000</u>		
	=	\$263,047 ÷	Current Debt Service	\$60,848 = 432%
11	Projected Coverage Ratio			
	Total Revenues	\$954,961		
	Minus Operating Expenses	<u>\$658,914</u>		
	=	\$296,047	Total Debt Service (with new loan)	\$67,515 = 438%
	Projected Coverage Excluding Tap and			
12	Development Fee Revenue	\$296,047		
	Minus Tap and Development Fee Revenue	<u>\$33,000</u>		
	=	\$263,047 ÷	Total Debt Service (with new loan)	\$67,515 = 390%
13	Current Debt Service	\$60,848 ÷	Number of Taps	315 = \$193.17
	Annual New W&S Debt Service	\$6,667 ÷	Number of Taps	315 = \$21.16
	2021 Annual W&S Rate (Monthly Rate x 12)	\$2,280.00 ÷	MHI	\$65,313 = 3.49%
	2021 Annual W&S Rate + New Annual Debt Service Per Tap	\$2,301.16 ÷	MHI	\$65,313 = 3.52%
15	Current 2021 Monthly User Charge			\$95.00
	(Debt Service on DWRF Loan / 2021 Taps / Month)			<u>\$1.76</u>
	Total			\$96.76
16	Operation and Maintenance Reserve			
	Reserves	\$337,355 ÷	Operating Expenses	\$658,914 = 51%



Priority Point Scoring

Applicant: St. Mary's Glacier Water and Sanitation District
 DWRF or WPCRF: DWRF (supplemental)

WPCRF

Total WQCD Score:	N/A
DOLA Affordability Score:	N/A
Total Score:	N/A

DWRF

Water Quality/Public Health Score:	40
DOLA Affordability Score:	125
Total Score	165

Is applicant receiving funds from BASE program, BIL program, or BOTH? **BASE program.**

Base Program DWRF Principal Forgiveness

Eligible as a base program DAC? (Yes/No) **Yes**

Eligible base program DWRF principal forgiveness percentage: **60% principal forgiveness**

Amount of principal forgiveness awarded (accounting for any applicable cap/max): **\$300,000**

BIL Principal Forgiveness

Eligible for BIL principal forgiveness? (Yes/No) **No**

Eligible BIL principal forgiveness percentage: **N/A**

Amount of principal forgiveness awarded (accounting for any applicable cap/max): **N/A**

DWRF DIRECT LOAN CREDIT REPORT

St. Mary's Glacier Water & Sanitation District ("The District"), Clear Creek County

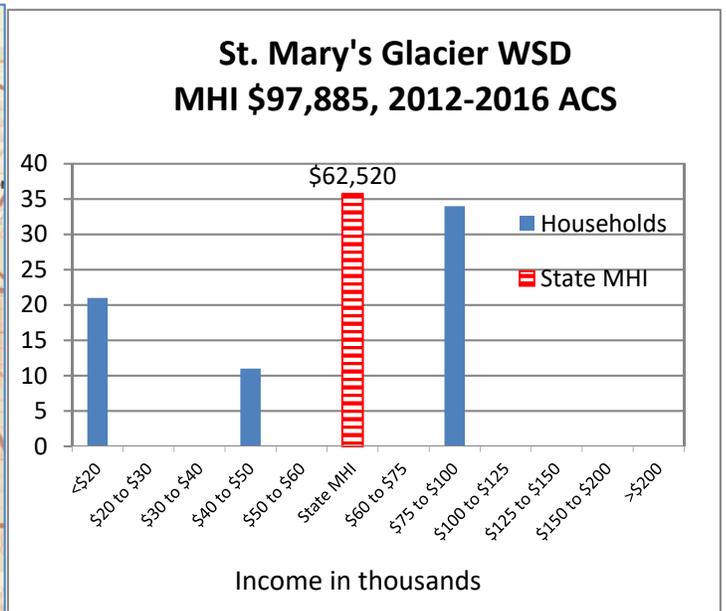
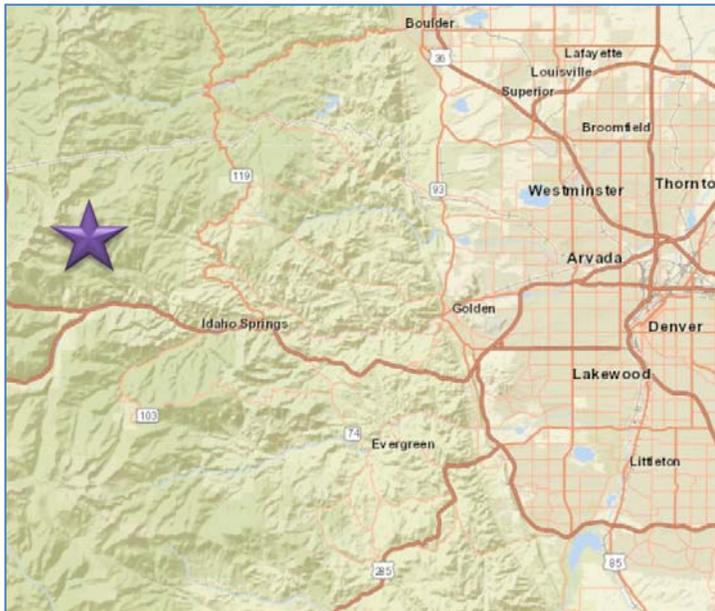
Recommendation:	CONDITIONAL APPROVAL	<u>Project Budget</u>	
Loan Request:	\$3,000,000	DWRF Loan:	\$3,000,000
Interest Rate & Term:	0%, 30 years	Reserves:	\$205,994
Annual Debt Service:	\$100,000	Planning, D&E Grants:	\$310,000
Pledge:	Water & Sewer System Revenue	Total:	\$3,515,994
Current Rate:	\$85.00 (W), \$85.00 (S)		
Estimated Rate Increase:	\$0.00		

PROJECT DESCRIPTION: The project consists of installation of a new well and existing well rehabilitation. Additionally, distribution system improvements will include replacement and repair of distribution lines, installation of a pump station, improvements to the storage tank and yard piping, and rehabilitation of pressure reducing valves.

COMMUNITY PROFILE:

St. Mary's Glacier WSD	2013	2014	2015	2016	2017	2018	Avg. Annual Change
District Population	702	752	764	764	764	769	1.70%
Clear Creek County Population	9,095	9,210	9,392	9,443			0.94%
Clear Creek County Jobs	4,235	4,208	4,078	3,971			-1.60%
Number of Water Taps	282	302	307	307	307	309	1.54%
Number of Sewer Taps	282	302	307	307	307	309	1.54%
Assessed Value (\$000)	5,509	4,586	4,698	5,471	5,526	5,955	1.31%
Actual Value (\$000)	46,385	40,218	40,490	47,347	48,100	57,491	3.64%

BORROWER BRIEF: The District is located in Clear Creek County roughly 10 miles northwest of Idaho Springs, or 50 miles west of the state capitol in Denver.



RECOMMENDATION: The District serves an isolated, rugged mountain community in northern Clear Creek County. This proposed loan is necessary to replace a deteriorating and improperly buried distribution system, install and rehabilitate wells, and other improvements. The District faces high debt levels with this and future projects but has proactively increased its rates to sufficiently meet coverage ratio requirements and build reserves. We therefore recommend the DWRF Committee approve a \$3,000,000 disadvantaged communities direct loan to the St. Mary's Glacier Water & Sanitation District on the condition that a three month operations and maintenance reserve is attained.

PROJECT SUMMARY:

System summary: The District owns and maintains four wells, associated wellhead water treatment facilities, a 250,000-gallon finished water storage tank, and an extensive water distribution system to serve the residences within the District. There is approximately 44,000 feet of line and 20,000 feet of service lines. Per statute, the service lines are owned and maintained by the District. The community was developed in the 1960's.

Reason/need: The GWUDI classification requires additional treatment and/or drilling for a new water source. In addition, the system has excessive distribution leakage with 65% of water unaccounted for, and tank and line freezing in the winter due to what is suspected to be improperly bedded and installed initial distribution system at the time the community was developed.

System Compliance: The District (permit no. CO0110040) was issued a compliance letter on February 26, 2018, regarding the groundwater under the influence (GWUDI) for wells No. 1, 2 and 3. Additionally, the sanitary survey completed on October 30, 2017, noted two violations: high leakage rates and sample sites were not representative of the system.

CURRENT INDICATORS:	2015	2016	2017	Weak	Average	Strong
Total Debt per Capita (\$):	219	152	108	___ >\$2,000	___ \$1,000 - 2,000	X <\$1,000
Total + New Debt/Capita (\$):			4,035	X >\$2,000	___ \$1,000 - 2,000	___ <\$1,000
Total Debt/Tap (\$):	546	379	268	___ >\$5,000	___ \$2,500-5,000	X <\$2,500
Total Debt + New Debt/Tap (\$):			10,040	X >\$5,000	___ \$2,500-5,000	___ <\$2,500
Current W&S Debt/Tap (\$):	546	379	268	___ >\$2,000	___ \$1,000 - 2,000	X <\$1,000
Current W&S + New W&S Debt/Tap (\$):			10,040	X >2,000	___ \$1,000 - 2,000	___ <\$1,000
Total Debt/Assessed Value:	3.57%	2.13%	1.49%	___ >50%	___ 25-50%	X <25%
Total Debt + New W&S Debt/Assessed Value:			56%	X >50%	___ 25-50%	___ <25%
Total Debt/Actual Value:	0.41%	0.25%	0.17%	___ >10%	___ 5-10%	X <5%
Total Debt + New W&S Debt/Actual Value:			6.41%	___ >10%	X 5-10%	___ <5%
Curr. W&S Debt + New Debt/Tap/MHI:			10%	___ >20%	X 10-20%	___ <10%
W&S Fund Current Ratio (CA/CL):	89%	187%	99%	X <100%	___ 100-200%	___ >200%
W&S Fund Reserves/Current Expense:	-5%	18%	0%	X <50%	___ 50-100%	___ >100%
W&S Operating Ratio (OR/OE):	105%	142%	102%	___ <100%	X 100-120%	___ >120%
Coverage Ratio (TR-OE)/DS:	117%	537%	233%	___ <110%	___ 110-125%	X >125%
Coverage Ratio (TR-OE)/DS Excluding Tap Fees:	85%	491%	36%	X <110%	___ 110-125%	___ >125%
Coverage Ratio with New Loan:			49%	X <110%	___ 110-125%	___ >125%
Coverage Ratio with New Loan Excluding Tap Fees:			8%	X <110%	___ 110-125%	___ >125%
Current Annual W&S Rates/MHI:			0.82%	___ >3.0%	___ 1.5-3.0%	X <1.5%
Current Water Rates + New Water Debt Service/MHI:			1.15%	___ >3.0%	___ 1.5-3.0%	X <1.5%
Operation and Maintenance Reserve:			1%	X <25%	___ 25-50%	___ >50%
TOTAL:			10		3	8

FINANCIAL ANALYSIS: Of the twenty-one current indicators calculated, eight are rated strong, three are average and ten are considered weak. Overall, the indicators show that the proposed debt is high relative to the number of (active) taps. The District has proactively increased rates which should cover the debt service.

- The proposed project is not expected to affect operations and maintenance costs, but it is expected to diminish the need for repairs.
- Based on 2017 financial information, the coverage ratio with the proposed loan is 49% with tap fee revenue. Additional annual revenue of about \$77,1868, or \$20.95 per tap per month, would increase the coverage ratio to 110%.
- The District increased both water and sewer user fees \$18.33 each per month, \$36.67 total, which should negate the need for a user fee increase for this loan.
- The District's capital improvement plan shows additional improvements for its sewer system, and an anticipated \$2,500,000 loan in 2021.
- The District's existing debt consists of two loans with a 2018 debt service of \$26,512. Both loans will be retired by 2021.
- Adding in the anticipated additional project and new user fees but subtracting the retired debt service, a revenue shortfall of about \$4,480, or \$1.22 per tap per month is projected, based on 2017 financial statements. These calculations will change by 2021 with at least two additional years of financial statements.
- The District includes 309 improved lots and roughly 1,000 vacant lots. The District began charging availability of service (AOS) fees in 2016; 415 vacant lots are currently subject to AOS fees. AOS fees are permitted by §32-1-1006(1)(h), C.R.S., and "shall be assessed only where water, sewer, or both water and sewer lines are installed and ready for connection within one hundred feet of any property line...but... is not connected (subparagraph D)." Revenue from AOS fees cannot exceed 50% of all

revenue and may be assessed solely for debt repayment, and no other purpose (subparagraph C). In 2017, revenue from AOS fees totaled \$24,997. An increase in AOS fees is currently being considered but without debt service, they may not be assessed. The additional AOS revenue may be sufficient to negate future user fee increases for service recipients; this will be evaluated as any new loan applications are submitted.

Additional Project Financing

The District received Planning and Design and Engineering grants totaling \$310,000, which were awarded in 2018.

DESCRIPTION OF THE LOAN: A \$3,000,000 direct loan with a thirty year term, two payments annually at an interest rate of 0% will cost the District approximately \$100,000 in debt service annually.

Disadvantaged Community:

	Benchmark		Borrower			Benchmark		Borrower	
P1: MHI	\$50,016	>	\$97,885	U	S1: County MHI	\$50,016	>	\$68,250	N
P2: MHV	\$264,600	>	\$223,100	Y	S2: Population Loss	0.00%	>	N/A	N/A
P3: Unemployment	3.10%	<	2.82%		S3: Assessed Value per Housing unit	\$19,010	>	\$23,316	N
Job Loss	0	>	-13.3%	Y	S4: Curr. and Proj. System Debt	1.15%	<	4.50%	Y
					S5: System Cost Per Tap to MHI	2.04%	<	2.35%	Y

The District initially qualified as a disadvantaged community (DAC) using an income survey. The income survey was certified March 21, 2014, and determined an MHI of \$33,111. Using the Census Bureau’s 2010-2014 five-year American Community Survey (ACS) information, the District’s MHI was less than 80% of the state’s MHI at 70%; combined with a 10-year job-loss trend for Clear Creek County, the District qualified as a DAC.

Income surveys are valid for 36 months and applicants must submit a loan application within eighteen (18) months of the DAC determination found in the pre-qual review letter to retain existing status. The Town’s loan application occurred about seventeen months (17) after the pre-qual review, which occurred March 14, 2017 (also within 36 months of the income survey certification), which keeps the initial DAC determination in place for this loan.

ECONOMIC ANALYSIS: Using the State Demographer’s estimate of 2.49 persons per tap, the District has a 2018 population of 729 and has grown at an average annual rate of 1.7% since 2013. Clear Creek County has experienced an increase of 0.9% in population since 2013. The state population increased at an average annual rate estimated 1.6%

Clear Creek County is within the Denver metropolitan region. The region’s economic growth has outpaced the national economy since the Great Recession. Locally, the county’s economy is dominated by tourism, but with mining and retirees also comprising significant economic drivers. The Henderson mine, employer of about 250 in the local economy, announced it would continue operations until 2026, about seven years longer than initially anticipated.

The District does not serve any commercial customers, and no single customer comprises more than 3% of annual revenue.

