

COLORADO WATER RESOURCES and POWER DEVELOPMENT AUTHORITY**2:00 P.M. – August 19, 2026**

Hybrid Meeting – In-person and via Zoom
 Burgess Creek Conference Room, Steamboat Grand
 2300 Mt. Werner Circle
 Steamboat Springs, CO 80487

<https://us06web.zoom.us/j/82848238094?pwd=IM6ofJmomlurt5nl2nUIJT5UxJgo.1>

OR call-in number 1-719-359-4580

Meeting ID: **828 4823 8094**

Passcode: **173926**

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** – Chair Chris Treese
2. **Pledge of Allegiance**
3. **Roll Call, Declaration of a Quorum & Introduction of Guests**
4. ****Consent Agenda Approval¹**
5. ****Approval of Minutes – June 5, 2026¹**
6. **Agency and Other Reports**
 - (a) Report of Lobbyist – Christine Arbogast
 - (b) Report of AVC – Leann Noga
 - (c) ****Report of CWCB¹** – Kirk Russell
 - (d) Report of WQCD – Ron Falco
 - (e) Report of DOLA – Cynthia Thayer
7. **Authority Reports**
 - (a) Public and/or Board Member Comment
 - (b) Report of Chair – Chris Treese
 - (c) ****Report of Treasurer²** – Karen Wogsland
 - (d) ****Report of Executive Director¹** – Keith McLaughlin
 - CEOS Project Update
 - (e) Manager's Report
 - Accounting
 - Finance
 - Open Loan Application Cycles - WPCRF
 - Office
 - (f) Report of Legal Counsel – Karl Ohlsen
8. **Drinking Water Revolving Fund**
 - (a) Loan Applications
 - Montezuma County Local Improvement District No. 2023-1 Upper Road 42, ****Resolution No. 26-22¹**
 - City of Aurora, ****Resolution No. 26-23¹**
 - Camelot Property Owner's Association, ****Resolution No. 26-24¹**
 - Colorado City Metropolitan District, ****Resolution No. 26-25¹**
 - Penrose Water District, ****Resolution No. 26-26¹**
 - Bailey Water and Sanitation District, ****Resolution No. 26-27¹**
 - Town of Kremmling Supplemental, ****Resolution No. 26-28¹**
 - Town of Cheyenne Wells, ****Resolution No. 26-29¹**
 - Town of Dolores, ****Resolution No. 26-30¹**
 - Town of La Veta Supplemental, ****Resolution No. 26-31¹**
 - (b) Montezuma County Local Improvement District No. 2023-1 Upper Road 42, DAC Business Case
 - (c) ****DWRP 2026 IJJA State Match, Resolution 26-32¹**
 - (d) DAC Criteria Modifications Update
 - (e) 2025 Base and IJJA Capitalization Grant Requirements
 - (f) IJJA Per Entity Policy Recommendations
 - (g) Status of Projects

9. Water Pollution Control Revolving Fund

- (a) Loan Applications
 - Town of La Veta, ****Resolution No. 26-33¹**
 - City of Las Animas, ****Resolution No. 26-34¹**
- (b) Town of Cheraw 20-year to 30-year Loan Term Approval Change, ****Resolution No. 26-35¹**
- (c) WPCRF 2026 IIJA State Match, Resolution No. 26-32 (same as 8(c))
- (d) DAC Criteria Modifications Update (same as 8(d))
- (e) 2025 Base and IIJA Capitalization Grant Requirements
- (f) IIJA Per Entity Policy Recommendations (same as 8(f))
- (g) WPCRF Loan Limit Recommendations
- (h) Status of Projects

10. Small Hydropower Loan Program

- (a) Status Report

11. Water Revenue Bonds Program

- (a) Status Report

12. Committee Reports

- (a) Board Program Work Session – Minutes from June 2026
- (b) Governmental Affairs Committee – ****Minutes from August 2026¹**
- (c) Budget & Audit Committee – Minutes from July 2026, ****Minutes from August 2026¹**
- (d) Project Finance Committee – Minutes from August 2026
- (e) Personnel Committee
 - Vacation Accrual Recommendations

13. Legislative Issues and Other Business

- (a) Legislative Issues and other Business of Interest to the Authority

14. Arrangements for Future Meetings

October 1, 2026 – Tentative Project Tour (Time and Location TBD)
 October 2, 2026 – Board Meeting, 9:00am (Location TBD)
 December 3, 2026 – Board Program Work Session, 3:00 pm, Denver
 December 4, 2026 – Board Meeting, 9:00 am, Denver

15. Adjournment****SLIDES¹**

Yellow highlights = Items also included in the BPWS packet (no BPWS for 8/19/26 meeting)

**** and italics** = New items (superscript ¹) or updated items (superscript ²) included in the final packet

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CONSENT AGENDA**8. Drinking Water Revolving Fund****(a) Loan Applications**

- Penrose Water District, Resolution No. 26-26
- Bailey Water and Sanitation District, Resolution No. 26-27
- Town of Kremmling Supplemental, Resolution No. 26-28
- Town of Cheyenne Wells, Resolution No. 26-29
- Town of Dolores, Resolution No. 26-30
- Town of La Veta Supplemental, Resolution No. 26-31

9. Water Pollution Control Revolving Fund**(a) Loan Applications**

- Town of La Veta, Resolution No. 26-33
- City of Las Animas, Resolution No. 26-34

(b) Town of Cheraw 20-year to 30-year Loan Term Approval Change, Resolution No. 26-35

**Colorado Water Resources
and
Power Development Authority**

BOARD MEETING MINUTES

June 5, 2026

Call to Order

Chair Chris Treese called the meeting to order at 9:00 a.m. in the Authority Conference Room, located at 1580 N. Logan Street, Suite #810, Denver, Colorado, 80203, and via video and audio teleconferencing.

Pledge of Allegiance

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

Board Member Identification and Declaration of a Quorum

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

Approval of Consent Agenda

Chair Treese announced that the following items were placed on the consent agenda for Board consideration at the Project Finance Committee meeting and the Board Program Work Session: Agenda item 7(e) Office Manager's Report: Updated Authority Retention Schedule Policy; and 8(a) Drinking Water Revolving Fund loan application for Lookout Mountain Water District, Resolution No. 26-18. Chair Treese invited the representatives from the Lookout Mountain Water District to the podium for introductions and comments. Kyle Schroeder and Tim Ross from the District approached the podium, with Will Raatz (Consulting Engineer) online, to provide background information on the project and thanked the Board for considering their loan application. Chair Treese asked if any Board members wished to vote against the Consent Agenda. After hearing no votes against the Consent Agenda approval, the Consent Agenda was declared approved.

Vote: Motion carried unanimously

Approval of Minutes – April 24, 2026

The April 24, 2026, Minutes were presented for approval. A motion was made to approve the Minutes of April 24, 2026, as submitted.

Motion: Eric Wilkinson

2nd: Matthew Shuler

Vote: Motion carried unanimously

Introduction of Guests

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

Agency and Other Reports

6(d) Report of the Lobbyist

Christine Arbogast, CWRPDA Lobbyist, began her report by stating that there has been a major push from municipal water provider organizations to reauthorize the amounts of funding that were in the Infrastructure Investment and Jobs Act ("IIJA") bill for the SRF, and a similar effort is taking place for the Bureau of Reclamation with the hopes of including it into the Water Resources Development Act. Ms. Arbogast

indicated that the House has marked up its Department of the Interior Appropriations Bill (and did not accept the administration's proposed cuts) and that the Senate has begun preparing to begin its markup. She then reported that Arizona Senator Mark Kelly is preparing to introduce a bill that adjusts the formula for how states receive their SRF funds, and Keith McLaughlin provided useful insight on the bill. Mr. McLaughlin asserted that he has seen several similar draft formula bills in the past, and the change in the Clean Water formula is long overdue, citing that states in the West have been underfunded for decades. Ms. Arbogast recommended sending an official letter of support for this bill through CIFA. Ms. Arbogast concluded her report by stating that Congresswoman Boebert secured an agreement to include the vetoed HR131 in the Agriculture Appropriations bill, which has gone through the full House of Representatives. She also noted that the delegation is working on the Senate Ag Appropriations committee to get them to agree to also include it there.

6(a) Report of Colorado Water Conservation Board ("CWCB")

Kirk Russell, Finance Section Chief, referred to his written report and reported on the CWCB's May 20 and 21 Board meeting where the Board approved four new loans, two loan increases, and one potential loan modification. Mr. Russell then noted that Severance Tax Revenues have stabilized and the projection has increased. Additionally, Mr. Russell briefly mentioned updates for the Severance Tax Taskforce, the Water Supply Reserve Fund Grants, Water Plan Grants, and the Litigation Fund Budget. Mr. Russell concluded his report by stating that CWCB was authorized to approve loans up to \$30M during the legislative session, a level previously capped at \$10M, and the Projects Bill has approximately \$15M available for outside requests. There was a brief discussion and update about the various uses of the CWCB funds for the Arkansas Valley Conduit project. Chair Treese requested that Mr. Russell provide an update on the final report for the Severance Tax Taskforce at the August Board Meeting.

6(b) Report of Water Quality Control Division ("WQCD")

Armando Herald, Community Development & Partnership Section Manager, reported on the current and future actions of the Water Quality Control Commission. Mr. Herald asserted that WQCD is working to develop the 2027 annual budget and will discuss it with Authority staff later in June. Mr. Herald referred to the written report and highlighted the Legislative updates including the introduction and passage of HB26-1145 and HB26-1391. He also provided a Grants and Loans Unit update, reporting that five grants were awarded from the January application cycle. Mr. Herald concluded his report by highlighting the Assistance Grants program updates and the upcoming needs assessment survey.

6(c) Report of Department of Local Affairs ("DOLA")

Cynthia Thayer, Local Government Services Director, informed that the Tier I and Tier II awards for the Energy and Mineral Impact Assistance Program from the February 2026 application cycle are included in the DOLA report and noted that all projects listed received at least partial awards. She also reported that there was an SRF workshop in Lamar, CO, in May, and that it had the highest attendance in years, with 32 attendees. Ms. Thayer announced that Victor Chen has accepted the Water and Wastewater program manager position and provided other staffing updates.

6(e) Arkansas Valley Conduit ("AVC")

Leann Noga, Executive Director of Southeastern Colorado Water Conservancy District, introduced Hunter Willits, Project Manager, and stated that the District plans to also hire another one to two staff to work on various projects. Ms. Noga then provided an update on the progress of the injection site, the Crowley County reach, progress of the design, and further information on HR131. Ms. Noga concluded by stating that the District hopes to close on the loan with the Authority by the end of 2026 and begin the first portion of construction by mid-2027. She then invited Mr. Willits to provide a report on his work at the District. Mr. Willits reported that they are working to complete the trunk line design to 90% and have been meeting with participants to finalize the design and location for the spur and delivery lines.

Authority Reports

7(a) Public and/or Board Member Comment

There were no comments from the public. Director Vandiver provided a recap of the meeting held with himself, Keith McLaughlin, Jim Griffiths and the leadership at WQCD, reporting that the main points of the meeting were admin fees, staffing issues, and set-asides. Director Vandiver stated that it was a good meeting with productive discussion. Director Whitehead updated that he has had conversations with folks in the La Plata Basin about the Board's action at the last meeting regarding the Authority Board's decision to designate remaining Animas-La Plata funds to future projects in the La Plata basin, stating that it has been well received and that they are very appreciative.

7(b) Report of the Chair

Chair Treese recognized and thanked Director Vandiver for his efforts on the meeting with WQCD. He thanked Director Wells for her work on the Information Resource policy, thanked the Board as a whole for their commitment and efforts, and thanked staff for their hard work and accommodations. Last, he reported on a publication update he received regarding the Colorado River and water levels for Lake Powell and Lake Mead.

7(c) Report of the Treasurer

Director Karen Wogsland, Board Secretary/Treasurer, thanked Justin Noll, Controller, and his staff for creating the charts included in his manager's report, and invited Mr. Noll to provide the formal report. Mr. Noll began by noting that the included financials are through March and that the "Bonds Outstanding" chart will be included in the material only a couple of times per year. A motion was made to approve the Treasurer's Report.

Motion: Karen Wogsland

2nd: Mike Fabbre

Vote: Motion carried unanimously

7(d) Report of the Executive Director

Keith McLaughlin, Executive Director, began his report by thanking Director Vandiver and Mike Beck for their time and for the previously mentioned conversation with WQCD. Mr. McLaughlin then noted that staff is planning a Personnel Committee Meeting in August to revisit the vacation accrual discussion. He also mentioned the podcast he spoke on with the National Utility Contractors Association about the SRF programs, reviewed the Authority's annual sponsorship contributions and memberships, and reported that there have been no staff anniversaries since the last Board meeting. He concluded his report by thanking Director Wells and Karl Ohlsen for their work on the Authority's reorganized Information Resource ("IR") Policy.

CEOS Project Update

Jim Griffiths, Deputy Director, asserted that an agreement has been reached with TechPG for the new CEOS software and that they have signed the final contract. Once Mr. McLaughlin executes the contract, the software project with TechPG will be ready for implementation.

Information Systems Policy Reorganization

Jim Griffiths, Deputy Director, reminded the Board of the thoughtful discussion the previous night regarding the IR policy (formerly the "IS" policy) and noted that Mr. Ohlsen and Director Wells had worked on the reorganization of this policy for the past couple of months. He then presented the newly organized and newly named IR policy, incorporating changes from the BPWS meeting, and asked for a motion to approve the policy reorganization with those changes. Director Whitehead requested that the sports betting section (section 10.1) be reviewed with the Board, and Mr. Griffiths displayed it on screen and read it aloud. A motion was made to adopt the revised and reorganized IR policy as presented.

Motion: Patti Wells

2nd: Matthew Shuler

Vote: Motion carried unanimously

7(e) Accounting Manager's Report

Justin Noll, Controller, stated that there was a discussion the previous night at the BPWS regarding the auditor Request for Proposal, and that he will continue to update the Board as needed and in accordance with the previously presented schedule. Mr. Noll then reported that he received a letter from the IRS stating that they are reviewing the Authority's 2024 payroll, but the letter did not explain the reason for the review. He stated that he is providing the necessary documentation to the IRS and believes the review is due to the fact that the HR software, Inova, was implemented that year, and the W-2s contained an error and had to be refiled.

7(e) Finance Manager's Report

Wesley Williams, Finance Director, referred to the Finance Director's report in the Board materials and reviewed the following key items: 1. The number of 2026 "Loans Executed"; 2. The Finance Department will be fully staffed once new Financial Analyst I Emma Tucker begins employment on June 16, 2026; 3. The SRF outreach event in Lamar, CO, in May 2026; 4. The large June 5, 2026, loan application cycle, with an estimated 16 applications; 5. The newly added "Colorado Counties Helped" metric; and 6. The current capacity gauges.

7(e) Office Manager's Report

Heather Newton, Office Manager, announced that the physical copies of the Popular Annual Financial Report had been distributed and that all Board members had been registered for the Colorado Water Congress summer conference. Ms. Newton noted that, as a sponsor of Water Education Colorado, the Authority receives a table with 7 seats at the President's Reception and requested that Board members let her know if they would like to attend the reception in September 2026. Lastly, Ms. Newton provided an update on the scanning project, stating it will be completed by the end of 2026, and reported on minor changes made to the Board packet.

7(f) Report of Legal Counsel

Karl Ohlsen, General Counsel, informed the Board that he recently spent considerable time on the IR policy reorganization and is still working with Mr. Williams to finalize the loan agreement for Karval Water Authority.

Drinking Water Revolving Fund

8(a) North Washington Street Water and Sanitation District, Resolution No. 26-19

Giorgi Gazashvili, Financial Analyst II, referred to the PFC meeting and the credit report, reporting that North Washington Street Water and Sanitation District ("the District") is seeking a Drinking Water Revolving Fund ("DWRF") direct loan in the amount of \$3,000,000 at 3.25% interest for 20 years. The project consists of replacements to upgrade water conveyance infrastructure within the District. The District serves a residential community in addition to many commercial and industrial customers in Adams County and North Denver. The District is in a strong financial position to take on the proposed loan, and no rate increase is projected to be necessary. This application comes with a favorable recommendation from both the SRF and PFC committees. Mr. Gazashvili reminded the Board of a couple of questions that arose during the PFC and provided the responses. One question concerned typos in the credit report, which have since been corrected. Another asked whether there are two separate conservation plans for the District and Denver Water. The response based on the statute is that there is one plan that must be submitted to and approved by CWCBC. Another question asked whether the District is considered a covered entity under the statute, whether it sells more than 2,000 acre-feet of water, and, if so, how the District would come into compliance. According to a response from the District, it does not sell more than 2,000 acre-feet of water and therefore does not qualify as a covered entity. Mr. Gazashvili and Chair Treese invited Alex Stelzer, the District's

Engineer, to provide additional information. Mr. Stelzer provided additional information regarding the District's sale of water and how the actual amount sold was determined. There was a brief discussion about who should determine whether the District is a covered entity. It was noted that the Authority does not make that decision and that compliance must continue to be able to disburse loan funds. Lastly, there was conversation about whether the District has considered creating its own conservation plan. A motion was made to approve Resolution No. 26-19 with the terms and conditions outlined in Exhibit A.

Motion: Patti Wells

2nd: Roy Heald

There was a conversation about changing the wording of the terms and conditions outlined in Exhibit A to read "The District complying with Section 37-60-126 C.R.S. prior to loan execution". This change was acceptable to both the 1st and 2nd motion makers.

Vote: Motion carried unanimously

8(b) DWRf 2026 Capitalization Grant – State Match Approval, Resolution No. 26-20

Giorgi Gazashvili, Financial Analyst II, presented Resolution No. 26-20, which authorizes the Authority to commit and deposit the funds to comprise the state match for the Base Drinking Water Revolving Fund, not to exceed \$9,000,000. A motion was made to approve Resolution No. 26-20.

Motion: Matthew Shuler

2nd: Eric Wilkinson

Vote: Motion carried unanimously

8(c) Loan Interest Rate – Mid-Year Update

Kevin Carpenter, Senior Financial Analyst I, reported that the previous night at the BPWS, they discussed the staff's recommendation on interest rates. The staff's recommendation is to make no changes to interest rates for the remainder of 2026 unless necessary. A motion was made to approve staff's recommendation of no changes to interest rates.

Motion: Karen Wogsland

2nd: Patti Wells

Vote: Motion carried unanimously

8(d) Principal Forgiveness Limits and Recommendations

Ian Loffert, Assistant Finance Director, began by stating that the Authority has received all 2026 capitalization grant allotments. Based on those allotments, and in addition to increased DWRf demand and the large DWRf pipeline, staff has only one recommended change to the principal forgiveness ("PF") limits. The recommended change applies to the DWRf IJA supplemental funds and is as follows: Keep the \$2.5 million limit for Category 2 DACs; decrease the limit from \$2.5 million to \$2 million for Category 1 DACs; and decrease the limit from \$1.5 million to \$1 million for IJA-eligible non-DACs. With the upcoming, anticipated eight DWRf loan applications, this change will save approximately \$2 million in PF, allowing the PF to be spread to either additional DACs or priority point projects. Mr. Loffert stated that all PF limits are subject to per-entity restrictions, which state that DACs are the only entities that can receive IJA funds multiple times. He also noted that there are no recommended changes for any other pot of funds. There was a discussion about the impacts of this change on the Category 1 DACs in this loan application round. A motion was made to approve the staff-recommended changes as outlined for the DWRf IJA supplemental program principal forgiveness limits, and the approved changes are applicable and in effect to all applications that applied for the June 5, 2026, deadline.

Motion: Eric Wilkinson

2nd: Matthew Shuler

Vote: Motion carried unanimously

8(e) Disadvantaged Community Criteria Updates

Ian Loffert, Assistant Finance Director, reminded the Board that this item was on the agenda and discussed at the previous night's BPWS meeting. He thanked Board members for their feedback and guidance in developing the DAC criteria framework. Mr. Loffert stated that the Authority, DOLA, and DAC subcommittee will move forward with a points-based qualification system, similar to how IJA qualifications are handled, with an emphasis on Median Home Value and on maintaining consistency with federal requirements. A motion was made to authorize staff to incorporate language into the 2027 Intended Use Plans, stating that DAC criteria and qualification processes may be updated and amended by the Authority Board in a manner consistent with federal requirements.

Motion: Patti Wells

2nd: Karen Wogsland

Vote: Motion carried unanimously

8(f) Status of Projects

Kevin Carpenter, Senior Financial Analyst I, reported that since the April Board meeting, there have been two pre-qualification meetings with Blue Mountain Water District and the City of Englewood, and eight loan applications were received for the June 5th deadline for the Town of Kremmling, Town of Cheyenne Wells, Bailey Water and Sanitation District, Camelot Property Owner's Association, Town of Dolores, Colorado City Metropolitan District, Town of La Veta, and Upper Road 42 Water Association. Penrose Water District, Mountain Water and Sanitation District, and the Town of Alma may also submit loan applications for this cycle, if submitted by the end of the day. No Planning Grants were issued, leaving \$85,000 remaining, and no Design and Engineering ("D&E") grants were awarded because no funds are available to award at this point in time.

Water Pollution Control Revolving Fund*9(a) WPCRF 2026 Capitalization Grant – State Match Approval, Resolution No. 26-21*

Giorgi Gazashvili, Financial Analyst II, presented Resolution No. 26-21, which authorizes the Authority to commit and deposit the funds to comprise the state match for the base Water Pollution Control Revolving Fund, not to exceed \$8,000,000. A motion was made to approve Resolution No. 26-21.

Motion: Matthew Shuler

2nd: Eric Wilkinson

Vote: Motion carried unanimously

9(d) Status of Projects

Daniel Lockard, Financial Analyst I, reported that there has been one pre-qualification meeting with the Town of Hugo since the April board meeting. There have been two confirmed loan applications received for the June 5th deadline for the Town of La Veta and the City of Las Animas, with Mountain Water and Sanitation District, Town of Kit Carson, and Town of Pagosa Springs also anticipated to submit applications. There were no Planning Grants awarded since the last Board meeting, leaving \$120,000 remaining, and two new D&E grants awarded to the Town of La Veta and the Town of Pagosa Springs, leaving \$2,008,822 remaining for WPCRF D&Es.

Small Hydropower Loan Program*10(a) Status of Projects*

Wesley Williams, Finance Director, stated there are no new updates since the last Board meeting. However, Mr. Williams noted that Mr. McLaughlin had shared an article with staff from the Colorado Water Congress that outlines two new ways to navigate the permitting process for small hydropower projects, which, in turn, may result in more projects.

Water Revenue Bonds Program

11(a) Status of Projects

Wesley Williams, Finance Director, stated there are no new updates since the last Board meeting.

Project Finance Committee

Committee Chair Bruce Whitehead noted that the Project Finance Committee met on Friday, May 29, 2026, and there was good discussion on all items presented. Committee Chair Whitehead stated that the Minutes accurately reflect the discussions and recommendations made at the meeting. He did note a typo in the Minutes on page 189 (board packet page #) in the fifth paragraph that needs to be fixed. He requested the removal of the word “it” and that the sentence should read “which is a stronger pledge.” The next PFC meeting is scheduled for Wednesday, August 12, from 9 am to 12 pm.

Board Program Work Session

Committee Chair Mike Fabbre conveyed that the Board Program Work Session (“BPWS”) met on Thursday, June 4, 2026, and it was a very productive meeting with all Board members in attendance. He stated that the April BPWS Minutes were included in the Board material and they accurately represented that meeting. Committee Chair Fabbre conveyed that all items from the June BPWS had either been addressed in the Consent Agenda or had been voted on at the regular meeting today. He thanked staff for being proactive in addressing the admin fees coming out of IJJA.

Legislative Issues and Other Business

Keith McLaughlin, Executive Director, requested that the Governmental Affairs Committee convene this summer to discuss the results from the Capitol. Mr. McLaughlin then referred back to the National League of Cities article Ms. Arbogast mentioned in her report and noted that while water associations are strongly pushing to continue IJJA funding, there doesn’t seem to be much appetite for it among congressional offices. Mr. McLaughlin reported that CIFA has a new lobbyist, Ashley Jackson, who appears to be highly motivated in her lobbying efforts. Chair Treese informed the Board that Colorado has declared a stage 3, statewide drought emergency. Mr. McLaughlin displayed a list of potential projects to visit in October and requested the Board to begin considering which project they would like to visit and to make a decision no later than the August Board meeting. There was a discussion about visiting the City of Durango or surrounding areas, or either of the Emerging Contaminants projects at South Adams County Water and Sanitation District or the Town of Frisco.

Arrangement for Future Meetings

The August 2026 through December 2026 meeting dates are included in the Board material.

Adjournment

Chair Treese adjourned the meeting at 12:20 p.m.

Respectfully submitted,

Heather Newton, Assistant Secretary

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



ARKANSAS VALLEY CONDUIT MONTHLY REPORT

Thursday, June 18, 2026

This monthly newsletter summarizes activities related to the Arkansas Valley Conduit and is made available to the Southeastern Colorado Water Conservancy District Board of Directors and Arkansas Valley Conduit stakeholders. To request a subscription to the Report, please contact info@secwcd.com or view it at <https://www.secwcd.org/>



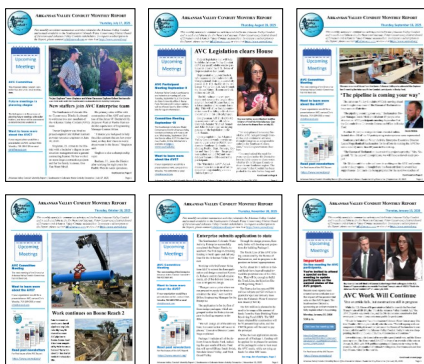
AVC Committee

The next meeting of the Arkansas Valley Conduit Committee has not been scheduled. Check our website for more information.

<https://www.secwcd.org/>

Want to learn more about the AVC?

If your organization would like a presentation on AVC, contact Chris Woodka, 719-289-0785 or email chris@secwcd.com



Read past newsletters

For past issues of the AVC Report:

<https://www.secwcd.org/>

Federal AVC legislation advances

Legislation to keep the Arkansas Valley Conduit affordable in light of increased federal cost has moved ahead in the U.S. House of Representatives. A full report appears on **Page 2** of this publication, while a letter from our congressional delegation is on **Pages 3-4**.



From left: Robert Banham, District Water Resources Engineer, and Trevor Singleton, District Project Engineer, meet with Blake Williams, Olney Springs, Keith Benbow, Crowley County, and Greg Sekera, Kennedy Jenks, to discuss AVC alignments and water issues on May 22, 2026 at the offices of the Crowley County Water Association in Olney Springs.

District, Kennedy Jenks continue AVC design

Delivery points and water resources issues relating to Crowley County were discussed at a meeting on May 22, 2026 at the Crowley County Water Association offices in Olney Springs.

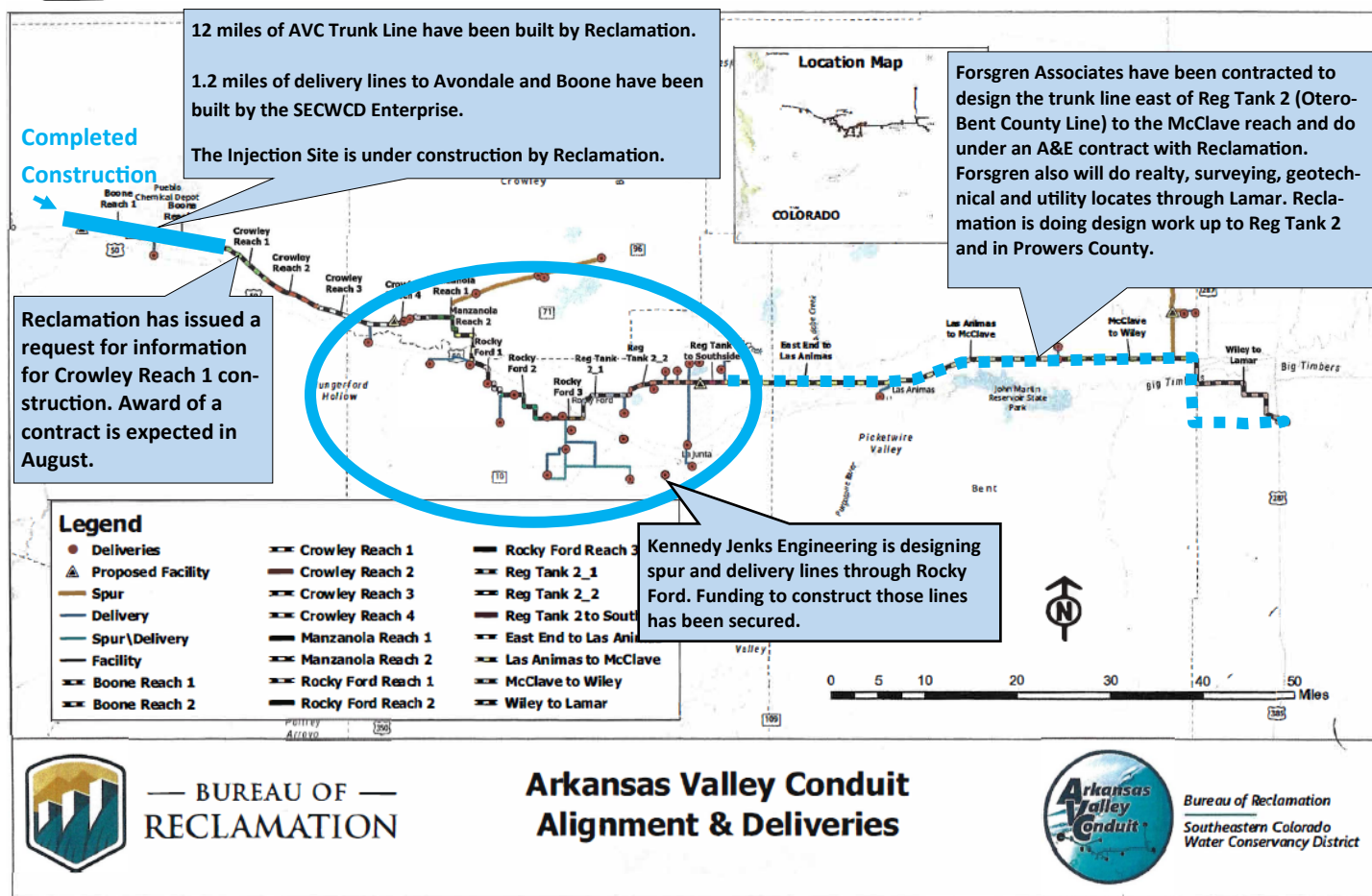
There are three delivery points in Crowley County. Olney Springs, located at the west end of the county, will have a dedicated delivery line. The Crowley County Water

Association, which serves a large portion of the county, will have a connection near its well. The Crowley County Water System, which serves the towns of Crowley and Ordway along with the 96 Pipeline Company, will have a connection near its well.

Design work also continues in Otero County, where similar meetings were held earlier.



AVC PROJECT UPDATE



Work is continuing along the entire route of the AVC with design contracts that will lead to construction in following years.

AVC FEDERAL LEGISLATIVE UPDATE

Congress moves on AVC affordability bill

The Southeastern Water Conservancy District's team remains committed to passage of H.R. 131, which will reduce interest on cost-sharing for the project, and extend the timeline for repayment.

Thanks to the good legislative work of Congresswoman Lauren Boebert, and support from Congressman Jeff Hurd, H.R. 131 was included in the FY '27 Agriculture appropriations bill.

The activity now moves to the Senate. In anticipation of Senate consideration, Reps. Boebert and Hurd and Senators Hickenlooper and Bennet sent [this letter](#) to the Senate appropriations committee

(pages 3-4).

While the timeline for Senate consideration is uncertain, our Senators are working hard to move this to the next step.

The leadership of the Senate Appropriations Committee is working on an agreement for "top line spending," meaning the total amount of funding they will provide to all departments and agencies for FY 2027.

We will continue to monitor closely! Your support and patience is greatly appreciated.



CONGRESSIONAL LETTER OF SUPPORT FOR AVC



Congress of the United States
House of Representatives
 Washington, DC 20515-0603

June 5, 2026

Chairman John Hoeven
 Senate Committee on Appropriations
 Subcommittee on Agriculture,
 Rural Development, Food and Drug
 Administration, and Related Agencies
 Room S-128, The Capitol
 Washington, DC 20510

Ranking Member Jeanne Shaheen
 Senate Committee on Appropriations
 Subcommittee on Agriculture,
 Rural Development, Food and Drug
 Administration, and Related Agencies
 Room S-128, The Capitol
 Washington, DC 20510

Chairman John Kennedy
 Senate Committee on Appropriations
 Subcommittee on Energy and Water
 Development
 Room S-128, The Capitol
 Washington, DC 20510

Ranking Member Patty Murray
 Senate Committee on Appropriations
 Subcommittee on Energy and Water
 Development
 Room S-128, The Capitol
 Washington, DC 20510

Dear Chairmen Hoeven and Kennedy, and Ranking Members Shaheen and Murray:

We write to respectfully request that H.R. 131, the Finish the Arkansas Valley Conduit Act, be included in either the forthcoming Fiscal Year 2027 Agriculture or Energy and Water appropriations bills.

Incorporating this legislation would fulfill a long-standing federal commitment to deliver clean, affordable drinking water to tens of thousands of rural Coloradans while advancing a project with strong bipartisan support—without increasing federal spending.

H.R. 131 passed both the House and Senate in 2025 without objection but has not been signed into law. Additionally, the text of H.R. 131 was included in H.R. 8646, which passed the House on June 4, 2026. The legislation would adjust the non-federal cost-share financing for the Arkansas Valley Conduit (AVC), the final unfinished component of the Fryingpan–Arkansas Project authorized by Congress in 1962. More than six decades later, over 50,000 residents in 39 communities across southeastern Colorado still rely on groundwater contaminated with naturally occurring pollutants, including carcinogens. These predominantly rural and economically vulnerable communities have waited generations for the federal government to honor its commitment.

We respectfully urge the Subcommittees to include the House-passed language from H.R. 131 in either the FY2027 Agriculture or Energy and Water appropriations bills and ask that the conferees concur in the House language during conference. This is a practical and targeted way to keep this critical project on track. Administrations of both parties have supported the AVC, but rising material and labor costs now threaten its completion. Adjusting the financing terms to reduce interest rates and provide greater repayment flexibility will enable project completion without imposing additional costs on taxpayers.



CONGRESSIONAL LETTER OF SUPPORT FOR AVC

Including this language would deliver on a decades-old promise to southeastern Colorado and demonstrate Congress's continued commitment to rural water infrastructure.

Thank you for your leadership and consideration of this important request. We stand ready to provide any additional information that would be helpful.

Sincerely,

Lauren Boebert
Member of Congress

Michael F. Bennet
United States Senator

Jeff Hurd
Member of Congress

John Hickenlooper
United States Senator



ARKANSAS VALLEY CONDUIT MONTHLY REPORT

Thursday, July 16, 2026

This monthly newsletter summarizes activities related to the Arkansas Valley Conduit and is made available to the Southeastern Colorado Water Conservancy District Board of Directors and Arkansas Valley Conduit stakeholders. To request a subscription to the Report, please contact info@secwcd.com or view it at <https://www.secwcd.org/>



AVC Committee

A joint meeting of the Arkansas Valley Conduit Committee and the Allocation & Storage Committee is scheduled for Tuesday, August 4, at 10 a.m. at Southeastern offices, 31717 United Avenue, Pueblo, For online information, please check the District Web site.

<https://www.secwcd.org/>

Participants Meeting

We are planning to have a participants' meeting to discuss the AVC at Colorado State University Extension Office, 27901 County Road 21, Rocky Ford, at 5:30 p.m. Wednesday, September 16, 2026.

Want to learn more about the AVC?

If your organization would like a presentation on AVC, contact Chris Woodka, 719-289-0785 or email chris@secwcd.com

Read past newsletters

For past issues of the AVC Report:

<https://www.secwcd.org/>



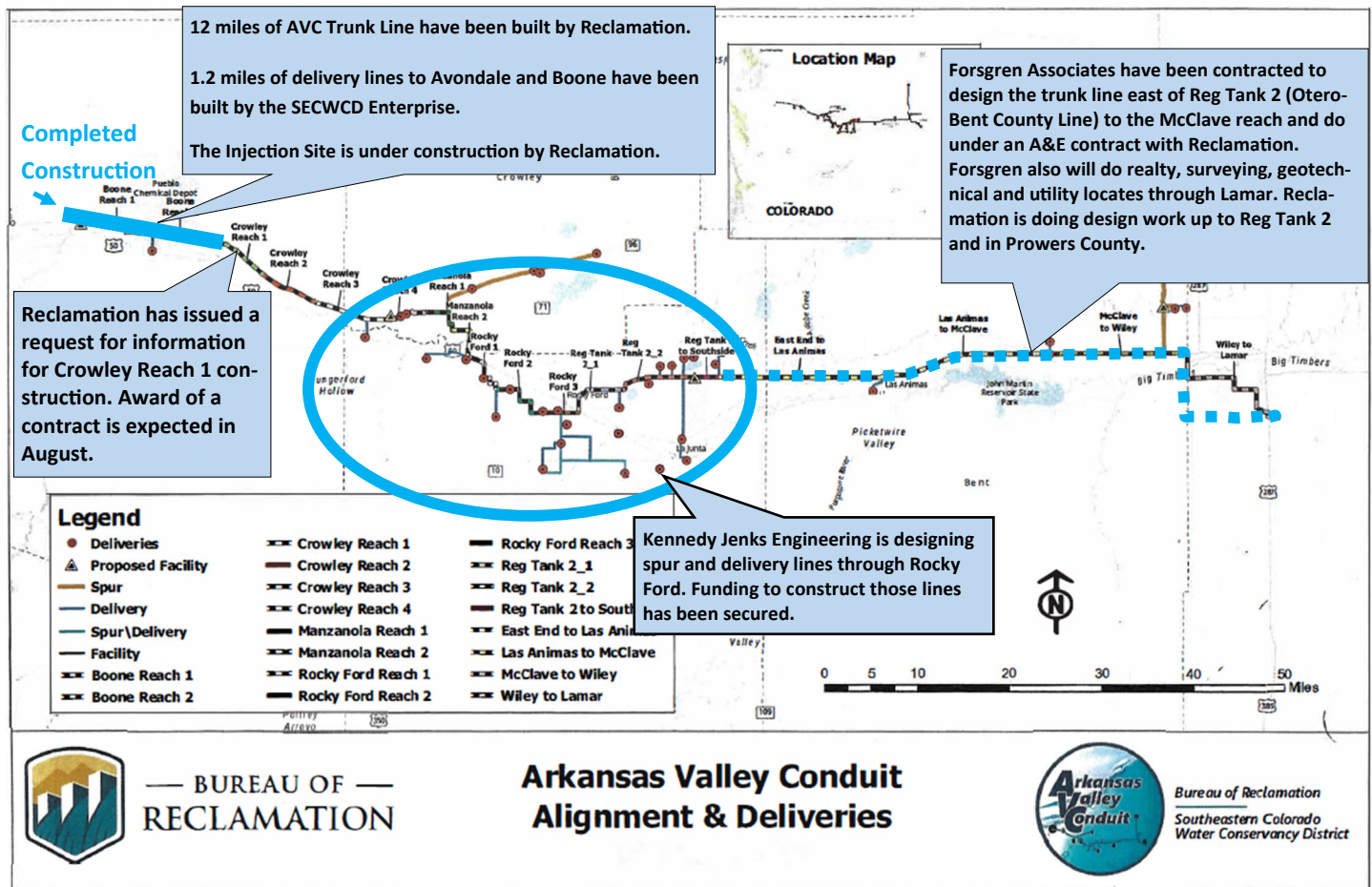
Injection Site Construction

Work continues at the Arkansas Valley Conduit Injection Site, located about 4 miles east of the Connection Point near 36th Lane. Thalle Construction is working on the project, which will provide chemical injections to remove chlorine and ammonia from AVC water after it has passed through Pueblo Water's system. New contracts for the next phases of AVC construction are in the works. More information inside.





AVC PROJECT UPDATE



Work is continuing along the entire route of the AVC with design contracts that will lead to construction in following years.



Construction Work

Piping for the Injection Site arrived in June (photo at left, courtesy Reclamation). Above, equipment is on site to continue construction on the project, which is on track to be completed in 2027. Thalle Construction is working on the Injection Site.



AVC PROJECT UPDATE

Future Contracts: Crowley Reach 1

- Construction of approximately 5.3 miles of 30-inch potable water transmission pipe and associated improvements. Work includes horizontal directional drilling, bored crossings, and road cuts and restoration.
- Construction Award:
 - Continued work on railroad crossing permits
 - The technical review of proposals concluded last week, awaiting recommendations from the team
 - Contract award expected in August 2026



Future Contracts: Reg Tank 1 / Crowley Reaches 2 & 3 Awards

- Construction of the trunk line and water storage tanks to convey water from the Crowley Reach 1 connection point to Crowley Reach 4 connection point located along State Highway 96 approximately 2 miles northeast of the Town of Fowler.
- Disinfect approximately 5.3 miles of 30-inch transmission piping installed under the Crowley Reach 1 contract.
- Final design due to our acquisition team November 2026.
- Our lands team is still working on easements which may impact contract award.



Finance and Funding

- 2010 – 2019: \$30 million through regular appropriations.
- 2020: Congress provided a \$28 million appropriation to move the Project into construction.
- 2021-2023: \$31.5 million through regular appropriations.
- 2022: \$60 million from the Infrastructure Investment and Jobs Act.
- 2023: \$100 million from the Infrastructure Investment and Jobs Act.
- 2024: \$90 million from the Infrastructure Investment and Jobs Act + \$10 million appropriations.
- 2025: \$250 million from the Infrastructure Investment and Jobs Act + \$13 million appropriations.
- **Total funded through 2026: \$613 million.**
- **Total estimated federal cost (2023): \$1.3 billion**
- **To Date: Total Obligations = \$216,563,383.84 & Total Expenditures = \$196,841,861.10**

Total funding to date brings construction through Manzanola Reach 1, where 9 of 39 communities are served. Total population served is approximately 8,000. Total communities under CDPHE enforcement orders served is 2/18.



Reclamation updates AVC progress for Board

Area Manager Jeff Rieker, with the Eastern Area Office of the Bureau of Reclamation, updated the Board at its June meeting on the progress of construction and future activities of the Arkansas Valley Conduit.



Jeff Rieker

Boone Reach 1 and Boone Reach 2 are completed other than close-out activities and punch list items.

“Where we’ve got some exciting activity going on is over on the injection site, Rieker said.

The steel pipe that is going into the ground arrived at the injection site and now the concrete that goes around the pipe will be poured. The injection site is expected to be complete in April 2027.

“We’ll continue to accelerate that construction wherever possible,” Rieker said.

Crowley Reach 1 proposals are being reviewed by the technical team and contract award is currently anticipated in August, subject to completion of the selection process and the contracting schedule.

“The first of the very large contracts we’re looking to put out will encompass Crowley Reaches 2 and 3 as well as the first regulating tank,” Rieker said. Final design is expected in November 2026.

Rieker also explained the finances to date. Congressional appropriations total \$613 million, with \$216.5 million obligated and \$196 million spent as of 2026.



Committees study potential AVC policies

A joint meeting of the Southeastern Colorado Water Conservancy District Arkansas Valley Conduit and Allocation & Storage Committees was held on Tuesday, July 7, 2026 at the Southeastern District offices.

Executive Director Leann Noga laid out some of the issues that will have to be answered in upcoming months.

"We're working on legislation for the repayment of the conduit, and we've made it on the House side, we're waiting on the Senate and won't know until September or October," Mrs. Noga said.

The District is working on a repayment contract with the Bureau of Reclamation.

One of those issues is the operation of the AVC once it is constructed.

"The operations will drive decisions that these committees and the Board will eventually have to make: How we allocate Project Water; when we allocate Project Water and how that Project Water is delivered," Mrs. Noga said.

There are now 38 separate water systems in the AVC that will come on line at different times with widely varying amounts of use and blending requirements.

Previous models looked at 2070 demand, but deliveries will start sooner than that so costs for operation and maintenance of the AVC at less than full use need to be studied. The District is now working on a model that will provide information about how these interim deliveries will be made.

In recent years, the District segmented the project in order to determine how the AVC will be built, and it is necessary to use this method to develop an operational plan.

"There are some unanswered questions. We have to have a better idea of what we are doing in this realm before we can tell participants how much it is going to cost," Mrs. Noga said. "We'll be walking through that process to provide the best factual information that we have at the time to put this in place."

Project Water is now used primarily for augmenting wells by water systems east of Pueblo. Once the AVC is completed, direct delivery of water will be available.

Another issue that arises will be the use of Return Flows which will be generated by the direct delivery of water, and which are not now generated by pumping well water.

AVC Committee Chairman Kevin Karney asked if a water system needed to have wastewater treatment to claim Return Flows.

Water Resources Engineer Robert Banham explained that that non-sewered Return Flows or septic system Return Flows can be quantified and claimed in order to extend the water supply delivered through the AVC pipeline.

The Committee also heard an update of District meetings with the Colorado Department of Public Health and Environment. The District is confirming requirements for operations and water testing that will be needed once the AVC begins delivering water.

The AVC Committee also discussed several other issues, including:

- ◆ Procedures are in place for obtaining easements and permission to enter agreements from private landowners and canal companies.
- ◆ The District has secured an 811 utility locate service.
- ◆ The District is meeting with the Colorado Department of Public Health and Environment to determine AVC reporting requirements.
- ◆ Informational meetings for participants and handouts explaining the AVC are being prepared.

Mrs. Noga said it is important to include participants in these discussions at meetings in the near future. Another joint meeting of the Allocation & Storage Committee and the AVC Committee is planned for 10 a.m. Tuesday, August 4.



Leann Noga



COLORADO
Colorado Water
Conservation Board
 Department of Natural Resources

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Jared Polis, Governor

Dan Gibbs, DNR Executive Director

Lauren Ris, CWCB Director

TO: Colorado Water Resources and Power Development Authority Board
FROM: Kirk Russell, P.E., Finance Section Chief
DATE: August 19, 2026
SUBJECT: Colorado Water Conservation Board - Agency Update

CWCB Board Meeting: The July meeting of the Board was held at the Western Colorado University in Gunnison on July 15/16. The Board meeting included approval of one loan increase to the Bear River Reservoir Company.

Water Supply Reserve Fund Grants (WSRF): The CWCB Staff processed a couple basin supported, WSRF Grant requests that can be accessed from the [Board Agenda](#).

Water Plan Grants (WPG): Approximately \$38M was appropriated in the 2026 Projects Bill for use in FY26/27. In addition, \$2M is carried over from prior year appropriations making \$40M available for the current application cycle. The funds available for distribution by category are:

- Agriculture - \$10.9M
- Conservation & Land Use - \$6.8M
- Engagement & Innovation - \$2.8M
- Water Storage & Supply - \$7.2M
- Watershed Health & Recreation - \$12.5M

There were 77 applications for WPGs received on July 1, 2026, for final consideration at the September 2026 CWCB Board meeting. Staff is reviewing the applications totaling \$49M. These applications are available for review on the CWCB website. ([WPG Grant Applications Link](#))

The next WPG application date is December 1, 2026, for a March 2027 Board consideration however, staff is recommending applicants reach out to the Regional Project Manager to determine if adequate funds are available for particular projects during round two.

The Prop DD revenue forecast for the next three years shows an increase of about \$5M per year.

Severance Tax Revenues: The current projection for CWCB's allocation into the Severance Tax Perpetual Base Fund for FY26/27 is about \$50M. Next year's projection is \$40M. The current CWCB 10-year rolling average of \$34M. Last fiscal year resulted in \$12M. This was after a \$34M projection this time last Mch.



CWCB Agency Update
August 19, 2026
Page 2 of 2

Severance Tax Taskforce

The Taskforce delivered the final report on July 15. You can see the presentation slide deck [\(here\)](#) that was presented at the June 2026 Water Resources and Agricultural Review Committee by Karen Schlatter, Director, Colorado Water Center.

Next CWCB Board Meeting: The CWCB will meet on September 16/17 in Copper Mountain, Colorado. The annual CWCB Finance Committee will meet on September 15 at the same location.

2026 Finance Committee: The Finance Committee will review NonReimbursable Investment (NRI) requests along with other large project funding discussions. Final decisions on NRIs will be made at the November 2026 Board meeting. This is followed by submission of the requests to the 2027 CWCB Projects Bill Sponsors.

Future Meeting location:

November 18/19 - Denver Metro Area

January 25 & 26 - Aurora

March 17 & 18 - Virtual

May 19 & 20 - Yampa White Green Basin

July 21 & 22 - TBD

September 15 & 16 - Arkansas Basin (Finance Committee, Sept. 14)

November 17 & 18 - Denver Metro



Board Report - Colorado Water Resources & Power Development Authority

August 19, 2026

REPORT INDEX

1. WQCC actions (current and future)
2. WQCD highlights
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 - 2.3. Legislative
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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 WQCC met on May 11, 2026. They held one rulemaking hearing to adopt changes to Regulation #102: Water Quality Control Division Fees. They also held triennial review informational hearings for Regulation #81: Animal Feeding Operations Control Regulation.
- The WQCC met on June 8-9, 2026 in Crested Butte, CO. They held a rulemaking hearing to adopt changes to Regulations #32-38 involving classifications and numeric standards for multiple basins.
- The WQCC did not meet in July 2026.

Upcoming rulemaking hearings and briefings include:

- The WQCC will meet on August 10, 2026. They will hold information briefings of various watersheds annual reports including: the Cherry Creek Basin Water Quality Authority annual report, the Chatfield Watershed Authority annual report, the Bear Creek Watershed annual report, and the Dillon Reservoir Water Quality Authority annual report. There will be an Administrative Action Hearing for the adoption of the 2026 Integrated Water Quality Report. The WQCC will hold a rulemaking Hearing for consideration of the adoption of revisions to the Colorado Primary Drinking Water Regulations, Regulation #11. Finally, there will be an informational briefing on the Healthy Rivers Fund.
- The WQCC will hold its annual planning meeting on September 14-15, 2026.
- For the most up-to-date information on the Water Quality Control Commission schedule, the [Long Term Schedule](#) is updated each month.

2. WQCD highlights

2.1 Budget

- The Division will be submitting its 2027 Budget on August 21st in accordance with the MOU agreement.



2.2 Legislative

- The Colorado legislative session ended on May 13, 2026.
- The General Assembly introduced House Bill 26-1145 regarding Mobile Home Park Water Quality. The bill addresses technical defects and conflicts to improve the existing Mobile Home Park Water Quality Program, which the division currently manages, established through House Bill 23-1257. Under the program, the department must test drinking water at all mobile home parks in Colorado by 2028 to identify water quality issues and require mobile home park owners to take action to address them. The Governor signed the bill on May 5, 2026.
- The General Assembly introduced House Bill 26-1391, Safe Drinking Water in Child Care Centers and Schools. The bill reopens testing for child care centers that did not participate previously (either because they did not enroll or because they obtained their license after the original testing deadline). The program would be expanded to about 300 high schools and 1,500 child care centers that have not been tested. The bill passed both the House and the Senate, and still needs to be signed by the Governor.

2.3. Grants and Loans Unit Updates

- South Adams County WSD hosted its PFAS ribbon-cutting ceremony on July 29, 2026
 - SACWSD has expended \$31M of their total \$64M 2023 funding award.
 - At this point in the project, Amy Schultz and Matt Alms have reviewed over 1,500 Build-America, Buy-America certifications.
 - We anticipate this project continuing through at least 2028.
- As of the end of the fiscal year (7/1/25 - 6/30/26), Matt Alms and Ana Ruiz have completed 150 environmental reviews.
- Jeff Zajdel continues to lead the Enable (TechPG) team towards implementing the replacement of CEOS.
 - The project successfully project kicked off with discovery meetings on SRF process flows, configuration meetings on development of the Enable software, creation of a Requirements Traceability Matrix for project management, and demos of both CEOS and Enable software.

Pre-qualification Meetings 05/12/2026 - 07/27/2026			
Entity	Date	Estimated Project Cost	Program
City of Englewood	05/14/2026	\$2,800,000	DWRF
Town of Hugo	05/15/2026	\$2,167,000	WPCRF
City of Littleton	06/02/2026	\$1,925,000	WPCRF
Town of Moffat	06/29/2026	\$1,696,000	DWRF
Bone Mesa Domestic Water District	07/01/2026	\$259,186	DWRF
Sedalia Water and Sanitation District	07/13/2026	\$7,100,000	DWRF
Town of Akron	07/15/2026	\$5,444,000	WPCRF
City of Brush!	07/09/2026	\$6,276,000	WPCRF
Granby Sanitation District	07/09/2026	\$14,725,000	WPCRF

- Test and Fix
 - CDPHE and the CDPHE Lab signed the Memorandum of Understanding, and the program is preparing to begin testing in August.
 - Collaboration between CDPHE, Colorado Department of Early Childhood Education (CDEC), and the Division of Early Learning and Licensing and Administration (DELLA) continues to ensure that all facilities can achieve compliance with HB-26-1391.
- EC-SDC
 - EPA awarded the EC-SDC program an additional \$42,140,000, bringing the program's total funding to \$83,989,000.
 - The recent RFA closed on August 4, 2026, and the grant team will begin reviewing applications for awards.

3. Safe Drinking Water Program

3.1. Project Reporting

The 2026 Assistance Grants program has \$150,000 total funding with any one project receiving no more than \$30,000 dollars. This program addresses water quality improvements for public water systems. All work on a funded project must be completed by the end of the calendar year. Applications were reviewed by a committee, and projects were recommended for



funding. Seven awarded projects totaling \$149,000 were contracted for calendar year 2026. In July, a project was successfully completed and finalized, coming in \$427 under budget. This project financed the procurement and installation of a backup generator, ensuring a continuous water supply during power outages and preventing backflow caused by empty water tanks.

3.2. Source water protection

- The following source water protection grants were awarded during the current reporting period:
 - Town of Durango for \$5,000 (IMP)
 - Town of Purgatory for \$5,000 (IMP)
 - Elbert Creek for \$5,000 (IMP)
 - Animas Water Company for \$5,000 (IMP)
- Colorado Rural Water Association (CRWA) continues to work on source water protection planning and Wildland Fire Decision Support (WFDSS) projects. The Division has completed and fully executed next year's contract renewal for calendar year 2026. The current contract renewal amount is \$300,000. The funding for this source water projection work is from WPCRF projects budget (\$150,000) and the Wellhead set-aside budget (\$150,000).

3.3. Coaching and training

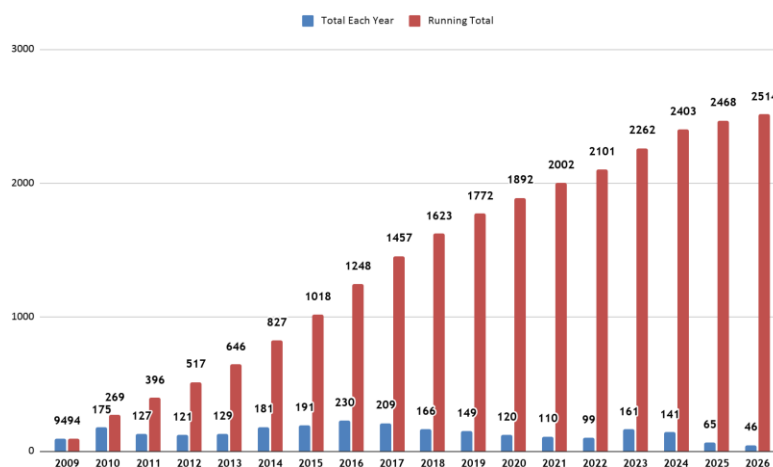
- Unit staff continues to train new hires on LAU curriculum, unregistered water system visits, monitoring schedules, and surface water considerations to increase group training delivery capacity. New hires are collaborating and delivering full MORC and SSP on their own with training oversight.
- Unit staff focused considerable time and energy on the WQCD's emergency response efforts for incidents that impacted drinking water and wastewater facilities. This includes wildfires, floods, power outages, increased cybersecurity threats, and infrastructure failure.

Training Title	Date of Delivery	Location	Water Professionals in Attendance	Public Water Systems represented
Monitoring Schedule	5/6/26	Web	18	18
Monitoring Schedule	5/11/26	Web	35	29
Sanitary Survey Prep	5/20/26	Web	37	15
Monitoring and Operating for Regulatory Compliance	6/3/26	Steamboat Springs	20	23
Sanitary Survey Prep	6/17/26	Web	17	12

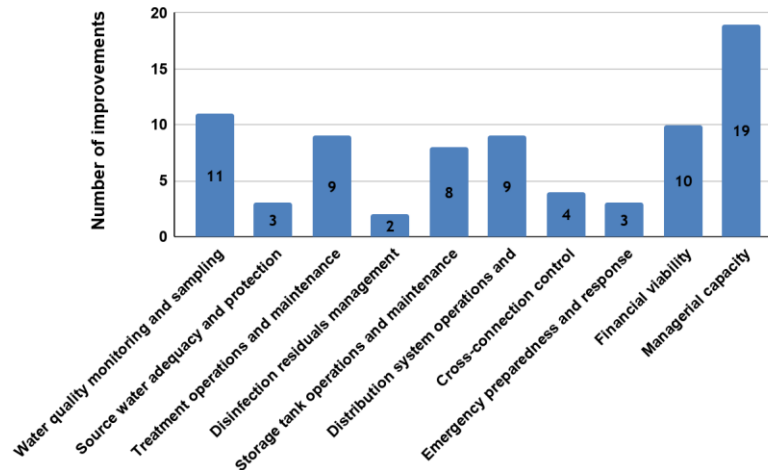


Monitoring and Operating for Regulatory Compliance	7/1/26	Web	21	14
Sanitary Survey Prep	7/15/26	Montrose	8	4
Total year to date	Calendar year 2026	Colorado	466	350

- The 2026 annual running monthly average is 80% of all systems that received one-on-one assistance are making at least one improvement.
- Total coaching and training events:



- 2026 improved performance as a result of assistance (the following displays the success of coaching visits as measured by the number of systems improving performance as a result of coaching assistance across 10 different areas):



4. Clean Water Program

4.1. Clean Water Program Updates

- Nothing new to report

4.2. 2026 WPCRF Projects Budget

Program Projects	Current Contract Amount	Balance
CRWA (#1)	\$150,000.00	\$56,942.09
LABA (line 238 on COA) (#2)	\$82,000.00	\$78,723.44
SGS - LABA (#2)	\$8,000.00	\$1,212.50
DSV Support (#3)	\$125,000.00	\$125,000.00
CSU E-rans (#4)	\$129,986.00	\$72,718.18
#5 Roadmap Studies and Standards Development - Streams Nutrients		
#6 Roadmap Treatment Competition/Synergy Study, scoping	\$0.00	\$0.00
Job Store (#7)	\$23,580.00	\$0.00
#8 Small community support and coaching	\$0.00	\$0.00
CSU - SWQMP (#9)	\$74,944.00	\$39,333.01
#10a TMDL Temp Aide	\$68,974.00	\$68,974.00
#10b TMDL model support (Tetra Tech)	\$16,394.00	\$16,394.00
#10c TMDL model support (CSU)	\$50,000.00	\$50,000.00

#10d TMDL Fountain Creek Bike Tour	\$1,800.00	\$1,800.00
ERG - Temperature (#11)	\$46,500.00	\$33,313.08
Hydros (#11)	\$40,000.00	\$33,112.00
CO School of Mines- Baseline Groundwater Study (#12)	\$21,590.90	\$0.11
Test America Laboratories Eurofins (#12)	\$58,409.10	\$23,579.70
Aquatics Assoc. Benthic Macroinvertebrate Sampling Efforts (#13)	\$15,000.00	\$15,000.00
ERG - Field Sampling (#14 & #5)	\$91,526.60	\$48,725.53
SGS - #15 Water Quality Analytical Support	\$92,000.00	\$92,000.00
CSU-Cowpea (#16)	\$8,000.00	\$8,000.00
BSA Env (#5)	\$3,635.00	\$0.00
Gold Systems	\$2,380.00	\$2,380.00
Total	\$1,109,719.60	\$767,207.64



COLORADO

Department of Local Affairs

Division of Local Government

To: Colorado Water Resources and Power Development Authority Board
 From: Cynthia Thayer & Victor Chen, Division of Local Government
 Date: August 19, 2026
 Re: DOLA Agency Update

Community Development Block Grant - Public Facilities

Below are the water/sewer awards for the 2026 CDBG-PF application cycle.

Type	SRF	Project Name	Request	Award
Sewer	Yes	Akron Sewer Upgrades	\$600,000	\$600,000
Sewer	Yes	Hugo Sewer Upgrades	\$600,000	\$600,000
Sewer	Yes	Genoa Sewer Upgrades	\$600,000	\$600,000
Drainage	No	Parachute Drainage Upgrades	\$600,000	\$600,000
Total CDBG-PF Water/Sewer Awards				\$2,400,000

Energy and Mineral Impact Assistance (EIAF) Program

The Division remains hopeful that revenue will be sufficient to have another funding cycle at the end of the 2026 calendar year.

June Projections for Severance Tax and Federal Mineral Lease Revenue

Overall revenue projections for state FY 25-26 were revised significantly downwards from the March 2025 forecast. Collections were lower than expected and the second-highest month of ad valorem tax credits and refunds (which also significantly reduced severance tax revenue in FY 24-25) occurred in May 2026. Earlier projections that severance revenue would rebound in FY 25-26 have not materialized, despite higher oil and gas prices. Both forecasting agencies show increases in severance revenues for FY 26-27 over FY 25-26, giving the Division some hope that a severance revenue recovery will materialize over the next few months.

Governor Jared S. Polis | Maria De Cambra, Executive Director | Eric H. Bergman, Division Director

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Strengthening Colorado Communities





COLORADO

Department of Local Affairs

Division of Local Government

Severance Tax (Millions)

	Fiscal Year 2025-2026	Fiscal Year 2026-2027	Fiscal Year 2027-2028
Office of State Planning and Budgeting forecast	\$107.7	\$277.7	\$182.4
Legislative Council forecast	\$93.7	\$207.5	\$183.5

Federal Mineral Lease Revenue (Millions)

	Fiscal Year 2025-2026	Fiscal Year 2026-2027	Fiscal Year 2027-2028
Office of State Planning and Budgeting forecast	\$95.6	\$111.8	\$99.0
Legislative Council forecast	\$98.0	\$102.3	\$115.4

Outreach & Education

Listed are the recently completed and upcoming outreach and education activities:

Upcoming

- State Revolving Fund presentation at Special District Association annual conference on September 16
- O&E committee will consider holding a webinar as IIJA/BIL funding sunsets

Completed (since the last board meeting)

- None

Small and Rural Communities Technical Services Program

DOLA and RESPEC met with Ginters Grove Public Improvement District, which was a previous project with the technical services program in 2025. The community has diligently followed through on the recommendations from the previous report for having the County take over the system from the current nonprofit water provider through the PID but has reached an impasse with a severe water loss issue, despite hiring help for leak detection and isolating known sections of pipe. The program will likely offer additional support for a specific project for data analysis and water accountability.

SB25-040 Future of Severance Taxes & Water Funding Task Force

Governor Jared S. Polis | Maria De Cambra, Executive Director | Eric H. Bergman, Division Director

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Strengthening Colorado Communities



**COLORADO****Department of Local Affairs**

Division of Local Government

The [Future of Severance Taxes and Water Funding - Task Force Report](#) by the Colorado Water Center at Colorado State University was delivered and discussed with the Water Resources and Agriculture Review Committee on June 25, 2026.

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Strengthening Colorado Communities





COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

Treasurer's Report

August 19, 2026, Board Meeting

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

Authority – June 2026 statements

Balance Sheet

- Assets totaled \$53.7 million
- Pension liability for 2026 will be \$2.7 million. A decrease of \$0.2 million from 2025.
 - PERA's liability went from \$9.5 billion to \$8.2 billion
- OPEB liability for Healthcare Trust Fund (HCTF)
 - \$269 million liability
 - Decrease from 2025 of \$209 million
 - Our portion is \$33K

Statement of Changes in Net Assets (Income Statement)

- Certain expense line items exceed the respective budgeted amounts.
- After six months, activity 50.0% of the total budget is expected
- Line items that exceed 50% are generally due to the timing of expenditures earlier in the year.

The Financial Highlights Report for June

- State Treasurers Cash Pool interest rate was 3.36%
- COLOTRUST interest rate was 3.75%

Financing Programs

- Financials in all financing programs are through June 2026.
- All programs continue to function normally.

Accounting Department Activities

The accounting department staff is involved in the following activities, in addition to usual monthly transaction processing:

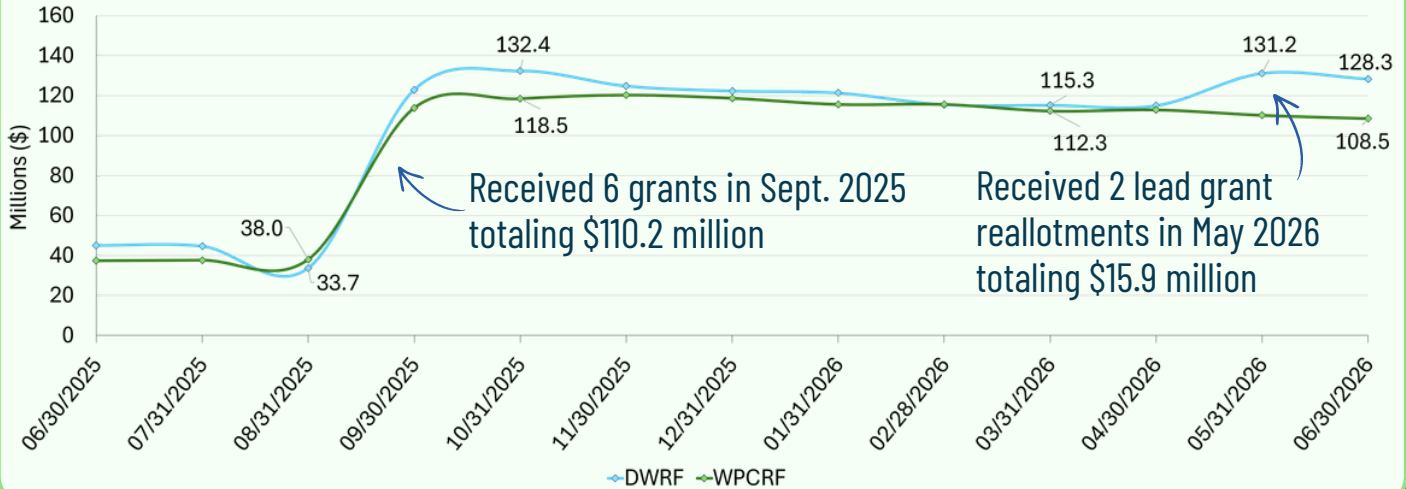
- Data is being obtained from the WQCD, DLG and Water Conservation Board to complete the SRF Annual Summary (formerly NIMS) reports required by the EPA for both the Clean Water and Drinking Water SRF programs.
- Staff are also preparing schedules for WPCRF and DWRF debt service on 9/1.
- Department staff are preparing schedules that will be included in the IUP.
- The 2027 budget process has begun. Data and estimates are being gathered and entered into various reports used in compiling the budget.
- Had Q&A with potential audit firms on June 25th.
- Had Budget & Audit Committee meeting on July 23rd to discuss which auditing firms to bring in for interviews.
- Interviewed audit firms Forvis Mazars and Plante Moran on August 4th and CLA on August 6th.
- Had Budget & Audit Committee meeting to discuss recommendations for audit services on August 11th.