ORGANIZATIONAL ANALYSIS:

Bond Rating

The District’s debt has not been rated by Fitch, Moody's, or Standard & Poor’s in the last five years.

Section 37-60-126(2) C.R.S. (Water Conservation Planning)

The District does not sell more than 2,000 acre-feet of water per year, but reports that all taps are metered. However, these meters are considered so inaccurate that instituting a volume charge is inviable at this time.

Organizational Structure

The District is a Title 32-Article 1 special district governed by a board of directors and was organized in 1969. The District provides water and wastewater services. The District contracts for operating services with an independent contractor; the contract is rebid on a regular basis. The operator in responsible charge (ORC) serves at the pleasure of the board.

- The District’s 2015 and 2016 audits were not submitted to the Office of the State Auditor in a timely manner. However, the 2017 audit was submitted on time.

- The District maintains general liability insurance coverage through Colorado Special Districts and Liability Pool.
- There are currently no pending lawsuits against the District.
- There have been no recall elections in the last ten years.

Technical/Managerial/Financial (TMF)

The WQCD and DLG conducted a review of the District's technical, managerial and financial capacity to operate the water system. The review resulted in the following mandatory recommendations:

- The District must meet the 3 month operations and maintenance reserve requirement.

Capital Improvement Plan

As part of the application process, the District submitted a capital improvement schedule, which anticipates capital outlay of \$3,000,000 for sewer system rehabilitation to be funded from a combination of grants (\$500,000) and loans (\$2,500,000); the work is slated for 2021.

REVENUE ANALYSIS:

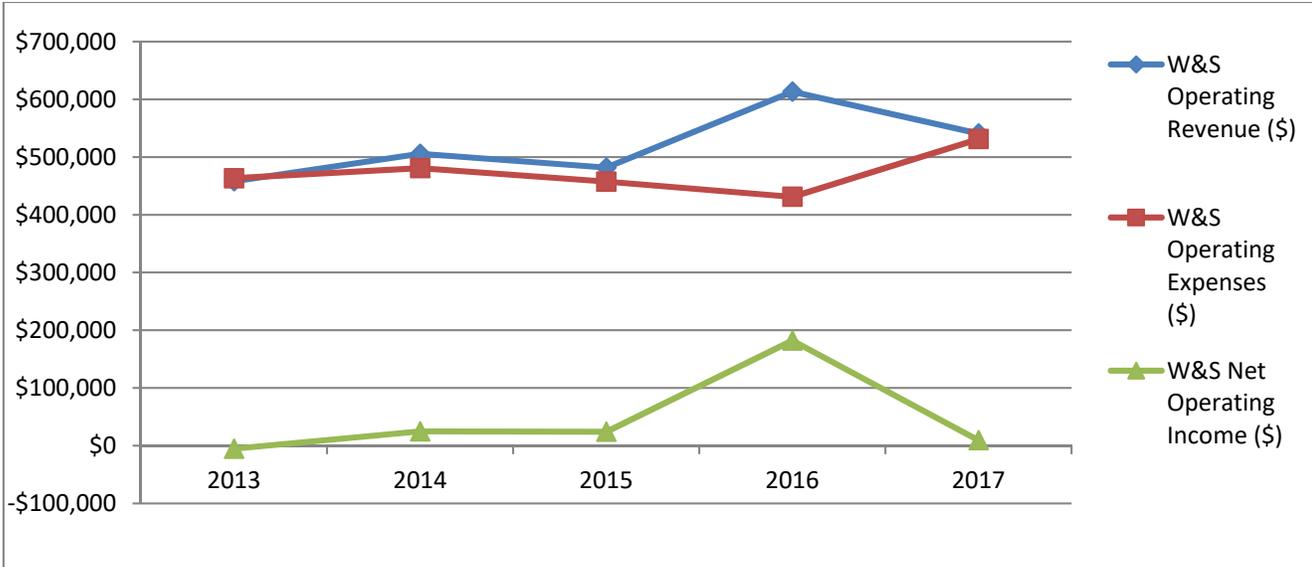
Operating revenue increased in 2016 with the imposition of the AOS fees and higher collection of miscellaneous charges such as liens and late fees. Operating expenditures were higher in 2016, partially due to higher costs related to repairs and associated higher ORC costs.

Both grants and related charges to the system, such as non-capitalized capital expenditures (engineering services), have been omitted from the calculations.

Until the 2017 audit, the District had been using a single fund, which included property and specific ownership tax revenue. The District intends to use the property tax collection for administrative purposes only, whereas all enterprise revenue will be fee-based going forward.

A capital lease for a backhoe was repaid in full in May 2017.

TRENDS	2013	2014	2015	2016	2017	2018
Monthly Water Rate (\$)	66.67	66.67	66.67	66.67	66.67	85.00
Monthly Sewer Rate (\$)	66.67	66.67	66.67	66.67	66.67	85.00
Residential Water Tap Fee (\$)	9,000	9,000	9,000	9,000	9,000	9,000
Residential Sewer Tap Fee (\$)	9,000	9,000	9,000	9,000	9,000	9,000
Mill Levy	4.828	4.828	4.828	4.828	N/A	
Total W&S Revenue (\$)	485,110	529,423	523,382	641,911	593,366	
Tap/Development Fees (\$)	0	0	18,000	18,000	52,500	
Property Tax Revenue (\$)	26,436	23,628	22,669	26,527	0	
S.O. Tax Revenue (\$)	486	0	912	1,956	0	
W&S Operating Revenue (\$)	458,188	505,795	481,801	613,428	540,866	
W&S Operating Expenses (\$)	463,331	480,862	457,599	431,226	531,272	
W&S Net Operating Income (\$)	-5,143	24,933	24,202	182,202	9,594	
W&S Debt (\$)	267,051	214,770	167,651	116,347	82,391	
W&S Debt Service (\$)	55,996	65,150	56,070	39,247	26,618	
W&S Debt Service/Tap/Month (\$)	16.55	17.98	15.22	10.65	7.23	
W&S Fund Reserves (\$)	-5,850	-29,083	-26,983	83,500	-736	
Ratios	2013	2014	2015	2016	2017	Average
Operating Revenue as % of Total Revenue	95%	96%	92%	96%	91%	94%
Operating Revenue as % of Expenses	99%	105%	105%	142%	102%	111%
Tap Fee Revenue as % of Total Revenue	0.00%	0.00%	3.44%	2.80%	8.85%	3.02%



Recent Rate Increases

The District’s most recent rate increase of \$18.33 per tap per month (\$36.67 total) was implemented on March 26, 2018, and was applied to both water and sewer charges.

User Charges

The District’s current monthly water rate is a flat \$85.00 compared to the 2017 estimated state median of \$46.98. Users are charged \$255 per quarter for water use. The District does not serve any commercial customers, but it would charge them at the same rate per SFE. Existing meters are considered inaccurate; until replaced, instituting a volume charge is not viable.

The District’s current monthly residential sewer rate is a flat \$85.00 compared to the 2017 estimated state median of \$30.80. Sewer charges are identical to water charges.

Contributed Capital

Revenue from tap fees has ranged from \$0 to \$52,500 and has averaged about 3% of total water revenue during the last five years. Tap fees did not change during the period examined.

- Residential water tap fees are \$9,000.
- Residential sewer tap fees are \$9,000.

Current System Utilization		
	Usage	Revenue
Residential	100%	100%
Non-residential (per EQR)	0%	0%

Current Fee Summary		
Tap size	Water user/tap fees	Sewer user/tap fees
¾"	\$85.00/\$9,000	\$85.00/\$9,000
¾"	\$85.00/\$9,000	\$85.00/\$9,000

DEBT as of December 31, 2017

Executed	Lender	Term End	Pledge	Outstanding	Interest Rate	Annual payment
1999	DOLA	2019	W&S revenue	\$10,006	5%	\$6,098
2001	DOLA	2021	W&S revenue	\$72,385	5%	\$20,413

LOAN COVENANTS:

The St. Mary’s Glacier Water and Sanitation District (the “District”) will have to meet the Authority’s 110% rate covenant, 3 month operations and maintenance reserve fund covenant and the 110% additional bonds test (if applicable) on an annual basis.

The District has no existing debt with the Authority and is current on its Energy Impact Assistance Fund loans.

Prepared by: Joe McConnell
Date: September 18, 2018

Project #	132331D-Q
Cost Categories:	Planning: \$10,000
	D&E: \$300,000
	Reserves: \$205,994
	SRF Loan: \$3,000,000

September 18, 2017	
DWRF Credit Report St. Mary's Glacier WSD Using most recent data available (Census, audits, local records)	
2017 Population (Estimated)	764
Number of Water Taps (or customers) - 2017	307
Total 2017 Assessed Valuation	\$5,526,000
Actual Value of all Real Property (2017)	\$48,100,000
Median Household Income (MHI)	\$97,885
Monthly Water Rate (2017)	\$66.67
Water Operating Revenue (2017)	\$540,866
Water Total Revenue (2017) [May include non-operating revenue, such as contributed capital, tap & system development fees, interest income, S.O. tax and property tax. Excludes one-time capital grants.]	\$593,366
Water Tap and System Development Fee Revenue (2017)	\$52,500
Water Operating Expense (2017)	\$531,272
Water Current Expense (2017)	\$557,890
Water Debt (2017)	\$82,391
Total Debt (2017)	\$82,391
Water Reserves [2017 current assets minus current liabilities]	-\$736
All Fund Reserves [2017 current assets minus current liabilities]	\$142
Water Debt Service (2017)	\$26,618
New Water Debt (requested DWRF loan amount)	\$3,000,000
Requested DWRF Loan Term	30
Requested DWRF Loan Interest Rate	0.00%
New Loan's Annual Water Debt Service [two payments annually]	\$100,000

<u>9/18/2017</u>				
<u>St. Mary's Glacier WSD</u>				
<u>(Water & Sewer)</u>				
1 Total Debt	\$82,391	÷ Population	764	= \$108
New Debt	\$3,000,000	÷ Population	764	= \$3,927
Total Debt + New Debt	\$3,082,391	÷ Population	764	= \$4,035
2 Total Debt	\$82,391	÷ Number of Taps	307	= \$268
New Debt	\$3,000,000	÷ Number of Taps	307	= \$9,772
Total Debt + New Debt	\$3,082,391	÷ Number of Taps	307	= \$10,040
3 Total Debt	\$82,391	÷ Assessed Value	\$5,526,000	= 1.49%
New Debt	\$3,000,000	÷ Assessed Value	\$5,526,000	= 54.29%
Total Debt + New Debt	\$3,082,391	÷ Assessed Value	\$5,526,000	= 55.78%
4 Total Debt	\$82,391	÷ Actual Value	\$48,100,000	= 0.17%
New Debt	\$3,000,000	÷ Actual Value	\$48,100,000	= 6.24%
Total Debt + New Debt	\$3,082,391	÷ Actual Value	\$48,100,000	= 6.41%
5 Current Water Debt	\$82,391	÷ Number of Taps	307	= \$268
(Current Water Debt + NewWater Debt)/Number of Taps	\$10,040	÷ MHI	\$97,885	= 10.26%
6 Current Ratio [CA/CL]				
Current Assets	\$107,106	÷ Current Liabilities	\$107,842	= 99%
7 Reserve/Expense Ratio				
Reserves	-\$736	÷ Current Expenses	\$557,890	= 0%
8 Operating Ratio [OR÷OE]				
Operating Revenues	\$540,866	÷ Operating Expenses	\$531,272	= 102%

9 Coverage Ratio [(TR - OE)/DS]				
Total Revenues	\$593,366	-		
minus Operating Expenses	<u>\$531,272</u>			
	= \$62,094	÷ Current Debt Service	\$26,618	= 233%
10 Coverage Ratio Excluding Tap & Development Fee Revenue				
minus Tap and Dev. Fee Revenue	<u>\$52,500</u>			
	= \$9,594	÷ Current Debt Service	\$26,618	= 36%
11 Projected Coverage Ratio				
Total Revenues	\$593,366			
minus Operating Expenses	<u>\$531,272</u>			
	= \$62,094	Total Debt Service (with new loan)	\$126,618	= 49%
12 Projected Coverage Excluding Tap & Dev. Fee Revenue				
minus Tap & Dev. Fee Rev.	<u>\$52,500</u>			
	= \$9,594	Total Debt Service (with new loan)	\$126,618	= 8%
13 Current Debt Service				
	\$26,618	÷ Number of Taps	307	= \$86.70
Annual New Water Debt Service	\$100,000	÷ Number of Taps	307	= \$325.73
14 2017 Annual Water Rate (monthly rate x 12)				
	\$800.04	÷ MHI	\$97,885	= 0.82%
2017 Annual Water Rate + New Annual Debt Service per Tap	\$1,125.77	÷ MHI	\$97,885	= 1.15%
15 Current 2017 Monthly User Charge				
				\$66.67
Debt Service on DWRF/2017 Taps/month				<u>\$27.14</u>
Total				\$93.81
16 Operation and Maintenance Reserve				
Reserves	\$3,383	÷ Operating Expenses	\$531,272	= 1%

**COLORADO WATER RESOURCES
AND
POWER DEVELOPMENT AUTHORITY**

RESOLUTION NO. 23-07

A RESOLUTION APPROVING A DRINKING WATER DIRECT LOAN TO THE ST. MARY'S GLACIER WATER AND SANITATION DISTRICT AND EXECUTION OF A LOAN AGREEMENT AND OTHER NECESSARY DOCUMENTS THEREFOR

WHEREAS, the Colorado Water Resources and Power Development Authority (the "Authority") has received and reviewed an Application for a supplemental base direct loan from the Drinking Water Revolving Fund from the St. Mary's Glacier Water and Sanitation District (the "Governmental Agency"); and

WHEREAS, on December 27, 2018, the Authority executed a base direct loan in the amount of \$3,000,000 (\$1,800,000 of principal to be re-paid, plus \$1,200,000 of principal forgiveness, for a total of \$3,000,000 DWRF loan funds) with the Governmental Agency through the Drinking Water Revolving Fund; and

WHEREAS, the Governmental Agency has subsequently requested an additional base direct loan in the amount of \$500,000 (\$200,000 of principal to be re-paid, plus \$300,000 of principal forgiveness, for a total of \$500,000 DWRF loan funds) in order to address increases in costs related to the project; and

WHEREAS, the Loan Application has been reviewed and recommended for approval in accordance with the procedures provided therefor in the Memorandum of Agreement between the Authority, the Colorado Department of Public Health and Environment, and the Colorado Department of Local Affairs concerning the operation of the Drinking Water Revolving Fund; and

WHEREAS, the proposed Project to be financed by the proposed supplemental base direct loan is included on the Project Eligibility List of projects eligible for financial assistance from the Drinking Water Revolving Fund, and the Water Quality Control Division of the Colorado Department of Public Health and Environment has certified that the proposed Project has met all other requirements and prerequisites for eligibility for financial assistance from the Drinking Water Revolving Fund.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Colorado Water Resources and Power Development Authority:

1. That the proposed supplemental base direct loan to the St. Mary's Glacier Water and Sanitation District in an amount not to exceed \$500,000 (\$200,000 of principal to be re-paid, plus \$300,000 of principal forgiveness, for a total of \$500,000 DWRF loan funds) is approved subject to the terms and conditions set forth on the attached Exhibit A;

2. That the staff is directed to negotiate a Loan Agreement and other documents incorporating such terms and conditions as are appropriate to effectuate the proposed direct loan;
3. That the Executive Director and Assistant Secretary are authorized and directed to execute the Loan Agreement and any other necessary and reasonable documents for the proposed direct loan in order to consummate the direct loan approved hereby.