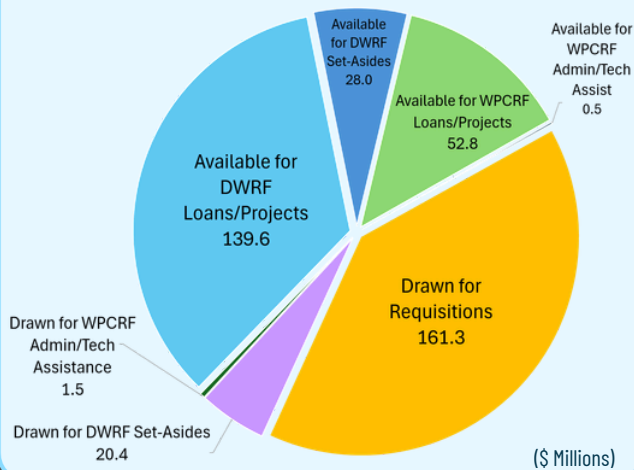
ALL PROGRAMS ACTIVITY

AS OF JUNE 30, 2026

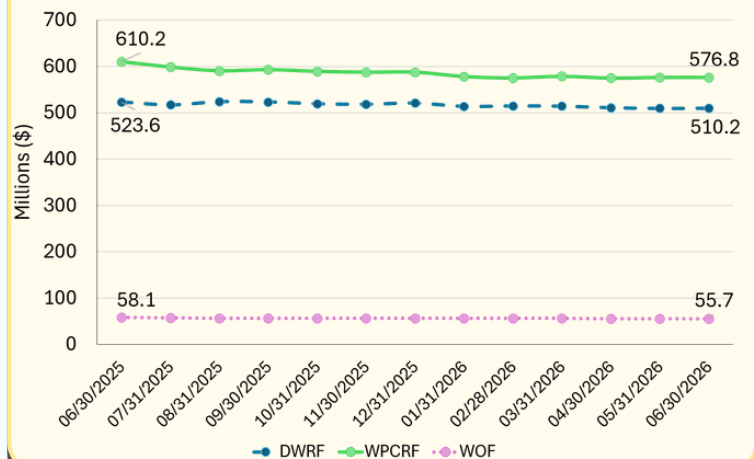
UNOBLIGATED RELOAN FUNDS



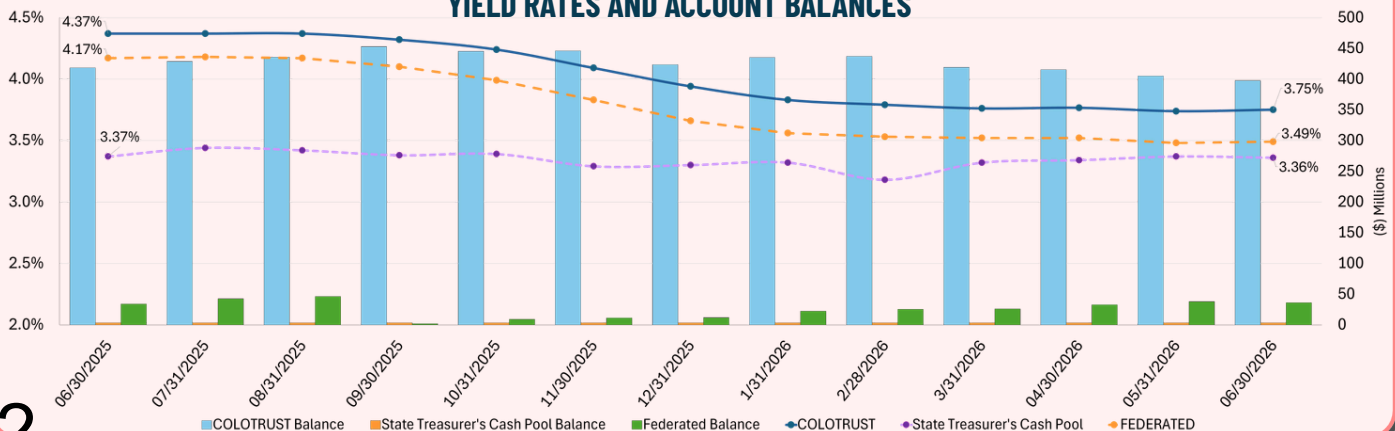
OPEN CAPITALIZATION GRANT FUND USAGE



LOANS RECEIVABLE



YIELD RATES AND ACCOUNT BALANCES





DWRF ACTIVITY

JANUARY 2026 - JUNE 2026

LOAN AND BOND ACTIVITY

11 New Loans
\$12.6 Million Total

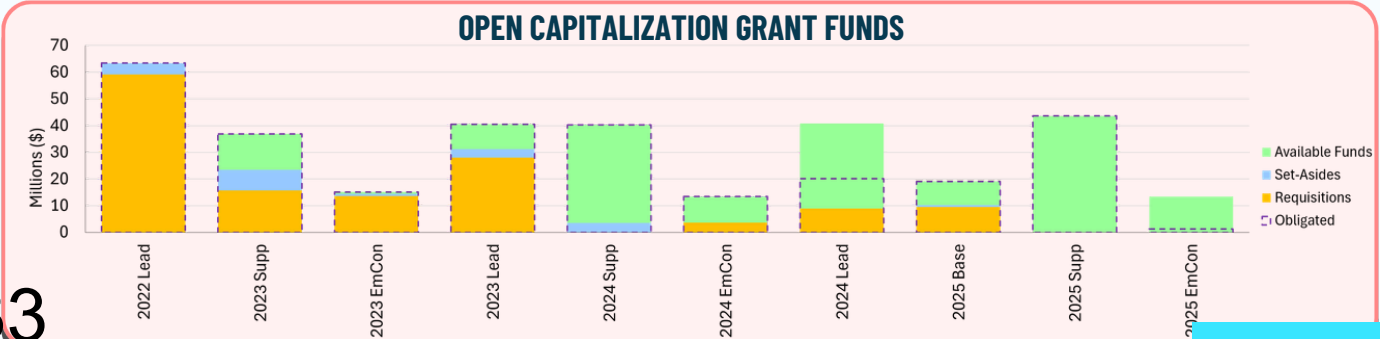
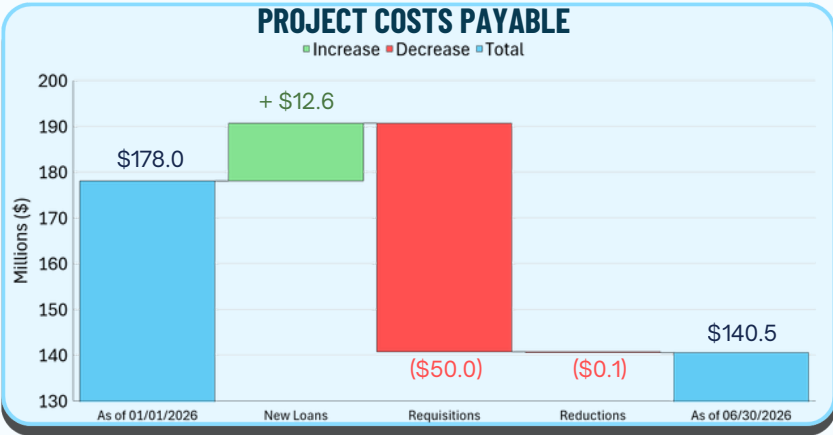
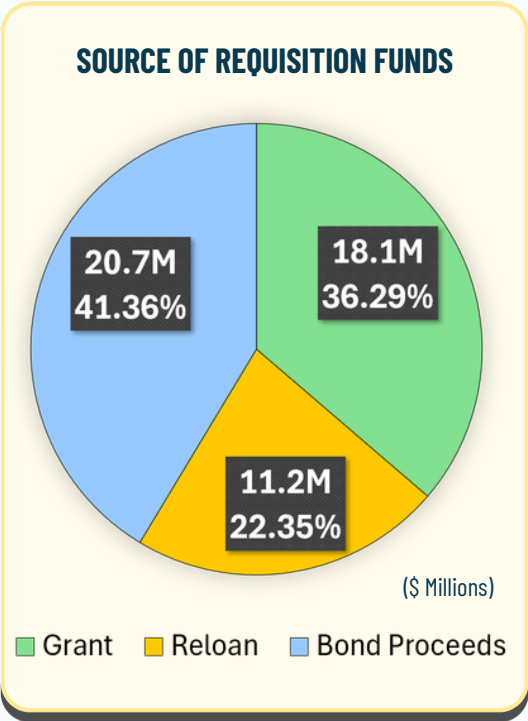
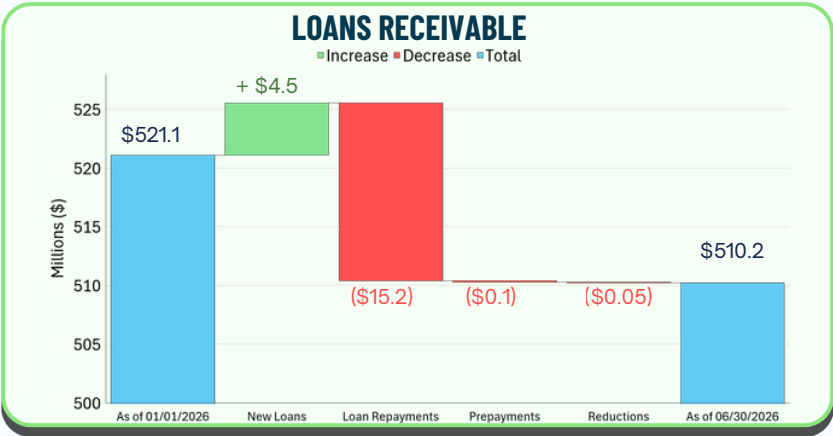
▲ \$4.5 Million Repayable
+ \$8.1 Million PF

Debt Service
\$3.2 Million Total

Principal: \$0.9 Million
Interest: \$2.3 Million

3 Loan Reductions
\$0.1 Million Total

▼ \$0.05 Million Repayable
— \$0.08 Million PF





WPCRF ACTIVITY

JANUARY 2026 - JUNE 2026

LOAN AND BOND ACTIVITY

9 New Loans
\$12.7 Million Total

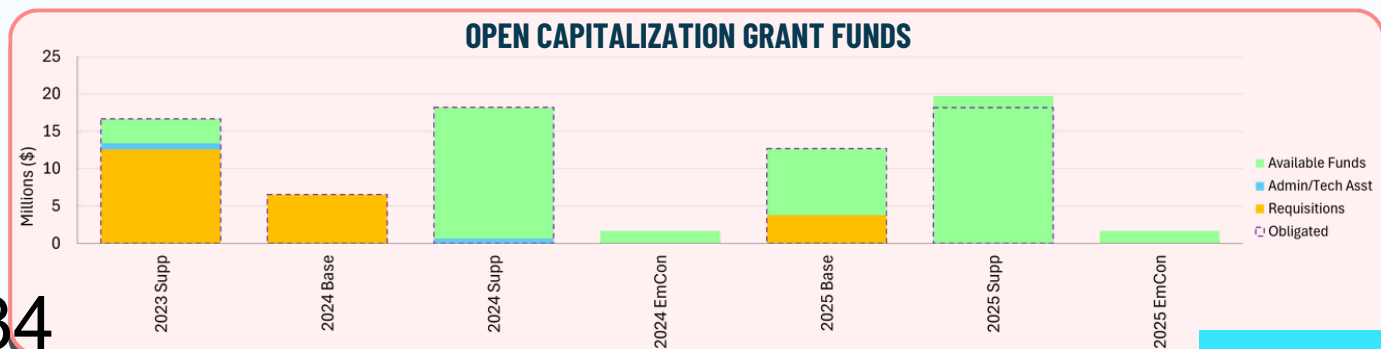
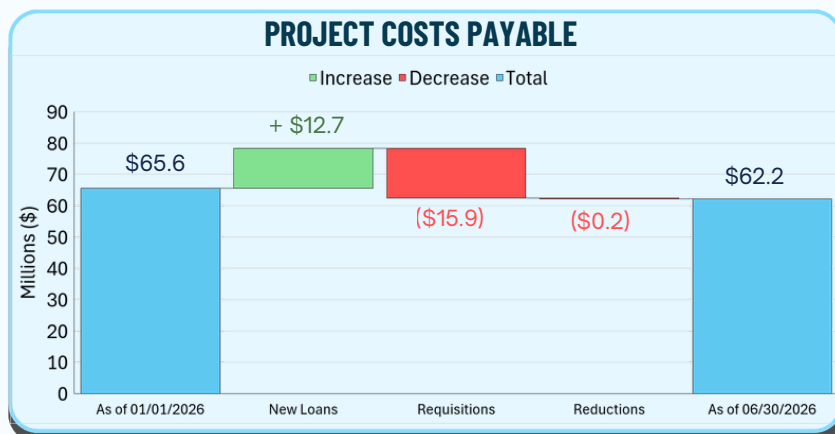
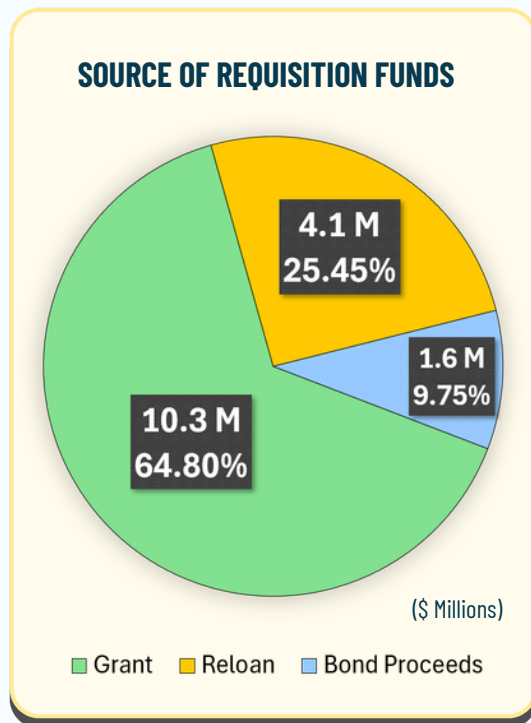
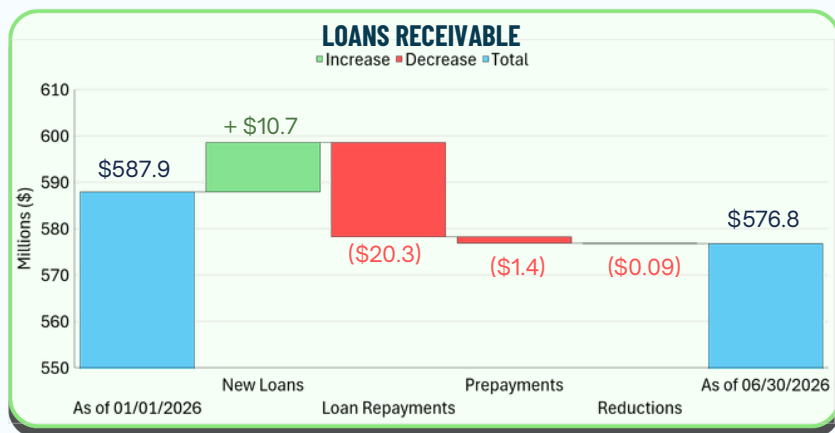
▲ \$10.7 Million Repayable
 + \$2.0 Million PF

Debt Service
\$5.6 Million Total

Principal: \$2.7 Million
 Interest: \$2.9 Million

1 Loan Reduction
\$0.2 Million Total

▼ \$0.09 Million Repayable
 — \$0.09 Million PF

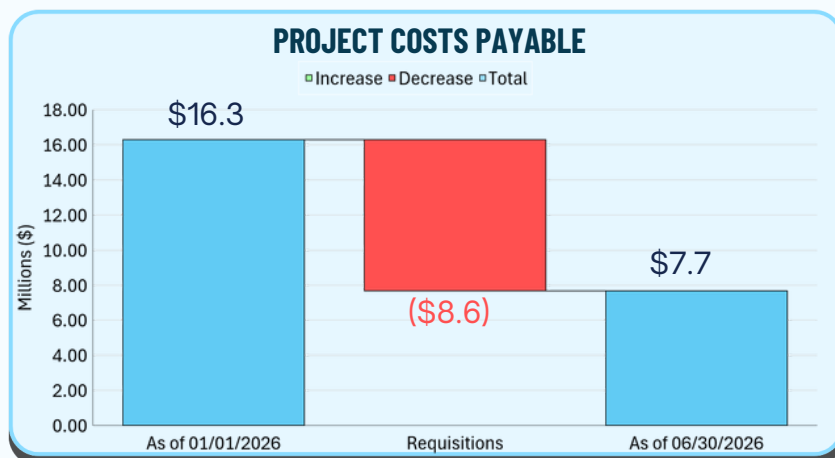
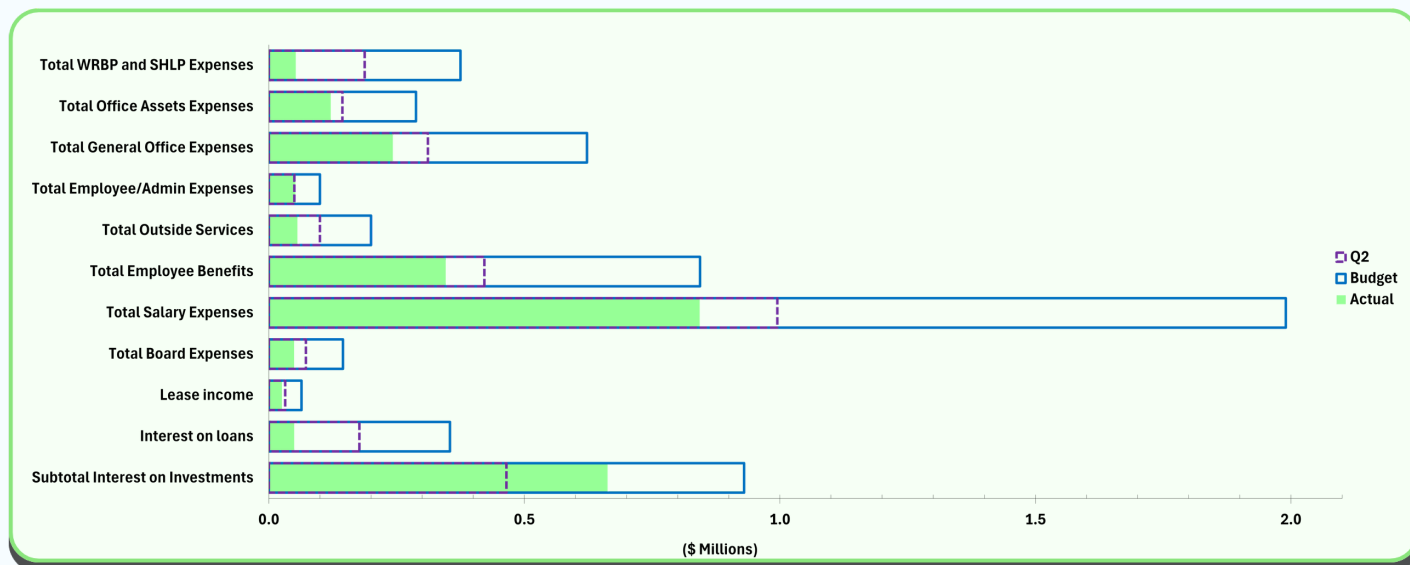




WOF ACTIVITY

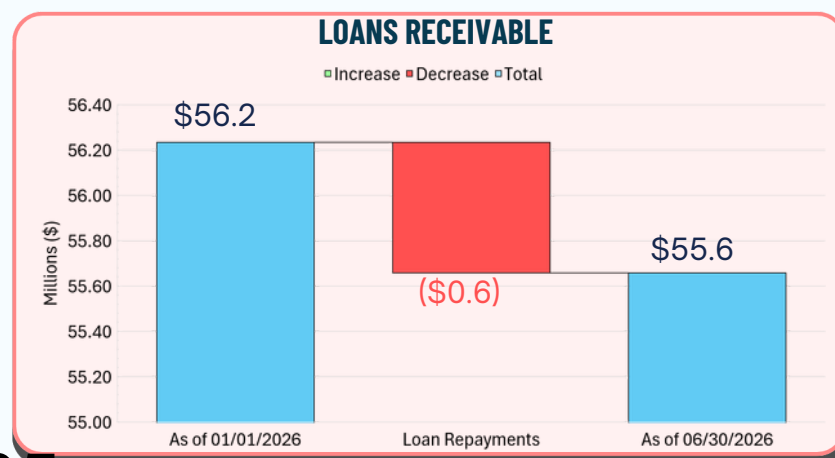
JANUARY 2026 - JUNE 2026

BUDGET VS. ACTUAL

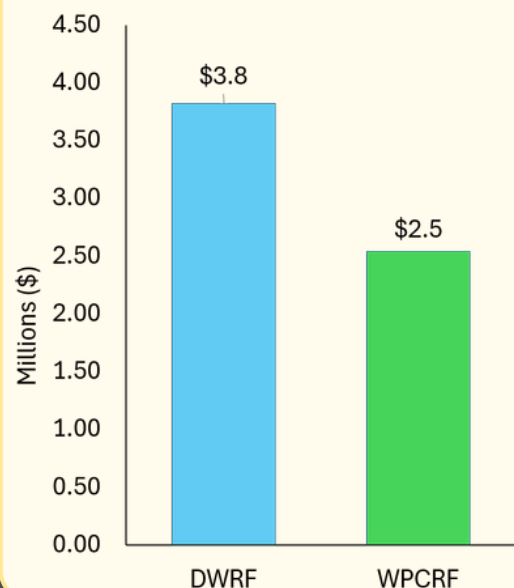


No New Loans

**6 Requisitions
\$8.6 Million Total**



STATE MATCH RECEIVABLE



**COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY
AUTHORITY CASH TRANSACTIONS for the MONTH ENDING JULY 31, 2026**

CHECKS				
Date	Check#	Payee	Description	Amount
7/14/2026	307	ABM Parking Services	Monthly Parking and Parking Passes	\$ 560.00
7/14/2026	308	Arbitrage Compliance Specialists	Arbitrage Calculations	\$ 12,145.00
7/14/2026	309	City of Lamar	Planning Grant No. 1 (Final)	\$ 10,000.00
7/14/2026	310	Interlynk	Monthly Phone	\$ 75.00
7/14/2026	311	Ken's Reproductions	Business Cards for Emma Tucker	\$ 83.38
7/14/2026	312	Lincoln National Life Insurance	Monthly Life Insurance	\$ 1,274.00
7/14/2026	313	McClave Water Association	Planning Grant No. 1	\$ 5,392.80
7/14/2026	314	MyTech Partners, Inc.	Monthly Software and Tech Support	\$ 6,264.60
7/14/2026	315	Town of Pagosa Springs	Planning Grant No. 1 (Final)	\$ 10,000.00
7/14/2026	316	US Bank Corporate Card	Noll, Williams, Griffiths, Newton, Loffert, & McLaughlin Credit Card Expenses	\$ 4,962.12
7/23/2026	317	ABM Parking Services	Monthly Parking	\$ 2,880.00
7/23/2026	318	Automated Business Technologies	Monthly Copier/Scanner Contract	\$ 33.27
7/23/2026	319	Carlson, Hammond & Paddock	Legal Services for June 2026	\$ 7,478.85
7/23/2026	320	Colorado State Treasurer	Unemployment Benefits for Austin Reichel	\$ 1,528.00
7/23/2026	321	US Bank	Trustee Fees	\$ 6,232.29
TOTAL CHECKS				\$ 68,909.31

WIRE TRANSFERS INCOMING/(OUTGOING)				
Date		Payee	Description	Amount
07/23/26		Authority Checking	Colorado Water Congress Sub-Lease Income - June and July 2026	13,434.00
07/29/26		Authority Checking	Reimbursement to Authority from Ian Loffert for Accidental Purchase	36.00
TOTAL WIRE TRANSFERS				\$ 13,470.00

ACH TRANSFERS INCOMING/(OUTGOING)			
Date	Payee	Description	Amount
7/9/2026	Clearly	Monthly Phone Services	(223.10)
7/10/2026	Inova	Reconciliation Correction	(4.36)
7/14/2026	PERA	Authority Staff PERA & 401k Contributions	(30,427.34)
7/14/2026	US Bank	Monthly Service Charge	(870.78)
7/14/2026	Lumen	Monthly Internet	(337.62)
7/14/2026	CivicPlus, LLC	Monthly Streamline	(771.75)
7/14/2026	Gravity	Annual Gravity Renewal	(25,479.00)
7/14/2026	Iron Mountain	Monthly Document Storage and Retention	(52.53)
7/14/2026	Office Depot	Offie Supplies	(86.50)
7/14/2026	Robert Half	Temp Services	(1,839.11)
7/14/2026	Inova	Payroll Processing Fee	(373.50)
7/14/2026	Authority Staff	Payroll	(44,495.50)
7/14/2026	IRS and Colorado Department of Revenue	Federal and State Payroll Withholdings	(11,129.84)
7/23/2026	Lumen	Monthly Internet	(338.28)
7/23/2026	Daniel Lockard	Water Fluency Class Travel and Expenses	(79.95)
7/23/2026	Giorgi Gazashvili	CML Conference and Kremmling Site Visit Travel and Expenses	(248.10)
7/23/2026	Ian Loffert	GFOA Travel and Expenses	(190.42)
7/23/2026	Justin Noll	GFOA Travel and Expenses	(2,047.08)
7/23/2026	Kevin Carpenter	GFOA Travel and Expenses	(1,666.91)
7/23/2026	Kogovsek and Associates	Monthly Consulting Services	(2,000.00)
7/23/2026	PBV-1580 Logan St.	Monthly Lease Payment - August 2026	(24,472.47)
7/23/2026	Robert Half	Temp Services	(579.24)
7/23/2026	Taft Stettinius & Hollister LLP	Legal Services through June 30, 2026	(3,700.50)
7/23/2026	Valerie Lovato	GFOA Travel and Expenses and Mid Year Review for Dperea	(1,257.22)
7/24/2026	PERA	Authority Staff PERA & 401k Contributions	(30,577.34)
7/30/2026	Authority Staff	Payroll	(46,179.50)
7/30/2026	IRS and Colorado Department of Revenue	Federal and State Payroll Withholdings	(10,936.57)
7/31/2026	PERA	PERACare Insurance Payment	(22,606.54)
TOTAL ACH TRANSFERS			\$ (262,971.05)

TOTAL CASH TRANSACTIONS for the MONTH ENDING JULY 31, 2026 \$ (180,591.74)

COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY
AUTHORITY CASH TRANSACTIONS for the MONTH ENDING JUNE 30, 2026

CHECKS				
Date	Check#	Payee	Description	Amount
6/16/2026	295	ABM Parking Services	Parking Passes	\$ 170.00
6/16/2026	296	About Time Awards	Name Plate and Name Tag for Emma Tucker	\$ 66.75
6/16/2026	297	Carlson, Hammond & Paddock	Legal Services for May 2026	\$ 7,996.39
6/16/2026	298	CGFOA	Annual Conference Sponsorship and Membership Renewal for Stephanie Hines	\$ 3,765.00
6/16/2026	299	Lincoln National Life Insurance	Monthly Life Insurance	\$ 1,164.58
6/16/2026	300	MyTech Partners, Inc.	Monthly Software and Tech Support	\$ 6,085.65
6/16/2026	301	Town of Springfield	Planning Grant No. 3	\$ 3,404.00
6/16/2026	302	US Bank Corporate Card	Noll, Williams, Griffiths, Newton, Loffert, & McLaughlin Credit Card Expenses	\$ 3,218.77
6/26/2026	303	ABM Parking Services	Monthly Parking	\$ 2,880.00
6/26/2026	304	Arbitrage Compliance Specialists	Arbitrage Calculations	\$ 8,895.00
6/26/2026	305	Automated Business Technologies	Monthly Copier/Scanner Contract	\$ 28.49
6/26/2026	306	Curbside Recycling	Monthly Recycling	\$ 195.00
TOTAL CHECKS				\$ 37,869.63

WIRE TRANSFERS INCOMING/(OUTGOING)				
Date	Payee	Description		Amount
06/16/26	Authority Checking	Transfer from COLOTRUST to Authority Checking		500,000.00
TOTAL WIRE TRANSFERS				\$ 500,000.00

ACH TRANSFERS INCOMING/(OUTGOING)				
Date	Payee	Description	Amount	
6/9/2026		Clearly	Monthly Phone Services	(222.40)
6/10/2026		PERA	Authority Staff PERA & 401k Contributions	(30,813.65)
6/12/2026		US Bank	Monthly Service Charge	(901.34)
6/12/2026		Inova	Payroll Processing Fee	(336.19)
6/12/2026		Authority Staff	Payroll	(43,656.42)
6/12/2026		IRS and Colorado Department of Revenue	Federal and State Payroll Withholdings	(11,139.53)
6/16/2026		Bruce Whitehead	Board Meeting Travel and Expenses	(538.64)
6/16/2026		CUSIP Global Services	New CUSIPS for WPCRF 2021AR Due to Windsor Partial Defeasance	(380.00)
6/16/2026		Causey Public Finance	WPCRF 2021AR Bond Partial Defeasance Calculations - Windsor	(1,500.00)
6/16/2026		Chris Treese	Board Meeting Travel and Expenses	(239.24)
6/16/2026		Colorado Water Congress	Annual Membership Dues, Administrative Fees for State and Federal Affairs Committees	(6,524.00)
6/16/2026		Gio Gazashvili	Graduate School Reimbursement	(3,092.62)
6/16/2026		Ian Loffert	GFOA Travel Expenses	(366.80)
6/16/2026		Iron Mountain	Monthy Document Storage and Retention	(329.05)
6/16/2026		Karen Wogsland	Board Meeting Travel and Expenses	(674.25)
6/16/2026		Mike Fabbre	Board Meeting Travel and Expenses	(337.86)
6/16/2026		Office Depot	Offie Supplies	(402.51)
6/16/2026		Peak Digital Solutions	Laserfiche License for Emma Tucker	(929.89)
6/16/2026		Robert Half	Temp Services	(1,770.05)
6/16/2026		Steven Vandiver	Board Meeting Travel and Expenses	(844.52)
6/16/2026		Streamline	Monthly Subscription	(771.75)
6/16/2026		Warwick Hotel	Board Meeting Lodging	(1,485.00)
6/26/2026		Kogovsek and Associates	Monthly Consulting Services	(2,000.00)
6/26/2026		Norton Rose Fulbright US LLP	WPCRF 2021AR Windsor Bond Defeasance Opinion	(4,455.00)
6/26/2026		Robert Half	Temp Services	(652.29)
6/26/2026		Wesley Williams	Jolt Conference Travel and Expenses	(373.84)
6/26/2026		PERA	Authority Staff PERA & 401k Contributions	(30,427.34)
6/29/2026		Inova	Payroll Tax Service (Locals)	(7.27)
6/29/2026		Authority Staff	Payroll	(45,826.20)
6/29/2026		IRS and Colorado Department of Revenue	Federal and State Payroll Withholdings	(10,987.90)
6/30/2026		PERA	PERACare Insurance Payment	(22,606.54)
6/30/2026		PBV-1580 Logan St.	Monthly Lease Payment - July 2026	(24,472.47)
TOTAL ACH TRANSFERS			\$ (249,064.56)	

TOTAL CASH TRANSACTIONS for the MONTH ENDING JUNE 30, 2026 \$ 288,805.07

Colorado Water Resources and Power Development Authority				
August US Bank Credit Card Detail				
Statement Ending on August 10, 2026				
Cardholder	Transaction Date	Transaction Amount	Payee	Description
Keith McLaughlin	7/30/2026	\$ 2.16	Market Watch	Monthly Subscription
		\$ 2.16		
Justin Noll	7/10/2026	\$ 378.38	Adobe	Monthly Subscription
Justin Noll	7/10/2026	\$ 303.04	Comcast	Monthly Subscription
Justin Noll	7/17/2026	\$ 238.16	Yard House	Annual Audit Lunch
Justin Noll	7/22/2026	\$ 13.80	Starbucks	Staff Meal - Mid-Year Review
Justin Noll	7/23/2026	\$ 48.88	BJ's Restaurant	Staff Meal - Mid-Year Review
		\$ 982.26		
Jim Griffiths	7/22/2026	\$ 58.75	Park & Co Denver	Staff Meal
Jim Griffiths	7/23/2026	\$ 103.71	Las Delicias	Staff Meal
		\$ 162.46		
Wesley Williams	7/26/2026	\$ 30.00	Canva	Monthly Subscription
Wesley Williams	7/29/2026	\$ 191.06	Slice Works	SRF Committee Meeting Meal
Wesley Williams	8/5/2026	\$ 83.19	Wall Street Journal	Monthly Subscription
Wesley Williams	8/6/2026	\$ 91.33	Park & Co Denver	Staff Meal
		\$ 395.58		
Ian Loffert	7/23/2026	\$ 21.71	Ms. Marji's Denver	Staff Meal - Mid-Year Review
		\$ 21.71		
Heather Newton	7/16/2026	\$ 83.46	Labor Law Center	State & Federal Labor Law Poster & Replacement Subscription
Heather Newton	7/21/2026	\$ 104.39	King Soopers	Groceries for Office
Heather Newton	7/21/2026	\$ 43.66	Amazon	Supplies for Office
Heather Newton	7/23/2026	\$ 17.88	Ms. Marji's Denver	Staff Meal - Mid-Year Review
Heather Newton	7/27/2026	\$ 169.90	Zoom	Annual Zoom Workplace Pro Subscription Renewal
Heather Newton	7/27/2026	\$ 30.00	King Soopers	Gift Card Prize for Office FIFA Bracket
Heather Newton	8/8/2026	\$ 2,893.28	Steamboat Grand Hotel	Board Meeting Lodging
		\$ 3,342.57		
Total		\$ 4,906.74		

Colorado Water Resources and Power Development Authority				
July US Bank Credit Card Detail				
Statement Ending on July 10, 2026				
Cardholder	Transaction Date	Transaction Amount	Payee	Description
Keith McLaughlin	6/10/2026	\$ 395.00	Water Finance Conference	2026 Water Finance Conference Registration
	7/2/2026	\$ 2.16	Market Watch	Monthly Subscription
		\$ 397.16		
Justin Noll	6/10/2026	\$ 378.38	Adobe	Monthly Subscription
Justin Noll	6/10/2026	\$ 127.97	Best Buy	Docking Station for Emma Tucker
Justin Noll	6/10/2026	\$ 302.51	Comcast	Monthly Subscription
Justin Noll	6/29/2026	\$ 16.65	Hyatt Regency	GFOA Conference Travel Meal
Justin Noll	6/30/2026	\$ 7.15	Hyatt Regency	GFOA Conference Travel Meal
Justin Noll	7/1/2026	\$ 12.45	Hyatt Regency	GFOA Conference Travel Meal
		\$ 845.11		
Jim Griffiths	6/26/2026	\$ 88.24	Smokin' Fins	Staff Meal
		\$ 88.24		
Wesley Williams	6/17/2026	\$ 106.22	JOLT Energy Summit	JOLT Energy Summit 2026 Registration
Wesley Williams	6/17/2026	\$ 196.03	Steuben's Uptown	Welcome Lunch for Emma Tucker
Wesley Williams	6/18/2026	\$ 15.72	Starbucks	JOLT Conference Travel Meal
Wesley Williams	6/23/2026	\$ 290.62	Amazon	Standing Desk for Emma Tucker
Wesley Williams	6/26/2026	\$ 30.00	Canva	Monthly Subscription
Wesley Williams	6/26/2026	\$ 62.90	Amazon	Paper for Flyers
Wesley Williams	7/8/2026	\$ 83.19	Wall Street Journal	Monthly Subscription
		\$ 784.68		
Ian Loffert	6/10/2026	\$ 46.26	Best Buy	Display to HDMI Cord
Ian Loffert	6/10/2026	\$ 33.29	Best Buy	Display to HDMI Cord
Ian Loffert	6/28/2026	\$ 20.87	Amazon	GFOA Conference Travel Meal
Ian Loffert	6/30/2026	\$ 96.53	Pizzeria Uno	GFOA Conference Staff Meal
Ian Loffert	6/29/2026	\$ 27.65	Hyatt Regency	GFOA Conference Travel Meal
Ian Loffert	6/29/2026	\$ 20.64	Hyatt Regency	GFOA Conference Travel Meal
Ian Loffert	7/1/2026	\$ 156.00	Bottleneck Management	GFOA Conference Staff Meal
Ian Loffert	7/1/2026	\$ 923.79	Hyatt Regency	GFOA Conference Lodging
Ian Loffert	7/1/2026	\$ 30.33	Hyatt Regency	GFOA Conference Travel Meal
		\$ 1,355.36		
Heather Newton	6/10/2026	\$ 7.26	King Soopers	Retirement Card for Lee Miller
Heather Newton	6/11/2026	\$ 322.38	Tokyo Joe's	Staff Lunch
Heather Newton	6/22/2026	\$ 63.21	United States Postal Service	Mailing PAFR and Hawaiian Shirts
Heather Newton	6/24/2026	\$ 8.15	United States Postal Service	Mailing PAFR and Hawaiian Shirts
Heather Newton	6/25/2026	\$ 149.00	S2M	Training Webinar for Heather Newton
Heather Newton	6/30/2026	\$ 387.60	Civic Center Eats	Staff Lunch
Heather Newton	7/1/2026	\$ 94.80	Amazon	Water Filters for Office Refrigerator
Heather Newton	7/6/2026	\$ 415.00	SDA	2026 SDA Annual Conference Registration
Heather Newton	7/6/2026	\$ 41.42	Activate	Deposit for Authority Summer Outing
Heather Newton	7/9/2026	\$ 2.75	Denver Public Works	Parking at Civic Center Eats for Staff Lunch
		\$ 1,491.57		
Total		\$ 4,962.12		

Colorado Water Resources and Power Development Authority				
June US Bank Credit Card Detail				
Statement Ending on June 10, 2026				
Cardholder	Transaction Date	Transaction Amount	Payee	Description
Keith McLaughlin	6/4/2026	\$ 2.16	Market Watch	Monthly Subscription
		\$ 2.16		
Justin Noll	6/9/2026	\$ 65.00	CGFOA	Annual Membership Renewal for Justin Noll
		\$ 65.00		
Jim Griffiths	5/28/2026	\$ 1.75	Denver Public Works	Parking
Jim Griffiths	5/28/2026	\$ 95.92	Warwick Denver	Breakfast with Steven Vandiver for WQCD Meeting
Jim Griffiths	5/29/2026	\$ 88.60	Steuben's Uptown	Staff Meal
		\$ 186.27		
Wesley Williams	5/13/2026	\$ 83.19	Wall Street Journal	Monthly Subscription
Wesley Williams	5/13/2026	\$ 193.86	Slice Works	Staff Meal
Wesley Williams	5/26/2026	\$ 30.00	Canva	Monthly Subscription
Wesley Williams	6/10/2026	\$ 83.19	Wall Street Journal	Monthly Subscription
		\$ 390.24		
Ian Loffert	6/6/2026	\$ 97.15	Best Buy	Monitor for New Employee
Ian Loffert	6/6/2026	\$ 97.15	Best Buy	Monitor for New Employee
Ian Loffert	6/6/2026	\$ 194.59	Best Buy	Monitor for New Office
		\$ 388.89		
Heather Newton	5/11/2026	\$ 144.00	Grammarly	Annual Grammarly Subscription
Heather Newton	5/11/2026	\$ 102.59	Lehrer's Flowers	Fowers for Martin Flores
Heather Newton	5/14/2026	\$ 284.83	Potbelly Sandwiches	Staff Lunch
Heather Newton	5/21/2026	\$ 38.24	Amazon	Trophy for Keith McLaughlin
Heather Newton	6/2/2026	\$ 179.28	King Soopers	Groceries for Office
Heather Newton	6/5/2026	\$ 646.44	Brother's BBQ	BPWS Dinner
Heather Newton	6/5/2026	\$ 320.81	Schlotzsky's Deli	Board Meeting Breakfast
Heather Newton	6/5/2026	\$ 470.02	Chick-Fil-A	Board Meeting Lunch
		\$ 2,186.21		
Total		\$ 3,218.77		

Colorado Water Resources and Power Development Authority		
COMPARATIVE BALANCE SHEET		
	As of 06/30/2026	As of 06/30/2025
ASSETS:		
Cash and Cash Equivalents:		
Cash - US Bank (Checking Account)	\$ 349,022.05	\$ 1,270,765.95
State Treasurers Cash Pool	1,755,487.28	1,646,346.28
COLOTRUST Checking Investment Account	28,712,506.16	27,793,378.33
State Treasurers Cash Pool-Self Insurance Fund	1,533,843.00	1,535,088.00
State Treasurers Cash Pool-La Plata River Escrow	138,897.73	134,341.73
COLOTRUST - Authority Project Accounts	136,188.87	135,516.90
COLOTRUST - Authority (Vilas) Project Account	-	-
COLOTRUST - SHLP Project Accounts	5,146,933.32	4,395,014.42
COLOTRUST - Interim Loan Projects	-	-
Total Cash and Cash Equivalents	37,772,878.41	36,910,451.61
Interest Receivable on Investments		
Interest Receivable on Loans:		
Interim Loans (I-Loans)	-	-
Small Hydro Loan Program (SHLP)	5,277.41	5,973.37
Authority Loans	-	-
ALP Water Rights Purchase Loan	3,705.00	7,410.00
Interest Receivable-Leases	838.75	1,016.43
Accounts Receivable - Misc		
Reimbursement Receivable - WPCRF	653,563.18	599,574.00
Reimbursement Receivable - DWRF	639,742.24	901,884.08
Loans Receivable:		
Interim Loans (I-Loans)		
Small Hydro Loan Program (SHLP)	5,523,713.86	5,958,579.45
Authority Loans	179,562.61	188,252.68
ALP Water Rights Purchase Loan	1,604,092.84	1,815,974.58
Loan Receivable - WPCRF State Match	2,538,200.00	1,306,000.00
Loan Receivable - DWRF State Match	3,821,000.00	5,051,357.69
Leases Receivable	201,299.87	243,943.47
Prepaid Expenses	1,580.67	-
Deposits	21,592.16	21,592.16
Depreciable Assets	71,009.54	108,218.72
Less: Accumulated Depreciation	(52,242.88)	(92,206.11)
Lease Assets	746,280.46	936,820.15
TOTAL ASSETS	\$ 53,732,094.12	\$ 53,964,842.28
Deferred Outflows:		
Pension Contributions	\$ 317,823.65	\$ 285,456.30
Investment Earnings Difference	63,995.92	258,931.21
Experience Difference	85,272.40	58,274.88
Proportional Share Change	126,581.70	420,957.70
Change in Assumptions		
HCTF Contributions	15,729.26	14,141.11
HCTF Investment Earnings Difference	186.32	2,758.49
HCTF Experience Difference		
HCTF Proportional Share Change	3,437.69	4,528.89
HCTF Change in Assumptions	630.23	1,048.85
LIABILITIES and EQUITY:		
Accounts Payable Trade	\$ 1,000.00	\$ -
Lease Liability	983,583.15	1,193,187.43
Interest Payable-Leases	4,098.30	4,971.62
Deposit - Sub Lease	4,925.00	-
Prepayment Payable		
Other Accrued Expenses	(1.80)	(0.52)
Flexplan Spending Withheld	2,305.27	(1,049.32)
Due to Authority		
Project Costs Payable - Long Term		
Accrued Vacation and Sick Leave	509,100.00	429,508.56
Pension Liability	2,905,361.67	3,565,077.32
HCTF Liability	54,960.08	89,191.01
Total Liabilities	4,465,331.67	5,280,886.10
Deferred Inflows:		
Proportional Share Change	\$ 263,893.39	\$ 116,448.51
Experience Difference	\$ 12,123.09	\$ 18,930.37
Change in Assumptions	22,528.51	-
Investment Earnings Difference		
HCTF Experience Difference		18,280.56
HCTF Proportional Share Change	14,533.68	11,910.37
HCTF Change in Assumptions	17,567.98	9,457.25
HCTF Investment Earnings Difference		
Leases	151,719.72	190,456.68
Net Assets:	49,542,414.91	49,292,951.53
Net Income / (Loss)	(144,361.66)	71,618.34
TOTAL LIABILITIES and EQUITY	\$ 53,863,384.92	\$ 54,645,455.97

Colorado Water Resources and Power Development Authority		
COMPARATIVE BALANCE SHEET		
	As of 05/31/2026	As of 05/31/2025
ASSETS:		
Cash and Cash Equivalents:		
Cash - US Bank (Checking Account)	\$ 135,956.24	\$ 1,500,838.22
State Treasurers Cash Pool	1,750,579.28	1,641,652.28
COLOTRUST Checking Investment Account	29,123,361.33	27,693,851.36
State Treasurers Cash Pool-Self Insurance Fund	1,529,555.00	1,530,710.00
State Treasurers Cash Pool-La Plata River Escrow	138,509.73	134,057.73
COLOTRUST - Authority Project Accounts	126,798.15	133,431.38
COLOTRUST - Authority (Vilas) Project Account		-
COLOTRUST - SHLP Project Accounts	5,130,638.71	4,378,734.33
COLOTRUST - Interim Loan Projects	-	-
Total Cash and Cash Equivalents	37,935,398.44	37,013,275.30
Interest Receivable on Investments		
Interest Receivable on Loans:		
Interim Loans (I-Loans)		-
Small Hydro Loan Program (SHLP)	5,277.41	5,973.37
Authority Loans	2,779.64	3,120.62
ALP Water Rights Purchase Loan	3,705.00	7,410.00
Interest Receivable-Leases	838.75	1,016.43
Accounts Receivable - Misc		
Reimbursement Receivable - WPCRF	569,440.10	524,647.76
Reimbursement Receivable - DWRF	571,545.82	841,754.57
Loans Receivable:		
Interim Loans (I-Loans)		
Small Hydro Loan Program (SHLP)	5,523,713.86	5,958,579.45
Authority Loans	181,609.82	190,299.89
ALP Water Rights Purchase Loan	1,604,092.84	1,815,974.58
Loan Receivable - WPCRF State Match	2,538,200.00	1,306,000.00
Loan Receivable - DWRF State Match	3,821,000.00	5,051,357.69
Leases Receivable	201,299.87	243,943.47
Prepaid Expenses	1,580.67	
Deposits	21,592.16	21,592.16
Depreciable Assets	71,009.54	108,218.72
Less: Accumulated Depreciation	(52,242.88)	(92,206.11)
Lease Assets	746,280.46	936,820.15
TOTAL ASSETS	\$ 53,747,121.50	\$ 53,937,778.05
Deferred Outflows:		
Pension Contributions	\$ 317,823.65	\$ 285,456.30
Investment Earnings Difference	63,995.92	258,931.21
Experience Difference	85,272.40	58,274.88
Proportional Share Change	126,581.70	420,957.70
Change in Assumptions		
HCTF Contributions	15,729.26	14,141.11
HCTF Investment Earnings Difference	186.32	2,758.49
HCTF Experience Difference		
HCTF Proportional Share Change	3,437.69	4,528.89
HCTF Change in Assumptions	630.23	1,048.85
LIABILITIES and EQUITY:		
Accounts Payable Trade	\$ -	\$ -
Lease Liability	983,583.15	1,193,187.43
Interest Payable-Leases	4,098.30	4,971.62
Deposit - Sub Lease	4,925.00	
Prepayment Payable		
Other Accrued Expenses	(1.52)	(0.36)
Flexplan Spending Withheld	2,016.39	(1,044.46)
Due to Authority		
Project Costs Payable - Long Term		
Accrued Vacation and Sick Leave	509,100.00	429,508.56
Pension Liability	2,905,361.67	3,565,077.32
HCTF Liability	54,960.08	89,191.01
Total Liabilities	4,464,043.07	5,280,891.12
Deferred Inflows:		
Proportional Share Change	\$ 263,893.39	\$ 116,448.51
Experience Difference	\$ 12,123.09	\$ 18,930.37
Change in Assumptions	22,528.51	
Investment Earnings Difference		
HCTF Experience Difference		18,280.56
HCTF Proportional Share Change	14,533.68	11,910.37
HCTF Change in Assumptions	17,567.98	9,457.25
HCTF Investment Earnings Difference		
Leases	151,719.72	190,456.68
Net Assets:	49,542,414.91	49,292,951.53
Net Income / (Loss)	(128,045.68)	44,549.09
TOTAL LIABILITIES and EQUITY	\$ 53,878,412.30	\$ 54,618,391.74

Colorado Water Resources and Power Development Authority		
COMPARATIVE BALANCE SHEET		
	As of 04/30/2026	As of 04/30/2025
ASSETS:		
Cash and Cash Equivalents:		
Cash - US Bank (Checking Account)	\$ 183,902.28	\$ 1,838,458.07
State Treasurers Cash Pool	1,745,728.28	1,637,090.28
COLOTRUST Checking Investment Account	29,031,007.05	27,591,201.14
State Treasurers Cash Pool-Self Insurance Fund	1,525,316.00	1,526,456.00
State Treasurers Cash Pool-La Plata River Escrow	138,125.73	133,684.73
COLOTRUST - Authority Project Accounts	622.65	10,271.82
COLOTRUST - Authority (Vilas) Project Account	-	-
COLOTRUST - SHLP Project Accounts	5,028,341.29	4,276,585.89
COLOTRUST - Interim Loan Projects	-	-
Total Cash and Cash Equivalents	37,653,043.28	37,013,747.93
Interest Receivable on Investments		
Interest Receivable on Loans:		
Interim Loans (I-Loans)		-
Small Hydro Loan Program (SHLP)	22,939.55	24,771.62
Authority Loans	3,024.47	3,376.86
ALP Water Rights Purchase Loan	3,705.00	7,410.00
Interest Receivable-Leases	838.75	1,016.43
Accounts Receivable - Misc		
Reimbursement Receivable - WPCRF	2,934,098.25	445,017.79
Reimbursement Receivable - DWRF	1,685,952.78	727,561.77
Loans Receivable:		
Interim Loans (I-Loans)		
Small Hydro Loan Program (SHLP)	5,590,867.15	6,024,409.55
Authority Loans	183,916.23	190,299.89
ALP Water Rights Purchase Loan	1,710,547.66	1,920,383.51
Loan Receivable - WPCRF State Match	2,538,200.00	1,306,000.00
Loan Receivable - DWRF State Match	3,821,000.00	5,051,357.69
Leases Receivable	201,299.87	243,943.47
Prepaid Expenses	1,580.67	
Deposits	21,592.16	21,592.16
Depreciable Assets	71,009.54	108,218.72
Less: Accumulated Depreciation	(52,242.88)	(92,206.11)
Lease Assets	746,280.46	936,820.15
TOTAL ASSETS	\$ 57,137,652.94	\$ 53,933,721.43
Deferred Outflows:		
Pension Contributions	\$ 317,823.65	\$ 285,456.30
Investment Earnings Difference	63,995.92	258,931.21
Experience Difference	85,272.40	58,274.88
Proportional Share Change	126,581.70	420,957.70
Change in Assumptions		
HCTF Contributions	15,729.26	14,141.11
HCTF Investment Earnings Difference	186.32	2,758.49
HCTF Experience Difference		
HCTF Proportional Share Change	3,437.69	4,528.89
HCTF Change in Assumptions	630.23	1,048.85
LIABILITIES and EQUITY:		
Accounts Payable Trade	\$ 3,394,342.98	\$ -
Lease Liability	983,583.15	1,193,187.43
Interest Payable-Leases	4,098.30	4,971.62
Deposit - Sub Lease	4,925.00	
Prepayment Payable		
Other Accrued Expenses	(1.22)	278.55
Flexplan Spending Withheld	1,283.47	(89.87)
Due to Authority		
Project Costs Payable - Long Term		
Accrued Vacation and Sick Leave	509,100.00	429,508.56
Pension Liability	2,905,361.67	3,565,077.32
HCTF Liability	54,960.08	89,191.01
Total Liabilities	7,857,653.43	5,282,124.62
Deferred Inflows:		
Proportional Share Change	\$ 263,893.39	\$ 116,448.51
Experience Difference	\$ 12,123.09	\$ 18,930.37
Change in Assumptions	22,528.51	
Investment Earnings Difference		
HCTF Experience Difference		18,280.56
HCTF Proportional Share Change	14,533.68	11,910.37
HCTF Change in Assumptions	17,567.98	9,457.25
HCTF Investment Earnings Difference		
Leases	151,719.72	190,456.68
Net Assets:	49,542,414.91	49,292,951.53
Net Income / (Loss)	(131,124.60)	39,258.97
TOTAL LIABILITIES and EQUITY	\$ 57,268,943.74	\$ 54,614,335.12

Colorado Water Resources and Power Development Authority

INCOME STATEMENT

Budget To Actual

Calendar Year-To-Date as of June 30, 2026

	Budget For 2026	Actual Year-To-Date	Balance	% Actual/ Budget
INCOME:				
Interest on investments - COLOTRUST	\$ -	\$ 617,919.29	\$ (617,919.29)	0%
Interest on investments - COLOTRUST-Interim Loan Project	-	16.24	(16.24)	0%
Interest on investments - STCP	-	44,827.00	(44,827.00)	0%
Investment interest income - from WPCRF	-	-	-	0%
Investment interest Income - from WRBP	-	-	-	0%
Subtotal Interest on Investments	930,000.00	662,762.53	267,237.47	71%
Interest on Investments - STCP-La Plata River Escrow	-	1,893.00	(1,893.00)	0%
Interest on loans	354,500.00	49,712.16	304,787.84	14%
Interest on leases	-	-	-	0%
Lease income	64,000.00	25,657.39	38,342.61	40%
Gain/Loss on sale of assets	-	-	-	0%
Miscellaneous income	-	822.50	(822.50)	0%
TOTAL INCOME	\$ 1,348,500.00	\$ 740,847.58	\$ 607,652.42	55%
EXPENSES:				
<u>Board Expenses:</u>				
Per diems & PERA on per diems	\$ 25,000.00	\$ 9,000.00	\$ 16,000.00	36%
Travel, lodging, meals, etc.	50,000.00	29,209.86	20,790.14	58%
Meeting expenses	25,000.00	4,232.90	20,767.10	17%
Memberships	15,000.00	7,145.00	7,855.00	48%
Board insurance	30,000.00	-	30,000.00	0%
Total Board Expenses	145,000.00	49,587.76	95,412.24	34%
<u>Salary Expenses:</u>				
Staff salaries	1,822,000.00	824,789.49	997,210.51	45%
Temporary services	60,000.00	15,524.88	44,475.12	26%
Third Party Payroll & HR Services	8,000.00	2,694.70	5,305.30	34%
Annual vacation and sick leave accrual	100,000.00	-	100,000.00	0%
Total Salary Expenses	1,990,000.00	843,009.07	1,146,990.93	42%
<u>Employee Benefits:</u>				
Pension expense*	382,000.00	176,266.86	205,733.14	46%
Healthcare trust expense	19,000.00	-	19,000.00	0%
Medical and dental insurance	316,000.00	108,510.96	207,489.04	34%
HRA reimbursement	-	5,926.55	(5,926.55)	0%
LTD/Life insurance	15,500.00	11,613.18	3,886.82	75%
Medicare - employer's match	28,000.00	11,618.13	16,381.87	41%
Denver city tax - employer's match	800.00	364.00	436.00	46%
401k Match	52,000.00	19,514.99	32,485.01	38%
State Workman's Comp. Insurance	4,000.00	2,267.00	1,733.00	57%
Tuition reimbursement	25,000.00	10,000.00	15,000.00	40%
Public transportation incentive	1,400.00	-	1,400.00	0%
Total Employee Benefits	843,700.00	346,081.67	497,618.33	41%
<u>Outside Services Employed:</u>				
General legal fees	100,000.00	21,324.87	78,675.13	21%
General consulting services	70,000.00	12,276.00	57,724.00	18%
Audit and budgetary fees	30,000.00	22,218.00	7,782.00	74%
Total Outside Services	200,000.00	55,818.87	144,181.13	28%
<u>Employee / Administrative Expenses:</u>				
Travel, lodging, meals, etc.	25,000.00	9,962.04	15,037.96	40%
Registration and training fees	15,000.00	4,818.00	10,182.00	32%
Contributions and sponsorships	45,000.00	29,625.00	15,375.00	66%
Dues, subscriptions and publications	15,000.00	7,720.10	7,279.90	51%
Total Employee / Administrative Expenses	100,000.00	52,125.14	47,874.86	52%

Colorado Water Resources and Power Development Authority				
INCOME STATEMENT				
Budget To Actual				
Calendar Year-To-Date as of June 30, 2026				
	Budget For 2026	Actual Year-To-Date	Balance	% Actual/ Budget
<u>General Office Expenses:</u>				
Office rent and deposits	352,000.00	183,344.04	168,655.96	52%
Interest expense-leases*	70,000.00		70,000.00	0%
Telephone and internet charges	20,000.00	5,467.81	14,532.19	27%
Postage and delivery fees	3,500.00	52.39	3,447.61	1%
Copying and printing costs	9,000.00	1,681.31	7,318.69	19%
Office supplies	19,000.00	9,231.14	9,768.86	49%
Technical support activities	110,000.00	41,060.00	68,940.00	37%
Office insurance	9,000.00	790.33	8,209.67	9%
Records retention	30,000.00	1,079.13	28,920.87	4%
Total General Office Expenses	622,500.00	242,706.15	379,793.85	39%
<u>Office Assets Expenses:</u>				
Furniture & fixtures	25,000.00	13,451.15	11,548.85	54%
Machines	58,000.00	(111.11)	58,111.11	0%
Computer software	90,000.00	28,189.40	61,810.60	31%
Depreciation expense	-		-	0%
Machine maintenance & maintenance contracts	15,000.00	302.07	14,697.93	2%
Other expense	-		-	0%
Office improvements	100,000.00	79,271.87	20,728.13	79%
Total Office Assets Expenses	288,000.00	121,103.38	166,896.62	42%
TOTAL OPERATING EXPENSES	\$ 4,189,200.00	\$ 1,710,432.04	\$ 2,478,767.96	41%
<u>Expenses Allocated to Programs:</u>				
Salaries allocated to project expenses	(43,000.00)	(8,570.00)	(34,430.00)	20%
Allocated salaries expense - WPCRF	(495,000.00)	(223,959.00)	(271,041.00)	45%
Allocated employee benefits - WPCRF	(301,000.00)	(128,753.03)	(172,246.97)	43%
Allocated overhead expense - WPCRF	(294,000.00)	(127,090.28)	(166,909.72)	43%
Allocated salaries expense - DWRF	(468,000.00)	(187,155.00)	(280,845.00)	40%
Allocated employee benefits - DWRF	(284,000.00)	(108,318.35)	(175,681.65)	38%
Allocated overhead expense - DWRF	(257,000.00)	(93,992.38)	(163,007.62)	37%
Total Allocated Expenses to Programs	(2,142,000.00)	(877,838.04)	(1,264,161.96)	41%
NET OPERATING EXPENSES	\$ 2,047,200.00	\$ 832,594.00	\$ 1,214,606.00	41%
<u>Approved Projects Expenses:</u>				
WRBP Expenses	120,000.00	46,453.71	73,546.29	39%
La Plata River Escrow Expenses	-		-	0%
Small Hydro Loan Program expenses	25,000.00	6,161.53	18,838.47	25%
Small Hydro Loan Program Planning & Design Grants	165,000.00	-	165,000.00	0%
Watershed Protection & Forest Health Program Expenses	65,000.00	-	65,000.00	0%
Principal Forgiveness - Loans Receivable	-	-	-	0%
Other Potential Projects	1,000,000.00	-	1,000,000.00	
Total Project Expenses	\$ 1,375,000.00	\$ 52,615.24	\$ 1,322,384.76	4%
TOTAL EXPENSES	\$ 3,422,200.00	\$ 885,209.24	\$ 2,536,990.76	26%
OPERATING INCOME / (LOSS)		\$ (144,361.66)		
Transfers In / (Out)				
Change in Net Position		\$ (144,361.66)		

*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

INCOME STATEMENT

Budget To Actual

Calendar Year-To-Date as of May 31, 2026

	Budget For 2026	Actual Year-To-Date	Balance	% Actual/ Budget
INCOME:				
Interest on investments - COLOTRUST	\$ -	\$ 512,479.85	\$ (512,479.85)	0%
Interest on investments - COLOTRUST-Interim Loan Project	-	7.73	(7.73)	0%
Interest on investments - STCP	-	35,631.00	(35,631.00)	0%
Investment interest income - from WPCRF	-	-	-	0%
Investment interest Income - from WRBP	-	-	-	0%
Subtotal Interest on Investments	930,000.00	548,118.58	381,881.42	59%
Interest on Investments - STCP-La Plata River Escrow	-	1,505.00	(1,505.00)	0%
Interest on loans	354,500.00	52,491.80	302,008.20	15%
Interest on leases	-	-	-	0%
Lease income	64,000.00	25,657.39	38,342.61	40%
Gain/Loss on sale of assets	-	-	-	0%
Miscellaneous income	-	822.50	(822.50)	0%
TOTAL INCOME	\$ 1,348,500.00	\$ 628,595.27	\$ 719,904.73	47%
EXPENSES:				
<u>Board Expenses:</u>				
Per diems & PERA on per diems	\$ 25,000.00	\$ 6,800.00	\$ 18,200.00	27%
Travel, lodging, meals, etc.	50,000.00	23,557.16	26,442.84	47%
Meeting expenses	25,000.00	4,232.90	20,767.10	17%
Memberships	15,000.00	7,145.00	7,855.00	48%
Board insurance	30,000.00	-	30,000.00	0%
Total Board Expenses	145,000.00	41,735.06	103,264.94	29%
<u>Salary Expenses:</u>				
Staff salaries	1,822,000.00	685,026.00	1,136,974.00	38%
Temporary services	60,000.00	13,102.54	46,897.46	22%
Third Party Payroll & HR Services	8,000.00	2,351.24	5,648.76	29%
Annual vacation and sick leave accrual	100,000.00	-	100,000.00	0%
Total Salary Expenses	1,990,000.00	700,479.78	1,289,520.22	35%
<u>Employee Benefits:</u>				
Pension expense*	382,000.00	146,239.86	235,760.14	38%
Healthcare trust expense	19,000.00	-	19,000.00	0%
Medical and dental insurance	316,000.00	90,425.80	225,574.20	29%
HRA reimbursement	-	5,553.20	(5,553.20)	0%
LTD/Life insurance	15,500.00	10,448.60	5,051.40	67%
Medicare - employer's match	28,000.00	9,638.71	18,361.29	34%
Denver city tax - employer's match	800.00	300.00	500.00	38%
401k Match	52,000.00	16,261.23	35,738.77	31%
State Workman's Comp. Insurance	4,000.00	2,267.00	1,733.00	57%
Tuition reimbursement	25,000.00	7,316.00	17,684.00	29%
Public transportation incentive	1,400.00	-	1,400.00	0%
Total Employee Benefits	843,700.00	288,450.40	555,249.60	34%
<u>Outside Services Employed:</u>				
General legal fees	100,000.00	16,661.98	83,338.02	17%
General consulting services	70,000.00	10,276.00	59,724.00	15%
Audit and budgetary fees	30,000.00	22,218.00	7,782.00	74%
Total Outside Services	200,000.00	49,155.98	150,844.02	25%
<u>Employee / Administrative Expenses:</u>				
Travel, lodging, meals, etc.	25,000.00	9,290.41	15,709.59	37%
Registration and training fees	15,000.00	4,818.00	10,182.00	32%
Contributions and sponsorships	45,000.00	29,625.00	15,375.00	66%
Dues, subscriptions and publications	15,000.00	1,027.56	13,972.44	7%
Total Employee / Administrative Expenses	100,000.00	44,760.97	55,239.03	45%

Colorado Water Resources and Power Development Authority				
INCOME STATEMENT				
Budget To Actual				
Calendar Year-To-Date as of May 31, 2026				
	Budget For 2026	Actual Year-To-Date	Balance	% Actual/ Budget
<u>General Office Expenses:</u>				
Office rent and deposits	352,000.00	155,821.57	196,178.43	44%
Interest expense-leases*	70,000.00		70,000.00	0%
Telephone and internet charges	20,000.00	5,245.41	14,754.59	26%
Postage and delivery fees	3,500.00	52.39	3,447.61	1%
Copying and printing costs	9,000.00	1,681.31	7,318.69	19%
Office supplies	19,000.00	7,448.02	11,551.98	39%
Technical support activities	110,000.00	35,648.75	74,351.25	32%
Office insurance	9,000.00	790.33	8,209.67	9%
Records retention	30,000.00	750.08	29,249.92	3%
Total General Office Expenses	622,500.00	207,437.86	415,062.14	33%
<u>Office Assets Expenses:</u>				
Furniture & fixtures	25,000.00	13,451.15	11,548.85	54%
Machines	58,000.00	(500.00)	58,500.00	-1%
Computer software	90,000.00	25,639.36	64,360.64	28%
Depreciation expense	-		-	0%
Machine maintenance & maintenance contracts	15,000.00	273.58	14,726.42	2%
Other expense	-		-	0%
Office improvements	100,000.00	79,271.87	20,728.13	79%
Total Office Assets Expenses	288,000.00	118,135.96	169,864.04	41%
TOTAL OPERATING EXPENSES	\$ 4,189,200.00	\$ 1,450,156.01	\$ 2,739,043.99	35%
<u>Expenses Allocated to Programs:</u>				
Salaries allocated to project expenses	(43,000.00)	(7,061.00)	(35,939.00)	16%
Allocated salaries expense - WPCRF	(495,000.00)	(187,984.00)	(307,016.00)	38%
Allocated employee benefits - WPCRF	(301,000.00)	(108,257.49)	(192,742.51)	36%
Allocated overhead expense - WPCRF	(294,000.00)	(108,685.99)	(185,314.01)	37%
Allocated salaries expense - DWRF	(468,000.00)	(158,302.00)	(309,698.00)	34%
Allocated employee benefits - DWRF	(284,000.00)	(91,817.30)	(192,182.70)	32%
Allocated overhead expense - DWRF	(257,000.00)	(80,740.76)	(176,259.24)	31%
Total Allocated Expenses to Programs	(2,142,000.00)	(742,848.54)	(1,399,151.46)	35%
NET OPERATING EXPENSES	\$ 2,047,200.00	\$ 707,307.47	\$ 1,339,892.53	35%
<u>Approved Projects Expenses:</u>				
WRBP Expenses	120,000.00	44,245.25	75,754.75	37%
La Plata River Escrow Expenses	-		-	0%
Small Hydro Loan Program expenses	25,000.00	5,088.23	19,911.77	20%
Small Hydro Loan Program Planning & Design Grants	165,000.00	-	165,000.00	0%
Watershed Protection & Forest Health Program Expenses	65,000.00	-	65,000.00	0%
Principal Forgiveness -Loans Receivable	-	-	-	0%
Other Potential Projects	1,000,000.00	-	1,000,000.00	
Total Project Expenses	\$ 1,375,000.00	\$ 49,333.48	\$ 1,325,666.52	4%
TOTAL EXPENSES	\$ 3,422,200.00	\$ 756,640.95	\$ 2,665,559.05	22%
OPERATING INCOME / (LOSS)		\$ (128,045.68)		
Transfers In / (Out)				
Change in Net Position		\$ (128,045.68)		

*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

INCOME STATEMENT

Budget To Actual

Calendar Year-To-Date as of April 30, 2026

	Budget For 2026	Actual Year-To-Date	Balance	% Actual/ Budget
INCOME:				
Interest on investments - COLOTRUST	\$ -	\$ 404,808.87	\$ (404,808.87)	0%
Interest on investments - COLOTRUST-Interim Loan Project	-	5.80	(5.80)	0%
Interest on investments - STCP	-	26,541.00	(26,541.00)	0%
Investment interest income - from WPCRF	-	-	-	0%
Investment interest Income - from WRBP	-	-	-	0%
Subtotal Interest on Investments	930,000.00	431,355.67	498,644.33	46%
Interest on Investments - STCP-La Plata River Escrow	-	1,121.00	(1,121.00)	0%
Interest on loans	354,500.00	33,159.00	321,341.00	9%
Interest on leases	-	-	-	0%
Lease income	64,000.00	19,797.12	44,202.88	31%
Gain/Loss on sale of assets	-	-	-	0%
Miscellaneous income	-	256.96	(256.96)	0%
TOTAL INCOME	\$ 1,348,500.00	\$ 485,689.75	\$ 862,810.25	36%
EXPENSES:				
<u>Board Expenses:</u>				
Per diems & PERA on per diems	\$ 25,000.00	\$ 6,800.00	\$ 18,200.00	27%
Travel, lodging, meals, etc.	50,000.00	17,350.92	32,649.08	35%
Meeting expenses	25,000.00	632.90	24,367.10	3%
Memberships	15,000.00	7,145.00	7,855.00	48%
Board insurance	30,000.00	-	30,000.00	0%
Total Board Expenses	145,000.00	31,928.82	113,071.18	22%
<u>Salary Expenses:</u>				
Staff salaries	1,822,000.00	547,973.00	1,274,027.00	30%
Temporary services	60,000.00	10,371.21	49,628.79	17%
Third Party Payroll & HR Services	8,000.00	2,015.05	5,984.95	25%
Annual vacation and sick leave accrual	100,000.00	-	100,000.00	0%
Total Salary Expenses	1,990,000.00	560,359.26	1,429,640.74	28%
<u>Employee Benefits:</u>				
Pension expense*	382,000.00	117,275.98	264,724.02	31%
Healthcare trust expense	19,000.00	-	19,000.00	0%
Medical and dental insurance	316,000.00	72,340.64	243,659.36	23%
HRA reimbursement	-	5,155.91	(5,155.91)	0%
LTD/Life insurance	15,500.00	9,284.02	6,215.98	60%
Medicare - employer's match	28,000.00	7,729.66	20,270.34	28%
Denver city tax - employer's match	800.00	240.00	560.00	30%
401k Match	52,000.00	13,007.47	38,992.53	25%
State Workman's Comp. Insurance	4,000.00	2,267.00	1,733.00	57%
Tuition reimbursement	25,000.00	3,450.38	21,549.62	14%
Public transportation incentive	1,400.00	-	1,400.00	0%
Total Employee Benefits	843,700.00	230,751.06	612,948.94	27%
<u>Outside Services Employed:</u>				
General legal fees	100,000.00	10,513.16	89,486.84	11%
General consulting services	70,000.00	8,276.00	61,724.00	12%
Audit and budgetary fees	30,000.00	18,340.00	11,660.00	61%
Total Outside Services	200,000.00	37,129.16	162,870.84	19%
<u>Employee / Administrative Expenses:</u>				
Travel, lodging, meals, etc.	25,000.00	5,828.68	19,171.32	23%
Registration and training fees	15,000.00	1,953.00	13,047.00	13%
Contributions and sponsorships	45,000.00	29,625.00	15,375.00	66%
Dues, subscriptions and publications	15,000.00	423.21	14,576.79	3%
Total Employee / Administrative Expenses	100,000.00	37,829.89	62,170.11	38%

Colorado Water Resources and Power Development Authority				
INCOME STATEMENT				
Budget To Actual				
Calendar Year-To-Date as of April 30, 2026				
	Budget For 2026	Actual Year-To-Date	Balance	% Actual/ Budget
<u>General Office Expenses:</u>				
Office rent and deposits	352,000.00	128,304.10	223,695.90	36%
Interest expense-leases*	70,000.00		70,000.00	0%
Telephone and internet charges	20,000.00	3,938.93	16,061.07	20%
Postage and delivery fees	3,500.00	52.39	3,447.61	1%
Copying and printing costs	9,000.00	1,090.00	7,910.00	12%
Office supplies	19,000.00	6,252.99	12,747.01	33%
Technical support activities	110,000.00	29,637.50	80,362.50	27%
Office insurance	9,000.00	790.33	8,209.67	9%
Records retention	30,000.00	750.08	29,249.92	3%
Total General Office Expenses	622,500.00	170,816.32	451,683.68	27%
<u>Office Assets Expenses:</u>				
Furniture & fixtures	25,000.00	13,451.15	11,548.85	54%
Machines	58,000.00	(500.00)	58,500.00	-1%
Computer software	90,000.00	23,406.45	66,593.55	26%
Depreciation expense	-		-	0%
Machine maintenance & maintenance contracts	15,000.00	251.02	14,748.98	2%
Other expense	-		-	0%
Office improvements	100,000.00	79,271.87	20,728.13	79%
Total Office Assets Expenses	288,000.00	115,880.49	172,119.51	40%
TOTAL OPERATING EXPENSES	\$ 4,189,200.00	\$ 1,184,695.00	\$ 3,004,505.00	28%
<u>Expenses Allocated to Programs:</u>				
Salaries allocated to project expenses	(43,000.00)	(6,164.00)	(36,836.00)	14%
Allocated salaries expense - WPCRF	(495,000.00)	(153,317.00)	(341,683.00)	31%
Allocated employee benefits - WPCRF	(301,000.00)	(88,385.70)	(212,614.30)	29%
Allocated overhead expense - WPCRF	(294,000.00)	(89,686.36)	(204,313.64)	31%
Allocated salaries expense - DWRF	(468,000.00)	(130,746.00)	(337,254.00)	28%
Allocated employee benefits - DWRF	(284,000.00)	(75,906.60)	(208,093.40)	27%
Allocated overhead expense - DWRF	(257,000.00)	(67,687.97)	(189,312.03)	26%
Total Allocated Expenses to Programs	(2,142,000.00)	(611,893.63)	(1,530,106.37)	29%
NET OPERATING EXPENSES	\$ 2,047,200.00	\$ 572,801.37	\$ 1,474,398.63	28%
<u>Approved Projects Expenses:</u>				
WRBP Expenses	120,000.00	39,794.25	80,205.75	33%
La Plata River Escrow Expenses	-		-	0%
Small Hydro Loan Program expenses	25,000.00	4,218.73	20,781.27	17%
Small Hydro Loan Program Planning & Design Grants	165,000.00	-	165,000.00	0%
Watershed Protection & Forest Health Program Expenses	65,000.00	-	65,000.00	0%
Principal Forgiveness - Loans Receivable	-	-	-	0%
Other Potential Projects	1,000,000.00	-	1,000,000.00	
Total Project Expenses	\$ 1,375,000.00	\$ 44,012.98	\$ 1,330,987.02	3%
TOTAL EXPENSES	\$ 3,422,200.00	\$ 616,814.35	\$ 2,805,385.65	18%
OPERATING INCOME / (LOSS)		\$ (131,124.60)		
Transfers In / (Out)				
Change in Net Position		\$ (131,124.60)		

*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
June 30, 2026

<u>Account Balances:</u>	<u>YIELD:</u>	<u>BALANCE:</u>
<u>Unrestricted:</u>		
Cash - US Bank (Checking Account)	0.00%	\$ 349,022.05
State Treasurers Cash Pool	3.36%	\$ 1,755,487.28
COLOTRUST Checking Investment Account (Average Daily Yield)	3.75%	\$ 28,712,506.16
COLOTRUST Authority Loan Account (Average Daily Yield)	3.75%	\$ 136,188.87
<u>Board Designated:</u>		
State Treasurers Cash Pool - La Plata River Escrow	3.36%	\$ 138,897.73
State Treasurers Cash Pool - Self Insurance Fund	3.36%	\$ 1,533,843.00
<u>Restricted:</u>		
COLOTRUST - I Loan Projects (Average Daily Yield)	3.75%	\$ -
SHLP Loan Program	3.75%	\$ 5,146,933.32
SHLP Project Accounts	3.75%	\$ -

<u>WPCRF State Match Receivable</u>	<u>Budget</u>	<u>Balance</u>
Loans Receivable - WPCRF State Match 1/1/2026		2,538,200.00
State Match Transferred to Holding Account	3,000,000.00	-
Repayment from WPCRF Administrative Fees	(3,000,000.00)	-
Loans Receivable - WPCRF State Match YTD Balance		<u>\$ 2,538,200.00</u>

<u>DWRF State Match Receivable</u>	<u>Budget</u>	<u>Balance</u>
Loans Receivable - DWRF State Match 1/1/2026		3,821,000.00
State Match Transferred to Holding Account	6,000,000.00	-
Repayment from DWRF Administrative Fees	(6,000,000.00)	-
Loans Receivable - DWRF State Match YTD Balance		<u>\$ 3,821,000.00</u>

<u>Interim Loans Receivable</u>	<u>Budget</u>	<u>Balance</u>
I Loans Receivable 1/1/2026		-
I Loan Funds Drawn	7,000,000.00	-
I Loan Repayments	(7,000,000.00)	-
I Loans Receivable YTD Balance		<u>\$ -</u>

	<u>1/1/2026</u>	<u>Misc Additions/</u>	<u>Admin</u>	<u>St Match Loan</u>	<u>6/30/2026</u>
<u>Admin Fee Accounts</u>	<u>Balance</u>	<u>Subtractions</u>	<u>Draws</u>	<u>Payment</u>	<u>Balance</u>
WPCRF - COLOTRUST	\$ 19,474,330.69	4,148,277.96	(2,298,137.30)		\$ 21,324,471.35
DWRF - COLOTRUST	\$ 20,741,995.97	4,791,788.67	(525,192.32)		\$ 25,008,592.32

	<u>6/30/2026</u>	<u>Project Grant</u>	<u>Bond Proceeds</u>	<u>Project Costs</u>	<u>6/30/2026</u>
<u>SRF Reloan Accounts</u>	<u>Reloan Balance</u>	<u>Funds Available</u>	<u>Available</u>	<u>Payable (obligated)</u>	<u>Unobligated Funds</u>
WPCRF - COLOTRUST	\$ 104,790,088.04	52,822,775.66	13,134,398.47	(62,219,469.44)	\$ 108,527,792.73
DWRF - COLOTRUST	\$ 104,839,658.64	139,557,365.36	24,488,928.52	(140,542,576.05)	\$ 128,343,376.47

Colorado Water Resources and Power Development Authority
Financial Highlights
May 31, 2026

<u>Account Balances:</u>	<u>YIELD:</u>	<u>BALANCE:</u>
<u>Unrestricted:</u>		
Cash - US Bank (Checking Account)	0.00%	\$ 135,956.24
State Treasurers Cash Pool	3.37%	\$ 1,750,579.28
COLOTRUST Checking Investment Account (Average Daily Yield)	3.74%	\$ 29,123,361.33
COLOTRUST Authority Loan Account (Average Daily Yield)	3.74%	\$ 126,798.15
<u>Board Designated:</u>		
State Treasurers Cash Pool - La Plata River Escrow	3.37%	\$ 138,509.73
State Treasurers Cash Pool - Self Insurance Fund	3.37%	\$ 1,529,555.00
<u>Restricted:</u>		
COLOTRUST - I Loan Projects (Average Daily Yield)	3.74%	\$ -
SHLP Loan Program	3.74%	\$ 5,130,638.71
SHLP Project Accounts	3.74%	\$ -

<u>WPCRF State Match Receivable</u>	<u>Budget</u>	<u>Balance</u>
Loans Receivable - WPCRF State Match 1/1/2026		2,538,200.00
State Match Transferred to Holding Account	3,000,000.00	-
Repayment from WPCRF Administrative Fees	(3,000,000.00)	-
Loans Receivable - WPCRF State Match YTD Balance		<u>\$ 2,538,200.00</u>

<u>DWRF State Match Receivable</u>	<u>Budget</u>	<u>Balance</u>
Loans Receivable - DWRF State Match 1/1/2026		3,821,000.00
State Match Transferred to Holding Account	6,000,000.00	-
Repayment from DWRF Administrative Fees	(6,000,000.00)	-
Loans Receivable - DWRF State Match YTD Balance		<u>\$ 3,821,000.00</u>

<u>Interim Loans Receivable</u>	<u>Budget</u>	<u>Balance</u>
I Loans Receivable 1/1/2026		-
I Loan Funds Drawn	7,000,000.00	-
I Loan Repayments	(7,000,000.00)	-
I Loans Receivable YTD Balance		<u>\$ -</u>

	<u>1/1/2026</u>	<u>Misc Additions/</u>	<u>Admin</u>	<u>St Match Loan</u>	<u>5/31/2026</u>
<u>Admin Fee Accounts</u>	<u>Balance</u>	<u>Subtractions</u>	<u>Draws</u>	<u>Payment</u>	<u>Balance</u>
WPCRF - COLOTRUST	\$ 19,474,330.69	3,994,754.32	(2,298,137.30)		\$ 21,170,947.71
DWRF - COLOTRUST	\$ 20,741,995.97	4,659,095.42	(525,192.32)		\$ 24,875,899.07

	<u>5/31/2026</u>	<u>Project Grant</u>	<u>Bond Proceeds</u>	<u>Project Costs</u>	<u>5/31/2026</u>
<u>SRF Reloan Accounts</u>	<u>Reloan Balance</u>	<u>Funds Available</u>	<u>Available</u>	<u>Payable (obligated)</u>	<u>Unobligated Funds</u>
WPCRF - COLOTRUST	\$ 106,601,732.65	54,244,574.05	13,134,398.47	(63,815,248.58)	\$ 110,165,456.59
DWRF - COLOTRUST	\$ 107,680,744.00	139,690,539.90	29,232,187.56	(145,426,464.90)	\$ 131,177,006.56

Colorado Water Resources and Power Development Authority
Financial Highlights
April 30, 2026

<u>Account Balances:</u>	<u>YIELD:</u>	<u>BALANCE:</u>
<u>Unrestricted:</u>		
Cash - US Bank (Checking Account)	0.00%	\$ 183,902.28
State Treasurers Cash Pool	3.34%	\$ 1,745,728.28
COLOTRUST Checking Investment Account (Average Daily Yield)	3.77%	\$ 29,031,007.05
COLOTRUST Authority Loan Account (Average Daily Yield)	3.77%	\$ 622.65
<u>Board Designated:</u>		
State Treasurers Cash Pool - La Plata River Escrow	3.34%	\$ 138,125.73
State Treasurers Cash Pool - Self Insurance Fund	3.34%	\$ 1,525,316.00
<u>Restricted:</u>		
COLOTRUST - I Loan Projects (Average Daily Yield)	3.77%	\$ -
SHLP Loan Program	3.77%	\$ 5,028,341.29
SHLP Project Accounts	3.77%	\$ -

<u>WPCRF State Match Receivable</u>	<u>Budget</u>	<u>Balance</u>
Loans Receivable - WPCRF State Match 1/1/2026		2,538,200.00
State Match Transferred to Holding Account	3,000,000.00	-
Repayment from WPCRF Administrative Fees	(3,000,000.00)	-
Loans Receivable - WPCRF State Match YTD Balance		<u>\$ 2,538,200.00</u>

<u>DWRF State Match Receivable</u>	<u>Budget</u>	<u>Balance</u>
Loans Receivable - DWRF State Match 1/1/2026		3,821,000.00
State Match Transferred to Holding Account	6,000,000.00	-
Repayment from DWRF Administrative Fees	(6,000,000.00)	-
Loans Receivable - DWRF State Match YTD Balance		<u>\$ 3,821,000.00</u>

<u>Interim Loans Receivable</u>	<u>Budget</u>	<u>Balance</u>
I Loans Receivable 1/1/2026		-
I Loan Funds Drawn	7,000,000.00	-
I Loan Repayments	(7,000,000.00)	-
I Loans Receivable YTD Balance		<u>\$ -</u>

	<u>1/1/2026</u>	<u>Misc Additions/</u>	<u>Admin</u>	<u>St Match Loan</u>	<u>4/30/2026</u>
<u>Admin Fee Accounts</u>	<u>Balance</u>	<u>Subtractions</u>	<u>Draws</u>	<u>Payment</u>	<u>Balance</u>
WPCRF - COLOTRUST	\$ 19,474,330.69	3,647,098.24			\$ 23,121,428.93
DWRF - COLOTRUST	\$ 20,741,995.97	3,857,740.88			\$ 24,599,736.85

	<u>4/30/2026</u>	<u>Project Grant</u>	<u>Bond Proceeds</u>	<u>Project Costs</u>	<u>4/30/2026</u>
<u>SRF Reloan Accounts</u>	<u>Reloan Balance</u>	<u>Funds Available</u>	<u>Available</u>	<u>Payable (obligated)</u>	<u>Unobligated Funds</u>
WPCRF - COLOTRUST	\$ 107,623,095.08	55,273,029.50	13,134,398.47	(63,144,863.91)	\$ 112,885,659.14
DWRF - COLOTRUST	\$ 113,071,225.59	125,207,894.10	29,232,187.56	(152,468,903.22)	\$ 115,042,404.03



Drinking Water Revolving Fund

Statement of Net Position
As of June 30, 2026

Current Assets:

Cash & Equivalents	\$ 129,848,251
Federal Grants Receivable	415,624
Investment Income Receivable	-
Loans Receivable	-
Leases Receivable	-
Due from Other Funds	-
Accounts Receivable-Borrowers	475
Interest Receivable-Leases	-
Other Assets	-
Restricted Assets:	
Cash & Cash Equivalents	-
Investments	-
Investment Income Receivable	-
Total Current Assets	<u>130,264,350</u>

Noncurrent Assets:

Restricted Assets:	
Cash & Equivalents	64,631,208
Investments	7,838,105
Advance Receivable	-
Loans Receivable	510,224,160
Leases Receivable	-
Capital Assets-Equipment, Net of	
Accumulated Depreciation	-
Lease Assets	-
Other Assets	-
Total Noncurrent Assets	<u>582,693,473</u>
Total Total Assets	<u>712,957,823</u>

Deferred Outflows-Refundings

59,596

Deferred Outflows-Pension

-

Deferred Outflows-OPEB

-

Current Liabilities:

Project Costs Payable - Current	-
Bonds Payable	-
Unearned Revenue	-
Lease Liability	-
Accrued Interest Payable	-
Accounts Payable-Borrowers	4,821,739
Interest Payable-Leases	-
Due to Other Funds	-
Accounts Payable-Other	-
Other Liabilities	-
Total Current Liabilities	<u>4,821,739</u>

Noncurrent Liabilities



Drinking Water Revolving Fund
Statement of Net Position
As of June 30, 2026

Project Costs Payable - Long Term	89,418,074
Advance Payable	3,821,000
Bonds Payable, net	109,275,000
Unearned Revenue	-
Lease Liability	-
Pension Liability	-
HCTF Liability	-
Debt Service Reserve Deposit	-
Other Liabilities	1,087,032
Total Noncurrent Liabilities	203,601,106
Total Liabilities	208,422,845
Deferred Inflows-Refundings	-
Deferred Inflows-Pension	-
Deferred Inflows-OPEB	-
Deferred Inflows-Leases	-
Restricted	504,594,574
Unrestricted	-
Fund Net Position	\$ 504,594,574



Drinking Water Revolving Fund
Statement of Changes in Net Position
As of June 30, 2026

Operating Income	
Operating Revenues:	
Administrative Fee	1,985,550
Total Operating Revenues	<u>1,985,550</u>
Total Operating Income (Loss)	<u>1,985,550</u>
Noncapital Subsidies Received (Provided)	
EPA Grants - Pass Through	18,141,979
EPA Grants	1,742,231
EPA Set Asides	(1,742,231)
Loan Principal Forgiven	(6,431,564)
Operating Transfers In/(Out)	6,275
Total Noncapital Subsidies	<u>11,716,690</u>
Total Operating Income (Loss) & Noncapital Subsidies	<u>13,702,240</u>
Other Nonoperating Revenues (Expenses):	
Interest on Investments	2,603,513
Interest on Bonds	(783,428)
Interest on Loans	365,088
Total Nonoperating Revenues (Expenses)	<u>2,185,173</u>
Total Change in Net Position	<u>15,887,413</u>
Fund Net Position-Beginning of Year	<u>488,707,160</u>
Fund Net Position	<u>\$ 504,594,574</u>



Drinking Water Revolving Fund

Statement of Net Position

As of May 31, 2026

Current Assets:

Cash & Equivalents	\$ 132,556,643
Federal Grants Receivable	415,624
Investment Income Receivable	-
Loans Receivable	-
Leases Receivable	-
Due from Other Funds	-
Accounts Receivable-Borrowers	10,014
Interest Receivable-Leases	-
Other Assets	-
Restricted Assets:	
Cash & Cash Equivalents	-
Investments	-
Investment Income Receivable	-
Total Current Assets	<u>132,982,281</u>

Noncurrent Assets:

Restricted Assets:	
Cash & Equivalents	68,737,421
Investments	7,838,105
Advance Receivable	-
Loans Receivable	509,683,697
Leases Receivable	-
Capital Assets-Equipment, Net of	
Accumulated Depreciation	-
Lease Assets	-
Other Assets	-
Total Noncurrent Assets	<u>586,259,223</u>
Total Total Assets	<u>719,241,504</u>

Deferred Outflows-Refundings

59,596

Deferred Outflows-Pension

-

Deferred Outflows-OPEB

-

Current Liabilities:

Project Costs Payable - Current	-
Bonds Payable	-
Unearned Revenue	-
Lease Liability	-
Accrued Interest Payable	-
Accounts Payable-Borrowers	4,715,423
Interest Payable-Leases	-
Due to Other Funds	-
Accounts Payable-Other	-
Other Liabilities	-
Total Current Liabilities	<u>4,715,423</u>

Noncurrent Liabilities



Drinking Water Revolving Fund
Statement of Net Position
As of May 31, 2026

Project Costs Payable - Long Term	96,439,627
Advance Payable	3,821,000
Bonds Payable, net	109,275,000
Unearned Revenue	-
Lease Liability	-
Pension Liability	-
HCTF Liability	-
Debt Service Reserve Deposit	-
Other Liabilities	1,087,032
Total Noncurrent Liabilities	210,622,659
Total Liabilities	215,338,082
Deferred Inflows-Refundings	-
Deferred Inflows-Pension	-
Deferred Inflows-OPEB	-
Deferred Inflows-Leases	-
Restricted	503,963,018
Unrestricted	-
Fund Net Position	\$ 503,963,018



Drinking Water Revolving Fund
Statement of Changes in Net Position
As of May 31, 2026

Operating Income	
Operating Revenues:	
Administrative Fee	1,940,447
Total Operating Revenues	<u>1,940,447</u>
Total Operating Income	<u>1,940,447</u>
Noncapital Subsidies Received (Provided)	
EPA Grants - Pass Through	18,008,804
EPA Grants	1,742,231
EPA Set Asides	(1,742,231)
Loan Principal Forgiven	(6,335,985)
Operating Transfers In/(Out)	6,275
Total Noncapital Subsidies	<u>11,679,094</u>
Total Operating Income (Loss) & Noncapital	<u>13,619,541</u>
Other Nonoperating Revenues (Expenses):	
Interest on Investments	2,062,019
Interest on Bonds	(783,428)
Interest on Loans	357,726
Total Nonoperating Revenues (Expenses)	<u>1,636,317</u>
Total Change in Net Position	<u>15,255,858</u>
Fund Net Position-Beginning of Year	<u>488,707,160</u>
Fund Net Position	<u>\$ 503,963,018</u>



Drinking Water Revolving Fund

Statement of Net Position

As of April 30, 2026

Current Assets:

Cash & Equivalents	\$ 137,670,962
Federal Grants Receivable	1,072,876
Investment Income Receivable	-
Loans Receivable	-
Leases Receivable	-
Due from Other Funds	-
Accounts Receivable-Borrowers	715,104
Interest Receivable-Leases	-
Other Assets	-
Restricted Assets:	
Cash & Cash Equivalents	-
Investments	-
Investment Income Receivable	-
Total Current Assets	<u>139,458,942</u>

Noncurrent Assets:

Restricted Assets:	
Cash & Equivalents	67,007,514
Investments	7,838,105
Advance Receivable	-
Loans Receivable	511,330,588
Leases Receivable	-
Capital Assets-Equipment, Net of	
Accumulated Depreciation	-
Lease Assets	-
Other Assets	-
Total Noncurrent Assets	<u>586,176,207</u>
Total Total Assets	<u>725,635,149</u>

Deferred Outflows-Refundings

59,596

Deferred Outflows-Pension

-

Deferred Outflows-OPEB

-

Current Liabilities:

Project Costs Payable - Current	-
Bonds Payable	-
Unearned Revenue	-
Lease Liability	-
Accrued Interest Payable	-
Accounts Payable-Borrowers	4,608,132
Interest Payable-Leases	-
Due to Other Funds	1,188,720
Accounts Payable-Other	-
Other Liabilities	-
Total Current Liabilities	<u>5,796,852</u>

Noncurrent Liabilities



Drinking Water Revolving Fund
Statement of Net Position
As of April 30, 2026

Project Costs Payable - Long Term	102,464,511
Advance Payable	3,821,000
Bonds Payable, net	109,275,000
Unearned Revenue	-
Lease Liability	-
Pension Liability	-
HCTF Liability	-
Debt Service Reserve Deposit	-
Other Liabilities	1,087,032
Total Noncurrent Liabilities	216,647,543
Total Liabilities	222,444,395
Deferred Inflows-Refundings	-
Deferred Inflows-Pension	-
Deferred Inflows-OPEB	-
Deferred Inflows-Leases	-
Restricted	503,250,349
Unrestricted	-
Fund Net Position	\$ 503,250,349



Drinking Water Revolving Fund
Statement of Changes in Net Position
As of April 30, 2026

Operating Income	
Operating Revenues:	
Administrative Fee	1,916,713
Total Operating Revenues	<u>1,916,713</u>
Total Operating Income	<u>1,916,713</u>
Noncapital Subsidies Received (Provided)	
EPA Grants - Pass Through	16,584,450
Loan Principal Forgiven	(5,075,260)
Total Noncapital Subsidies	<u>11,509,190</u>
Total Operating Income (Loss) & Noncapital	<u>13,425,903</u>
Other Nonoperating Revenues (Expenses):	
Interest on Investments	1,542,988
Interest on Bonds	(783,428)
Interest on Loans	357,726
Total Nonoperating Revenues (Expenses)	<u>1,117,286</u>
Total Change in Net Position	<u>14,543,189</u>
Fund Net Position-Beginning of Year	<u>488,707,160</u>
Fund Net Position	<u>\$ 503,250,349</u>



WPCRF

Statement of Net Position
As of June 30, 2026

Current Assets:

Cash & Equivalents	\$ 126,114,559
Federal Grants Receivable	71,063
Investment Income Receivable	-
Loans Receivable	-
Leases Receivable	-
Due from Other Funds	-
Accounts Receivable-Borrowers	-
Interest Receivable-Leases	-
Other Assets	-
Restricted Assets:	
Cash & Cash Equivalents	-
Investments	-
Investment Income Receivable	-
Total Current Assets	<u>126,185,622</u>

Noncurrent Assets:

Restricted Assets:	
Cash & Equivalents	67,503,177
Investments	-
Advance Receivable	-
Loans Receivable	576,755,016
Leases Receivable	-
Capital Assets-Equipment, Net of	
Accumulated Depreciation	-
Lease Assets	-
Other Assets	-
Total Noncurrent Assets	<u>644,258,193</u>
Total Total Assets	<u>770,443,815</u>

Deferred Outflows-Refundings

93,336

Deferred Outflows-Pension

-

Deferred Outflows-OPEB

-

Current Liabilities:

Project Costs Payable - Current	-
Bonds Payable	-
Unearned Revenue	-
Lease Liability	-
Accrued Interest Payable	-
Accounts Payable-Borrowers	6,677,621
Interest Payable-Leases	-
Due to Other Funds	-
Accounts Payable-Other	-
Other Liabilities	-
Total Current Liabilities	<u>6,677,621</u>

Noncurrent Liabilities



WPCRF
Statement of Net Position
As of June 30, 2026

Project Costs Payable - Long Term	55,184,880
Advance Payable	2,538,200
Bonds Payable, net	133,635,000
Unearned Revenue	-
Lease Liability	-
Pension Liability	-
HCTF Liability	-
Debt Service Reserve Deposit	-
Other Liabilities	4,396,119
Total Noncurrent Liabilities	195,754,199
Total Liabilities	202,431,820
Deferred Inflows-Refundings	-
Deferred Inflows-Pension	-
Deferred Inflows-OPEB	-
Deferred Inflows-Leases	-
Restricted	568,105,331
Unrestricted	-
Fund Net Position	\$ 568,105,331



WPCRF
Statement of Changes in Net Position
As of June 30, 2026

Operating Income	
Operating Revenues:	
Administrative Fee	1,422,809
Total Operating Revenues	<u>1,422,809</u>
Total Operating Income (Loss)	<u>1,422,809</u>
Noncapital Subsidies Received (Provided)	
EPA Grants - Pass Through	10,316,541
Loan Principal Forgiven	(3,227,536)
Operating Transfers In/(Out)	(6,274)
Total Noncapital Subsidies	<u>7,082,731</u>
Total Operating Income (Loss) & Noncapital Subsidies	<u>8,505,540</u>
Other Nonoperating Revenues (Expenses):	
Interest on Investments	2,777,112
Interest on Bonds	(960,601)
Interest on Loans	479,958
Total Nonoperating Revenues (Expenses)	<u>2,296,469</u>
Total Change in Net Position	<u>10,802,009</u>
Fund Net Position-Beginning of Year	<u>557,303,322</u>
Fund Net Position	<u>\$ 568,105,331</u>



WPCRF

Statement of Net Position
As of May 31, 2026

Current Assets:

Cash & Equivalents	\$ 127,772,680
Federal Grants Receivable	71,063
Investment Income Receivable	-
Loans Receivable	-
Leases Receivable	-
Due from Other Funds	-
Accounts Receivable-Borrowers	22,923
Interest Receivable-Leases	-
Other Assets	-
Restricted Assets:	
Cash & Cash Equivalents	-
Investments	-
Investment Income Receivable	-
Total Current Assets	<u>127,866,666</u>

Noncurrent Assets:

Restricted Assets:	
Cash & Equivalents	66,624,391
Investments	-
Advance Receivable	-
Loans Receivable	576,705,346
Leases Receivable	-
Capital Assets-Equipment, Net of	
Accumulated Depreciation	-
Lease Assets	-
Other Assets	-
Total Noncurrent Assets	<u>643,329,737</u>
Total Total Assets	<u>771,196,403</u>

Deferred Outflows-Refundings

93,336

Deferred Outflows-Pension

-

Deferred Outflows-OPEB

-

Current Liabilities:

Project Costs Payable - Current	-
Bonds Payable	-
Unearned Revenue	-
Lease Liability	-
Accrued Interest Payable	-
Accounts Payable-Borrowers	6,657,489
Interest Payable-Leases	-
Due to Other Funds	-
Accounts Payable-Other	-
Other Liabilities	-
Total Current Liabilities	<u>6,657,489</u>

Noncurrent Liabilities



WPCRF
Statement of Net Position
As of May 31, 2026

Project Costs Payable - Long Term	56,933,514
Advance Payable	2,538,200
Bonds Payable, net	133,650,000
Unearned Revenue	-
Lease Liability	-
Pension Liability	-
HCTF Liability	-
Debt Service Reserve Deposit	-
Other Liabilities	4,396,119
Total Noncurrent Liabilities	197,517,833
Total Liabilities	204,175,322
Deferred Inflows-Refundings	-
Deferred Inflows-Pension	-
Deferred Inflows-OPEB	-
Deferred Inflows-Leases	-
Restricted	567,114,418
Unrestricted	-
Fund Net Position	\$ 567,114,418



WPCRF

Statement of Changes in Net Position
As of May 31, 2026

Operating Income

Operating Revenues:	
Administrative Fee	1,351,704
Total Operating Revenues	<u>1,351,704</u>
Total Operating Income (Loss)	<u>1,351,704</u>

Noncapital Subsidies Received (Provided)

EPA Grants - Pass Through	8,894,742
Loan Principal Forgiven	(2,337,837)
Operating Transfers In/(Out)	(6,275)
Total Noncapital Subsidies	<u>6,550,630</u>
Total Operating Income (Loss) & Noncapital Subsidies	<u>7,902,334</u>

Other Nonoperating Revenues (Expenses):

Interest on Investments	2,442,889
Interest on Bonds	(960,151)
Interest on Loans	426,023
Total Nonoperating Revenues (Expenses)	<u>1,908,761</u>
Total Change in Net Position	<u>9,811,095</u>

Fund Net Position-Beginning of Year

	<u>557,303,322</u>
Fund Net Position	<u>\$ 567,114,418</u>



WPCRF

Statement of Net Position
As of April 30, 2026

Current Assets:

Cash & Equivalents	\$ 130,744,524
Federal Grants Receivable	229,500
Investment Income Receivable	-
Loans Receivable	-
Leases Receivable	-
Due from Other Funds	-
Accounts Receivable-Borrowers	509,434
Interest Receivable-Leases	-
Other Assets	-
Restricted Assets:	
Cash & Cash Equivalents	-
Investments	-
Investment Income Receivable	-
Total Current Assets	<u>131,483,458</u>

Noncurrent Assets:

Restricted Assets:	
Cash & Equivalents	65,468,720
Investments	-
Advance Receivable	-
Loans Receivable	575,171,145
Leases Receivable	-
Capital Assets-Equipment, Net of	
Accumulated Depreciation	-
Lease Assets	-
Other Assets	-
Total Noncurrent Assets	<u>640,639,865</u>
Total Total Assets	<u>772,123,323</u>

Deferred Outflows-Refundings

93,336

Deferred Outflows-Pension

-

Deferred Outflows-OPEB

-

Current Liabilities:

Project Costs Payable - Current	-
Bonds Payable	-
Unearned Revenue	-
Lease Liability	-
Accrued Interest Payable	-
Accounts Payable-Borrowers	6,603,936
Interest Payable-Leases	-
Due to Other Funds	2,450,300
Accounts Payable-Other	-
Other Liabilities	-
Total Current Liabilities	<u>9,054,236</u>

Noncurrent Liabilities



WPCRF
Statement of Net Position
As of April 30, 2026

Project Costs Payable - Long Term	56,214,590
Advance Payable	2,538,200
Bonds Payable, net	133,650,000
Unearned Revenue	-
Lease Liability	-
Pension Liability	-
HCTF Liability	-
Debt Service Reserve Deposit	-
Other Liabilities	4,396,119
Total Noncurrent Liabilities	196,798,909
Total Liabilities	205,853,145
Deferred Inflows-Refundings	-
Deferred Inflows-Pension	-
Deferred Inflows-OPEB	-
Deferred Inflows-Leases	-
Restricted	566,363,514
Unrestricted	-
Fund Net Position	\$ 566,363,514



WPCRF

Statement of Changes in Net Position
As of April 30, 2026

Operating Income	
Operating Revenues:	
Administrative Fee	1,548,291
Total Operating Revenues	<u>1,548,291</u>
Total Operating Income	<u>1,548,291</u>
Noncapital Subsidies Received (Provided)	
EPA Grants - Pass Through	8,024,725
Loan Principal Forgiven	(1,884,317)
Total Noncapital Subsidies	<u>6,140,408</u>
Total Operating Income (Loss) & Noncapital	<u>7,688,699</u>
Other Nonoperating Revenues (Expenses):	
Interest on Investments	1,901,643
Interest on Bonds	(960,150)
Interest on Loans	430,000
Total Nonoperating Revenues (Expenses)	<u>1,371,493</u>
Total Change in Net Position	<u>9,060,192</u>
Fund Net Position-Beginning of Year	<u>557,303,322</u>
Fund Net Position	<u>\$ 566,363,514</u>



Water Revenue Bonds Pgm

Statement of Net Position
As of June 30, 2026

Current Assets:

Cash & Equivalents	\$	-
Federal Grants Receivable		-
Investment Income Receivable		-
Loans Receivable		-
Leases Receivable		-
Due from Other Funds		-
Accounts Receivable-Borrowers		-
Interest Receivable-Leases		-
Other Assets		-
Restricted Assets:		
Cash & Cash Equivalents		-
Investments		-
Investment Income Receivable		-
Total Current Assets		-

Noncurrent Assets:

Restricted Assets:		
Cash & Equivalents		11,850,394
Investments		-
Advance Receivable		-
Loans Receivable		48,350,000
Leases Receivable		-
Capital Assets-Equipment, Net of		
Accumulated Depreciation		-
Lease Assets		-
Other Assets		128,825
Total Noncurrent Assets		60,329,219
Total Total Assets		60,329,219

Deferred Outflows-Refundings

141,199

Deferred Outflows-Pension

-

Deferred Outflows-OPEB

-

Current Liabilities:

Project Costs Payable - Current		-
Bonds Payable		-
Unearned Revenue		-
Lease Liability		-
Accrued Interest Payable		-
Accounts Payable-Borrowers		3,218,191
Interest Payable-Leases		-
Due to Other Funds		-
Accounts Payable-Other		-
Other Liabilities		-
Total Current Liabilities		3,218,191

Noncurrent Liabilities



Water Revenue Bonds Pgm
Statement of Net Position
As of June 30, 2026

Project Costs Payable - Long Term	7,671,453
Advance Payable	-
Bonds Payable, net	48,350,000
Unearned Revenue	-
Lease Liability	-
Pension Liability	-
HCTF Liability	-
Debt Service Reserve Deposit	960,750
Other Liabilities	-
Total Noncurrent Liabilities	56,982,203
Total Liabilities	60,200,394
Deferred Inflows-Refundings	-
Deferred Inflows-Pension	-
Deferred Inflows-OPEB	-
Deferred Inflows-Leases	-
Restricted	270,023
Unrestricted	-
Fund Net Position	\$ 270,023



Water Revenue Bonds Pgm
Statement of Changes in Net Position
As of June 30, 2026

Other Nonoperating Revenues (Expenses):	
Interest on Bonds	(411,881)
Interest on Loans	222,897
Total Nonoperating Revenues (Expenses)	<u>(188,984)</u>
Total Change in Net Position	<u>(188,984)</u>
Fund Net Position-Beginning of Year	<u>459,008</u>
Fund Net Position	<u>\$ 270,023</u>



Water Revenue Bonds Pgm

Statement of Net Position
As of May 31, 2026

Current Assets:

Cash & Equivalents	\$	-
Federal Grants Receivable		-
Investment Income Receivable		-
Loans Receivable		-
Leases Receivable		-
Due from Other Funds		-
Accounts Receivable-Borrowers		-
Interest Receivable-Leases		-
Other Assets		-
Restricted Assets:		
Cash & Cash Equivalents		-
Investments		-
Investment Income Receivable		-
Total Current Assets		-

Noncurrent Assets:

Restricted Assets:		
Cash & Equivalents		13,028,258
Investments		-
Advance Receivable		-
Loans Receivable		48,350,000
Leases Receivable		-
Capital Assets-Equipment, Net of		
Accumulated Depreciation		-
Lease Assets		-
Other Assets		128,825
Total Noncurrent Assets		61,507,083
Total Total Assets		61,507,083

Deferred Outflows-Refundings

141,199

Deferred Outflows-Pension

-

Deferred Outflows-OPEB

-

Current Liabilities:

Project Costs Payable - Current		-
Bonds Payable		-
Unearned Revenue		-
Lease Liability		-
Accrued Interest Payable		17,900
Accounts Payable-Borrowers		3,176,979
Interest Payable-Leases		-
Due to Other Funds		-
Accounts Payable-Other		-
Other Liabilities		-
Total Current Liabilities		3,194,879

Noncurrent Liabilities



Water Revenue Bonds Pgm
Statement of Net Position
As of May 31, 2026

Project Costs Payable - Long Term	8,483,129
Advance Payable	-
Bonds Payable, net	48,650,000
Unearned Revenue	-
Lease Liability	-
Pension Liability	-
HCTF Liability	-
Debt Service Reserve Deposit	960,750
Other Liabilities	-
Total Noncurrent Liabilities	58,093,879
Total Liabilities	61,288,758
Deferred Inflows-Refundings	-
Deferred Inflows-Pension	-
Deferred Inflows-OPEB	-
Deferred Inflows-Leases	-
Restricted	359,523
Unrestricted	-
Fund Net Position	\$ 359,523



Water Revenue Bonds Pgm
Statement of Changes in Net Position
As of May 31, 2026

Other Nonoperating Revenues (Expenses):	
Interest on Bonds	(322,381)
Interest on Loans	222,897
Total Nonoperating Revenues (Expenses)	<u>(99,484)</u>
Total Change in Net Position	<u>(99,484)</u>
Fund Net Position-Beginning of Year	<u>459,008</u>
Fund Net Position	<u>\$ 359,523</u>

**WRBP**

Statement of Net Position
As of April 30, 2026

Current Assets:

Cash & Equivalents	\$ -
Federal Grants Receivable	-
Investment Income Receivable	-
Loans Receivable	-
Leases Receivable	-
Due from Other Funds	-
Accounts Receivable-Borrowers	35,800
Interest Receivable-Leases	-
Other Assets	-
Restricted Assets:	
Cash & Cash Equivalents	-
Investments	-
Investment Income Receivable	-
Total Current Assets	<u>35,800</u>

Noncurrent Assets:

Restricted Assets:	
Cash & Equivalents	12,986,613
Investments	-
Advance Receivable	-
Loans Receivable	48,350,000
Leases Receivable	-
Capital Assets-Equipment, Net of	
Accumulated Depreciation	-
Lease Assets	-
Other Assets	128,825
Total Noncurrent Assets	<u>61,465,438</u>
Total Total Assets	<u>61,501,238</u>

Deferred Outflows-Refundings

141,199

Deferred Outflows-Pension

-

Deferred Outflows-OPEB

-

Current Liabilities:

Project Costs Payable - Current	-
Bonds Payable	-
Unearned Revenue	-
Lease Liability	-
Accrued Interest Payable	17,900
Accounts Payable-Borrowers	3,135,334
Interest Payable-Leases	-
Due to Other Funds	-
Accounts Payable-Other	-
Other Liabilities	-
Total Current Liabilities	<u>3,153,234</u>

Noncurrent Liabilities



WRBP
Statement of Net Position
As of April 30, 2026

Project Costs Payable - Long Term	8,483,129
Advance Payable	-
Bonds Payable, net	48,650,000
Unearned Revenue	-
Lease Liability	-
Pension Liability	-
HCTF Liability	-
Debt Service Reserve Deposit	960,750
Other Liabilities	-
Total Noncurrent Liabilities	58,093,879
Total Liabilities	61,247,113
Deferred Inflows-Refundings	-
Deferred Inflows-Pension	-
Deferred Inflows-OPEB	-
Deferred Inflows-Leases	-
Restricted	395,323
Unrestricted	-
Fund Net Position	\$ 395,323



WRBP

Statement of Changes in Net Position
As of April 30, 2026

Other Nonoperating Revenues (Expenses):	
Interest on Bonds	(322,381)
Interest on Loans	258,697
Total Nonoperating Revenues (Expenses)	<u>(63,684)</u>
Total Change in Net Position	<u>(63,684)</u>
Fund Net Position-Beginning of Year	<u>459,008</u>
Fund Net Position	<u>\$ 395,323</u>

Colorado Water Resources and Power Development Authority
ALL PROGRAMS-SUMMARY
Bond Principal Status Report
As of 6/30/2026

SUMMARY OF BONDS ISSUED						
Program		Number of Issues	Original Amount of Bonds Issued	Principal Paid to Date at Maturity	Principal Refunded, Defeased, and/or Called	Outstanding Principal Balance
Drinking Water Revolving Fund Bond Issues (DWRP)						
	Total Remaining Outstanding Bonds	14	\$ 153,905,000	\$ 44,630,000	\$ -	\$ 109,275,000
	Total Retired Bonds	14	321,100,000	181,900,000	139,200,000	-
Total - Drinking Water Revolving Fund		28	475,005,000	226,530,000	139,200,000	109,275,000
Water Pollution Control Water Revolving Fund (Clean Water) Bond Issues (WPCRF)						
	Total Remaining Outstanding Bonds	13	220,370,000	85,945,000	790,000	133,635,000
	Total Retired Bonds	34	1,033,665,000	545,620,000	488,045,000	-
Total - WPCRF Clean Water Bonds		47	1,254,035,000	631,565,000	488,835,000	133,635,000
Water Pollution Control Revolving Fund (State Match) Bond Issues (WPCRF)						
	Total Remaining Outstanding Bonds	0	-	-	-	-
	Total Retired Bonds	4	7,040,000	4,355,000	2,685,000	-
Total - WPCRF State Match Bonds		4	7,040,000	4,355,000	2,685,000	-
Small Water Resources Program Bond Issues (SWRP)						
	Total Remaining Outstanding Bonds	0	-	-	-	-
	Total Retired Bonds	18	196,495,000	98,815,000	97,680,000	-
Total - Small Water Resources Program		18	196,495,000	98,815,000	97,680,000	-
Water Revenue Bonds Program Bond Issues (WRBP)						
	Total Remaining Outstanding Bonds	4	62,650,000	14,300,000	-	48,350,000
	Total Retired Bonds	21	479,120,000	94,980,000	384,140,000	-
Total - Water Revenue Bonds Program		25	541,770,000	109,280,000	384,140,000	48,350,000
ALL PROGRAMS						
	Total Remaining Outstanding Bonds	31	436,925,000	144,875,000	790,000	291,260,000
	Total Retired Bonds	91	2,037,420,000	925,670,000	1,111,750,000	-
TOTAL - ALL PROGRAMS (1)		122	\$ 2,474,345,000	\$ 1,070,545,000	\$ 1,112,540,000	\$ 291,260,000

(1) In this report, SRF Combined Bond issues portions (DW and CW) are counted under each program, thus total bonds issued actually is **117**.

Colorado Water Resources and Power Development Authority
ALL PROGRAMS
PROJECT STATUS REPORT - ACTIVE PROJECTS
As of June 30, 2026

Borrower	Funding Source	PF?	Loan Date	Loan #	CDPHE Project Number	Bwr Code	Loan Type	Total Project Costs	New Projects / Additional Funding **	Total draws from inception through	Reduced or Rescinded	Cancelled, Converted to Perm. or Misc *	Project Cost	Month of Last	Notes	Percent Drawn	D&E Expiration Date
										6/30/2026			Balance as of 6/30/2026	Draw			
DRINKING WATER REVOLVING FUND																	
DWRF Base & BIL Direct Loans:																	
Alma, Town of (DL#2)(D&E#1)	O	FPF	04/16/26	DBS26Y277	140051 D-B	277	DC		254,000.00	(9,760.00)			244,240.00	Jun-26		3.84%	10/16/2027
Baca Grande W&SD (DL#2) (D&E#1)	O	FPF	09/13/24	DBS24Y005	960062D-Q	005	DC	108,370.00		(104,065.94)	(4,304.06)		0.00	C		100.00%	
Baca Grande W&SD (DL#3)	O	PPF	02/17/26	DBS26F005	960062D-Q	005	DC		823,000.00	0.00			823,000.00	N/S		0.00%	
Bailey W&SD (DL#1) (D&E#1)	O	PPF	05/17/24	D24Y505	190121D-Q	505	DC	215,000.00		(167,872.00)			47,128.00	Dec-25		78.08%	11/17/2025
Beulah WWD (DL#2)	O	PPF	08/25/23	D23F483	160071D-I	483	DC	1,004,000.00		(645,343.78)			358,656.22	Jan-26		64.28%	
Blue River Valley Ranch Lakes Association (DL#1)	O	No	05/30/25	D25F515	170021D-Q	515	PD	1,400,000.00		(176,349.79)			1,223,650.21	Jun-26		12.60%	
Boone, Town of (DL#2)	G	FPF	01/23/25	DE25F182	130571D-B	182	DC	1,005,000.00		(735,612.76)			269,387.24	Feb-26		73.20%	
Buena Vista, Town of (DL#4)	O	PPF	12/13/22	DS22F474	140322D-Q	474	DC	4,300,000.00		(4,296,336.30)			3,663.70	Jun-25		99.91%	
Buffalo Mountain MD (DL#2)	O	PPF	11/22/24	DBS24F425	160092D-Q	425	FD	2,338,077.00		(44,595.41)			2,293,481.59	Mar-25		1.91%	
Byers W&SD (DL#1)	O	PPF	05/07/24	DBS24F014	210061D-Q	14	FD	2,014,000.00		(2,014,000.00)			0.00	C		100.00%	
Cañon City, City of (DL#1)	O	PPF	08/22/25	DBS25F015	140351D-I	015	FD	6,600,000.00		(321,446.48)			6,278,553.52	Jun-26		4.87%	
Cheraw, Town of (DL#4)(D&E#1)	O	FPF	07/23/25	DBS25Y475	140422D-H	475	DC	300,000.00		(95,491.20)			204,508.80	Apr-26		31.83%	1/23/2027
Cheyenne Wells, Town of (DL#2)(D&E#1)	O	FPF	03/10/26	DBS26Y236	140441D-S	236	DC		300,000.00	0.00			300,000.00	N/S		0.00%	9/10/2027
Crawford, Town of (DL#1)	O	PPF	07/31/25	DBS25F516	140531D-T	516	DC	494,516.00		0.00			494,516.00	N/S		0.00%	
Cripple Creek, City of (DL#2)(D&E#2)	O	FPF	03/26/26	DBS26Y519	140581D-L	519	DC		118,334.78	(67,086.70)			51,248.08	Apr-26		56.69%	9/26/2027
Cripple Creek, City of (DL#3)	O	PPF	06/12/26	DBS26F519	140581D-L	519	DC		3,000,000.00	0.00			3,000,000.00	N/S		0.00%	
Cucharas S&WD (DL#5)	O	PPF	04/08/25	DBS25F188	140622D-F	188	DC	1,259,300.00		(1,155,409.09)			103,890.91	Jun-26		91.75%	
De Beque, Town of (DL#2)	O	PPF	12/11/23	D23F478	170091D-Q	478	DC	2,500,000.00		0.00			2,500,000.00	N/S		0.00%	
Denver Water (DL#1)	G	PPF	12/15/22	DL22F476	200121D-I	476	DC	76,123,628.00		(76,113,628.00)			10,000.00	Jan-26		99.99%	
Dolores, Town of (DL#1)(D&E#1)	O	FPF	05/07/26	DBS26Y521	210071D-I	521	DC		247,476.00	0.00			247,476.00	N/S		0.00%	11/7/2027
Empire, Town of (DL#2)	O	PPF	12/22/21	D21F461	140831D-Q	461	DC	1,824,000.00		(1,698,343.06)			125,656.94	Jan-24		93.11%	
Estes Park, Town of (DL#1)	O	PPF	08/22/25	DBS25F038	160511D-Q	038	FD	5,000,000.00		(3,269,604.09)			1,730,395.91	May-26		65.39%	
Evergreen MD (DL#2)	O	No	12/15/25	DBS25F040	140872D-B	040	FD	3,000,000.00		0.00			3,000,000.00	N/S		0.00%	
Fort Lupton, City of (DL#1)	O	PPF	06/12/25	DBS25F046	141001D-T	046	DC	6,000,000.00		0.00			6,000,000.00	N/S		0.00%	
Frisco, Town of (DL#1)	G	FPF	11/24/25	DE25F517	240051D-A	517	FD	8,200,000.00		0.00			8,200,000.00	N/S		0.00%	
Granby, Town of (DL#2)	O	PPF	06/12/25	DBS25F275	141151D-A	275	DC	6,000,000.00		0.00			6,000,000.00	N/S		0.00%	
Greeley, City of (DL#1)	O/G	PPF	12/18/24	DBL24F058	240011D-Q	058	FD	20,910,725.00		(2,442,506.08)			18,468,218.92	May-26		11.68%	
Gunnison, City of (DL#1)	O	No	03/11/24	D24F421	210121D-A	421	DC	2,550,000.00		0.00			2,550,000.00	N/S		0.00%	
Highland Lakes WVD (DL#4)	O	PPF	12/13/24	DBS24F488	141261D-B	488	DC	464,145.00		(349,245.80)	(114,899.20)		0.00	C		100.00%	
Hot Sulphur Springs, Town of (DL#3)	O	PPF	11/13/20	D20F449	141281D-B	449	DC	500,000.00		(490,139.00)			9,861.00	Jun-24		98.03%	
Hugo, Town of (DL#2)(D&E#2)	O	FPF	12/05/24	DBS24Y511	160261D-T	511	DC	81,967.00		(81,967.00)			0.00	C		100.00%	
Hugo, Town of (DL#3)	O	PPF	02/05/26	DBS26F511	160261D-T	511	DC		5,395,767.00	(282,031.76)			5,113,735.24	Mar-26		5.23%	
Karval Water Authority (DL#1)(D&E#1)	O	FPF	12/18/24	DBS24Y512	160291D-Q	512	DC	165,160.00		(121,355.05)			43,804.95	Sep-25		73.48%	6/18/2026
Kremmling, Town of (DL#3)	O	PPF	11/22/24	DBS24F232	190251D-B	232	DC	4,676,154.00		0.00			4,676,154.00	N/S		0.00%	
La Junta, City of (DL#2)(D&E#1)	O	FPF	02/06/25	DBS25Y066	141411D-Q	066	DC	300,000.00		(143,796.12)			156,203.88	Feb-26		47.93%	8/6/2026
La Veta, Town of (DL#3)	O	PPF	06/03/25	DBS25F506	141451D-B	506	DC	3,978,000.00		(78,852.45)			3,899,147.55	Mar-26		1.98%	
Limon, Town of (DL#1)	O	PPF	08/29/24	DBS24F072	141160D-G	72	DC	3,500,000.00		(364,017.20)			3,135,982.80	Dec-25		10.40%	
Mancos, Town of (DL#2)	O	No	06/14/21	D21F225	200201D-Q	225	DC	1,500,000.00		(1,159,674.01)			340,325.99	Jan-25		77.31%	
Manitou Springs, City of (DL#5)	O	PPF	07/25/24	DBS24F243	141713D-B	243	FD	4,053,000.00		(906,324.71)			3,146,675.29	Dec-25		22.36%	
Mesa W&SD (DL#2)(D&E#1)	O	FPF	09/20/24	DBS24Y283	141751D-Q	283	DC	156,800.00		(156,800.00)			0.00	C		100.00%	
Mesa W&SD (DL#3)	O	PPF	04/09/26	DBS26F283	141751D-Q	283	DC		522,285.00	0.00			522,285.00	N/S		0.00%	
Montezuma County LID (DL#1)(D&E#1)	O	FPF	09/20/24	DBS24Y508	200351D-Q	508	DC	80,000.00		(59,426.48)			20,573.52	May-26		74.28%	3/20/2026
Norwood Water Commission, Town of (DL#2)(D&E#	O	FPF	06/16/26	DBS26Y239	141941D-I	239	DC		300,000.00	0.00			300,000.00	N/S		0.00%	12/16/2027
Ordway, Town of (DL#4)	O	PPF	07/31/18	D18F402	142021D-Q	402	DC	713,180.00		(703,180.00)			10,000.00	Aug-20		98.60%	
Ouray, City of (DL#2)	O	PPF	12/14/22	DBS22F097	142031D-Q	97	FD	12,100,000.00		(12,003,015.86)			96,984.14	Jul-25		99.20%	
Pagosa Area W&SD (DL#1)	O	PPF	02/14/23	DBS23F202	142051D-A	202	FD	38,444,000.00		(38,434,000.00)			10,000.00	Nov-25		99.97%	
Paonia, Town of (DL#5)	O	PPF	06/12/25	DBS25F262	130201D-Q	262	DC	6,000,000.00		0.00			6,000,000.00	N/S		0.00%	
Park Water Company (DL#1)	O	No	05/13/22	D22F468	210251D-I	468	PD	875,000.00		(869,579.97)	(5,420.03)		0.00	C		100.00%	
Pine Brook WVD (DL#1)	O	No	06/28/24	D24F507	190301D-T	507	FD	1,407,650.00		(1,392,127.04)			15,522.96	Aug-25		98.90%	
Pinewood Springs WVD (DL#3)	O	No	03/28/25	DBS25F165	142171D-Q	165	FD	1,837,519.00		(944,134.16)			893,384.84	Apr-26		51.38%	
Pritchett, Town of (DL#2)(D&E#1)	O																

Colorado Water Resources and Power Development Authority
ALL PROGRAMS
PROJECT STATUS REPORT - ACTIVE PROJECTS
As of June 30, 2026

Borrower	Funding Source	PF?	Loan Date	Loan #	CDPHE Project Number	Bwr Code	Loan Type	Total Project Costs	New Projects / Additional Funding **	Total draws from inception through	Reduced or Rescinded	Cancelled, Converted to Perm, or Misc *	Project Cost Balance as of	Month of Last Draw	Notes	Percent Drawn	D&E Expiration Date
										6/30/2026			6/30/2026				
Telluride, Town of	B	No	06/23/20	R20A438		438	LL	7,843,828.46		(7,843,828.46)			0.00	C		100.00%	
Total for WRBP									0.00	(26,107,815.03)	0.00	0.00	7,671,453.62			77.29%	
WATER OPERATIONS FUND - AUTHORITY LOANS																	
Total for AUTHORITY LOANS									0.00	0.00	0.00	0.00	0.00				
WATER OPERATIONS FUND - INTERIM LOAN																	
Total for INTERIM LOANS									0.00	0.00	0.00	0.00	0.00				
WATER OPERATIONS FUND - SMALL HYDROPOWER LOAN PROGRAM																	
Total for SHLP									0.00	0.00	0.00	0.00	0.00				
Total for WOF									33,779,268.65	0.00	(26,107,815.03)	0.00	0.00	7,671,453.62		77.29%	
WATER POLLUTION CONTROL REVOLVING FUND																	

WPCRF Base & BIL Direct Loans:

Boulder, City of (DL#1)	O	PPF	12/12/23	WS23F494	180041W-B	494	FD	2,877,551.00		(2,816,811.80)			60,739.20	May-25		97.89%	
Boulder, City of (DL#2)	O	No	12/12/23	WBS23F498	180041W-B	498	FD	3,000,000.00		0.00			3,000,000.00	N/S	GREEN	0.00%	
Cheraw, Town of (DL#2) (D&E#1)	O	FPF	02/06/25	W25Y264	220061W-B	264	DC	238,000.00		(165,047.32)			72,952.68	Jun-26		69.35%	8/6/2026
Cheraw, Town of (DL#3)(D&E#2)	O	FPF	03/10/26	WBS26Y475	220061W-B	475	DC		62,000.00	0.00			62,000.00	N/S		0.00%	9/10/2027
Clifton SD (DL#2) (Green)	O	No	12/03/24	WBS24F170	140231W-B	170	FD	3,000,000.00		(1,641,952.53)			1,358,047.47	May-26	GREEN	54.73%	
Creede, City of (DL#2)	O	No	12/17/21	W21F218	190241W-G	218	DC	1,000,000.00		(990,000.00)			10,000.00	Dec-25		99.00%	
Cripple Creek, City of (DL#2)(D&E#2)	O	FPF	03/26/26	WBS26Y519	140281W-L	519	DC		110,314.78	(67,086.70)			43,228.08	Apr-26		60.81%	9/26/2027
Cripple Creek, City of (DL#3)	O	PPF	06/12/26	WBS26F519	140281W-L	519	DC		2,000,000.00	0.00			2,000,000.00	N/S		0.00%	
Delta, City of (DL#2)	O	PPF	10/08/24	WBS24F489	140301W-B	489	DC	5,439,740.00		(4,945,510.11)			494,229.89	Mar-26		90.91%	
Englewood, City of (DL#1)	O	No	10/12/22	W22F035	200161W-S	35	FD	26,000,000.00		(25,990,000.00)			10,000.00	Apr-26		99.96%	
Fowler, Town of (DL#1)	G/S	No	06/30/14	W14F328	142701W-F	328	DC	1,400,000.00		(198,758.97)			1,201,241.03	Jul-18		14.20%	
Fowler, Town of (DL#2)(D&E#1)	O	FPF	02/05/26	WBS26Y328	142701W-F	328	DC		206,000.00	0.00			206,000.00	N/S		0.00%	8/5/2027
Huerfano County Gardner PID (DL#2)(D&E#1)	O	FPF	03/13/25	WBS25Y514	142730W-B	514	DC	200,000.00		(198,607.65)			1,392.35	Jun-26		99.30%	9/13/2026
Huerfano County Gardner PID (DL#3)	O	PPF	12/15/25	WBS25F514	142730W-B	514	DC	1,000,000.00		0.00			1,000,000.00	N/S		0.00%	
Hugo, Town of (DL#3)	O	PPF	03/29/24	WBS24F400	142792W-H	400	DC	1,093,000.00		(1,037,701.58)			55,298.42	Nov-25		94.94%	
Kit Carson, Town of (DL#3)(D&E#1)	O	FPF	04/22/25	WBS25Y228	140741W-B	228	DC	274,000.00		(192,074.46)			81,925.54	Jun-26		70.10%	10/22/2026
La Jara, Town of (DL#4)	O	PPF	12/20/22	WS22F470	180211W-B	470	DC	850,994.00		(456,593.89)			394,400.11	Dec-23		53.65%	
La Jara, Town of (DL#5) (D&E#2)	O	FPF	02/03/26	WBS26Y156	180211W-B	156	DC		134,000.00	0.00			134,000.00	N/S		0.00%	8/3/2027
La Veta, Town of (DL#5)	O	No	08/31/20	W20F443	142882W-B	443	DC	1,900,000.00		(1,890,000.00)			10,000.00	Oct-23		99.47%	
Lake City, Town of (DL#4)	O	PPF	06/23/23	WBS23F375	140772W-B	375	DC	3,616,500.00		(1,875,817.89)			1,740,682.11	Apr-26		51.87%	
Lake City, Town of (DL#5)	O	No	03/28/25	WBS25F360	140772W-B	360	DC	900,000.00		0.00			900,000.00	N/S		0.00%	
Las Animas, City of (DL#9)(D&E#3)	O	FPF	12/18/24	WBS24Y513	140841W-B	513	DC	294,400.00		(235,520.00)			58,880.00	Jun-26		80.00%	6/18/2026
Leadville SD (DL#2)	O	PPF	05/23/24	WBS24F481	210260W-Q	481	DC	4,500,000.00		0.00			4,500,000.00	N/S		0.00%	
Limon, Town of (DL#1)	O	PPF	09/12/25	WBS25F072	140851W-H	072	DC	3,400,000.00		(210,310.00)			3,189,690.00	Dec-25		6.19%	
Manassa, Town of (DL#2)	O	No	05/12/22	W22F273	180221W-G	273	DC	351,834.00		(280,520.83)			71,313.17	Aug-24		79.73%	
Manitou Springs, City of (DL#3)	O	No	07/25/24	WBS24F248	170182W-H	248	FD	450,000.00		(52,730.24)			397,269.76	Sep-25		11.72%	
Manzanola, Town of (DL#4)	O	PPF	01/30/25	WBS25F081	142951W-F	081	DC	2,728,225.00		(1,634,772.51)			1,093,452.49	Jun-26		59.92%	
Meeker SD (DL#2)	O	PPF	04/07/23	WS23F472	142960W-B	472	DC	700,000.00		(517,694.93)	(182,305.07)		0.00	C		100.00%	
Ordway, Town of (DL#4)	O	No	07/31/18	W18F402	143121W-H	402	DC	446,400.00		(436,400.00)			10,000.00	Jan-20		97.76%	
Plum Creek Reclamation Auth (DL#1)	O	No	01/15/26	WBS26F124	160851W-Q	124	FD		3,500,000.00	(1,836,046.92)			1,663,953.08	Jun-26		52.46%	
Plum Creek Reclamation Auth (DL#2)	O	No	03/19/26	WBS26F520	142730W-B	520	DL		3,500,000.00	0.00			3,500,000.00	N/S		0.00%	
Ramah, Town of (DL#2)	O	PPF	04/08/24	WBS24F459	170501W-Q	459	DC	1,292,557.00		(1,282,557.00)			10,000.00	Jan-26		99.23%	
Routt County/Milner (DL#2)	O	PPF	04/30/24	WBS24F482	190571W-A	482	DC	1,500,000.00		(1,147,073.33)			352,926.67	Mar-26		76.47%	
Routt County/Phippsburg (DL#4)	O	PPF	04/30/24	WBS24F392	150461W-A	392	DC	1,500,000.00		(1,356,576.28)			143,423.72	Jun-26		90.44%	
Sedgwick, Town of (DL#2)	O	PPF	02/12/25	WBS25F168	200441W-Q	168	DC	2,700,065.00		(2,700,065.00)			0.00	C		100.00%	
Sedgwick, Town of (DL#3)	O	PPF	05/19/26	WBS26F522	200441W-Q	522	DC		1,418,000.00	(536,103.85)			881,896.15	Jun-26		37.81%	
Sterling, City of (DL#1)	O	No	11/07/23	WBS23F110	141481W-Q	110	FD	3,000,000.00		0.00			3,000,000.00	N/S	GREEN	0.00%	
Sterling, City of (DL#2)	O	PPF	11/07/23	WBS23F490	141481W-Q	490	FD	3,000,000.00		(960,071.63)			2,039,928.37	Jun-25		32.00%	
Three Lakes W&SD (DL#3)	O	No	05/05/26	WBS26F125	141512W-H	125	FD		1,774,639.00	0.00			1,774,639.00	N/S		0.00%	
Wellington, Town of (DL#2)	O	No	05/13/22	W22F467	141601W-B	467	FD	3,000,000.00		(2,218,390.06)			781,609.94	Jan-26	GREEN	73.95%	
Total for WPCRF Base and BIL Direct Loans									81,653,266.00	12,704,953.78	(57,870,795.48)	(182,305.07)	0.00	36,305,119.23			61.52%

WPCRF Base and BIL Leveraged Loans

Evans, City of	O	No	11/18/20	W20BX039	160451W-S	20bx039	LL	8,600,000.00		(3,738,465.29)			4,861,534.71	Feb-24		43.47%	
La Plata/San Juan Subdist. of the Purgatory MD	O	No	05/05/22	W22AX465	160881W-A	22ax465	LL	14,000,000.00		(11,079,352.20)			2,920,647.80	Jun-26		79.14%	
Leadville SD	O	No	05/23/24	WBS24AX481	210260W-Q	24AX481	LL	12,500,000.00		(9,946,896.14)			2,553,103.86	Jun-26		79.58%	
Ouray, City of	O	No	05/05/22	W22AX097	143131W-A	22ax097	LL	18,485,000.00		(17,907,738.47)			577,261.53	Jul-25		96.88%	
Pueblo, City of	O	No	11/14/18	W18A141	180011W-S	18a141	LL	7,000,000.00		(4,791,420.24)			2,208,579.76	Jan-25		68.45%	
Pueblo West MD	O	No	11/14/18	W18A291	141211W-I	18a291	LL	7,303,000.00		(6,704,636.59)			598,363.41	Mar-25		91.81%	
Security SD	O	No	05/28/20	W20AX416	141371W-B	20ax416	LL	15,000,000.00		(14,990,000.00)			10,000.00	Oct-23		99.93%	
Upper Thompson SD	O	No	05/23/24	WBS24AX503	141561W-Q	24AX503	LL	18,000,000.00		(5,815,140.86)			12,184,859.14	Mar-25		32.31%	
Total for WPCRF Base and BIL Leveraged Loans									100,888,000.00	0.00	(74,973,649.79)	0.00	0.00	25,914,350.21			74.31%
Total for WPCRF									182,541,266.00	12,704,953.78	(132,844,445.27)	(182,305.07)	0.00	62,219,469.44			68.13%
Total for all Programs									643,245,793.35	25,323,816.56	(457,829,182.44)	(306,928.36)	0.00	210,433,499.11			68.52%

NOTES AND LEGEND

Borrowers highlighted in red have not submitted a requisition during the past year.

*Reflects only the remaining project funds before conversion - not total amount of loan converted.

***Current Year Only

***May use other sources as well.

C=Completed, N/S=Not Started

a) Borrower will be using its remaining project funds as credits toward the interest portion of future loan repayments.

b) Interim loan converted to permanent loan (funds were drawn during interim loan phase.)

c) Interim loan converted to permanent loan (NO funds were drawn during interim loan phase.)

Funding Sources:

A = Authority

B = Bond Proceeds

G = Federal Capitalization Grants

Colorado Water Resources and Power Development Authority
ALL PROGRAMS
PROJECT STATUS REPORT - ACTIVE PROJECTS
As of June 30, 2026

Borrower	Funding Source	PF?	Loan Date	Loan #	CDPHE Project Number	Bwr Code	Loan Type	Total Project Costs	New Projects / Additional Funding **	Total draws from inception through	Reduced or Rescinded	Cancelled, Converted to Perm., or Misc *	Project Cost Balance as of	Month of Last Draw	Notes	Percent Drawn	D&E Expiration Date
										6/30/2026			6/30/2026				
d) Interim loan cancelled. (No permanent loan made and no funds were drawn during interim loan phase).																	
PLR=Possible Loan Reduction																	
Disclaimer: The Project Status Report will not tie to the Project Costs Payable on the Authority's financials beginning in December 2022. The full project costs payable are shown on the Project Status Report, but the Authority's financials only reflect amounts that are repayable by the borrowers.																	

COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY All Programs Loan Status Report As of June 30, 2026									
Prg	Type	Borrower	Outstanding Balance	Original / Amended Loan Amount	Note	Loan Rate (%)	Loan Date	Final Payment Date	Pymt Frq
W	DL	Academy W&SD (DL#1)	2,433,589.66	\$ 3,000,000.00		2.000%	3/12/2018	11/1/2048	S
D	DL	Alameda W&SD (DL#1)	2,390,796.90	2,675,826.00	*	2.500%	12/23/2020	11/1/2051	S
D	06B	Alamosa, City of	761,217.41	11,865,062.50		3.420%	11/2/2006	8/1/2027	S
D	DL	Alma, Town of (DL#1)	119,869.67	435,563.99	*	2.000%	4/27/2011	5/1/2031	S
D	DC	Alma, Town of (DL#2)(D&E#1)	0.00	254,000.00		0.000%	4/16/2026	N/A	N/A
D	DC	Antonito, Town of (DL#1)	519,912.68	3,210,841.00	*	0.000%	2/20/2015	5/1/2045	S
D	DC	Arabian Acres MD (DL#3)	922,392.50	1,500,000.00		0.500%	6/15/2020	11/1/2050	S
D	DC	Arriba, Town of (DL#1)	227,249.89	505,000.00		0.000%	5/29/2009	11/1/2039	S
W	DC	Ault, Town of (DL#1)	0.00	1,396,850.00		1.750%	3/30/2006	4/14/2026	S
W	DL	Ault, Town of (DL#2)	919,230.69	2,000,000.00		0.000%	4/15/2015	5/1/2035	S
D	DL	Baca Grande W&SD (DL#1)	276,156.28	1,483,750.00		2.000%	8/19/2009	6/1/2029	S
Db	DC	Baca Grande W&SD (DL#3)	290,056.70	823,000.00		1.500%	2/17/2026	11/1/2045	S
D	DL	Bayfield, Town of (DL#1)	605,692.78	860,695.86	*	2.500%	2/14/2020	2/1/2036	S
W	07A	Bayfield, Town of	670,000.00	4,780,000.00		3.500%	5/31/2007	8/1/2028	S
W	DL	Bayfield, Town of (DL#2)	252,055.19	600,000.00		2.000%	2/22/2013	8/1/2033	S
W	DC	Bennett, Town of (DL#3)	1,826,431.22	2,500,000.00		0.000%	9/22/2017	5/1/2048	S
W	DC	Bennett, Town of (DL#4)	2,738,954.11	3,452,259.46	*	1.890%	3/5/2018	5/1/2048	S
D	DL	Bennett, Town of (DL#1)	1,460,737.11	2,500,000.00		2.000%	8/31/2016	11/1/2036	S
D	DC	Bent's Fort Water Authority (DL#1) (D&E#1)	0.00	300,000.00		0.000%	7/30/2026	N/A	N/A
D	DC	Bethune, Town of (DL#1)	146,299.87	418,000.00		0.000%	7/18/2006	11/1/2036	S
D	DC	Beulah WWD (DL#2)	181,269.12	1,004,000.00		1.000%	8/25/2023	11/1/2043	S
D	DC	Bianca, Town of (DL#2)	165,102.22	485,493.44	*	0.000%	10/14/2011	11/1/2041	S
D	DL	Blue Mountain WD (DL#1)	660,862.32	800,000.00		2.250%	6/25/2021	11/1/2041	S
D	DP	Blue River Valley Ranch Lakes Association (DL#1)	1,386,046.98	1,400,000.00		3.250%	5/30/2025	11/1/2055	S
D	DC	Boone, Town of (DL#1)	187,504.01	514,297.00		0.000%	8/15/2006	11/1/2036	S
W	DC	Boone, Town of (DL#1)	137,957.16	315,000.00		0.000%	12/15/2009	5/1/2040	S
W	23A	Boulder, City of	10,684,840.00	11,830,124.00		3.053%	12/12/2023	8/1/2044	S
Wb	DL	Boulder, City of (DL#1)	1,252,095.71	2,877,551.00		3.000%	12/12/2023	11/1/2043	S
W	DL	Boulder, City of (DL#2)	2,655,848.27	3,000,000.00		0.500%	12/12/2023	11/1/2043	S
W	10B	Boxelder SD	3,560,000.00	10,410,000.00		2.500%	10/29/2010	8/1/2032	S
W	19A	Boxelder SD	22,579,411.00	28,205,180.00		1.914%	5/22/2019	8/1/2048	S
D	17A	Breckenridge, Town of	37,105,005.00	56,990,796.00		1.893%	11/15/2017	8/1/2039	S
D	DC	Bristol W&SD (DL#1)	63,333.47	200,000.00		0.000%	2/8/2006	11/1/2035	S
D	DL	Brook Forest WD (DL#1)	492,271.82	747,852.00	*	2.000%	1/17/2018	5/1/2038	S
W	10B	Brush!, City of	2,750,000.00	9,465,000.00		2.500%	10/29/2010	8/1/2031	S
D	DC	Buena Vista, Town of (DL#2)	915,817.45	1,414,256.07	*	1.000%	7/11/2018	11/1/2038	S
Db	DC	Buena Vista, Town of (DL#4)	1,800,061.15	4,300,000.00		1.750%	12/13/2022	11/1/2052	S
D	24C	Buffalo Mountain MD	3,871,265.00	4,145,744.00		3.120%	11/22/2024	8/1/2044	S
D	DL	Buffalo Mountain MD (DL#1)	2,221,715.52	3,000,000.00		2.000%	3/1/2019	5/1/2040	S
Db	DL	Buffalo Mountain MD (DL#2)	799,596.76	2,338,077.00		3.250%	11/22/2024	11/1/2044	S
D	DC	Burlington, City of (DL#2)	778,948.79	2,250,000.00		1.000%	11/16/2016	5/1/2047	S
D	DC	Burlington, City of (DL#3)	184,900.47	250,000.00		1.000%	4/18/2017	5/1/2047	S
Db	DL	Byers W&SD (DL#1)	591,486.12	2,014,000.00		3.250%	5/7/2024	5/1/2054	S
Db	DL	Cañon City, City of (DL#1)	4,970,864.83	6,600,000.00		3.250%	8/22/2025	5/1/2045	S
D	DL	Castle Pines MD (DL#1)	71,214.21	2,000,000.00		3.750%	5/25/2006	9/15/2026	S
D	DL	Castle Pines MD (DL#2)	17,489.27	250,000.00		3.750%	11/6/2006	3/15/2027	S
D	DL	Castle Pines MD (DL#3)	748,512.24	1,471,485.04	*	2.000%	10/30/2014	5/1/2035	S
D	DC	Cedaredge, Town of (DL#2)	311,796.41	879,368.00		0.000%	5/1/2018	5/1/2038	S
W	DC	Cedaredge, Town of (DL#1)	450,000.00	1,457,761.00		0.000%	6/23/2015	5/1/2035	S
D	DC	Cedaredge, Town of (DL#3)	189,597.64	1,000,000.00		2.250%	9/8/2023	5/1/2053	S
D	DC	Center, Town of (DL#1)	698,566.74	1,103,000.00		0.000%	1/27/2015	5/1/2045	S
D	DC	Center, Town of (DL#3)	829,431.27	1,144,280.00		0.500%	7/15/2019	5/1/2040	S
D	DC	Central, City of (DL#2)	382,394.59	502,758.38	*	0.000%	5/31/2018	11/1/2048	S
W	DC	Central Clear Creek SD (DL#2)	1,441,095.92	2,500,000.00		1.000%	9/15/2016	5/1/2047	S
W	DC	Central Clear Creek SD (DL#3)	385,551.75	500,000.00		1.000%	10/26/2017	5/1/2048	S
W	06B	Cherokee MD	993,727.59	15,249,689.80		3.490%	11/8/2006	8/1/2027	S
D	DC	Cheraw, Town of (DL#2)	182,950.62	1,013,500.00		0.500%	5/12/2022	11/1/2052	S
D	DC	Cheraw, Town of (DL#3)	156,451.22	866,700.00		0.500%	9/28/2022	11/1/2052	S
W	DC	Cheraw, Town of (DL#3)(D&E#2)	0.00	62,000.00		0.000%	3/10/2026	N/A	N/A
W	DL	Cherokee MD (DL#1)	995,141.24	2,000,000.00		2.000%	11/20/2012	8/1/2033	S
D	DC	Cheyenne Wells, Town of (DL#2)(D&E#1)	0.00	300,000.00		0.000%	3/10/2026	N/A	N/A
W	DC	Cheyenne Wells SD #1 (DL#1)	73,472.18	770,000.00		1.000%	8/17/2010	5/1/2031	S
W	06A	Clifton SD #2	665,000.00	9,800,000.00		3.640%	5/24/2006	8/1/2027	S
W	DC	Clifton SD #2 (DL#1)	142,857.05	2,000,000.00		0.000%	8/10/2006	11/1/2027	S
W	DL	Clifton SD (DL#2) (Green)	2,815,743.39	3,000,000.00		1.500%	12/3/2024	11/1/2044	S
D	14A	Clifton WD	8,378,864.68	13,948,507.40		1.890%	5/29/2014	8/1/2035	S
D	DL	Coal Creek, Town of (DL#1)	105,893.16	282,412.95	*	0.000%	11/8/2013	11/1/2033	S
W	DC	Cokedale, Town of (DL#2)	112,725.46	160,000.00		1.000%	6/30/2014	12/1/2044	S
A	SD	Cokedale, Town of	83,935.89	119,853.20		0.000%	12/1/2016	12/1/2046	S
D	DL	Colorado Springs Utilities, City of (DL#1)	2,323,118.17	8,600,000.00		2.500%	4/29/2010	11/1/2030	S
D	DL	Columbine Lake WD (DL#1)	350,595.99	690,000.00		2.000%	4/29/2015	5/1/2035	S

COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY									
All Programs Loan Status Report									
As of June 30, 2026									
W	DL	Cortez SD (DL#1)	136,340.60	2,000,000.00		3.500%	5/3/2007	5/1/2027	S
W	DC	Cortez SD (DL#3)	1,128,796.37	1,400,000.00		0.500%	4/30/2019	11/1/2049	S
D	06B	Cottonwood W&SD	697,906.91	9,996,005.27		3.420%	11/2/2006	8/1/2027	S
D	DC	Craig, City of (DL#3)	2,319,519.83	3,200,000.00		0.500%	5/23/2019	5/1/2040	S
Db	DC	Crawford, Town of (DL#1)	170,624.80	494,516.00		2.500%	7/31/2025	5/1/2045	S
D	DC	Creede, City of (DL#1)	615,111.55	1,224,169.14	*	1.750%	4/15/2009	5/1/2039	S
W	DC	Creede, City of (DL#2)	901,084.53	1,000,000.00		1.500%	12/17/2021	5/1/2052	S
W	DL	Crested Butte South MD (DL#1)	536,179.39	2,300,000.00		2.000%	7/16/2009	6/1/2030	Q
W	DL	Crested Butte South MD (DL#2)	3,392,988.68	4,000,000.00		2.250%	5/5/2022	5/1/2042	S
D	DL	Crested Butte South MD (DL#1)	302,238.09	1,000,000.00		2.000%	7/20/2010	9/1/2031	Q
D	DL	Crested Butte, Town of (DL#1)	139,498.05	400,000.00		2.000%	2/29/2012	5/1/2032	S
D	DL	Crested Butte, Town of (DL#2)	1,544,755.53	2,025,600.00		2.500%	3/10/2020	5/1/2040	S
W	DL	Crested Butte, Town of (DL#1)	388,755.43	1,489,997.05	*	2.000%	5/25/2010	11/1/2030	S
W	DL	Crested Butte, Town of (DL#2)	1,522,971.39	2,500,000.00		2.000%	5/1/2017	5/1/2037	S
Wb	DL	Crested Butte, Town of (DL#3)	8,769,324.28	11,000,000.00		2.750%	12/9/2022	11/1/2052	S
Wb	DL	Crested Butte, Town of (DL#4)	2,681,576.21	3,000,000.00		0.500%	12/9/2022	11/1/2052	S
D	DC	Cripple Creek, City of (DL#2)(D&E#2)	0.00	118,334.78		0.000%	3/26/2026	N/A	N/A
Db	DC	Cripple Creek, City of (DL#3)	1,066,757.00	3,000,000.00		2.500%	6/12/2026	5/1/2046	S
W	DC	Cripple Creek, City of (DL#2)(D&E#2)	0.00	110,314.78		0.000%	3/26/2026	N/A	N/A
Wb	DC	Cripple Creek, City of (DL#3)	957,447.00	2,000,000.00		2.500%	6/12/2026	5/1/2046	S
W	DC	Crowley, Town of (DL#1)	601,742.41	2,000,000.00		1.000%	7/13/2011	11/1/2031	S
D	DC	Crowley, Town of (DL#1)	58,333.25	100,000.00		0.000%	11/19/2012	11/1/2043	S
D	DL	Cucharas S&WD (DL#2)	34,455.00	87,000.00		2.000%	12/20/2012	5/1/2033	S
D	DL	Cucharas S&WD (DL#3)	1,198,526.16	1,623,576.22	*	2.500%	5/13/2019	11/1/2039	S
Db	DC	Cucharas S&WD (DL#5)	429,197.94	1,259,300.00		2.500%	4/8/2025	5/1/2045	S
D	DC	De Beque, Town of (DL#2)	463,141.31	2,500,000.00		1.000%	12/11/2023	5/1/2044	S
D	DL	Deer Creek WD (DL#1)	1,887,225.84	2,474,673.00		2.500%	8/16/2019	5/1/2040	S
D	DC	Deer Trail, Town of (DL#2)	1,024,023.36	1,221,200.00		0.500%	12/23/2019	11/1/2050	S
D	DC	Deer Trail, Town of (DL#3)	213,651.53	250,000.00		0.500%	10/27/2020	5/1/2051	S
Wb	DC	Delta, City of (DL#2)	3,659,879.39	5,439,740.00		1.000%	10/8/2024	11/1/2044	S
Db	DC	Denver Water (DL#1)	33,511,244.72	76,123,628.00		2.750%	12/15/2022	9/15/2052	S
D	15A	Denver Southeast Suburban W&SD	7,266,845.00	14,250,066.00		2.068%	4/23/2015	8/1/2036	S
W	05A	Denver Southeast Suburban W&SD	0.00	4,800,000.00		3.350%	5/25/2005	7/24/2026	S
D	DL	Dillon, Town of (DL#2)	914,598.24	1,800,000.00		2.000%	3/16/2015	3/1/2035	S
W	DC	Dinosaur, Town of (DL#1)	45,000.00	100,000.00		0.000%	4/29/2015	5/1/2035	S
W	DC	Dinosaur, Town of (DL#3)	74,410.79	100,000.00		1.500%	9/30/2019	5/1/2040	S
Da	DL	Divide MPC MD #1 (DL#1)	29,186.00	145,930.00		0.000%	9/4/2009	5/1/2030	S
D	DL	Divide MPC MD #1 (DL#2)	36,667.70	139,580.00		2.000%	10/19/2010	11/1/2030	S
D	DC	Dolores, Town of (DL#1)(D&E#1)	0.00	247,476.00		0.000%	5/7/2026	N/A	N/A
W	06A	Donala W&SD	330,742.00	4,906,910.00		3.640%	5/24/2006	8/1/2027	S
A	SD	Durango, City of	1,604,092.84	4,000,000.00		1.950%	8/28/2013	6/1/2033	S
W	16B	Durango, City of	34,255,950.00	58,404,764.00		1.736%	11/16/2016	8/1/2038	S
D	18A	Eagle, Town of	11,387,049.00	16,841,882.00		2.439%	5/24/2018	8/1/2040	S
W	07A	Eagle, Town of	1,753,488.00	11,505,912.00		3.500%	5/31/2007	8/1/2028	S
W	DL	Eagle, Town of (DL#1)	408,410.53	1,288,966.00		2.000%	11/21/2011	11/1/2031	S
D	DC	East Alamosa W&SD (DL#1)	800,000.12	2,000,000.00		0.000%	7/24/2008	5/1/2038	S
D	DC	East Alamosa W&SD (DL#3)	290,322.36	339,448.18	*	1.500%	5/28/2021	11/1/2051	S
Wb	DC	East Alamosa W&SD (DL#2)	225,973.46	497,305.00		2.250%	10/19/2023	11/1/2053	S
W	05A	Eaton, Town of	327,450.07	4,824,431.00		3.380%	5/25/2005	8/1/2027	S
D	DC	Eckley, Town of (DL#1)	10,000.00	100,000.00		0.000%	7/30/2008	5/1/2028	S
D	DC	Eckley, Town of (DL#3)	617,049.97	1,642,301.53	*	0.500%	12/27/2021	11/1/2052	S
D	DL	Edgewater, City of (DL#1)	484,486.60	1,000,323.00	*	2.000%	1/15/2015	5/1/2035	S
D	DL	El Rancho Florida MD (DL#1)	488,243.50	1,400,000.00		2.000%	7/25/2011	5/1/2032	S
W	DL	Elizabeth, Town of (DL#1)	107,594.42	1,026,925.40	*	3.750%	9/14/2007	11/1/2027	S
D	DC	Empire, Town of (DL#2)	743,716.34	1,824,000.00		0.500%	12/22/2021	11/1/2052	S
D	24B	Englewood, City of	21,666,047.00	22,597,444.00		4.500%	5/23/2024	8/1/2054	S
W	DL	Englewood, City of (DL#1)	22,247,341.80	26,000,000.00		2.250%	10/12/2022	11/1/2042	S
Db	DL	Englewood, City of (DL#1)	7,263,359.39	17,551,020.41		3.500%	5/23/2024	5/1/2054	S
Wa	DL	Erie, Town of (DL#2)	400,000.00	2,000,000.00		0.000%	9/18/2009	5/1/2030	S
W	DL	Erie, Town of (DL#3)	201,048.30	924,347.53	*	2.000%	9/18/2009	5/1/2030	S
W	DL	Estes Park SD (DL#1)	1,606,293.32	3,250,000.00		2.000%	11/14/2014	5/1/2036	S
W	DL	Estes Park SD (DL#2)	713,281.52	1,273,470.00		2.000%	11/23/2015	5/1/2036	S
D	08A	Estes Park, Town of	922,357.08	5,494,410.09		3.260%	6/12/2008	8/1/2028	S
Db	DL	Estes Park, Town of (DL#1)	3,411,377.82	5,000,000.00		3.250%	8/22/2025	5/1/2045	S
W	16A	Evans, City of	25,283,289.00	39,864,188.00		1.698%	6/2/2016	8/1/2038	S
W	20B	Evans, City of	6,492,031.00	8,392,372.00		1.327%	11/18/2020	8/1/2041	S
D	DP	Evergreen Lake Company (DL#1)	2,040,593.27	2,175,432.00		2.000%	10/9/2024	11/1/2044	S
D	DL	Evergreen MD (DL#1)	2,694,269.81	3,000,000.00		2.250%	5/18/2021	11/1/2051	S
D	DL	Evergreen MD (DL#2)	2,978,345.72	3,000,000.00		3.500%	12/15/2025	11/1/2055	S
W	DL	Evergreen MD (DL#1)	346,418.00	2,000,000.00		2.000%	7/24/2009	11/1/2029	S
Db	DL	Fairplay, Town of (DL#1)	123,030.24	300,150.00		3.000%	9/21/2023	5/1/2043	S
W	DL	Fairways MD (DL#1)	586,385.25	1,563,694.00		0.000%	5/15/2013	11/1/2033	S
W	DL	Fairways MD (DL#2)	182,600.00	332,000.00		0.000%	12/21/2016	5/1/2037	S
W	DL	Fairways MD (DL#3)	111,000.00	185,000.00		0.000%	7/19/2018	5/1/2038	S
D	DC	Flagler, Town of (DL#2)	55,333.40	652,900.00		0.000%	11/20/2015	5/1/2046	S
W	DC	Fleming, Town of (DL#2)	561,102.78	716,850.78	*	0.000%	5/30/2019	11/1/2049	S

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Da	DC	Florence, City of (DL#2)	350,000.00	2,000,000.00		0.000%	10/7/2009	12/1/2029	S
D	DL	Forest Hills MD (DL#1)	384,888.18	490,148.00		2.500%	9/30/2020	11/1/2040	S
D	DL	Forest Hills MD (DL#2)	69,058.34	85,055.28	*	2.250%	5/27/2021	11/1/2041	S
D	DL	Forest View Acres WD (DL#1)	700,000.00	2,000,000.00		0.000%	6/15/2012	5/1/2033	S
D	DL	Forest View Acres WD (DL#2)	279,576.04	500,000.00		2.000%	7/19/2016	5/1/2036	S
Db	DC	Fort Lupton, City of (DL#1)	2,931,797.01	6,000,000.00		1.750%	6/12/2025	5/1/2055	S
D	25A	Fort Lupton, City of	12,632,845.00	12,908,932.00		3.825%	6/12/2025	8/1/2055	S
Wb	DL	Fort Lupton, City of (DL#2)	19,328,324.86	22,452,570.00	*	2.750%	12/5/2022	11/1/2052	S
R	14A	Fountain, City of	11,360,000.00	16,900,000.00		3.800%	11/25/2014	8/1/2044	S
W	11A	Fountain SD	2,165,795.24	6,860,302.80		2.230%	11/3/2011	8/1/2032	S
W	DC	Fowler, Town of (DL#1)	595,000.00	1,400,000.00		0.000%	6/30/2014	11/1/2034	S
W	DC	Fowler, Town of (DL#2)(D&E#1)	0.00	206,000.00		0.000%	2/5/2026	N/A	N/A
W	10A	Fruita, City of	9,125,000.00	21,830,000.00		2.500%	5/13/2010	8/1/2032	S
Da	DL	Gateway MD (DL#1)	115,314.84	576,575.00		0.000%	12/17/2009	5/1/2030	S
D	15A	Genesee W&SD	5,547,827.00	9,790,312.00		2.174%	4/23/2015	8/1/2034	S
D	DL	Genesee W&SD (DL#1)	1,187,500.00	2,500,000.00		0.000%	12/11/2015	11/1/2035	S
A	SD	Genoa, Town of (DL#1)	95,626.72	117,410.93		1.500%	6/14/2021	5/1/2044	S
D	DC	Genoa, Town of (DL#1)	64,166.54	175,000.00		0.000%	12/20/2006	5/1/2037	S
W	DC	Genoa, Town of (DL#2)	32,879.08	42,010.12	*	0.500%	6/14/2021	11/1/2041	S
Da	DL	Georgetown, Town of (DL#1)	268,000.00	3,340,000.00		0.000%	9/22/2009	5/1/2030	S
D	DL	Georgetown, Town of (DL#2)	230,100.20	734,164.88	*	2.000%	5/19/2011	11/1/2031	S
Wa	DL	Georgetown, Town of (DL#1)	760,000.00	5,800,000.00		0.000%	9/22/2009	5/1/2030	S
W	DC	Gilcrest, Town of (DL#1)	378,036.86	818,483.37	*	1.000%	6/30/2015	5/1/2035	S
W	05B	Glendale, City of	611,464.06	10,034,562.00		3.500%	10/20/2005	8/1/2027	S
D	DP	Glenview Owners' Association (DL#1)	456,323.71	550,000.00		2.500%	8/13/2020	11/1/2041	S
W	10A	Glenwood Springs, City of	10,692,425.00	31,460,100.00		2.500%	5/13/2010	8/1/2032	S
D	DC	Granada, Town of (DL#2)	171,488.00	950,000.00		0.500%	5/9/2022	11/1/2052	S
W	06A	Granby SD	321,078.00	4,810,728.00		3.640%	5/24/2006	8/1/2027	S
D	25A	Granby, Town of	14,980,110.50	15,139,756.00		3.822%	6/12/2025	8/1/2055	S
Db	DC	Granby, Town of (DL#2)	2,931,797.01	6,000,000.00		1.750%	6/12/2025	5/1/2055	S
W	DL	Granby, Town of (DL#2)	1,191,509.19	2,238,097.63	*	2.000%	6/12/2015	11/1/2035	S
D	DL	Grand Junction, City of (DL#1)	926,103.72	3,783,923.43	*	2.500%	2/2/2010	5/1/2030	S
D	DL	Grand Junction, City of (DL#2)	860,963.16	1,476,193.99	*	2.000%	11/17/2016	11/1/2036	S
D	DL	Grand Lake, Town of (DL#2)	1,006,809.73	1,532,452.23	*	2.000%	4/9/2018	5/1/2038	S
W	DL	Grand Mesa MD #2 (DL#1)	297,476.44	400,000.00		0.000%	12/14/2017	5/1/2048	S
Db	DL	Greeley, City of (DL#1)	10,619,196.33	20,910,725.00		3.500%	12/18/2024	11/1/2054	S
D	DC	Gunnison, City of (DL#1)	2,318,368.64	2,550,000.00		2.000%	3/11/2024	11/1/2043	S
W	DL	Gunnison, City of (DL#2)	2,099,476.82	3,000,000.00		0.500%	5/22/2019	11/1/2039	S
W	19A	Gunnison, City of	6,732,136.00	9,541,520.00		1.691%	5/22/2019	8/1/2039	S
H	SD	Gypsum, Town of (DL#1)	1,298,912.21	1,528,650.00		2.500%	1/28/2020	11/1/2049	S
W	DC	Haxtun, Town of (DL#1)	18,297.40	305,041.00		1.875%	12/1/2006	5/1/2027	S
D	DL	Hayden, Town of (DL#2)	351,538.22	701,606.52	*	2.000%	7/9/2014	5/1/2035	S
D	DC	Hayden, Town of (DL#3)	710,995.16	872,400.00		1.500%	6/28/2021	11/1/2041	S
W	DL	Hayden, Town of (DL#1)	182,542.24	451,663.40	*	2.000%	11/19/2012	11/1/2033	S
D	DL	Highland Lakes WD (DL#1)	794,914.31	1,533,519.78	*	2.000%	6/17/2015	11/1/2035	S
D	DC	Highland Lakes WD (DL#3)	145,880.14	807,988.00		1.000%	10/19/2023	11/1/2043	S
Db	DC	Highland Lakes WD (DL#4)	114,819.09	349,245.80		1.000%	12/13/2024	11/1/2044	S
W	DL	Hi-Land Acres W&SD (DL#1)	407,829.03	529,705.88	*	2.000%	6/6/2017	11/1/2047	S
W	DL	Hillcrest W&SD (DL#1)	107,906.61	533,036.83	*	2.000%	5/2/2013	11/1/2033	S
D	DC	Hillrose, Town of (DL#1)	286,727.56	803,295.82	*	0.000%	5/31/2007	5/1/2037	S
Da	DL	Hot Sulphur Springs, Town of (DL#1)	260,000.00	3,300,000.00		0.000%	9/2/2009	5/1/2030	S
D	DC	Hot Sulphur Springs, Town of (DL#3)	167,707.73	500,000.00		0.500%	11/13/2020	11/1/2050	S
W	DL	Hot Sulphur Springs, Town of (DL#1)	260,895.53	706,000.00		2.000%	9/27/2012	11/1/2032	S
D	DC	Hotchkiss, Town of (DL#1)	85,563.03	756,653.29	*	0.000%	4/23/2008	11/1/2028	S
W	DC	Hotchkiss, Town of (DL#1)	46,931.95	578,080.48	*	0.000%	8/14/2015	11/1/2035	S
Wb	DC	Huerfano County Gardner PID (DL#3)	474,113.51	1,000,000.00		1.750%	12/15/2025	11/1/2055	S
Db	DC	Hugo, Town of (DL#3)	2,381,179.77	5,395,767.00		1.750%	2/5/2026	11/1/2055	S
W	DC	Hugo, Town of (DL#2)	1,305,950.11	1,500,000.00		0.500%	12/28/2020	11/1/2051	S
Wb	DC	Hugo, Town of (DL#3)	498,558.78	1,093,000.00		2.750%	3/29/2024	11/1/2053	S
W	DC	Idaho Springs, City of (DL#2)	2,418,849.36	3,000,000.00		0.500%	3/19/2019	11/1/2049	S
W	DC	Idaho Springs, City of (DL#4)	2,563,818.15	3,000,000.00		0.500%	6/30/2020	5/1/2051	S
D	DC	Kim, Town of (DL#1)	49,166.55	118,000.00		0.000%	5/30/2008	11/1/2038	S
D	24C	Kremmling, Town of	10,662,364.00	11,042,212.00		3.350%	11/22/2024	8/1/2054	S
Db	DC	Kremmling, Town of (DL#3)	1,613,936.33	4,676,154.00		1.750%	11/22/2024	11/1/2054	S
W	DC	La Jara, Town of (DL#1)	18,750.00	750,000.00		0.000%	2/23/2006	11/1/2026	S
W	DC	La Jara, Town of (DL#2)	157,151.05	314,302.25	*	0.000%	4/23/2015	5/1/2036	S
Wb	DC	La Jara, Town of (DL#4)	346,404.82	850,994.00		0.600%	12/20/2022	11/1/2042	S
Wb	DC	La Jara, Town of (DL#5) (D&E#2)	0.00	134,000.00		0.000%	2/3/2026	N/A	N/A
Da	DL	La Junta, City of (DL#1)	366,000.00	1,830,000.00		0.000%	9/24/2009	5/1/2030	S
W	DC	La Junta, City of (DL#3)	2,250,000.00	3,000,000.00		0.000%	8/16/2018	11/1/2048	S
W	DC	La Junta, City of (DL#4)	1,827,008.04	2,265,963.40	*	0.500%	5/16/2019	11/1/2049	S
W	15A	La Junta, City of	7,291,444.00	13,348,899.00		2.169%	5/28/2015	8/1/2037	S
D	DL	La Plata Archuleta WD (DL#1)	1,397,880.49	2,500,000.00		2.000%	2/19/2016	5/1/2036	S
D	DL	La Plata County Palo Verde PID #3 (DL#1)	131,401.14	272,500.00	*	2.000%	8/8/2014	11/1/2034	S
W	22A	La Plata/San Juan Subdistrict of the Purgatory MD	12,345,822.00	13,110,952.00		3.090%	5/5/2022	8/1/2052	S
D	DC	La Veta, Town of (DL#1)	575,824.08	1,134,000.00		1.875%	4/11/2008	5/1/2039	S