CERTIFICATE

The undersigned officers of the Board of Directors of the Colorado Water Resources and Power Development Authority do hereby certify that the above Resolution No. 23-07 was adopted by the Colorado Water Resources and Power Development Authority at a regular meeting of the Board of Directors (meeting conducted using a combination of both in-person and video and audio tele-conferencing) with a quorum present in Denver, Colorado on March 3, 2023.

Chair

Secretary

ATTEST

EXHIBIT A

Borrower:	St. Mary's Glacier Water and Sanitation District
Project:	This project consists of well improvements, treatment, and distribution system improvements. The distribution system improvements include the replacement and repair of distribution lines, installation of a pump station, improvements to the storage tank and yard piping, and rehabilitation of pressure-reducing valves
Pledge:	Water and Sewer System Revenue
Loan Term:	Up to 30 years
Interest Rate:	Subject to final Authority Board recommendation and approval
Amount not to exceed:	\$500,000 (\$200,000 of principal to be re-paid, plus \$300,000 of principal forgiveness, for a total of \$500,000 DWRF loan funds)



COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

The Amp - Suite 820, 1580 N Logan Street, Denver, Colorado 80203-1939
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MEMORANDUM

March 2, 2023

TO: Board of Directors and Karl Ohlsen

FROM: Jim Griffiths, Finance Director
Wesley Williams, Assistant Finance Director

RE: Review of the Town of Silt DAC Business Case
Drinking Water Revolving Fund ("DWRF")

The Division of Local Government has forwarded to the Authority its analysis of the above listed project. The Authority has reviewed the Disadvantaged Communities ("DAC") Business Case and agreed to forward the request to the Authority's Board of Directors with the following recommendation:

Town of Silt DAC Business Case

The Town of Silt ("Town"), located in Garfield County, is seeking approval of a DAC Business Case to allow for access to a Design and Engineering grant, reduced interest rate for the first \$3 million of repayable loan, and DWRF Base program principal forgiveness ("PF"), in addition to Bipartisan Infrastructure Law ("BIL") PF. The Town intends to pursue a Base and/or BIL direct loan for improvements to the water treatment plant ("WTP") that are necessary to address existing plant limitations, including filtration capacity and aging equipment. Proposed improvements to the facility include improving pretreatment, adding filtration, and adding a water tank for additional storage. These improvements will help the WTP meet current demands, prepare for future growth, and improve resiliency. Upon review, it was determined the Town did not qualify for DAC status due to its MHI being unreliable.

	Benchmarks	Borrower
P1: MHI	$\leq \$60,185$	+/- \$19,602; The Town's MHI meets the benchmark, but is not highly reliable with 20.00% CV. The upper bound of the MHI is \$79,079 and the lower bound is \$39,875. \$59,477
	C.V. $\leq 12.00\%$	20.00%
P2: MHV	$\leq \$369,900$	\$301,900
P3: Unemployment	$\geq 7.10\%$	4.7%
Job Loss	$\leq 0.0\%$	3.2%
S1: County MHI	$\leq \$60,185$	\$75,435
S2: Population Loss	$\leq 0.0\%$	13.08%
S3: Assessed Value per Household	$\leq \$21,569$	\$36,864
S4a: Current System Debt	$> 0.73\%$	0.64%
S5a: Current System Cost	$> 2.27\%$	Does not meet the benchmark using the top of MHI band. 2.85%

Meets criteria

Unreliable data

Does not meet criteria

N/A

Recommendation

Based on the attached Business Case for the Town, the SRF Committee and Authority staff recommend the Authority Board of Directors approve the Town's request for DAC status and the corresponding access to a Design and Engineering grant, reduced interest rate for the first \$3 million of repayable loan, and DWRP Base program principal forgiveness (PF), in addition to BIL PF.

Note: A Board Program Work Session has been scheduled for Thursday, 3:00 p.m. March 2, 2023 in the Authority Board Room. A Zoom link is provided to join via online as well: <https://us06web.zoom.us/j/81263530316?pwd=bzRnZXhNZ0pxUS9kdDI0YmhwazBHdz09>. If you prefer to dial-in, the call-in number is: **1-669-900-6833**, and the Meeting ID is: **812 6353 0316**. The passcode is: **543656**.

Attachment: Town of Silt DWRP 2023 DAC Business Case

BUSINESS CASE REQUEST
Town of Silt (“The Town”), Garfield County

Recommendation:	APPROVAL	Funding sources:	<u>Est. DWRF Loan:</u>	<u>\$30,200,000</u>
Est. Project Total:	\$30,200,000		Total:	<u>\$30,200,000</u>
Est. Amount of Loan:	\$30,200,000			
Pledge:	Water & Sewer Revenue			

Project Description: Improvements to the Town of Silt water treatment plant (WTP) are necessary to address existing plant limitations, including filtration capacity and aging equipment. Proposed improvements to the facility include improved pretreatment, added filtration, and a water tank for additional storage. These improvements will help the WTP meet current demands, prepare for future growth, and improve resiliency.

Recommendation: Due to the lack of highly reliable data and anticipated cost burden of the proposed loan, we recommend approval of the Town’s request for Disadvantaged Community (DAC) status. If approved, the Town will have access to a Design and Engineering Grant, a reduced interest rate for the first \$3 million repayable loan, and base program principal forgiveness (PF), in addition to Bipartisan Infrastructure Law (BIL) PF. The Town narrowly missed qualifying for DAC status due to a not highly reliable median household income (MHI) estimate. Historical MHI data shows the Town’s MHI is consistently very close to the benchmark, and is growing more slowly than the state MHI. Additionally, the Town will meet two secondary factors at loan application, because the impact of the proposed debt burden and the associated rate increases will pose a substantial burden to the community.



In order to qualify as a disadvantaged community (DAC), an applicant must meet one (1) of three (3) scenarios.

1. Meets benchmarks for P1, and either P2 or P3
2. Meets benchmarks for P1, not for P2 or P3, and meets two or more secondary factors
3. P1 is unreliable. Meets benchmarks for P2 and P3, and two or more secondary factors

<u>Factor</u>	<u>Entity Figures</u>	<u>Benchmark</u>	<u>Qualify?</u>	<u>Notes</u>
P1: MHI	\$59,477	<=\$60,185	?	+/- \$19,602; The Town’s MHI meets the benchmark, but is not highly reliable with 20.0% CV. The upper bound of the MHI is \$79,079 and the lower bound is \$39,875.
P2: MHV	\$301,900	<=\$369,900	Yes	
P3: County Unemployment or County Jobs	4.7% 3.2%	>=7.1% <= 0%	No	
S1: County MHI	\$75,435	<=\$60,185	No	
S2: Population change	13.08%	<=0.0%	No	
S3: AV/Households	\$36,864	<=\$21,569	No	
S4: Current system debt	0.64%	>0.73%	No	
S5: Current system cost	2.85%	>2.27%	?	Does not meet the benchmark using the top of MHI band: 2.14%.

BUSINESS CASE REQUEST
Town of Silt (“The Town”), Garfield County

The Town is currently eligible for BIL PF. The Town’s funding package will ultimately depend on the amount of the loan request and availability of funds. However, based on current funding levels and PF caps/maxes, there are a few potential funding scenarios:

Scenario 1: \$30 million loan (no BIL or DAC PF; no funds available or ineligible).

Scenario 2: \$25 million loan; \$5 million BIL PF (BIL eligible, DAC business case rejected or no funds available).

Scenario 3: \$22.7 million loan; \$5 million BIL PF; up to \$2 million DAC PF; \$300,000 D&E (business case approved; DAC eligible)

It should be noted that the requested loan amount is expected to change as the Town moves through the design process, and the above scenarios are for illustration only.

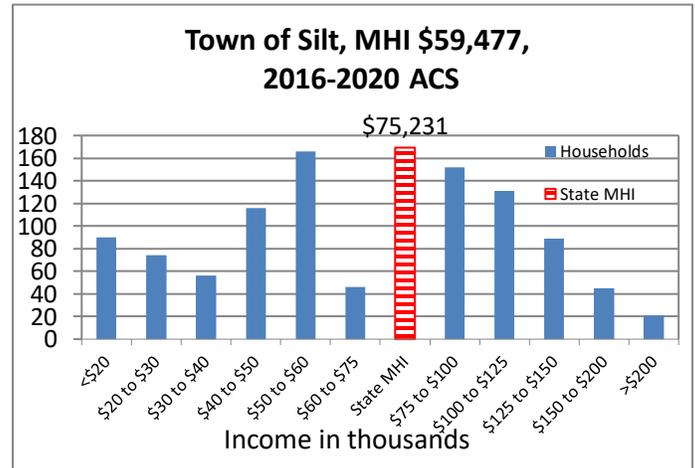
Explanation of Factors

Existing debt as of December 31, 2021:

Executed	Lender	DAC?	Term End	Pledge	Outstanding	Interest Rate	Annual Payment
2020	Water & Wastewater Revenue Bonds	N/A	2027	Wastewater Revenue	\$2,591,800	2.2%	\$465,305

P1: The Town’s MHI met the benchmark, but is considered not highly reliable due to a coefficient of variation (CV) that is above the DAC acceptance criteria of 12%. The full band of the Town’s possible MHI is \$39,875 to \$79,079. This means that the Census Bureau has determined at the 90% statistical confidence level that the Town’s actual MHI may fall anywhere in that band. The Town’s estimated MHI is below the benchmark, and the lower MHI bound falls well under the benchmark.

It is reasonable to believe that the actual MHI falls somewhere near the estimated MHI. Up until the current set of ACS data, the Town consistently had a reliable MHI that was just above the DAC benchmark. Looking at the Town’s MHI trend, it appears the Town’s MHI growth lags behind that of the state; the ratio of the Town’s MHI relative to that of the state has decreased from 90% to 79% over the five most recent data sets.



MHI History

ACS	MHI	MOE	CV	CO MHI	% of CO MHI
12-16	\$56,477	± \$7,537	8.12%	\$62,520	90%
13-17	\$56,764	± \$3,816	4.09%	\$65,458	87%
14-18	\$57,011	± \$6,212	6.62%	\$68,811	83%
15-19	\$58,779	± \$8,522	8.81%	\$72,331	81%
16-20	\$59,477	± \$19,602	20.03%	\$75,231	79%

BUSINESS CASE REQUEST
Town of Silt (“The Town”), Garfield County

There is no available substitute data. Two block groups bisect the Town and both are unreliable, as is the tract. The County is not a good substitute MHI per a T-test.

MHI - ACS 16-20			
ACS - Geography	MHI	MOE	CV
Silt	\$59,477	± \$19,602	20.03%
Tract: 9519.01	\$75,568	± \$18,091	14.55%
Garfield County	\$75,435	± \$4,012	3.23%

P2: The Town’s MHV has hovered around 80% of the state MHV over the last five data sets. While home values are increasing, the Town is not experiencing the same boom in housing prices seen across the state.

MHV History					
ACS	MHV	MOE	CV	CO MHV	% of CO MHV
12-16	\$204,900	± \$16,955	5.03%	\$264,600	77%
13-17	\$223,900	± \$20,165	5.47%	\$286,100	78%
14-18	\$258,500	± \$24,601	5.59%	\$313,600	82%
15-19	\$277,800	± \$14,749	3.23%	\$343,300	81%
16-20	\$301,900	± \$23,150	4.66%	\$369,900	82%

P3: The County has experienced job growth over the last 10-years and the 24-month unemployment rate was lower than the benchmark.

The Town believes that about 90% of residents that report to work in-person must commute for work, as the Town has very few commercial businesses within its boundaries. Additionally, the Town has experienced the closure of a number of businesses in the last four years: two hardware stores, one small grocery store, and the closure of several oil and gas warehouses and office spaces. There is also no grocery store in Town, so between the lack of local places of work and businesses, as well as the water treatment capacity issues, the Town faces challenges in attracting new residents and businesses.

S1: The County MHI exceeded the benchmark, but, per a T-test, is not representative of the Town.

S2: The Town experienced approximately 13% population growth over the last 10-years. The Town’s Water Treatment Plant Master Plan states the existing facility has a 0.6 MGD capacity, well below the design capacity of 1.0 MGD. As a result, the Town is considering limiting additional taps until the infrastructure issues are rectified. While future growth might be restricted by infrastructure limitations, according to the master plan the water treatment plant is currently able to meet production demands.

S3: The Town’s assessed value per housing unit exceeded the benchmark. Despite not having many businesses in Town, commercial property comprises about one-third of the Town’s assessed value, which is likely why the Town does not meet this benchmark despite having a lower MHV.

S4: With a score of 0.64%, the Town narrowly misses this benchmark (0.73%), which measures current debt per tap relative to MHV.

As the Town looks to complete the drinking water project, it anticipates approximately \$30,200,000 in additional debt according to the project needs assessment. The loan request may increase or decrease depending on how project costs change prior to loan application. Using an estimated loan of \$30,200,000, the Town will meet/exceed the S4b benchmark (0.73%) for this criterion at 8.05%.

BUSINESS CASE REQUEST
Town of Silt (“The Town”), Garfield County

S5: The Town’s ratio of current system cost per tap compared to MHI, 2.85%, meets the benchmark (2.27%) when using the MHI of \$59,477. However, because the MHI is unreliable, the top of the MHI band must also be considered. When using the top of the MHI band, \$79,079, the calculation moves to 2.14%, which also does not meet the 2.27% benchmark.

When including the projected debt of \$30,200,000, the calculation moves to 5.58%, which meets the S5b benchmark of 2.15%. The benchmark is also met when using the top of the MHI band (\$79,079), 4.20%.

Eligibility Determination for Bipartisan Infrastructure Law (BIL) Principal Forgiveness:

The Town was deemed eligible for BIL principal forgiveness during the August 9, 2022 pre-qualification meeting. In order to qualify for BIL principal forgiveness, a community must score three (3) points using the BIL Principal Forgiveness Eligibility Criteria outlined in the Intended Use Plans. Additionally, a community with DAC status is automatically eligible for BIL principal forgiveness. The Town scores 5 points using the following criteria:

BIL PF DETERMINATION

	Benchmark		Borrower	Points
1. Five Year % Change in Population	1.00%	>	7.31%	0
2a: County Job Loss	0	>	3.24%	0
2b: County Unemployment	7.10%	<	4.70%	
3: Median Household Income, or MHI exceeds 125% of state MHI (-1 point)	\$75,231	>	\$59,477	1
	\$94,039	<		
4: Rates to MHI	1.39%	<	2.45%	1
5: Project addresses removal of lead or emerging contaminants	Yes		No	0
6: % Minority	25%	<	36%	1
7: % Households Housing Burdened	30%	<	49%	1
8: % Population under 200% Poverty Level	35%	<	40%	1
9: % Population under 200% Poverty Level + % Population over 65 years old	50%	<	46%	0
10: Meets DAC criteria	Yes		No	0
Total Points Scored:				5



231 N. 7th Street / P.O. Box 70 / Silt, CO 81652
 Phone: 970-876-2353 / Fax: 970-876-2937

December 28, 2022

Board of Directors
 Colorado Water Resources and Power Development Authority
 1580 Logan Street, Suite 620
 Denver, CO 80203

Re: Determination of Disadvantaged Community Status-Silt, Colorado

Dear Members of the CWRPDA Board of Directors,

The Town of Silt is respectfully requesting the determination of “disadvantaged community status”, despite having fallen short in meeting the standard program criteria. We contend that our Town is truly disadvantaged based upon the totality of current and past circumstances.

Description: The Town of Silt, incorporated in 1915, (2021 population 3,581) is a rural community located three hours west of Denver on Interstate 70. US Highway 6 also serves as Silt’s Main Street.

Employment: Of those in Silt who work for a living, more than 90% commute out of town. Some go to the neighboring cities of Rifle (10 minutes) and Glenwood Springs (20 minutes) to work, but many continue on to Grand Junction in the west (1 hour and 9 minutes) and the resorts in Pitkin County (Aspen, 1:22, Snowmass Village, 1:15) and Eagle County (Vail, 1:17 and Beaver Creek, 1:06). The time spent commuting is, of course, not the only hazard since Colorado’s mountain climate makes driving hazardous during several months of the year. The natural barriers of DeBeque, South and Glenwood Canyons contribute to these hazards.

With the dramatic decline in the oil and gas industry in our neighborhood, high incomes have been replaced with the relatively lower hospitality and construction wages. Several oil/gas field operating companies owned or leased office and warehouse space in Silt. Nearly all of those companies have liquidated and left over the last four years, leaving many thousands of vacant square feet of warehouse and office space. Also shuttered were two hardware stores, one for the general public and the other specializing in industrial applications, and one small specialty grocery store.

Obviously, those commuting such distances are more vulnerable to the ebbs and flows in the fuel market. Another impact on household fuel budgets is the fact that there are no grocery stores in Silt. Rifle and New Castle, seven miles to the east have full-service groceries.

Housing costs, while certainly less expensive than our up-valley neighbors, have increased dramatically over the last two years, settling now at about 30% higher.

Economic Development: While the Town of Silt has enjoyed significant sales tax increases over the last several years, almost solely a result of the requirement that on-line retailers pay sales tax on sales generated in Silt, these funds are severely restricted in their use for water enterprise fund purposes and little will be available in the support for this water plant project.

Rifle, New Castle and Glenwood Springs have had success in bringing significant economic development to the region, but these benefits do not generally extend to Silt. Located fully within a census tract that was designated as an Opportunity Zone, Silt would seem to be poised to have more growth than has come its way. The two projects that have benefitted from the OZ (that we know of) are a 96-unit apartment complex (under construction) and a highway convenience store, completed about three years ago.

Significant interest in economic development exists within the community as the Town struggles to grow its offerings of services. A new challenge has now cropped up in the form of water treatment capacity.

Domestic Water: The Town of Silt's Water Enterprise serves 1,379 residential and commercial customers. Fewer than 30 of these accounts, including Coal Ridge High School are outside of Town limits. Silt has an irrigation utility, established in the 1990's, that serves the majority of irrigation needs for those who live in Town. The Town also provides three bulk water stations that serve many subdivisions and homes outside of Town in unincorporated Garfield County. Silt has domestic water rights to support a population of more the twice its current size. Water for the plant is drawn from the Colorado River.

Domestic Water Challenge: Silt's water treatment plant was built new in 2005 with technology thought to be "cutting edge" microfiltration. The Town has not been able to afford the additional "pre-treatment" required of a plant drawing from the turbid Colorado River. As a result, the plant now needs near total replacement.

Impacts of the Grizzly Creek Events: Add to this the significant events of the summers of 2020 and 2021: the Grizzly Creek Fire and resulting mudslides. Debris flows in the Colorado River were increased almost overnight. Due to this, the Town saw decreased treatment capabilities and life expectancy from primary treatment filters.

The combination of a poorly designed plant and natural disasters have pushed Silt's drinking water situation to the breaking point.

Town Process: The Town has contracted with Dewberry Engineers, a nation-wide engineering consulting firm to understand Silt's issues and recommend solutions. After a thorough process, Dewberry has recommended \$28 M fix. Dewberry has been contracted now as design engineer and to help Silt through the State Revolving Fund loan application process.

The Town has sought to involve its citizens for the last many months in this process. Significant concern has been raised by folks and the Mayor Pro Ten exclaimed that "the Town can't afford this", when told of the estimated price tag. At this point in the process, the financial modeling shows that an average monthly water bill will increase from \$50 to \$150.

Conclusion: It is for these reasons that the Town hopes to be designated a "disadvantaged community" and given the maximum amount of loan forgiveness.

The Town appreciates this opportunity to provide the Board with additional information and data which may fall outside of the standard criteria for the determination of disadvantaged community. The designation would provide the Town of Silt an opportunity to obtain reasonable funding for the necessary replacement of the Town's water plant.

Sincerely,

Jeff Layman
Town Administrator

jlayman@townofsilt.org
970.876.2353



COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

The Amp - Suite 820, 1580 NLogan Street, Denver, Colorado 80203-1942
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MEMORANDUM

March 2, 2023

TO: Board of Directors and Karl Ohlsen

FROM: Jim Griffiths, Finance Director
Wes Williams, Assistant Finance Director

RE: Drinking Water Revolving Fund (“DWRF”) and
Water Pollution Control Revolving Fund (“WPCRF”)
Bipartisan Infrastructure Law (“BIL”)

Colorado BIL funding became available in September 2022 with receipt of the 2022 BIL Capitalization Grants. BIL provides additional funding to the DWRF and WPCRF and funding includes both principal forgiveness (“PF”) and loan funds.

PF availability is causing program demand to increase. The increased demand comes from communities across the state, including Denver metropolitan area cities that have well developed capital improvement plans (“CIPs”) as well as specialized staff. The CIPs and specialized staff allow cities to apply for multiple projects, move through our process quickly and potentially obtain more PF.

As a result of the increased demand, staff recommends the following policy change:

Per entity limit (instead of per project limit) for BIL PF for all BIL funding. “Per entity” provides each BIL eligible entity with only one application for each pot* of BIL funding.

- Staff recommends excluding Disadvantaged Communities (“DACs”) from this “per entity” limit in order to allow for multiple projects to be funded from the same pot of funds.
- Staff recommends that future exceptions to this per entity limit be brought to the Board on a case-by-case basis.
- Staff recommends that this limit apply to all years of BIL funding (2022-2026) and include entities/projects that have already received BIL funding, unless otherwise waived by the Board.

On January 25, 2023, the Board approved limiting the BIL WPCRF Supplemental to DACs only. This Board change also requires a change to the Intended Use Plan (“IUP”). In the interim period, the Per Entity change, if adopted, will be in force for WPCRF Supplemental funds that are currently available to BIL eligible non-DACs.

In addition, Staff intends to limit future BIL recommendations to twice per year (June and December) to the extent possible, allowing for increased transparency and clarity for our potential borrowers.

*Each of the five BIL capitalization grants are considered a “pot” or group of funds. The five pots include: DWRF BIL Lead, DWRF BIL Emerging Contaminants, DWRF BIL Supplemental, WPCRF BIL Supplemental, WPCRF Emerging Contaminants.

DWRF SET ASIDE UPDATE
February 17, 2023

Program	Grant Year	Grant Amount	Funds Remaining	% Complete
Admin	1997-2022 including ARRA	\$ 17,421,704	\$ 0	100%
	2022 BIL Supplemental	\$ 1,422,000	\$ 1,357,509	5%
	2022 BIL Emerging Contaminants	\$ 597,080	\$ 594,896	0%
	2022 BIL Lead	\$ 1,680,450	\$ 1,678,339	0%
	Totals	\$ 21,121,234	\$ 3,630,744	83%
SSTTA	1997-2019	\$ 7,282,600	\$ 0	100%
	2020	\$ 435,100	\$ 158,966	63%
	2021	\$ 434,700	\$ 434,700	0%
	2022 Base	\$ 276,920	\$ 276,920	0%
	2022 BIL Supplemental	\$ 156,420	\$ 156,420	0%
	Totals	\$ 8,585,740	\$ 1,027,006	88%
PWSS	2000-2021	\$ 31,718,828	\$ 0	100%
	2022 Base	\$ 1,384,600	\$ 1,066,978	23%
	2022 BIL Supplemental	\$ 782,100	\$ 782,100	0%
	2022 BIL Lead	\$ 2,100,000	\$ 2,100,000	0%
	Totals	\$ 35,985,528	\$ 3,949,078	89%
Cap. Development	1997-2020	\$ 31,935,480	\$ 0	100%
	2021	\$ 2,173,500	\$ 1,488,104	32%
	2022 Base	\$ 1,384,600	\$ 1,384,600	0%
	2022 BIL Supplemental	\$ 782,100	\$ 782,100	0%
	Totals	\$ 36,275,680	\$ 3,654,804	90%
Well Head	1997-2019	\$ 15,153,616	\$ 0	100%
	2020	\$ 1,087,750	\$ 336,666	69%
	2021	\$ 1,086,750	\$ 1,086,750	0%
	2022 Base	\$ 692,300	\$ 692,300	0%
	2022 BIL Supplemental	\$ 391,050	\$ 391,050	0%
	Totals	\$ 18,411,466	\$ 2,506,766	86%

Note: All set asides issued in 2014 and later are required to be spent within 3 years from the grant "date of award".



COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

The Amp - Suite 820, 1580 N Logan Street, Denver, Colorado 80203-1939
303/830-1550 · Fax 303/832-8205 · info@cwrpda.com

MEMORANDUM

February 27, 2023

TO: Project Finance Committee and Karl Ohlsen

FROM: Jim Griffiths, Finance Director
Kevin Carpenter, Financial Analyst II

RE: Review of the Left Hand Water and Sanitation District (Base)
Water Pollution Control Revolving Fund ("WPCRF")

The Division of Local Government has forwarded to the WPCRF Committee its analysis of the above listed project. The WPCRF Committee, composed of representatives from the Division of Local Government, the Water Quality Control Division, and the Authority, has reviewed the technical and financial aspects of the proposed project and agreed to forward the request to the Authority's Project Finance Committee with the following recommendation:

Left Hand Water and Sanitation District

The Left Hand Water and Sanitation District (the "District"), located in Boulder County, is seeking a direct loan through the WPCRF loan program in the amount of \$480,000. The project consists of upgrades and repairs to the existing Lake of the Pines Lift Station including rehabilitating existing infrastructure, installing a detached valve vault, and replacing submersible sewage pumps/controls. The District's project was authorized by HJR 21-1002.

Recommendation

Based on the attached credit report, staff recommends that the Project Finance Committee forward to the Board a recommendation authorizing staff to begin negotiating a WPCRF direct loan with the District in the amount of \$480,000. The loan will be for a term of 20 years, at an interest rate of 3.00%. The Board will consider this request on March 3, 2023.

Note: A Zoom conference call has been scheduled for Monday, 9:00 a.m. February 27, 2023. The link to join via online is: <https://us06web.zoom.us/j/84283811765?pwd=cXorWVVRzJ5eFh4blZtZUJNM3NoUT09>. If you prefer to dial-in, the call-in number is: **1-669-900-6833**, and the Meeting ID is **842 8381 1765**. The passcode is: **020871**.

Attachment: Left Hand Water and Sanitation District 2023 WPCRF (Base) Credit Report

WPCRF LOAN CREDIT REPORT

Left Hand Water & Sanitation District (“The District”), Boulder County

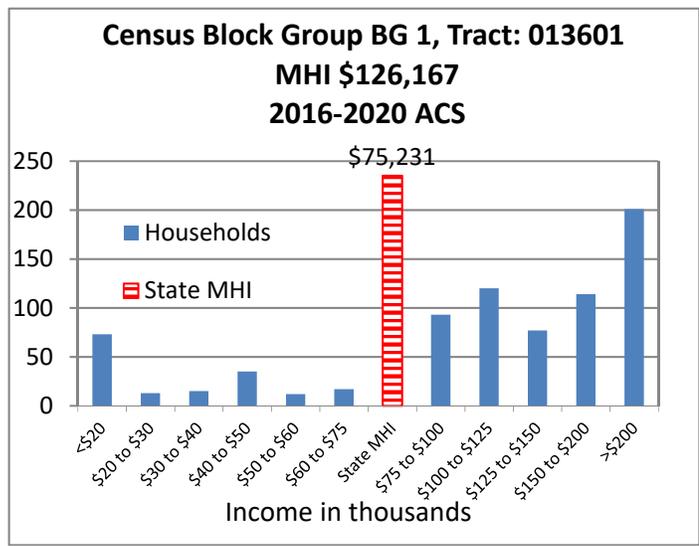
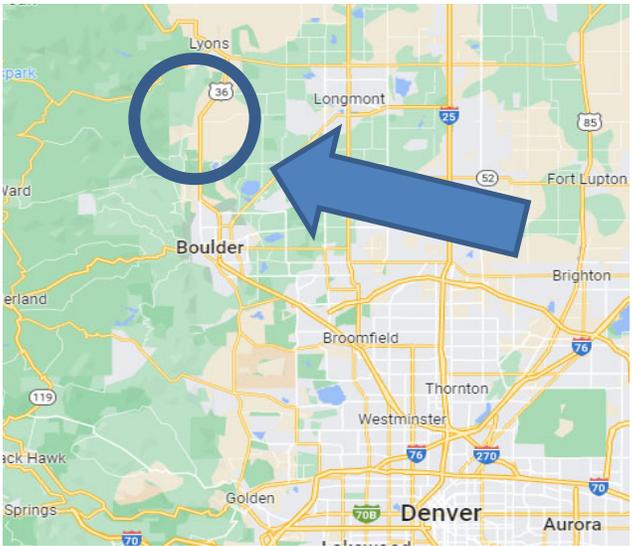
Recommendation:	APPROVAL
Loan Request:	\$480,000
Interest Rate & Term:	3.0%, 20 years
Annual Debt Service:	\$32,090
Pledge:	Water & sewer revenue, property tax revenue
Current Rate (W&S):	\$159.20
Estimated Rate Increase:	\$0.00

<u>Project Budget</u>	
WPCRF Loan:	\$480,000
Total:	\$480,000

PROJECT DESCRIPTION: The project consists of upgrades and repairs to the existing Lake of the Pines Lift Station including rehabilitating existing infrastructure, installing a detached valve vault, and replacing submersible sewage pumps/controls.

COMMUNITY PROFILE:							Avg. Annual Change
Left Hand Water & Sanitation District							
	2017	2018	2019	2020	2021	2022	
District Population		203	203	203	203	203	0.00%
Boulder County Population	325,416	328,056	328,829	330,814	329,793		0.33%
Boulder County Jobs	233,705	238,431	244,917	233,344	242,887		-0.05%
Number of Sewer Taps		81	81	81	81	81	0.00%
Number of Water Taps		81	81	81	81	81	0.00%
Assessed Value (\$000)		6,554	6,599	7,537	7,538	9,011	8.28%
Actual Value (\$000)		90,782	91,386	105,148	105,152	125,743	8.49%

BORROWER BRIEF: The District is located in the foothills of Boulder County, approximately 10 miles to the north of Boulder on US 36.