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Db	DC	La Veta, Town of (DL#3)	1,392,589.30	3,978,000.00		1.750%	6/3/2025	5/1/2055	S
W	DC	La Veta, Town of (DL#1)	114,750.00	270,000.00		0.000%	4/23/2014	11/1/2034	S
W	DC	La Veta, Town of (DL#2)	54,000.00	120,000.00		0.000%	1/23/2015	5/1/2035	S
W	DC	La Veta, Town of (DL#4)	1,250,000.00	1,500,000.00		0.000%	10/17/2018	5/1/2051	S
W	DC	La Veta, Town of (DL#5)	1,623,751.48	1,900,000.00		0.500%	8/31/2020	5/1/2051	S
D	DC	Lake City, Town of (DL#1)	316,666.74	500,000.00		0.000%	7/10/2015	5/1/2045	S
W	DC	Lake City, Town of (DL#2)	603,625.09	742,893.89	*	1.000%	3/19/2019	11/1/2049	S
Wb	DC	Lake City, Town of (DL#4)	1,882,349.92	3,616,500.00		2.000%	6/23/2023	5/1/2043	S
W	DC	Lake City, Town of (DL#5)	858,613.22	900,000.00		2.000%	3/28/2025	11/1/2044	S
D	DL	Lake Durango WA (DL#1)	359,152.60	2,000,000.00		2.000%	7/15/2009	5/1/2029	S
D	DL	Lamar, City of (DL#1)	260,589.13	1,064,870.68	*	2.500%	12/17/2009	6/15/2030	S
Da	DL	Lamar, City of (DL#2)	790,474.84	3,952,375.00		0.000%	12/17/2009	6/15/2030	S
D	DC	Lamar, City of (DL#4)	136,850.06	1,612,800.00		0.000%	8/26/2016	5/1/2047	S
D	DC	Lamar, City of (DL#5)	948,293.91	1,089,200.00		0.500%	2/8/2021	11/1/2051	S
W	DL	Lamar, City of (DL#1)	582,932.32	2,000,000.00		2.000%	5/27/2010	5/1/2031	S
W	DL	Larimer County LID 2013-1 (BE) (DL#1)	442,481.03	970,341.00		2.000%	6/30/2014	12/20/2034	A
W	DL	Larimer County LID 2013-1 (BE) (DL#2)	584,062.75	1,045,900.08	*	2.000%	6/20/2016	12/20/2036	A
D	DL	Larimer County LID 2013-3 (FC) (DL#1)	119,112.63	310,371.26	*	2.000%	6/30/2014	12/20/2034	A
W	DL	Larimer County LID 2008-1 (HVE) (DL#1)	63,374.07	296,539.95	*	2.000%	4/9/2010	12/20/2030	A
W	DL	Larimer County LID 2012-1 (RGE) (DL#1)	510,348.43	1,227,736.00		2.000%	6/17/2013	12/20/2033	A
W	DL	Larimer County LID 2014-1 (WMR) (DL#1)	681,423.12	1,513,001.00	*	2.000%	9/6/2016	12/20/2036	A
W	DL	Larimer County LID 2016-1 (WV) (DL#1)	147,025.58	237,756.99	*	2.000%	9/22/2017	12/20/2037	A
D	DC	Larkspur, Town of (DL#1)	1,285,815.67	2,847,920.00		0.000%	1/17/2014	11/1/2044	S
D	DC	Las Animas, City of (DL#1)	338,333.45	812,000.00		0.000%	3/26/2008	11/1/2038	S
W	DC	Las Animas, City of (DL#2)	47,125.00	377,000.00		0.000%	3/26/2008	11/1/2028	S
W	DC	Las Animas, City of (DL#3)	94,680.88	309,000.00		0.000%	11/4/2011	5/1/2032	S
W	DC	Las Animas, City of (DL#4)	51,092.00	505,000.00		0.000%	12/19/2013	5/1/2034	S
W	DC	Las Animas, City of (DL#8)	1,336,959.45	1,535,617.00		0.500%	2/26/2021	11/1/2051	S
W	24A	Leadville SD	10,943,604.00	11,972,380.00		2.829%	5/23/2024	8/1/2045	S
Wb	DC	Leadville SD (DL#2)	2,757,847.26	4,500,000.00		2.000%	5/23/2024	5/1/2044	S
D	14A	Left Hand WD	13,741,002.95	29,900,336.00		1.980%	5/29/2014	8/1/2034	S
H	SD	Left Hand WD (DL#1)	1,915,590.10	2,825,552.65	*	2.000%	10/23/2018	11/1/2038	S
W	DL	Left Hand W&SD (DL#3)	310,145.72	350,000.00		3.000%	5/11/2023	5/1/2043	S
Db	DC	Limon, Town of (DL#1)	1,399,202.71	3,500,000.00		2.500%	8/29/2024	5/1/2044	S
Wb	DC	Limon, Town of (DL#1)	2,339,437.04	3,400,000.00		2.500%	9/12/2025	5/1/2045	S
D	24A	Lochbuie, Town of	5,642,713.00	6,128,612.00		2.980%	5/23/2024	8/1/2044	S
Db	DL	Lochbuie, Town of (DL#1)	518,781.71	1,558,718.00		3.250%	5/23/2024	5/1/2044	S
W	DL	Loma Linda SD (DL#1)	446,523.19	878,792.00		2.000%	11/13/2014	5/1/2035	S
W	DL	Loma Linda SD (DL#2)	292,147.37	500,000.00		2.000%	9/16/2016	11/1/2036	S
W	15A	Louisville, City of	19,114,771.00	31,641,348.00		2.185%	5/28/2015	8/1/2035	S
D	DC	Louviers W&SD (DL#1)	13,162.41	1,139,650.00		0.000%	10/19/2012	5/1/2043	S
W	DC	Louviers W&SD (DL#2)	773,656.48	989,519.17	*	0.000%	5/7/2019	11/1/2049	S
W	DL	Lyons, Town of (DL#2)	2,411,220.36	5,200,000.00		1.230%	4/18/2014	11/1/2034	S
D	DC	Manassa, Town of (DL#1)	246,450.00	492,900.00		0.000%	1/31/2011	5/1/2041	S
W	DC	Manassa, Town of (DL#2)	322,002.44	351,834.00		1.500%	5/12/2022	1/1/2053	S
D	DC	Mancos, Town of (DL#2)	1,330,277.86	1,500,000.00		1.500%	6/14/2021	11/1/2051	S
W	DC	Mancos, Town of (DL#1)	175,000.00	1,000,000.00		0.000%	7/29/2009	11/1/2029	S
W	DC	Mancos, Town of (DL#2)	16,085.78	500,000.00		0.000%	10/31/2011	11/1/2031	S
Da	DL	Manitou Springs, City of (DL#1)	248,272.04	1,486,026.00		0.000%	9/28/2009	5/1/2030	S
Da	DL	Manitou Springs, City of (DL#2)	107,455.60	880,749.00		0.000%	9/29/2009	5/1/2030	S
Da	DL	Manitou Springs, City of (DL#3)	248,272.04	1,486,026.00		0.000%	9/30/2009	5/1/2030	S
D	DL	Manitou Springs, City of (DL#4)	649,557.88	827,200.00		2.500%	12/23/2020	11/1/2040	S
Db	DL	Manitou Springs, City of (DL#5)	2,852,578.27	4,053,000.00		3.250%	7/25/2024	5/1/2044	S
H	SD	Manitou Springs, City of (DL#1)	274,837.10	350,000.00		2.500%	3/24/2020	11/1/2040	S
Wa	DL	Manitou Springs, City of (DL#1)	16,680.04	2,083,401.00		0.000%	9/29/2009	5/1/2030	S
W	DL	Manitou Springs, City of (DL#2)	425,657.66	542,489.98	*	2.500%	12/23/2020	11/1/2040	S
W	DL	Manitou Springs, City of (DL#3)	420,458.65	450,000.00		3.250%	7/25/2024	5/1/2044	S
W	DL	Mansfield Heights W&SD (DL#1)	220,277.34	519,487.61	*	2.000%	5/24/2013	11/1/2033	S
W	DC	Manzanola, Town of (DL#2)	14,400.00	96,000.00		0.000%	7/24/2008	5/1/2029	S
Wb	DC	Manzanola, Town of (DL#4)	1,702,098.25	2,728,225.00		1.750%	1/30/2025	5/1/2055	S
W	DL	Mead, Town of	1,136,017.21	2,985,000.00		3.500%	5/31/2007	2/1/2037	S
Wb	DL	Meeker SD (DL#2)	209,391.42	517,694.93		1.600%	4/7/2023	5/1/2043	S
D	DC	Merino, Town of (DL#1)	67,144.55	1,110,000.00		0.000%	11/7/2012	5/1/2043	S
D	DC	Merino, Town of (DL#2)	144,143.58	201,313.82	*	1.000%	3/31/2017	5/1/2047	S
D	DC	Mesa W&SD (DL#1)	47,951.89	200,000.00		1.433%	8/12/2011	11/1/2041	S
Db	DC	Mesa W&SD (DL#3)	185,717.00	522,285.00		1.750%	4/9/2026	5/1/2056	S
D	DL	Minturn, Town of (DL#1)	1,948,271.58	2,265,112.96	*	2.250%	12/28/2021	11/1/2042	S
D	DC	Monte Vista, City of (DL#1)	185,242.12	348,206.93	*	0.000%	10/12/2011	5/1/2042	S
W	DC	Monte Vista, City of (DL#2)	628,475.40	1,396,612.00		0.000%	6/1/2015	5/1/2035	S
D	20A	Mt Crested Butte W&SD	17,191,740.00	22,474,748.00		1.286%	5/28/2020	8/1/2040	S
D	DL	Mount Werner W&SD (DL#1)	2,065,194.81	2,500,000.00		2.250%	12/8/2021	11/1/2041	S
W	DL	Mount Werner W&SD (DL#1)	2,489,038.35	3,000,000.00		2.500%	5/11/2021	11/1/2041	S
W	DL	Mount Werner W&SD (DL#2)	1,006,894.05	1,164,652.98	*	2.250%	8/4/2022	11/1/2042	S
W	DC	Mountain View, Town of (DL#2)	643,231.22	782,109.64	*	0.500%	7/2/2019	5/1/2050	S
W	DC	Mountain View Villages W&SD (DL#1)	618,795.90	1,500,000.00		0.000%	1/6/2009	8/15/2040	M
D	DL	Mountain W&SD (DL#1)	250,000.00	1,000,000.00		0.000%	7/13/2011	5/1/2031	S

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W	DL	Mountain W&SD (DL#2)	700,000.00	2,000,000.00		0.000%	11/19/2012	5/1/2033	S
W	DC	Naturita, Town of (DL#1)	12,524.32	630,064.04	*	1.000%	6/4/2012	5/1/2028	S
D	DC	Navajo Western WD (DL#1)	534,848.60	1,011,099.31	*	0.000%	5/3/2012	5/1/2042	S
D	DL	Nederland, Town of (DL#1)	613,574.95	2,325,276.79	*	2.000%	6/15/2009	11/1/2030	S
W	DL	Nederland, Town of (DL#1)	600,000.00	2,000,000.00		0.000%	11/3/2011	5/1/2032	S
W	DL	Nederland, Town of (DL#2)	989,759.07	1,505,972.70	*	0.000%	11/9/2018	5/1/2039	S
W	11A	Nederland, Town of	620,524.00	1,961,090.00		2.240%	11/3/2011	8/1/2032	S
W	08A	New Castle, Town of	1,842,973.76	8,247,171.60		3.450%	5/22/2008	8/1/2030	S
Db	DL	North Washington St. W&SD (DL#1)	666,753.81	1,600,000.00		3.000%	2/6/2024	11/1/2043	S
H	SD	Northern Colorado WCD (DL#1)	791,611.43	2,000,000.00		2.000%	5/20/2011	9/1/2032	A
D	DC	Norwood Water Commission, Town of (DL#2)(D&E#1)	0.00	300,000.00		0.000%	6/16/2026	N/A	N/A
D	DC	Nucla, Town of (DL#2)	773,612.64	1,777,428.21	*	0.500%	3/28/2022	11/1/2052	S
W	DC	Nucla, Town of (DL#3)	165,497.41	222,863.47	*	0.000%	12/18/2018	5/1/2041	S
D	DC	Nunn, Town of (DL#1)	244,772.10	2,424,000.00		1.000%	12/9/2011	5/1/2042	S
D	DL	Olde Stage WD (DL#2)	27,311.05	150,000.00		3.500%	10/17/2008	2/1/2029	Q
W	DC	Olney Springs, Town of (DL#1)	121,125.00	573,000.00		0.000%	1/31/2013	11/1/2033	S
W	DC	Olney Springs, Town of (DL#3)	244,281.08	286,092.14	*	0.500%	2/25/2020	5/1/2050	S
Da	DL	Ophir, Town of (DL#1)	100,000.00	500,000.00		0.000%	12/18/2009	6/1/2030	S
D	DC	Orchard City, Town of (DL#3)	1,298,843.78	1,691,091.19	*	1.500%	7/17/2020	11/1/2040	S
D	DC	Ordway, Town of (DL#1)	73,333.46	200,000.00		0.000%	12/20/2006	5/1/2037	S
D	DC	Ordway, Town of (DL#2)	43,815.00	114,300.00		0.000%	12/21/2007	11/1/2037	S
D	DC	Ordway, Town of (DL#4)	108,488.03	713,180.00		0.000%	7/31/2018	11/1/2048	S
W	DC	Ordway, Town of (DL#2)	29,950.00	599,000.00		0.000%	12/20/2006	5/1/2027	S
W	DC	Ordway, Town of (DL#4)	339,528.88	446,400.00		0.000%	7/31/2018	11/1/2048	S
W	22A	Ouray, City of	15,878,518.00	17,330,308.00		3.090%	5/5/2022	8/1/2052	S
Db	DL	Ouray, City of (DL#2)	6,555,905.47	12,100,000.00		2.750%	12/14/2022	11/1/2052	S
D	08A	Pagosa Area W&SD	2,154,937.40	7,158,869.96		3.400%	6/12/2008	12/1/2028	S
W	DL	Pagosa Area W&SD (DL#1)	219,719.25	976,530.00	*	0.000%	9/4/2009	11/1/2030	S
Wa	DL	Pagosa Area W&SD (DL#2)	1,583,221.57	8,345,823.00	*	0.000%	9/4/2009	11/1/2030	S
Db	DL	Pagosa Area W&SD (DL#1)	30,993,539.54	38,444,000.00		2.750%	2/14/2023	11/1/2052	S
W	DC	Pagosa Springs GID, Town of (DL#4)	967,833.50	2,000,000.00		1.000%	2/4/2014	5/1/2035	S
D	06B	Palisade, Town of	782,577.88	3,976,045.10		3.470%	11/2/2006	8/1/2028	S
D	DC	Palisade, Town of (DL#1)	700,000.13	2,000,000.00		0.000%	5/26/2006	11/1/2036	S
W	DL	Palmer Lake SD (DL#1)	2,771,766.68	3,000,000.00		2.250%	3/15/2022	11/1/2052	S
D	DL	Palmer Lake, Town of (DL#1)	401,602.01	1,722,787.61	*	2.000%	7/22/2009	5/1/2030	S
D	DL	Palmer Lake, Town of (DL#2)	750,640.71	1,100,000.00		2.000%	3/16/2018	11/1/2038	S
D	DC	Paonia, Town of (DL#1)	67,934.68	395,969.23	*	1.750%	11/5/2008	5/1/2029	S
Db	DC	Paonia, Town of (DL#5)	2,884,720.75	6,000,000.00		1.500%	6/12/2025	5/1/2045	S
D	14A	Paonia, Town of	1,406,628.61	2,996,494.15		2.080%	5/29/2014	8/1/2035	S
D	25A	Paonia, Town of	3,520,468.00	3,664,396.00		3.530%	6/12/2025	8/1/2045	S
D	DP	Park Water Company (DL#1)	803,011.94	869,579.97		2.250%	5/13/2022	11/1/2052	S
D	DC	Parkville WD (DL#2)	1,194,502.29	1,606,444.75	*	1.500%	5/22/2020	5/1/2040	S
W	DC	Peetz, Town of (DL#2)	341,842.44	400,000.00		0.500%	2/3/2021	5/1/2051	S
W	DC	Penrose SD (DL#1)	22,392.65	128,000.00		1.750%	8/1/2008	5/1/2029	S
D	DC	Penrose WD (DL#3)	60,867.46	216,680.07	*	0.500%	10/19/2020	11/1/2050	S
D	DL	Pine Brook WD (DL#1)	1,309,273.81	1,407,650.00		3.000%	6/28/2024	5/1/2044	S
D	DL	Pine Drive WD (DL#1)	71,255.58	241,154.00		2.000%	4/29/2010	9/1/2030	A
D	DL	Pinewood Springs WD (DL#2)	0.00	752,425.00		3.500%	4/3/2006	5/26/2026	S
D	DL	Pinewood Springs WD (DL#3)	1,797,980.88	1,837,519.00		3.500%	3/28/2025	11/1/2054	S
D	DL	Platte Canyon W&SD Subdist #1 (DL#1)	13,999.98	400,000.00		3.750%	6/30/2006	11/1/2026	S
D	DL	Platte Canyon W&SD Subdist #2 (DL#1)	69,046.06	415,203.11	*	3.500%	7/15/2008	11/1/2028	S
W	DL	Platteville, Town of (DL#1)	5,393,388.25	5,928,232.28	*	2.250%	5/28/2021	5/1/2052	S
W	05A	Plum Creek Water Reclamation Authority	0.00	1,510,000.00		3.350%	5/25/2005	7/22/2026	S
W	DL	Plum Creek Water Reclamation Authority (DL#1)	3,480,309.46	3,500,000.00		3.500%	1/15/2026	11/1/2055	S
W	DL	Plum Creek Water Reclamation Authority (DL#2)	3,500,000.00	3,500,000.00		3.500%	3/19/2026	5/1/2056	S
D	DC	Pritchett, Town of (DL#1)	66,666.80	200,000.00		0.000%	3/31/2006	5/1/2036	S
W	DC	Pritchett, Town of (DL#1)	64,508.78	140,177.01	*	0.000%	6/4/2015	11/1/2035	S
D	08B	Project 7 Water Authority	2,673,198.76	10,176,512.03		3.820%	11/25/2008	8/1/2030	S
D	24C	Project 7 Water Authority	14,058,087.50	14,397,276.00		3.350%	11/22/2024	8/1/2054	S
D	DL	Project 7 Water Authority (DL#1)	2,901,467.18	3,000,000.00		3.500%	9/5/2024	5/1/2054	S
Db	DL	Project 7 Water Authority (DL#2)	814,550.47	2,338,077.02		3.500%	11/22/2024	11/1/2054	S
W	10A	Pueblo, City of	5,641,391.00	23,595,277.00		2.500%	5/13/2010	8/1/2030	S
W	18A	Pueblo, City of	4,439,675.00	6,846,524.00		2.449%	11/14/2018	8/1/2038	S
Wa	DL	Pueblo, City of (DL#1)	300,000.00	1,500,000.00		0.000%	9/4/2009	2/1/2030	S
W	11A	Pueblo West MD	1,650,546.00	5,232,582.00		2.230%	11/3/2011	8/1/2032	S
W	18A	Pueblo West MD	5,731,199.00	7,218,304.00		2.705%	11/14/2018	8/1/2048	S
Wb	DC	Ramah, Town of (DL#2)	582,601.19	1,292,557.00		1.250%	4/8/2024	11/1/2053	S
D	DL	Rangely, Town of (DL#1)	644,425.47	1,500,000.00		2.000%	10/2/2013	11/1/2033	S
W	DC	Redstone W&SD (DL#1)	734,035.13	2,000,000.00		1.000%	7/14/2011	5/1/2032	S
Da	DL	Ridgway, Town of (DL#1)	90,000.00	450,000.00		0.000%	10/19/2009	5/1/2030	S
D	DL	Ridgway, Town of (DL#2)	614,436.09	650,000.00		3.250%	11/1/2024	11/1/2044	S
D	12A	Rifle, City of	9,366,133.65	21,858,366.57		1.860%	8/14/2012	8/1/2034	S
D	DL	Rifle, City of (DL#1)	672,893.29	2,000,000.00		0.000%	8/14/2012	8/1/2032	S
W	07A	Rifle, City of	2,450,248.00	17,852,112.00		3.500%	5/31/2007	8/1/2028	S
D	DC	Rockvale, Town of (DL#1)	145,450.06	295,000.00		1.000%	7/8/2009	11/1/2039	S
W	DC	Rocky Ford, City of (DL#1)	545,147.40	1,750,000.00		0.000%	11/20/2012	5/1/2033	S

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W	DC	Rocky Ford, City of (DL#2)	313,996.15	697,769.00		0.000%	11/14/2014	5/1/2035	S
W	DC	Romeo, Town of (DL#1)	17,322.24	173,666.54	*	0.000%	11/30/2007	5/1/2028	S
D	DC	Round Mountain W&SD (DL#2)	879,685.63	1,109,087.40	*	1.500%	8/13/2021	11/1/2041	S
Wb	DC	Routt County/Milner (DL#2)	678,108.60	1,500,000.00		1.250%	4/30/2024	5/1/2054	S
Wb	DC	Routt County/Phippsburg (DL#4)	683,732.53	1,500,000.00		2.250%	4/30/2024	5/1/2054	S
D	15A	Roxborough W&SD (Plum Valley Heights)	2,650,699.00	5,199,125.00		2.073%	4/23/2015	8/1/2036	S
W	05A	Roxborough W&SD	0.00	9,600,000.00		3.350%	5/25/2005	7/31/2026	S
D	DC	Rye, Town of (DL#1)	275,927.58	561,939.10	*	1.750%	3/27/2009	11/1/2039	S
D	DC	Saguache, Town of (DL#1)(D&E#1)	0.00	160,000.00		0.000%	3/25/2026	N/A	N/A
W	DC	Saguache, Town of (DL#2)	1,436,557.74	1,890,545.09	*	0.000%	6/5/2018	11/1/2048	S
D	DC	St. Charles Mesa WD (DL#2)	37,716.52	344,069.48	*	0.000%	6/18/2018	11/1/2027	S
H	SD	St. Charles Mesa WD (DL#1)	398,226.21	752,297.87	*	2.000%	1/22/2016	11/1/2035	S
D	DC	St. Mary's Glacier W&SD (DL#2)	1,399,491.51	3,000,000.00		0.000%	12/27/2018	5/1/2049	S
D	DC	St. Mary's Glacier W&SD (DL#3)	188,206.08	500,000.00		1.250%	12/13/2023	11/1/2053	S
D	DL	Salida, City of (DL#1)	163,500.00	545,000.00		0.000%	12/21/2011	5/1/2032	S
D	DC	Salida, City of (DL#3)	265,591.79	1,294,785.92	*	1.000%	2/28/2017	11/1/2037	S
D	DC	Salida, City of (DL#5)	3,409,908.03	4,184,000.00		1.500%	6/15/2021	11/1/2041	S
W	18A	Security SD	10,027,545.00	14,606,528.00		2.345%	11/14/2018	8/1/2040	S
W	20A	Security SD	12,026,655.00	14,610,008.00		1.591%	5/28/2020	8/1/2049	S
D	DC	Sedgwick, Town of (DL#1)	0.00	419,000.00		0.000%	5/15/2006	2/13/2026	S
Wb	DC	Sedgwick, Town of (DL#2)	485,026.37	2,700,065.00		1.750%	2/12/2025	11/1/2055	S
Wb	DC	Sedgwick, Town of (DL#3)	918,000.00	1,418,000.00		1.750%	5/19/2026	5/1/2056	S
W	DC	Seibert, Town of (DL#1)	30,000.00	150,000.00		0.000%	8/26/2009	5/1/2030	S
W	DC	Shadow Mountain Village LID (DL#1)	159,697.57	430,704.00		1.000%	3/9/2015	5/1/2035	S
D	DC	Sheridan Lake WD (DL#2)	141,422.10	175,400.00		0.500%	7/2/2019	11/1/2049	S
D	23A	Silt, Town of	12,421,391.00	12,691,668.00		3.050%	12/12/2023	8/1/2044	S
Db	DC	Silt, Town of (DL#2)	3,752,365.34	12,834,795.92		1.570%	12/12/2023	11/1/2043	S
W	DC	Silver Plume, Town of (DL#1)	38,246.40	200,000.00		1.000%	5/20/2011	11/1/2031	S
D	DC	Silverton, Town of (DL#2)	190,970.95	313,852.00		0.000%	5/21/2018	11/1/2048	S
D	DC	Simla, Town of (DL#2)	560,610.35	1,032,300.00		0.500%	4/9/2021	5/1/2052	S
D	DC	Simla, Town of (DL#3)	174,841.64	493,000.00		0.500%	8/12/2022	5/1/2052	S
W	DC	Simla, Town of (DL#1)	40,600.00	116,000.00		0.000%	10/31/2012	5/1/2033	S
W	14A	South Adams County W&SD	11,988,623.51	22,191,850.40		2.250%	5/6/2014	8/1/2036	S
D	24A	South Adams County W&SD	14,910,921.00	16,173,616.00		2.980%	5/23/2024	8/1/2044	S
D	DC	South Fork, Town of (DL#2)	2,305,214.12	3,000,000.00		0.500%	7/8/2020	5/1/2052	S
D	DC	South Sheridan WSS&SDD (DL#1)	1,276,888.69	1,985,245.00		1.000%	6/28/2013	5/1/2044	S
W	DC	South Sheridan WSS&SDD (DL#1)	828,258.87	1,916,075.00		1.000%	6/28/2013	5/1/2034	S
Db	DC	South Swink Water Authority (DL#1)	528,669.47	1,498,000.00		1.750%	1/15/2026	11/1/2055	S
D	DL	Spring Canyon W&SD (DL#1)	1,141,805.87	2,200,000.00		2.000%	4/15/2015	5/1/2035	S
D	DL	Spring Canyon W&SD (DL#2)	167,745.64	300,000.00		2.000%	2/19/2016	5/1/2036	S
D	DL	Spring Canyon W&SD (DL#3)	175,638.44	300,599.00		2.000%	2/10/2017	11/1/2036	S
W	DC	Springfield, Town of (DL#2)	26,700.00	534,000.00		0.000%	12/20/2006	5/1/2027	S
D	DC	Starkville, Town of (DL#2)	59,461.18	164,700.00		0.500%	9/29/2022	11/1/2052	S
D	DC	Starkville, Town of (DL#3)	38,006.91	100,000.00		0.500%	4/30/2024	5/1/2054	S
R	11B	Steamboat Springs, City of	4,155,000.00	12,350,000.00		4.012%	6/21/2011	7/15/2031	S
D	11A	Sterling, City of	9,640,553.90	28,558,845.11		2.500%	3/30/2011	8/1/2032	S
W	20B	Sterling, City of	27,999,069.00	33,466,640.00		1.544%	11/18/2020	8/1/2050	S
R	23A	Sterling, City of	25,485,000.00	26,000,000.00		5.065%	11/7/2023	8/1/2055	S
Wb	DL	Sterling, City of (DL#1)	2,797,410.14	3,000,000.00		1.500%	11/7/2023	11/1/2053	S
Wb	DL	Sterling, City of (DL#2)	1,422,004.12	3,000,000.00		3.250%	11/7/2023	11/1/2053	S
D	DC	Stratmoor Hills WD (DL#2)	2,467,293.00	3,000,000.00		0.500%	12/3/2019	5/1/2050	S
D	DC	Stratton, Town of (DL#1)	228,432.10	483,000.00		0.000%	12/20/2007	5/1/2038	S
D	DC	Stratton, Town of (DL#3)	551,399.92	919,000.00		0.000%	8/30/2013	5/1/2044	S
W	DC	Sugar City Town of (DL#1)	22,950.00	306,000.00		0.000%	7/6/2006	11/1/2027	S
W	DC	Sugar City Town of (DL#2)	6,366.03	53,038.54	*	0.000%	2/19/2009	11/1/2028	S
D	DL	Sundance Hills/Farraday (Subdis#1 of LPAWD) (DL#1)	433,309.14	698,032.89	*	2.000%	12/18/2018	5/1/2039	S
W	20A	Superior MD No. 1	5,617,891.00	6,819,320.00		1.601%	5/28/2020	8/1/2049	S
D	DC	Swink, Town of (DL#2)	139,457.66	547,137.69	*	1.000%	11/10/2010	11/1/2041	S
Db	DC	Swink, Town of (DL#3)	116,910.41	336,929.00		2.500%	9/22/2025	5/1/2045	S
W	DL	Tabernash Meadows W&SD (DL#1)	100,375.00	365,000.00		0.000%	4/15/2011	11/1/2031	S
D	DL	Teller County W&SD No. 1 (DL#1)	542,462.36	1,718,000.00		2.000%	11/10/2010	11/1/2031	S
D	DL	Teller County W&SD No. 1 (DL#2)	697,632.83	758,942.00		3.000%	12/7/2023	11/1/2043	S
D	DL	Teller County W&SD No.1 (DL#3)	883,752.99	913,166.00		3.000%	6/20/2025	5/1/2045	S
R	20A	Telluride, Town of	5,660,000.00	7,400,000.00		3.130%	6/23/2020	5/1/2040	S
W	DL	Three Lakes W&SD (DL#1)	1,016,220.25	2,000,000.00		2.000%	4/24/2014	5/1/2035	S
W	DL	Three Lakes W&SD (DL#2)	2,549,135.97	3,000,000.00		2.500%	3/19/2019	11/1/2049	S
W	DL	Three Lakes W&SD (DL#3)	1,774,639.00	1,774,639.00		3.250%	5/5/2026	5/1/2046	S
D	DL	Timbers W&SD (DL#1)	122,500.00	350,000.00		0.000%	3/7/2013	5/1/2033	S
W	DC	Timbers W&SD (DL#2)	426,863.86	561,225.00		0.000%	7/10/2018	11/1/2048	S
W	DC	Timbers W&SD (DL#4)	1,475,007.89	1,810,905.10	*	0.500%	6/24/2019	5/1/2050	S
D	DP	Trail West Association, Inc. (DL#1)	3,103,172.89	3,500,000.00		0.500%	5/13/2022	5/1/2052	S
D	DL	Tree Haus MD (DL#1)	266,999.13	942,184.61	*	2.000%	11/3/2010	5/1/2031	S
H	SD	Tri-County Water Conservancy District	844,536.81	2,000,000.00		2.000%	3/27/2013	11/1/2033	S
Db	DC	Trinidad, City of (DL#1)	1,168,877.51	3,450,000.00		2.500%	2/25/2025	11/1/2044	S
W	DL	Upper Blue SD (fka: Breckenridge SD) (DL#1)	416,954.25	2,000,000.00		2.000%	3/26/2010	2/1/2030	S
W	24A	Upper Thompson SD	16,675,042.00	17,457,968.00		3.256%	5/23/2024	8/1/2054	S

COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY									
All Programs Loan Status Report									
As of June 30, 2026									
W	DL	Valley SD (DL#1)	2,266,638.91	2,700,000.00		2.000%	5/7/2019	11/1/2049	S
D	DC	Walden, Town of (DL#1)	232,535.83	898,730.82	*	1.750%	9/6/2006	11/1/2031	S
Db	DC	Walden, Town of (DL#3)	354,499.02	1,250,000.00		2.000%	4/5/2024	5/1/2044	S
D	19A	Wellington, Town of	17,097,630.50	24,020,780.00		1.691%	5/22/2019	8/1/2039	S
W	DL	Wellington, Town of (DL#2)	2,745,633.77	3,000,000.00		1.500%	5/13/2022	11/1/2052	S
W	22A	Wellington, Town of	39,587,774.50	42,653,756.00		3.090%	5/5/2022	8/1/2052	S
W	DL	West Jefferson County MD (DL#1)	2,563,818.15	3,000,000.00		0.500%	1/29/2021	5/1/2051	S
W	20A	Westminster, City of	17,088,012.00	23,331,532.00		1.281%	5/28/2020	6/1/2040	S
D	DC	Williamsburg, Town of (DL#1)	538,191.82	826,000.00		1.000%	5/9/2014	11/1/2044	S
D	DL	Willow Brook MD (DL#1)	1,109,477.85	1,529,666.37	*	2.500%	4/24/2019	11/1/2039	S
W	11A	Windsor, Town of	0.00	3,110,543.20		1.940%	11/3/2011	6/15/2026	S
W	DL	Woodland Park, City of (DL#2)	893,386.53	1,813,426.79	*	0.000%	2/24/2015	5/1/2036	S
W	16A	Woodland Park, City of	3,844,814.50	6,343,216.00		1.667%	6/2/2016	8/1/2038	S
D	DC	Wray, City of (DL#2)	2,574,196.68	3,000,000.00		1.500%	2/13/2020	11/1/2050	S
W	DC	Wray, City of (DL#2)	957,119.10	2,500,000.00		1.000%	9/20/2016	5/1/2037	S
D	DC	Yampa, Town of (DL#1)	352,905.22	1,370,241.00		1.000%	5/6/2014	5/1/2045	S
Wb	DC	Yampa, Town of (DL#2)	477,600.21	1,069,000.00		2.250%	2/22/2024	11/1/2053	S
D	DC	Yampa Valley Housing Authority (DL#1)	126,341.00	686,963.31	*	0.000%	6/1/2015	5/1/2045	S
W	DC	Yampa Valley Housing Authority (DL#1)	267,917.09	595,831.38	*	0.000%	6/1/2015	5/1/2035	S
TOTAL LOANS OUTSTANDING- ALL PROGRAMS			1,122,149,844.30	1,945,422,803.72					
TOTAL LOANS (Paid in Full, Defeased, or 100% Forgiven) through 12/31/25				1,623,003,102.49					
TOTAL LOANS EXECUTED SINCE INCEPTION				\$ 3,568,425,906.21					

TOTALS BY PROGRAM			
Program	Outstanding Balance	Original / Amended Balance	Number of Loans
DWRF-ARRA	\$ 2,972,975.36	\$ 19,947,681.00	12
DWRF-ARRA (100% Pncpl Frgvn)		12,343,199.00	12
DWRF - I/JA/BIL	129,206,043.79	256,599,388.15	33
DWRF - I/JA/BIL - Paid in Full or Defeased		39,205,000.00	3
DWRF-Base Program	372,659,287.66	618,183,954.68	192
DWRF-Base Program (Paid in Full or Defeased)		277,839,290.20	187
Total for DWRF Program	504,838,306.81	1,224,118,513.03	439
SWRP	-	-	0
SWRP (Paid in Full or Defeased)		149,590,000.00	48
Total for SWRP Program	-	149,590,000.00	48
WPCRF-ARRA	3,059,901.61	19,729,224.00	5
WPCRF-ARRA (100% Pncpl Frgvn)		10,364,568.00	7
WPCRF - I/JA/BIL	55,129,305.07	80,587,201.93	24
WPCRF - I/JA/BIL - Paid in Full or Defeased		-	0
WPCRF-Base Program	505,154,961.50	850,250,645.55	173
WPCRF-Base Program (Paid in Full or Defeased)		677,073,326.68 (a)	214
Total for WPCRF Program	563,344,168.18	1,638,004,966.16	423
WRBP	46,660,000.00	62,650,000.00	4
WRBP (Paid in Full or Defeased)		479,120,000.00	21
Total for WRBP Program	46,660,000.00	541,770,000.00	25
Authority	1,783,655.45	4,237,264.13	3
Authority (Paid in full or Defeased)		101,600.00	1
Total for Interim/Authority Loans	1,783,655.45	4,338,864.13	4
SHLP	5,523,713.86	9,456,500.52	6
SHLP (Paid in full or Defeased)		1,147,062.37	1
Total For SHLP Program	5,523,713.86	10,603,562.89	7
TOTAL FOR ALL PROGRAMS	\$ 1,122,149,844.30	\$ 3,568,425,906.21	946

* Original loan amount differs from amount stated on the loan agreement due to subsequent amendments. Amendment details are located in various Authority files.

** Interim loan principal is recorded as draws are made, not total loan amount authorized

a) This amount has been adjusted to remove the Mt. Werner loan (W99A091), which was defeased per borrower request. It has also been adjusted to remove the WPCRF Granby loan (W11F275), which was cancelled per borrower request and WPCRF Pagosa Springs GID #3 loan (W08F210), which was cancelled per borrower request.

Report Legend	
A= Authority loans	DWRF = Drinking Water Revolving Fund
Da = DWRF ARRA loans	SHLP = Small Hydro Loan Program
Db = DWRF Bipartisan Infrastructure Law (BIL) loans	SWRP = Small Water Resources Program
D = DWRF Non-ARRA loans	WPCRF = Water Pollution Control Revolving Fund
H = SHLP loans	WRBP = Water Revenue Bond Program
I = Interim loans	

COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY	
All Programs Loan Status Report	
As of June 30, 2026	
R = WRBP loans	
S = SWRP loans	
W = WPCRF Non-ARRA loans	
Wa = WPCRF ARRA loans	
Wb = WPCRF Bipartisan Infrastructure Law (BIL) loans	



COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY
EXECUTIVE DIRECTOR'S REPORT
August 19, 2026 Board Meeting

MAJOR ACTIVITIES SINCE THE LAST BOARD MEETING

State Affairs

A summary list of bills and resolutions that may impact the Authority or local governments was presented at the Governmental Affairs Committee on August 10, 2026.

CDPHE WQCD secured the 2026 IJIA Supplemental state match for the final year of IJIA funding, although the check is still in process. This allows the Authority to apply for the two (CWSRF and DWSRF) 2026 IJIA supplemental capitalization grants and would allow us to meet the final-year state match requirement for the IJIA funding in FFY 2026.

Federal Affairs

[The Council of Infrastructure Financing Authorities \(CIFA\)](#) launched a targeted effort called the [“Save the SRF” campaign](#) to educate lawmakers on the importance of the Clean Water and Drinking Water State Revolving Funds and the 2027 SRF fiscal cliff. This effort will involve state participation and meetings with congressional representatives.

Lawmakers are expected to rely on a continuing resolution (CR) to fund the government past the October 1st start of federal fiscal year 2027. On August 3rd, the Senate voted 89-4 to use a procedural maneuver to advance a continuing resolution to fund the federal government through December 11, 2026. This commonly used maneuver may prove advantageous to the SRF as it allows more time for SRF advocacy ahead of appropriations. The Senate and House will start the reconciliation process as the Senate’s CR differs from the House’s CR adopted on July 21.

The Senate Environment and Public Works Committee advanced a Water Resources Development Act (WRDA) package aiming to reauthorize the Clean Water SRF at \$3.5 billion annually for 2027 – 2030 and expand state flexibilities for clean water emerging contaminant funding. The act also authorizes the Drinking Water SRF at \$3.75 billion in FY 2027, rising to \$4.5 billion by FY 2030, while adding certain PFAS eligibilities and wildfire suppression benefits.

Early August cybersecurity attacks on water utilities were in the news and are concerning. The federal and state governments provided information on the attacks and some practices that utilities can implement to possibly avoid a cyber-attack. The SRFs can and do fund computer/software control systems for utilities and may see requests for funding to upgrade various computers and software as a result of the attacks.

Clean Water Allotment Modernization Act

Would amend the Federal Water Pollution Control Act to replace the static 1987 formula based on three weighted factors: 60% clean water needs survey, 20% population, and 20% economic burden. If passed, Colorado’s percentage of clean water funds would increase by 204%. The act was introduced in the Senate Environment and

Public Works Committee on July 16 and seems to have stalled. The Senators are proposing to have it attached to WRDA rather than a standalone bill.

Arkansas Valley Conduit (AVC)

Southeastern Colorado Water Conservancy District's bond counsel indicated recently that the District will not be able to borrow SRF funds due to TABOR compliance concerns. The District has approached Otero County to see if they would be willing to borrow SRF funds on behalf of the District. This turn of events comes as a surprise and will require all parties to pivot and potentially seek a new loan approval for Otero (and rescind approval of the District's loan approval) through the Authority board in October 2026.

CEOS Replacement Project

CEOS replacement project development work began in July and continues to progress. TechPG is working through requirements, demos, configuration, and implementation items primarily with WQCD. TechPG plans to submit their first invoice for this project in the near future. The staff of WQCD and the Authority report that the project is going well and is adhering to the schedule so far, including end-of-year completion.

Request for Qualifications and Proposals (RFQ/RFP) - Audit Services

Authority staff issued an RFP, received and evaluated proposals, communicated and received direction from the Budget & Audit Committee, conducted interviews, and provided a recommendation for selection of an independent auditor for a five-year term.

Meeting with the Colorado Department of Revenue

On June 12th, Jim Griffiths and I met with the Director of the Colorado Department of Revenue, Heidi Humphreys, to discuss the availability of certain revenue data. The Department indicated that it is limited in what it can provide and does not fulfill custom data requests.

Meeting with EPA headquarters

Jim Griffiths, Wes Williams, and I met with EPA headquarters on August 17 to discuss Colorado's CWSRF uncommitted fund balances.

Conference Presentations

I attended and presented with Denver Water and the City of Englewood at the Water Finance Conference on August 5 at the University of Denver. Our session included a discussion of the SRFs and future federal funding. Additional topics included rate setting, data centers, and AI use in the water sector.

Future Meetings

August 19, 2026 – Board Meeting (2 pm, Steamboat Springs, in conjunction with the Colorado Water Congress Summer Conference)

October 1, 2026- Project tour (tentative; location & time TBD)

October 2, 2026- Board meeting (9 am, location TBD)

December 3, 2026- Board Program Work Session (3 pm, Denver)

December 4, 2026- Board Meeting (9 am, Denver)

All 2026 meeting dates are subject to change by the Board Chair.



COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

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Transmitted Via Email

June 16, 2026

Mr. Patrick Cummins
Director of Environmental Health & Protection
Colorado Department of Public Health & Environment
Patrick.cummins@state.co.us

Re: Drinking Water Revolving Fund (DWRF) - Financial Sustainability
May 28, 2026 Meeting Summary

Director Cummins:

Thanks for meeting with our team on May 28, 2026.

The DWRF provides Colorado communities with reliable long-term, low-interest financing for water infrastructure projects. Colorado endeavors to operate a self-funding, sustainable DWRF program, and we appreciate CDPHE leadership's commitment to ensuring that SRF funds Colorado's water, wastewater, and stormwater projects in perpetuity.

As we discussed, the U.S. EPA allows up to 31% to be taken out, or "set aside", from the capitalization grant for Safe Drinking Water program management and related activities. In addition, the U.S. EPA mandates that between 20% and 40% of the capitalization grant be taken as "additional subsidization" for disadvantaged communities (principal forgiveness). Historically, Colorado has taken 31% as set-asides and 20% additional subsidization, removing 51% of the capitalization grant's loanable funds. Taking more than 50% of the DWRF capitalization grant prevents Colorado from operating a fiscally sustainable program.

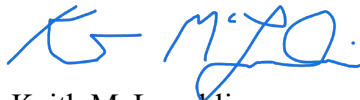
Additionally, the Colorado SRFs face a fiscal cliff at the end of 2026, as the Infrastructure Investment and Jobs Act (IIJA) concludes and Congressionally Directed Spending (earmarks) continues, which annually cannibalizes more than 50 percent of the SRF base funding. This significant reduction in loanable funds lowers future administrative fees, further challenging the sustainability of the SRF programs.

We appreciate the Division's willingness to help solve the sustainability challenges. In particular, we appreciate the Division's willingness to:

1. Reduce IJJA and Base DWRF set asides for the 2026 cap grant year, as a result of the Division's increased request from the 2025 IJJA cap grant.
2. Explore funding the WQCD Safe Drinking Water program with sources other than set-asides including:
 - annual fees from public water systems
 - fees for specific services from public water systems to WQCD (such as engineering design review).
 - funds from the general assembly.
3. Utilize the administrative fee projections provided by the Authority, prepare an expense analysis that demonstrates the appropriate level of expense that maintains solvency in both the CW and DW funds over the next 5-years.
4. Collaborate with the Authority to find sources for SRF base fund state match.
5. Reduce base SRF set-asides, as part of the No. 2 strategy above, to ensure program expenses match program revenues. The goal is to work towards a 20/80 split to ensure perpetuity of the SRFs.
6. Reduce WQCD IJJA staffing in line with reduced IJJA workloads and funding per the MOAs.

We look forward to working with the WQCD in the coming months and years to solve this critical issue.

Sincerely,



Keith McLaughlin
Executive Director

Cc: Mike Beck – WQCD
Nicole Rowan – WQCD
Steve Vandiver- CWRPDA



Finance Director's Report

August 2026 Board Meeting

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Current Interest Rates

Non-DAC Direct Loans

3.50%-30 yrs

3.25%-20 yrs

DAC 1 Direct Loans

2.75%-30 yrs

2.50%-20 yrs

DAC 2 Direct Loans

1.75%-30 yrs

1.50%-20 yrs

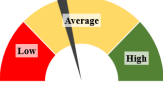
Leveraged Loans

Up to 85% of
Authority's
AAA rate

Current Capacity

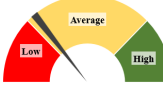
DWRF
Base

\$44m



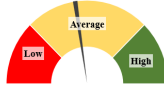
DWRF
Supp

\$19m



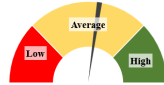
DWRF
LSL

\$49m



DWRF
EC

\$26m



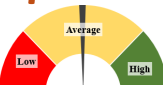
WPCRF
Base

\$97m



WPCRF
Supp

\$40m

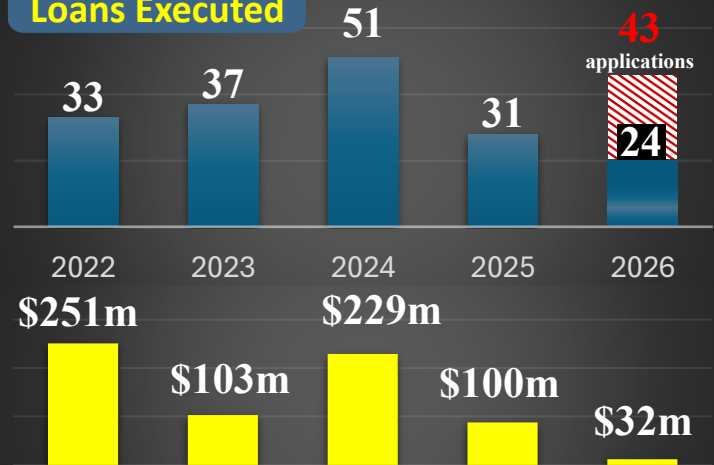


WPCRF
EC

\$3m



Last 5 Years Loans Executed



2026 Metrics

Pre-
Quals

32

D&Es
Closed

12

SRF
Loans

24

DAC
Loans

19

\$ Paid
Out

\$81m

Amnt.
Executed

\$32m

CO
Counties
Helped

13

CO Pop
Helped

150k

Loan Application Schedule

Jan. 5th*

Open to all
Projects

March Meeting

Feb. 5th

Open to all
Projects

April Meeting

Apr. 5th

Open to all
Projects

June Meeting

June 5th*

Open to all
Projects

Aug. Meeting

Aug. 5th

Priority
Projects Only

Oct. Meeting

Oct. 5th

Priority
Projects Only

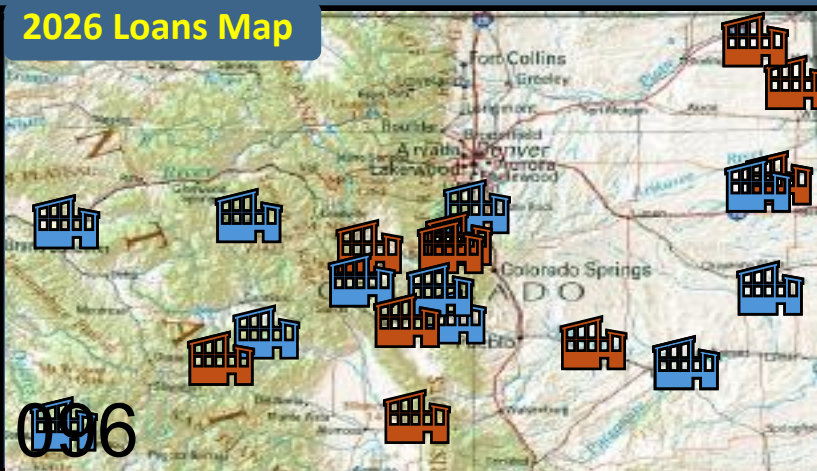
Dec. Meeting

Nov. 5th

Priority
Projects Only

Jan. Meeting

2026 Loans Map



Upcoming Items

- Emma officially started and we are so glad to have her and she has hit the ground running already
- We also received 6 loan applications for the August 5th application **3 DWRF** and **3 WPCRF**
- We have started to look at next year i.e., post IJA/BIL and have brought several policies for the Board's review and approval.

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COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

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MEMORANDUM

August 19, 2026

TO: Board of Directors and Karl Ohlsen
FROM: Wes Williams, Finance Director
Giorgi Gazashvili, Financial Analyst II
RE: State Revolving Fund (SRF) Prioritization Model - Open Loan Application Cycles

In June 2024, the Board approved the new SRF Prioritization Model and incorporated it into the 2025 IUP, which was implemented on January 1, 2025. On December 5, 2025, the Board approved an adjustment to the OPEN and LIMITED loan cycles, opening the April 5 and June 5 cycles to all projects. Overall, the Prioritization Model has continued to function as staff anticipated; however, staff has observed lower than expected demand in the WPCRF program. Under the current structure, WPCRF projects scoring below the Priority Point Threshold are unable to apply during the remaining 2026 cycles (October 5 and November 5) and would have to wait until January 2027 to submit a loan application.

Staff recommends the Board approve a one-year adjustment to the Prioritization Model that would open the October 5 and November 5 loan application deadlines to all WPCRF projects in 2026. This adjustment would allow more WPCRF projects to apply during the rest of the year, make use of available program capacity during a period of reduced demand, and provide timely assistance to communities seeking financing. Additionally, this change, combined with removing the WPCRF loan limit, would allow borrowers with larger projects to apply for funding in 2026. It does not modify the prioritization structure previously approved by the Board but instead provides one-time operational flexibility to better align with program usage.

Current Prioritization Model	Staff's Suggested Prioritization Model changes
1. A Priority Point Threshold score will be set. Projects at or above the threshold can apply during all 7 cycles (DAC projects automatically score at or above the priority point threshold). 2. Projects below the threshold can only apply at the OPEN loan cycles. 3. There will be 4 OPEN and 3 LIMITED (limited to projects meeting the threshold or an exception) loan application cycles throughout the year, and the cycles can be adjusted by the Board throughout the year. • OPEN cycles = Jan. 5, Feb. 5, April 5, June 5. (Leverage loan application deadlines remain Jan. 5th and June 5th) 4. Priority Point scoring will be finalized at the time of PNA approval and will be valid for 12 months. 5. If required, in any OPEN or LIMITED cycle, projects will be prioritized against other loan applications in that same cycle based on their prioritization score. 6. Exception: any project that requests only Emerging Contaminants, only Lead Service Line, or only Green Project Reserve funds may apply at any time.	One year exemption for the WPCRF program allowing all projects, regardless of Priority Point score, to apply at the October 5 and November 5 loan application deadlines in 2026.

Recommendation: Staff recommends the Board approve a one-year exemption for the WPCRF program to allow all projects to apply at the October 5 and November 5, 2026, loan application deadlines.



COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

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MEMORANDUM

August 12, 2026

TO: Project Finance Committee and Karl Ohlsen

FROM: Wesley Williams, Finance Director
Ian Loffert, Assistant Finance Director
Kevin Carpenter, Senior Financial Analyst
Giorgi Gazashvili, Financial Analyst II
Daniel Lockard, Financial Analyst I

RE: Review of Montezuma County Local Improvement District No. 2023-1 Upper Road 42, City of Aurora, Camelot Property Owner's Association, Colorado City Metropolitan District, Penrose Water District, Bailey Water Sanitation District, Town of Kremmling, Town of Cheyenne Wells, Town of Dolores, Town of La Veta
Drinking Water Revolving Fund ("DWRF")

The Division of Local Government has forwarded to the DWRF Committee its analyses of the above-listed projects. 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 projects and agreed to forward the requests to the Colorado Water Resources and Power Development Authority's ("Authority") Project Finance Committee with the following recommendations:

Montezuma County Local Improvement District No. 2023-1 Upper Road 42

The Montezuma County Local Improvement District No. 2023-1 Upper Road 42 (the "District"), located in Montezuma County, is seeking a Base direct loan through the DWRF loan program in the amount of \$2,385,000. This project consists of construction of a new domestic water distribution system with booster pumps and a water storage tank. The District's project was authorized by SJR 24-004.

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 Base direct loan with the District in the amount of \$2,385,000. The loan will be for a term of 30 years, at an interest rate of 3.50%, subject to increasing property assessments sufficiently to meet the Authority's rate covenant prior to loan execution. The Board will consider this request on August 19, 2026.

City of Aurora

The City of Aurora (the "City"), located throughout Adams, Arapahoe, and Douglas counties, is seeking an Infrastructure Investment and Jobs Act/Bipartisan Infrastructure Law ("IIJA/BIL") Lead Service Line ("LSL") direct loan through the DWRF loan program in the total amount of \$26,305,181, (comprised of \$10,000,000 in IIJA/BIL LSL Principal Forgiveness ("PF"), \$7,550,943 in IIJA/BIL LSL Loan, and \$8,754,238 Base direct loan). The project consists of the replacement of known LSL's or galvanized lines requiring replacement ("GRR") throughout the City's distribution system. The City's project was authorized by HJR 11-1008.

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 DWRF IIJA/BIL LSL direct loan with the City in the total amount of \$26,305,181, (comprised of \$10,000,000 in IIJA/BIL LSL PF, \$7,550,943 in IIJA/BIL LSL Loan, and \$8,754,238 in Base direct loan). The loans will be for a term of 20 years, at an interest rate of 3.25%, subject to approval of a one-time waiver from the direct loan limit (currently \$3 million) and the loan covenants (both the standard and additional proposed covenants) and conditions listed at the end of the attached City's 2026 DWRF credit report and to be incorporated into the loan approving resolution or motion (including any modifications and additions made to these

covenants/conditions by the Board of Directors during the approval process). The Board will consider this request on August 19, 2026.

Camelot Property Owner's Association

The Camelot Property Owner's Association (the "Association"), located in El Paso County, is seeking a Base direct loan through the DWRF loan program in the amount of \$1,000,000. This project consists of a full replacement of the storage tank with two new water storage tanks and booster pump upgrades. The Association's project was authorized by HJR 23-1007.

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 Base direct loan with the Association in the amount of \$1,000,000. The loan will be for a term of 30 years, at an interest rate of 5.00% (comprised of a 4% interest rate and a 1% up-front admin fee for Private Non-Profit loans), subject to the loan covenants (both the standard and additional proposed covenants) and conditions listed at the end of the attached Association's 2026 DWRF credit report and to be incorporated into the loan approving resolution or motion (including any modifications and additions made to these covenants/conditions by the Board of Directors during the approval process). The Board will consider this request on August 19, 2026.

Colorado City Metropolitan District

The Colorado City Metropolitan District (the "District"), located in Pueblo County, is seeking an IJJA/BIL General Supplemental DAC direct loan through the DWRF program in the total amount of \$5,000,000, (comprised of \$2,500,000 in IJJA/BIL General Supplemental PF, \$2,094,913 in IJJA/BIL General Supplemental direct loan, and \$2,905,087 in DWRF Base direct loan). The proposed project will consist of upgrades to the District's existing membrane filtration water treatment plant, including the design and construction of a drinking water pretreatment Dissolved Air Flotation ("DAF") system, DAF treatment building and all associated appurtenances. The Water Authority's project was authorized by SJR 16-003.

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 DWRF IJJA/BIL General Supplemental DAC direct loan with the District in the total amount of \$5,000,000, (comprised of \$2,500,000 in IJJA/BIL General Supplemental PF, \$2,094,913 in IJJA/BIL General Supplemental direct loan, and \$2,905,087 in Base direct loan). The loan will be for a term of 30 years, at an interest rate of 1.75%, subject to increasing user rates sufficiently to meet the Authority's rate covenant prior to execution and approval of a one-time waiver from the direct loan limit (currently \$3 million). The Board will consider this request on August 19, 2026.

Penrose Water District

The Penrose Water District (the "District"), located in Fremont County, is seeking funds through the DWRF loan program in the total amount of \$14,860,000, (comprised of a \$13,022,035 leveraged loan plus cost of issuance, \$837,965 in IJJA/BIL General Supplemental direct loan, and \$1,000,000 in IJJA/BIL General Supplemental PF). The project consists of the construction of a new water treatment plant and associated appurtenances, as well as decommissioning of the old treatment plant. The City's project was authorized by HJR 11-1008.

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 DWRF loans with the District in the total amount of \$14,860,000, (comprised of a \$13,022,035 leveraged loan plus cost of issuance, \$837,965 in IJJA/BIL General Supplemental direct loan, and \$1,000,000 in IJJA/BIL General Supplemental PF). The leveraged loan will be for a term of 30 years, at an interest rate of 85% of the market rate on the Authority's 2026 Series A State Revolving Fund Revenue Bonds. The IJJA/BIL direct loan will be for a term of 30 years, at an interest rate of 3.50%, with all loans subject to increasing user rates sufficiently to meet the Authority's rate covenant prior to loan execution. The Board will consider this request on August 19, 2026.

Bailey Water and Sanitation District

The Bailey Water and Sanitation District (the "District"), located in Park County, is seeking an IJJA/BIL General Supplemental DAC direct loan through the DWRF loan program in the total amount of \$2,265,498, (comprised of \$1,232,612 in IJJA/BIL General Supplemental PF and \$1,032,886 in IJJA/BIL

General Supplemental direct loan). The proposed project will include the expansion of the facility's hydraulic capacity, additional treatment and pre-treatment processes for heavy metals, as well as the construction of a second infiltration gallery, which will increase the raw water supply, and a new water treatment plant ("WTP") building with adequate space. The District's project was authorized by HJR 19-1005.

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 DWRf IJJA/BIL General Supplemental DAC direct loan with the District in the total amount of \$2,265,498, comprised of \$1,232,612 in IJJA/BIL PF and \$1,032,886 in IJJA/BIL Loan. The loan will be for a term of 30 years, at an interest rate of 1.75%. The Board will consider this request on August 19, 2026.

Town of Kremmling

The Town of Kremmling (the "Town"), located in Grand County, is seeking a supplemental Base DAC direct loan through the DWRf loan program in the amount of \$1,500,000. The Town previously received DWRf funding for this project as a \$4,676,154 direct loan with a 30-year term at an interest rate of 1.75% that included \$3,000,000 in IJJA/BIL principal forgiveness, and a \$11,246,806 leveraged loan with a 30-year term at an interest rate of 3.35%. Both loans were executed on November 22, 2024. The original loans were executed before the Town had the 90% guaranteed maximum price from its contractor and additional funds are needed to complete the project. This project consists of replacement of the existing water treatment facility with the ultrafiltration (UF) treatment skids to aid in raw water quality and finished water quality goals. The project remains the same and consists of three UF treatment skids, eight UF membrane modules, a clearwell, booster pump, and potable water storage tank. The Town's project was authorized by HJR 19-1005.

Recommendation

Based on the attached credit report update, staff recommends that the Project Finance Committee forward to the Board a recommendation authorizing staff to begin negotiating a supplemental Base DAC direct loan with the Town in the amount of \$1,500,000. The loan will be for a term of 30 years, at an interest rate of 1.75%, subject to increasing user rates sufficiently to meet the Authority's rate covenant prior to loan execution. The Board will consider this request on August 19, 2026.

Town of Cheyenne Wells

The Town of Cheyenne Wells (the "Town"), located in Cheyenne County, is seeking an IJJA/BIL General Supplemental DAC direct loan through the DWRf loan program in the total amount of \$5,792,460, (comprised of \$2,500,000 in IJJA/BIL General Supplemental PF, \$2,094,913 in IJJA/BIL General Supplemental direct loan, and \$1,197,547 in DWRf Base direct loan). The proposed project will consist of construction of two ion exchange treatment systems and associated appurtenances to address Nitrate contamination. This will include a Southern Ion Exchange Nitrate Removal Water Treatment Plant to service Feyh Well, a Western Ion Exchange Nitrate Removal Water Treatment Plant to service the North and Snyder Wells, and waste brine storage tanks at each plant for offsite brine disposal. The Town's project was authorized by SJR 10-004.

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 DWRf IJJA/BIL General Supplemental DAC direct loan with the Town in the total amount of \$5,792,460 (comprised of \$2,500,000 in IJJA/BIL General Supplemental PF, \$2,094,913 in IJJA/BIL General Supplemental direct loan, and \$1,197,547 in DWRf Base direct loan). The loan will be for a term of 20 years, at an interest rate of 1.50%, subject to approval of a one-time waiver from the direct loan limit (currently \$3 million). The Board will consider this request on August 19, 2026.

Town of Dolores

The Town of Dolores (the "Town"), located in Montezuma County, is seeking an IJJA/BIL General Supplemental DAC direct loan through the DWRf program in the total amount of \$3,233,000, (comprised of \$1,759,011 in IJJA/BIL General Supplemental PF and \$1,473,989 in IJJA/BIL General Supplemental direct loan). The proposed project will include replacing water mains located within public rights-of-way, streets, and alleyways, along with the replacement of all fire hydrants, water service lines to the meter, valves, and re-connections in the project area. The Town'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 DWRF IJA/BIL General Supplemental DAC direct loan with the Town in the total amount of \$3,233,000, (comprised of *\$1,759,011 in IJA/BIL General Supplemental PF and *\$1,473,989 in IJA/BIL General Supplemental direct loan). The loan will be for a term of 30 years, at an interest rate of 1.75%. The Board will consider this request on August 19, 2026.

Town of La Veta

The Town of La Veta (the "Town"), located in Huerfano County, is seeking a supplemental Base DAC direct loan through the DWRF loan program in the amount of \$2,413,000. The Town previously received DWRF funding for this project in the amount of \$1,425,903 comprised of an IJA/BIL direct loan with a 30-year term, at an interest rate of 1.75%, and IJA/BIL principal forgiveness in the amount of \$2,552,097. After requesting construction bids for the new water treatment plant, the Town received bids that were all significantly over the estimated project cost at the time of the initial DWRF loan application. Therefore, the Town is requesting a supplemental loan. The project remains the same and consists of a new water treatment plant using conventional treatment technology with full automation. The project will include a below grade disinfection contact, a clearwell tank, and a building extension to house the new treatment equipment. The Town's project was authorized by HJR 13-1007.

Recommendation

Based on the attached credit report update, staff recommends that the Project Finance Committee forward to the Board a recommendation authorizing staff to begin negotiating a supplemental base DAC direct loan with the Town in the amount of \$2,413,000. The loan will be for a term of 30 years, at an interest rate of 1.75%. The Board will consider this request on August 19, 2026.

* - Estimated PF and direct loan amounts through the BIL and/or Base programs. The exact amount may be different at the time of loan execution. While no significant differences are anticipated, any significant differences needed to comply with the proportional allocation requirements of the BIL will be discussed with the Finance Director and Executive Director to determine if additional Authority Board approval is needed.

Note: A Zoom conference call has been scheduled for **Wednesday, 9:00 a.m. August 12, 2026**. The link to join via online is: <https://us06web.zoom.us/j/86434046643?pwd=bP0FDXrGyJUHCspT1XMDVpl1ahOA7s.1> If you prefer to dial in, the call-in number is: **1-719-359-4580**, and the Meeting ID is **864 3404 6643**. The passcode is: **163551**.

Attachments: Montezuma County Local Improvement District No. 2023-1 Upper Road 42
 City of Aurora 2026 DWRF Credit Report
 Camelot Property Owner's Association DWRF Credit Report
 Colorado City Metropolitan District DWRF Credit Report
 Penrose Water District DWRF Credit Report
 Bailey Water and Sanitation District DWRF Credit Report
 Town of Kremmling 2026 DWRF Credit Report Update and 2024 DWRF Credit Report
 Town of Cheyenne Wells DWRF Credit Report
 Town of Dolores DWRF Credit Report
 Town of La Veta 2026 DWRF Credit Report Update and 2024 DWRF Credit Report

DWRF LOAN CREDIT REPORT (2026)

Montezuma County Local Improvement District No. 2023-1 Upper Road 42 (“The District”), Montezuma County

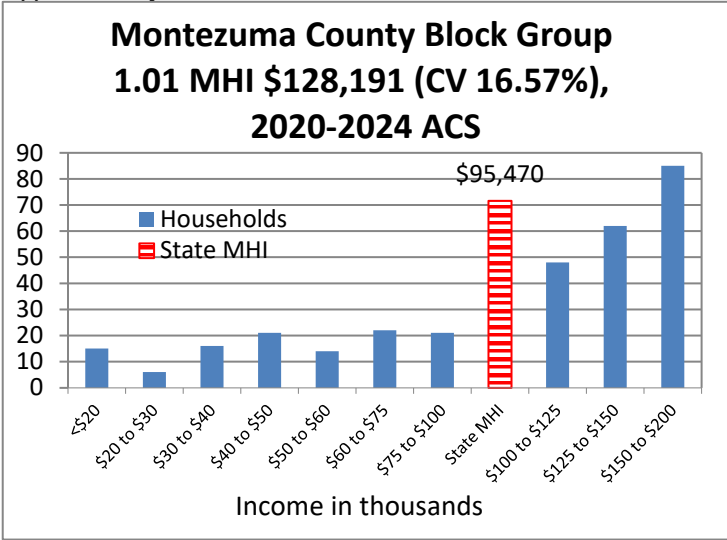
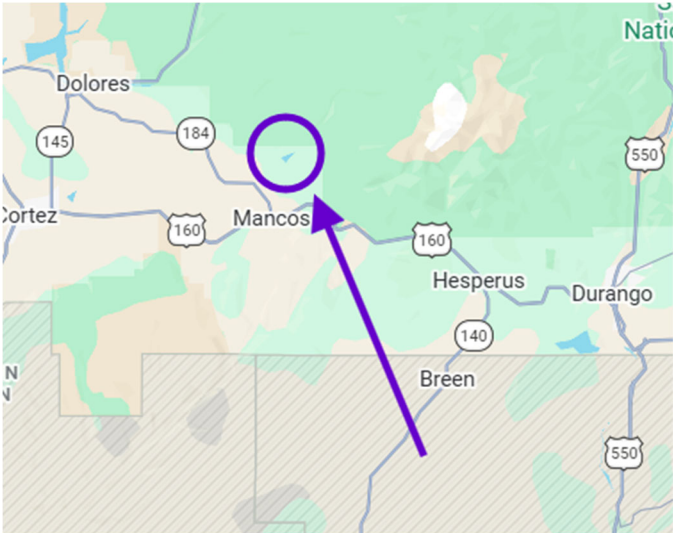
Recommendation:	CONDITIONAL APPROVAL	<u>Project Budget</u>	
Loan Request:	\$2,385,000	DWRF Loan:	\$2,385,000
Interest Rate & Term:	3.50%, 30 years	2024 D&E Grant:	\$80,000
Annual Debt Service:	\$129,045	2023 Planning Grant:	\$7,489
Pledge:	Property assessments	Southwest Basin Roundtable	\$22,260
Current Approved Rate:	\$3,447 annually per property	Total:	\$2,494,749
Estimated Rate Increase:	\$1,003 annually per property		

PROJECT DESCRIPTION: Construction of a new domestic water distribution system with booster pumps and a water storage tank. The project will become an extension of the Mancos Rural Water Company water distribution system, providing domestic drinking water to residents reliant on hauling water.

COMMUNITY PROFILE:

Local Improvement District No. 2023-1 Upper Road 42	2020	2021	2022	2023	2024	2025	2026	Avg. Annual Change
District Population			73	73	73	73	73	0.00%
Montezuma County Population	25,891	26,256	26,511	26,641	26,681			0.75%
Montezuma County Jobs	11,225	11,710	11,957	12,098	12,400			2.52%
Number of Water Taps			29	29	29	29	29	0.00%
Assessed Value (\$000)*							\$938	N/A
Actual Value (\$000)							\$148,789	N/A

BORROWER BRIEF: The District is located to immediately east of Mancos State Park in southwest Colorado, approximately five miles northeast of Mancos along Montezuma County Road 42 and approximately 33 miles northeast of Mesa Verde National Park.



RECOMMENDATION: The District serves a rural bedroom community in Montezuma County. This proposed loan is necessary to build a new drinking water system for residents of the District. The community is very small and the project cost is high for the size of the community. However, District voters approved taking on debt and increasing property assessments in order to pay for the proposed loan. We therefore recommend the DWRF Committee approve a \$2,385,000 direct loan to the Montezuma County Local Improvement District No. 2023-1 Upper Road 42 on the conditions that the District seek further voter approval for the full loan amount and/or property assessments are further increased for debt service and that the District amends their agreement with Mancos Rural Water Company (MRWC) to own the proposed project until the financing is paid off. A business case for disadvantaged community status was submitted during the same application cycle as this loan application. If the business case is approved, we recommend that the DWRF Committee approve a \$1,087,369 disadvantaged communities IJA/BIL direct loan and \$1,297,631 in IJA/BIL principal forgiveness to the District.

PROJECT SUMMARY:

System summary: The District was created by the Board of County Commissioners of Montezuma County, Colorado, following a successful November 7, 2023, election, where 100% of the votes received supported the formation of the LID. The purpose of the LID is to serve approximately 29 residential and commercial customers along County Road 42, in the town of Mancos, Colorado, with water from the Mancos Rural Water Company (MRWC) Treatment Plant, located at the base of the Jackson Reservoir Dam. The project will install a new 3-inch water main, connected to the end of an existing 4-inch line near County Road N. The 3-inch line would proceed east across Road N on the north side, and then north up County Road 42 on the west side to the last parcel on the east side of County Road 42, with associated service laterals and service connections. Pressure will be provided by a pair of new, redundant water pumps at the treatment plant, tapped into the existing 4-inch main at the plant. The end of the new 3-inch main will include a 20,000-gallon storage/head tank. Once completed, MRWC will assume ownership, operations, repairs and maintenance of the system. However, the District is open to amending the agreement with the MRWC so the District will own the system until the loan is paid off, at which time the system will be granted to MRWC.

Reason/need: The residents of the District are currently hauling water from the Town of Mancos water dock, which has been known to close at any time, without notice, putting residents at risk of running out of water. Alternate water docks are located in Durango, Dolores, and Cortez; however, with round trips ranging from 60–90 minutes, residents report additional wear and tear on vehicles, increased fuel consumption, and a financial burden. Additionally, there are elevated health risks in hauling water, as the potential for contamination increases when water is transferred from the water dock to hauling vessels and again from the vessel to customer cisterns.

System Compliance: There are no compliance issues as this is a new, yet-to-be-built, distribution system.

Project Delivery Method: Design/Bid/Build.

Contingency: 21.5% of the total project cost is included as contingency.

CURRENT INDICATORS:	2025	Weak	Average	Strong
Total Debt per Capita (\$):	0	>\$2,000	\$1,000 - 2,000	X <\$1,000
Total + New Debt/Capita (\$):	32,897	X >\$2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Tap (\$):	0	>\$5,000	\$2,500 - 5,000	X <\$2,500
Total Debt + New Debt/Tap (\$):	82,241	X >\$5,000	\$2,500 - 5,000	<\$2,500
Current Water Debt/Tap (\$):	0	>\$2,000	\$1,000 - 2,000	X <\$1,000
Current Water + New Water Debt/Tap (\$):	82,241	X >2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Assessed Value:	0.00%	>50%	25-50%	X <25%
Total Debt + New Water Debt/Assessed Value:	254.26%	X >50%	25-50%	<25%
Total Debt/Actual Value:	0.00%	>10%	5-10%	X <5%
Total Debt + New Water Debt/Actual Value:	1.60%	>10%	5-10%	X <5%
Curr. Water Debt + New Debt/Tap/MHI:	64.16%	X >20%	10-20%	<10%
Water Fund Current Ratio (CA/CL):	N/A	<100%	100-200%	>200%
Water Fund Reserves/Current Expense:	N/A	<50%	50-100%	>100%
Water Operating Ratio (OR/OE):	N/A	<100%	100-120%	>120%
Coverage Ratio (TR-OE)/DS:	N/A	<110%	110-125%	>125%
Coverage Ratio (TR-OE)/DS Excluding Tap Fees:	N/A	<110%	110-125%	>125%
Coverage Ratio with New Loan:	N/A	<110%	110-125%	>125%
Coverage Ratio with New Loan Excluding Tap Fees:	N/A	<110%	110-125%	>125%
Current Annual Water Rates/MHI:	N/A	>3.0%	1.5-3.0%	<1.5%
Current Water Rates + New Water Debt Service/MHI:	N/A	>3.0%	1.5-3.0%	<1.5%
Operation and Maintenance Reserve:	N/A	<25%	25-50%	>50%
Total:	5	0	6	

***For illustration only: non-revenue pledge.**

FINANCIAL ANALYSIS: Of the twenty-one current indicators, 10 could not be calculated because the indicators are based on bank statements provided for the Upper Rd 42 Water Association Inc. (“the Association”), which facilitated the planning and design of the proposed project but the Association would not be the borrower. The proposed loan is for the District which has no financial statements to date because the property assessments, while approved, have not yet taken effect. Out of the remaining 11 indicators, six are rated strong, zero are average and five are considered weak. Overall, the indicators illustrate a small system which is preparing to take on debt which will burden the small number of households. The strong indicators show that there is no current debt but the weak indicators reflect that the project cost and the debt will be large compared to the size of the community.

- Because the proposed project is the construction of a new water system to serve the community, there are no financials to analyze or present for water operations.
- The District proposes to pay for the proposed loan with the voter-approved property assessments while the Mancos Rural Water Company (“MRWC”) will operate the newly constructed water system as well as collect rates established by the MRWC.
- On November 7, 2023 the District secured voter approval for a \$1,728,511 increase in debt with a maximum annual revenue of \$99,960. The ballot issue authorizing the debt and tax increases passed 30 to zero.
- The District will pay MRWC the one-time fees associated with connecting the District’s taps to the MRWC’s water system, more information is provided in the intergovernmental and contributed capital sections below.
- If split equally among all 29 proposed taps, the \$129,045 annual debt service will be approximately \$4,450 per tap. Voters have only approved a total annual tax of \$99,960 for debt service (approximately \$3,447 of taxes per tap annually has been approved). Across 29 proposed taps, the difference between the approved tax for debt service and the required annual debt service for this loan is \$29,085 total, or approximately \$1,003 per tap.
- If the disadvantaged communities business case is approved and principal forgiveness is awarded, the estimated \$46,744 annual debt service on the \$1,087,369 IJA/BIL repayable portion of the loan will be approximately \$1,612 per tap and no additional tax increase beyond the already approved tax increase would be necessary.

Additional Project Financing

The District received a \$7,489 planning grant from the DWRF in 2023 and an \$80,000 D&E grant in 2024.

The District submitted a Southwest Basin Roundtable grant application for \$22,260, which was awarded in 2020.

DESCRIPTION OF THE LOAN:

An estimated \$2,385,000 loan with a thirty-year term with two payments annually at an interest rate of 3.50% will cost the District approximately \$129,045 in debt service annually.

If the disadvantaged communities business case is approved and principal forgiveness is awarded, District would qualify for \$1,297,631 in IJA/BIL principal forgiveness and the repayable loan portion of \$1,087,369 with a thirty-year term with two payments annually at the disadvantaged communities interest rate of 1.75% would cost the District approximately \$46,744 in debt service annually.

ECONOMIC ANALYSIS: Based on the State Demographer’s Office estimate of 2.5 people per tap, the District has a 2024 population estimated at 73. Montezuma County has experienced an increase of 0.75% in population since 2020. The state population increased at an average annual rate estimated 0.73%.

The region’s economy is dominated by healthcare, retail, local government, agriculture, and hospitality. Regional services, retirees, agribusiness, and tourism make up the majority of the economy.

The area’s largest employers consist of the Mancos School District, with 88 employees; Aspen Wood products, with 65 employees; Mesa Verde National Park; with 51 employees, Alpacka Raft, with 45 employees; and the Town of Mancos, with 14 employees.

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 Local Improvement District which is a form of government that is an administrative subdivision of Montezuma County. It was formed by resolution of the Board of County Commissioners on September 26, 2023. The District was formed for the construction,

- installation, completion, and acquisition of water system improvements associated with this proposed project. The water utility will be overseen by the Mancos Rural Water Company (“MRWC”), which is staffed by approximately eight FTE.
- Montezuma County, which is the District’s parent government, is in compliance with Colorado statutory budgeting and auditing requirements for the past five years. The District has had no revenues or expenses to report so far but will work with the County to be included in County's financial reporting.
 - The system has not been built yet, so there is no current general liability insurance coverage associated with the system. The County is expected to maintain general liability insurance coverage once the system is built.
 - 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:

- F-5 Financial Audit
 - The District must coordinate with its parent government, the County to ensure that its financial statements are appropriately presented in the County’s audit.
- F-6 Insurance
 - The District must ensure general liability insurance is maintained for the system.

Capital Improvement Plan

The District did not submit a capital improvement schedule because the water system does not exist yet.

Agreements

An agreement dated December 11, 2025 between the District and MRWC has provisions for the construction, ownership, maintenance, and service for the proposed project. The District is solely responsible for the construction and cost of the proposed project. Upon project completion, the MRWC will assume ownership, operation, repair, and maintenance of the newly constructed water distribution system. For each District property that wants water service, the District will pay a one-time Membership Fee and Tap Fee for connection but the property owners are responsible for installing water service lines from the meter pit to the homes/buildings. Water rates for the District will be established by the MRWC. The District has indicated that they are willing to amend this agreement so that the District will own the proposed project until the loan is paid off.

REVENUE ANALYSIS:

District voters unanimously approved increasing debt by \$1,728,511 and special assessments up to \$99,960 to pay for the proposed loan. Based on the 29 households that will eventually tap into the drinking water system, these special assessments are anticipated to generate \$2,898,840 of total revenue for the repayment of this proposed loan.

While the borrower for the proposed loan would be the District, the Upper Rd 42 Water Association Inc. (“the Association”) was formed in 2020 to support the construction of the water distribution system. Because there are no finances to present for the District, a summary of the Association’s finances is provided below for illustration purposes only. The Association received a \$7,489 planning grant and an \$80,000 D&E grant which comprise the entirety of its revenues. Association expenses do not go towards operating a water utility or paying for water, expenses mostly go towards engineering planning and design, as well as legal fees. The source for the below summary is bank statements provided by the Association.

TRENDS	2021	2022	2023	2024	2025
Monthly Water Rate (\$)	0.00	0.00	0.00	0.00	0.00
Residential Water Tap Fee (\$)	0	0	0	0	0
Total Water Revenue (\$)	0	0	0	0	0
Tap/Development Fees (\$)	0	0	0	0	0
Water Operating Revenue (\$)	0	0	0	0	0
Water Operating Expenses (\$)	0	0	0	0	0
Water Net Operating Income (\$)	0	0	0	0	0
Water Debt (\$)	0	0	0	0	0
Total Debt (\$)	0	0	0	0	0
Water Debt Service (\$)	0	0	0	0	0

Water Debt Service/Tap/Month (\$)	0.00	0.00	0.00	0.00	0.00
Water Fund Reserves (\$)	7,261	5,691	18,504	12,845	4,530
Water Fund Current Assets (\$)	7,261	5,691	18,504	12,845	4,530

Recent Rate Increases

District residents will pay the below described rates for the MRWC after the project is completed.

User Charges

If District residents are subject to the current water rates charged by the MRWC, the monthly water rate is estimated at \$76.93 compared to the 2024 estimated state median of \$60.61. The average estimated monthly water rate to be paid to MRWC is based on typical residential consumption of 5,000 gallons per month. Residential users pay a \$53.35 base rate up to 2,000 gallons and a volume charge of \$7.86 per 1,000 gallons for consumption from 2,000 to 8,000 gallons, \$9.88 from 8,001 to 18,000 gallons, \$11.85 from 18,001 to 28,000 gallons, \$15.66 from 28,001 to 58,000 gallons, \$17.18 from 58,001 to 98,000 gallons, and \$19.11 for consumption over 98,001 gallons. Commercial users pay a \$112.04 base rate up to 4,000 gallons and a volume charge of \$7.86 per 1,000 gallons for consumption from 4,000 to 8,000 gallons, \$12.76 from 8,001 to 75,000 gallons, \$14.64 from 75,001 to 100,000 gallons, and \$19.11 for consumption over 100,001 gallons

The MRWC plans to add an electric surcharge to customers in the District for the cost of operating the pumps for the District’s system, which the District anticipates to be less than \$20 per user per month.

Contributed Capital

The District will pay for the one-time costs of connecting to MRWC’s drinking water system, which include a \$12,500 Membership Fee and a \$2,200 Tap Fee for each owner of property desiring water service. Owners are responsible for the installation and costs of water service lines.

Current System Utilization			Current Fee Summary	
	Usage	Revenue	Tap size	Water user/tap fees
Residential	93%	93%	¾”	\$75.82/\$14,700
Non-residential (per EQR)	7%	7%	¾”	\$134.51/\$14,700

DEBT as of December 31, 2024

The District has no debt as of December 31, 2024.

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: July 28, 2026

Project # 200351D-Q Cost Categories: Distribution & Transmission: 90% Storage: 10%
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July 28, 2026 DWRF Credit Report Local Improvement District No. 2023-1 Upper Road 42, Montezuma County, CO Using most recent data available (Census, audits, local records)	
Estimated Population - 2024	73
Number of Water Taps/Customers - 2025	29
Total Assessed Valuation - 2026	\$938,000
Actual Value of All Real Property - 2026	\$148,789,000
Median Household Income (MHI) - 2024	\$128,191
Monthly Water Rate - 2025	\$0.00
Water Operating Revenue - 2025	\$0
Water Total Revenue - 2025 [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.]	\$0
Water Tap and System Development Fee Revenue - 2025	\$0
Water Operating Expense - 2025	\$0
Water Current Expense - 2025	\$0
Water Debt - 2025	\$0
Total Debt - 2025	\$0
Association Reserves - 2025	\$4,530
Water Debt Service - 2025	\$0
New Water Debt [Requested DWRF loan amount.]	\$1,087,369
Requested DWRF Loan Term	30
Requested DWRF Loan Interest Rate	1.75%
New Loan's Annual Water Debt Service (two payments annually)	\$46,744

Current Indicators (2025)					
Local Improvement District No. 2023-1 Upper Road 42					
(Water)					
1	Total Debt	\$0	÷	Population	73 = \$0
	New Debt	\$1,087,369	÷	Population	73 = \$14,998
	Total Debt + New Debt	\$1,087,369	÷	Population	73 = \$14,998
2	Total Debt	\$0	÷	Number of Taps	29 = \$0
	New Debt	\$1,087,369	÷	Number of Taps	29 = \$37,495
	Total Debt + New Debt	\$1,087,369	÷	Number of Taps	29 = \$37,495
3	Total Debt	\$0	÷	Assessed Value	\$938,000 = 0.00%
	New Debt	\$1,087,369	÷	Assessed Value	\$938,000 = 115.92%
	Total Debt + New Debt	\$1,087,369	÷	Assessed Value	\$938,000 = 115.92%
4	Total Debt	\$0	÷	Actual Value	\$148,789,000 = 0.00%
	New Debt	\$1,087,369	÷	Actual Value	\$148,789,000 = 0.73%
	Total Debt + New Debt	\$1,087,369	÷	Actual Value	\$148,789,000 = 0.73%
5	Current Water Debt	\$0	÷	Number of Taps	29 = \$0
	(Current Water Debt + New Water Debt) / Number of Taps	\$37,495	÷	MHI	\$128,191 = 29.25%
6	Current Ratio (CA / CL)				
	Current Assets	\$4,530	÷	Current Liabilities	\$0 = N/A
7	Reserve/Expense Ratio				
	Reserves	\$4,530	÷	Current Expenses	\$0 = N/A
8	Operating Ratio (OR / OE)				
	Operating Revenues	\$0	÷	Operating Expenses	\$0 = N/A
9	Coverage Ratio [(TR - OE) / DS]				
	Total Revenues	\$0	-		
	Minus Operating Expenses	\$0			
	=	\$0	÷	Current Debt Service	\$0 = N/A
	Coverage Ratio Excluding Tap and Development Fee Revenue	\$0			
10	Development Fee Revenue	\$0			
	Minus Tap and Development Fee Revenue	\$0			
	=	\$0	÷	Current Debt Service	\$0 = N/A
11	Projected Coverage Ratio				
	Total Revenues	\$0			
	Minus Operating Expenses	\$0			
	=	\$0		Total Debt Service (with new loan)	\$46,744 = 0%
	Projected Coverage Excluding Tap and Development Fee Revenue	\$0			
12	Development Fee Revenue	\$0			
	Minus Tap and Development Fee Revenue	\$0			
	=	\$0	÷	Total Debt Service (with new loan)	\$46,744 = 0%
13	Current Debt Service	\$0	÷	Number of Taps	29 = \$0.00
	Annual New Water Debt Service	\$46,744	÷	Number of Taps	29 = \$1,611.85
	2025 Annual Water Rate (Monthly Rate x 12)	\$0.00	÷	MHI	\$128,191 = 0.00%
14	2025 Annual Water Rate + New Annual Debt Service Per Tap	\$1,611.85	÷	MHI	\$128,191 = 1.26%
15	Current 2025 Monthly User Charge				\$0.00
	(Debt Service on DWRF Loan / 2025 Taps / Month)				\$134.32
	Total				\$134.32
16	Operation and Maintenance Reserve				
	Reserves	\$4,530	÷	Operating Expenses	\$0 = N/A

**COLORADO WATER RESOURCES
AND
POWER DEVELOPMENT AUTHORITY**

RESOLUTION NO. 26-22

**A RESOLUTION FOR APPROVAL OF A DRINKING WATER DIRECT LOAN TO
THE MONTEZUMA COUNTY LOCAL IMPROVEMEN DISTRICT NO. 2023-1 UPPER
ROAD 42 AND EXECUTION OF A LOAN AGREEMENT AND OTHER DOCUMENTS
NECESSARY THEREFOR**

WHEREAS, the Colorado Water Resources and Power Development Authority (the "Authority") has received and reviewed an Application for a Base direct from the Drinking Water Revolving Fund ("DWRF") from the Montezuma County Local Improvement District No. 2023-1 Upper Road 42 (the "Applicant"); and

WHEREAS, the Loan Application has been reviewed in accordance with the procedures provided therefor in the Memorandum of Understanding 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 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 requirements and prerequisites and is eligible 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 Base direct loan to the Montezuma County Local Improvement District No. 2023-1 Upper Road 42 in an amount not to exceed \$2,385,000 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. 26-22 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 Steamboat Springs, Colorado on August 19, 2026.

Chair

Secretary

EXHIBIT A

Borrower:	Montezuma County Local Improvement District No. 2023-1 Upper Road 42
Project:	Construction of a new domestic water distribution system with booster pumps and a water storage tank. The project will become an extension of the Mancos Rural Water Company water distribution system, providing domestic drinking water to residents reliant on hauling water.
Pledge:	Property Assessments
Loan Term:	30 Years
Interest Rate:	3.50%
Amount not to exceed:	\$2,385,000

Subject to the following terms & conditions:

1. Increasing property assessments sufficiently to meet the Authority’s rate covenant prior to loan execution
2. The District amending their agreement with Mancos Rural Water Company (MRWC) to own the proposed project until the financing is paid off

* - The terms and monetary amounts set forth in Part 1 hereto under the IIJA/BIL General Supplemental and/or base direct loan and the IIJA/BIL General Supplemental and/or base PF loan are premised upon the Authority’s understanding of and expectations for the resources available to it from the base federal Capitalization Grants and the IIJA/BIL. These amounts, and the allocation of funds available to the Project from each source, are subject to change, amendment, and/or rescission depending upon the policies, procedures, and budgetary adjustments adopted by the federal administration. If such changes in policies and procedures or budgetary adjustments are adopted by the federal administration, the Authority reserves the right to review and adjust the terms and monetary amounts set forth herein in a subsequent action. Further, the loan agreement authorized by this resolution is subject to non-execution, cancellation, delay, rescission, or alteration depending upon the terms and conditions, quantities, or availability of federal funds provided under existing or future Capitalization Grants. In addition, funding for this and other approved projects may be re-evaluated under the priority scoring system implemented by the Board for all projects based on changes in the availability of anticipated funds. This re-evaluation may result in the funding of some but not all previously-authorized projects, including the project for which the execution of a loan agreement has been authorized by this resolution. The loan agreement authorized by this resolution shall include a term by which Applicant shall hold the Authority harmless for any costs or damages resulting from a change in federal policies, procedures, or funding that results in the requirement that the Authority cancel, delay, rescind, or alter its terms.

DRINKING WATER REVOLVING FUND BIPARTISAN INFRASTRUCTURE LAW LEAD SERVICE LINE (LSL) REPLACEMENT LOAN CREDIT REPORT (2026)

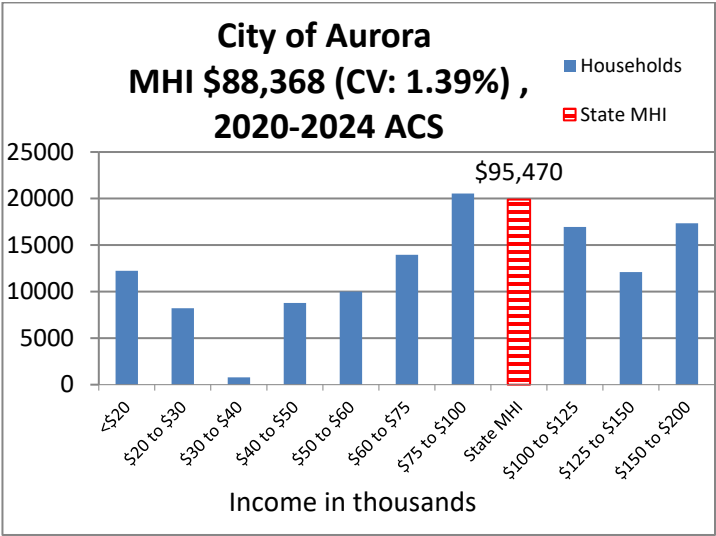
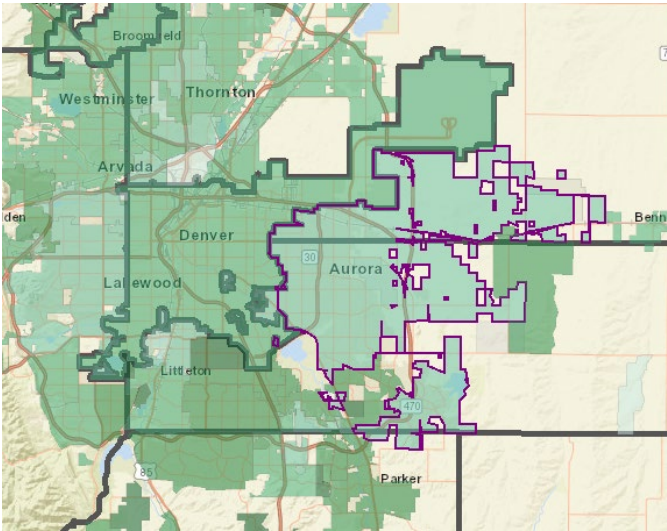
City of Aurora ("The City"), Adams, Arapahoe, and Douglas Counties

Recommendation:	APPROVAL	Project Budget	
Loan Request:	\$26,305,181	DWRF Base Direct Loan:	\$8,754,238
Total Annual Debt Service:	\$1,115,102	DWRF IJA/BIL LSL Loan:	\$7,550,943
Base Direct Loan:	\$8,754,238	DWRF IJA/BIL LSL PF:	\$10,000,000
Interest Rate & Term:	3.25% & 20 years	Reserves:	\$9,100,000
Annual Debt Service:	\$598,697	Total:	\$35,405,181
IJA/BIL LSL Direct Loan:	\$7,550,943		
Interest Rate & Term:	3.25% & 20 years		
Annual Debt Service:	\$516,405		
Pledge:	Water System Revenue		
Current Rate:	\$55.68		
Estimated Rate Increase:	\$0.00		

PROJECT DESCRIPTION: This project consists of the replacement of known lead service lines (LSL's) or galvanized lines requiring replacement (GRR) throughout the City's distribution system.

COMMUNITY PROFILE:								Avg. Annual Change
City of Aurora	2020	2021	2022	2023	2024	2025	2026	
City Population	386,753	389,613	392,574	396,409	401,564			0.94%
Adams County Population	520,489	523,505	528,201	535,901	543,760			1.10%
Arapahoe County Population	655,288	656,858	658,069	661,564	666,557			0.43%
Douglas County Population	360,315	369,842	376,444	385,141	394,030			2.26%
Adams County Jobs	260,951	270,414	582,653	292,692	297,811			3.36%
Arapahoe County Jobs	383,519	394,607	404,198	413,424	413,051			1.87%
Douglas County Jobs	163,390	172,832	179,388	185,063	188,152			3.59%
Number of Water Taps	89,568	91,531	93,341	94,977	97,026	98,845	99,284	1.56%
Number of Sewer Taps	88,363	90,247	92,353	93,550	95,537	97,325	97,739	1.43%
Assessed Value (\$000)			\$6,104,758	\$6,505,881	\$8,530,933	\$8,807,095	\$9,093,319	10.47%
Actual Value (\$000)			\$54,783,612	\$56,502,042	\$74,393,029	\$74,898,554	\$81,022,031	10.28%

BORROWER BRIEF: The City is located throughout Adams, Arapahoe, and Douglas counties, with most of its city being in Arapahoe County. It is directly bordered by Denver to its west, Centennial and Greenwood Village to its southwest, and Commerce City to its northwest.



RECOMMENDATION: The City serves a suburban community in Adams, Arapahoe, and Douglas counties. This proposed loan is necessary to replace and verify thousands of potentially hazardous lead or galvanized service lines, which are likely needing replacement, to ensure safe drinking water to the communities being served. The debt is high in a per-capita and per-tap basis. However, there are no rate increases needed to take on the proposed loan, and the City has as well continuously increased rates. We therefore recommend the DWRF Committee approve a \$8,754,238 DWRF base direct loan, a \$7,550,943 DWRF Bipartisan Infrastructure Law (BIL) Lead Service Line loan, and \$10,000,000 in DWRF BIL Lead Service Line principal forgiveness, to the City of Aurora.

PROJECT SUMMARY:

System summary: The City of Aurora, located primarily within Adams and Arapahoe counties, serves a population of over 400,000 residents. The City's water portfolio consists mainly of surface water sources throughout the Colorado, Arkansas, and South Platte river basins which is supplemented by deep aquifer groundwater wells. Raw water is treated across three water treatment plants, the Griswold, Wemlinger, and Binney Facilities. The existing distribution system is made up of approximately 1,500 miles of piping and over 91,000 service connections of varying ages.

Reason/need: Currently, Aurora has verified 1,935 service lines as lead (LSL) or galvanized requiring replacement (GRR). There are an additional 10,209 unknown service connections that need to be verified, and a current analysis has determined that, thus far, 20% of unknowns are GRR and 1.5% are LSL. As such, their analysis assumes that approximately 20% of the remaining unknown service lines may need replacement with a cost estimate of \$12,000 per service connection.

System Compliance: The City is in compliance with the Colorado Primary Drinking Water Regulations, and the project is primarily intended to maintain compliance and/or meet future requirements.

Project Delivery Method: Design/Bid/Build.

Contingency: 3.27% of the total project cost is included as contingency. The City has estimated lead service line replacement at approximately \$12,000 per line, and thus the cost estimates provided are accurate, thus the reduced contingency. The City is also providing \$9,100,000 in reserves for LSL replacements for this project. Additionally, the City is prepared to incur additional costs to replace the remaining LSL's not paid for through the SRF program, and has allocated \$3,000,000 annually through 2027 for lead service line work. Lastly, the City has stated it applied for the EPA's WIIN Reducing Lead in Drinking Water Grant Program in December 2024. It is unknown at this time whether grant funds will be awarded.

CURRENT INDICATORS:	2022	2023	2024	Weak	Average	Strong
Total Debt per Capita (\$):	2,153	2,172	2,420	X >\$2,000	— \$1,000 - 2,000	— <\$1,000
Total + New Debt/Capita (\$):			2,461	X >\$2,000	— \$1,000 - 2,000	— <\$1,000
Total Debt/Tap (\$):	9,054	9,067	10,015	X >\$5,000	— \$2,500 - 5,000	— <\$2,500
Total Debt + New Debt/Tap (\$):			10,183	X >\$5,000	— \$2,500 - 5,000	— <\$2,500
Current Water Debt/Tap (\$):	5,812	5,564	6,723	X >\$2,000	— \$1,000 - 2,000	— <\$1,000
Current Water + New Water Debt/Tap (\$):			6,891	X >2,000	— \$1,000 - 2,000	— <\$1,000
Total Debt/Assessed Value:	14%	13%	11%	— >50%	— 25-50%	X <25%
Total Debt + New Water Debt/Assessed Value:			12%	— >50%	— 25-50%	X <25%
Total Debt/Actual Value:	1.54%	1.52%	1.31%	— >10%	— 5-10%	X <5%
Total Debt + New Water Debt/Actual Value:			1.33%	— >10%	— 5-10%	X <5%
Curr. Water Debt + New Debt/Tap/MHI:			7.80%	— >20%	— 10-20%	X <10%
Water Fund Current Ratio (CA/CL):	484%	396%	370%	— <100%	— 100-200%	X >200%
Water Fund Reserves/Current Expense:	209%	151%	164%	— <50%	— 50-100%	X >100%
Water Operating Ratio (OR/OE):	188%	139%	162%	— <100%	— 100-120%	X >120%
Coverage Ratio (TR-OE)/DS:	471%	435%	560%	— <110%	— 110-125%	X >125%
Coverage Ratio (TR-OE)/DS Excluding Tap Fees:	244%	171%	298%	— <110%	— 110-125%	X >125%
Coverage Ratio with New Loan:			539%	— <110%	— 110-125%	X >125%
Coverage Ratio with New Loan Excluding Tap Fees:			287%	— <110%	— 110-125%	X >125%
Current Annual Water Rates/MHI:			0.76%	— >3.0%	— 1.5-3.0%	X <1.5%
Current Water Rates + New Water Debt Service/MHI:			0.77%	— >3.0%	— 1.5-3.0%	X <1.5%
Operation and Maintenance Reserve:			212%	— <25%	— 25-50%	X >50%
Total:			6		0	15

FINANCIAL ANALYSIS: Of the twenty-one current indicators calculated, fifteen are rated strong, none are average, and six are considered weak. Overall, the indicators illustrate a system that is in a strong financial position to take on the proposed debt without causing further burden to ratepayers, as there is no introduction of additional rate increases to take on the proposed debt, but it carries a debt load that is high on a per-capita and per tap basis. The strong indicators indicate a system with healthy liquidity, strong debt service coverage prior to and in addition to the proposed debt service, and low debt relative to the assessed and actual values. The weak indicators indicate that debt levels are high on a per capita and per tap basis.

- Operating revenues consistently exceed expenses, with a strong 162% operating ratio, demonstrating the system can comfortably cover all existing and proposed debt.

- Based on 2024 financial information, coverage with the proposed loan is 539% with tap fee revenue and 287% without tap fee revenue. There are no projected increases in rates required to take on the proposed loan.
- The City presents an operations and maintenance reserve of 212%. This details that even if the City were to experience an unprecedented hardship in repair and maintenance activities, it would not constitute an excessive financial burden, and the City would still be able to continue meeting its projected payments.
- Despite the various fluctuations and rising in operating expenses, which are further detailed in the “financial analysis” section of this report, indicators related to the City’s overall finances are considered strong.

DESCRIPTION OF THE LOAN:

An estimated \$8,754,238 direct loan with a twenty-year term with two payments annually at an estimated interest rate of 3.25% will cost the City approximately \$598,697 in debt service annually. An estimated \$7,550,943 IJA/BIL Lead Service Line (LSL) direct loan with a twenty-year term with two payments annually at an interest rate of 3.25% will cost the City approximately \$516,405 in debt service annually. The total annual debt service is \$1,115,102. The City also qualifies for \$10,000,000 in DWRf IJA/BIL Lead Service Line principal forgiveness.

IJA/BIL Principal Forgiveness Eligibility:

In order to qualify for IJA/BIL principal forgiveness, a community must score three (3) points using the IJA/BIL Principal Forgiveness Eligibility Criteria outlined in the Intended Use Plans. The City scores 3 points as shown below.

IJA/BIL PF DETERMINATION				
	Benchmark		Borrower	Points
1. Five Year % Change in Population	0.73%	>	0.94%	0
2a: County Job Change	0.00%	>	10.55%	0
2b: County Unemployment	5.35%	<	4.19%	
3: Median Household Income, or MHI exceeds 125% of state MHI (-1 point)	\$95,470	>	\$88,368	1
	\$119,338	<		
4: Rates to MHI	0.76%	<	0.76%	0
5: Project addresses removal of lead or emerging contaminants	Yes		Yes	1
6: % Minority	40.00%	<	59.05%	1
7: % Households Housing Burdened	50.00%	<	38.96%	0
8: % Population under 200% Poverty Level	40.00%	<	26.73%	0
9: % Population under 200% Poverty Level + % Population over 65 years old	55.00%	<	39.15%	0
10: Meets DAC criteria	Yes		No	0
Total Points Scored:				3

The City qualifies for IJA/BIL principal forgiveness and has expressed interest in receiving a proportional loan with principal forgiveness funding package. The City qualifies for approximately \$10,000,000 in principal forgiveness, which is the current maximum for DWRf IJA/BIL Lead Service Line principal forgiveness.

ECONOMIC ANALYSIS: The City has a 2024 population estimated at 401,564 and has grown at an average annual rate of 0.94% since 2020. Adams County has experienced an increase of 1.10% in population since 2020. Arapahoe County has experienced an increase of 0.43% in population since 2020. Douglas County has experienced an increase of 2.26% in population since 2020. The state population increased at an average annual rate estimated 0.73%.

As part of the Denver metropolitan area and sitting within the central portion of the Front Range Urban Corridor, the region’s economy is dominated by professional, scientific, and technical services; health care and social assistance; retail trade; accommodation food services; and local government services.

The City's largest employers consist of Buckley Air Force Base, with 12,100 employees; the University of Colorado Anschutz, with 8,500 employees; Aurora Public Schools, with 5,000 employees; Children's Hospital Colorado, with 4,270 employees; and the University of Colorado Hospital, with 4,000 employees.

The City does note that WISE accounts for 5.7% of the system's total usage and 4.2% of the total revenue.

ORGANIZATIONAL ANALYSIS:

Bond Rating

The City's debt was rated by Fitch, Moody's, or Standard & Poor's in 2024, where it received an AA+ credit rating.

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

The City sells more than 2,000 acre-feet of water per year. The City is currently out of compliance with an approved Water Use Efficiency Plan. However, the City is currently and actively working with the Colorado Water Conservation Board (CWCB) on the submittal of a draft.

Organizational Structure

The City is a Home Rule governed by a Council-Manager form of government and was incorporated in 1891. The City provides services including police and fire protection, water and wastewater services, public works services, and parks and recreation services.

Approximately 522 full-time employees staff the water utility. The water utility is overseen by the general manager, who reports to the city manager, who then reports to the mayor and city council.

- The City has generally been in compliance with Colorado statutory budgeting and auditing requirements for the past five years.
- The City is insured through the Association of Cooperative Operations Research and Development (ACORD).
- There are currently no pending lawsuits against the City.
- There have been no recall elections in the last ten years.

Technical/Managerial/Financial (TMF)

The WQCD and DLG conducted a review of the City's technical, managerial and financial capacity to operate the water system. The review resulted in no mandatory recommendations.

Capital Improvement Plan

As part of the application process, the City submitted a capital improvement schedule through 2042 which anticipates capital outlay of \$7,343,834,625 for a series of projects. Among these are: annual vault/valve rehabilitation; solar construction; the development of master plans; improvement of the billing system software; raw water pump stations design, construction, and upgrades; waterline replacements; transmission main assessment, design, and construction; tank acquisition, design and construction; among others. These projects are to be funded from a combination of grants and reserves.

Intergovernmental

The City has various active IGAs with various entities. The following summaries provide an overall explanation of the system's function and relation with others:

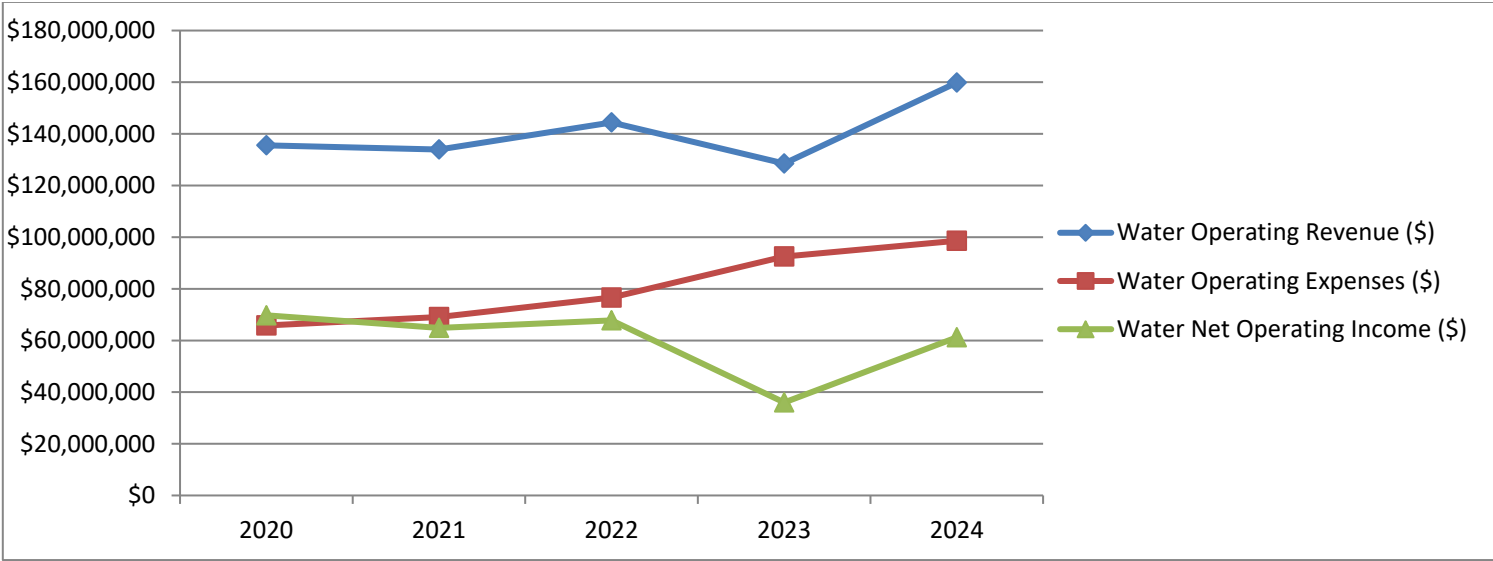
1. **The WISE Partnership:** Originally executed 2012 and amended in 2025, the WISE Partnership is designed to deliver an average of 10,000 acre-feet per year of treated water from reusable supplies provided by Aurora Water and Denver Water, conveyed through Prairie Waters to South Metro. This water is distributed to eleven third-party members: (1) Town of Castle Rock; (2) Dominion Water and Sanitation District; (3) Stonegate Village Metropolitan District; (4) Cottonwood Water and Sanitation District; (5) Denver Southeast Suburban Water and Sanitation District (also known as Pinery Water and Wastewater District); (6) Centennial Water and Sanitation District; (7) Rangeview Metropolitan District; (8) Parker Water and Sanitation District; (9) Meridian Metropolitan District; (10) Inverness Water and Sanitation District; and (11) Douglas County. Each third-party member currently owns or may in the future own or operate water utility infrastructure within its service area and requires supplemental water supplies. However, their specific needs and circumstances vary.
2. **Roxborough Water and Sanitation District Contracts:** Under the Intergovernmental Agreement dated December 20, 2010 (the "Roxborough Agreement"), which superseded earlier agreements dating back to 1972, the City, acting through Aurora Water, committed to supplying Roxborough Water and Sanitation District ("Roxborough") with a perpetual source of raw water. This supply may be delivered either from the Rampart Pipeline to the Roxborough treatment plant or via the WISE Partnership through an East Cherry Creek Valley Water and Sanitation District pipeline.
3. **Dominion Water and Sanitation District Contracts:** Under a comprehensive Intergovernmental Agreement executed and renewed in 2025, the City, acting through Aurora Water, provides Dominion Water and Sanitation District ("Dominion") with water services under the 230 Water, 250 Water, and Temporary 570 Water agreements. Dominion participates in the WISE Partnership as a subscriber for 1,325 acre-feet and is also a member of South Metro.

REVENUE ANALYSIS:

Operating revenue has increased over the years examined, driven by a consistent increase in base rates. In 2023, operating revenue decreased due to a decline in charges for services, as a wetter-than-normal spring reduced outdoor water usage among customers. However, it later increased in 2024 due to an increase in charges for services resulting from a drier-than-normal spring, which drove higher-than-normal outdoor water consumption. Operating expenses have increased over the years examined, generally attributable to a rise in costs of sales and services associated with inflation, depreciation, and a general increase in operating costs; in 2023, operating expenses rose at a higher-than-normal rate, driven by increased operating costs and costs of sales, including pension expenses, higher purchased water expenses, and intergovernmental agreements.

TRENDS	2020	2021	2022	2023	2024	2025	2026
Monthly Water Rate (\$)	49.59	49.59	50.08	51.49	52.66	53.60	55.68
Monthly Sewer Rate (\$)	18.61	18.61	18.61	19.58	20.96	23.05	24.89
Residential Water Tap Fee (\$)	9,760	10,798	10,284	12,341	13,631	14,313	14,313
Residential Sewer Tap Fee (\$)	1,804	1,804	1,920	2,041	2,449	2,939	3,527
Total Water Revenue (\$)	200,653,833	193,731,522	204,871,567	217,396,112	260,758,275		
Tap/Development Fees (\$)	57,219,210	58,560,561	61,893,769	75,801,038	93,509,466		
Water Operating Revenue (\$)	135,565,946	133,945,565	144,413,185	128,512,257	159,845,651		
Water Operating Expenses (\$)	65,816,272	69,063,516	76,634,537	92,512,411	98,612,286		
Water Net Operating Income (\$)	69,749,674	64,882,049	67,778,648	35,999,846	61,233,365		
Water Debt (\$)	389,675,000	554,275,000	542,532,955	528,468,967	652,280,899		
Total Debt (\$)	633,200,411	850,335,566	845,121,846	861,180,313	971,751,869		
Water Debt Service (\$)	20,925,026	23,340,576	27,208,735	28,718,219	28,942,365		
Water Debt Service/Tap/Month (\$)	19.47	21.25	24.29	25.20	24.86		
Water Fund Reserves (\$)	154,170,420	276,361,212	217,190,006	183,159,780	209,262,636		

Ratios	2020	2021	2022	2023	2024	Average
Operating Revenue as % of Total Revenue	68%	69%	70%	59%	61%	66%
Operating Revenue as % of Expenses	206%	194%	188%	139%	162%	178%
Tap Fee Revenue as % of Total Revenue	29%	30%	30%	35%	36%	32%



Recent Rate Increases

The City’s most recent rate increase of \$2.08 was implemented on January 1, 2026.

User Charges

The City’s current monthly water rate is estimated at \$55.68 compared to the 2024 estimated state median of \$60.61. The City’s average monthly water rate is based on typical residential consumption of 6,506 gallons per month. Residential users use a tiered structure. Users pay a volume charge of \$5.80 per 1,000 gallons for consumption from 0 to 5,000 gallons. For consumption from 5,001 to 10,000 gallons, a volume charge of \$7.30 per 1,000 gallons applies. For consumption from 10,001 to 19,999 gallons, a volume charge of \$10.42 per 1,000 gallons applies. For consumption beginning at 20,000 gallons and any exceeding of it, a volume charge of \$14.60 per 1,000 gallons applies.

Commercial users are given a “annual block allocation”. This is an individualized water budget allocated each calendar year, determined by the General Manager, based on projected demand as defined by the city water engineer standards and specifications for the utility’s cost recovery. The user may request a review or appeal process for which the current annual allotments may be adjusted. The purpose of this is to ensure the user is using best water management practices, not wasting water, and clearly show water efficiency measures have been implemented. Users are charged on a per 1,000 gallons basis, for which the cost per 1,000 gallons used up to 100% of the annual block allocation is \$7.11, and the cost per 1,000 gallons used greater than the set annual allocation is \$12.59.

All user types pay a monthly service charge which is dependent on the meter size. This starts at \$15.69 for a 5/8” and ¾” meter, and go up to \$585.46 for a 8” meter.

The City’s current estimated average monthly residential sewer rate is \$24.89 compared to the 2024 estimated state median of \$44.65. Users pay a monthly service charge based upon the size of the meter. These start at \$5.95 for a 5/8” and ¾” meter and go up to \$594.78 for a 6” and 8” meter. In addition to this, users pay \$5.46 per 1,000 gallons utilized. All users follow the same structure.

Contributed Capital

Revenue from tap fees has ranged from \$57,219,210 to \$93,509,466 and has averaged 32% of total water revenue during the last five years. The City’s most recent water tap fee rate increase occurred in January 1, 2026.

- Residential and commercial water tap fees are \$14,313.
- Residential sewer tap fees are \$3,527. Commercial sewer tap fees start at \$12,822 for a ¾” tap, with cost increasing in direct relation to the size of the tap.

Current System Utilization			Current Fee Summary		
	Usage	Revenue	Tap size	Water user/tap fees	Sewer user/tap fees
Residential	75%	77%	¾”	\$55.68/\$14,313	\$24.89/\$3,527
Non-residential (per EQR)	25%	23%	¾”	\$70.20/\$14,313	\$24.89/\$12,822

DEBT as of December 31, 2024

Executed	Lender	Term End	Pledge	Outstanding	Interest Rate	Annual payment
2009	Series 2009, General Obligation Bonds	2029	General Fund	\$200,000	5.250%	\$55,500
2010	Series 2010, General Obligation Bonds	2031	General Fund	\$152,000	5.450%	\$30,284
2010	Series 2010, General Obligation Bonds	2031	General Fund	\$195,000	4.990%	\$39,731
2011	Series 2011, General Obligation Bonds	2031	General Fund	\$1,025,000	4.380%	\$199,895
2015	Series 2015, Certificates of Participation	2040	General Fund	\$17,030,000	3.500%	\$1,498,675
2016	Aurora Urban Renewal Authority	2041	General Fund	\$16,420,000	1.750%	\$1,187,350
2016	Series 2016, First-Lien Water Improvement Revenue Bonds	2046	Water Revenue	\$125,935,000	3.000% - 5.000%	\$16,861,300

2016	Series 2016, First-Lien Sewer Improvement Revenue Bonds	2026	Sewer Revenue	\$3,085,000	1.560%	\$3,133,126
2017	Series 2017, Certificates of Participation	2042	General Fund	\$22,700,000	5.000%	\$1,998,400
2017	Series 2017B, Certificates of Participation	2037	General Fund	\$19,440,000	5.000%	\$1,998,369
2017	Key Government Finance	2032	General Fund	\$5,225,000	2.650%	\$823,891
2017	Series 2017, General Obligation Bonds	2032	General Fund	\$193,000	3.270%	\$31,311
2017	Series 2017, Murphy Creek Golf Course	2026	Golf Enterprise	\$534,000	2.000%	\$544,680
2018	Series 2018A, First-Lien Sewer Improvement Revenue Bonds	2030	Sewer Revenue	\$1,074,728	3.035%	\$234,886
2018	Series 2018B, First-Lien Sewer Improvement Revenue Bonds	2030	Sewer Revenue	\$15,249,673	1.231% - 1.322%	\$3,168,235
2019	Series 2019, Refunding and Improvement Certificates of Participation	2031	General Fund	\$36,025,000	5.000%	\$7,096,250
2019	JP Morgan Equipment Finance	2026	General Fund	\$577,208	1.768%	\$587,413
2020	Series 2020, Certificates of Participation	2045	General Fund	\$29,315,000	4.000%	\$1,998,700
2021	Key Government Finance	2028	General Fund	\$3,609,389	1.064%	\$1,228,822
2021	Series 2021, First-Lien Water Improvement Revenue Bonds	2051	Water Revenue	\$122,760,000	2.250%	\$2,762,100
2021	Series 2021B, First-Lien Water Improvement Revenue Bonds	2046	Water Revenue	\$250,085,000	0.923% - 2.720%	\$9,241,395
2021	Series 2021, First-Lien Sewer Improvement Revenue Bonds	2051	Sewer Revenue	\$43,970,000	4.000% - 5.000%	\$2,005,800
2022	Series 2022, Certificates of Participation	2029	General Fund	\$3,631,837	2.60%	\$967,722
2022	Bank of America Public Capital Corp	2032	General Fund	\$5,759,975	3.31%	\$990,832
2022	NBH Capital Finance	2039	TIF Revenues of Lodge Rax, Sales & Use Tax, Property Tax, Net Garage Revenues and Net Conference Center Revenues	\$18,045,000	4.060%	\$1,717,627
2023	JP Morgan Equipment Finance	2030	General Fund	\$5,758,671	3.709%	\$1,282,997
2023	Series 2023, First-Lien Sewer Improvement Revenue Bonds	2053	Sewer Revenue	\$43,780,000	4.000% - 5.000%	\$1,867,450
2024	Banc of America Public Capital Corp	2031	General Fund	\$5,674,810	3.8249%	\$1,153,913

2024	Series 2024, First-Lien Water Improvement Revenue Bonds	2054	Water Revenue	\$133,935,000	4% - 5%	\$8,574,700
2024	Internal Lease	2029	Golf Enterprise	\$868,324	2.700%	\$231,929
**2025	Banc of America Public Capital Corp	2032	General Fund	\$5,759,975	3.31%	\$990,832
**2025	Series 2025, Certificates of Participation	2054	General Fund	\$25,090,000	5%	\$1,663,813
**2025	BOK Financial Public Finance, Inc.	2030	Golf Enterprise	\$1,428,924	4.070%	\$321,607
**2025	Series 2025, First-Lien Sewer Improvement Revenue Bonds	2055	Sewer Revenue	\$84,530,000	4.125% - 5.000%	\$2,573,323

****NOTE:** 2025 financial lending notes, bonds, and COPs are not yet present in the most recent audit presented to OSA. However, the City has provided documentation stating that these have been closed at the time of the presentation of this credit report and will cause additional debt burden to the related fund. The inclusion of these is for informative purposes to better present the City’s overall financial standing.

LOAN COVENANTS: The City 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 City has no current debt with the Authority, including the SRF programs.

Project #140131D-I

Cost Categories:

- Planning and Design: 10
- Construction: Transmission and Distribution: 90

Prepared by: Monica Munoz-Revelo
Date: July 28, 2026

July 28, 2026			
DWRF Credit Report			
City of Aurora, Adams, Arapahoe, and Douglas Counties, CO			
Using most recent data available			
(Census, audits, local records)			
Estimated Population - 2024	401,564		
Number of Water Taps/Customers - 2024	97,026		
Total Assessed Valuation - 2024	\$8,530,933,000		
Actual Value of All Real Property - 2024	\$74,393,029,000		
Median Household Income (MHI) - 2023	\$88,368		
Monthly Water Rate - 2024	\$0.00		
Water Operating Revenue - 2024	\$159,845,651		
Water Total Revenue - 2024 [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.]	\$260,758,275		
Water Tap and System Development Fee Revenue - 2024	\$75,801,038		
Water Operating Expense - 2024	\$98,612,286		
Water Current Expense - 2024	\$127,554,651		
Water Debt - 2024	\$652,280,899		
Total Debt - 2024	\$971,751,869		
Water Fund Reserves - 2024	\$209,262,636		
Water Debt Service - 2024	\$28,942,365	Base Direct Loan	IIJA/BIL LSL Loan
New Water Debt [Requested DWRF loan amount.]	\$16,305,181	\$8,754,238	\$7,550,943
Requested DWRF Loan Term	20	20	20
Requested DWRF Loan Interest Rate	3.25%	3.25%	3.25%
New Loan's Annual Water Debt Service (two payments annually)	\$1,115,102	\$598,697	\$516,405

Current Indicators (2024)					
City of Aurora					
(Water)					
1 Total Debt	\$971,751,869	÷	Population	401,564	= \$2,420
New Debt	\$16,305,181	÷	Population	401,564	= \$41
Total Debt + New Debt	\$988,057,050	÷	Population	401,564	= \$2,461
2 Total Debt	\$971,751,869	÷	Number of Taps	97,026	= \$10,015
New Debt	\$16,305,181	÷	Number of Taps	97,026	= \$168
Total Debt + New Debt	\$988,057,050	÷	Number of Taps	97,026	= \$10,183
3 Total Debt	\$971,751,869	÷	Assessed Value	\$8,530,933,000	= 11.39%
New Debt	\$16,305,181	÷	Assessed Value	\$8,530,933,000	= 0.19%
Total Debt + New Debt	\$988,057,050	÷	Assessed Value	\$8,530,933,000	= 11.58%
4 Total Debt	\$971,751,869	÷	Actual Value	\$74,393,029,000	= 1.31%
New Debt	\$16,305,181	÷	Actual Value	\$74,393,029,000	= 0.02%
Total Debt + New Debt	\$988,057,050	÷	Actual Value	\$74,393,029,000	= 1.33%
5 Current Water Debt	\$652,280,899	÷	Number of Taps	97,026	= \$6,723
(Current Water Debt + New Water Debt) / Number of Taps	\$6,891	÷	MHI	\$88,368	= 7.80%
6 Current Ratio (CA / CL)					
Current Assets	\$286,776,952	÷	Current Liabilities	\$77,514,316	= 370%
7 Reserve/Expense Ratio					
Reserves	\$209,262,636	÷	Current Expenses	\$127,554,651	= 164%
8 Operating Ratio (OR / OE)					
Operating Revenues	\$159,845,651	÷	Operating Expenses	\$98,612,286	= 162%
9 Coverage Ratio [(TR - OE) / DS]					
Total Revenues	\$260,758,275	-			
Minus Operating Expenses	\$98,612,286				
=	\$162,145,989	÷	Current Debt Service	\$28,942,365	= 560%
Coverage Ratio Excluding Tap and					
10 Development Fee Revenue	\$162,145,989				
Minus Tap and Development Fee Revenue	\$75,801,038				
=	\$86,344,951	÷	Current Debt Service	\$28,942,365	= 298%
11 Projected Coverage Ratio					
Total Revenues	\$260,758,275				
Minus Operating Expenses	\$98,612,286				
=	\$162,145,989		Total Debt Service (with new loan)	\$30,057,467	= 539%
Projected Coverage Excluding Tap and					
12 Development Fee Revenue	\$162,145,989				
Minus Tap and Development Fee Revenue	\$75,801,038				
=	\$86,344,951	÷	Total Debt Service (with new loan)	\$30,057,467	= 287%
13 Current Debt Service	\$28,942,365	÷	Number of Taps	97026	= \$298.29
Annual New Water Debt Service	\$1,115,102	÷	Number of Taps	97026	= \$11.49
2024 Annual Water Rate (Monthly Rate					
14 x 12)	\$0.00	÷	MHI	\$88,368	= 0.00%
2024 Annual Water Rate + New Annual					
Debt Service Per Tap	\$11.49	÷	MHI	\$88,368	= 0.01%
15 Current 2024 Monthly User Charge					\$0.00
(Debt Service on DWRF Loan / 2024 Taps / Month)					\$0.96
Total					\$0.96
16 Operation and Maintenance Reserve					
Reserves	\$209,262,636	÷	Operating Expenses	\$98,612,286	= 212%



Principal Forgiveness and Priority Point Scoring

Applicant: City of Aurora
DWRF or WPCRF: DWRF

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

BIL Principal Forgiveness

Eligible for BIL principal forgiveness? Yes.

Eligible BIL principal forgiveness percentage: 56.977%

Amount of principal forgiveness awarded (accounting for any applicable cap/max): \$10,000,000

Base DWRF/WPCRF Principal Forgiveness Scoring

DWRF/WPCRF

Water Quality & Public Health + CPDWR Compliance:	25
DOLA Affordability Score:	95
Total Score	120

Eligible as a base program DAC? No.

Eligible base program DWRF/WPCRF principal forgiveness percentage: N/A

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

Priority Point Scoring

Total WQCD Score:	40
DOLA Affordability Score:	95
Total Score:	135

2026 IUP DWRF Priority Point Calculations				
	Entity Name:	City of Aurora		
	Date of Scoring	6/8/2026		
	SRF Phase:	Loan app		
	DOLA Score:	95		
	DAC:	Not DAC		
Benchmarks				
\$95,470 2020-2024 State MHI estimate				
		Points	Entity Value	
P1	MHI		\$88,368	93%
	<50% of state MHI	35		
	Between 51% and 80% of state MHI	20		
	Between 81% and 100% of state MHI	5 x		
	>100% state MHI	0		
S5a	User Fees (current water rate at 110%/tap/MHI)		1.60%	
	Rates are > 1.55%	45 x		
	Rates are between 1.11% and 1.55%	25		
	Rates are < 1.11%	0		
	OR			
S5a	User Fees for a combined water & sewer fund			
	Rates are > 2.70%	45		
	Rates are between 2.03% and 2.70%	25		
	Rates are < 2.03%	0		
S4a	Current water debt per tap compared to MHV		2.10%	
	Debt is > 0.63%	45 x		
	Debt is between 0.21% and 0.63%	25		
	Debt is < 0.21%	0		
	OR			
S4a	Current water & sewer debt (for combined systems)			
	Debt is > 1.26%	45		
	Debt is between 0.57% and 1.26%	25		
	Debt is < 0.57%	0		
	Population served		401,564	
	Less than 500	35		
	Between 500 and 1,000	25		
	Between 1,000 and 2,000	20		
	Between 2,000 and 5,000	15		
	Between 5,000 and 10,000	5		
	>10,000	0 x		
S3	Assessed Value/Household		55,986	
	AV per household is < \$12,722	35		
	AV per household is between \$12,272 and \$24,337	20		
	AV per household is between \$24,337 and \$46,151	10		
	AV per household is greater than \$46,151	0 x		

Date:	3/27/2024		
Project Name:	Aurora Water Lead Replacement Program		
SRF Project Number:	140131D-I		
ES Project Number:	ES.24.SRF.08418		
Drinking Water Revolving Fund Priority Scoring Model (Attachment I DWRf IUP 2024)			
Drinking Water Quality and Public Health Points	Possible Points	Points Scored	WHO SCORES
Project addresses a documented waterborne disease outbreak associated with the system within the last 24 months.	35	0	Engineering Section
Project corrects or prevents violations of MCLs (primary standards) ¹ (may score points in multiple categories)			
• Nitrate, nitrite, TCR.	30	0	Engineering Section
• Total trihalomethanes, total haloacetic acids.	25	0	Engineering Section
• Arsenic, selenium.	20	0	Engineering Section
• Other regulated contaminants.	15	15	Engineering Section
¹ This accommodates repeat violations and provides indicators for both chronic and acute health hazards			
Project corrects or prevents exceedances of MCLs for radionuclides.	35	0	Engineering Section
Project corrects inadequate treatment techniques that are unable to satisfy the requirements for: (scores total 20 points one or more of the following)	20	0	Engineering Section
• Surface water.			
• GWUDI.			
• Groundwater.			
Project corrects exceedances of secondary drinking water standards.	10	0	Engineering Section
System has inadequate supply* to meet all current domestic water supply demands (*system must provide records of water usage to substantiate supply is inadequate).	25	0	Engineering Section
Project will correct or prevent: (points are not additive, scores points only in one category)			
• Inadequate distribution due to system deterioration (e.g., experiencing multiple line breakages).	20	0	Engineering Section
• Inadequate distribution due to chronic low pressure.	15	0	Engineering Section
• Inadequate storage.	10	0	Engineering Section
• Demand exceeding design capacity.	5	0	Engineering Section
Project incorporates fluoridation.	10	0	Engineering Section
Total Drinking Water Quality & Public Health Score =	15		
Affordability			
Total Financial / Affordability Points scored by DOLA =			DOLA
CPDWR Compliance Points			
Possible Points			
(Points are not additive. Can score points only in one category)			
Project addresses an enforcement action by a regulatory agency and the facility is currently in violation of CPDWRs.	30	0	Engineering Section
Project addresses a facility's voluntary efforts to resolve a possible violation and will mitigate the issuance of a consent order, notice of violation or other enforcement action.	20	0	Engineering Section
Project is designed to maintain CPDWR compliance, meet new requirements, or address contaminants included in the priority list submitted by the Division to the Commission for which standards may be considered.	15	0	Engineering Section
System is currently meeting all CPDWRs.	10	10	Engineering Section
Total CPDWR Compliance Points=	10		
Total Additional Subsidy Points =	25		(Sum of Drinking Water Quality & Public Health + Affordability + CPDWR Compliance points)
Points scored in highest priority drinking water & public health criteria sections? (Enter "Yes" only if points scored for addressing water borne disease outbreaks, Nitrate/Nitrite/TCR, or radionuclides - RED boxes)	No		Grants&Loans
Source Protection and Conservation			
Possible Points			
Project addresses vulnerability to potential pollution by conditions identified in an approved source water protection area assessment: (scores a total of 15 points for one or more of the following)	15	0	Engineering Section
• Point source discharge within a delineated area.			
• Areas impacted by agricultural chemical use or run-off.			
• Area subject to oil/gas/mineral operations.			
• Unprotected watershed area.			
Project establishes a protective zone to address potential pollution as a result of wildfires in burn scar areas	10	0	Engineering Section
Utility rate structure currently in place:			
• Increasing block rates.	15	15	Grants& Loans
• Seasonal rates.	10	0	Grants& Loans
• Uniform.	0	0	Grants& Loans

Project will implement water metering, leak detection and/or other water conservation and efficiency infrastructure applications at a minimum of 20% of total project costs.	10	0	Grants&Loans	
Sustainability Points	Possible Points			
Project seeks to:				
Correct compliance issues, water quality problems, and/or water supply problems through physical consolidation and regionalization of water systems.	10	0	Engineering Section	
Correct and/or improve security of the water system.	10	0	Engineering Section	
Incorporate beneficial uses of water treatment plant sludge and/or alternative concentrate management options in an approved Beneficial Use Plan²	10	0	Engineering Section	
² The Hazardous Materials and Waste Management Division is the agency responsible for implementing the Regulations Pertaining to the Beneficial Use of Water Treatment Sludges and Fees applicable to the Beneficial Use				
Project promotes sustainable utilities and/or communities through a utility management plan that:				
Secures a replacement fund for the rehabilitation and replacement of aging and deteriorating infrastructure as needed.	5	0	Engineering Section	
Provides sufficient revenues to meet O&M and capital needs.	5	0	Engineering Section	
Demonstrates that the facility has maintained licensed/certified operators, adequate staffing to properly operate and maintain the facility and will continue to do so.	5	0	Engineering Section	
Incorporates a fix-it-first planning methodology.	5	0	Engineering Section	
Readiness to Proceed Points	Possible Points			
Project has secured one or more of the following:	10	0	Engineering Section	
Plans and specifications approved.				
Project has funding secured by multiple assistance provider.	10	0	Grants&Loans	
	Total Points Scored	40		
Yes				
No				

**COLORADO WATER RESOURCES
AND
POWER DEVELOPMENT AUTHORITY**

RESOLUTION NO. 26-23

**A RESOLUTION FOR APPROVAL OF A DRINKING WATER DIRECT LOAN TO
THE CITY OF AURORA 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 Infrastructure Investment Jobs Act/Bipartisan Infrastructure Law (“IIJA/BIL”) Lead Service Line (“LSL”) and IIJA/BIL LSL Principal Forgiveness (“PF”) direct loan, plus a Base direct loan from the Drinking Water Revolving Fund from the City of Aurora (the “Applicant”); and

WHEREAS, approval of the direct loan requires the Authority Board of Directors’ approval of a one-time waiver of the Base direct loan limit for the Applicant in the amount of \$8,754,238, which waiver the Applicant is seeking contemporaneously with the application for the IIJA/BIL and Base direct loans; and

WHEREAS, the Authority Board of Directors determines that approval of the direct loan application and a one-time, direct loan limit waiver for the Applicant is in the best interests of the Authority and the Applicant, and is consistent with the purposes of the DWRF; 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 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 direct loan to the City of Aurora in an amount not to exceed \$26,305,181 (*\$7,550,943 of IIJA/BIL LSL direct loan and *\$8,754,238 Base direct loan to be re-paid, plus *\$10,000,000 of IIJA/BIL LSL PF funds, for a total of \$26,305,181 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. 26-23 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 Steamboat Springs, Colorado on August 19, 2026.

Chairman

Secretary

EXHIBIT A

Borrower:	City of Aurora
Project:	This project consists of the replacement of known lead service lines (LSL’s) or galvanized lines requiring replacement (GRR) throughout the City's distribution system.
Pledge:	Water System Revenue
Loan Term:	20 years
Interest Rate:	3.25%
Amount not to exceed:	\$26,305,181 (*\$7,550,943 of IJJA/BIL LSL direct loan and *\$8,754,238 Base direct loan to be re-paid, plus *\$10,000,000 of IJJA/BIL LSL PF funds, for a total of \$26,305,181 DWRF loan funds)

Subject to the following terms & conditions:

1. A 5-year limited option to prepay loan repayments.
2. The City coming into compliance pursuant to Section 37-60-126 C.R.S. prior to loan execution.
3. That the SRF LSL loan is on parity with all outstanding debt under the same pledge, as applicable.

* - Estimated PF and direct loan amounts through the IJJA/BIL program. The exact amount will be based on the IJJA/BIL capitalization grant principal forgiveness to loan ratio while taking into account set asides. However, in the unlikely event the ratio increases the loan amount by more than a de-minimis amount, as determined by the Executive Director, the credit will be returned to the Board for further evaluation and consideration.

** - The terms and monetary amounts set forth in Part 1 hereto under the IJJA/BIL Lead loan and the IJJA/BIL LEAD PF loan are premised upon the Authority’s understanding of and expectations for the resources available to it from the base federal Capitalization Grants and the IJJA/BIL. These amounts, and the allocation of funds available to the Project from each source, are subject to change, amendment, and/or rescission depending upon the policies, procedures, and budgetary adjustments adopted by the federal administration. If such changes in policies and procedures or budgetary adjustments are adopted by the federal administration, the Authority reserves the right to review and adjust the terms and monetary amounts set forth herein in a subsequent action. Further, the loan agreement authorized by this resolution is subject to non-

execution, cancellation, delay, rescission, or alteration depending upon the terms and conditions, quantities, or availability of federal funds provided under existing or future Capitalization Grants. In addition, funding for this and other approved projects may be re-evaluated under the priority scoring system implemented by the Board for all projects based on changes in the availability of anticipated funds. This re-evaluation may result in the funding of some but not all previously-authorized projects, including the project for which the execution of a loan agreement has been authorized by this resolution. The loan agreement authorized by this resolution shall include a term by which Applicant shall hold the Authority harmless for any costs or damages resulting from a change in federal policies, procedures, or funding that results in the requirement that the Authority cancel, delay, rescind, or alter its terms.

DWRF LOAN CREDIT REPORT (2026)

Camelot Property Owner’s Association (the “Association”), El Paso County

Recommendation:	CONDITIONAL APPROVAL	<u>Project Budget</u>	
Loan Request:	\$1,000,000	DWRF Loan:	\$1,000,000
Interest Rate & Term:	5.00%, 30 years	Total:	\$1,000,000
Annual Debt Service:	\$64,707		
Pledge:	All Association Revenues		
Current Dues & Rates:	\$277.29		
Estimated Dues Increase:	\$6.46		

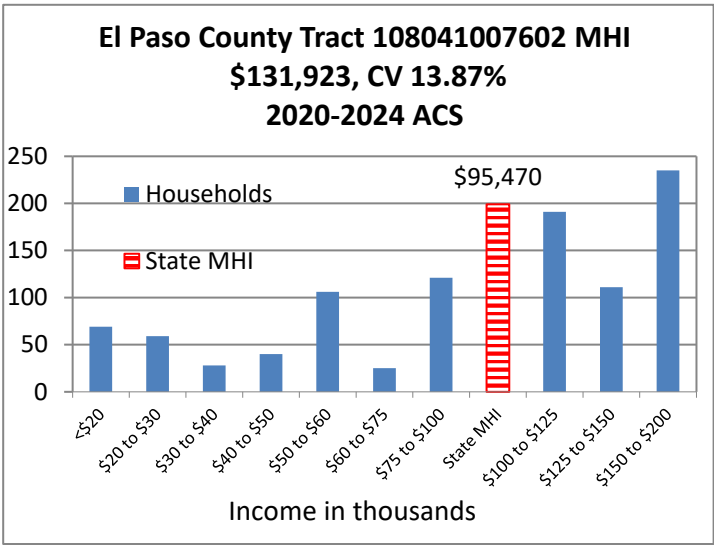
PROJECT DESCRIPTION: This project consists of a full replacement of the storage tank with two new 30,000-gallon water storage tanks and booster pump upgrades.

COMMUNITY PROFILE:

Camelot Property Owner's Association	2020	2021	2022	2023	2024	2025	2026	Avg. Annual Change
Association Population			70	70	70	70	70	0.00%
El Paso County Population	733,831	738,767	742,583	746,917	752,892			0.64%
El Paso County Jobs	332,322	347,236	358,657	372,363	374,875			3.06%
Number of Water Taps			28	28	28	28	28	0.00%

*No assessed or actual values provided because the Association is not a taxing entity

BORROWER BRIEF: Camelot Property Owner’s Association is located in northeastern El Paso County. The Association is located between State Highway 24 to its east and State Highway 83 to the west and is located approximately 16 miles northeast of downtown Colorado Springs and 4 miles north of Falcon.



RECOMMENDATION: The Association serves a small residential community in northeastern El Paso County. This proposed loan is necessary to replace this failing infrastructure before the tank collapses or the water becomes unsafe to drink. The small community relies on a single, structurally failing water tank and two aging well pumps that keep radioactive radium levels safe for a community serving only 28 lots. The Association has a very small financial base, making large capital projects financially burdensome. However, the Association raised dues via its water infrastructure fee significantly (\$90.00) in 2026 and plans to raise the water infrastructure and consumption fees annually. The current projected dues increase is \$6.46, and well within its approved amount for increases. We therefore recommend the DWRF Committee approve a \$1,000,000 direct loan to the Camelot Property Owner’s Association on the condition Association dues are increased to meet coverage ratio requirements.

PROJECT SUMMARY:

System summary: The Association is a small community serving a population of 70 residents located in El Paso County. The water system was originally constructed in 2002. The system receives water from two groundwater wells, which are blended to reduce the concentration of Radium 226/228 in the finished water. The water is pumped to a treatment plant for chemical injection. It is then stored in a finished water tank for contact time disinfection before being sent out to distribution.

Reason/need: The Association's potable water system serves 28 single-family residential lots in El Paso County, Colorado. The system needs significant upgrades due to aging infrastructure, potential health risks, and operational inefficiencies. Specifically, the only water storage tank and booster pump station have deteriorated, with the water storage tank being the priority due to structural integrity concerns. There is no direct access to backup potable water if this water tank fails. A second possible compliance issue stems from the system's ongoing need to meet the Maximum Contaminant Level (MCL) for Radium 226/228. The Association relies on blending water from two wells to reduce radium concentrations, but aging equipment for Well No. 1 threatens the system's ability to maintain compliance. Without upgrades, the reliability of blending ratios and consistent water quality could be compromised, leading to potential violations.

System Compliance: The Association is in compliance with the Colorado Primary Drinking Water Regulations, and the project is primarily intended to maintain compliance.

Project Delivery Method: Design/Bid/Build

Contingency: 8.5% of the total project cost

CURRENT INDICATORS:	2023	2024	2025	Weak	Average	Strong
Total Debt per Capita (\$):	0	0	0	>\$2,000	\$1,000 - 2,000	X <\$1,000
Total + New Debt/Capita (\$):			14,286	X >\$2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Tap (\$):	0	0	0	>\$5,000	\$2,500 - 5,000	X <\$2,500
Total Debt + New Debt/Tap (\$):			35,714	X >\$5,000	\$2,500 - 5,000	<\$2,500
Current Association Debt/Tap (\$):	0	0	0	>\$2,000	\$1,000 - 2,000	X <\$1,000
Current Association + New Association Debt/Tap (\$):			35,714	X >2,000	\$1,000 - 2,000	<\$1,000
Curr. Assoc. Debt + New Debt/Tap/MHI: Association			27%	X >20%	10-20%	<10%
Current Ratio (CA/CL):			N/A	<100%	100-200%	X >200%
Association Fund Reserves/Current Expense:			487%	<50%	50-100%	X >100%
Association Operating Ratio (OR/OE):	206%	251%	237%	<100%	100-120%	X >120%
Coverage Ratio (TR-OE)/DS:			N/A	<110%	110-125%	X >125%
Coverage Ratio (TR-OE)/DS Excluding Tap Fees:			N/A	<110%	110-125%	X >125%
Coverage Ratio with New Loan:			59%	X <110%	110-125%	>125%
Coverage Ratio with New Loan Excluding Tap Fees:			59%	X <110%	110-125%	>125%
Current Annual Assoc. Rates*/MHI:			1.68%	>3.0%	X 1.5-3.0%	<1.5%
Current Assoc. Rates* + New Assoc. Debt Service/MHI:			3.44%	X >3.0%	1.5-3.0%	<1.5%
Operation and Maintenance Reserve:			487%	<25%	25-50%	X >50%

*Total dues include annual Association dues, water infrastructure fees (base rates), and consumption charges

Total: 7 1 9

FINANCIAL ANALYSIS: Of the seventeen current indicators calculated, nine are rated strong, seven are considered weak, and one is considered average. Overall, the indicators illustrate a well-run and financially responsible system willing to take on significant debt. Strong indicators highlight robust reserves and solid operating and coverage ratios, with zero debt. While weak indicators reflect significant future debt, the Association is fully prepared to absorb it through sufficient planning and dues increases.

- Audited statements were used for the 2025 analysis; the audit covers October 1, 2024, to October 31, 2025. Expenses and revenues were then pro-rated to reflect a standard 12-month fiscal year. Prior to 2025, numbers came from the Association's records; as such, assets and liabilities were excluded.
- The Association charges annual dues, a monthly water infrastructure fee, and a monthly water usage fee. In 2026, the total monthly charges averaged \$277.29, consisting of: \$24.92 in Association dues (\$299.00 billed annually), \$190.00 for the water infrastructure fee, and an average \$62.37 water consumption charge.
- The five-year average operating ratio is 184%. Only once (2021) has it dropped below the threshold for "strong," and following that year, the Association drastically increased its water infrastructure fees and subsequent revenues.
- Based on 2024/2025 financial information, coverage with the proposed loan is 59%. Additional annual revenue of about \$33,138 or \$98.63 per tap per month, would increase the coverage ratio to 110%. When incorporating the \$90.00 increase and water consumption rate changes in 2026, the projected increase is estimated at only \$6.46.

- Projections submitted by the Association show that it plans to increase volume charges by 3% every year in addition to increasing the water infrastructure base charge by 1% every other year.
- Indicators comparing current and projected debt to assessed and actual values are not included in this analysis. The Association is not a local government and does not receive these values from the County.

DESCRIPTION OF THE LOAN:

A \$1,000,000 direct loan with a thirty-year term, two payments annually at an interest rate of 5% (4% loan interest rate and 1% up-front PNP Administration Fee) will cost the Association approximately \$64,707 in debt service annually.

ECONOMIC ANALYSIS: Based on the State Demographer's estimate of 2.5 persons per tap, the Association has a 2025 population estimated at 70 and remains unchanged through the years observed. El Paso County has experienced an increase of 0.64% in population since 2020. The state population increased at an average annual rate estimated at 0.73%.

El Paso County's economy is dominated primarily by regional service, government and retirees. The County's largest job sectors include government (26%), retirees (15%), Education and Health Services (12%), and Professional and Business Services (11%). The area's largest employers consist of 4th Infantry Division & Fort Carson (36,000), Peterson Space Force Base (10,650), Schriever Space Force Base (8,000), the United States Air Force Academy (7,650), and UCHealth Memorial Health System (6,000).

Two customers account for more than 3% utilization: Account 128 is responsible for 15% total usage and 6.3% total revenue, while Account 125 is responsible for 10% total usage and 5.3% total revenue. The high usage is from a swimming pool and extensive landscaping. If these high-volume users were to significantly reduce their water consumption, it would have a direct impact on the Association's operations and maintenance budget. In that situation, the Association stated it would need to adjust rates accordingly to ensure adequate funding for ongoing system operations and maintenance needs. The Association completes an annual rate analysis to address shortfalls and is prepared to vote to increase usage rates more than the planned inflationary 3% annually.

ORGANIZATIONAL ANALYSIS:

Bond Rating

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

Organizational Structure

The Association is a Colorado nonprofit corporation, organized according to the Colorado Revised Nonprofit Corporation Act, (C.R.S. 7-121 to 7-127) in 2001. The Association is governed by a Board which has no fewer than three Directors. However, the bylaws also state that after control by the declarant terminates, the total number of directors can be subsequently increased or decreased by an affirmative vote of a majority of the members at an annual meeting. The Association currently operates with three board members. The articles of incorporation state that the purpose of the Association is to operate and manage the water system; maintain common areas, parks, roads, and street lighting; perform snow removal; and create and enforce community covenants.

The Association provided its articles of incorporation and bylaws for analysis as part of the application process.

The Association has no employees. The water utility is overseen by a contract operator, who reports to the Association Board.

- The Association completed a CPA audit of FY 2024/2025 financials per CWRPDA policy.
- The Association maintains general liability insurance coverage through Continental Casualty Company.
- There are currently no pending lawsuits against the Association.

Membership

Every person or entity who is a record owner of a fee or undivided interest in any lot subject to assessments is automatically a member of the Association. Membership is tied directly to lot ownership and cannot be separated from it. There are 28 lots in the Association, and it is fully built out.

The Association has distinct classes of voting membership:

- Class A (Built Lots): Owners of residential units are entitled to three (3) votes per unit. If multiple people own the same lot, they must decide among themselves how to vote, but no more than three votes can be cast per lot as an entirety.
- Class B (Vacant Lots): Owners of lots without a residential unit get one (1) vote per vacant lot. Multiple owners of a vacant lot are restricted to a single vote cast as an entirety.

Authority to collect assessments and take on debt

The Board must prepare an annual budget estimating common expenses, alongside a capital budget spanning at least five (5) years to establish a reserve fund for replacing or repairing community assets.

Copies of the budget and the annual general assessment totals must be emailed/posted on internal website at least 30 days before the annual meeting. The assessment can automatically increase year-over-year based on the percentage increase in the "Cost of Living Index". If a proposed budget exceeds this maximum authorized amount, a special meeting must be called where the budget can be vetoed by a majority of a quorum of members.

Both monthly installments and special assessments must be fixed at a uniform rate across all lots. However, a specific developer discount dictates that the rate for lots owned by the developer is fixed at exactly one-third of the regular assessment rate.

The Association has the explicit right to borrow money to improve common areas, buy additional land, or build facilities. However, the Board cannot borrow an amount exceeding 15% of the current annual general budget unless it is explicitly approved by a 75% vote of the membership present or represented by proxy at a meeting.

On April 12, 2025, a 3% water rate increase was proposed based on the annual water rates analyses report and passed unanimously supporting system operations and future upgrades. Additionally, on April 12, 2026, Association members approved an infrastructure fee increase of \$90 per month, bringing the total dues to \$277.29 per lot per month. Members also approved a maximum potential water infrastructure increase of \$120 per lot per month, allowing the infrastructure fee to rise to as much as \$220 per lot per month if needed. Additionally, on May 21, 2026, Bond Counsel confirmed that the Association has the approved authority to incur this proposed debt.

Fee collection and enforcement

The Association has the authority to levy charges and assessments in addition to collecting and enforcing payment. Every assessment is considered a lien on the lot and if unpaid, the Association may file a lawsuit to collect the debt or foreclose on the lien in the same manner as a mortgage under Colorado law.

Technical/Managerial/Financial (TMF)

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

- #F-2: Cash Flow Projection- The Association will be required to raise Association dues to meet and maintain the 110% coverage ratio requirement.

Capital Improvement Plan

The Association does not anticipate any other major projects for the next 5-10 years.