RECOMMENDATION: The District serves a small rural community in the Front Range foothills. This proposed loan is necessary to improve a lift station that is in poor condition and presents safety concerns for operations staff. The proposed loan will result in additional debt burden for the District’s ratepayers. However, the District’s water and sewer fund is in a strong financial position to take on the loan and loan repayment appears to be affordable for the community. We therefore recommend the WPCRF Committee approve a \$480,000 direct loan to the Left Hand Water and Sanitation District.

PROJECT SUMMARY:

System summary: The Lake of Pines Lift Station service area contains 13 currently occupied single-family homes and two open lots, for a total of 15 single-family homes at full build-out. From the low point in the collection system (Zone 2), the existing lift station conveys all domestic sanitary flows to a receiving manhole located within the right-of-way of South Lakeridge Trail road (Zone 1) which can then gravity flow to the wastewater treatment facility for treatment.

Reason/need: The District is pursuing improvements to the lift station due to existing, aging infrastructure that is in poor condition and to address District safety concerns regarding the lift station facilities.

System Compliance: The District is in compliance with the conditions of its discharge permit, and the project is primarily intended to maintain compliance.

Project Delivery Method: Design/Bid/Build.

Contingency: 7% of the total project cost is included as a contingency.

CURRENT INDICATORS:	2019	2020	2021	Weak	Average	Strong
Total Debt per Capita (\$):	10	0	0	>\$2,000	\$1,000-2,000	X <\$1,000
Total + New Debt/Capita (\$):			2,370	X >\$2,000	\$1,000-2,000	<\$1,000
Total Debt/Tap (\$):	24	0	0	>\$5,000	\$2,500-5,000	X <\$2,500
Total Debt + New Debt/Tap (\$):			5,926	X >\$5,000	\$2,500-5,000	<\$2,500
Current W&S Debt/Tap (\$):	24	0	0	>\$2,000	\$1,000-2,000	X <\$1,000
Current W&S + New W&S Debt/Tap (\$):			5,926	X >\$2,000	\$1,000-2,000	<\$1,000
Total Debt/Assessed Value:	0.03%	0.00%	0.00%	>50%	25-50%	X <25%
Total Debt + New W&S Debt/Assessed Value:			6.37%	>50%	25-50%	X <25%
Total Debt/Actual Value:	0.00%	0.00%	0.00%	>10%	5-10%	X <5%
Total Debt + New W&S Debt/Actual Value:			0.46%	>10%	5-10%	X <5%
Curr. W&S Debt + New Debt/Tap/MHI:			4.70%	>20%	10-20%	X <10%
W&S Fund Current Ratio (CA/CL):	295%	297%	320%	<100%	100-200%	X >200%
W&S Fund Reserves/Current Expense:	177%	163%	168%	<50%	50-100%	X >100%
W&S Operating Ratio (OR/OE):	56%	56%	71%	X <100%	100-120%	>120%
Coverage Ratio (TR-OE)/DS:	1,644%	2,755%	N/A	<110%	110-125%	X >125%
Coverage Ratio (TR-OE)/DS Excluding Tap Fees:	1,644%	2,755%	N/A	<110%	110-125%	X >125%
Coverage Ratio with New Loan:			288%	<110%	110-125%	X >125%
Coverage Ratio with New Loan Excluding Tap Fees:			288%	<110%	110-125%	X >125%
Current Annual W&S Rates/MHI:			0.43%	>3.0%	1.5-3.0%	X <1.5%
Current W&S Rates + New W&S Debt Service/MHI:			0.74%	>3.0%	1.5-3.0%	X <1.5%
Operation and Maintenance Reserve:			168%	<25%	25-50%	X >50%
			Total:	4	0	17

FINANCIAL ANALYSIS: Of the twenty-one current indicators calculated, seventeen are rated strong and four are considered weak. Overall, the indicators illustrate a system in good financial condition. The strong indicators show a healthy operating ratio, strong reserves, and affordable debt compared to assessed/actual values. The weak indicators reflect a degree of community debt burden per capita and per tap, however rates appear to be affordable.

- Based on 2021 financial information, coverage with the proposed loan is 288%. No additional annual revenue or rate increases are projected to be necessary to meet the 110% coverage ratio requirement. The ballot measure passed in 2022 allows the District to adjust its mill levy in order to increase property taxes up to \$26,000 annually to finance improvements and pay for debt.
- The operating ratio is less than 100% because property tax revenues support District operations. Combined property tax and user charge revenue have consistently covered operating expenses.
- Reserves are strong and have steadily increased in the five years examined.
- The District is considering changes to the sewer use ordinance and rate structure to plan for future projects.
- The proposed project is not anticipated to increase O&M costs.

DESCRIPTION OF THE LOAN:

A \$480,000 loan with a twenty-year term and two payments annually at an interest rate of 3.0% will cost the District approximately \$32,090 in debt service annually.

ECONOMIC ANALYSIS: The District has a 2021 population estimated at 208 and has not grown since 2017. Boulder County has experienced an average annual increase of 0.33% in population since 2017. The state population increased at an average annual rate estimated at 0.95%.

The region’s economy is dominated by professional, scientific and technical services in addition to government, health services, manufacturing, and retail.

ORGANIZATIONAL ANALYSIS:

Bond Rating

The District’s debt has not been rated by Fitch, Moody's, or Standard & Poor’s in the last five years.

Section 37-60-126(2) C.R.S. (Water Conservation Planning)

The District does not sell more than 2,000 acre-feet of water per year.

Organizational Structure

The District is a Title 32-Article 1 special district governed by a five-member board of directors and was organized in 1970. The District provides water and wastewater services. Approximately 0.5 full-time employees staff the sewer utility. The sewer utility is overseen by a contract operator in responsible charge, who reports to the board.

- The District has generally been in compliance with Colorado statutory budgeting and auditing requirements for the past five years.
- The District maintains general liability insurance coverage through the Colorado Special Districts Property and Liability Pool.
- There are currently no pending lawsuits against the District.
- There have been no recall elections in the last ten years.

Capital Improvement Plan

The District’s 2021 Wastewater Master Plan and Rate Study anticipates capital outlay of \$2,399,449 for collection system and wastewater treatment facility improvements to be funded from loans and grants. The District has not yet created a timeline for the improvements. The Wastewater Master Plan and Rate study recommends completing the collection system improvements after the proposed lift station project and lists wastewater treatment facility improvements as an ongoing priority.

Intergovernmental

A 1991 agreement with the Left Hand Water District (LHWD), which is a local government entity distinct from the Left Hand Water and Sanitation District (referred to in this credit report as “the District”) states that LHWD will treat the 36 acre-feet of raw water the District has annual rights to and deliver the treated water to the District’s pump house for distribution to District customers. The initial term ended in 2003, but the agreement allows the entities to continue/renew the agreement as desired.

A 1997 agreement with the LHWD modifies the initial agreement to include the purchase and use of a master meter for billing. The District paid LHWD an \$183,000 tap fee as part of this agreement and transferred their 36 acres of water rights to the LHWD, as well as a specified number of shares in the Left Hand Ditch Company and associated fees. The District was responsible for the cost associated with installing the master meter and remains responsible for their distribution system. The agreement has no expiration, but can be terminated by mutual agreement of the parties.

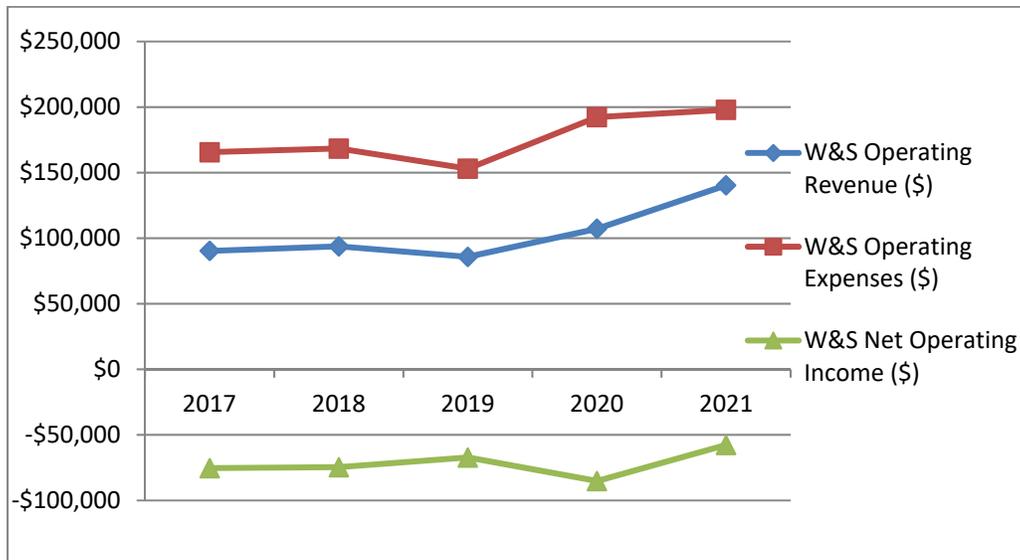
REVENUE ANALYSIS:

The District levies property tax to support operations. Property tax combined with user charges has enabled the District to consistently cover operating expenses at a healthy margin. Over the past five years examined, water system charges (operating revenue) accounted for approximately 42% of total revenue in the water and sewer fund. Operating expenses have increased, but a 2021 rate increase has also increased operating revenues, which have been on a positive trend. The 2022 rate increase is expected to further increase operating revenues.

TRENDS	2017	2018	2019	2020	2021	2022	2023
Monthly Sewer Rate (\$)		25.00	25.00	25.00	45.00	45.00	45.00
Monthly Water Rate (\$)		66.74	66.74	66.74	86.74	114.20	114.20
Residential Sewer Tap Fee (\$)		N/A	N/A	N/A	N/A	N/A	N/A
Residential Water Tap Fee (\$)		N/A	N/A	N/A	N/A	N/A	N/A
Mill Levy	23.429	18.029	19.093	17.754	18.971	16.086	

Total W&S Revenue (\$)	243,356	218,535	219,087	247,701	290,457
Tap/Development Fees (\$)	0	0	0	0	0
Property Tax	144,814	118,224	126,185	133,985	143,033
S.O. Tax	8,227	6,299	6,715	6,477	7,083
W&S Operating Revenue (\$)	90,280	93,747	85,766	107,182	140,305
W&S Operating Expenses (\$)	165,611	168,354	153,010	192,361	197,939
W&S Net Operating Income (\$)	-75,331	-74,607	-67,244	-85,179	-57,634
W&S Debt (\$)	26,158	5,809	1,979	0	0
Total Debt (\$)	26,158	5,809	1,979	0	0
W&S Debt Service (\$)	28,338	21,065	4,020	2,009	0
W&S Debt Service/Tap/Month (\$)		21.15	4.04	2.02	0.00
W&S Fund Reserves (\$)	170,382	216,515	278,516	317,478	333,042

Ratios	2017	2018	2019	2020	2021	Average
Operating Revenue as % of Total Revenue	37%	43%	39%	43%	48%	42%
Operating Revenue as % of Expenses	55%	56%	56%	56%	71%	59%
Tap Fee Revenue as % of Total Revenue	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%



Recent Rate Increases

The District’s most recent sewer and water base rate increase of \$20 was implemented on January 1, 2021. The District increased water rates further by \$27.46 on January 1, 2022

User Charges & System Utilization

The District’s current monthly sewer rate is estimated at \$45.00 compared to the 2021 estimated state median of \$40.38. All sewer users pay the same flat rate of \$45 per month.

The District’s current estimated average monthly residential water rate is \$114.20 compared to the 2021 estimated state median of \$55.72. The District’s average monthly water rate is based on typical residential consumption of 10,566 gallons per month. Residential users pay a \$45.00 base rate and volume charges of:

- \$4.99 per 1,000 gallons for consumption from 0 to 4,001 gallons
- \$7.07 per 1,000 gallons for consumption from 4,001 to 20,000 gallons
- \$9.62 per 1,000 gallons for consumption from 20,001 to 50,000 gallons
- \$12.00 per 1,000 gallons for consumption from 50,001 to 70,000 gallons
- \$24.00 per 1,000 gallons for consumption over 70,001 gallons

There are no commercial users.

Contributed Capital

The District has not had any revenue from tap fees for the last five years because the District has been largely built out for several decades. While there are two undeveloped lots, they are owned by a neighboring resident who is connected to the District. If those two lots were to be developed, the District would assess tap fees.

Current System Utilization		
	Usage	Revenue
Residential	100%	100%
Non-residential (per EQR)	100%	100%

Current Fee Summary		
Tap size	Sewer user/tap fees	Water user/tap fees
3/4"	N/A	N/A
3/4"	N/A	N/A

Property Tax

The District proposes to partially pay for the loan with property tax revenues. On November 8, 2022, the District secured voter approval for a \$480,000 increase in debt with a maximum annual revenue of \$26,000. The ballot issue authorizing the debt and tax increases passed 108 to 8. In 2022, the District’s levy was 16.086 mills compared to the state median of 6.661 mills for water and sewer districts.

Property Tax Analysis	2017	2018	2019	2020	2021
Mill Levy	23.429	18.029	19.093	17.754	18.971
Assessed Value (\$000)	6,174	6,554	6,599	7,537	7,538
Property Tax Revenue	144,814	118,224	126,185	133,985	143,033
% Property Tax Revenue/Total Revenue	60%	54%	58%	54%	49%

DEBT as of December 31, 2021

As of December 31, 2021, the District does not have any debt.

LOAN COVENANTS: The District will have to meet the Authority’s 110% rate covenant, 3-month operations and maintenance reserve fund covenant, and the 110% additional bonds test (if applicable) on an annual basis.

The District has no current debt with the Authority including the SRF programs.