REVENUE ANALYSIS:

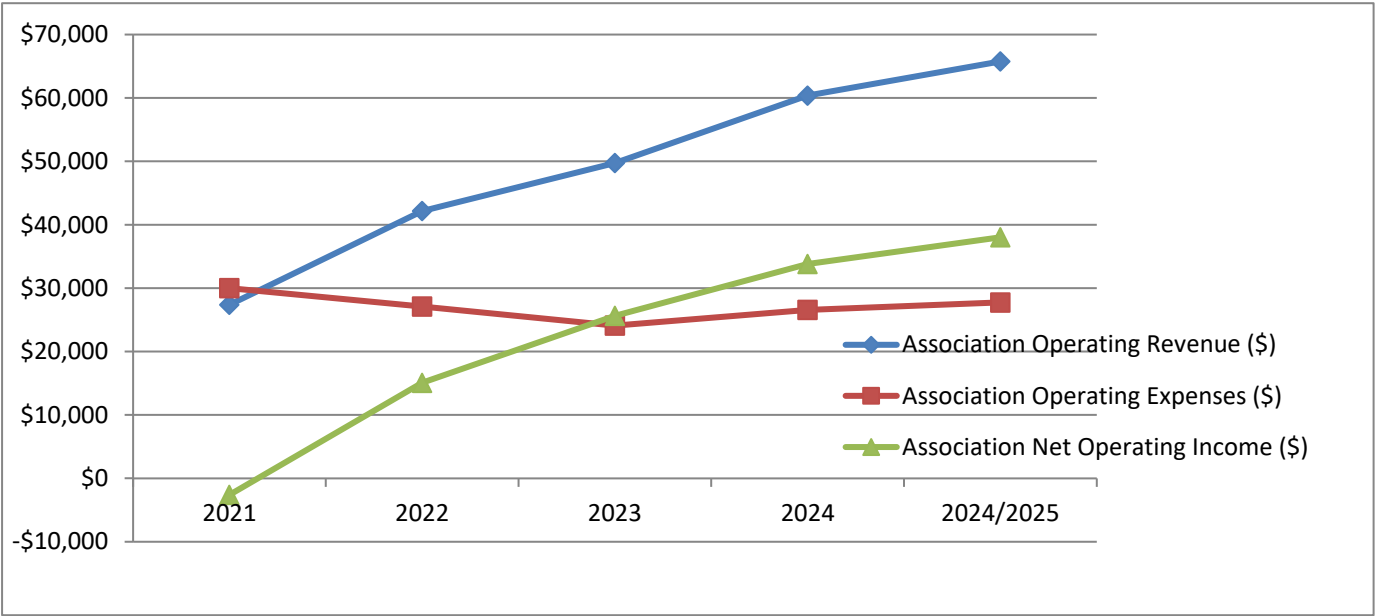
The Association's revenues have experienced strong, consistent growth over the observed five-year period, climbing each year. This steady upward trajectory was driven primarily by significant, ongoing adjustments to the monthly Association water infrastructure dues, which nearly tripled from 2021 to 2022, before continuing to rise by 2024/2025, and again rose significantly in 2026. In addition, the water consumption rates more than doubled between 2023 and 2024. Because tap and development fees remained nonexistent as a built-out community, operating revenues accounted for 100% of the Association's total revenue.

Association operating expenses remained relatively stable and well-managed over the same period, fluctuating slightly between a low of \$24,097 in 2023 and a high of \$29,998 in 2021. In 2021, operating revenues fell short of expenses, resulting in a net operating loss of \$2,610 and an operating ratio of 91%. However, following the substantial dues increase in 2022, the Association's financial health pivoted sharply, and net operating income surged into positive territory. As a result of revenue outpacing expenses by a widening margin, the operating ratio climbed dramatically year-over-year with a robust five-year average of 184%. The Association carries no debt and has strong reserves.

Association reserves prior to 2025 could not be calculated as they were not audited and thus could not isolate assets and liabilities. However, the 2021-2024 financial documents were sufficient to perform the remaining financial analysis. For 2024/2025, the Association's audit was used for this analysis. The full audit covered October 1, 2024-October 31, 2025, in order to apply for a loan application during 2026. All figures were adjusted by a ratio of 12/13 months for consistency and to match the Association's standard fiscal year of January – December.

TRENDS	2021	2022	2023	2024	24/2025	2026
Monthly Total Association Dues (\$)	73.43	148.43	150.79	183.71	185.12	277.29
Total Association Revenue (\$)	27,388	42,169	49,733	60,372	65,783	
Tap/Development Fees (\$)	0	0	0	0	0	
Association Operating Revenue (\$)	27,388	42,169	49,733	60,372	65,783	
Association Operating Expenses (\$)	29,998	27,103	24,097	26,565	27,744	
Association Net Operating Income (\$)	-2,610	15,066	25,636	33,807	38,039	
Association Debt (\$)	0	0	0	0	0	
Total Debt (\$)	0	0	0	0	0	
Association Debt Service (\$)	0	0	0	0	0	
Association Debt Service/Tap/Month (\$)	0.00	0.00	0.00	0.00	0.00	
Association Reserves (\$)	0	0	0	0	135,187	

Ratios	2021	2022	2023	2024	‘24/2025	Average
Operating Revenue as % of Total Revenue	100%	100%	100%	100%	100%	100%
Operating Revenue as % of Expenses	91%	156%	206%	227%	237%	184%
Tap Fee Revenue as % of Total Revenue	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%



Recent Rate Increases
The Association’s most recent water infrastructure fee (base rate) increase of \$90.00 (\$92.16 total increase) was implemented on June 1, 2026.

User Charges
The Association’s current monthly water infrastructure fee plus water consumption rate is estimated at \$252.37 combined, compared to the 2024 estimated state median of \$60.61. The Association’s average monthly water rate is based on typical residential consumption of 9,407 gallons per month. Residential users pay a \$190.00 base water infrastructure rate and a water volume charge of \$0.00663 per gallon for consumption from 1-10,000 gallons. Above 10,000 gallons of consumption the following volume charges apply:

- \$0.00895 per gallon for consumption from 10,001 - 35,000 gallons.
- \$0.0133 per gallon for consumption from 35,001- 50,000 gallons.
- \$100 surcharge plus \$0.0133 per gallon for consumption above 50,000 gallons.

Contributed Capital

Revenue from tap fees has not been collected during the last five years as the community is built out.

Current System Utilization			Current Fee Summary	
	Usage	Revenue	Tap size	Association Dues plus Water Consumption/ Association Base Infrastructure Rate
Residential	100%	100%	¾"	\$252.37/\$190.00
Non-residential (per EQR)	0%	0%	¾"	N/A

DEBT as of October 31, 2025

The Association currently has no debt as of October 31, 2025. The Association has no existing debt with the Authority, including the SRF programs.

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

In addition to our standard covenants, Staff recommends the following:

1. The Association will establish a Debt Service Reserve Fund (DSRF) in an amount equal to one annual debt service payment (approximately \$64,707). The reserve will be restricted as to use, and it will be held by the Authority’s Trustee (currently U.S. Bank). The DSRF account will be owned by the Association, held by U.S. Bank, and may be accessed by the Trustee/Loan Servicer (U.S. Bank) in the event of a full or partial missed payment. The Association will receive all accrued interest from the DSRF account (annually). Should the Trustee need to access the DSRF account to make a full or partial payment on behalf of the Association, the Association will be required to replenish this DSRF account as soon as practical, but no longer than a six-month period. The DSRF funds will be returned to the Association when the loan is paid in full. This DSRF must be fully funded prior to the Association’s loan repayment commencement date.
2. The Association will covenant to have a Certified Public Accountant prepare an annual audit, as required by Authority PNP policies.
3. When Association dues are received by the Association bookkeeper, the bookkeeper will be required to separate the portion of the dues allocable to upcoming loan payments and place this portion into a subaccount or separate account so that it is not commingled with dues allocable to operations of the Association. The objective is to physically separate funds to enhance accurate accounting and preparation for upcoming loan payments.
4. The Association must maintain a minimum of 3 Board Directors throughout the life of the loan.

Project # 230081D-Q

Cost Categories:

Planning and Design Only (non-construction): 12%

Construction - Transmission and distribution- 25%

Construction – Storage: 45%

Land Acquisition: 5%

Other: 13%

Total: 100%

Prepared by: Peter Dieterich
Date: July 28, 2026

July 28, 2026 DWRF Credit Report Camelot Property Owner's Association, El Paso County Using most recent data available (Census, audits, local records)	
Estimated Population - 2025	70
Number of Water Taps/Customers - 2025	28
Total Assessed Valuation - 2025	\$0
Actual Value of All Real Property - 2025	\$0
Median Household Income (MHI) - 2024	\$131,923
Monthly Water Rate - 2025	\$185.12
Water Operating Revenue - 2025	\$65,783
Water Total Revenue - 2025 [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.]	\$65,783
Water Tap and System Development Fee Revenue - 2024	\$0
Water Operating Expense - 2025	\$27,744
Water Current Expense - 2025	\$27,744
Water Debt - 2025	\$0
Total Debt - 2025	\$0
Water Fund Reserves - 2025	\$135,187
Water Debt Service - 2025	\$0
New Water Debt [Requested DWRF loan amount.]	\$1,000,000
Requested DWRF Loan Term	30
Requested DWRF Loan Interest Rate	5.00%
New Loan's Annual Water Debt Service (two payments annually)	\$64,707

Current Indicators (2024) Camelot Property Owner's Association (Water)				
1	Total Debt	\$0	÷ Population	70 = \$0
	New Debt	\$1,000,000	÷ Population	70 = \$14,286
	Total Debt + New Debt	\$1,000,000	÷ Population	70 = \$14,286
2	Total Debt	\$0	÷ Number of Taps	28 = \$0
	New Debt	\$1,000,000	÷ Number of Taps	28 = \$35,714
	Total Debt + New Debt	\$1,000,000	÷ Number of Taps	28 = \$35,714
3	Total Debt	\$0	÷ Assessed Value	\$0 = N/A
	New Debt	\$1,000,000	÷ Assessed Value	\$0 = N/A
	Total Debt + New Debt	\$1,000,000	÷ Assessed Value	\$0 = N/A
4	Total Debt	\$0	÷ Actual Value	\$0 = N/A
	New Debt	\$1,000,000	÷ Actual Value	\$0 = N/A
	Total Debt + New Debt	\$1,000,000	÷ Actual Value	\$0 = N/A
5	Current Water Debt (Current Water Debt + New Water Debt) / Number of Taps	\$0 \$35,714	÷ Number of Taps ÷ MHI	28 = \$0 \$131,923 = 27.07%
6	Current Ratio (CA / CL) Current Assets	\$135,187	÷ Current Liabilities	\$0 = N/A
7	Reserve/Expense Ratio Reserves	\$135,187	÷ Current Expenses	\$27,744 = 487%
8	Operating Ratio (OR / OE) Operating Revenues	\$65,783	÷ Operating Expenses	\$27,744 = 237%
9	Coverage Ratio [(TR - OE) / DS] Total Revenues Minus Operating Expenses =	\$65,783 \$27,744 \$38,039	- ÷ Current Debt Service	 \$0 = N/A
10	Coverage Ratio Excluding Tap and Development Fee Revenue Minus Tap and Development Fee Revenue =	\$38,039 \$0 \$38,039	÷ Current Debt Service	\$0 = N/A
11	Projected Coverage Ratio Total Revenues Minus Operating Expenses =	\$65,783 \$27,744 \$38,039	Total Debt Service (with new loan) \$64,707	= 59%
12	Projected Coverage Excluding Tap and Development Fee Revenue Minus Tap and Development Fee Revenue =	\$38,039 \$0 \$38,039	Total Debt Service (with new loan) \$64,707	= 59%
13	Current Debt Service Annual New Water Debt Service	\$0 \$64,707	÷ Number of Taps ÷ Number of Taps	28 = \$0.00 28 = \$2,310.96
14	2024 Annual Water Rate (Monthly Rate x 12) 2024 Annual Water Rate + New Annual Debt Service Per Tap	\$2,221.46 \$4,532.41	÷ MHI ÷ MHI	\$131,923 = 1.68% \$131,923 = 3.44%
15	Current 2024 Monthly User Charge (Debt Service on DWRP Loan / 2024 Taps / Month) Total			\$150.79 \$192.58 \$343.37
16	Operation and Maintenance Reserve Reserves	\$135,187	÷ Operating Expenses	\$27,744 = 487%

2026 IUP DWRF Priority Point Calculations

Entity Name:	Camelot Property Owner's Association
Date of Scoring	8/5/2026
SRF Phase:	Loan app
DOLA Score:	35
DAC:	Not DAC

Benchmarks

\$95,470 2020-2024 State MHI estimate

		Points	Entity Value	
P1	MHI		\$131,923	138%
	<50% of state MHI	35		
	Between 51% and 80% of state MHI	20		
	Between 81% and 100% of state MHI	5		
	>100% state MHI	0		
S5a	User Fees (current water rate at 110%/tap/MHI)		0.75%	
	Rates are > 1.55%	45		
	Rates are between 1.11% and 1.55%	25		
	Rates are < 1.11%	0		
	OR			
S5a	User Fees for a combined water & sewer fund			
	Rates are > 2.70%	45		
	Rates are between 2.03% and 2.70%	25		
	Rates are < 2.03%	0		
S4a	Current water debt per tap compared to MHV		0.00%	
	Debt is > 0.63%	45		
	Debt is between 0.21% and 0.63%	25		
	Debt is < 0.21%	0		
	OR			
S4a	Current water & sewer debt (for combined systems)			
	Debt is > 1.26%	45		
	Debt is between 0.57% and 1.26%	25		
	Debt is < 0.57%	0		
	Population served		70	
	Less than 500	35		
	Between 500 and 1,000	25		
	Between 1,000 and 2,000	20		
	Between 2,000 and 5,000	15		
	Between 5,000 and 10,000	5		
	>10,000	0		
S3	Assessed Value/Household		#DIV/0!	
	AV per household is < \$12,722	35		
	AV per household is between \$12,722 and \$24,337	20		
	AV per household is between \$24,337 and \$46,151	10		
	AV per household is greater than \$46,151	0		



Principal Forgiveness and Priority Point Scoring

Applicant: Camelot Property Owner's Association
DWRP or WPCRFP:DWRP

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

BIL Principal Forgiveness

Eligible for BIL principal forgiveness? No

Eligible BIL principal forgiveness percentage: N/A

Amount of principal forgiveness awarded (accounting for any applicable cap/max): \$0

Base DWRP/WPCRFP Principal Forgiveness Scoring

DWRP/WPCRFP

Water Quality & Public Health + CPDWR Compliance:	10
DOLA Affordability Score:	35
Total Score	45

Eligible as a base program DAC?

Eligible base program DWRP/WPCRFP principal forgiveness percentage:

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

Priority Point Scoring

Total WQCD Score:	40
DOLA Affordability Score:	35
Total Score:	75

**COLORADO WATER RESOURCES
AND
POWER DEVELOPMENT AUTHORITY**

RESOLUTION NO. 26-24

**A RESOLUTION FOR APPROVAL OF A DRINKING WATER DIRECT LOAN TO
THE CAMELOT PROPERTY OWNER'S ASSOCIATION 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 direct loan from the Drinking Water Revolving Fund from the Camelot Property Owner's Association (the "Applicant"); and

WHEREAS, the Loan Application has been reviewed in accordance with the procedures provided therefor in the Memorandum of Understanding 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 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 base direct loan to the Camelot Property Owner's Association in an amount not to exceed \$1,000,000 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. 26-24 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 Steamboat Springs, Colorado on August 19, 2026.

Chairman

Secretary

EXHIBIT A

Borrower:	Camelot Property Owner’s Association
Project:	This project consists of a full replacement of the storage tank with two new water storage tanks and booster pump upgrades.
Pledge:	All Association Revenue
Loan Term:	30 years
Interest Rate:	5.00%
Amount not to exceed:	\$1,000,000

Subject to the following terms & conditions:

1. The Association will establish a Debt Service Reserve Fund (DSRF) in an amount equal to one annual debt service payment (approximately \$64,707). The reserve will be restricted as to use, and it will be held by the Authority’s Trustee (currently U.S. Bank). The DSRF account will be owned by the Association, held by U.S. Bank, and may be accessed by the Trustee/Loan Servicer (U.S. Bank) in the event of a full or partial missed payment. The Association will receive all accrued interest from the DSRF account (annually). Should the Trustee need to access the DSRF account to make a full or partial payment on behalf of the Association, the Association will be required to replenish this DSRF account as soon as practical, but no longer than a six-month period. The DSRF funds will be returned to the Association when the loan is paid in full. This DSRF must be fully funded prior to the Association’s loan repayment commencement date.
2. The Association will covenant to have a Certified Public Accountant prepare an annual CPA compilation, review, or audit, as required by total Association revenues or expenses.
3. When Association dues are received by the Association bookkeeper, the bookkeeper will be required to separate the portion of the dues allocable to upcoming loan payments and place this portion into a subaccount or separate account so that it is not comingled with dues allocable to operations of the Association. The objective is to physically separate funds to enhance accurate accounting and preparation for upcoming loan payments.
4. The Association must maintain a minimum of 3 Board Directors throughout the life of the loan.

*The terms and monetary amounts set forth in Part 1 hereto under the IJA/BIL General Supplemental and/or base direct loan and the IJA/BIL General Supplemental and/or base PF loan are premised upon the Authority’s understanding of and expectations for the resources available to it from the base federal Capitalization Grants. These amounts, and the allocation of funds available to the Project from each source, are subject to change, amendment, and/or rescission depending upon the policies, procedures, and budgetary adjustments adopted by the federal administration. If such changes in policies and procedures or budgetary adjustments are adopted by the federal administration, the Authority reserves the right to review and adjust the terms and monetary amounts

set forth herein in a subsequent action. Further, the loan agreement authorized by this resolution is subject to non-execution, cancellation, delay, rescission, or alteration depending upon the terms and conditions, quantities, or availability of federal funds provided under existing or future Capitalization Grants. In addition, funding for this and other approved projects may be re-evaluated under the priority scoring system implemented by the Board for all projects based on changes in the availability of anticipated funds. This re-evaluation may result in the funding of some but not all previously-authorized projects, including the project for which the execution of a loan agreement has been authorized by this resolution. The loan agreement authorized by this resolution shall include a term by which Applicant shall hold the Authority harmless for any costs or damages resulting from a change in federal policies, procedures, or funding that results in the requirement that the Authority cancel, delay, rescind, or alter its terms.

DWRF LOAN CREDIT REPORT (2026)

Colorado City Metropolitan District (“The District”), Pueblo County

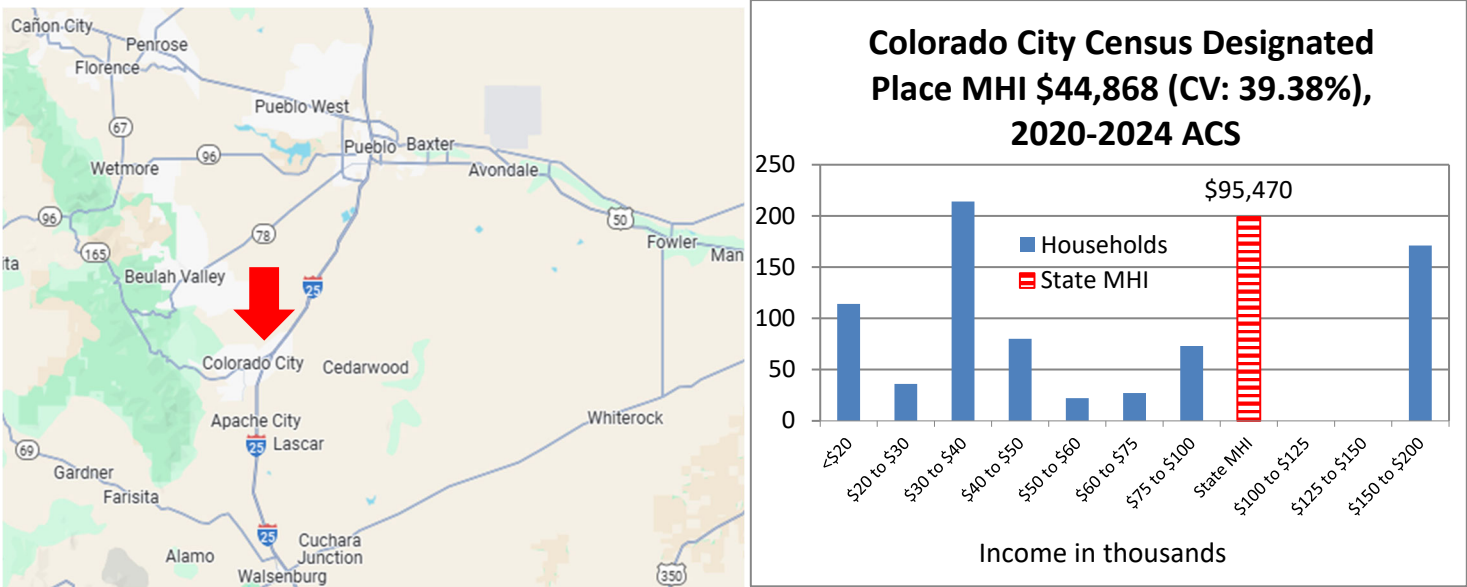
Recommendation:	CONDITIONAL APPROVAL	<u>Project Budget</u>	
Total SRF Request:	\$7,500,000	DWRF Base Loan:	\$2,905,087
SRF Loan:	\$5,000,000	DWRF BIL/IIJA Loan:	\$2,094,913
Interest Rate & Term:	1.75%, 30 years	DWRF BIL/IIJA Principal Forgiveness:	\$2,500,000
Annual Debt Service:	\$214,939	DOLA EIAF Grant:	\$1,000,000
Pledge:	Water and sewer revenues	USDA Loan:	\$13,368,000
Current Rate:	\$75.51 (W) \$52.46 (S)	USDA Grant:	\$2,550,000
Estimated Rate Increase:	\$36.34	District Reserves:	\$1,125,000
		Total:	\$25,543,000

PROJECT DESCRIPTION: The project consists of upgrades to the District’s existing membrane filtration water treatment plant, including the design and construction of a drinking water pretreatment Dissolved Air Flotation (DAF) system, DAF treatment building and all associated appurtenances.

COMMUNITY PROFILE:

Colorado City Metropolitan District	2020	2021	2022	2023	2024	2025	2026	Avg. Annual Change
District Population			2,920	2,973	2,988	3,000	2,973	0.45%
Pueblo County Population	168,339	169,307	169,404	169,681	169,916			0.23%
Pueblo County Jobs	71,089	71,407	73,058	73,625	73,929			0.98%
Number of Water Taps			1,168	1,189	1,195	1,200	1,189	0.45%
Number of Sewer Taps			1,148	1,169	1,175	1,180	1,180	0.69%
Assessed Value (\$000)		\$24,891	\$29,098	\$29,251	\$48,213	\$47,699	\$41,524	9.30%
Actual Value (\$000)			\$254,397	\$265,437	\$366,719	\$430,969	\$411,903	12.80%

BORROWER BRIEF: The District serves an unincorporated community in Southern Pueblo County. It is located approximately 23 miles south of the City of Pueblo and about 25 miles north of the City of Walsenburg on I-25.



RECOMMENDATION: The District serves a bedroom community in southern Pueblo County. This proposed loan is necessary to reduce turbidity and increase the removal of Total Organic Carbon, which will improve water quality. This proposed loan is large for the size of the community and the District has previously submitted an unsuccessful application for DWRF funding for this project. However, the District has secured grant funding from USDA and DOLA in addition to addressing the issues which were identified during the previous loan application for this project. The District has increased rates significantly and indicates that it plans to further increase rates to meet coverage ratio requirements. We therefore recommend the DWRF Committee approve a \$2,905,087 disadvantaged communities

direct base loan, a \$2,094,913 disadvantaged communities IJA/BIL loan, and \$2,500,000 in principal forgiveness to the Colorado City Metropolitan District on the condition rates are increased to meet coverage ratio requirements.

PROJECT SUMMARY:

System summary: The District is located approximately 23 miles south of the City of Pueblo off State Highway 165. The District's water treatment plant serves a population of approximately 2,973 based on 1,189 service connections. The treatment plant receives surface water from Beckwith Reservoir, where it is filtered and treated with chlorine at the existing membrane treatment plant before entering the distribution system. The District has made significant progress in addressing water loss by replacing outdated or inaccurate water meters, resolving water treatment plant operations that used excessive amounts of water, and repairing breaks in 6-inch and 8-inch water lines. The District's average monthly unaccounted for water for May 2026 is now in the range of twenty percent.

Reason/need: The District's primary raw water source, Beckwith Reservoir, contains high levels of turbidity and total organic carbon (TOC), a precursor to disinfection byproduct (DBP) formation. As a result of treatment system inadequacies, the District has been subject to water quality compliance violations due to exceedances in DBPs and other factors. A DAF pretreatment assembly was selected after analyzing the needs of the District. Public health benefits are related to increased potable water quality, potable water treatment capacity, and resolving distribution system-related water losses. This project will provide the following benefits: improve overall finished water quality, increase run times on existing membrane units by decreasing the turbidity in the feed water, increase run times and clean-in-place intervals by reducing turbidity, increase the removal of TOCs, which in turn lowers DBP levels in the distribution system, and improve community health and economic development.

System Compliance: The District (CO0151200) has an enforcement order (DW.03.18.151200) issued March 8, 2019, to address disinfection byproducts (DBPs). A second enforcement order (DW.09.23.151200) was issued September 27, 2023, to address noncompliance with the first order and ongoing DBP issues. A Compliance Order on Consent (COC) was issued on October 10, 2024, resulting from an appeal process. The District has a compliance schedule in order to perform activities to meet compliance with the DBP maximum contaminant level. The District must begin construction of system improvements by either: (a) December 31, 2025, or (b) within one hundred eight (180) calendar days of Department approval of the design plans and specifications for system improvements, whichever comes later. The schedule also dictates that the District must complete construction within seven hundred eighty-five (785) calendar days of beginning construction of system improvements. The project is intended to return the system to compliance.

Project Delivery Method: Design/Bid/Build.

Contingency: 8.6% of the total project cost is included as contingency.

CURRENT INDICATORS:	2022	2023	2024		Weak		Average		Strong
Total Debt per Capita (\$):	1,240	1,145	1,067		>\$2,000	X	\$1,000 - 2,000		<\$1,000
Total + New Debt/Capita (\$):			2,741	X	>\$2,000		\$1,000 - 2,000		<\$1,000
Total Debt/Tap (\$):	3,100	2,862	2,668		>\$5,000	X	\$2,500 - 5,000		<\$2,500
Total Debt + New Debt/Tap (\$):			6,852	X	>\$5,000		\$2,500 - 5,000		<\$2,500
Current W&S Debt/Tap (\$):	3,072	2,853	2,668	X	>\$2,000		\$1,000 - 2,000		<\$1,000
Current W&S + New W&S Debt/Tap (\$):			6,852	X	>2,000		\$1,000 - 2,000		<\$1,000
Total Debt/Assessed Value:	12%	12%	6.61%		>50%		25-50%	X	<25%
Total Debt + New W&S Debt/Assessed Value:			17%		>50%		25-50%	X	<25%
Total Debt/Actual Value:	1.42%	1.28%	0.87%		>10%		5-10%	X	<5%
Total Debt + New W&S Debt/Actual Value:			2.23%		>10%		5-10%	X	<5%
Curr. W&S Debt + New Debt/Tap/MHI:			15%		>20%	X	10-20%		<10%
W&S Fund Current Ratio (CA/CL):	501%	521%	475%		<100%		100-200%	X	>200%
W&S Fund Reserves/Current Expense:	148%	126%	114%		<50%		50-100%	X	>100%
W&S Operating Ratio (OR/OE):	123%	104%	120%		<100%	X	100-120%		>120%
Coverage Ratio (TR-OE)/DS:	219%	180%	239%		<110%		110-125%	X	>125%
Coverage Ratio (TR-OE)/DS Excluding Tap Fees:	140%	59%	174%		<110%		110-125%	X	>125%
Coverage Ratio with New Loan:			142%		<110%		110-125%	X	>125%
Coverage Ratio with New Loan Excluding Tap Fees:			103%	X	<110%		110-125%		>125%

Current Annual Water Rates/MHI:	2.02%	_____	>3.0%	<u>X</u>	1.5-3.0%	_____	<1.5%
Current Water Rates + New W&S Debt Service/MHI:	2.42%	_____	>3.0%	<u>X</u>	1.5-3.0%	_____	<1.5%
Operation and Maintenance Reserve:	132%	_____	<25%		25-50%	<u>X</u>	>50%
Total:		5		6		10	

FINANCIAL ANALYSIS: Of the twenty-one current indicators calculated, ten are rated strong, six are average and five are considered weak. Overall, the indicators illustrate a system which has sufficient revenues to cover expenses. The strong indicators show that the community is in good financial condition. The weak indicators reflect that the debt will be a burden for the community when compared to the number of households.

- The District is pledging water and sewer revenues for the proposed loan. The District’s audit presents the water and sewer funds as separate funds. For the purposes of this financial analysis and indicators, the water and sewer funds have been added together.
- Over the past five years, operating revenues have averaged 118% of expenses.
- The District received a Letter of Conditions from USDA for a funding package with a \$13,368,000 loan and a \$2,550,000 grant. The estimated repayment cost of the loan is \$562,776 annually.
- Based on 2024 financial information, estimated repayment on the USDA loan, as well as increased payments for existing water and wastewater debt, coverage with the proposed loan is 65% with tap fee revenue and 47% without tap fee revenue. Additional annual revenue of about \$518,452, or \$36.34 per tap per month, would increase the coverage ratio to 110% when including tap fee revenue. Additional annual revenue of about \$723,452, or \$50.70 per tap per month, would increase the coverage ratio to 110% excluding tap fee revenue.
- The District anticipates operations and maintenance costs to decrease approximately \$511,391 from the current operations and maintenance baseline. This projected decrease is due to less need for professional services related to current projects in addition to automated processes and reduced backwashing leading to lower costs related to monitoring and testing. Cost savings are also anticipated in chemical and energy costs as a result of more efficient equipment and reduced backwashing.
- If the estimated operations and maintenance costs savings from the proposed project are realized, the projected coverage ratio rises to 109% with tap fee revenue and 92% without tap fee revenue. With tap fee revenue, additional annual revenue of about \$7,061, or \$0.49 per tap per month, is estimated to be necessary to meet the coverage ratio requirement. Excluding tap fee revenue, additional annual revenue of about \$212,061, or \$14.86 per tap per month, would be necessary.
- Projections submitted by the District shows a 40% increase in rates starting 2027, with rate revenue increasing roughly 2.4% annually after the initial 40% increase. A 40% increase should be sufficient to meet the coverage ratio requirement on the proposed loan.
- Without principal forgiveness, the coverage ratio moves to 59% with tap fee revenue and 43% without tap fee revenue. Additional annual revenue of about \$636,669, or \$44.62 per tap per month, would increase the coverage ratio to 110% when including tap fee revenue.

Additional Project Financing

The District submitted a USDA application and received a Letter of Conditions on April 9, 2026, for a \$13,368,000 loan and a \$2,550,000 grant.

The District submitted an Energy and Mineral Impact Assistance Fund grant application for \$1,000,000 which was awarded in March 2024.

DESCRIPTION OF THE LOAN:

An estimated \$5,000,000 loan with a thirty-year term with two payments annually at an interest rate of 1.75% will cost the District approximately \$214,939 in debt service annually. The District also qualifies for \$2,500,000 in IIJA/BIL principal forgiveness.

Disadvantaged 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

	Benchmark		Borrower	Met?
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P1: MHI	\$76,376	>=	\$44,868	Y
P2: MHV	\$431,520	>=	\$259,100	Y
P3: County Unemployment	5.35%	<=	5.10%	N
County Job Change	0.00%	>=	10.04%	N
S1: County MHI	\$76,376	>=	\$64,010	Y
S2: Ten Year % Change in Population	0.00%	>=	N/A	N/A
S3: Assessed Value per Housing unit	\$24,337	>=	\$40,346	N
S4b: Curr. and Proj. System Debt	0.57%	<	3.45%	Y
S4b: 80th Percentile	1.57%	<	3.45%	Y
S5b: Proj. System Cost Per Tap to MHI	1.84%	<	5.57%	Y
S5b: 80th Percentile	2.67%	<	5.57%	Y

Based on 2020-2024 American Community Survey data, the Town met the requirements of a DAC, qualifying under scenario #1.

Due to its projected rates to MHI and MHV exceeding the 80th percentile, the District qualifies for the lowest interest rate available (Category 2 DAC, 1.75%).

IIJA/BIL Principal Forgiveness Eligibility:

In order to qualify for IIJA/BIL principal forgiveness, a community must score three (3) points using the IIJA/BIL Principal Forgiveness Eligibility Criteria outlined in the Intended Use Plans. The District scores six points as shown below.

IIJA/BIL PF DETERMINATION				
	Benchmark		Borrower	Points
1. Five Year % Change in Population	0.73%	>	1.93%	0
2a: County Job Change	0.00%	>	10.04%	0
2b: County Unemployment	5.35%	<	5.10%	
3: Median Household Income, or MHI exceeds 125% of state MHI (-1 point)	\$95,470	>	\$44,868	1
	\$119,338	<		
4: Rates to MHI	0.76%	<	3.42%	1
5: Project addresses removal of lead or emerging contaminants	Yes		No	0
6: % Minority	40.00%	<	10.22%	0
7: % Households Housing Burdened	50.00%	<	39.12%	0
8: % Population under 200% Poverty Level	40.00%	<	33.96%	0
9: % Population under 200% Poverty Level + % Population over 65 years old	55.00%	<	74.52%	1
10: Meets DAC criteria	Yes		Yes	3
Total Points Scored:				6

The District qualifies for IIJA/BIL principal forgiveness and has expressed interest in receiving a proportional loan with principal forgiveness funding package. The District qualifies for approximately \$2,500,000 in principal forgiveness, which is the current maximum for IIJA/BIL DWRF supplemental principal forgiveness.

ECONOMIC ANALYSIS: Based on the State Demographer’s estimate of 2.5 people per tap, the District had a 2024 population estimated at 2,988 and has grown at an average annual rate of 0.45% since 2020. Pueblo County has experienced an increase of 0.23% in population since 2020. The state population increased at an average annual rate estimated 0.73%.

The County's economy is dominated by education and health services, retirees, government, households with public assistance income (excluding retirees), and manufacturing. Correspondingly, the largest job sectors in the county are government, health services, retail trade, accommodation and food, and construction.

The District's largest employers consist of Siete Inc, with 45 employees; Alcon, with 30 employees; Colorado City Unified School District, with 28 employees; the District itself, with 17 employees; and CSS Potato Farms, with 15 employees.

No customer accounts for more than 3% utilization.

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 form of government and was organized in 1964. The District provides services including roads, parks and recreation, and water and wastewater services. Approximately four full-time employees staff the water utility. The water utility is overseen by the supervisor for plant operations, who reports to the District manager.

- 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 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.

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:

- Financial Criterion #F-2: Cash flow projection/analysis/financial plan
The District should also be prepared to raise rates as necessary to meet the 110% debt coverage ratio requirement.

When the District previously applied to the DWRF for project funding, the WQCD identified several items needing follow up. Below is an update of those items:

- Water loss in the distribution system continues to be a chronic issue and while the District continues to attempt to address this concern by replacing all outdated water meters, water loss is still significant.
 - Update: The District has made significant progress in addressing water loss by replacing outdated or inaccurate water meters, resolving water treatment plant operations that used excessive amounts of water, and repairing breaks found in 6-inch and 8-inch water lines. The District's average monthly unaccounted for water for May 2026 is now in the range of 20%, previously estimated to be 50%.
- Concerns regarding procurement of BABA-compliant (Build-America, Buy-America) water treatment equipment persist.
 - Update: The District is coordinating BABA compliance efforts through the USDA Rural Development, which is the lead funding agency. The District has provided confirmation to the WQCD that a BABA-compliant 1.5 MGD DAF pretreatment system will be installed.
- The District expects that the project may reduce operating costs by up to \$500,000 however, the WQCD has not received any information to substantiate this amount.
 - Update: The District has provided an explanation and calculations demonstrating how annual operation and maintenance costs will be reduced by approximately \$511,391 upon project completion. Cost savings will be seen in a reduction of energy usage, less treatment process chemicals will be needed, and monitoring and testing needs are expected to decrease substantially. The project will reduce the cost of buying new filters for the plant, at a rate of \$158,000 every two years, and reduce chlorine usage by 50% because the District will no longer have to clean filters daily or backwash every 20 minutes.

- The current project scope presented for the SRF loan application is inconsistent with the Environmental Assessment. The EA includes dam rehabilitation and a new raw water pipeline, however, the SRF Project Needs Assessment and subsequent loan application do not include dam rehabilitation.
 - Update: Early in the planning process, the District had combined two distinctly separate projects into one environmental assessment: the DAF Pretreatment project and the Dam Embankment Modification project. This was done because the projects are adjacent to one another and at the time, development of one EA made sense. The dam embankment project is not included in this project.
- The local, state and federal agency consultations required for the Environmental Assessment (EA) are out of date. Due to design changes and project scope changes, consultations with the agencies listed need to be re-initiated. Consultation with the following agencies has not yet occurred or the agency comments from the initial EA were not addressed:
 - CDPHE Air Quality Control Division
 - State Engineer's Office
 - Local Floodplain Permitting Officer
 - Colorado Parks and Wildlife
 - U.S. Fish and Wildlife Office
 - State Historical Preservation Office
 - Department of Natural Resources
- Update: Colorado City Metropolitan District has fulfilled the obligations required per the State Environmental Review Process (SERP). Though the official environmental determination will be finalized by USDA, CDPHE considers the environmental assessment complete and will defer to the determination published by USDA.

Capital Improvement Plan

As part of the application process, the District submitted a capital improvement schedule through 2028, which anticipates capital outlay of \$13,212,175 for system-wide meter replacements, Lake Beckwith dam rehabilitation, and a leak detection project to be funded from a combination of grants, loans, and reserves.

Intergovernmental

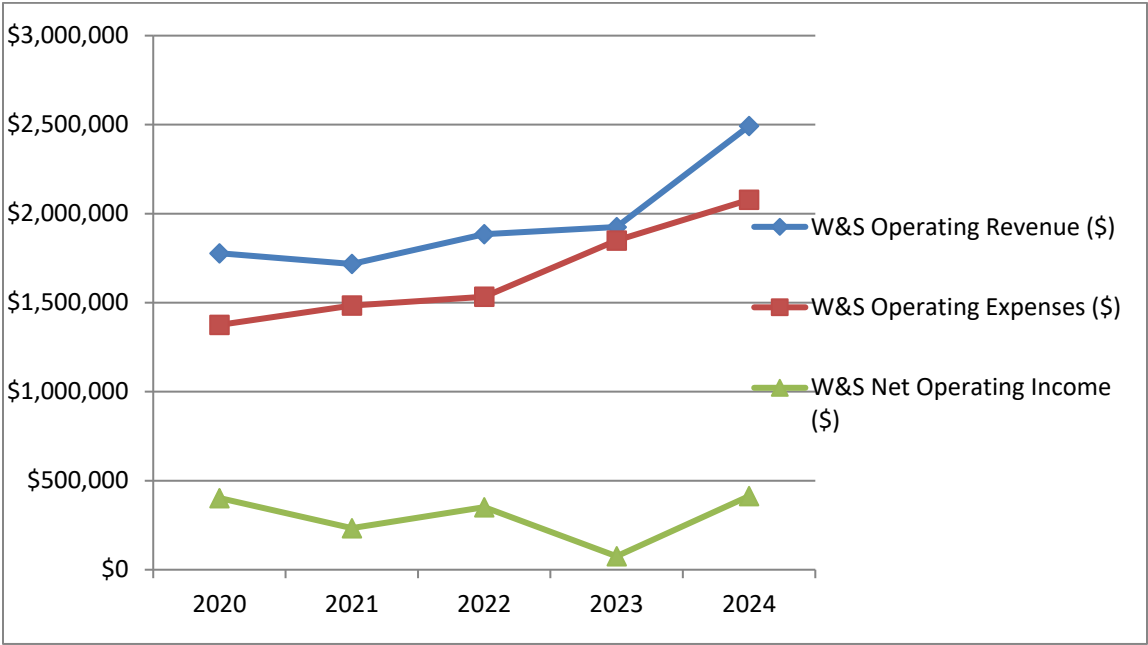
The District has a 2018 intergovernmental agreement with the Town of Rye. The District treats the Town's wastewater. The Town is billed according to a master meter. The agreement is for a term of 20 years, unless terminated earlier by mutual agreement.

REVENUE ANALYSIS:

Operating revenues from the water and sewer funds have covered operating expenses for four of the five years examined. While operating expenses have consistently increased, operating revenues are also on a positive trend and net operating income increased between 2023 and 2024. The District is planning a 40% increase to rates to meet the additional bonds test on an existing Bank of the San Juans loan in addition to meet interest payments on the interim loan for USDA-RD financing. Operating expenses have increased due to outside contracted services.

TRENDS	2020	2021	2022	2023	2024	2025	2026
Monthly Water Rate (\$)			49.27	53.67	75.51	75.51	75.51
Monthly Sewer Rate (\$)			47.46	47.46	52.46	52.46	52.46
Residential Water Tap Fee (\$)			5,100	11,000	15,000	15,000	15,000
Residential Sewer Tap Fee (\$)			4,900	9,000	10,000	10,000	10,000
Total W&S Revenue (\$)	2,357,876	2,161,618	2,222,699	2,416,751	2,826,392		
Tap/Development Fees (\$)	524,310	361,145	249,250	380,500	205,000		
W&S Operating Revenue (\$)	1,777,396	1,717,532	1,884,608	1,924,726	2,492,253		
W&S Operating Expenses (\$)	1,375,074	1,484,017	1,533,319	1,849,156	2,077,984		
W&S Net Operating Income (\$)	402,322	233,515	351,289	75,570	414,269		
W&S Debt (\$)	3,969,592	3,769,917	3,587,860	3,391,999	3,187,729		
Total Debt (\$)	4,034,083	3,816,792	3,620,691	3,402,980	3,188,120		
W&S Debt Service (\$)	2,905,551	334,722	314,299	314,958	312,572		
W&S Debt Service/Tap/Month (\$)			22.42	22.07	21.80		
W&S Funds Reserves (\$)	1,453,903	1,505,057	2,729,850	2,736,997	2,736,075		

Ratios	2020	2021	2022	2023	2024	Average
Operating Revenue as % of Total Revenue	75%	79%	85%	80%	88%	81%
Operating Revenue as % of Expenses	129%	116%	123%	104%	120%	118%
Tap Fee Revenue as % of Total Revenue	22%	17%	11%	16%	7%	15%



Recent Rate Increases

The District’s most recent water rate increase of \$21.84 and sewer rate increase of \$5.00 were implemented on January 25, 2024.

User Charges

The District’s current monthly water rate is estimated at \$75.51 compared to the 2024 estimated state median of \$60.61. The District’s average monthly water rate is based on typical residential consumption of 5,000 gallons per month. Residential users with a ¾” tap pay a \$37.37 base rate and a volume charge of \$7.627 per 1,000 gallons for consumption up to 5,000 gallons, \$9.918 between 5,001 and 15,000 gallons, \$11.904 between 15,001 and 35,000 gallons, and \$15.486 for consumption over 35,000 gallons. Residential users with a 1” tap pay a higher base fee of \$43.01 but the same volume charges. Commercial users with a ¾” tap pay a \$38.48 base rate, which increases with tap size up to \$76.87 for commercial users with a 2” tap. All commercial users pay a volume charge of \$10.856 per 1,000 gallons.

District’s current estimated average monthly residential sewer rate is \$52.46 compared to the 2024 estimated state median of \$44.65. Residential users pay a base rate of \$18.36 and a volume charge of \$6.82 per 1,000 gallons of the average water consumption in December, January, and February. Commercial users pay a base rate of \$18.81 and a volume charge of \$8.17 per 1,000 gallons of actual water usage.

Contributed Capital

Revenue from tap fees has ranged from \$137,100 to \$279,860 and has averaged 15% of total water revenue during the last five years. The District’s most recent water tap fee rate increase occurred in 2024.

- Residential and commercial water tap fees are \$15,000.
- Residential and commercial sewer tap fees are \$10,000.

Current System Utilization		
	Usage	Revenue
Residential	82%	83%

Current Fee Summary		
Tap size	Water user/tap fees	Sewer user/tap fees
¾”	\$75.51/\$15,000	\$52.46/\$10,000

Non-residential (per EQR)	18%	17%	¾"	\$79.33/\$15,000	\$59.21/\$10,000
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DEBT as of December 31, 2024

Executed	Lender	Term End	Pledge	Outstanding	Interest Rate	Annual payment
2020	Bank of the San Juans	2030	Water and sewer fund revenues	\$3,187,729	3.39%	\$261,404

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.

Prepared by: Victor Chen
Date: July 28, 2026

Project # 160121D-Q Cost Categories: Planning and Design Only (non-construction): 15.5% Construction - Treatment: 76.5% Other: 8%
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August 28, 2026 DWRF Credit Report Colorado City Metropolitan District, Pueblo County, CO Using most recent data available (Census, audits, local records)	
Estimated Population - 2024	2,988
Number of Water Taps/Customers - 2024	1,195
Total Assessed Valuation - 2024	\$48,213,000
Actual Value of All Real Property - 2024	\$366,719,000
Median Household Income (MHI) - 2023	\$44,868
Monthly Water Rate - 2024	\$75.51
W&S Operating Revenue - 2024	\$2,492,253
W&S Total Revenue - 2024 [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.]	\$2,826,392
W&S Tap and System Development Fee Revenue - 2024	\$205,000
W&S Operating Expense - 2024	\$2,077,984
W&S Current Expense - 2024	\$2,390,556
W&S Debt - 2024	\$3,187,729
Total Debt - 2024	\$3,188,120
W&S Fund Reserves - 2024	\$2,736,075
W&S Debt Service - 2024	\$312,572
New W&S Debt [Requested DWRF loan amount.]	\$5,000,000
Requested DWRF Loan Term	30
Requested DWRF Loan Interest Rate	1.75%
New Loan's Annual W&S Debt Service (two payments annually)	\$214,939

Current Indicators (2024) Colorado City Metropolitan District (Water and Sewer Funds)					
1	Total Debt	\$3,188,120	÷	Population	2,988 = \$1,067
	New Debt	\$5,000,000	÷	Population	2,988 = \$1,674
	Total Debt + New Debt	\$8,188,120	÷	Population	2,988 = \$2,741
2	Total Debt	\$3,188,120	÷	Number of Taps	1,195 = \$2,668
	New Debt	\$5,000,000	÷	Number of Taps	1,195 = \$4,184
	Total Debt + New Debt	\$8,188,120	÷	Number of Taps	1,195 = \$6,852
3	Total Debt	\$3,188,120	÷	Assessed Value	\$48,213,000 = 6.61%
	New Debt	\$5,000,000	÷	Assessed Value	\$48,213,000 = 10.37%
	Total Debt + New Debt	\$8,188,120	÷	Assessed Value	\$48,213,000 = 16.98%
4	Total Debt	\$3,188,120	÷	Actual Value	\$366,719,000 = 0.87%
	New Debt	\$5,000,000	÷	Actual Value	\$366,719,000 = 1.36%
	Total Debt + New Debt	\$8,188,120	÷	Actual Value	\$366,719,000 = 2.23%
5	Current Water Debt (Current Water Debt + New Water Debt) / Number of Taps	\$3,187,729	÷	Number of Taps	1,195 = \$2,668
		\$6,852	÷	MHI	\$44,868 = 15.27%
6	Current Ratio (CA / CL)				
	Current Assets	\$3,465,318	÷	Current Liabilities	\$729,243 = 475%
7	Reserve/Expense Ratio				
	Reserves	\$2,736,075	÷	Current Expenses	\$2,390,556 = 114%
8	Operating Ratio (OR / OE)				
	Operating Revenues	\$2,492,253	÷	Operating Expenses	\$2,077,984 = 120%
9	Coverage Ratio [(TR - OE) / DS]				
	Total Revenues	\$2,826,392	-		
	Minus Operating Expenses	\$2,077,984			
	=	\$748,408	÷	Current Debt Service	\$312,572 = 239%
	Coverage Ratio Excluding Tap and				
10	Development Fee Revenue	\$748,408			
	Minus Tap and Development Fee Revenue	\$205,000			
	=	\$543,408	÷	Current Debt Service	\$312,572 = 174%
11	Projected Coverage Ratio				
	Total Revenues	\$2,826,392			
	Minus Operating Expenses	\$2,077,984			
	=	\$748,408		Total Debt Service (with new loan)	\$527,511 = 142%
	Projected Coverage Excluding Tap and				
12	Development Fee Revenue	\$748,408			
	Minus Tap and Development Fee Revenue	\$205,000			
	=	\$543,408	÷	Total Debt Service (with new loan)	\$527,511 = 103%
13	Current Debt Service	\$312,572	÷	Number of Taps	1195 = \$261.57
	Annual New Water Debt Service	\$214,939	÷	Number of Taps	1195 = \$179.87
	2024 Annual Water Rate (Monthly Rate x 12)	\$906.06	÷	MHI	\$44,868 = 2.02%
	2024 Annual Water Rate + New Annual Debt Service Per Tap	\$1,085.93	÷	MHI	\$44,868 = 2.42%
15	Current 2024 Monthly User Charge (Debt Service on DWRP Loan / 2024 Taps / Month)				\$53.67
	Total				\$14.99
					\$68.66
16	Operation and Maintenance Reserve				
	Reserves	\$2,736,075	÷	Operating Expenses	\$2,077,984 = 132%

2026 SRF Disadvantaged Community Criteria

Loan Terms

Amount of Loan:	\$ 7,500,000
Interest Rate:	3.25%
Term (years):	20
Annual Payment:	\$ 512,921

	Benchmark	Applicant	Result	Notes on Data Used
Current Population (2024)	<= 10,000	2,988	Y	
Population 5 years ago (2020)		2,768		
Poulation 10 years ago (2015)				

Primary Factors

P1	MHI (Place)	<= \$ 76,376	44,868	Y	
	Margin of Error (MOE)	±	29,065		Census Designated Place
P2	MHV (Place)	<= \$ 431,520	259,100	Y	
	Margin of Error (MOE)	±	108,143		Census Designated Place
P3	24 Month Unemployment (County)	>= 5.35%	5.10%	N	
	or 10 Year % Chng. Jobs (County)	<= 0.00%	10.04%	N	
	Jobs (2024)		73,560		
	Jobs (2015)		66,847		

Priority Factor Count	2
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Secondary Factors

S1	MHI (County)	<= \$ 76,376	64,010	Y	
	Margin of Error (MOE)	±	2,208		
	Reliability (CV)	<= 18.00%	2.10%	Y	
S2	10 Year % Chng. Population	<= 0.00%	#DIV/0!	#DIV/0!	
S3	Assessed Value / Housing Unit	<= \$ 24,337	\$40,346	N	
	Assessed Value		48,212,945		
	Total Housing Units		1195		Used # of housing units to estimate taps.
S4	Current Debt / Tap / MHV	> 0.57%	1.03%	Y	
WS	Current + Projected Debt/Tap/MHV	> 0.57%	3.45%	Y	
	S4b 80th percentile	> 1.57%	3.45%	Y	
S5	System Full Cost / Tap / MHI	> 2.03%	5.00%	Y	
	Projected Rate @ 110% Coverage	> 1.84%	5.57%	Y	
	S5b 80th percentile	> 2.67%	5.57%	Y	

Secondary Factor Count	3
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System Data for S4 and S5: To be completed by DLG

Taps or EQR's	1,195
Total Debt	3,187,729
Principal & Interest	312,572
Operating Expenses (including operating transfers out)	2,077,984
Depreciation	601,920

Applicant:	Colorado City Metropolitan District
Test Result	Conditions met to be DAC
Y	Test 1: P1 & P2 or P3
N	Test 2: P1, Not P2 or P3, & 2+ S1-S5
N	Test 3: P1 ??, P2 & P3, & 2+ S1-S5

WPCRF & DWRF										
		Benchmark		Applicant	Points	Notes on Data Used				
<u>Eligibility Criteria</u>										
1	Population loss or growth is slower than the state's over 5 years	<=	0.73%	1.93%	0.0					
	Current Population (2024)			2,988						
	Poulation five years ago (2020)			2,768						
2a	10 Year % County Job Change	>=	0	10.04%	0.0					
	County 24 Month unemployment rate exceeds									
2b	the state's plus 1%	>=	5.35%	5.10%	0.0					
3	Median Household Income	<=	\$ 95,470	44,868	1.0	<u>If MHI CV > 40%, calculate result at top of band</u>				<u>Result</u>
		>=	\$ 119,338		0.0					
4	Rates compared to MHI	>	1.32%	3.42%	1.0	<u>If MHI CV > 40%, calculate result at top of band</u>				<u>Result</u>
WS	Monthly Residential Rate	>		127.97						
5	Project addresses removal of lead or emerging contaminants		Yes	No	0.0					
6	% Population that identifies as minority is greater than 40%	>	40.00%	10.22%	0.0					
7	% Population that are housing burdened is greater than 50%	>	50.00%	39.12%	0.0					
8	% Population under 200% Poverty Level is greater than 40%	>	40.00%	33.96%	0.0					
9	% Population under 200% Poverty Level + % Population over 65 years old is equal to or greater than two thirds of communities in the state	>=	55.00%	74.52%	1.0					
	% Population over 65 years old			40.56%						
10	Meets base program DAC criteria?			Yes	3.0					
BIL Eligibility Points					6.0					



Principal Forgiveness and Priority Point Scoring

Applicant: Colorado City Metropolitan District
DWRf or WPCRF: DWRf

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

BIL Principal Forgiveness

Eligible for BIL principal forgiveness? Yes

Eligible BIL principal forgiveness percentage: 54.408%

Amount of principal forgiveness awarded (accounting for any applicable cap/max): \$2,500,000

Base DWRf Principal Forgiveness Scoring

DWRf

Water Quality & Public Health + CPDWR Compliance:	55
DOLA Affordability Score:	130
Total Score	185

Eligible as a base program DAC? Yes

Eligible base program DWRf/WPCRF principal forgiveness percentage: 80%

Amount of principal forgiveness awarded (accounting for any applicable cap/max): \$0

Priority Point Scoring

Total WQCD Score:	95
DOLA Affordability Score:	130
Total Score:	225

2026 IUP DWRF Priority Point Calculations

Entity Name:	Colorado City Metropolitan District
Date of Scoring	6/30/2026
SRF Phase:	Loan app
DOLA Score:	130
DAC:	DAC

Benchmarks

\$95,470 2020-2024 State MHI estimate

		Points	Entity Value	
P1	MHI		\$44,868	47%
	<50% of state MHI	35 x		
	Between 51% and 80% of state MHI	20		
	Between 81% and 100% of state MHI	5		
	>100% state MHI	0		
S5a	User Fees (current water rate at 110%/tap/MHI)		5.00%	
	Rates are > 1.55%	45		
	Rates are between 1.11% and 1.55%	25		
	Rates are < 1.11%	0		
	OR			
S5a	User Fees for a combined water & sewer fund			
	Rates are > 2.70%	45 x		
	Rates are between 2.03% and 2.70%	25		
	Rates are < 2.03%	0		
S4a	Current water debt per tap compared to MHV		1.03%	
	Debt is > 0.63%	45		
	Debt is between 0.21% and 0.63%	25		
	Debt is < 0.21%	0		
	OR			
S4a	Current water & sewer debt (for combined systems)			
	Debt is > 1.26%	45		
	Debt is between 0.57% and 1.26%	25 x		
	Debt is < 0.57%	0		
	Population served		2,988	
	Less than 500	35		
	Between 500 and 1,000	25		
	Between 1,000 and 2,000	20		
	Between 2,000 and 5,000	15 x		
	Between 5,000 and 10,000	5		
	>10,000	0		
S3	Assessed Value/Household		40,346	
	AV per household is < \$12,722	35		
	AV per household is between \$12,272 and \$24,337	20		
	AV per household is between \$24,337 and \$46,151	10 x		
	AV per household is greater than \$46,151	0		

**COLORADO WATER RESOURCES
AND
POWER DEVELOPMENT AUTHORITY**

RESOLUTION NO. 26-25

**A RESOLUTION FOR APPROVAL OF A DRINKING WATER DIRECT LOAN TO
THE COLORADO CITY METROPOLITAN 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 Infrastructure Investments Jobs Act/Bipartisan Infrastructure Law (“IIJA/BIL”) and IIJA/BIL Principal Forgiveness (“PF”) direct loan, plus a Base direct loan from the Drinking Water Revolving Fund from the Colorado City Metropolitan District (the “Applicant”); and

WHEREAS, approval of the direct loan requires the Authority Board of Directors’ approval of a one-time waiver of the Base direct loan limit for the Applicant in the amount of \$5,000,000, which waiver the Applicant is seeking contemporaneously with the application for the IIJA/BIL and Base direct loans; and

WHEREAS, the Authority Board of Directors determines that approval of the direct loan application and a one-time, direct loan limit waiver for the Applicant is in the best interests of the Authority and the Applicant, and is consistent with the purposes of the DWRF; 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 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 direct loan to the Colorado City Metropolitan District in an amount not to exceed \$7,500,000, (comprised of *\$2,500,000 in IIJA/BIL General Supplemental PF, *\$2,094,913 in IIJA/BIL General Supplemental direct loan, and *\$2,905,087 in DWRF Base direct loan) 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. 26-25 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 Steamboat Springs, Colorado on August 19, 2026.

Chairman

Secretary

EXHIBIT A

Borrower:	Colorado City Metropolitan District
Project:	The project consists of upgrades to the District's existing membrane filtration water treatment plant, including the design and construction of a drinking water pretreatment Dissolved Air Flotation (DAF) system, DAF treatment building and all associated appurtenances.
Pledge:	Water and Sewer Revenues
Loan Term:	30 years
Interest Rate:	1.75%
Amount not to exceed:	\$7,500,000, (comprised of *\$2,500,000 in IJA/BIL General Supplemental PF, *\$2,094,913 in IJA/BIL General Supplemental direct loan, and *\$2,905,087 in DWRP Base direct loan)

Subject to the following terms & conditions:

1. The District increasing user rates sufficiently to meet the Authority's rate covenant prior to loan execution.
2. Prepayment Charge - A \$15,000 prepayment charge will be applied on any full principal prepayment of the loan. All interest paid through the date of full principal prepayment will be credited against this charge.

* - Estimated PF and direct loan amounts through the IJA/BIL and/or Base programs. The exact amount will be based on the IJA/BIL capitalization grant principal forgiveness to loan ratio while taking into account set asides. However, in the unlikely event the ratio increases the loan amount by more than a de-minimis amount, as determined by the Executive Director, the credit will be returned to the Board for further evaluation and consideration.

** - The terms and monetary amounts set forth in Part 1 hereto under the IJA/BIL General Supplemental and/or base direct loan and the IJA/BIL General Supplemental and/or base PF loan are premised upon the Authority's understanding of and expectations for the resources available to it from the base federal Capitalization Grants and the IJA/BIL. These amounts, and the allocation of funds available to the Project from each source, are subject to change, amendment, and/or rescission depending upon the policies, procedures, and budgetary adjustments adopted by the federal administration. If such changes in policies and procedures or budgetary adjustments are adopted by the federal administration, the Authority reserves the right to review and adjust the terms and monetary amounts set forth herein in a subsequent action. Further, the loan agreement authorized by this resolution is subject to non-execution, cancellation, delay, rescission, or alteration depending upon the terms and conditions, quantities, or availability of federal funds provided under existing or future Capitalization Grants. In

addition, funding for this and other approved projects may be re-evaluated under the priority scoring system implemented by the Board for all projects based on changes in the availability of anticipated funds. This re-evaluation may result in the funding of some but not all previously-authorized projects, including the project for which the execution of a loan agreement has been authorized by this resolution. The loan agreement authorized by this resolution shall include a term by which Applicant shall hold the Authority harmless for any costs or damages resulting from a change in federal policies, procedures, or funding that results in the requirement that the Authority cancel, delay, rescind, or alter its terms.

DWRF LOAN CREDIT REPORT (2026)
Penrose Water District (“District”), Fremont County

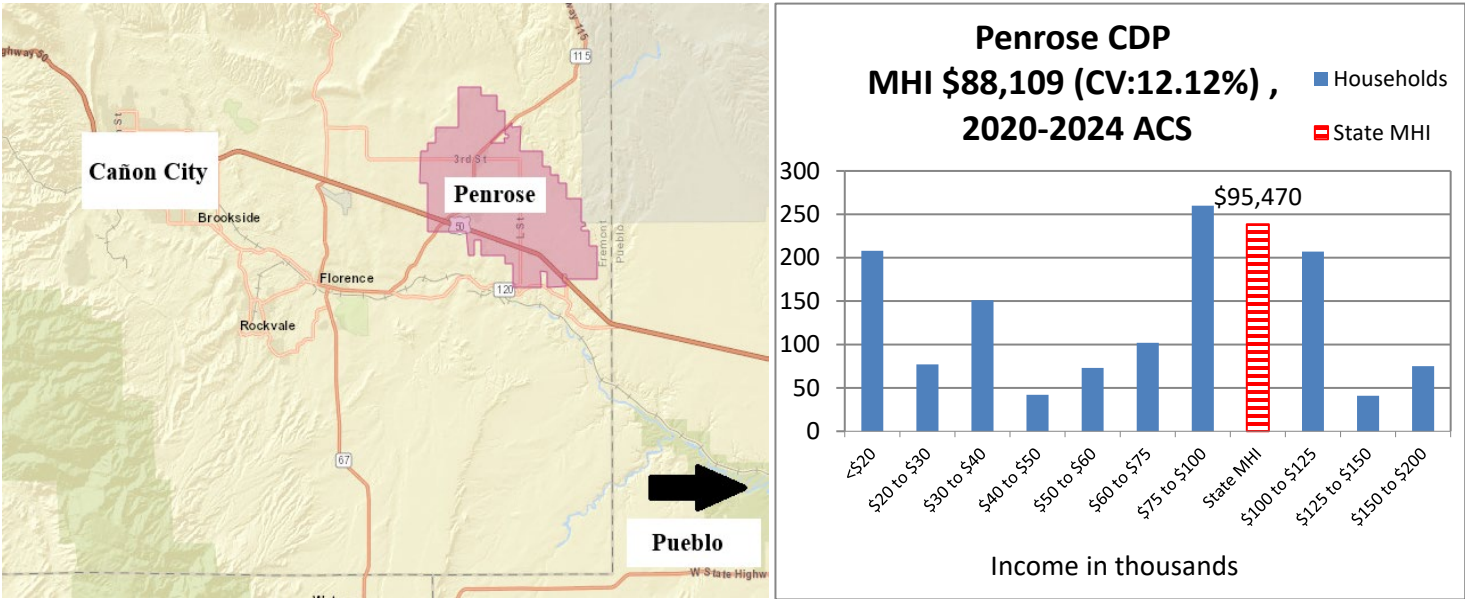
Recommendation:	CONDITIONAL APPROVAL	Project Budget	
Loan Request:	\$14,860,000	DWRF Leveraged Loan:	\$13,022,035
Total Annual Debt Service:	\$794,574	DWRF IJA/BIL Loan:	\$837,965
Base Leveraged Loan:	\$13,022,035	DWRF IJA/BIL PF:	\$1,000,000
Interest Rate & Term:	4.00% & 30 years	2026 EIAF:	\$500,000
Annual Debt Service:	\$749,235	Reserves	\$2,000,000
DWRF IJA/BIL Loan:	\$837,965	Total:	\$17,360,000
Interest Rate & Term:	3.50% & 30 years		
Annual Debt Service:	\$45,340		
Pledge:	Water System Revenue		
Current Rate:	\$77.70		
Estimated Rate Increase:	\$12.12		

PROJECT DESCRIPTION: The project consists of the construction of a new water treatment plant and associated appurtenances, as well as decommissioning of the old treatment plant.

COMMUNITY PROFILE:								Avg. Annual Change
Penrose Water District	2020	2021	2022	2023	2024	2025	2026	
**District Population			4,468	4,475	4,513	4,515	4,515	0.26%
Fremont County Population	48,891	49,251	49,588	50,372	50,071			0.60%
Fremont County Jobs	16,513	17,074	17,165	17,576	18,139			2.38%
Number of Water Taps		1,766	1,787	1,790	1,805	1,806	1,806	0.26%
Assessed Value (\$000)			\$39,116	\$39,249	\$40,839	\$42,368	\$49,431	6.03%
Actual Value (\$000)			\$389,033	\$393,564	\$422,294	\$436,952	\$558,506	9.46%

**Special district population estimates are based on the standard state demographer’s metric of 2.5 persons per tap.

BORROWER BRIEF: The District serves the unincorporated community of Penrose, located off the Arkansas River between Cañon City and Pueblo. The District is located approximately 40 miles southwest of Colorado Springs.



RECOMMENDATION: The District serves an unincorporated community in Fremont County. This proposed loan is necessary due to the water treatment plan being outdated, unable to manage rising contaminants, and no longer meet state requirements due to increased demand during the summer months. The loan is large relative to the size of the District, and there are concerns regarding the elevated debt levels and long-term affordability due to insufficient reserves and increased debt per tap. However, the District has steadily raised rates over the past five years to prepare for debt service on the proposed loan. Moreover, the District’s board understands that further rate increases will be required and is prepared to take all necessary financial steps to complete the project. We therefore recommend the DWRF Committee approve a \$13,022,035 leveraged loan, a \$837,965 IJA/BIL loan, and \$1,000,000 in IJA/BIL principal forgiveness to the Penrose Water District on the condition rates are increased to meet coverage ratio requirements.

PROJECT SUMMARY:

System summary: The Penrose Water District is located in Fremont County and serves 1,806 customer accounts. The District's water system relies on a blend of surface water and groundwater under the direct influence of surface water, drawing from the Brush Hollow Supply Ditch, Beaver Park Ditch (via Brush Hollow Reservoir), and six alluvial wells along the Arkansas River. Raw water is processed at a centralized treatment facility originally constructed in 1992, providing conventional filtration and chlorine disinfection. The existing distribution system is maintained through gravity and pumped pressurization zones to residential neighborhoods and agricultural properties.

Reason/need: The current water treatment plant has reached the end of its useful life and is experiencing operational limitations. The outdated facility lacks the automated controls needed to handle rising manganese concentrations, summertime algae blooms, and increasing disinfection byproducts caused by total organic carbons in the raw water. Furthermore, peak summer water demands have exceeded the plant's rated capacity, creating a vulnerability that violates state redundancy requirements.

System Compliance: The District is in compliance with the Colorado Primary Drinking Water Regulations, and the project is primarily intended to maintain compliance and meet future requirements.

Project Delivery Method: Design/Bid/Build.

Contingency: 11.7% of the total project cost is included as contingency.

CURRENT INDICATORS:	2023	2024	2025	Weak	Average	Strong
Total Debt per Capita (\$):	1,555	1,493	1,441	—	X	—
Total + New Debt/Capita (\$):			4,511	X	—	—
Total Debt/Tap (\$):	3,887	3,732	3,604	—	X	—
Total Debt + New Debt/Tap (\$):			11,278	X	—	—
Current Water Debt/Tap (\$):	3,887	3,732	3,604	X	—	—
Current Water + New Water Debt/Tap (\$):			11,278	X	—	—
Total Debt/Assessed Value:	18%	16%	15%	—	—	X
Total Debt + New Water Debt/Assessed Value:			48%	—	X	—
Total Debt/Actual Value:	1.77%	1.60%	1.49%	—	—	X
Total Debt + New Water Debt/Actual Value:			4.66%	—	—	X
Curr. Water Debt + New Debt/Tap/MHI:			13%	—	X	—
Water Fund Current Ratio (CA/CL):	119%	116%	116%	—	X	—
Water Fund Reserves/Current Expense:	38%	34%	35%	X	—	—
Water Operating Ratio (OR/OE):	130%	133%	122%	—	—	X
Coverage Ratio (TR-OE)/DS:	188%	216%	180%	—	—	X
Coverage Ratio (TR-OE)/DS Excluding Tap Fees:	169%	200%	164%	—	—	X
Coverage Ratio with New Loan:			65%	X	—	—
Coverage Ratio with New Loan Excluding Tap Fees:			59%	X	—	—
Current Annual Water Rates/MHI:			1.06%	—	—	X
Current Water Rates + New Water Debt Service/MHI:			1.56%	—	X	—
Operation and Maintenance Reserve:			47%	—	X	—
Total:			7		7	7

FINANCIAL ANALYSIS: Of the twenty-one current indicators calculated, seven are rated strong, seven are average, and seven are considered weak. Overall, the indicators illustrate a generally manageable financial position for the enterprise, with elevated debt levels and rate affordability as areas of concern. The strong indicators show affordability relative to current annual water rates and median household income (MHI), and debt service coverage ratios that comfortably exceed minimum thresholds, indicating the system's ability to meet its existing debt obligations from operating revenues. The weak indicators reflect elevated current and proposed total and water debt per tap, reflecting a heavier proposed debt burden on rate payers; insufficient reserves relative to current expense; and a reduced coverage ratio with the inclusion of the proposed loan relative to MHI, raising affordability concerns for the community's households.

- Based on 2025 financial information, coverage with the proposed loan is 65% with tap fee revenue and 59% without tap fee revenue. Additional annual revenue of about \$558,329, or \$25.76 per tap per month, would increase the coverage ratio to the required 110% when including tap fee revenue. Without tap fees, an additional annual revenue of about \$632,329 or \$29.18 per tap per month, would be needed.
- In 2025, the District incurred \$186,934 in engineering costs relating to this project. When these are removed from the enterprise's operating expenses, the coverage ratio moves to 80% with tap fee revenue. Additional revenue of approximately \$371,395, or \$17.14 per tap per month, would increase the coverage ratio to the required 110%. Without tap fee revenue, the

coverage ratio moves to 74%. Additional revenue of approximately \$445,395, or \$20.55 per tap per month, would increase the coverage ratio to the required 110%.

- In December 2025, the District adopted a resolution to increase base rates and volume charges for a total of \$5.02 for typical residential consumption. With this adjustment, the projected rate increase drops to \$12.12 when including tap fee revenue, and \$15.53 when excluding tap fee revenue.
- The District is eligible to receive \$1,000,000 in IJA/BIL principal forgiveness. Without principal forgiveness, the coverage ratio moves to 62% with tap fee revenue. Additional annual revenue of approximately \$624,780, or \$28.83 per tap per month, would increase the coverage ratio to the necessary 110%.
- Without principal forgiveness and without tap fee revenue, the coverage ratio moves to 56%. Additional revenue of approximately \$698,780, or \$32.24 per tap per month, would increase the coverage ratio to the required 110%.
- The District's operating expenses have increased in the years examined. The proposed loan is expected to address these issues, as they primarily pertain to the operation of the water plant. The completion of the project is expected to reduce maintenance costs and staff demand (by decreasing the overtime hours needed). The decrease in operating expenses will later improve indicators related to it, further strengthening the system's financial standing.
- Over the years examined, the enterprise's operating ratio has exceeded the strong benchmark. However, it is in a downward trend due to the previously discussed increase in operating expenses.
- The District has reported a total of 1,806 taps, but has 1,935 customer accounts due to taps larger than 3/4" serving multi-residential properties.
- The District has been consistently increasing rates and tap fees over the years examined. Documentation states that these rates and fees have been increased to ensure the District's enterprise can "generate sufficient revenues to meet annual debt service of loans, capital projects, and the necessary operating and maintenance costs of operating the system".

Additional Project Financing

The District submitted an Energy/Mineral Impact Assistance Fund (EIAF) grant application for \$500,000, which was awarded in May 2026.

DESCRIPTION OF THE LOAN:

An estimated \$13,022,035 leveraged loan with a thirty-year term with two payments annually at an interest rate of 4.00% will cost the District approximately \$749,235 in debt service annually. An estimated \$837,965 IJA/BIL loan with a thirty-year term with two payments annually at an interest rate of 3.50% will cost the District approximately \$45,340 in debt service annually. The total annual debt service is approximately \$794,574. The District also qualifies for \$1,000,000 in IJA/BIL principal forgiveness.

IJA/BIL Principal Forgiveness Eligibility:

In order to qualify for IJA/BIL principal forgiveness, a community must score three (3) points using the IJA/BIL Principal Forgiveness Eligibility Criteria outlined in the Intended Use Plans. The District scores 3.5 points as shown below.

IJA/BIL PF DETERMINATION				
	Benchmark		Borrower	Points
1. Five Year % Change in Population	0.73%	>	0.26%	1
2a: County Job Change	0.00%	>	13.63%	0.5
2b: County Unemployment	5.35%	<	5.55%	
3: Median Household Income, or MHI exceeds 125% of state MHI (-1 point)	\$95,470	>	\$88,109	1
	\$119,338	<		
4: Rates to MHI	0.76%	<	1.06%	1
5: Project addresses removal of lead or emerging contaminants	Yes		No	0
6: % Minority	40.00%	<	19.82%	0
7: % Households Housing Burdened	50.00%	<	29.49%	0
8: % Population under 200% Poverty Level	40.00%	<	27.08%	0
9: % Population under 200% Poverty Level + % Population over 65 years old	55.00%	<	47.54%	0
10: Meets DAC criteria	Yes		No	0
Total Points Scored:				3.5

The District qualifies for IJA/BIL principal forgiveness and has expressed interest in receiving a proportional loan with principal forgiveness funding package. The District qualifies for approximately \$1,000,000 in principal forgiveness, which is the current maximum for IJA/BIL DWRP supplemental principal forgiveness.

In 2020, the District was determined to be a disadvantaged community (DAC). As of now with the application for this proposed loan, the District's Median Household income estimate exceeds the current benchmark for DAC status.

ECONOMIC ANALYSIS: The District has a 2026 population estimated at 4,515 and has grown at an average annual rate of 0.26% since 2022. Special district population estimates are based on the standard state demographer's metric of 2.5 persons per tap. Fremont County has experienced an increase of 0.60% in population since 2020. The state population increased at an average annual rate estimated at 0.73%.

The region's economy is dominated by retirees (i.e., retiree spending from sources such as Social Security, pension, and investment income), tourism, government, regional services (i.e., services that serve a multi-county region such as trade, transport, business services, etc.), and agriculture. Fremont county's economy is dominated by health care and social assistance, retail trade, local government, construction, accommodation and food services.

The District reports that its largest employers consist of the RE-2 School District, with 25 employees; Estes Industries (manufacturer), with 25 employees; US Transport, with 25 employees; Alta Convenience Store, with 10 employees; and Dollar General, with 10 employees.

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 5-member board of directors' form of government and was organized 1967. The District is a single-purpose special district with the purpose of providing drinking water to users within the District's boundaries. Approximately 7 full-time employees staff the water utility. The water utility is overseen by the Operator Responsible Charge (ORC), who reports to the District's 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 (CSD 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:

- **Financial Criterion #F-2:** Cash Flow Projection/Analysis/Financial Plan: The District should be prepared to raise rates as needed to meet loan coverage ratio requirements.

Capital Improvement Plan

As part of the application process, the District submitted a capital improvement schedule through 2040, which anticipates capital outlay of \$165,500 for a variety of projects which include distribution system upgrades, additional storage, interior and exterior tank painting, and the construction of a raw water pump station at Brush Hollow Reservoir to be funded from reserves.

Intergovernmental

The District has two IGAs with Southeastern Colorado Water Conservancy District for excess capacity storage and water exchange related to the Fryngpan-Arkansas (Fry-Ark) Project, both effective in 2016.

- The excess capacity storage agreement gives the District up to 400-acre feet of storage space in the Pueblo reservoir annually. The District will pay the excess capacity rate plus an annual administrative charge. If the master contract is terminated, this one will be as well.

- The exchange, storage, and use agreement relates to the District's rights to an annual allocation of water from the Fry-Ark Project. The agreement establishes the terms and conditions for the District's exchange and storage of project water in nonproject facilities.