Prepared by: Victor Chen
 Date: February 16, 2023

Project # 210281W-H,
 Cost Categories: Category IIIB: Sewer System

February 14, 2023

WPCRF Credit Report
Left Hand Water and Sanitation District, Boulder County, CO
Using most recent data available
(Census, audits, local records)

Estimated Population - 2020	203
Number of Sewer Taps/Customers - 2021	81
Total Assessed Valuation (in thousands) - 2021	\$7,538
Actual Value of All Real Property (in thousands) - 2021	\$105,152
Median Household Income (MHI) - 2020	\$126,167
Monthly Sewer Rate - 2021	\$45.00
Water & Sewer Operating Revenue - 2021	\$140,305
Water & Sewer Total Revenue - 2021 [May include non-operating revenue, such as contributed capital, tap & system development fees, interest income, S.O. tax and property tax. Excludes one-time capital grants.]	\$290,457
Water & Sewer Tap and System Development Fee Revenue - 2021	\$0
Water & Sewer Operating Expense - 2021	\$197,939
Water & Sewer Current Expense - 2021	\$197,939
Water & Sewer Debt - 2021	\$0
Water & Sewer Debt - 2021	\$0
Water & Sewer Fund Reserves - 2021	\$333,042
Water & Sewer Debt Service - 2021	\$0
New Water & Sewer Debt [Requested WPCRF loan amount.]	\$480,000
Requested WPCRF Loan Term	20
Requested WPCRF Loan Interest Rate	3.00%
New Loan's Annual Water & Sewer Debt Service (two payments annually)	\$32,090

Current Indicators (2021)				
Left Hand Water and Sewer District				
(Water and Sewer Fund)				
1	Total Debt	\$0	÷ Population	203 = \$0
	New Debt	\$480,000	÷ Population	203 = \$2,370
	Total Debt + New Debt	\$480,000	÷ Population	203 = \$2,370
2	Total Debt	\$0	÷ Number of Taps	81 = \$0
	New Debt	\$480,000	÷ Number of Taps	81 = \$5,926
	Total Debt + New Debt	\$480,000	÷ Number of Taps	81 = \$5,926
3	Total Debt	\$0	÷ Assessed Value	\$7,538,000 = 0.00%
	New Debt	\$480,000	÷ Assessed Value	\$7,538,000 = 6.37%
	Total Debt + New Debt	\$480,000	÷ Assessed Value	\$7,538,000 = 6.37%
4	Total Debt	\$0	÷ Actual Value	\$105,152,000 = 0.00%
	New Debt	\$480,000	÷ Actual Value	\$105,152,000 = 0.46%
	Total Debt + New Debt	\$480,000	÷ Actual Value	\$105,152,000 = 0.46%
5	Current Sewer Debt	\$0	÷ Number of Taps	81 = \$0
	(Current Sewer Debt + New Sewer Debt) / Number of Taps	\$5,926	÷ MHI	\$126,167 = 4.70%
6	Current Ratio (CA / CL)			
	Current Assets	\$484,677	÷ Current Liabilities	\$151,635 = 320%
7	Reserve/Expense Ratio			
	Reserves	\$333,042	÷ Current Expenses	\$197,939 = 168%
8	Operating Ratio (OR / OE)			
	Operating Revenues	\$140,305	÷ Operating Expenses	\$197,939 = 71%
9	Coverage Ratio [(TR - OE) / DS]			
	Total Revenues	\$290,457	-	
	Minus Operating Expenses	\$197,939		
	=	\$92,518	÷ Current Debt Service	\$0 = #DIV/0!
	Coverage Ratio Excluding Tap and Development Fee Revenue	\$92,518		
10	Development Fee Revenue	\$92,518		
	Minus Tap and Development Fee Revenue	\$0		
	=	\$92,518	÷ Current Debt Service	\$0 = #DIV/0!
11	Projected Coverage Ratio			
	Total Revenues	\$290,457		
	Minus Operating Expenses	\$197,939		
	=	\$92,518	Total Debt Service (with new loan)	\$32,090 = 288%
	Projected Coverage Excluding Tap and Development Fee Revenue	\$92,518		
12	Development Fee Revenue	\$92,518		
	Minus Tap and Development Fee Revenue	\$0		
	=	\$92,518	÷ Total Debt Service (with new loan)	\$32,090 = 288%

13	Current Debt Service	\$0	÷	Number of Taps	81	=	\$0.00
	Annual New Sewer Debt Service	\$32,090	÷	Number of Taps	81	=	\$396.17
	2021 Annual Sewer Rate (Monthly Rate						
14	x 12)	\$540.00	÷	MHI	\$126,167	=	0.43%
	2021 Annual Sewer Rate + New Annual						
	Debt Service Per Tap	\$936.17	÷	MHI	\$126,167	=	0.74%
15	Current 2021 Monthly User Charge						\$45.00
	(Debt Service on WPCRF Loan / 2021 Taps / Month)						<u>\$33.01</u>
	Total						\$78.01
16	Operation and Maintenance Reserve						
	Reserves	\$333,042	÷	Operating Expenses	\$197,939	=	168%

**COLORADO WATER RESOURCES
AND
POWER DEVELOPMENT AUTHORITY**

RESOLUTION NO. 23-08

**A RESOLUTION APPROVING A WASTEWATER DIRECT LOAN TO THE
LEFT HAND WATER AND SANITATION DISTRICT AND EXECUTION OF A LOAN
AGREEMENT AND OTHER NECESSARY DOCUMENTS THEREFOR**

WHEREAS, the Colorado Water Resources and Power Development Authority (the "Authority") has received and reviewed an Application for a base direct loan from the Water Pollution Control Revolving Fund from the Left Hand Water and Sanitation District (the "Applicant"); and

WHEREAS, the Loan Application has been reviewed and recommended for approval in accordance with the procedures provided therefor in the Memorandum of Agreement between the Authority, the Colorado Department of Public Health and Environment, and the Colorado Department of Local Affairs concerning the operation of the Water Pollution Control Revolving Fund; and

WHEREAS, the proposed Project to be financed by the proposed base direct loan is included on the Project Eligibility List of projects eligible for financial assistance from the Water Pollution Control Revolving Fund, and the Water Quality Control Division of the Colorado Department of Public Health and Environment has certified that the proposed Project has met all other requirements and prerequisites for eligibility for financial assistance from the Water Pollution Control Revolving Fund.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Colorado Water Resources and Power Development Authority:

1. That the proposed base direct loan to the Left Hand Water and Sanitation District in an amount not to exceed \$480,000 is approved subject to the terms and conditions set forth on the attached Exhibit A;
2. That the staff is directed to negotiate a Loan Agreement and other documents incorporating such terms and conditions as are appropriate to effectuate the proposed direct loan;
3. That the Executive Director and Assistant Secretary are authorized and directed to execute the Loan Agreement and any other necessary and reasonable documents for the proposed direct loan in order to consummate the direct loan approved hereby.

CERTIFICATE

The undersigned officers of the Board of Directors of the Colorado Water Resources and Power Development Authority do hereby certify that the above Resolution No. 23-08 was adopted by the Colorado Water Resources and Power Development Authority at a regular meeting of the Board of Directors (meeting conducted using a combination of both in-person and video and audio tele-conferencing) with a quorum present in Denver, Colorado on March 3, 2023.

Chairman

Secretary

ATTEST

EXHIBIT A

Borrower:	Left Hand Water and Sanitation District
Project:	The project consists of upgrades and repairs to the existing Lake of the Pines Lift Station including rehabilitating existing infrastructure, installing a detached valve vault, and replacing submersible sewage pumps/controls
Pledge:	Water and Sewer Revenue, and Property Tax Revenue
Loan Term:	20 years
Interest Rate:	3.00%
Amount not to exceed:	\$480,000

WPCRF SET ASIDE UPDATE
February 17, 2023

Program	Grant Year	Grant Amount	Funds Remaining	% Complete
Admin	2022 BIL Supplemental	\$ 569,440	\$ 541,845	5%
	Totals	\$ 569,440	\$ 541,845	5%

Program	Grant Year	Grant Amount	Funds Remaining	% Complete
Technical ("Technical") Assistance	2022 BIL Supplemental	\$ 284,720	\$ 284,720	0%
	Totals	\$ 284,720	\$ 284,720	0%

**COLORADO WATER RESOURCES
&
POWER DEVELOPMENT AUTHORITY**

**PROJECT FINANCE COMMITTEE
MEETING AGENDA**

February 27, 2023

Committee meeting at 9:00 a.m.

Via Zoom Conference Call

Project Finance Committee Members: George Corkle (Chair), Mike Fabbre, Steve Vandiver, and Eric Wilkinson

Authority Staff: Keith McLaughlin, Jim Griffiths, Wes Williams, Ian Loffert, Kevin Carpenter, and Giorgi Gazashvili

Others present: Mark Henderson, Desi Santerre, Victor Chen, and Kelly Shen

AGENDA

1. DWRF Loan Application

- St. Mary's Glacier Water and Sanitation District (Base) Supplemental Direct Loan Request – Ian (**Board Action**)

2. WPCRF Loan Application

- Left Hand Water & Sanitation District (Base) Direct Loan Request – Kevin (**Board Action**)

Note: A Zoom conference call has been scheduled for **Monday, 9:00 a.m. February 27, 2023**. The link to join via online is: <https://us06web.zoom.us/j/84283811765?pwd=cXorWVVRzJ5eFh4blZtZUJNM3NoUT09>. If you prefer to dial in, the call-in number is: **1-669-900-6833**, and the Meeting ID is **842 8381 1765**. The passcode is: **020871**.



COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

The Amp - Suite 820, 1580 N. Logan Street, Denver, Colorado 80203
303/830-1550 · Fax 303/832-8205 · info@cwprda.com

PROJECT FINANCE COMMITTEE MINUTES

February 27, 2023

9:00 a.m. Zoom Conference Call

PROJECT FINANCE COMMITTEE

- MEMBERS PRESENT:** George Corkle (Chair), Steve Vandiver, Eric Wilkinson, Mike Fabbre
- STAFF:** Keith McLaughlin, Jim Griffiths, Wesley Williams, Ian Loffert, Giorgi Gazashvili, Kevin Carpenter, Justin Noll, Sabrina Speed, Alannah Drane
- DOLA:** Victor Chen, Kelly Shen, Desi Santerre
- WQCD:** Mark Henderson
- OTHER BOARD MEMBERS:** Chris Treese, Patti Wells, Karen Wogsland, Lucas Hale, Bruce Whitehead

The Project Finance Committee conference call was brought to order at (9:01) a.m.

Director Wilkinson joined the call at (9:02) a.m.

DRINKING WATER REVOLVING FUND (“DWRF”) PROGRAM

- **St. Mary’s Glacier Water and Sanitation District**

Ian Loffert presented the St. Mary’s Glacier Water and Sanitation District’s (“District”) request for a supplemental Disadvantaged Communities (“DAC”) direct loan through the DWRF loan program in the amount of \$200,000 plus \$300,000 of principal forgiveness, at an interest rate of 0%, for a term of up to 30 years. The project scope has not changed and consists of well improvements, treatment, and distribution system improvements. The distribution system improvements include the replacement and repair of distribution lines, installation of a pump station, improvements to the storage tank and yard piping, and rehabilitation of pressure-reducing valves.

Director Wells questioned the population figures listed in the project summary and how many service lines are in the District. Mr. Griffiths confirmed that this was mistake on population and the phrase should have stated feet of service lines.

Director Vandiver expressed concerns about the project and the length of time this project has been in construction. Director Vandiver understands COVID and other factors contributed to the delay; however, other projects have been able to construct their projects during this timeframe, so he is concerned about the project. Director Vandiver expressed interest in increasing the interest rate from 0% to 0.5%.

Mr. Griffiths responded the interest rate is determined by the Board during their application approval. Mr. Griffiths also requested Mr. Henderson to give a construction update on this project. Mr. Henderson replied that the District has a limited construction window due to the climate and believes the District is near completion.

Mr. Corkle questioned if the District will be able to meet the construction deadline for the enforcement order listed in the credit report. Mr. Henderson replied that the District should be able to meet the construction deadline.

Director Vandiver thanked Mr. Henderson for the construction update, which helped with his concerns. However, Director Vandiver still believes the Board should consider an increased interest rate.

Chair Corkle expressed similar concerns about the delays related to COVID because other projects have been able to construct and complete projects during this period. However, Chair Corkle shared that contractors and construction companies are having a challenging time hiring and mobilizing in rural Colorado.

Director Wogsland asked about the IUP language for the supplemental loan interest rate and the leeway the Board has to increase the interest rate. Mr. Loffert responded with the IUP language that comes with a qualifier that dictates the interest rate is determined by the Board of Directors.

Mr. Treese agreed with the other Board members that a 0% interest rate should be discussed and believes the interest rate on the application should be higher than 0%. Director Treese also questioned that the District had negative fund reserves in 2020, so is concerned with the District putting additional fund reserves into the project. Mr. Loffert responded they were out of compliance that year and had 24 months to come back to compliance. Director Treese also questioned how a negative fund reserve affects the District. Mr. Griffiths responded that it is usually an accounting feature where the District does not have enough current assets to meet the current liabilities.

Director Hale asked a clarifying question on how the fund balance is calculated. Mr. Loffert confirmed the mechanics of the reserve fund calculation for Director Hale.

Director Wells shared concerns about an interest rate that triggers a user rate increase.

Director Vandiver motioned to forward the application to the full Board with no recommendation and that staff provide the Board with the payment scenarios for a 0.5%, 1%, and 1.25% interest rates.

Motion: Steve Vandiver

2nd: Eric Wilkinson

Vote: Motion Carried

WATER POLLUTION CONTROL REVOLVING FUND (“WPCRF”) PROGRAM

- **Left Hand Water and Sanitation District**

Kevin Carpenter presented the Left Hand Water and Sanitation District’s (“District”) request for a direct loan in the WPCRF program in the amount of \$480,000 for a term of 20 years, at an interest rate of 3%. The project consists of upgrades and repairs to the existing Lake of the Pines Lift Station including rehabilitating existing infrastructure, installing a detached valve vault, and replacing submersible sewage pumps/controls.

Director Wells questioned the 13 single-family homes versus the population of approximately 200 listed in the credit. Mr. Chen responded that the 13 homes listed is in and around the lift station. Mr. Henderson clarified that on the application, the District has approximately 83 single-family homes.

Director Wilkinson expressed concerns about the operation ratio being weak at 56% for the District. Director Wilkinson also questioned the mill levy vote and expressed concerns about the District’s reliance on the property tax revenue and if the District’s revenue decreases or enters into new debt, how they will be able to meet future covenants. Mr. Griffiths responded that the District would have to raise rates to meet the future covenants. Mr. Griffiths also stated the benefits of the property tax pledge and how it connects to our debt financing. Mr. McLaughlin also added that the Additional Bonds Test, which is certified before any new debt financing and is reviewed by a bond counsel, helps protect the Authority with a property tax pledge and any future debt financing.

Director Wilkinson also questioned the agreement between the Left Hand Water and Sanitation District and the Left Hand Water District and the perpetual nature of that agreement. Director Wells responded that the State of Colorado-made Water contracts can be perpetual, should be perpetual in nature, and added that Denver Water's water contracts are perpetual. Director Wells also included background on property tax pledges and their secure nature.

Director Wilkinson motioned to forward the application to the full Board with a favorable recommendation and place the application on the consent agenda.

Motion: Eric Wilkinson

2nd: Steve Vandiver

Vote: Motion Carried

**COLORADO WATER RESOURCES &
POWER DEVELOPMENT AUTHORITY**

BOARD PROGRAM WORK SESSION (BPWS) AGENDA

**March 2, 2023
BPWS at 3:00 pm**

Board Members: Steve Vandiver (Chair), Chris Treese, Mike Fabbre, Eric Wilkinson, Patti Wells, George Corkle, Karen Wogsland, Lucas Hale, Bruce Whitehead

Authority Staff: Keith McLaughlin, Jim Griffiths, Sabrina Speed, Justin Noll, Wesley Williams and Ian Loffert.

Others present: Michael Beck (WQCD), Mark Henderson (WQCD), Desi Santerre (DOLA)

AGENDA

1. Disadvantaged Community (DAC) Business Case – Town of Silt – discussion and possible action (Wes).
2. Bipartisan Infrastructure Law (BIL) “Per Entity” Limit Recommendation – discussion and possible action (Jim, Desi, Mark).
3. Information Systems Use Policy Annual Review – discussion and possible action (Wes).
4. Lower Arkansas Valley Conduit Project – Lending Structure Conversation – discussion only (Keith, Jim).