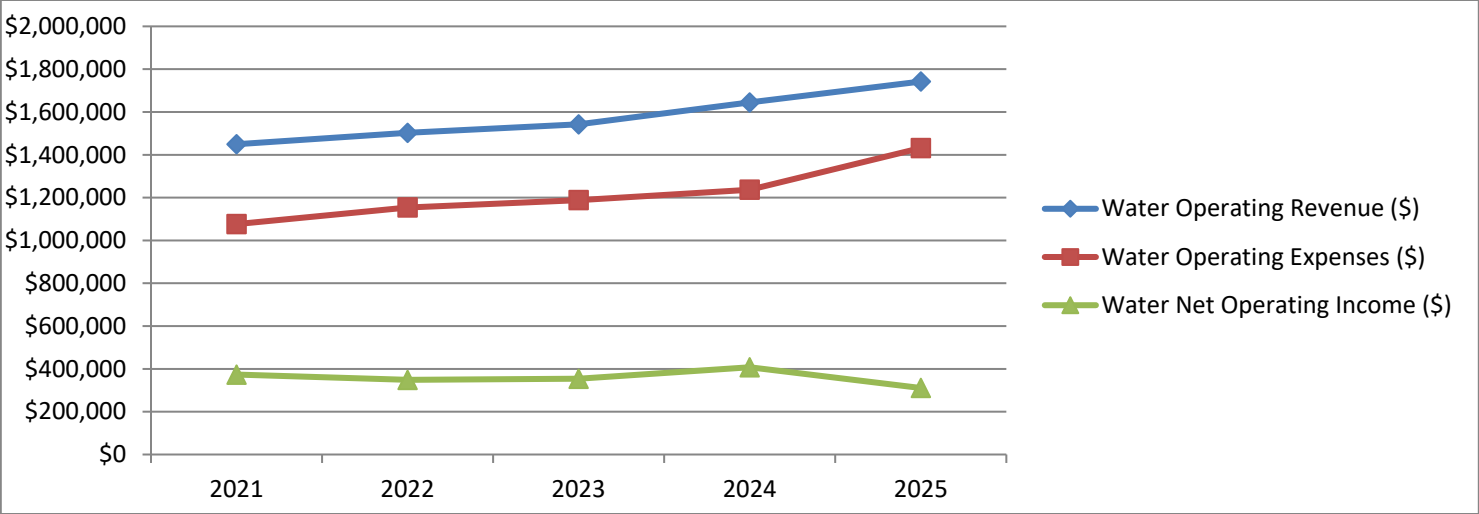
The District has an agreement in place with Beaver Park Water, Inc., a mutual ditch company that was originally put in place in 1990 and renewed in 2019. The District requires a minimum of 350-acre feet of raw water annually from Beaver Park, and may purchase up to 1,000-acre feet, for a current price of \$429 per acre foot. This agreement may be renewed and the rate negotiated in five-year increments until 2090.

The District has a second agreement in place with Beaver Park signed in 2010, wherein the District purchased 500-acre feet of storage space in the Brush Hollow Reservoir, which is owned by Beaver Park. As part of the agreement, the District constructed a pipeline from the Arkansas River, including an inlet to the reservoir and granted Beaver Park the use of excess capacity in the pipeline. The District obtained funding from CWCBC (loan agreement executed in 2010 with a term ending in 2045) to finance this pipeline and storage purchase.

REVENUE ANALYSIS:

Operating expenses have steadily increased over the past five years for several reasons. The District cites price inflation, higher chemical demand, and costs due to the outdated water plant, ongoing maintenance needs related to aging infrastructure, and increased wages to retain staff. The District expects that completing the proposed project will address most of these reasons and help reduce operating expenses. Additionally, in 2025, the expenses increased by \$186,934 due to engineering costs related to this project. Project engineering costs are expected to decrease with the approval of this project, further decreasing operating expenses for future years. The District supports operations with property and specific ownership taxes, which are not included in the net operating income calculation. Of the District's 5.627 mill levy, 2.627 have been voter approved for operating expenses, and the remaining 3.000 mills are covenanted to the CWCBC loan. Operating income has been steadily increasing due to a yearly increase in rates and tap fees. Each year, the District assesses projected costs as part of the budget process and the board adjusts rates as necessary to provide a balanced budget. Moreover, rate increases in the last five-years examined have been directly related to the District's anticipation of debt service for the proposed project. In 2024, there was an increase in revenue due to an increase in sales of taps related to new development.

TRENDS	2021	2022	2023	2024	2025	2026
Monthly Water Rate (\$)	57.13	59.81	63.98	67.66	72.68	77.70
Residential Water Tap Fee (\$)	12,000	15,000	16,000	16,500	18,000	21,000
Mill Levy	5.627	5.627	5.627	5.627	5.627	
Total Water Revenue (\$)	2,383,511	2,199,352	2,021,536	2,195,593	2,240,399	
Tap/Development Fees (\$)	241,050	405,200	83,400	69,200	74,000	
Property Tax Revenue (\$)	185,879	221,211	220,547	274,582	235,152	
S.O. Tax Revenue (\$)	29,825	28,577	28,996	28,251	28,236	
Water Operating Revenue (\$)	1,449,408	1,502,665	1,542,146	1,644,564	1,742,255	
Water Operating Expenses (\$)	1,076,270	1,153,982	1,188,325	1,237,050	1,431,561	
Water Net Operating Income (\$)	373,138	348,683	353,821	407,514	310,694	
Water Debt (\$)	7,381,411	7,173,349	6,958,588	6,736,910	6,508,092	
Total Debt (\$)	7,381,411	7,173,349	6,958,588	6,736,910	6,508,092	
Water Debt Service (\$)	445,389	441,193	444,267	444,211	448,305	
Water Debt Service/Tap/Month (\$)	21.02	20.57	20.68	20.51	20.69	
Water Fund Reserves (\$)	499,234	620,574	613,996	576,266	666,579	
Ratios	2021	2022	2023	2024	2025	Average
Operating Revenue as % of Total Revenue	61%	68%	76%	75%	73%	70%
Operating Revenue as % of Expenses	135%	130%	130%	133%	133%	132%
Tap Fee Revenue as % of Total Revenue	10%	18%	4.13%	3.15%	3.30%	8.95%



Recent Rate Increases

The District’s most recent rate increase of \$5.02 was implemented in January 2026.

User Charges

The District’s current monthly water rate is estimated at \$77.70 compared to the 2024 estimated state median of \$60.61. The District’s average monthly water rate is based on typical residential consumption of 5,390 gallons per month. Residential users pay a \$56.00 base rate up to 2,000 gallons and a volume charge of \$6.40 per 1,000 gallons for consumption exceeding 2,000 gallons. Commercial users follow the same rate structure as residential users.

Base charges increase as the meter size increases. For users with a 1’’ meter, the monthly charge increases to \$99.60. For a 1.5’’ meter, the monthly charge increases to \$224. For a 2’’ meter, the monthly charge increases to \$398. For any meter larger than 3’’, the charge for it is determined at the time of approval by the board.

Bulk water sold by the District is metered and charged at a rate of \$11 per 1,000 gallons (or \$1.10 per 100 gallons) or portion of thereof.

Contributed Capital

Revenue from tap fees has ranged from \$69,200 to \$405,200 and has averaged 8.95% of total water revenue during the last five years. The District’s most recent water tap fee rate increase occurred in January 2026.

- Residential and commercial water tap fees are \$21,000.

Current System Utilization			Current Fee Summary	
	Usage	Revenue	Tap size	Water user/tap fees
Residential	89.6%	89.9%	¾"	\$77.70/\$21,000
Non-residential (per EQR)	10.4%	10.1%	¾"	\$77.70/\$21,000

Property Tax

The District proposed to pay for the proposed loan with water system revenue. The District levies a property tax for general operations, which accounted for approximately 11% of total revenues in 2025.

Property Tax Analysis	2021	2022	2023	2024	2025
Mill levy	5.627	5.627	5.627	5.627	5.627
Assessed Value (000)	33,057	39,116	39,249	40,839	42,368
Property tax revenue	185,879	221,211	220,547	274,582	235,152
%Property tax revenue/total revenue	8%	10%	11%	13%	11%

DEBT as of December 31, 2024

Executed	Lender	Term End	Pledge	Outstanding	Interest Rate	Annual payment
2015	Colorado Water Conservation Board (CWCB)	2045	Base Water Revenues and 3.000 mill levy	\$6,446,058	3.25%	\$443,353
2020	Colorado Water Resources and Power Development Authority (CWRPDA)	2050	Water System Revenue	\$62,034	0.50%	\$1,939

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 DWRF direct loan dated 2020 with the SRF. The District has also had no debt service payment issues.

Project #143052D-A

Cost Categories:

- Planning and Design Only: 8%
- Construction - Treatment: 84%
- Construction - Transmission and Distribution: 2%
- Other: 6%

Prepared by: Monica Munoz-Revelo

Date: July 28, 2026

July 28, 2026			
DWRF Credit Report			
Penrose Water District, Fremont County, CO			
Using most recent data available			
(Census, audits, local records)			
Estimated Population - 2025	4,515		
Number of Water Taps/Customers - 2025	1,806		
Total Assessed Valuation - 2025	\$42,368,000		
Actual Value of All Real Property - 2025	\$436,952,000		
Median Household Income (MHI) - 2024	\$88,109		
Monthly Water Rate - 2026	\$77.70		
Water Operating Revenue - 2025	\$1,742,255		
Water Total Revenue - 2025 [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.]	\$2,240,399		
Water Tap and System Development Fee Revenue - 2025	\$74,000		
Water Operating Expense - 2025	\$1,431,561		
Water Current Expense - 2025	\$1,879,866		
Water Debt - 2025	\$6,508,092		
Total Debt - 2025	\$6,508,092		
Water Fund Reserves - 2025	\$666,579		
Water Debt Service - 2025	\$448,305	Leveraged Loan	IIJA/BIL Loan
New Water Debt [Requested DWRF loan amount.]	\$13,860,000	\$13,022,035	\$837,965
Requested DWRF Loan Term	30	30	30
Requested DWRF Loan Interest Rate	4.00% & 3.50%	4.00%	3.50%
New Loan's Annual Water Debt Service (two payments annually)	\$794,574	\$749,235	\$45,340

Current Indicators (2025) Penrose Water District (Water)					
1	Total Debt	\$6,508,092	÷	Population	4,515 = \$1,441
	New Debt	\$13,860,000	÷	Population	4,515 = \$3,070
	Total Debt + New Debt	\$20,368,092	÷	Population	4,515 = \$4,511
2	Total Debt	\$6,508,092	÷	Number of Taps	1,806 = \$3,604
	New Debt	\$13,860,000	÷	Number of Taps	1,806 = \$7,674
	Total Debt + New Debt	\$20,368,092	÷	Number of Taps	1,806 = \$11,278
3	Total Debt	\$6,508,092	÷	Assessed Value	\$42,368,000 = 15.36%
	New Debt	\$13,860,000	÷	Assessed Value	\$42,368,000 = 32.71%
	Total Debt + New Debt	\$20,368,092	÷	Assessed Value	\$42,368,000 = 48.07%
4	Total Debt	\$6,508,092	÷	Actual Value	\$436,952,000 = 1.49%
	New Debt	\$13,860,000	÷	Actual Value	\$436,952,000 = 3.17%
	Total Debt + New Debt	\$20,368,092	÷	Actual Value	\$436,952,000 = 4.66%
5	Current Water Debt (Current Water Debt + New Water Debt) / Number of Taps	\$6,508,092	÷	Number of Taps	1,806 = \$3,604
		\$11,278	÷	MHI	\$88,109 = 12.80%
6	Current Ratio (CA / CL)				
	Current Assets	\$4,711,603	÷	Current Liabilities	\$4,045,024 = 116%
7	Reserve/Expense Ratio				
	Reserves	\$666,579	÷	Current Expenses	\$1,879,866 = 35%
8	Operating Ratio (OR / OE)				
	Operating Revenues	\$1,742,255	÷	Operating Expenses	\$1,431,561 = 122%
9	Coverage Ratio [(TR - OE) / DS]				
	Total Revenues	\$2,240,399	-		
	Minus Operating Expenses	<u>\$1,431,561</u>			
	=	\$808,838	÷	Current Debt Service	\$448,305 = 180%
	Coverage Ratio Excluding Tap and				
10	Development Fee Revenue	\$808,838			
	Minus Tap and Development Fee Revenue	<u>\$74,000</u>			
	=	\$734,838	÷	Current Debt Service	\$448,305 = 164%
11	Projected Coverage Ratio				
	Total Revenues	\$2,240,399			
	Minus Operating Expenses	<u>\$1,431,561</u>			
	=	\$808,838		Total Debt Service (with new loan)	\$1,242,879 = 65%
	Projected Coverage Excluding Tap and				
12	Development Fee Revenue	\$808,838			
	Minus Tap and Development Fee Revenue	<u>\$74,000</u>			
	=	\$734,838	÷	Total Debt Service (with new loan)	\$1,242,879 = 59%
13	Current Debt Service	\$448,305	÷	Number of Taps	1806 = \$248.23
	Annual New Water Debt Service	\$794,574	÷	Number of Taps	1806 = \$439.96
14	2026 Annual Water Rate (Monthly Rate x 12)	\$932.35	÷	MHI	\$88,109 = 1.06%
	2026 Annual Water Rate + New Annual Debt Service Per Tap	\$1,372.32	÷	MHI	\$88,109 = 1.56%
15	Current 2026 Monthly User Charge (Debt Service on DWRP Loan / 2024 Taps / Month)				\$77.70
	Total				<u>\$36.66</u>
					\$114.36
16	Operation and Maintenance Reserve				
	Reserves	\$666,579	÷	Operating Expenses	\$1,431,561 = 47%

WPCRF & DWRF						
		Benchmark	Applicant	Points	Notes on Data Used	
Eligibility Criteria						
1	Population loss or growth is slower than the state's over 5 years	<=	0.73%	0.26%	1.0	2026 v. 2022
	Current Population (2024)			4,515		
	Poulation five years ago (2020)			4,468		
2a	10 Year % County Job Change	>=	0	13.63%	0.0	
2b	County 24 Month unemployment rate exceeds the state's plus 1%	>=	5.35%	5.55%	0.5	
3	Median Household Income	<=	\$ 95,470	88,109	1.0	If MHI CV > 40%, calculate result at top of band
		>=	\$ 119,338		0.0	
	Reliability (CV)	<=	40.00%	N/A	N	
4	Rates compared to MHI	>	0.76%	1.06%	1.0	If MHI CV > 40%, calculate result at top of band
	W Monthly Residential Rate	>		77.70		
				Based on Resolution No. 2025-17		
5	Project addresses removal of lead or emerging contaminants		Yes	No	0.0	
6	% Population that identifies as minority is greater than 40%	>	40.00%	19.82%	0.0	
7	% Population that are housing burdened is greater than 50%	>	50.00%	29.49%	0.0	
8	% Population under 200% Poverty Level is greater than 40%	>	40.00%	27.08%	0.0	
9	% Population under 200% Poverty Level + % Population over 65 years old is equal to or greater than two thirds of communities in the state	>=	55.00%	47.54%	0.0	
	% Population over 65 years old			20.46%		
10	Meets base program DAC criteria?			No	0.0	
BIL Eligibility Points				3.5		



Principal Forgiveness and Priority Point Scoring

Applicant: Penrose Water District
DWRf or WPCRf: DWRf

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

BIL Principal Forgiveness

Eligible for BIL principal forgiveness? Yes

Eligible BIL principal forgiveness percentage: 68.724%

Amount of principal forgiveness awarded (accounting for any applicable cap/max): \$1,000,000

Base DWRf/WPCRf Principal Forgiveness Scoring

DWRf/WPCRf

Water Quality & Public Health + CPDWR Compliance:	10
DOLA Affordability Score:	75
Total Score	85

Eligible as a base program DAC? No.

Eligible base program DWRf/WPCRf principal forgiveness percentage: N/A

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

Priority Point Scoring

Total WQCD Score:	45
DOLA Affordability Score:	75
Total Score:	120

2026 IUP DWRF Priority Point Calculations				
	Entity Name:	Penrose Water District		
	Date of Scoring	6/10/2026		
	SRF Phase:	Loan app		
	DOLA Score:	75		
	DAC:	Not DAC		
Benchmarks				
\$95,470	2020-2024 State MHI estimate			
		Points	Entity Value	
P1	MHI		\$88,109	92%
	<50% of state MHI	35		
	Between 51% and 80% of state MHI	20		
	Between 81% and 100% of state MHI	5 x		
	>100% state MHI	0		
S5a	User Fees (current water rate at 110%/tap/MHI)		1.08%	
	Rates are > 1.55%	45		
	Rates are between 1.11% and 1.55%	25		
	Rates are < 1.11%	0 x		
	OR			
S5a	User Fees for a combined water & sewer fund			
	Rates are > 2.70%	45		
	Rates are between 2.03% and 2.70%	25		
	Rates are < 2.03%	0		
S4a	Current water debt per tap compared to MHV		1.17%	
	Debt is > 0.63%	45 x		
	Debt is between 0.21% and 0.63%	25		
	Debt is < 0.21%	0		
	OR			
S4a	Current water & sewer debt (for combined systems)			
	Debt is > 1.26%	45		
	Debt is between 0.57% and 1.26%	25		
	Debt is < 0.57%	0		
	Population served		4,515	
	Less than 500	35		
	Between 500 and 1,000	25		
	Between 1,000 and 2,000	20		
	Between 2,000 and 5,000	15 x		
	Between 5,000 and 10,000	5		
	>10,000	0		
S3	Assessed Value/Household		25,179	
	AV per household is < \$12,722	35		
	AV per household is between \$12,272 and \$24,337	20		
	AV per household is between \$24,337 and \$46,151	10 x		
	AV per household is greater than \$46,151	0		

PreQual Date Score:	5/20/2025	Project Manager	ES Review Engineer	DOLA Representative					
PNA Date Score:	1-12-2026	Jeff Zajdel	Kristen Harris	Monica Muñoz-Revelo					
Project Name:	Penrose Water District								
SRF Project Number:	143052D-A								
ES PQ Project Number:	ES_25_SRF_09437								
ES PNA Project Number:	259833								
Drinking Water Revolving Fund Priority Scoring Model (Attachment I DWRF IUP 2025)									
Drinking Water Quality and Public Health Points	Possible Points	PQ Points Scored (leave blank if not scored)	PNA Points Scored	Comments	When to Score	Responsible Party	Scoring criteria	Resources	
Project addresses a documented waterborne disease outbreak associated with the system within the last 24 months.	35	0	0		PQ/PNA	Engineering Section	For active sources, check SDWIS for violations. For new sources or for sources taken offline related to a violation, review any submitted data. If SDWIS or data shows more than one exceedance or treatment issue, then give the points for each MCL or treatment issue.	SDWIS comp report. OnBase	
Project corrects or prevents violations of MCLs (primary standards) ¹ (may score points in multiple categories)									
• Nitrate, nitrite, TCR.	30	0	0		PQ/PNA	Engineering Section			
• Total trihalomethanes, total haloacetic acids.	25	0	0		PQ/PNA	Engineering Section			
• Arsenic, selenium.	20	0	0		PQ/PNA	Engineering Section			
• Other regulated contaminants.	15	0	0		PQ/PNA	Engineering Section	For systems with multiple primary MCL issues, score based on the highest value. Systems don't get multiple points (e.g., both arsenic and selenium).		
¹ This accommodates repeat violations and provides indicators for both chronic and acute health hazards									
Project corrects or prevents exceedances of MCLs for radionuclides.	35	0	0		PQ/PNA	Engineering Section			
Project corrects inadequate treatment techniques that are unable to satisfy the requirements for: (scores total 20 points one or more of the following)	20	0	0		PQ/PNA	Engineering Section	Give points to systems reclassified to GWUDI that are under the 18 month clock.		
• Surface water.									
• GWUDI.									
• Groundwater.									
Project corrects exceedances of secondary drinking water standards.	10	0	0		PQ/PNA	Engineering Section	Review any submitted data related to secondary standards. If data shows more than one exceedance of a secondary standard, then give the points.		n/a
System has inadequate supply* to meet all current domestic water supply demands (*system must provide records of water usage to substantiate supply is inadequate).	25	0	0		PQ/PNA	Engineering Section	Review self-reported data on supply issue. Data must show that the system has inadequate water supply capabilities for their existing demand/population. Must show an ongoing issue not related to an emergency event (e.g., fire, water line break). SRF funds generally cannot be used to fund growth.		n/a
Project will correct or prevent: (points are not additive, scores points only in one category)									
• Inadequate distribution due to system deterioration (e.g., experiencing multiple line breakages).	20	0	0		PQ/PNA	Engineering Section	For system deterioration and chronic low pressure, confirm self-reported data on by reviewing recent sanitary survey letters/spreadsheets for DS issues. Also, review Onbase for BWO/BIO related to pressure loss. If chronic low pressure as noted by the acute team or sanitary survey or more than one BWO/BIO in more than a year, then give points. If no mention in the file, review self-reported data and supporting information on distribution system issue. If self-reported and nothing in the file, system will need to provide records of system deterioration and low pressure mapping.	SDWIS comp report. OnBase	
• Inadequate distribution due to chronic low pressure.	15	0	0		PQ/PNA	Engineering Section			
• Inadequate storage.	10	0	0		PQ/PNA	Engineering Section	Review Onbase to see if mentioned in a recent sanitary survey. If no mention, system must provide a justification of distribution system tank sizing (e.g. peak day demands, fire flow). No design criteria but justification but detail how the system determined that they had inadequate storage. Project has to be related to drinking water capacity demand, not just for fire flow.	RPT Tracker - BWO/BIO Portal Acute Tracking	
• Demand exceeding design capacity.	5	0	0		PQ/PNA	Engineering Section	Review Onbase to see if mentioned in a recent sanitary survey. If no mention, system must provide a justification of the distribution system being inadequately sized. No design criteria but justification but detail how the system determined that they had inadequate design capacity. Project has to be related to drinking water capacity demand, not just for fire flow.		
Project incorporates fluoridation.	10	0	0		PQ/PNA	Engineering Section	Review proposed project to determine if fluoridation is included. Grant points if included		n/a
Total Drinking Water Quality & Pub		0	0						
Affordability	Possible Points	PQ Points Scored (leave blank if not scored)	PNA Points Scored	Comments		Responsible Party	Scoring criteria	Resources	
Total Financial / Affordability Points scored by DOLA =		100	75			DOLA			
CPDWR Compliance Points	Possible Points	PQ Points Scored (leave blank if not scored)	PNA Points Scored	Comments		Responsible Party	Scoring criteria	Resources	
(Points are not additive. Can score points only in one category)									
Project addresses an enforcement action by a regulatory agency and the facility is currently in violation of CPDWRs.	30	0	0		PQ/PNA	Engineering Section	Check OnBase and/or comp report to see if system has an enforcement order. Give points if an EO has been issued that the proposed project will address or partially address.	SDWIS comp report. OnBase	
Project addresses a facility's voluntary efforts to resolve a possible violation and will mitigate the issuance of a consent order, notice of violation or other enforcement action.	20	0	0		PQ/PNA	Engineering Section	Check OnBase to see if system has been issued an enforcement order warning letter. If not, check comp report to see if vios related to the project. Give points if a warning letter has been issues or if there is other correspondence from CAS.	SDWIS comp report. OnBase	
Project is designed to maintain CPDWR compliance, meet new requirements, or address contaminants included in the priority list submitted by the Division to the Commission for which standards may be considered.	15	0	0		PQ/PNA	Engineering Section	Give points to systems reclassified to GWUDI that are under the 18 month clock. Project to bring inactive source with MCL violations online, projects that resolve sanitary survey violations, required OCCT under the LCR, etc.		
System is currently meeting all CPDWRs.	10	10	10		PQ/PNA	Engineering Section	Verify contaminate or treatment tech is listed in either Reg 11 or the WQCD report to the WQCC. If so, give points.	Regulation 11 and/or check the priority contaminated in the WQCD annual report	
Total CPDWR Compliance		10	10						
Total Additional Subsidy Points =		110	85				(Sum of Drinking Water Quality&Public Health + Affordability + CPDWR Compliance points)		
Points scored in highest priority drinking water & public health criteria sections? (Enter "Yes" only if points scored for addressing water borne disease outbreaks, Nitrate/Nitrite/TCR, or radionuclides - RED boxes)	No	No				SRF Team			
Source Protection and Conservation	Possible Points	PQ Points Scored (leave blank if not scored)	PNA Points Scored	Comments		Responsible Party	Scoring criteria	Resources	
Project addresses vulnerability to potential pollution by conditions identified in an approved source water protection area assessment: (scores a total of 15 points for one or more of the following):	15	0	0		PQ/PNA	Engineering Section	Confirm system has a substantially implemented SWAP (see folder link). If they have a plan in the folder (about 10% of systems have plans) that mentions potential contamination sources and/or BMPs which the project addresses then give them the points.	H'SWAP-Protection Phase/SWAP Protection Plans/Substantially Implemented	
• Point source discharge within a delineated area.							If they are working on a plan or you aren't sure, then check with Kristen Hughes or Robert Murphy.		
• Areas impacted by agricultural chemical use or run-off.							If proposed project includes working on or addresses potential pollution as a result of wildfires in burn scar areas then give points. To verify, the system should be working on a wildland fire decision support system (WFDSS) with the SWAP group and are on the WFDSS list or if they have wildfire as a potential contamination source in their SWAP then give them points. No set design standards for fire mitigation.	WFDSS tracking document.	
• Area subject to oil/gas/mineral operations.									
• Unprotected watershed area.									
Project establishes a protective zone to address potential pollution as a result of wildfires in burn scar areas.	10	0	0		PQ/PNA	Engineering Section			
Utility rate structure currently in place (points for rate structure are not additive, score points only in one category):									
• Increasing block rates.	15	15	15		PQ/PNA	SRF Team	If information not provided in PQ or PNA check with applicant		

• Seasonal rates.	10	0	0		PQ/PNA	SRF Team	If information not provided in PQ or PNA check with applicant.	
• Uniform.	0	0	0		PQ/PNA	SRF Team	If information not provided in PQ or PNA check with applicant.	
Project will implement water metering, leak detection and/or other water conservation and efficiency infrastructure applications at a minimum of 20% of total project costs.	10	0	0		PQ/PNA	SRF Team	If detailed information included at PQ, then score. If not enough information, score as 0 and score at PNA step.	
Sustainability Points	Possible Points	PQ Points Scored (leave blank if not scored)	PNA Points Scored	Comments		Responsible Party	Scoring criteria	Resources
Project seeks to:								
• Correct compliance issues, water quality problems, and/or water supply problems through physical consolidation and regionalization of water systems.	10	0	0		PQ/PNA	Engineering Section	Review proposed project to see if consolidation or regionalization is included. If so, score points. If information included at PQ, then score. If not enough information, score as 0 and score at PNA step.	n/a
• Correct and/or improve security of the water system.	10	0	0		PQ/PNA	Engineering Section	Security improvements must meet the requirements of Item 1.2.11 Security and Emergency Response Program of the Design Criteria. Review if submittal indicates both physical security design/improvements and a security and emergency response program will be created, then give the points. If information included at PQ, then score. If not enough information, score as 0 and score at PNA step.	Design Criteria
• Incorporate beneficial uses of water treatment plant sludge and/or alternative concentrate management options in an approved Beneficial Use Plan.z	10	0	0		PQ/PNA	Engineering Section	For improvements to an existing or a new sludge control process incorporated into the proposed project. Please reach out to HMWMD (either Michael Bankoff michael.bankoff@state.co.us or our Customer Technical Assistance line at 303-692-3320 or comments.hmwmd@state.co.us) to check with them before granting points. HMWMD can let you know if they are approved for beneficial use of the sludge/concentrate or give insight if the proposed project would be approved.	
2 The Hazardous Materials and Waste Management Division is the agency responsible for implementing the Regulations Pertaining to the Beneficial Use of Water Treatment Sludge and Fees applicable to the Beneficial Use of Sludges pursuant to SCCR1003-7.								
Project promotes sustainable utilities and/or communities through a utility management plan that:								
• Secures a replacement fund for the rehabilitation and replacement of aging and deteriorating infrastructure as needed.	5	0	5		PNA	Engineering Section	Presence/absence. As long as the 20-year cash flow plan has a capital improvements line or some type of replacement fund line then score points. If information included at PQ, then score. If not enough information, leave blank and score at PNA step.	n/a
• Provides sufficient revenues to meet O&M and capital needs.	5	0	5		PNA	Engineering Section	Presence/absence. If the 20-year cash flow plan has an O&M line then score points. If information included at PQ, then score. If not enough information, leave blank and score at PNA step.	n/a
• Demonstrates that the facility has maintained licensed/certified operators, adequate staffing to properly operate and maintain the facility and will continue to do so.	5	5	5		PQ/PNA	Engineering Section	Check OnBase/Comp report to see any system's operator issues and that the current operator meets the certification levels. If project will not impact the operator certification level, give points. If the project will impact the op certification level, the system must either have an operator certified to the new level or have a plan to get a properly certified operator to get points.	SDWIS comp report , OnBase
• Incorporates a fix-it-first planning methodology.	5	0	5	PER; O&M schedule - tank painting project budgeted for 2035	PQ/PNA	Engineering Section	System submits documentation to demonstrate planning and have been following through on the plans. For example: have a master plan, asset management plan or capital improvement plan, O&M schedule for repairs. If documentation is provided then give points. If information included at PQ, then score. If not enough information, leave blank and score at PNA step.	n/a
Readiness to Proceed Points	Possible Points	PQ Points Scored (leave blank if not scored)	PNA Points Scored	Comments		Responsible Party	Scoring criteria	Resources
Project has secured one or more of the following:								
• Plans and specifications approved.	10	0	0		PQ/PNA	Engineering Section	Give points if system has approval letter for the project as described in the PQ/IUP application or that covers the majority of the proposed project (roughly 80%).	PWS Search/RAW Database
Project has funding secured by multiple assistance providers.	10	0	10		PQ/PNA	SRF Team	Give points if applicant can document an award or a commitment from another funding agency for the same project being funded by SRF.	
Total Points Score		130	130					
Yes								
No								

**COLORADO WATER RESOURCES
AND
POWER DEVELOPMENT AUTHORITY**

RESOLUTION NO. 26-26

**A RESOLUTION FOR APPROVAL OF A DRINKING WATER DIRECT LOAN TO
THE PENROSE WATER DISTRICT AND EXECUTION OF A LOAN AGREEMENT
AND OTHER DOCUMENTS NECESSARY THEREFOR**

WHEREAS, the Colorado Water Resources and Power Development Authority (the “Authority”) has received and reviewed an Application for a Infrastructure Investments Jobs Act/Bipartisan Infrastructure Law (“IIJA/BIL”) General Supplemental direct loan and IIJA/BIL General Supplemental Principal Forgiveness (“PF”) direct loan from the Drinking Water Revolving Fund from the Penrose Water District (the “Applicant”); and

WHEREAS, the Loan Application has been reviewed in accordance with the procedures provided therefor in the Memorandum of Understanding 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 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 requirements and prerequisites and is eligible 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 direct loan to the Penrose Water District in an amount not to exceed \$1,837,965 (*\$837,965 of IIJA/BIL General Supplemental principal to be repaid, plus *\$1,000,000 of IIJA/BIL General Supplemental PF funds, for a total of \$1,837,965 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. 26-26 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 Steamboat Springs, Colorado on August 19, 2026.

Chair

Secretary

EXHIBIT A

Borrower:	Penrose Water District
Project:	The project consists of the construction of a new water treatment plant and associated appurtenances, as well as decommissioning of the old treatment plant.
Pledge:	Water System Revenue
Loan Term:	30 Years
Interest Rate:	3.50%
Amount not to exceed:	\$1,837,965 (*\$837,965 of IJA/BIL General Supplemental principal to be repaid, plus *\$1,000,000 of IJA/BIL General Supplemental PF funds, for a total of \$1,837,965 DWRP loan funds)

Subject to the following terms & conditions:

1. The District increasing user rates sufficiently to meet the Authority's rate covenant prior to loan execution.
2. Prepayment Charge - A \$15,000 prepayment charge will be applied on any full principal prepayment of the loan. All interest paid through the date of full principal prepayment will be credited against this charge.
3. If WQCD determines that the project is eligible for Emerging Containments (EC) funding through the IJA for the manganese components then Authority staff with approval from the Executive Director will reduce the applicable loan repayment amount by the EC eligible amount.

* - Estimated PF and direct loan amounts through the IJA/BIL and/or Base programs. The exact amount will be based on the IJA/BIL capitalization grant principal forgiveness to loan ratio while taking into account set asides. However, in the unlikely event the ratio increases the loan amount by more than a de-minimis amount, as determined by the Executive Director, the credit will be returned to the Board for further evaluation and consideration.

* - The terms and monetary amounts set forth in Part 1 hereto under the IJA/BIL General Supplemental and/or base direct loan and the IJA/BIL General Supplemental and/or base PF loan are premised upon the Authority's understanding of and expectations for the resources available to it from the base federal Capitalization Grants and the IJA/BIL. These amounts, and the allocation of funds available to the Project from each source, are subject to change, amendment, and/or rescission depending upon the policies, procedures, and budgetary adjustments adopted by the federal administration. If such changes in policies and procedures or

budgetary adjustments are adopted by the federal administration, the Authority reserves the right to review and adjust the terms and monetary amounts set forth herein in a subsequent action. Further, the loan agreement authorized by this resolution is subject to non-execution, cancellation, delay, rescission, or alteration depending upon the terms and conditions, quantities, or availability of federal funds provided under existing or future Capitalization Grants. In addition, funding for this and other approved projects may be re-evaluated under the priority scoring system implemented by the Board for all projects based on changes in the availability of anticipated funds. This re-evaluation may result in the funding of some but not all previously-authorized projects, including the project for which the execution of a loan agreement has been authorized by this resolution. The loan agreement authorized by this resolution shall include a term by which Applicant shall hold the Authority harmless for any costs or damages resulting from a change in federal policies, procedures, or funding that results in the requirement that the Authority cancel, delay, rescind, or alter its terms.

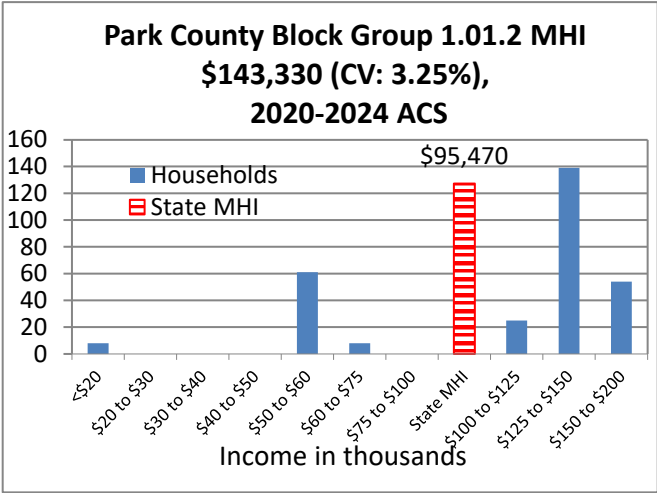
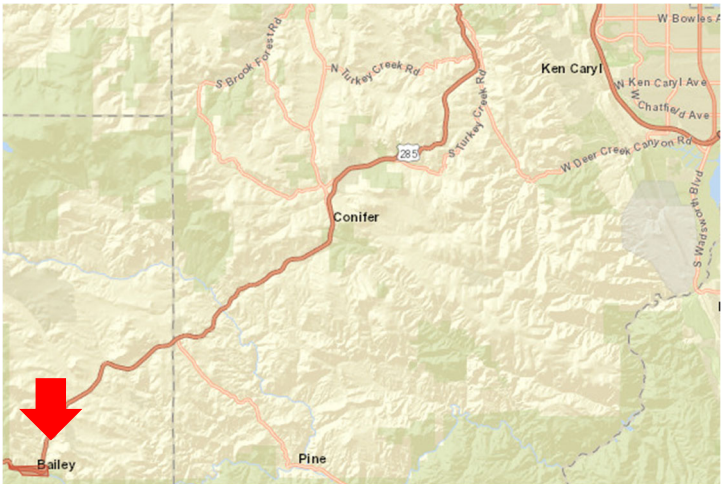
DWRF LOAN CREDIT REPORT (2026)
Bailey Water and Sanitation District (“The District”), Park County

Recommendation:	APPROVAL	Project Budget	
Total SRF Request:	\$2,265,498	DWRF IJA/BIL Loan:	\$1,032,886
Interest Rate & Term:	1.75%, 30 years	DWRF IJA/BIL Principal Forgiveness	\$1,232,612
Annual Debt Service:	\$44,401	2023 D&E Grant:	\$215,000
Pledge:	Water and sewer revenues	2026 EIAF Grant	\$750,000
Current Rate:	\$60.50 (W) \$81.50 (S)	Park County Grant:	\$500,000
Estimated Rate Increase:	\$0.00	Total:	\$3,730,498

PROJECT DESCRIPTION: The proposed project will include the expansion of the facility's hydraulic capacity, additional treatment and pre-treatment processes for heavy metals, as well as the construction of a second infiltration gallery, which will increase the raw water supply, and a new water treatment plant (WTP) building with adequate space.

COMMUNITY PROFILE: Bailey Water and Sanitation District								Avg. Annual Change
	2020	2021	2022	2023	2024	2025	2026	
District Population			310	310	310	310	310	0.00%
Park County Population	17,419	17,740	17,914	18,124	18,327			1.28%
Park County Jobs	4,512	4,787	4,923	5,121	5,365			4.42%
Number of Water Taps			124	124	124	124	124	0.00%
Number of Sewer Taps			124	124	124	124	124	0.00%
Assessed Value (\$000)			\$4,601	\$4,640	\$5,158	\$5,119	\$5,541	4.76%
Actual Value (\$000)			\$30,580	\$30,622	\$35,459	\$34,652	\$40,682	7.40%

BORROWER BRIEF: The District serves a small unincorporated mountain community in northwest Park County, approximately 47 miles to the southwest of Denver on State Highway 285, close to the border of Jefferson and Park Counties.



RECOMMENDATION: The District serves a small rural community in Park County. This proposed loan is necessary to improve water treatment and replace outdated filtration systems. The system is small and the proposed loan will be a burden on the community. However, the District has increased rates in the past few years and has successfully obtained grant financing from other sources. We therefore recommend the DWRF Committee approve a \$1,032,886 Disadvantaged Communities IJA/BIL direct loan and \$1,232,612 in IJA/BIL principal forgiveness to the Bailey Water and Sanitation District.

PROJECT SUMMARY:

System summary: The District serves a population of approximately 310 individuals with 124 taps. The water treatment plant (WTP) capacity is 30 gallons per minute (gpm). The existing source of water is an infiltration gallery located underneath the North Fork of the South Platte River. The WTP also has a bypass to pull water directly from the river in the event of high demand and poor infiltration gallery performance. Treatment at the existing WTP includes polymer injection, pressure filtration through a pressure sand filter, filtration through strain-rite bag filters, UV disinfection, and chlorine disinfection. The facility currently does not have appropriate treatment processes to treat for metals.

Reason/need: The existing WTP is outdated, and the current filtration systems are in poor physical condition and past their useful life. The current building also lacks the necessary space for any expansion to install additional treatment processes.

System Compliance: The District is in compliance with the Colorado Primary Drinking Water Regulations, and the project is primarily intended to maintain compliance.

Project Delivery Method: Construction Manager at Risk (CMAR)

Contingency: 8.45% of the total project cost is included as contingency. However, 12.6% of the construction cost is included as contingency.

CURRENT INDICATORS:	2022	2023	2024	Weak	Average	Strong
Total Debt per Capita (\$):	0	0	0	>\$2,000	\$1,000 - 2,000	X <\$1,000
Total + New Debt/Capita (\$):			7,308	X >\$2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Tap (\$):	0	0	0	>\$5,000	\$2,500 - 5,000	X <\$2,500
Total Debt + New Debt/Tap (\$):			18,270	X >\$5,000	\$2,500 - 5,000	<\$2,500
Current W&S Debt/Tap (\$):	0	0	0	>\$2,000	\$1,000 - 2,000	X <\$1,000
Current W&S + New W&S Debt/Tap (\$):			18,270	X >2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Assessed Value:	0%	0%	0%	>50%	25-50%	X <25%
Total Debt + New W&S Debt/Assessed Value:			44%	>50%	X 25-50%	<25%
Total Debt/Actual Value:	0%	0%	0%	>10%	5-10%	X <5%
Total Debt + New W&S Debt/Actual Value:			6.39%	>10%	X 5-10%	<5%
Curr. W&S Debt + New Debt/Tap/MHI:			13%	>20%	X 10-20%	<10%
W&S Fund Current Ratio (CA/CL):	442%	411%	291%	<100%	100-200%	X >200%
W&S Fund Reserves/Current Expense:	172%	181%	82%	<50%	X 50-100%	>100%
W&S Operating Ratio (OR/OE):	41%	60%	37%	X <100%	100-120%	>120%
Coverage Ratio (TR-OE)/DS:	N/A	N/A	N/A	<110%	110-125%	X >125%
Coverage Ratio (TR-OE)/DS Excluding Tap Fees:	N/A	N/A	N/A	<110%	110-125%	X >125%
Coverage Ratio with New Loan:			-119%	X <110%	110-125%	>125%
Coverage Ratio with New Loan Excluding Tap Fees:			-150%	X <110%	110-125%	>125%
Current Annual Water Rates/MHI:			0.41%	>3.0%	1.5-3.0%	X <1.5%
Current Water Rates + New W&S Debt Service/MHI:			0.96%	>3.0%	1.5-3.0%	X <1.5%
Operation and Maintenance Reserve:			82%	<25%	25-50%	X >50%
Total:				6	4	11

FINANCIAL ANALYSIS: Of the twenty-one current indicators calculated, eleven are rated strong, four are average and six are considered weak. Overall, the indicators illustrate a small system which will be burdened by the proposed debt. The strong indicators show that the system has no current debt and that rates appear to be affordable. The weak indicators reflect that the debt will be a burden for the size of the community and that system costs had risen in 2024.

- The District supports operations with property tax revenues in addition to water and sewer charges.
- Based on 2024 financial information, coverage with the proposed loan is -261%. Additional annual revenue of about \$164,619, or \$110.63 per tap per month, would increase the coverage ratio to 110%.

- The District identified \$105,130 in 2024 one-time expenses for leak repair, changing electric service, water treatment facility design, and engineering services. In 2026, the District increased both water and sewer rates for an estimated combined total increase of \$44.10, which is anticipated to bring in \$65,620.80 of additional annual revenue compared with 2024. Once these one-time expenses are removed and the impact of the rate increase is considered, coverage with the proposed loan increases to 124% and no further rate increases are projected to be necessary.
- The District has discussed and anticipates further rate increase to support debt service and will determine a final increase during loan execution while considering CMAR value engineering implementations.
- Projections submitted by the District show revenues and expenses increasing by approximately 3% annually.
- District voters approved \$5,000,000 in debt for planning, design, construction, and operations/maintenance of water and sewer infrastructure with 40 for and 24 against the ballot measure at the November 7, 2023, election.
- Without principal forgiveness, the coverage ratio moves to 56% and additional annual revenue of about \$52,153 or \$35.05 per tap per month, would increase the coverage ratio to 110%.

Additional Project Financing

The District submitted an Energy and Mineral Impact Assistance Fund grant application for \$1,000,000 and \$750,000 was awarded in May 2026.

The District submitted an application for grant funds from the Park County Land and Water Trust Fund and \$500,000 was approved in May 2026.

DESCRIPTION OF THE LOAN:

An estimated \$1,032,886 loan with a thirty-year term with two payments annually at an interest rate of 1.75% will cost the District approximately \$44,401 in debt service annually. The District also qualifies for \$1,232,612 in IJA/BIL principal forgiveness.

Disadvantaged 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

	Benchmark		Borrower	Met?
P1: MHI	\$76,376	>=	\$143,330	N
P2: MHV	\$431,520	>=	\$347,891	Y
P3: County Unemployment	5.35%	<=	3.20%	N
County Job Change	0.00%	>=	33.10%	N
S1: County MHI	\$76,376	>=	\$103,670	N
S2: Ten Year % Change in Population	0.00%	>=	N/A	N/A
S3: Assessed Value per Housing unit	\$24,337	>=	\$41,600	N
S4b: Curr. and Proj. System Debt	0.57%	<	5.25%	Y
S4b: 80th Percentile	1.57%	<	5.25%	Y
S5b: Proj. System Cost Per Tap to MHI	1.84%	<	3.49%	Y
S5b: 80th Percentile	2.67%	<	3.49%	Y

Based on 2020-2024 American Community Survey data, the District did not meet the requirements of a DAC due the lack of reliable and specific data for the small community. Because there is no geographically specific demographic data, the CWRPDA Board approved the District’s business case for DAC status on January 29, 2026.

Due to its projected rates to MHI and MHV exceeding the 80th percentile, the District qualifies for the lowest interest rate available (Category 2 DAC, 1.5% or 1.75%).

IJA/BIL Principal Forgiveness Eligibility:

In order to qualify for IJA/BIL principal forgiveness, a community must score three (3) points using the IJA/BIL Principal Forgiveness Eligibility Criteria outlined in the Intended Use Plans. While the District originally scored zero points, the CWRPDA Board approved the District’s business case for BIL eligibility on January 29, 2026 which increases the total score to three points.

IJA/BIL PF DETERMINATION				
	Benchmark		Borrower	Points
1. Five Year % Change in Population	0.73%	>	0.20%	1
2a: County Job Change	0.00%	>	33.10%	0
2b: County Unemployment	5.35%	<	3.20%	
3: Median Household Income, or MHI exceeds 125% of state MHI (-1 point)	\$95,470	>	\$143,330	-1
	\$119,338	<		
4: Rates to MHI	1.32%	<	1.19%	0
5: Project addresses removal of lead or emerging contaminants	Yes		No	0
6: % Minority	40.00%	<	15.42%	0
7: % Households Housing Burdened	50.00%	<	8.26%	0
8: % Population under 200% Poverty Level	40.00%	<	14.90%	0
9: % Population under 200% Poverty Level + % Population over 65 years old	55.00%	<	32.55%	0
10: Meets DAC criteria	Yes		Yes	3
Total Points Scored:				3

The District qualifies for IJA/BIL principal forgiveness and has expressed interest in receiving a proportional loan with principal forgiveness funding package. The District qualifies for \$1,232,612 in principal forgiveness, leaving an estimated loan of \$1,032,886.

ECONOMIC ANALYSIS: The District has a 2024 population estimated at 310 and has grown at an average annual rate of 0.20% since 2020. Park County has experienced an increase of 1.28% in population since 2020. The state population increased at an average annual rate estimated 0.73%.

Retirees, commuters, tourists, and regional services make up most of Park County’s economy. The sectors of professional services, construction, government, agriculture, hospitality, and waste management and remediation services dominate the regional economy.

The District indicated that the area’s largest employers consist of education, food and lodging, construction, retail, and professional and technical services.

The Bailey Self Service Station, a convenience store and gas station, represents 13% of total system usage.

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 32-1 special district governed by a five-member board of directors and was organized in 1967. The District provides water and wastewater services. Approximately 1.25 full-time employees staff the water utility. The water utility is overseen by the contract ORC who reports the District Administrator.

- 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.

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 no mandatory recommendations.

Capital Improvement Plan

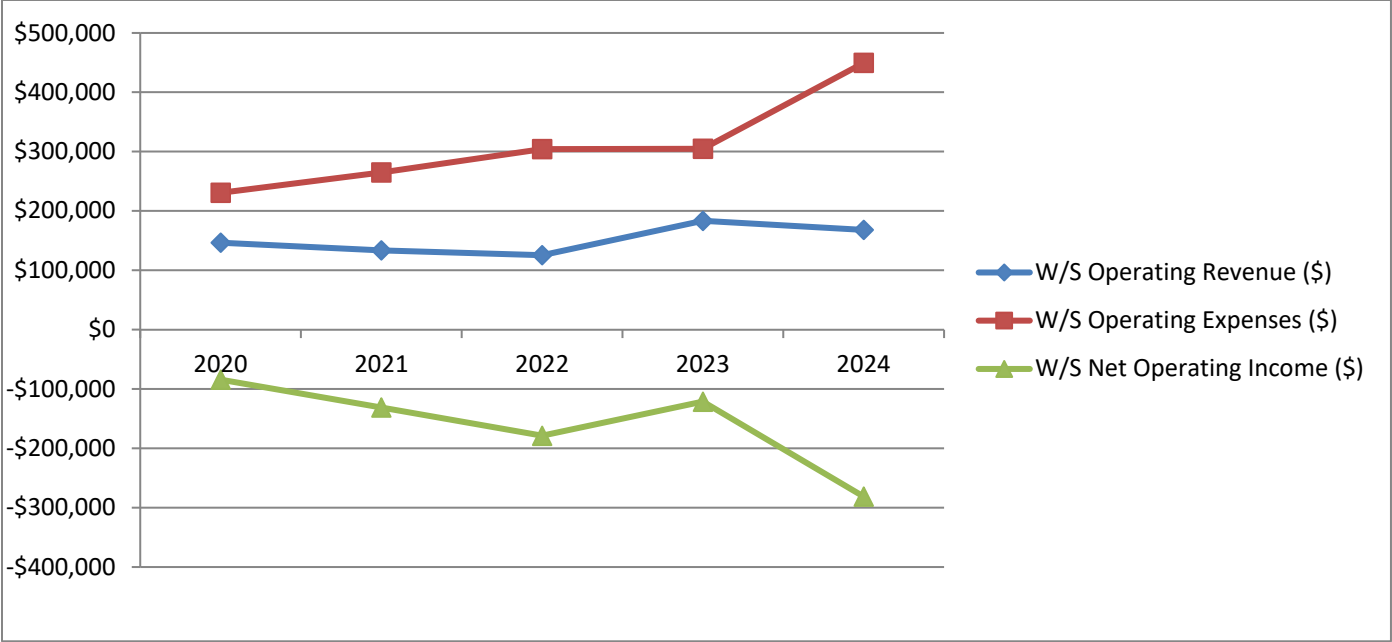
As part of the application process, the District submitted its capital improvement plan, which anticipates capital outlay of approximately \$6,000,000 for replacement of the wastewater treatment facility. Other anticipated projects which do not have cost estimates yet include lift station improvements, water line replacements, and water storage tank lining.

REVENUE ANALYSIS:

Water and sewer charges make up the majority of fund revenues. Net operating income has been negative, but the District also uses property taxes to cover operating expenses. Operating expenses have been on an increasing trend for the past five years; however, rate increases in 2023 increased revenues from charges and large rate increases in 2026 are expected to further increase operating revenues. 2024 operating expenses increased due to increased contractor and professional services, supplies, chemicals, repairs, and maintenance.

Prior to 2026, water and sewer charges were a combined charge based on water usage, for illustration below that combined charge has been split evenly between the water and sewer rate rows.

TRENDS	2020	2021	2022	2023	2024	2025	2026
Monthly Water Rate (\$)			22.15	48.95	48.95	48.95	60.50
Monthly Sewer Rate (\$)			22.15	48.95	48.95	48.95	81.50
Residential Water Tap Fee (\$)			15,000	15,000	15,000	15,000	15,000
Residential Sewer Tap Fee (\$)			15,000	15,000	15,000	15,000	15,000
Mill Levy	25.392	25.392	25.392	25.392	25.392		
Total W/S Revenue (\$)	304,568	269,446	265,135	370,466	333,709		
Tap/Development Fees (\$)	20,000	0	0	30,000	0		
Property Tax Revenue (\$)	119,733	119,534	119,610	120,539	130,518		
S.O. Tax Revenue (\$)	15,574	15,807	13,484	13,495	12,071		
W/S Operating Revenue (\$)	146,526	133,598	125,415	183,350	168,050		
W/S Operating Expenses (\$)	230,744	264,866	304,164	304,696	449,486		
W/S Net Operating Income (\$)	-84,218	-131,268	-178,749	-121,346	-281,436		
W/S Debt (\$)	0	0	0	0	0		
Total Debt (\$)	0	0	0	0	0		
W/S Debt Service (\$)	0	0	0	0	0		
W/S Debt Service/Tap/Month (\$)			0.00	0.00	0.00		
W/S Fund Reserves (\$)	623,921	613,206	524,633	550,518	367,740		
Ratios	2020	2021	2022	2023	2024	Average	
Operating Revenue as % of Total Revenue	48.11%	49.58%	47.30%	49.49%	50.36%	48.97%	
Operating Revenue as % of Expenses	63.50%	50.44%	41.23%	60.17%	37.39%	50.55%	
Tap Fee Revenue as % of Total Revenue	6.57%	0.00%	0.00%	8.10%	0.00%	2.93%	



Recent Rate Increases

The District’s most recent water and sewer rate increase of \$44.10 was implemented on June 1, 2026

User Charges

The District’s current monthly water rate is estimated at \$60.50 compared to the 2024 estimated state median of \$60.61. The District’s average monthly water rate is based on typical residential consumption of 3,100 gallons per month. Users pay a \$45.00 base and volume charges of \$5.00 per 1,000 gallons for consumption from 0 to 6,000 gallons and \$6.00 per 1,000 for consumption over 6,000 gallons. Bulk water is sold at \$0.10 per gallon. Residential and commercial users pay the same rates.

The District’s current estimated average monthly residential sewer rate is \$81.50 compared to the 2024 estimated state median of \$44.65. Users pay a \$66.00 base and volume charges of \$5.00 per 1,000 gallons for usage from 0 to 6,000 gallons and \$6.00 per 1,000 for usage over 6,000 gallons. The unmetered sewer fee is \$90 per month.

Contributed Capital

Revenue from tap fees has ranged from \$0 to \$30,000 and has averaged 2.93% of total water revenue during the last five years. The District’s most recent water tap fee rate increase occurred in 2010.

- Residential water tap fees are \$15,000
- Residential sewer tap fees are \$15,000

Current System Utilization		
	Usage	Revenue
Residential	57%	65%
Non-residential (per EQR)	43%	35%

Current Fee Summary		
Tap size	Water user/tap fees	Sewer user/tap fees
¾”	\$60.50/\$	\$81.50/\$15,000
¾”	\$60.50/\$	\$81.50/\$15,000

DEBT as of December 31, 2024

The District has no debt as of December 31, 2024.

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.

Prepared by: Victor Chen
Date: July 28, 2026

Project # 190121D-Q
Cost Categories: Construction - Treatment - 90%,
Construction - Source - 10%

July 28, 2026 DWRF Credit Report Bailey Water and Sanitation District, Park County, CO Using most recent data available (Census, audits, local records)	
Estimated Population - 2024	310
Number of Water Taps/Customers - 2024	124
Total Assessed Valuation - 2024	\$5,158,000
Actual Value of All Real Property - 2024	\$35,459,000
Median Household Income (MHI) - 2023	\$143,330
Monthly Water Rate - 2024	\$48.95
Water Operating Revenue - 2024	\$168,050
W/S Total Revenue - 2024 [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.]	\$333,709
W/S Tap and System Development Fee Revenue - 2024	\$0
W/S Operating Expense - 2024	\$449,486
W/S Current Expense - 2024	\$449,486
W/S Debt - 2024	\$0
Total Debt - 2024	\$0
W/S Fund Reserves - 2024	\$367,740
W/S Debt Service - 2024	\$0
New W/S Debt [Requested DWRF loan amount.]	\$1,032,886
Requested DWRF Loan Term	30
Requested DWRF Loan Interest Rate	1.75%
New Loan's Annual Water Debt Service (two payments annually)	\$44,401

<u>Current Indicators (2024)</u> <u>Bailey Water and Sanitation District</u> <u>(Water and Sewer Fund)</u>				
1	Total Debt	\$0	÷ Population	310 = \$0
	New Debt	\$1,032,886	÷ Population	310 = \$3,332
	Total Debt + New Debt	\$1,032,886	÷ Population	310 = \$3,332
2	Total Debt	\$0	÷ Number of Taps	124 = \$0
	New Debt	\$1,032,886	÷ Number of Taps	124 = \$8,330
	Total Debt + New Debt	\$1,032,886	÷ Number of Taps	124 = \$8,330
3	Total Debt	\$0	÷ Assessed Value	\$5,158,000 = 0.00%
	New Debt	\$1,032,886	÷ Assessed Value	\$5,158,000 = 20.02%
	Total Debt + New Debt	\$1,032,886	÷ Assessed Value	\$5,158,000 = 20.02%
4	Total Debt	\$0	÷ Actual Value	\$35,459,000 = 0.00%
	New Debt	\$1,032,886	÷ Actual Value	\$35,459,000 = 2.91%
	Total Debt + New Debt	\$1,032,886	÷ Actual Value	\$35,459,000 = 2.91%
5	Current Water Debt (Current Water Debt + New Water Debt) / Number of Taps	\$0 \$8,330	÷ Number of Taps MHI	124 = \$0 \$143,330 = 5.81%
6	Current Ratio (CA / CL) Current Assets	\$560,718	÷ Current Liabilities	\$192,978 = 291%
7	Reserve/Expense Ratio Reserves	\$367,740	÷ Current Expenses	\$449,486 = 82%
8	Operating Ratio (OR / OE) Operating Revenues	\$168,050	÷ Operating Expenses	\$449,486 = 37%
9	Coverage Ratio [(TR - OE) / DS] Total Revenues Minus Operating Expenses	\$333,709 \$449,486	-	
	=	-\$115,777	÷ Current Debt Service	\$0 = #DIV/0!
10	Coverage Ratio Excluding Tap and Development Fee Revenue Minus Tap and Development Fee Revenue	-\$115,777 \$0		
	=	-\$115,777	÷ Current Debt Service	\$0 = #DIV/0!
11	Projected Coverage Ratio Total Revenues Minus Operating Expenses	\$333,709 \$449,486		
	=	-\$115,777	Total Debt Service (with new loan)	\$44,401 = -261%
12	Projected Coverage Excluding Tap and Development Fee Revenue Minus Tap and Development Fee Revenue	-\$115,777 \$0		
	=	-\$115,777	÷ Total Debt Service (with new loan)	\$44,401 = -261%
13	Current Debt Service Annual New Water Debt Service	\$0 \$44,401	÷ Number of Taps	124 = \$0.00 124 = \$358.08
14	2024 Annual Water Rate (Monthly Rate x 12) 2024 Annual Water Rate + New Annual Debt Service Per Tap	\$587.40 \$945.48	÷ MHI	\$143,330 = 0.41% \$143,330 = 0.66%
15	Current 2024 Monthly User Charge (Debt Service on DWRP Loan / 2024 Taps / Month) Total			\$48.95 \$29.84 \$78.79
16	Operation and Maintenance Reserve Reserves	\$367,740	÷ Operating Expenses	\$449,486 = 82%

2026 SRF Disadvantaged Community Criteria

Loan Terms

Amount of Loan:	\$ 2,265,498
Interest Rate:	3.25%
Term (years):	20
Annual Payment:	\$ 154,936

Applicant:	Bailey Water and Sanitation District
Test Result	Conditions met to be DAC
N	Test 1: P1 & P2 or P3
N	Test 2: P1, Not P2 or P3, & 2+ S1-S5
N	Test 3: P1 ??, P2 & P3, & 2+ S1-S5

	Benchmark	Applicant	Result	Notes on Data Used
Current Population (2024)	<= 10,000	310	Y	
Population 5 years ago (2020)		308		
Poulation 10 years ago (2015)				

Primary Factors

P1	MHI (Place)	<= \$ 76,376	143,330	N	
	Margin of Error (MOE)	±	7,659		
P2	MHV (Place)	<= \$ 431,520	347,891	Y	Assessor MHV
	Margin of Error (MOE)	±			
P3	24 Month Unemployment (County)	>= 5.35%	3.20%	N	
	or 10 Year % Chng. Jobs (County)	<= 0.00%	33.10%	N	
	Jobs (2024)		5,485		
	Jobs (2015)		4,121		

Priority Factor Count	0
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Secondary Factors

S1	MHI (County)	<= \$ 76,376	103,670	N	
	Margin of Error (MOE)	±	17,612		
	Reliability (CV)	<= 18.00%	10.33%	Y	
S2	10 Year % Chng. Population	<= 0.00%	N/A	N/A	
S3	Assessed Value / Housing Unit	<= \$ 24,337	\$41,600	N	
	Assessed Value		5,158,417		
	Total Housing Units		124		Used number of taps to estimate housing units
S4	Current Debt / Tap / MHV	> 0.57%	0.00%	N	If MHV CV > 18%, calculate result at top of band
WS	Current + Projected Debt/Tap/MHV	> 0.57%	5.25%	Y	Result
	S4b 80th percentile	> 1.57%	5.25%	Y	
S5	System Full Cost / Tap / MHI	> 2.03%	2.66%	Y	If MHI CV > 18%, calculate result at top of band
	Projected Rate @ 110% Coverage	> 1.84%	3.49%	Y	Result
	S5b 80th percentile	> 2.67%	3.49%	Y	

Secondary Factor Count	2
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System Data for S4 and S5: To be completed by DLG

Taps or EQR's	124
Total Debt	0
Principal & Interest	0
Operating Expenses (including operating transfers out)	449,486
Depreciation	23,509

WPCRF & DWRF						
		Benchmark	Applicant	Points	Notes on Data Used	
<u>Eligibility Criteria</u>						
1	Population loss or growth is slower than the state's over 5 years	<=	0.73%	0.20%	1.0	
	Current Population (2024)			310		
	Poulation five years ago (2020)			308		
2a	10 Year % County Job Change	>=	0	33.10%	0.0	
2b	County 24 Month unemployment rate exceeds the state's plus 1%	>=	5.35%	3.20%	0.0	
3	Median Household Income	<=	\$ 95,470	143,330	0.0	<u>If MHI CV > 40%, calculate result at top of band</u>
		>=	\$ 119,338		-1.0	<u>Result</u>
4	Rates compared to MHI	>	1.32%	1.19%	0.0	<u>If MHI CV > 40%, calculate result at top of band</u>
WS	Monthly Residential Rate	>		142.00		<u>Result</u>
2026 rates and 3,100 gallons of typical residential consumption						
5	Project addresses removal of lead or emerging contaminants	Yes	No	0.0		
6	% Population that identifies as minority is greater than 40%	>	40.00%	15.42%	0.0	
7	% Population that are housing burdened is greater than 50%	>	50.00%	8.26%	0.0	
8	% Population under 200% Poverty Level is greater than 40%	>	40.00%	14.90%	0.0	
9	% Population under 200% Poverty Level + % Population over 65 years old is equal to or greater than two thirds of communities in the state	>=	55.00%	32.55%	0.0	
	% Population over 65 years old			17.65%		
10	Meets base program DAC criteria?		Yes	3.0		
BIL Eligibility Points				3.0		

**COLORADO WATER RESOURCES
AND
POWER DEVELOPMENT AUTHORITY**

RESOLUTION NO. 26-27

**A RESOLUTION FOR APPROVAL OF A DRINKING WATER DIRECT LOAN TO
BAILEY WATER AND SANITATION DISTRICT AND EXECUTION OF A LOAN
AGREEMENT AND OTHER DOCUMENTS NECESSARY THEREFOR**

WHEREAS, the Colorado Water Resources and Power Development Authority (the "Authority") has received and reviewed an Application for a Infrastructure Investments Jobs Act/Bipartisan Infrastructure Law ("IIJA/BIL") and IIJA/BIL General Supplemental Principal Forgiveness ("PF") direct loan from the Drinking Water Revolving Fund from the Bailey Water and Sanitation District (the "Applicant"); and

WHEREAS, the Loan Application has been reviewed in accordance with the procedures provided therefor in the Memorandum of Understanding 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 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 requirements and prerequisites and is eligible 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 direct loan to the Bailey Water and Sanitation District in an amount not to exceed \$2,265,498, (comprised of *\$1,232,612 in IIJA/BIL General Supplemental PF and *\$1,032,886 in IIJA/BIL General Supplemental direct loan) 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. 26-27 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 Steamboat Springs, Colorado on August 19, 2026.

Chair

Secretary

EXHIBIT A

Borrower:	Bailey Water and Sanitation District
Project:	The proposed project will include the expansion of the facility's hydraulic capacity, additional treatment and pre-treatment processes for heavy metals, as well as the construction of a second infiltration gallery, which will increase the raw water supply, and a new water treatment plant (WTP) building with adequate space.
Pledge:	Water and Sewer Revenue
Loan Term:	30 Years
Interest Rate:	1.75%
Amount not to exceed:	\$2,265,498, (comprised of *\$1,232,612 in IIJA/BIL General Supplemental PF and *\$1,032,886 in IIJA/BIL General Supplemental direct loan)

Subject to the following terms & conditions:

1. Prepayment Charge - A \$15,000 prepayment charge will be applied on any full principal prepayment of the loan. All interest paid through the date of full principal prepayment will be credited against this charge.

* - Estimated PF and direct loan amounts through the IIJA/BIL and/or Base programs. The exact amount will be based on the IIJA/BIL capitalization grant principal forgiveness to loan ratio while taking into account set asides. However, in the unlikely event the ratio increases the loan amount by more than a de-minimis amount, as determined by the Executive Director, the credit will be returned to the Board for further evaluation and consideration.

** - The terms and monetary amounts set forth in Part 1 hereto under the IIJA/BIL General Supplemental and/or base direct loan and the IIJA/BIL General Supplemental and/or base PF loan are premised upon the Authority’s understanding of and expectations for the resources available to it from the base federal Capitalization Grants and the IIJA/BIL. These amounts, and the allocation of funds available to the Project from each source, are subject to change, amendment, and/or rescission depending upon the policies, procedures, and budgetary adjustments adopted by the federal administration. If such changes in policies and procedures or budgetary adjustments are adopted by the federal administration, the Authority reserves the right to review and adjust the terms and monetary amounts set forth herein in a subsequent action. Further, the loan agreement authorized by this resolution is subject to non-execution, cancellation, delay, rescission, or alteration depending upon the terms and conditions, quantities, or availability of federal funds provided under existing or future Capitalization Grants. In addition, funding for this and other approved projects may be re-evaluated under the priority scoring system implemented by the Board for all projects based on changes in the availability of anticipated funds. This re-evaluation may result in the funding of some but not all previously-authorized projects, including the project for which the execution of a loan agreement has been authorized by this resolution. The loan agreement authorized by this resolution shall include a term by which Applicant shall hold the

Authority harmless for any costs or damages resulting from a change in federal policies, procedures, or funding that results in the requirement that the Authority cancel, delay, rescind, or alter its terms.



COLORADO

Department of Local Affairs

Division of Local Government

TO: Wesley Williams and Members of the Board of the CWRPDA
 FROM: Victor Chen, DLG
 SUBJECT: Town of Kremmling ("The Town"), DWRF Credit Report Update
 DATE: August 19, 2026

Project Budget	
DWRF Supplemental Loan:	\$1,500,000
2024 DWRF Base and IIJA Loan:	\$12,922,960
2024 DWRF IIJA/BIL PF:	\$3,000,000
2024 EIAF Grant:	\$1,000,000
2023 D&E Grant:	\$300,000
Total:	\$18,722,960

This project consists of replacing the Town's existing water treatment facility with ultrafiltration (UF) treatment skids to aid in raw water quality and finished water quality goals. The new water treatment facility project includes three UF treatment skids and eight UF membrane modules housed in a new treatment plant building. Other new additions include a clearwell, booster pump, and potable water storage tank.

The Town previously received DWRF funding for this project as a \$4,676,154 direct loan with a thirty-year term at an interest rate of 1.75% that included \$3,000,000 of IIJA/BIL principal forgiveness, and a \$11,246,806 leveraged loan with a thirty-year term at an interest rate of 3.35%. Both loans were executed on November 22, 2024. The original loans were executed before the Town had the 90% guaranteed maximum price from their contractor and additional funds are needed to complete the project. Therefore, the Town is requesting a supplemental loan.

When including the previous 2024 DWRF loan, the Town's 2024 financials show that this proposed supplemental loan represents a growing but manageable debt burden for the rural mountain community in Grand County. Due to increased Median Household Income (Census Bureau American Communities Survey), the Town no longer meets the criteria for disadvantaged community status; however, current policy states supplemental loans receive the same interest rate as the initial loan or the prevailing interest rate, whichever is lower. We therefore recommend the DWRF Committee approve a \$1,500,000 supplemental DWRF base direct loan over 30 years at an interest rate of 1.75% to the Town of Kremmling on the condition that rates are increased to meet the 110% coverage ratio requirement (approximate required rate increase of \$14.20).

CURRENT INDICATORS:	2022	2023	2024	Weak	Average	Strong
Total Debt per Capita (\$):	756	697	7,937	X >\$2,000	\$1,000 - 2,000	<\$1,000
Total + New Debt/Capita (\$):			8,932	X >\$2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Tap (\$):	1,594	1,434	16,142	X >\$5,000	\$2,500 - 5,000	<\$2,500
Total Debt + New Debt/Tap (\$):			18,166	X >\$5,000	\$2,500 - 5,000	<\$2,500
Current Water Debt/Tap (\$):	1,594	1,434	16,142	X >\$2,000	\$1,000 - 2,000	<\$1,000
Current Water + New Water Debt/Tap (\$):			18,166	X >2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Assessed Value:	5.59%	5.20%	46%	X >50%	25-50%	<25%
Total Debt + New Water Debt/Assessed Value:			52%	X >50%	25-50%	<25%
Total Debt/Actual Value:	0.67%	0.62%	5.18%	X >10%	5-10%	<5%
Total Debt + New Water Debt/Actual Value:			5.83%	X >10%	5-10%	<5%
Curr. Water Debt + New Debt/Tap/MHI:			23%	X >20%	10-20%	<10%
Water Fund Current Ratio (CA/CL):	999%	1,161%	2,705%	X <100%	100-200%	X >200%
Water Fund Reserves/Current Expense:	318%	310%	1,788%	X <50%	50-100%	X >100%
Water Operating Ratio (OR/OE):	191%	152%	130%	X <100%	100-120%	X >120%
Coverage Ratio (TR-OE)/DS:	242%	258%	141%	X <110%	110-125%	X >125%
Coverage Ratio (TR-OE)/DS Excluding Tap Fees:	235%	178%	85%	X <110%	110-125%	X >125%
Coverage Ratio with New Loan:			105%	X <110%	110-125%	X >125%





Coverage Ratio with New Loan Excluding Tap Fees:	63%	<u>X</u>	<110%	<u> </u>	110-125%	<u> </u>	>125%
Current Annual Water Rates/MHI:	0.97%	<u> </u>	>3.0%	<u> </u>	1.5-3.0%	<u>X</u>	<1.5%
Current Water Rates + New Water Debt Service/MHI:	1.08%	<u> </u>	>3.0%	<u> </u>	1.5-3.0%	<u>X</u>	<1.5%
Operation and Maintenance Reserve:	2,430%	<u> </u>	<25%	<u> </u>	25-50%	<u>X</u>	>50%
	Total:	11		3		7	

Financial Analysis

Of the twenty-one current indicators calculated, seven are rated strong, three are average and eleven are considered weak. Overall, the indicators illustrate a system that can successfully take on the proposed debt with a moderate rate increase. The strong indicators show strong reserves and a healthy operating cash flow. The weak indicators reflect high debt burden for the community with a coverage ratio that is below the requirement.

- Operating revenues have consistently covered operating expenses for each of the five years examined.
- In 2024, the Town paid off a series of Water Revenue Bonds issued in 2004, which freed up additional cashflow for debt service.
- Based on 2024 financial information and including debt service on the original 2024 DWRF loans for this project, coverage with the proposed loan is 31% with tap fee revenue and 21% without tap fee revenue. Additional annual revenue of about \$674,591 or roughly \$73.97 per tap per month, would increase the coverage ratio to 110% when including tap fee revenue. Additional annual revenue of about \$760,954, or roughly \$83.44 per tap per month, would increase the coverage ratio to 110% excluding tap fee revenue.
- The Town has almost doubled water rates (increasing from \$62.50 in 2024 to \$121.40 in 2026) to meet coverage ratio requirements on the original 2024 DWRF loans. Based on 760 taps, annual operating revenues are estimated to increase by \$537,168 compared to 2024. This increases the projected coverage ratio to 94% with tap fee revenue and 84% without tap fee revenue. Additional annual revenue of about \$137,423 or roughly \$15.07 per tap per month would increase the coverage ratio to 110% when including tap fee revenue. Additional annual revenue of about \$223,786, or roughly \$24.54 per tap per month, would increase the coverage ratio to 110% excluding tap fee revenue.
- In 2024, the Town had one-time expenses of \$7,929 for distribution repairs. By removing these one-time expenses, it increases the projected coverage ratio to 95% with tap fee revenue and 85% without tap fee revenue. Additional annual revenue of about \$129,494, or roughly \$14.20 per tap per month, would increase the coverage ratio to 110% when including tap fee revenue. Additional annual revenue of \$215,857, or roughly \$23.67 per tap per month, would increase the coverage ratio to 110% excluding tap fee revenue.
- Projections submitted by the Town show water fund revenues increasing annually by approximately 3% and expenses increasing annually by approximately 3% as well. The Town is considering further rate increases in 2027.



July 28, 2026 DWRF Credit Report Town of Kremmling, Grand County, CO Using most recent data available (Census, audits, local records)	
Estimated Population - 2024	1,507
Number of Water Taps/Customers - 2024	741
Total Assessed Valuation - 2024	\$25,855,000
Actual Value of All Real Property - 2024	\$230,782,000
Median Household Income (MHI) - 2024	\$77,407
Monthly Water Rate - 2024	\$62.50
Water Operating Revenue - 2024	\$686,568
Water Total Revenue - 2024 [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.]	\$794,660
Water Tap and System Development Fee Revenue - 2024	\$106,000
Water Operating Expense - 2024	\$528,271
Water Current Expense - 2024	\$717,831
Water Debt - 2024	\$11,960,994
Total Debt - 2024	\$11,960,994
Water Fund Reserves - 2024	\$12,838,211
Water Debt Service - 2024	\$189,560
New Water Debt [Requested DWRF loan amount.]	\$1,500,000
Requested DWRF Loan Term	30
Requested DWRF Loan Interest Rate	1.75%
New Loan's Annual Water Debt Service (two payments annually)	\$64,482

Current Indicators (2024)					
Kremmling					
(Water)					
1 Total Debt	\$11,960,994	÷	Population	1,507	= \$7,937
New Debt	\$1,500,000	÷	Population	1,507	= \$995
Total Debt + New Debt	\$13,460,994	÷	Population	1,507	= \$8,932
2 Total Debt	\$11,960,994	÷	Number of Taps	741	= \$16,142
New Debt	\$1,500,000	÷	Number of Taps	741	= \$2,024
Total Debt + New Debt	\$13,460,994	÷	Number of Taps	741	= \$18,166
3 Total Debt	\$11,960,994	÷	Assessed Value	\$25,855,000	= 46.26%
New Debt	\$1,500,000	÷	Assessed Value	\$25,855,000	= 5.80%
Total Debt + New Debt	\$13,460,994	÷	Assessed Value	\$25,855,000	= 52.06%
4 Total Debt	\$11,960,994	÷	Actual Value	\$230,782,000	= 5.18%
New Debt	\$1,500,000	÷	Actual Value	\$230,782,000	= 0.65%
Total Debt + New Debt	\$13,460,994	÷	Actual Value	\$230,782,000	= 5.83%
5 Current Water Debt (Current Water Debt + New Water Debt) / Number of Taps	\$11,960,994	÷	Number of Taps	741	= \$16,142
	\$18,166	÷	MHI	\$77,407	= 23.47%
6 Current Ratio (CA / CL)					
Current Assets	\$13,331,010	÷	Current Liabilities	\$492,799	= 2705%
7 Reserve/Expense Ratio					
Reserves	\$12,838,211	÷	Current Expenses	\$717,831	= 1788%
8 Operating Ratio (OR / OE)					
Operating Revenues	\$686,568	÷	Operating Expenses	\$528,271	= 130%
9 Coverage Ratio [(TR - OE) / DS]					
Total Revenues	\$794,660	-			
Minus Operating Expenses	<u>\$528,271</u>				
=	\$266,389	÷	Current Debt Service	\$189,560	= 141%
Coverage Ratio Excluding Tap and Development Fee Revenue	\$266,389				
Minus Tap and Development Fee Revenue	<u>\$106,000</u>				
=	\$160,389	÷	Current Debt Service	\$189,560	= 85%
11 Projected Coverage Ratio					
Total Revenues	\$794,660				
Minus Operating Expenses	<u>\$528,271</u>				
=	\$266,389		Total Debt Service (with new loan)	\$254,042	= 105%
Projected Coverage Excluding Tap and Development Fee Revenue	\$266,389				
Minus Tap and Development Fee Revenue	<u>\$106,000</u>				
=	\$160,389	÷	Total Debt Service (with new loan)	\$254,042	= 63%
13 Current Debt Service	\$189,560	÷	Number of Taps	741	= \$255.82
Annual New Water Debt Service	\$64,482	÷	Number of Taps	741	= \$87.02
2024 Annual Water Rate (Monthly Rate x 12)	\$750.00	÷	MHI	\$77,407	= 0.97%
2024 Annual Water Rate + New Annual Debt Service Per Tap	\$837.02	÷	MHI	\$77,407	= 1.08%
15 Current 2024 Monthly User Charge (Debt Service on DWRP Loan / 2024 Taps / Month)					\$62.50
Total					<u>\$7.25</u>
					\$69.75
16 Operation and Maintenance Reserve					
Reserves	\$12,838,211	÷	Operating Expenses	\$528,271	= 2430%

DWRF LOAN CREDIT REPORT (2024)

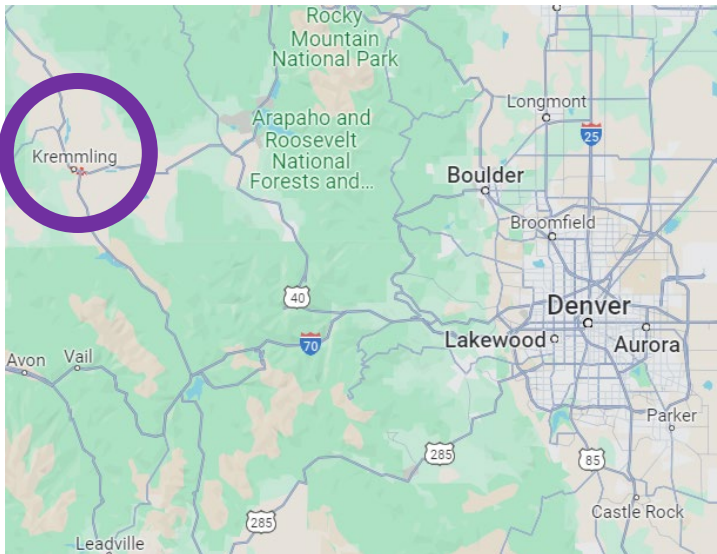
Town of Kremmling ("The Town"), Grand County

Recommendation:	CONDITIONAL APPROVAL	<u>Project Budget</u>	
Loan Request:	\$15,922,960	DWRF BIL Loan:	\$1,676,154
Total Est. Annual Debt Service:	\$699,715	DWRF BIL Supplemental PF:	\$3,000,000
Leveraged Loan:	\$11,246,806	DWRF Base Loan:	\$11,246,806
Interest Rate & Term:	3.75%, 30 years	Planning, D&E Grants:	\$300,000
Direct Loan:	\$1,676,154	Total:	\$16,222,960
Interest Rate & Term:	1.75%, 30 years		
Pledge:	Water revenues		
Current Rate:	\$63.50		
Estimated Rate Increase:	\$68.41		

PROJECT DESCRIPTION: This project consists of replacing the Town's existing water treatment facility with ultrafiltration (UF) treatment skids to aid in raw water quality and finished water quality goals. The new water treatment facility project includes three UF treatment skids and eight UF membrane modules housed in a new treatment plant building. Other additions include a clearwell, booster pump, and potable water storage tank.