**Colorado Water Resources
and
Power Development Authority**

Nominating Committee Minutes

February 22, 2023

Call to Order

The meeting was called to order at 10:02 a.m.

Roll Call

Nominating Committee (Committee) members attending via a video conference call: Chair Bob Wolff, Vice-Chair Steve Vandiver. Other Board members included: Secretary/Treasurer Chris Treese.

2023-2024 Slate of Officers

Due to the expiration of Chair, Bob Wolff's second term, the Committee was convened to recommend a new slate of Board officers for 2023 and 2024. Mr. McLaughlin briefly reviewed the three officer positions: Board Chair, Vice-Chair, and Secretary/Treasurer. He also discussed the two-year Board terms for each officer and previous Committee practices. The Committee discussed several good candidates, which was proceeded by the following motion: to recommend to the full Board Steve Vandiver for Chair, Chris Treese to Vice-Chair, and Mike Fabbre to Secretary/Treasurer. Director Vandiver stated that he would reach out to Mike Fabbre to see if had the time and willingness to serve in the Secretary/Treasurer position.

Motion: Bob Wolff
2nd: Steve Vandiver
Vote: Motion Carried

Board Committee Appointments

Current Board Committee assignments and Chairs were discussed, as well as the Board Committee vacancies created by Mr. Wolff's term expiration. New potential Board Committee assignments and prospective Chairs were also considered. Mr. McLaughlin noted that the Board Committee assignments were at the Board Chair's sole discretion and recommended that any new assignments are made after the Board acts on the Nominating Committee's formal slate of officers. This action would also allow Chair nominee Vandiver to ask Board members at the March Board meeting to consider their interest in participating in the various Board Committees.

The meeting was adjourned at 10:52 a.m.

Respectfully submitted,



Keith McLaughlin, Executive Director

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 SABRINA SPEED AT (303) 830-1550, EXT. 1010, FOR INFORMATION.

Biden-Harris Administration announces \$85,895,000 in Bipartisan Infrastructure Law funding to address Emerging Contaminants like PFAS in drinking water in Colorado

DENVER (Feb. 13, 2023) – Today, the U.S. Environmental Protection Agency (EPA) announced \$85,895,000 from President Biden’s Bipartisan Infrastructure Law to address emerging contaminants, like Per- and Polyfluoroalkyl Substances (PFAS) in drinking water in Colorado. This investment, which is allocated to states and territories, will be made available to communities as grants through EPA’s Emerging Contaminants in Small or Disadvantaged Communities (EC-SDC) Grant Program and will promote access to safe and clean water in small, rural, and disadvantaged communities while supporting local economies.

“Too many American communities, especially those that are small, rural, or underserved, are suffering from exposure to PFAS and other harmful contaminants in their drinking water,” **said EPA Administrator Michael Regan**. “Thanks to President Biden’s leadership, we are investing in America and providing billions of dollars to strengthen our nation’s water infrastructure while safeguarding people’s health and boosting local economies. These grants build on EPA’s PFAS Strategic Roadmap and will help protect our smallest and most vulnerable communities from these persistent and dangerous chemicals.”

“EPA is delivering on its strategic commitment to address PFAS and emerging contaminants

with more than \$85 million for infrastructure projects that will safeguard Colorado’s drinking water for years to come,” **said EPA Regional Administrator KC Becker**. “These funds will help water providers invest in treatment technologies and solutions to contamination concerns in the communities that need them most.”

The Bipartisan Infrastructure Law invests \$5 billion over five years to help communities that are on the frontlines of PFAS contamination reduce PFAS in drinking water. EPA announced the funds for Colorado as part of an allotment of \$2 billion to states and territories that can be used to prioritize infrastructure and source water treatment for pollutants, like PFAS and other emerging contaminants, and to conduct water quality testing.

EPA is also releasing the *Emerging Contaminants in Small or Disadvantaged Communities Grant Implementation* document. The implementation document provides states and communities with the information necessary to use this funding to address local water quality and public health challenges. These grants will enable communities to improve local water infrastructure and reduce emerging contaminants in drinking water by implementing solutions such as installing necessary treatment solutions.

Today’s actions represent a significant milestone within the Biden-Harris Administration’s commitments to [combat PFAS pollution](#) and [safeguard drinking water](#), and specifically EPA’s October 2021 PFAS Strategic Roadmap. Under the Roadmap, EPA is working across the agency to protect the public from the health impacts of PFAS. EPA has taken a number of actions to deliver progress on PFAS including:

- [Proposing to designate two PFAS as CERCLA hazardous substances](#). If finalized, this will be a critical step toward increasing transparency around releases of PFAS and holding polluters accountable for cleaning up their contamination.

- **[Releasing drinking water health advisories](#)**. Acting in accordance with EPA’s mission to protect public health and keep communities and public health authorities informed when new science becomes available, the Agency issued drinking water health advisories for four PFAS.
- **Laying the foundation to enhance data on PFAS**. This included an [order under EPA’s National PFAS Testing Strategy](#) requiring companies to conduct PFAS testing, and nationwide sampling through the Unregulated Contaminant Monitoring Rule for [29 PFAS in public drinking water systems](#).
- **Expanding the scientific understanding of PFAS**. The Agency issued more than 30 scientific publications by EPA researchers and released EPA’s PFAS Thermal Treatment Database.
- **Translating the latest science into EPA’s cross-agency PFAS efforts**. This included updating EPA’s contaminated site cleanup tables, [developing new PFAS methods and conducting toxicity assessments, and issuing draft national recommended water quality criteria to protect aquatic life](#).
- **Continuing engagement with the public**. EPA’s PFAS work was informed by public webinars, stakeholder meetings, Congressional testimony, and engagement with EPA’s federal advisory committees.

In addition to this new grant, EPA is also working to propose a PFAS National Primary Drinking Water Regulations (NPDWR) in the coming weeks. The draft proposed rule is currently undergoing interagency review and EPA will issue the proposed rule for public comment when it clears the Office of Management and Budget (OMB). The agency anticipates finalizing the rule by the end of 2023. Together, with today’s announcement, these actions highlight EPA’s commitments outlined in the PFAS Strategic Roadmap to protect public health and the environment from the impacts of PFAS. They also illustrate the benefits of investing in water—protecting public health and the environment, addressing key challenges facing communities, and creating jobs.

133 Colorado Water Resources and Power Development Authority



March 3, 2023
Board Meeting

134 St. Mary's Glacier Water and Sanitation District Supplemental Resolution 23-07



Interest Rate =



Term =



Loan Amount =

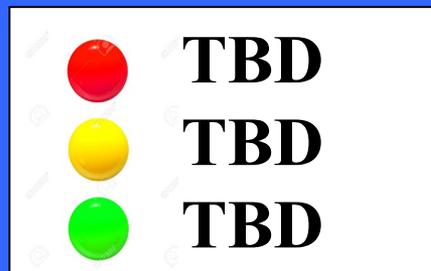


Subject To =



Pledge = Water and Sewer System Revenue

Indicators =



Additional Info =

O&M Reserve = **51%**
Bid process = **DBB**
Contingency = **11.5%**

St. Mary's Glacier Water and Sanitation District – Supplemental



There are no projected changes to the number of financial indicators that are Strong vs. Average vs. Weak.

Interest Rate	New Loan Annual Debt Service	St. Mary's WSD Debt Service Coverage Ratio (including Tap Fees)
0.00% (existing proposed rate)	\$6,667	438%
0.50%	\$7,187	435%
1.00%	\$7,733	432%
1.25%	\$8,015	430%

St. Mary's Glacier Water and Sanitation District – Supplemental

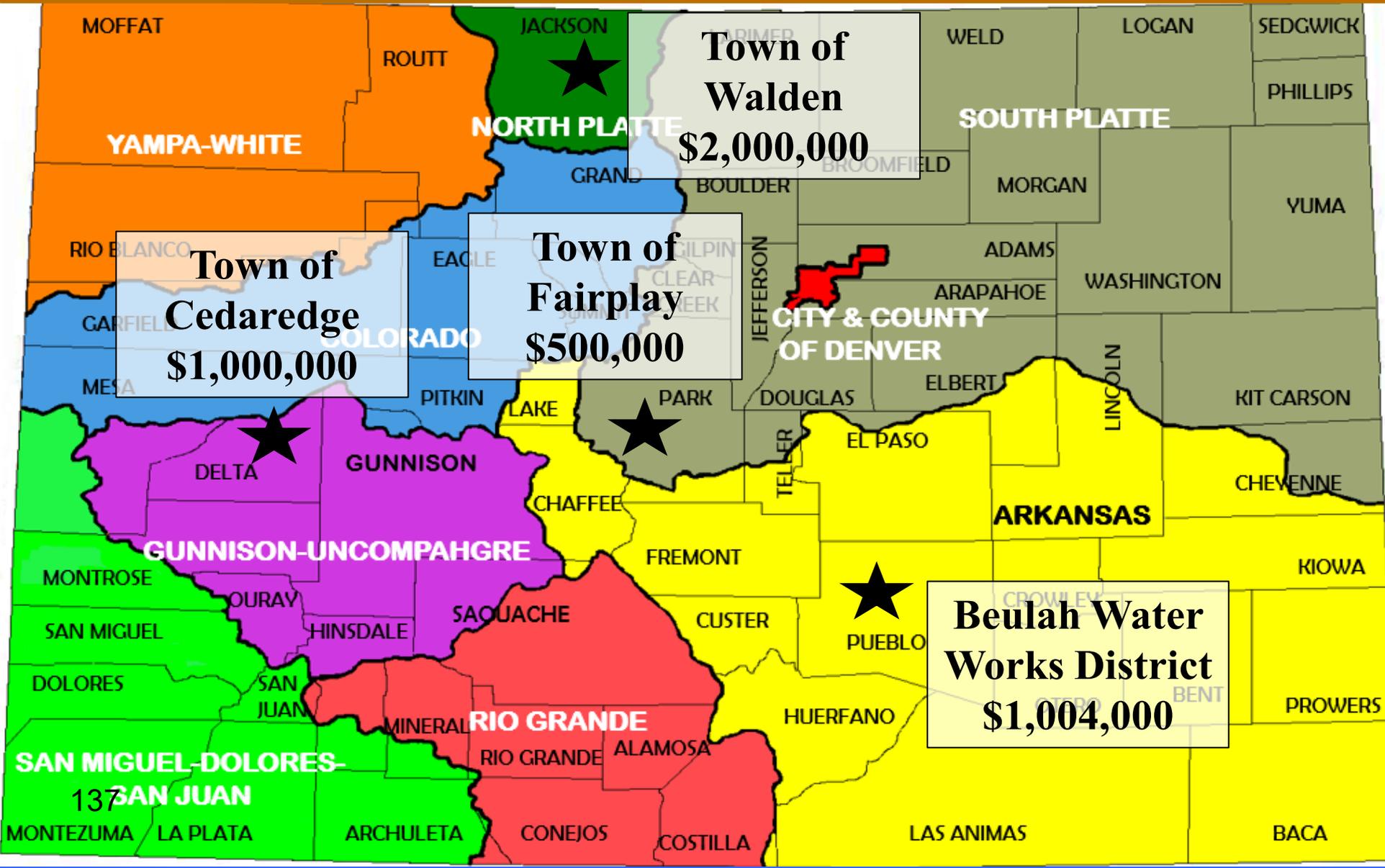


The project consists of well improvements, treatment, and distribution system improvements. The distribution system improvements include the replacement and repair of distribution lines, installation of a pump station, improvements to the storage tank and yard piping, and rehabilitation of pressure-reducing valves. (South Platte Basin)



DWRF January

Loan Applications Received

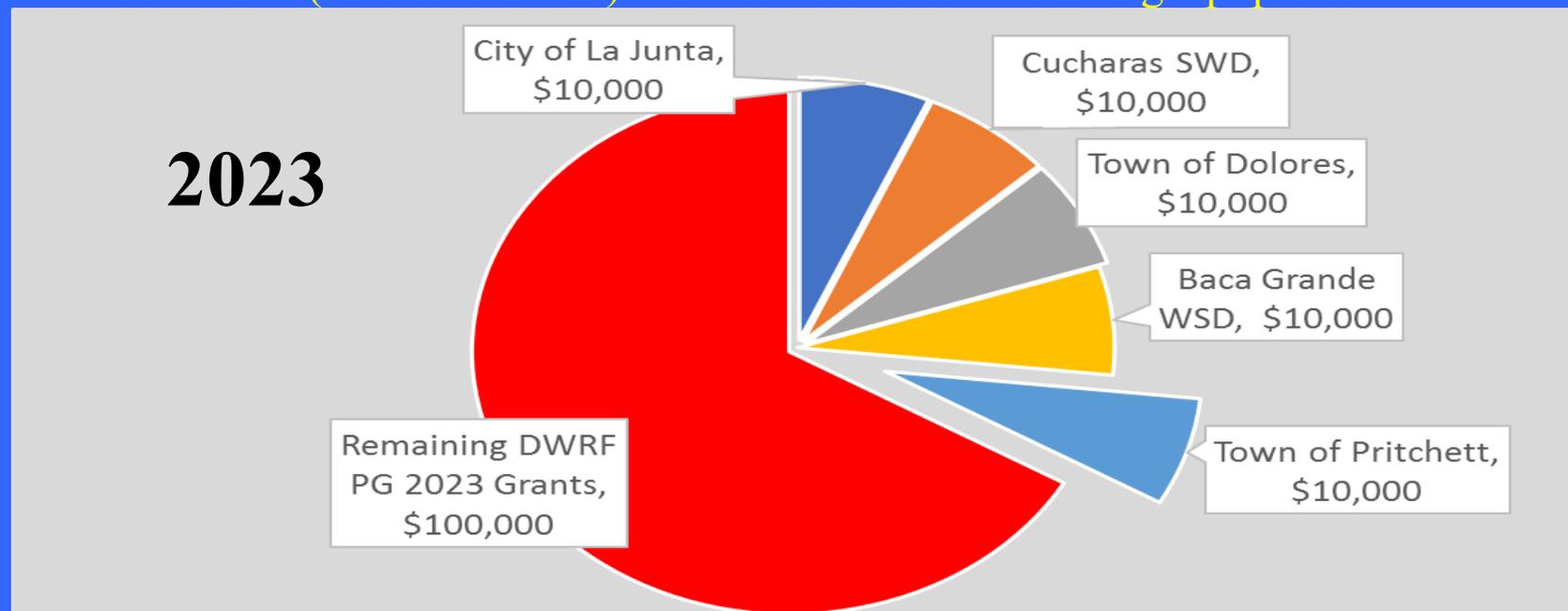


DWRF Planning Grant Update



In 2023, the Authority has budgeted \$150,000 for DWRF Planning Grants (PG's). There have been three PG's awarded since the January Board meeting. There's \$100,000 remaining for 2023 Planning Grants.

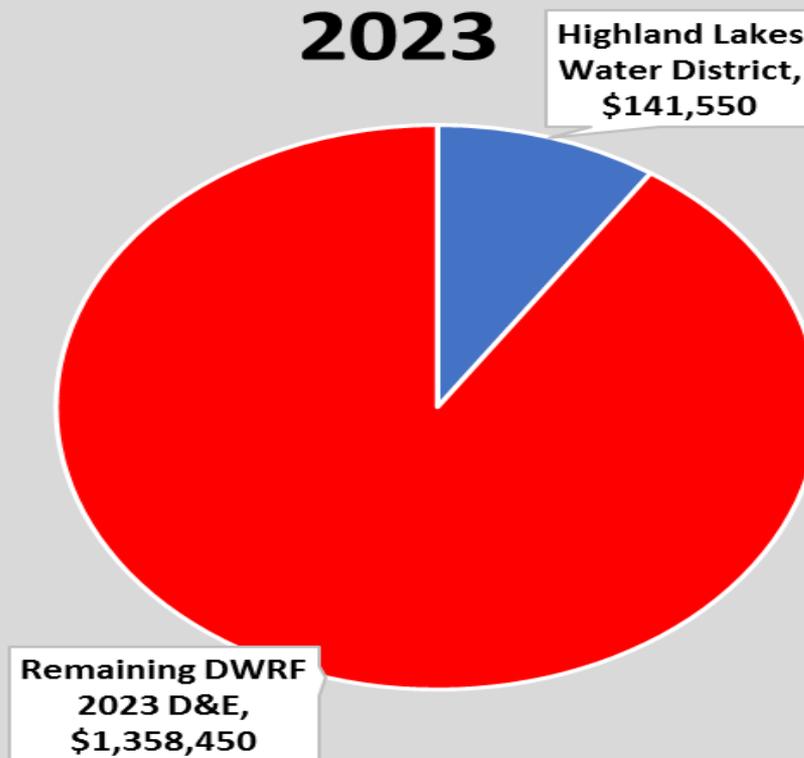
- Town of Dolores (Montezuma Basin)– upgrades or replacement of distribution pipe.
- Baca Grande WSD (Gunnison-Uncompahgre Basin)– replacement of lift station and upgrades of the water tank.
- Town of Pritchett (Arkansas Basin)– installation of new blending equipment.



DWRF Design and Engineering Grant Update



Of the \$1,500,000 budgeted for 2023, there is \$1,358,450 remaining for Design and Engineering Grants (D&E's). There have been no D&E's awarded since the January Board meeting.



140 Left Hand Water & Sanitation District Resolution 23-08



Interest Rate =



Term =



Loan Amount =

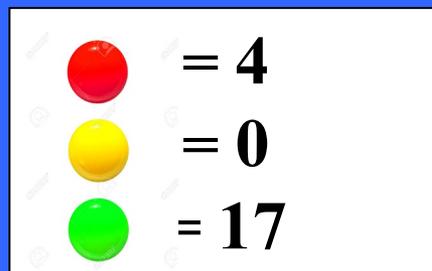


Subject To =



Pledge = Water and Sewer System Revenue, Property Tax Revenue

Indicators =



**Additional
Info =**

O&M Reserve = 168%
Bid process = DBB
Contingency = 7%

Left Hand Water & Sanitation District

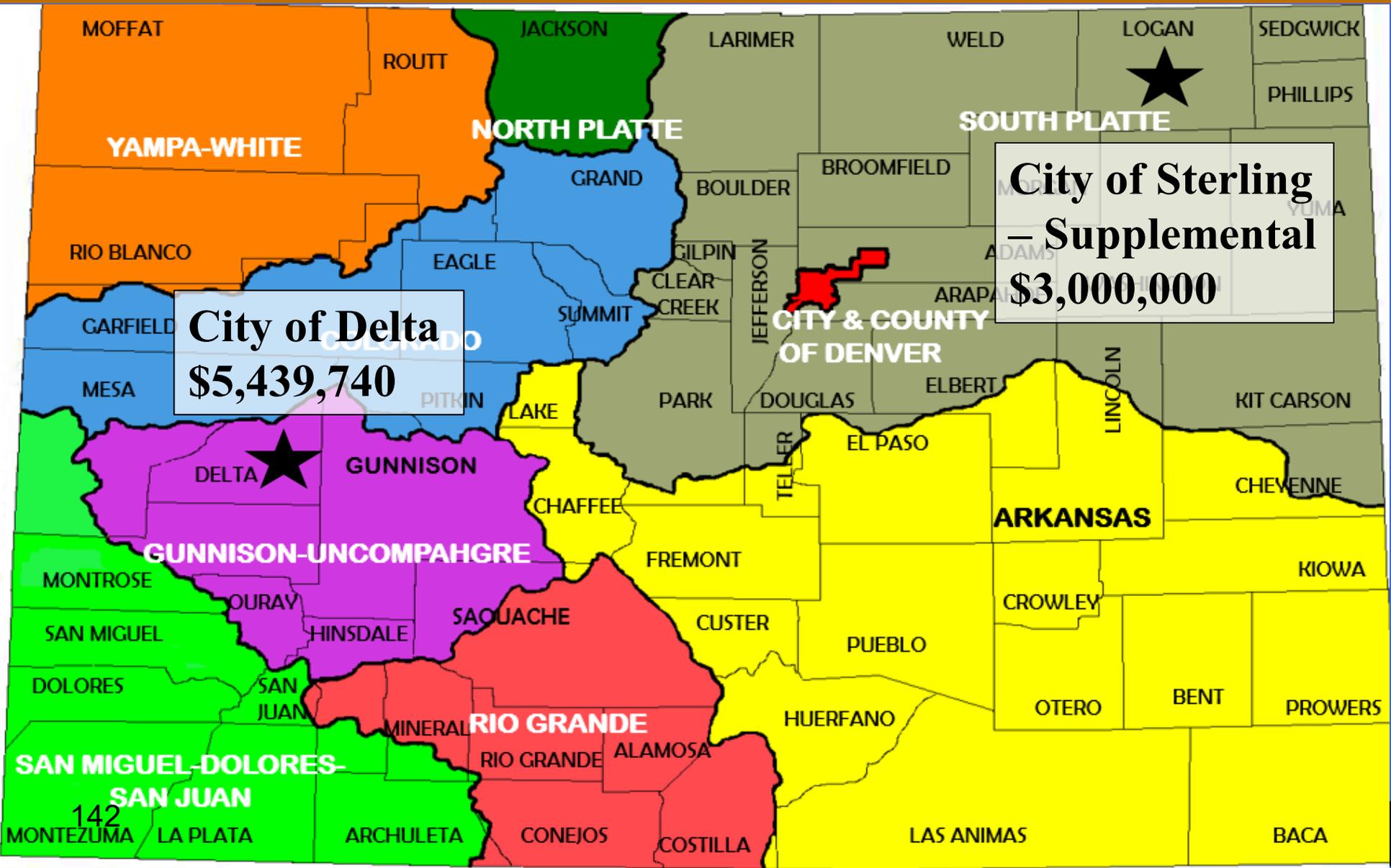


The project consists of upgrades and repairs to the existing Lake of the Pines Lift Station including rehabilitating existing infrastructure, installing a detached valve vault, and replacing submersible sewage pumps/controls. (South Platte Basin)



WPCRF January

Loan Applications Received

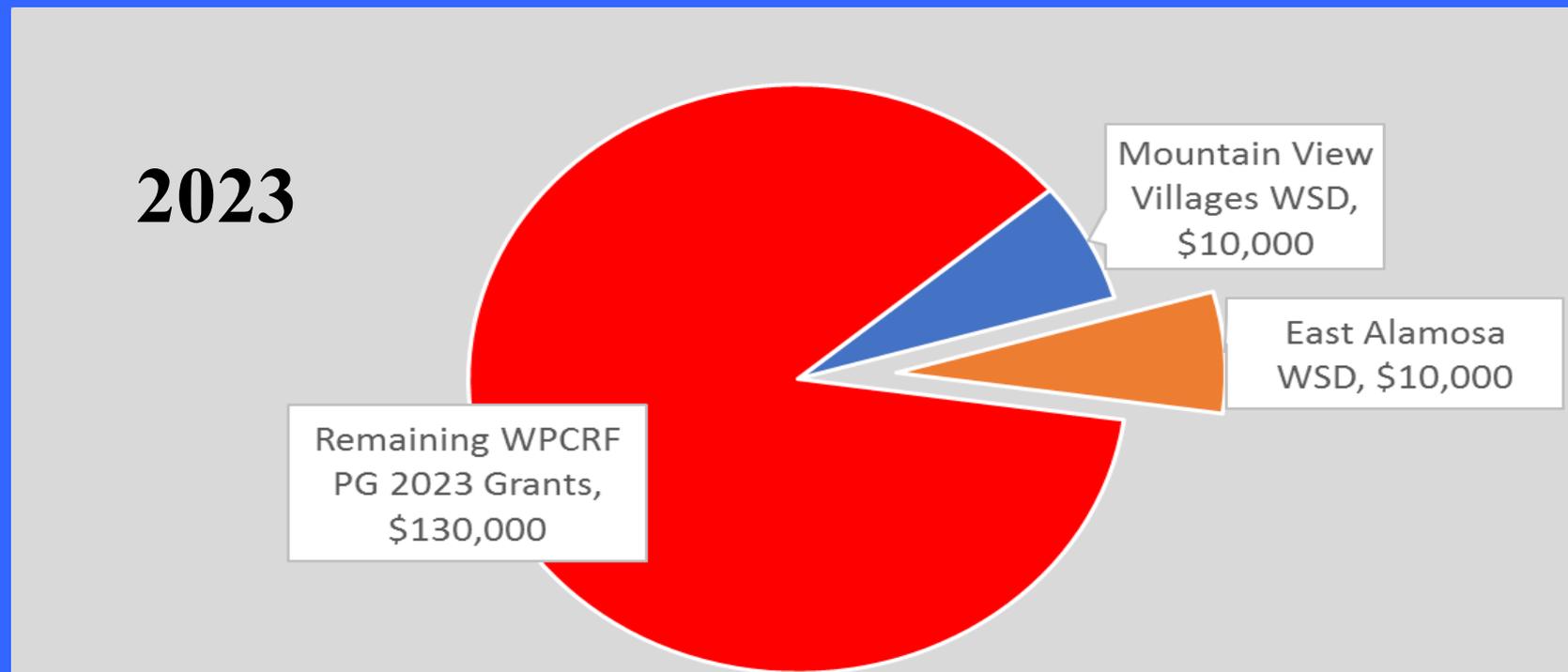


WPCRF Planning Grant Update



In 2023, the Authority has budgeted \$150,000 for WPCRF Planning Grants (PG's). There has been one PG awarded since the January Board meeting. There's \$130,000 remaining for 2023 Planning Grants.

- East Alamosa WSD (Rio Grande Basin)– improvements to the WWTP lift stations.

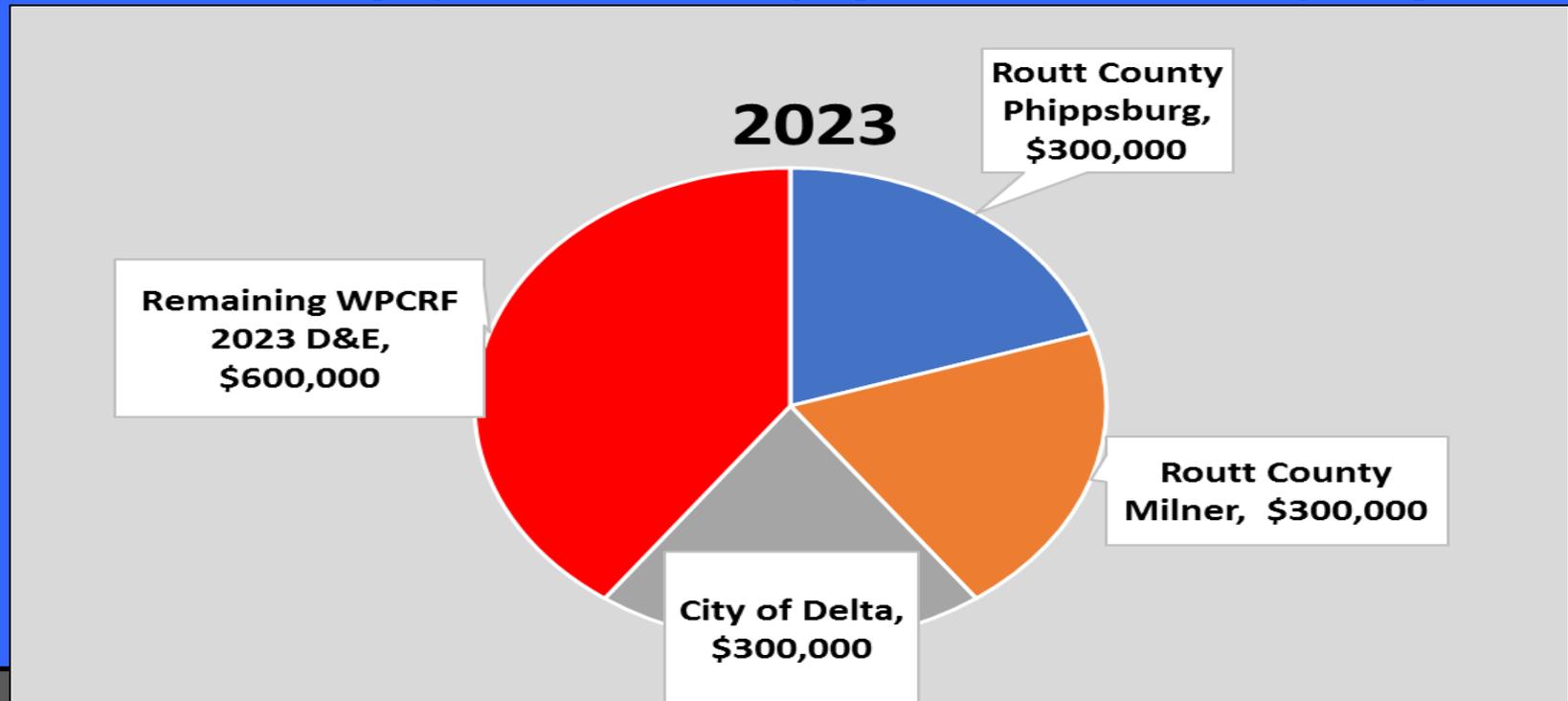


WPCRF Design and Engineering Grant Update



Of the \$1,500,000 budgeted for 2023, there is \$600,000 remaining for Design and Engineering Grants (D&E's). There have been three D&E's awarded since the January Board meeting.

- Routt County Phippsburg (Yampa-White Basin)– replace the existing lagoon WWT system with a new mechanical treatment system.
- Routt County Milner (Yampa-White Basin)– replace the existing lagoon WWT system with a new mechanical treatment system.
- City of Delta (Gunnison-Uncompahgre Basin)– constructing improvements to the aerobic digestion process at the WWTF.



SHLP Matching Grant Update



In 2023, the Authority has budgeted \$150,000 for Small Hydropower Matching Grants (SHMG's). There have been no SHMG's awarded this year.

2023

Remaining SH
2023 Grants,
\$150,000

A pie chart with a single red slice representing 100% of the total. A white callout box is positioned at the bottom left of the chart, containing the text 'Remaining SH 2023 Grants, \$150,000'. The year '2023' is written in large black font above the chart.