COMMUNITY PROFILE:								Avg. Annual Change
Town of Kremmling	2018	2019	2020	2021	2022	2023	2024	Change
Town Population	1,342	1,350	1,499	1,534	1,478			2.44%
Grand County Population	15,268	15,408	15,748	15,860	15,748			0.78%
Grand County Jobs	10,280	10,352	9,381	9,987	10,253			-0.07%
Number of Water Taps			704	710	712	731	741	1.29%
Assessed Value (\$000)			17,053	17,313	20,314	20,152	25,855	10.96%
Actual Value (\$000)			141,932	144,880	168,537	168,887	230,782	12.92%

BORROWER BRIEF: The Town is located on the northern bank of the Colorado River in western Grand County, approximately 37 miles north of Silverthorne on State Highway 9 and approximately 34 miles downstream of Lake Granby on the Colorado River.



PROJECT SUMMARY:

System summary: The Town's water treatment facility (WTF) receives surface water primarily from Sheep Creek that is treated in two microfloc package plants. The treatment facility consists of flocculation basins and gaseous chlorine. The treated water is sent to two storage tanks before being distributed to the 710 service connections in the area, mostly consisting of single-family residences.

Reason/need: The Town's existing water treatment facility (WTF) consists of two filtration units from 1979 that do not currently meet the State Design Criteria for Potable Water Systems. The system is outdated and the WTF requires higher chlorine dose which presents a higher risk for disinfection byproduct formation. The Town's site-specific issues include capacity and demand; raw water quality and finished water quality goals; site space availability; potential for future expansion; and offers desirable operational characteristics. The proposed project will address these issues. The proposed project will be a complete replacement of existing WTF. This will replace an aging building showing signs of corrosion, increase the removal of turbidity and microorganisms from raw water, replacement of gas chlorine with liquid sodium hypochlorite, and increase storage capability from 500k gallons to 1.5 million gallon capacity.

System Compliance: The Town of Kremmling is in compliance with the Colorado Primary Drinking Water Regulations, and the project is primarily intended to maintain compliance.

Project Delivery Method: Construction Manager at Risk (CMAR)

Contingency: 9.78% of total project cost included as contingency.

CURRENT INDICATORS:	2020	2021	2022	Weak	Average	Strong
Total Debt per Capita (\$):	868	795	768	>\$2,000	\$1,000 - 2,000	<\$1,000
Total + New Debt/Capita (\$):			9,511	X >\$2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Tap (\$):	1,848	1,717	1,594	>\$5,000	\$2,500 - 5,000	<\$2,500
Total Debt + New Debt/Tap (\$):			19,744	X >\$5,000	\$2,500 - 5,000	<\$2,500
Current Water Debt/Tap (\$):	1,848	1,717	1,594	>\$2,000	X \$1,000 - 2,000	<\$1,000
Current Water + New Water Debt/Tap (\$):			19,744	X >2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Assessed Value:	7.63%	7.04%	5.59%	>50%	25-50%	X <25%
Total Debt + New Water Debt/Assessed Value:			69%	X >50%	25-50%	<25%
Total Debt/Actual Value:	0.92%	0.84%	0.67%	>10%	5-10%	X <5%
Total Debt + New Water Debt/Actual Value:			8.34%	>10%	X 5-10%	<5%
Curr. Water Debt + New Debt/Tap/MHI:			31%	X >20%	10-20%	<10%
Water Fund Current Ratio (CA/CL):	1,046%	482%	999%	<100%	100-200%	X >200%
Water Fund Reserves/Current Expense:	300%	280%	318%	<50%	50-100%	X >100%
Water Operating Ratio (OR/OE):	195%	168%	191%	<100%	100-120%	X >120%
Coverage Ratio (TR-OE)/DS:	254%	178%	242%	<110%	110-125%	X >125%
Coverage Ratio (TR-OE)/DS Excluding Tap Fees:	233%	171%	235%	<110%	110-125%	X >125%
Coverage Ratio with New Loan:			39%	X <110%	110-125%	>125%
Coverage Ratio with New Loan Excluding Tap Fees:			38%	X <110%	110-125%	>125%
Current Annual Water Rates/MHI:			1.19%	>3.0%	1.5-3.0%	X <1.5%
Current Water Rates + New Water Debt Service/MHI:			2.75%	>3.0%	X 1.5-3.0%	<1.5%
Operation and Maintenance Reserve:			443%	<25%	25-50%	X >50%
Total:				7	3	11

FINANCIAL ANALYSIS: Of the twenty-one current indicators calculated, 11 are rated strong, three are average, and seven are considered weak. Overall, the indicators illustrate a small system covering expenses but needing additional revenues to pay for the large proposed loan. The strong indicators show that the water system is in good financial condition with sufficient reserves and operating ratios. The weak indicators reflect that the proposed loan will burden the community and that rates will need to be raised to meet the coverage ratio requirement.

- Operating revenues have consistently covered operating expenses, with a strong average operating ratio of 205% over the past five years examined. Operating revenues averaged 97% of total revenue during the same period.
- Based on 2022 financial information and an estimated annual increase in operations and maintenance expenses of \$27,500, coverage with the proposed loan is 36% with tap fee revenue and 35% without tap fee revenue. Additional annual revenue of about \$617,237, or \$69.41 per tap per month, would increase the coverage ratio to 110% when including tap fee revenue. The Town raised rates by \$1 in 2023, reducing the rate increase to \$68.41.
- While the rate increases are high, the Town has performed multiple rate studies and is preparing to increase the rates to meet the 110% coverage ratio requirement. The Town Board is currently considering three rate increase scenarios that were presented by

the Rural Community Assistance Corporation in June 2024. The rate increase scenario with the lowest rate increase would raise the typical residential user's monthly bill by roughly \$85.50. If the Town adopts any of the rate increase scenarios under consideration, the water fund is projected to meet the 110% coverage ratio requirement on the proposed loan.

- In 2025, the Town is expected to pay off a series of water revenue bonds issued in 2004. This will decrease expenses by the current annual payment of \$38,972, strengthening the water fund's position.
- Projections submitted by the Town show an annual increase in operations and maintenance expenses of \$27,500 and a steadily increasing number of taps, which should increase revenue. All three of the rate increase scenarios under consideration by the Town would increase rates by approximately 5% every year.
- Without principal forgiveness, the coverage ratio moves to 31% with tap fee revenue and 30% without tap fee revenue. Additional annual revenue of about \$782,775, or \$88.03 per tap per month, would increase the coverage ratio to 110% when including tap fee revenue.

DESCRIPTION OF THE LOAN:

An estimated \$1,676,154 direct loan with a thirty-year term with two payments annually at an interest rate of 1.75% will cost the Town approximately \$72,054 in debt service annually. An estimated \$11,246,806 leveraged loan with a thirty-year term with two payments annually at an interest rate of 3.75% will cost the Town approximately \$627,661 in debt service annually. The Town also qualifies for \$3,000,000 in BIL principal forgiveness.

Disadvantaged 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

	Benchmark		Borrower	Met?		Benchmark		Borrower	Met?
P1: MHI	\$70,078	>	\$63,086	Y	S1: County MHI	\$70,078	>	\$79,367	N
P2: MHV	\$465,900	>	\$314,200	Y	S2: Population Loss	0.00%	>	10.71%	N
P3: County Unemployment	5.38%	<	2.69%	N	S3: Assessed Value per Housing unit	\$24,963	>	\$29,229	N
County Job Change	0.00%	>	12.68%	N	S4b: Curr. and Proj. System Debt	0.30%	<	7.62%	Y
					S4b: 80th Percentile	1.05%	<	7.62%	Y
					S5b: Proj. System Cost Per Tap to MHI	1.08%	<	3.77%	Y
					S5b: 80th Percentile	1.63%	<	3.77%	Y

Based on 2018-2022 American Community Survey data, the Town met the requirements of a DAC, qualifying under scenario #1. Due to its projected rates to MHI and MHV exceeding the 80th percentile, the Town's proposed direct loan qualifies for the lowest interest rate available (Category 2 DAC, 1.75%).

BIL Principal Forgiveness Eligibility:

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. The Town scores five points as shown below.

BIL PF DETERMINATION				
	Benchmark		Borrower	Points
1. Five Year % Change in Population	0.71%	>	2.44%	0
2a: County Job Change	0.00%	>	12.68%	0
2b: County Unemployment	5.38%	<	2.69%	
3: Median Household Income, or MHI exceeds 125% of state MHI (-1 point)	\$87,598	>	\$63,086	1
	\$109,498	<		1
4: Rates to MHI	0.81%	<	1.21%	1

5: Project addresses removal of lead or emerging contaminants	Yes		No	0
6: % Minority	40.00%	<	39.29%	0
7: % Households Housing Burdened	50.00%	<	34.59%	0
8: % Population under 200% Poverty Level	40.00%	<	34.80%	0
9: % Population under 200% Poverty Level + % Population over 65 years old	55.00%	<	48.01%	0
10: Meets DAC criteria	Yes		Yes	3
Total Points Scored:				5

The Town qualifies for BIL principal forgiveness and has expressed interest in receiving a proportional loan with principal forgiveness funding package. The Town qualifies for approximately \$3,000,000 in principal forgiveness, which is the current maximum for BIL DWRP supplemental principal forgiveness.

ECONOMIC ANALYSIS: The Town has a 2022 population estimated at 1,478 and has grown at an average annual rate of 2.44% since 2018. Grand County has experienced an increase of 0.78% in population since 2018. The state population increased at an average annual rate estimated 0.71%.

The region's economy is dominated by government, accommodation and food services, arts, retail, and construction. Tourism is the largest base industry in Grand County.

According to the Town, the region's largest industries consist of agriculture, with approximately 100 employees; construction, with approximately 167 employees; education, health, and social services, with approximately 117 employees; transportation, warehousing, and utilities, with approximately 90 employees; arts, recreation, and food services, with approximately 58 employees,

ORGANIZATIONAL ANALYSIS:

Bond Rating

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

Organizational Structure

The Town is a statutory town governed by a mayor/board form of government and was incorporated in 1904. The Town provides services including police protection, water, sanitation, public works, a cemetery, an airport mosquito control, and parks and recreation. Approximately three full-time employees staff the water utility. The water utility is overseen by the Public Works Director who reports to the Town Manager.

- The Town has generally been in compliance with Colorado statutory budgeting and auditing requirements for the past five years.
- The Town maintains general liability insurance coverage through the Colorado Intergovernmental Risk Sharing Agency.
- There are currently no pending lawsuits against the Town.
- There have been no recall elections in the last ten years.

Technical/Managerial/Financial (TMF)

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

Financial Criterion #F-2: Cash Flow Analysis and Financial Plan

- The Town should raise rates as necessary in order to meet the 110% coverage ratio requirement for the proposed loan.

Capital Improvement Plan

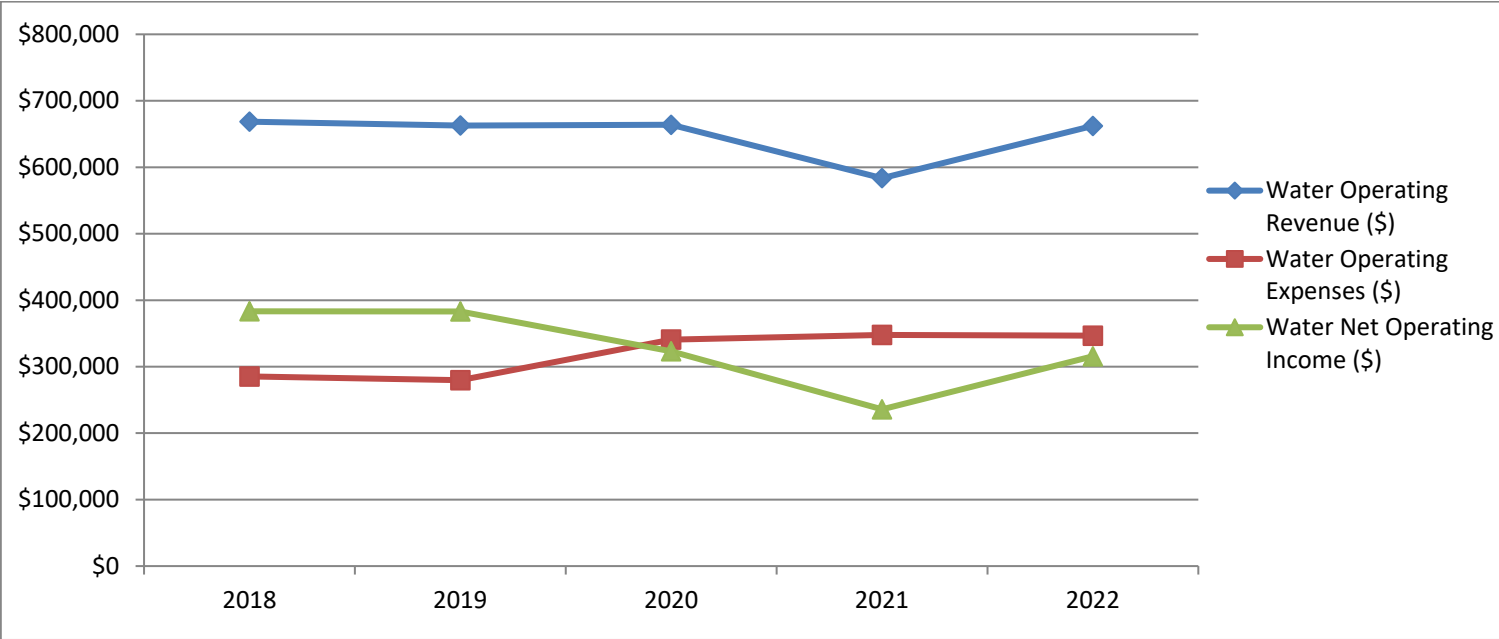
As part of the application process, the Town submitted a capital improvement schedule through 2053, which anticipates capital outlay of \$15,193,500 for storage tank improvements, the proposed new water treatment facility, and a pump station to be funded from grants, loans, and reserves.

REVENUE ANALYSIS:

Operating revenues have covered operating expenses by a healthy margin for the past five years. 2021 operating revenues decreased due to the addition of a franchise agreement to provide reclaimed water to park systems and other government entities for non-potable use and irrigation. The Town conducted a rate study with the assistance of the Rural Community Assistance Corporation and presented the rate study results in June 2024. The rate study described three scenarios for rate increases, all of which involve significant increases to both the base and volume rates, in addition to restricting the rate model so that commercial users are charged significantly more than residential users. Based on typical residential consumption of 11,400 gallons per month, the scenario with the lowest rate increases would increase the estimated monthly rate of a residential user by \$85.50, which would be sufficient for the water fund to meet the 110% coverage ratio requirement on the proposed loan. The scenario with the highest rate increases would increase the estimated monthly rate of a residential user by \$97.50. These scenarios, which include a “low” rate increase option and a “high” rate increase option as described in addition to a “middle” rate increase option in between, are all under consideration by the Town Board. Any of the three rate increase options described in the rate study would put the Town’s water fund in a strong financial position to take on the proposed debt and maintain a healthy operating ratio.

TRENDS	2018	2019	2020	2021	2022	2023	2024
Monthly Water Rate (\$)			61.50	61.50	62.50	62.50	63.50
Residential Water Tap Fee (\$)			4,800	5,000	5,000	5,500	6,500
Total Water Revenue (\$)	681,947	697,141	694,574	593,270	676,429		
Tap/Development Fees (\$)	9,600	28,800	28,950	9,600	10,000		
Water Operating Revenue (\$)	668,552	662,814	663,936	583,583	662,167		
Water Operating Expenses (\$)	285,245	279,705	340,772	347,753	346,623		
Water Net Operating Income (\$)	383,307	383,109	323,164	235,830	315,544		
Water Debt (\$)	1,454,387	1,381,355	1,301,281	1,219,079	1,134,659		
Total Debt (\$)	1,454,387	1,381,355	1,301,281	1,219,079	1,134,659		
Water Debt Service (\$)	137,365	136,014	139,476	137,814	136,271		
Water Debt Service/Tap/Month (\$)			16.51	16.18	15.95		
Water Fund Reserves (\$)	1,319,121	1,255,113	1,440,909	1,361,360	1,534,123		

Ratios	2018	2019	2020	2021	2022	Average
Operating Revenue as % of Total Revenue	98%	95%	96%	98%	98%	97%
Operating Revenue as % of Expenses	234%	237%	195%	168%	191%	205%
Tap Fee Revenue as % of Total Revenue	1.41%	4.13%	4.17%	1.62%	1.48%	2.56%



Recent Rate Increases

The Town's most recent rate increase of \$1.00 was implemented on October 18, 2023.

User Charges

The Town's current monthly water rate is estimated at \$63.50 compared to the 2022 estimated state median of \$59.19. The Town's average monthly water rate is based on typical residential consumption of 11,400 gallons per month. Residential users pay a \$50.00 base rate up to 6,000 gallons and a volume charge of \$2.50 per 1,000 gallons for consumption over 6,000 gallons. Commercial users pay a \$58.00 base rate up to 10,000 gallons and a volume charge of \$3.00 per 1,000 gallons for consumption over 10,000 gallons.

Contributed Capital

Revenue from tap fees has ranged from \$9,600 to \$28,950 and has averaged 3% of total water revenue during the last five years. The Town's most recent water tap fee rate increase occurred in 2024.

- Residential water tap fees are \$6,500 for a ¾" tap, \$13,000 for a 1" tap, \$17,500 for a 1 ½" tap, and \$25,000 for a 2" tap. Commercial users pay the same water tap fees.

Current System Utilization		
	Usage	Revenue
Residential	80%	81%
Non-residential (per EQR)	20%	19%

Current Fee Summary	
Tap size	Water user/tap fees
¾"	\$63.50/\$6,500
¾"	\$62.20/\$6,500

DEBT as of December 31, 2022

Executed	Lender	Term End	Pledge	Outstanding	Interest Rate	Annual payment
2004	Water Revenue Bonds	2036	Water revenues	\$100,000	2.5%-5.7%	\$100,706
2004	CWCB	2025	Water revenues	\$1,034,659	4.25%	\$38,972

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

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

Prepared by:
Date:

Victor Chen
August 6, 2024

Project # 190251D-B
Cost Categories:

Planning and Design - 3%
Construction - Treatment - 70.6%
Construction - Storage - 8.5%
Restructuring - 1.4%
Land Acquisition - 1.1%

August 6, 2024			
DWRF Credit Report Kremmling, Grand County, CO Using most recent data available (Census, audits, local records)			
Estimated Population - 2022	1,478		
Number of Water Taps/Customers - 2022	712		
Total Assessed Valuation (in thousands) - 2022	\$20,314,000		
Actual Value of All Real Property (in thousands) - 2022	\$168,537,000		
Median Household Income (MHI) - 2022	\$63,086		
Monthly Water Rate - 2022	\$62.50		
Water Operating Revenue - 2022	\$662,167		
Water Total Revenue - 2022 [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.]	\$676,429		
Water Tap and System Development Fee Revenue - 2022	\$10,000		
Water Operating Expense - 2022	\$346,623		
Water Current Expense - 2022	\$482,894		
Water Debt - 2022	\$1,134,659		
Total Debt - 2022	\$1,134,659		
Water Fund Reserves - 2022	\$1,534,123		
Water Debt Service - 2022	\$136,271	Leveraged Loan	Direct Loan
New Water Debt [Requested DWRF loan amount.]	\$12,922,960	\$11,246,806	\$1,676,154
Requested DWRF Loan Term	30	30	30
Requested DWRF Loan Interest Rate		3.75%	1.75%
New Loan's Annual Water Debt Service (two payments annually)	\$699,715	\$627,661	\$72,054

Current Indicators (2022)					
Town of Kremmling					
(Water Only)					
1 Total Debt	\$1,134,659	÷	Population	1,478	= \$768
New Debt	\$12,922,960	÷	Population	1,478	= \$8,744
Total Debt + New Debt	\$14,057,619	÷	Population	1,478	= \$9,511
2 Total Debt	\$1,134,659	÷	Number of Taps	712	= \$1,594
New Debt	\$12,922,960	÷	Number of Taps	712	= \$18,150
Total Debt + New Debt	\$14,057,619	÷	Number of Taps	712	= \$19,744
3 Total Debt	\$1,134,659	÷	Assessed Value	\$20,314,000	= 5.59%
New Debt	\$12,922,960	÷	Assessed Value	\$20,314,000	= 63.62%
Total Debt + New Debt	\$14,057,619	÷	Assessed Value	\$20,314,000	= 69.20%
4 Total Debt	\$1,134,659	÷	Actual Value	\$168,537,000	= 0.67%
New Debt	\$12,922,960	÷	Actual Value	\$168,537,000	= 7.67%
Total Debt + New Debt	\$14,057,619	÷	Actual Value	\$168,537,000	= 8.34%
5 Current Water Debt (Current Water Debt + New Water Debt) / Number of Taps	\$1,134,659	÷	Number of Taps	712	= \$1,594
	\$19,744	÷	MHI	\$63,086	= 31.30%
6 Current Ratio (CA / CL)					
Current Assets	\$1,704,791	÷	Current Liabilities	\$170,668	= 999%
7 Reserve/Expense Ratio					
Reserves	\$1,534,123	÷	Current Expenses	\$482,894	= 318%
8 Operating Ratio (OR / OE)					
Operating Revenues	\$662,167	÷	Operating Expenses	\$346,623	= 191%
9 Coverage Ratio [(TR - OE) / DS]					
Total Revenues	\$676,429	-			
Minus Operating Expenses	<u>\$346,623</u>				
=	\$329,806	÷	Current Debt Service	\$136,271	= 242%
Coverage Ratio Excluding Tap and					
10 Development Fee Revenue	\$329,806				
Minus Tap and Development Fee Revenue	<u>\$10,000</u>				
=	\$319,806	÷	Current Debt Service	\$136,271	= 235%
11 Projected Coverage Ratio					
Total Revenues	\$676,429				
Minus Operating Expenses	<u>\$346,623</u>				
=	\$329,806		Total Debt Service (with new loan)	\$835,986	= 39%
Projected Coverage Excluding Tap and					
12 Development Fee Revenue	\$329,806				
Minus Tap and Development Fee Revenue	<u>\$10,000</u>				
=	\$319,806	÷	Total Debt Service (with new loan)	\$835,986	= 38%
13 Current Debt Service	\$136,271	÷	Number of Taps	712	= \$191.39
Annual New Water Debt Service	\$699,715	÷	Number of Taps	712	= \$982.75
2022 Annual Water Rate (Monthly Rate x 12)	\$750.00	÷	MHI	\$63,086	= 1.19%
2022 Annual Water Rate + New Annual Debt Service Per Tap	\$1,732.75	÷	MHI	\$63,086	= 2.75%
15 Current 2022 Monthly User Charge (Debt Service on DWRF Loan / 2022 Taps / Month)					\$62.50
Total					<u>\$81.90</u>
					\$144.40
16 Operation and Maintenance Reserve					
Reserves	\$1,534,123	÷	Operating Expenses	\$346,623	= 443%



Previously approved
for reference

Principal Forgiveness and Priority Point Scoring

Applicant: Town of Kremmling
DWRP or WPCR: DWRP

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

BIL Principal Forgiveness

Eligible for BIL principal forgiveness? Yes

Eligible BIL principal forgiveness percentage: 64.155%

Amount of principal forgiveness awarded (accounting for any applicable cap/max: \$3,000,000

Base DWRP Principal Forgiveness Scoring

DWRP

Water Quality & Public Health + CPDWR Compliance:	15
DOLA Affordability Score:	140
Total Score	155

Eligible as a base program DAC? Yes

Eligible base program DWRP principal forgiveness percentage: 60%

Amount of principal forgiveness awarded (accounting for any applicable cap/max): \$0

Priority Point Scoring

Total WQCD Score:	20
DOLA Affordability Score:	140
Total Score:	160

2024 IUP DWRP Priority Point Calculations	
Entity Name:	Town of Kremmling
Date of Scoring	7/1/2024
SRF Phase:	Loan app
DOLA Score:	140
DAC:	DAC

Benchmarks

\$87,598 2018-2022 State MHI estimate

		Points	Entity Value	
P1	MHI		\$63,086	72%
	<50% of state MHI	35		
	Between 51% and 80% of state MHI	20 x		
	Between 81% and 100% of state MHI	5		
	>100% state MHI	0		
S5b	User Fees (projected water rate at 110%/tap/MHI)		3.77%	
	Rates are > 1.63%	45 x		
	Rates are between 1.08% and 1.63%	25		
S5b	OR			
S5b	User Fees for a combined water & sewer fund			
	Rates are > 2.90%	45		
	Rates are between 1.94% and 2.90%	25		
S4b	Projected water debt per tap compared to MHV		7.62%	
	Debt is > 1.05%	45 x		
	Debt is between 0.30% and 1.05%	25		
S4b	OR			
S4b	Projected water & sewer debt (for combined systems)			
	Debt is > 2.15%	45		
	Debt is between 0.67% and 2.15%	25		
	Population served		1,478	
	Less than 500	35		
	Between 500 and 1,000	25		
	Between 1,000 and 2,000	20 x		
	Between 2,000 and 5,000	15		
	Between 5,000 and 10,000	5		
	>10,000	0		
S3	Assessed Value/Household		29,229	
	AV per household is < \$11,959	35		
	AV per household is between \$11,959 and \$24,963	20		
	AV per household is between \$24,963 and \$43,240	10 x		
	AV per household is greater than \$43,240	0		

**COLORADO WATER RESOURCES
AND
POWER DEVELOPMENT AUTHORITY**

RESOLUTION NO. 26-28

**A RESOLUTION APPROVING A DRINKING WATER DIRECT LOAN TO THE
TOWN OF KREMMLING 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 Town of Kremmling (the "Applicant"); and

WHEREAS, on November 22, 2024, the Authority executed both a IJJA/BIL direct loan in the amount of \$4,676,154 (\$1,676,154 of principal to be re-paid, plus \$3,000,000 of principal forgiveness, for a total of \$4,676,154 DWRF loan funds) and a base leveraged loan in the amount of \$11,246,806 with the Applicant through the Drinking Water Revolving Fund; and

WHEREAS, the applicant has subsequently requested an additional base direct loan in the amount of \$1,500,000 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 Town of Kremmling in an amount not to exceed \$1,500,000 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. 26-28 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 Steamboat Springs, Colorado on August 19, 2026.

Chair

Secretary

ATTEST

EXHIBIT A

Borrower:	Town of Kremmling
Project:	This project consists of replacing the Town’s existing water treatment facility with ultrafiltration (UF) treatment skids to aid in raw water quality and finished water quality goals. The new water treatment facility project includes three UF treatment skids and eight UF membrane modules housed in a new treatment plant building. Other additions include a clearwell, booster pump, and potable water storage tank.
Pledge:	Water Revenues
Loan Term:	30 years
Interest Rate:	1.75%
Amount not to exceed:	\$1,500,000

Subject to the following terms & conditions:

1. The Town increasing user rates sufficiently to meet the Authority’s rate covenant prior to loan execution.

* - The terms and monetary amounts set forth in Part 1 hereto under the IIJA/BIL General Supplemental and/or base direct loan and the IIJA/BIL General Supplemental and/or base PF loan are premised upon the Authority’s understanding of and expectations for the resources available to it from the base federal Capitalization Grants and the IIJA/BIL. These amounts, and the allocation of funds available to the Project from each source, are subject to change, amendment, and/or rescission depending upon the policies, procedures, and budgetary adjustments adopted by the federal administration. If such changes in policies and procedures or budgetary adjustments are adopted by the federal administration, the Authority reserves the right to review and adjust the terms and monetary amounts set forth herein in a subsequent action. Further, the loan agreement authorized by this resolution is subject to non-execution, cancellation, delay, rescission, or alteration depending upon the terms and conditions, quantities, or availability of federal funds provided under existing or future Capitalization Grants. In addition, funding for this and other approved projects may be re-evaluated under the priority scoring system implemented by the Board for all projects based on changes in the availability of anticipated funds. This re-evaluation may result in the funding of some but not all previously-authorized projects, including the project for which the execution of a loan agreement has been authorized by this resolution. The loan agreement authorized by this resolution shall include a term by which Applicant shall hold the Authority harmless for any costs or damages resulting from a change in federal policies, procedures, or funding that results in the requirement that the Authority cancel, delay, rescind, or alter its terms.

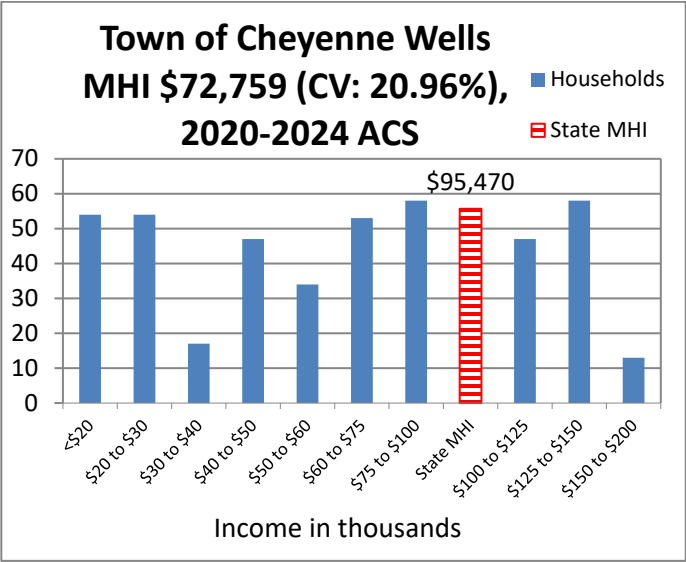
DWRF LOAN CREDIT REPORT (2026)
Town of Cheyenne Wells (“The Town”), Cheyenne County

Recommendation:	APPROVAL	Project Budget	
Loan Request:	\$5,792,460	DWRF Loan:	\$1,197,547
Interest Rate & Term:	1.50% & 20 years	DWRF IJA/BIL Loan:	\$2,094,913
Annual Debt Service:	\$191,161	DWRF IJA/BIL PF:	\$2,500,000
Pledge:	Water System Revenue	2024 D&E Grant:	\$300,000
Current Rate:	\$64.38	2026 EIAF:	\$475,000
Estimated Rate Increase:	\$0.00	Reserves:	\$39,650
		Total:	\$6,607,110

PROJECT DESCRIPTION: The Project consists of construction of two ion exchange treatment systems and associated appurtenances to address Nitrate contamination, including: Southern Ion Exchange Nitrate Removal Water Treatment Plant to service the Feyh Well; Western Ion Exchange Nitrate Removal Water Treatment Plant to service the North and Snyder Wells; and waste brine storage tanks at each plant for offsite brine disposal.

COMMUNITY PROFILE:	2020	2021	2022	2023	2024	2025	2026	Avg. Annual Change
Town of Cheyenne Wells								
Town Population	750	735	733	724	723			-0.91%
Cheyenne County Population	1,745	1,717	1,733	1,741	1,737			-0.11%
Cheyenne County Jobs	917	927	924	960	987			1.86%
Number of Water Taps		519	519	521	521	522	525	0.29%
Assessed Value (\$000)			\$6,657	\$6,380	\$5,857	\$5,910	\$7,514	3.07%
Actual Value (\$000)			\$56,619	\$57,255	\$39,570	\$54,242	\$81,278	9.46%

BORROWER BRIEF: Cheyenne Wells is located on the Eastern Plains, approximately 16 miles west of the Kansas border. As the county seat of Cheyenne County, it sits at the intersection of US Highways 40 and 385, about 28 miles east of Kit Carson and 38 miles south of Burlington.



RECOMMENDATION: The Town serves a rural-agricultural community in Cheyenne County. This proposed loan is necessary to secure a reliable water supply as rising nitrates in the Ogalla Aquifer have left the Town with only two usable drinking water wells. The Town is small, and taking on significant new debt would have a greater impact since the community currently carries no debt. However, the system is in a strong financial position to take on the proposed debt and will continue raising rates annually to ensure the enterprise generates enough revenue to cover all expenses. We therefore recommend the DWRF Committee approve a \$1,197,547 Disadvantaged Communities direct loan, a \$2,094,913 IJA/BIL loan, and \$2,500,000 in IJA/BIL principal forgiveness to the Town of Cheyenne Wells.

PROJECT SUMMARY:

System summary: Cheyenne Wells operates the North Well and Snyder Well as regular supply wells. The yield from both wells is treated by chlorination before filling two storage tanks with a cumulative 325,000-gallon capacity and then being distributed to the service area. The Town also owns two other wells which are only used in emergency capacity, the Doty Well and the Feyh Well.

Reason/need: Due to increasing nitrate levels in the Ogallala Aquifer, the Town of Cheyenne Wells has limited water sources supplying their drinking water distribution system, and they are at risk of losing their primary drinking water sources. The Town is only able to use the Snyder Well and North Well to provide drinking water, even though the Town owns three other wells that were previously used as drinking water sources.

The Aquifer's elevated nitrate levels require the Town to enhance treatment at its two operating wells and install new treatment to return the Feyh Well (which is currently relegated to emergency status due to nitrate levels) to regular service. This will increase yield and will improve system resilience by preventing the loss of another source to high nitrates or mechanical failure.

System Compliance: The Town of Cheyenne Wells is in compliance with the Colorado Primary Drinking Water Regulations, and the project is primarily intended to maintain compliance.

Project Delivery Method: Design/Bid/Build.

Contingency: 20% of the total project cost is included as contingency.

CURRENT INDICATORS:	2022	2023	2024	Weak	Average	Strong
Total Debt per Capita (\$):	0	0	0	>\$2,000	\$1,000 - 2,000	X <\$1,000
Total + New Debt/Capita (\$):			4,554	X >\$2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Tap (\$):	0	0	0	>\$5,000	\$2,500 - 5,000	X <\$2,500
Total Debt + New Debt/Tap (\$):			6,320	X >\$5,000	\$2,500 - 5,000	<\$2,500
Current Water Debt/Tap (\$):	0	0	0	>\$2,000	\$1,000 - 2,000	X <\$1,000
Current Water + New Water Debt/Tap (\$):			6,320	X >2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Assessed Value:	0.00%	0.00%	0.00%	>50%	25-50%	X <25%
Total Debt + New Water Debt/Assessed Value:			56.21%	X >50%	25-50%	<25%
Total Debt/Actual Value:	0.00%	0.00%	0.00%	>10%	5-10%	X <5%
Total Debt + New Water Debt/Actual Value:			8.32%	>10%	X 5-10%	<5%
Curr. Water Debt + New Debt/Tap/MHI:			8.69%	>20%	10-20%	X <10%
Water Fund Current Ratio (CA/CL):	2,147%	2,723%	2,938%	<100%	100-200%	X >200%
Water Fund Reserves/Current Expense:	397%	321%	402%	<50%	50-100%	X >100%
Water Operating Ratio (OR/OE):	116%	129%	137%	<100%	100-120%	X >120%
Coverage Ratio (TR-OE)/DS:			N/A	<110%	110-125%	X >125%
Coverage Ratio (TR-OE)/DS Excluding Tap Fees:			N/A	<110%	110-125%	X >125%
Coverage Ratio with New Loan:			99%	X <110%	110-125%	>125%
Coverage Ratio with New Loan Excluding Tap Fees:			99%	X <110%	110-125%	>125%
Current Annual Water Rates/MHI:			0.65%	>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:			402%	<25%	25-50%	X >50%
Total:			6	1	14	

FINANCIAL ANALYSIS: Of the twenty-one current indicators calculated, fourteen are rated strong, one is average and six are considered weak. Overall, the indicators illustrate that the proposed debt is large and there may be long-term affordability concerns for the community with the reduction of financial flexibility. However, the system is in a strong financial position to take on the proposed debt as it has very strong liquidity, reserves, and long-term operating performance. The strong indicators show the community's present lack of debt, and sufficient reserves. The weak indicators reflect a high amount of debt with the proposed loan when compared with the size of the community and ratepayers (taps).

- Based on 2024 financial information, coverage with the proposed loan is 99%. Additional annual revenue of about \$20,224, or \$3.21 per tap per month, would increase the coverage ratio to 110%.
- The Town is eligible to receive the current maximum in IJIA/BIL principal forgiveness of \$2,500,000. Without principal forgiveness, the coverage ratio decreases to 57%. Additional annual revenue of about \$179,890, or \$28.55 per tap per month, would increase the coverage ratio to 110%.

- In February 2025, the Town enacted an ordinance to raise base water rates for all users by a total of \$18.75 for the year, with the increases being implemented in quarterly installments. Accounting for these rate increases and the total amount of principal forgiveness to which it is eligible to receive, the Town does not have any estimated rate increases to take on the proposed loan.
- Without principal forgiveness, but considering the already passed and enacted rate increases, the estimated monthly rate increase per tap required to achieve the 110% debt coverage ratio is reduced from \$28.55 to \$9.80.
- The current ratio has increased from 2,147% in 2022 to 2,938% in 2024, demonstrating a substantial strengthening of the enterprise’s liquidity position.
- The operating ratio has increased in the years examined, increasing from 116% to 137% in 2025. The improvement of this ratio demonstrates that operating revenues are increasingly exceeding existing operating expenses, strengthening the enterprise’ capacity to generate revenues for debt service.
- The Town maintains a strong operations and maintenance reserve of 402%. This indicates that the introduction of unexpected expenses, such as repairs and maintenance, would not place an undue burden on the Town. Additionally, the Town would be able to make the necessary payments on the proposed loan.

Additional Project Financing

The Town submitted an Energy/Impact Assistance Fund (EIAF) grant application for \$475,000, which was awarded in May 2026. The Town is also using the Design and Engineering (D&E) grant funds, awarded in 2024, for this project.

DESCRIPTION OF THE LOAN:

An estimated \$3,292,460 loan with a twenty-year term with two payments annually at an interest rate of 1.50% will cost the Town approximately \$191,161 in debt service annually. The Town also qualifies for \$2,500,000 in IIJA/BIL principal forgiveness.

Disadvantaged 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

	Benchmark		Borrower	Met?
P1: MHI	\$76,376	>=	\$72,759	Y
P2: MHV	\$431,520	>=	\$173,100	Y
P3: County Unemployment	5.35%	<=	2.40%	N
County Job Change	0.00%	>=	10.11%	N
S1: County MHI	\$76,376	>=	\$70,865	Y
S2: Ten Year % Change in Population	0.00%	>=	-11.18%	Y
S3: Assessed Value per Housing unit	\$24,337	>=	\$12,570	Y
S4b: Curr. and Proj. System Debt	0.21%	<	6.37%	Y
S4b: 80th Percentile	0.77%	<	6.37%	Y
S5b: Proj. System Cost Per Tap to MHI	0.98%	<	2.19%	Y
S5b: 80th Percentile	1.58%	<	2.19%	Y

Based on 2020-2024 American Community Survey data, the Town met the requirements of a DAC, qualifying under scenario #1.

Due to its projected rates to MHI and MHV exceeding the 80th percentile, the Town qualifies for the lowest interest rate available (Category 2 DAC, 1.5%).

IIJA/BIL Principal Forgiveness Eligibility:

In order to qualify for IIJA/BIL principal forgiveness, a community must score three (3) points using the IIJA/BIL Principal Forgiveness Eligibility Criteria outlined in the Intended Use Plans. The Town scores 6 points as shown below.

IIJA/BIL PF DETERMINATION				
	Benchmark		Borrower	Points
1. Five Year % Change in Population	0.73%	>	-0.91%	1
2a: County Job Change	0.00%	>	10.11%	0
2b: County Unemployment	5.35%	<	2.40%	
3: Median Household Income, or MHI exceeds 125% of state MHI (-1 point)	\$95,470	>	\$72,759	1
	\$119,338	<		
4: Rates to MHI	0.76%	<	0.99%	1
5: Project addresses removal of lead or emerging contaminants	Yes		No	0
6: % Minority	40.00%	<	22.06%	0
7: % Households Housing Burdened	50.00%	<	17.17%	0
8: % Population under 200% Poverty Level	40.00%	<	30.17%	0
9: % Population under 200% Poverty Level + % Population over 65 years old	55.00%	<	51.42%	0
10: Meets DAC criteria	Yes		Yes	3
Total Points Scored:				6

The Town qualifies for IIJA/BIL principal forgiveness and has expressed interest in receiving a proportional loan with principal forgiveness funding package. The Town qualifies for approximately \$2,500,000 in principal forgiveness, which is the current maximum for IIJA/BIL DWRF supplemental principal forgiveness.

ECONOMIC ANALYSIS: The Town has a 2024 population estimated at 723 and has declined at an average annual rate of 0.91% since 2020. Cheyenne County has experienced a decrease of 0.11% in population since 2020. The state population increased at an average annual rate estimated 0.73%.

The region's economy is dominated by agriculture, retirees, regional services, commuters (residents who commute to jobs outside the region), and transfer payments (jobs providing services to recipients of public assistance programs). Cheyenne County's economy is dominated by local government services; agriculture, forestry, fishing and hunting; mining, quarrying, and oil and gas extraction; finance and insurance; and retail trade.

The area's largest employers consist of Keefe Memorial Hospital, with 75 employees; Tumbleweed Midstream, LLC, with 50 employees; 21st Century, with 20 employees; the county courthouse; with 30 employees, and the county social services; with 10 employees.

The Town has customers who represent more than 3% of the systems revenues. The five largest customers of the system and their percentage they make up of the system's total revenue are: Brink Construction, with 6.5%; Keefe Memorial Hospital, with 6%; Cheyenne County School District RE-5, with 5%; Cheyenne County, with 4%; and Halde Sand and Gravel, with 3.5%.

ORGANIZATIONAL ANALYSIS:

Bond Rating

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

Organizational Structure

The Town is a statutory Town governed by a manager/trustee form of government and was incorporated in 1890. The Town provides water services, public works services, and parks and recreation services. Approximately 3 full-time employees staff the water utility. The water utility is overseen by the Town manager who reports to the Town clerk administrator.

- The Town has generally been in compliance with Colorado statutory budgeting and auditing requirements for the past five years.
- The Town maintains general liability insurance coverage through the Colorado Intergovernmental Risk Sharing Agency (CIRSA).
- There are currently no pending lawsuits against the Town.
- There have been no recall elections in the last ten years.

Technical/Managerial/Financial (TMF)

The WQCD and DLG conducted a review of the Town's technical, managerial and financial capacity to operate the water system. The review resulted in no mandatory recommendations.

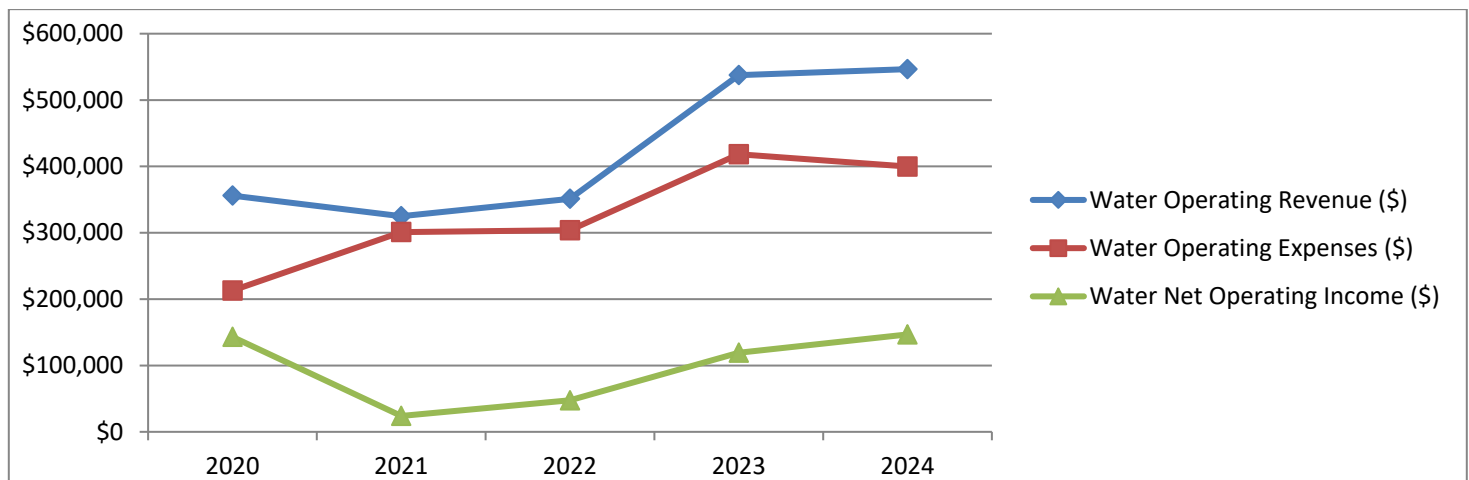
Capital Improvement Plan

As part of the application process, the Town submitted a capital improvement schedule through 2056, which anticipates capital outlay of \$7,419,000 for projects such as water line replacements, meter replacements, tank relining, water source acquisitions, among others, to be funded through a combination of grants and loans.

REVENUE ANALYSIS:

The number of taps has increased over the five years examined, though no additional revenue was received from these as they were changed from inactive to active status; the Town, however, does expect an increase in taps being added to the system with the construction of new buildings within Town limits, for which fees will be assessed and received as revenue to the system. Operating revenue has increased over the years examined, primarily due to annual rate increases from 2021 to 2025; in 2023, operating revenue spiked due to an increase in water rates for commercial businesses outside Town limits that purchase bulk freshwater, which accounts for approximately 2% of the Towns total revenue. No rate increase was implemented in 2026, as the Town implemented a quarterly base rate increase for all users in 2025 to bring rates in line with the State median, raising the base charge from \$41.25 in March to \$60 by year-end; the Town plans to propose a further rate increase for 2027 at its October/November Town meeting. Operating expenses have also increased in the years examined, which the Town attributes to a combination of increased system maintenance and inflation; notable spikes in expenses included a water main replacement in 2021, and a 2023 water main breakage caused by extreme cold. The Town has consistently transferred sales tax revenue from its public works into the water enterprise and intends to continue this practice annually in perpetuity to fund water system improvements.

TRENDS	2020	2021	2022	2023	2024	2025	2026
Monthly Water Rate (\$)	27.25	28.10	29.53	34.38	39.38	64.38	64.38
Residential Water Tap Fee (\$)	450	450	450	450	500	525	525
Total Water Revenue (\$)	363,889	549,384	422,235	552,717	589,818		
Tap/Development Fees (\$)	0	0	0	0	0		
Water Operating Revenue (\$)	356,003	324,943	351,203	537,581	546,530		
Water Operating Expenses (\$)	212,923	301,002	303,744	418,310	399,765		
Water Net Operating Income (\$)	143,080	23,941	47,459	119,271	146,765		
Water Debt (\$)	0	0	0	0	0		
Total Debt (\$)	0	0	0	0	0		
Water Debt Service (\$)	0	0	0	0	0		
Water Debt Service/Tap/Month (\$)	0.00	0.00	0.00	0.00	0.00		
Water Fund Reserves (\$)	1,105,773	1,148,297	1,206,895	1,342,122	1,605,465		
Ratios	2020	2021	2022	2023	2024	Average	
Operating Revenue as % of Total Revenue	98%	59%	83%	97%	93%	86%	
Operating Revenue as % of Expenses	167%	108%	116%	129%	137%	131%	
Tap Fee Revenue as % of Total Revenue	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	



Recent Rate Increases

The Town’s most recent rate increase of \$25 was implemented in 2025.

User Charges

The Town’s current monthly water rate is estimated at \$64.38 compared to the 2024 estimated state median of \$60.61. The Town’s average monthly water rate is based on typical residential consumption of 7,500 gallons per month. Residential users within Town limits pay a \$60 base rate up to 5,000 gallons and a volume charge of \$1.75 per 1,000 gallons for consumption from 5,001 to 50,000 gallons. For consumption from 50,001 to 70,000 gallons, a \$3 per 1,000 gallons volume charge applies. For consumption exceeding 70,001 gallons, a \$3.50 per 1,000 gallons volume charge applies.

Residential users outside Town limits pay a \$100 base rate up to 5,000 gallons and a volume charge of \$2 per 1,000 gallons for consumption from 5,001 to 50,000 gallons. For consumption from 50,001 to 70,000 gallons, a \$3 per 1,000 gallons volume charge applies. For consumption exceeding 70,001 gallons, a \$3.50 per 1,000 gallons volume charge applies.

Large consumers, which have a 100,000-gallon minimum consumption rate, pay a \$500 base rate and a volume charge of \$2 per 1,000 gallons for consumption from 100,001 to 200,000. For consumption from 200,001 to 400,000 gallons, a \$7.50 per 1,000 gallons volume charge applies. For consumption from 400,001 and that exceeding 640,000 gallons, a \$12 per 1,000 gallons volume charge applies.

The Town also provides the purchase of bulk freshwater which is separated into two categories: agriculture and local businesses; and commercial businesses outside Town limits. Agriculture and local businesses pay a \$125 base rate up to 5,000 gallons and a volume charge of \$8 per 1,000 gallons for consumption exceeding the base minimum. Commercial businesses outside Town limits pay a \$150 base rate up to 4,000 gallons and a volume charge of \$12 per 1,000 gallons for consumption exceeding the base minimum.

Contributed Capital

The Town has not received any revenue from tap fees in the last five years. The Town’s most recent water tap fee rate increase occurred in 2025.

- Water tap fees for all users (residential and commercial) within the incorporated limits of the Town are \$525.
- Water tap fees for all users (residential and commercial) outside the incorporated limits of the Town are \$6,000.

All users are charged an additional amount dependent on the cost of supplies, equipment and labor. This amount is determined on an individual basis.

Current System Utilization			Current Fee Summary	
	Usage	Revenue	Tap size	Water user/tap fees
Residential	65%	50%	¾"	\$64.38/\$525
Non-residential (per EQR)	35%	50%	¾"	\$500/\$525

DEBT as of December 31, 2024

As of December 31, 2024, the Town has no debt.

LOAN COVENANTS: The Town 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 Town has no current debt with the Authority, including the SRF programs.

Prepared by: Monica Munoz-Revelo
Date: July 28, 2026

Project #104441D-S
Cost Categories:

- Planning and Desing Only (non-construction): 13.22%
- Construction – Treatment: 70.37%
- Other: 16.41%

July 28, 2026 DWRF Credit Report Town of Cheyenne Wells, Cheyenne County, CO Using most recent data available (Census, audits, local records)	
Estimated Population - 2024	723
Number of Water Taps/Customers - 2024	521
Total Assessed Valuation - 2024	\$5,857,000
Actual Value of All Real Property - 2024	\$39,570,000
Median Household Income (MHI) - 2023	\$72,759
Monthly Water Rate - 2024	\$39.38
Water Operating Revenue - 2024	\$546,530
Water Total Revenue - 2024 [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.]	\$589,818
Water Tap and System Development Fee Revenue - 2024	\$0
Water Operating Expense - 2024	\$399,765
Water Current Expense - 2024	\$399,765
Water Debt - 2024	\$0
Total Debt - 2024	\$0
Water Fund Reserves - 2024	\$1,605,465
Water Debt Service - 2024	\$0
New Water Debt [Requested DWRF loan amount.]	\$3,292,460
Requested DWRF Loan Term	20
Requested DWRF Loan Interest Rate	1.50%
New Loan's Annual Water Debt Service (two payments annually)	\$191,161

Current Indicators (2024) Town of Cheyenne Wells (Water)					
1	Total Debt	\$0	÷	Population	723 = \$0
	New Debt	\$3,292,460	÷	Population	723 = \$4,554
	Total Debt + New Debt	\$3,292,460	÷	Population	723 = \$4,554
2	Total Debt	\$0	÷	Number of Taps	521 = \$0
	New Debt	\$3,292,460	÷	Number of Taps	521 = \$6,320
	Total Debt + New Debt	\$3,292,460	÷	Number of Taps	521 = \$6,320
3	Total Debt	\$0	÷	Assessed Value	\$5,857,000 = 0.00%
	New Debt	\$3,292,460	÷	Assessed Value	\$5,857,000 = 56.21%
	Total Debt + New Debt	\$3,292,460	÷	Assessed Value	\$5,857,000 = 56.21%
4	Total Debt	\$0	÷	Actual Value	\$39,570,000 = 0.00%
	New Debt	\$3,292,460	÷	Actual Value	\$39,570,000 = 8.32%
	Total Debt + New Debt	\$3,292,460	÷	Actual Value	\$39,570,000 = 8.32%
5	Current Water Debt (Current Water Debt + New Water Debt) / Number of Taps	\$0 \$6,320	÷	Number of Taps MHI	521 = \$0 \$72,759 = 8.69%
6	Current Ratio (CA / CL) Current Assets	\$1,662,030	÷	Current Liabilities	\$56,565 = 2938%
7	Reserve/Expense Ratio Reserves	\$1,605,465	÷	Current Expenses	\$399,765 = 402%
8	Operating Ratio (OR / OE) Operating Revenues	\$546,530	÷	Operating Expenses	\$399,765 = 137%
9	Coverage Ratio [(TR - OE) / DS] Total Revenues Minus Operating Expenses	\$589,818 \$399,765	-		
	=	\$190,053	÷	Current Debt Service	\$0 = N/A
10	Coverage Ratio Excluding Tap and Development Fee Revenue Minus Tap and Development Fee Revenue	\$190,053 \$0			
	=	\$190,053	÷	Current Debt Service	\$0 = N/A
11	Projected Coverage Ratio Total Revenues Minus Operating Expenses	\$589,818 \$399,765			
	=	\$190,053		Total Debt Service (with new loan)	\$191,161 = 99%
12	Projected Coverage Excluding Tap and Development Fee Revenue Minus Tap and Development Fee Revenue	\$190,053 \$0			
	=	\$190,053	÷	Total Debt Service (with new loan)	\$191,161 = 99%
13	Current Debt Service Annual New Water Debt Service	\$0 \$191,161	÷	Number of Taps	521 = \$0.00 521 = \$366.91
14	2024 Annual Water Rate (Monthly Rate x 12) 2024 Annual Water Rate + New Annual Debt Service Per Tap	\$472.50 \$839.41	÷	MHI	\$72,759 = 0.65% \$72,759 = 1.15%
15	Current 2024 Monthly User Charge (Debt Service on DWRP Loan / 2024 Taps / Month) Total				\$34.38 \$30.58 \$64.95
16	Operation and Maintenance Reserve Reserves	\$1,605,465	÷	Operating Expenses	\$399,765 = 402%

2026 SRF Disadvantaged Community Criteria

Loan Terms

Amount of Loan:	\$5,792,460
Interest Rate:	3.25%
Term (years):	20
Annual Payment:	\$396,143

<u>Applicant:</u>	Town of Cheyenne Wells	
	<u>Test Result</u>	<u>Conditions met to be DAC</u>
	Y	Test 1: P1 & P2 or P3
	N	Test 2: P1, Not P2 or P3, & 2+ S1-S5
	N	Test 3: P1 ??, P2 & P3, & 2+ S1-S5

			Benchmark	Applicant	Result	Notes on Data Used
Current Population (2024)	<=	10,000		723	Y	
Population 5 years ago (2020)				750		
Poulation 10 years ago (2015)				814		
Primary Factors						
MHI (Place)	<=	\$ 76,376		72,759	Y	
Margin of Error (MOE)	±			25,086		
MHV (Place)	<=	\$ 431,520		173,100	Y	
Margin of Error (MOE)	±			48,977		
24 Month Unemployment (County)	>=	5.35%		2.40%	N	
or 10 Year % Chng. Jobs (County)	<=	0.00%		10.11%	N	
Jobs (2024)				980		
Jobs (2015)				890		

Priority Factor Count	2
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Secondary Factors

MHI (County)	<=	\$	76,376	70,865	Y		
Margin of Error (MOE)	±			12,520			
Reliability (CV)	<=		18.00%	10.74%	Y		
10 Year % Chng. Population	<=		0.00%	-11.18%	Y		
Assessed Value / Housing Unit	<=	\$	24,337	\$12,570	Y		
Assessed Value				5,857,508			
Total Housing Units				466			
Current Debt / Tap / MHV	>		0.21%	0.00%	N	If MHV CV > 18%, calculate result at top of band	Result
Current + Projected Debt/Tap/MHV	>		0.21%	6.37%	Y		
S4b 80th percentile			0.77%	6.37%	Y		
System Full Cost / Tap / MHI	>		1.11%	1.31%	Y	If MHI CV > 18%, calculate result at top of band	Result
Projected Rate @ 110% Coverage	>		0.98%	2.19%	Y		
S5b 80th percentile			1.58%	2.19%	Y		

Secondary Factor Count	4
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System Data for S4 and S5: To be completed by DLG

Taps or EQR's	525
Total Debt	0
Principal & Interest	0
Operating Expenses (including operating transfers out)	399,765
Depreciation	102,299

WPCRF & DWRF						
		Benchmark	Applicant	Points	Notes on Data Used	
Eligibility Criteria						
1	Population loss or growth is slower than the state's over 5 years	<=	0.73%	-0.91%	1.0	
	Current Population (2024)		723			
	Poulation five years ago (2020)		750			
2a	10 Year % County Job Change	>=	0	10.11%	0.0	
2b	County 24 Month unemployment rate exceeds the state's plus 1%	>=	5.35%	2.40%	0.0	
3	Median Household Income	<=	\$ 95,470	72,759	1.0	If MHI CV > 40%, calculate result at top of band
		>=	\$ 119,338		0.0	
	Reliability (CV)	<=	40.00%	N/A	N	
4	Rates compared to MHI	>	0.76%	0.99%	1.0	If MHI CV > 40%, calculate result at top of band
	W Monthly Residential Rate	>		60.00		
				Confirmed		
5	Project addresses removal of lead or emerging contaminants	Yes	No	0.0		
6	% Population that identifies as minority is greater than 40%	>	40.00%	22.06%	0.0	
7	% Population that are housing burdened is greater than 50%	>	50.00%	17.17%	0.0	
8	% Population under 200% Poverty Level is greater than 40%	>	40.00%	30.17%	0.0	
9	% Population under 200% Poverty Level + % Population over 65 years old is equal to or greater than two thirds of communities in the state	>=	55.00%	51.42%	0.0	
	% Population over 65 years old			21.25%		
10	Meets base program DAC criteria?		Yes	3.0		
BIL Eligibility Points				6.0		



Principal Forgiveness and Priority Point Scoring

Applicant: Town of Cheyenne Wells
DWRP or WPCRF: DWRP

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

BIL Principal Forgiveness

Eligible for BIL principal forgiveness? Yes

Eligible BIL principal forgiveness percentage: 54.408%

Amount of principal forgiveness awarded (accounting for any applicable cap/max): \$2,500,000

Base DWRP Principal Forgiveness Scoring

DWRP

Water Quality & Public Health + CPDWR Compliance:	45
DOLA Affordability Score:	115
Total Score	160

Eligible as a base program DAC? Yes

Eligible base program DWRP/WPCRF principal forgiveness percentage: N/A

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

Priority Point Scoring

Total WQCD Score:	80
DOLA Affordability Score:	115
Total Score:	195

2026 IUP DWRF Priority Point Calculations				
	Entity Name:	Town of Cheyenne Wells		
	Date of Scoring	6/8/2026		
	SRF Phase:	Loan app		
	DOLA Score:	115		
	DAC:	DAC		
Benchmarks				
\$95,470 2020-2024 State MHI estimate				
		Points	Entity Value	
P1	MHI		\$72,759	76%
	<50% of state MHI	35		
	Between 51% and 80% of state MHI	20 x		
	Between 81% and 100% of state MHI	5		
	>100% state MHI	0		
S5a	User Fees (current water rate at 110%/tap/MHI)		1.31%	
	Rates are > 1.55%	45		
	Rates are between 1.11% and 1.55%	25 x		
	Rates are < 1.11%	0		
	OR			
S5a	User Fees for a combined water & sewer fund			
	Rates are > 2.70%	45		
	Rates are between 2.03% and 2.70%	25		
	Rates are < 2.03%	0		
S4a	Current water debt per tap compared to MHV		0.00%	
	Debt is > 0.63%	45		
	Debt is between 0.21% and 0.63%	25		
	Debt is < 0.21%	0 x		
	OR			
S4a	Current water & sewer debt (for combined systems)			
	Debt is > 1.26%	45		
	Debt is between 0.57% and 1.26%	25		
	Debt is < 0.57%	0		
	Population served		723	
	Less than 500	35 x		
	Between 500 and 1,000	25		
	Between 1,000 and 2,000	20		
	Between 2,000 and 5,000	15		
	Between 5,000 and 10,000	5		
	>10,000	0		
S3	Assessed Value/Household		12,570	
	AV per household is < \$12,722	35 x		
	AV per household is between \$12,272 and \$24,337	20		
	AV per household is between \$24,337 and \$46,151	10		
	AV per household is greater than \$46,151	0		

PreQual Date Score:	None	Project Manager	ES Review Engineer	DOLA			
PNA Date Score:	March 30, 2026	Erin Reilly	J.C. Acuna	Monica Munoz-Revelo			
Project Name:	Town of Cheyenne Wells Ion Exchange Treatment						
SRF Project Number:	140441D-5						
ES Project Number:	ES.24.SRF.08714						

Drinking Water Revolving Fund Priority Scoring Model (Attachment I DWRF IUP 2024)							
Drinking Water Quality and Public Health Points	Possible Points	PQ Points Scored (leave blank if not scored)	PNA Points Scored	Revised PNA Points Scored	Comments	When to Score	Responsible Party
Project addresses a documented waterborne disease outbreak associated with the system within the last 24 months.	35		0	0		PQ/PNA	Engineering Section
Project corrects or prevents violations of MCLs (primary standards) ¹ (may score points in multiple categories)							
• Nitrate, nitrite, TCR.	30		30	30		PQ/PNA	Engineering Section
• Total trihalomethanes, total haloacetic acids.	25		0	0		PQ/PNA	Engineering Section
• Arsenic, selenium.	20		0	0		PQ/PNA	Engineering Section
• Other regulated contaminants.	15		0	0		PQ/PNA	Engineering Section
Project corrects or prevents exceedances of MCLs for radionuclides.	35		0	0		PQ/PNA	Engineering Section
Project corrects inadequate treatment techniques that are unable to satisfy the requirements for: (scores total 20 points one or more of the following)	20		0	0		PQ/PNA	Engineering Section
• Surface water.							
• GWUDI.							
• Groundwater.							
Project corrects exceedances of secondary drinking water standards.	10		0	0		PQ/PNA	Engineering Section
System has inadequate supply* to meet all current domestic water supply demands (*system must provide records of water usage to substantiate supply is inadequate).	25		0	0		PQ/PNA	Engineering Section
Project will correct or prevent: (points are not additive, scores points only in one category)							
• Inadequate distribution due to system deterioration (e.g., experiencing multiple line breakages).	20		0	0		PQ/PNA	Engineering Section
• Inadequate distribution due to chronic low pressure.	15		0	0		PQ/PNA	Engineering Section
• Inadequate storage.	10		0	0		PQ/PNA	Engineering Section
• Demand exceeding design capacity.	5		0	0		PQ/PNA	Engineering Section
Project incorporates fluoridation.	10		0	0		PQ/PNA	Engineering Section
Total Drinking Water Quality & Pub	0	30	30				

Affordability	Possible Points	PQ Points Scored (leave blank if not scored)	PNA Points Scored	Revised PNA Points	Comments	Responsible Party
Total Financial / Affordability Points scored by DOLA =				105		DOLA

CPDWR Compliance Points	Possible Points	PQ Points Scored (leave blank if not scored)	PNA Points Scored	Revised PNA Points	Comments	Responsible Party
(Points are not additive, Can score points only in one category)						
Project addresses an enforcement action by a regulatory agency and the facility is currently in violation of CPDWRs.	30		0	0		PQ/PNA
Project addresses a facility's voluntary efforts to resolve a possible violation and will mitigate the issuance of a consent order, notice of violation or other enforcement action.	20		0	0		PQ/PNA
Project is designed to maintain CPDWR compliance, meet new requirements, or address contaminants included in the priority list submitted by the Division to the Commission for which standards may be considered.	15		15	15		PQ/PNA
System is currently meeting all CPDWRs.	10		0	0		PQ/PNA
Total CPDWR Compliance	0	15	15			

Total Additional Subsidy Points =				(Sum of Drinking Water Quality & Public Health + Affordability + CPDWR Compliance points)
0				45
Points scored in highest priority drinking water & public health criteria sections? (Enter "Yes" only if points scored for addressing water borne disease outbreaks, Nitrate/Nitrite/TCR, or radionuclides - RED boxes)				150
				SRF Team

Source Protection and Conservation	Possible Points	PQ Points Scored (leave blank if not scored)	PNA Points Scored	Revised PNA Points	Comments	Responsible Party
Project addresses vulnerability to potential pollution by conditions identified in an	15		0	0		PQ/PNA
Project establishes a protective zone to address potential pollution as a result of	10		0	0		PQ/PNA
Utility rate structure currently in place (points for rate structure are not additive, score points only in one category):						
• Increasing block rates.	15			15		SRF Team
• Seasonal rates.	10					SRF Team
• Uniform.	0					SRF Team
Project will implement water metering, leak detection and/or other water	10					SRF Team

Sustainability Points	Possible Points	PQ Points Scored (leave blank if not scored)	PNA Points Scored	Revised PNA Points	Comments	Responsible Party
Project seeks to:						
• Correct compliance issues, water quality problems, and/or water supply problems	10		0	0	0	PQ/PNA
• Correct and/or improve security of the water system.	10		0	0	0	PQ/PNA
• Incorporate beneficial uses of water treatment plant sludge and/or alternative	10		0	0	0	PQ/PNA

2 The Hazardous Materials and Waste Management Division is the agency responsible for implementing the Regulations Pertaining to the Beneficial Use of Water Treatment Sludge and Fees applicable to the Beneficial Use of Sludges pursuant to 5CCR1003-7.

Project promotes sustainable utilities and/or communities through a utility management plan that:

• Secures a replacement fund for the rehabilitation and replacement of aging and deteriorating infrastructure as needed.	5		5	5	0	PNA	Engineering Section
• Provides sufficient revenues to meet O&M and capital needs.	5		5	5		PNA	Engineering Section
• Demonstrates that the facility has maintained licensed/certified operators, adequate staffing to properly operate and maintain the facility and will continue to do so.	5		5	5		PQ/PNA	Engineering Section
• Incorporates a fix-it-first planning methodology.	5		5	5		PQ/PNA	Engineering Section
Readiness to Proceed Points							
Project has secured one or more of the following:							
• Plans and specifications approved.	10		0	0		PQ/PNA	Engineering Section
Project has funding secured by multiple assistance provider.	10					PQ/PNA	SRF Team
Total Points Score							
065185							

**COLORADO WATER RESOURCES
AND
POWER DEVELOPMENT AUTHORITY**

RESOLUTION NO. 26-29

**A RESOLUTION FOR APPROVAL OF A DRINKING WATER DIRECT LOAN TO
THE TOWN OF CHEYENNE WELLS 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 Infrastructure Investments Jobs Act/Bipartisan Infrastructure Law (“IIJA/BIL”) and IIJA/BIL Principal Forgiveness (“PF”) direct loan, plus a Base direct loan from the Drinking Water Revolving Fund from the Town of Cheyenne Wells (the “Applicant”); and

WHEREAS, approval of the direct loan requires the Authority Board of Directors’ approval of a one-time waiver of the Base direct loan limit for the Applicant in the amount of \$3,292,460, which waiver the Applicant is seeking contemporaneously with the application for the IIJA/BIL and Base direct loans; and

WHEREAS, the Authority Board of Directors determines that approval of the direct loan application and a one-time, direct loan limit waiver for the Applicant is in the best interests of the Authority and the Applicant, and is consistent with the purposes of the DWRF; 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 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 direct loan to the Town of Cheyenne Wells in an amount not to exceed \$5,792,460, (comprised of *\$2,500,000 in IIJA/BIL General Supplemental PF, *\$2,094,913 in IIJA/BIL General Supplemental direct loan, and *\$1,197,547 in DWRF Base direct loan) 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. 26-29 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 Steamboat Springs, Colorado on August 19, 2026.

Chairman

Secretary

EXHIBIT A

Borrower:	Town of Cheyenne Wells
Project:	The Project consists of construction of two ion exchange treatment systems and associated appurtenances to address Nitrate contamination, including: Southern Ion Exchange Nitrate Removal Water Treatment Plant to service the Feyh Well; Western Ion Exchange Nitrate Removal Water Treatment Plant to service the North and Snyder Wells; and waste brine storage tanks at each plant for offsite brine disposal.
Pledge:	Water System Revenues
Loan Term:	20 years
Interest Rate:	1.50%
Amount not to exceed:	\$5,792,460, (comprised of *\$2,500,000 in IIJA/BIL General Supplemental PF, *\$2,094,913 in IIJA/BIL General Supplemental direct loan, and *\$1,197,547 in DWRP Base direct loan)

Subject to the following terms & conditions:

- 1. Prepayment Charge - A \$15,000 prepayment charge will be applied on any full principal prepayment of the loan. All interest paid through the date of full principal prepayment will be credited against this charge.

* - Estimated PF and direct loan amounts through the IIJA/BIL and/or Base programs. The exact amount will be based on the IIJA/BIL capitalization grant principal forgiveness to loan ratio while taking into account set asides. However, in the unlikely event the ratio increases the loan amount by more than a de-minimis amount, as determined by the Executive Director, the credit will be returned to the Board for further evaluation and consideration.

** - The terms and monetary amounts set forth in Part 1 hereto under the IIJA/BIL General Supplemental and/or base direct loan and the IIJA/BIL General Supplemental and/or base PF loan are premised upon the Authority’s understanding of and expectations for the resources available to it from the base federal Capitalization Grants and the IIJA/BIL. These amounts, and the allocation of funds available to the Project from each source, are subject to change, amendment, and/or rescission depending upon the policies, procedures, and budgetary adjustments adopted by the federal administration. If such changes in policies and procedures or budgetary adjustments are adopted by the federal administration, the Authority reserves the right to review and adjust the terms and monetary amounts set forth herein in a subsequent action. Further, the loan agreement authorized by this resolution is subject to non-execution, cancellation, delay, rescission, or alteration depending upon the terms and conditions, quantities, or availability of federal funds provided under existing or future Capitalization Grants. In addition, funding for this and other approved projects may be re-

evaluated under the priority scoring system implemented by the Board for all projects based on changes in the availability of anticipated funds. This re-evaluation may result in the funding of some but not all previously-authorized projects, including the project for which the execution of a loan agreement has been authorized by this resolution. The loan agreement authorized by this resolution shall include a term by which Applicant shall hold the Authority harmless for any costs or damages resulting from a change in federal policies, procedures, or funding that results in the requirement that the Authority cancel, delay, rescind, or alter its terms.

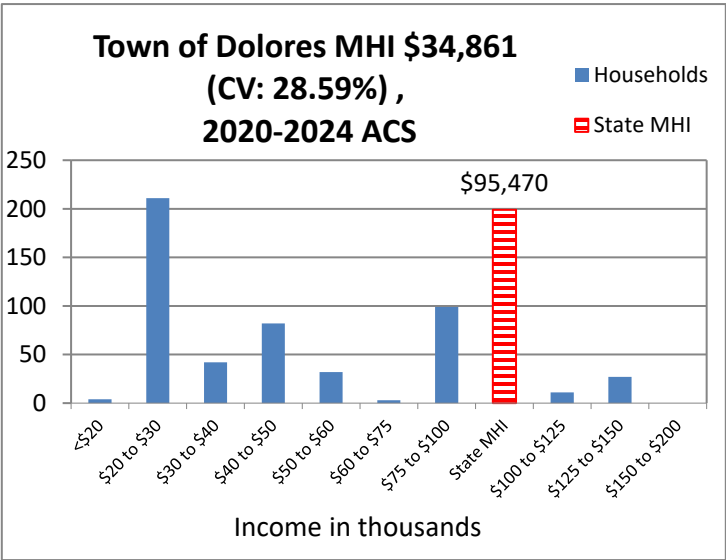
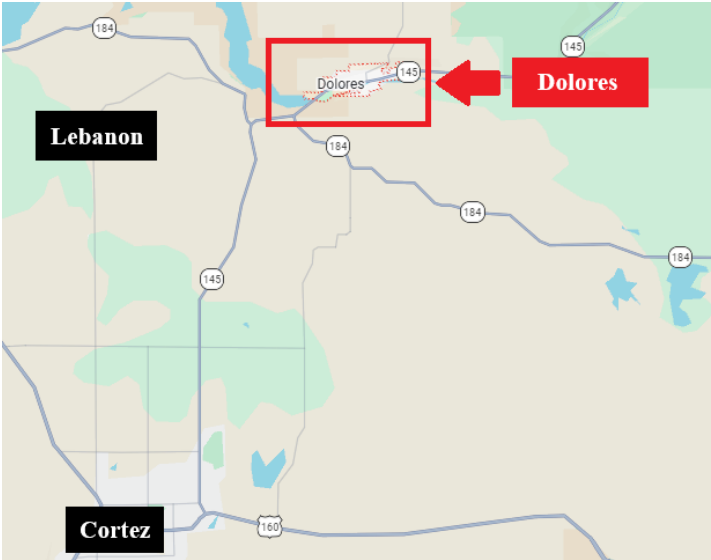
DWRF LOAN CREDIT REPORT (2026)
Town of Dolores (“The Town”), Montezuma County

Recommendation:	APPROVAL	Project Budget	
Loan Request:	\$3,233,000	DWRF IIJA/BIL Loan:	\$1,473,989
Interest Rate & Term:	1.75% & 30 years	DWRF IIJA/BIL PF:	\$1,759,011
Annual Debt Service:	\$63,364	2026 EIAF - Design Grant:	\$200,000
Pledge:	Water System Revenue	2026 EIAF - Construction Grant:	\$700,000
Current Rate:	\$47.00	2024 Congressionally Directed Spending (CDS):	\$750,000
Estimated Rate Increase:	\$0.00	2023 Planning Grant:	\$10,000
		2026 D&E Grant:	\$247,476
		Total:	\$5,140,476

PROJECT DESCRIPTION: The project includes replacing water mains located within public rights-of-way, streets, and alleyways, along with the replacement of all fire hydrants, water service lines to the meter, valves, and re-connections in the project area.

COMMUNITY PROFILE:								Avg. Annual Change
Town of Dolores	2020	2021	2022	2023	2024	2025	2026	
Town Population	888	906	919	923	936			1.32%
Montezuma County Population	25,891	26,256	26,511	26,641	26,861			0.92%
Montezuma County Jobs	11,225	11,710	11,957	12,098	12,400			2.52%
Number of Water Taps			554	555	556	557	538	-0.73%
Number of Sewer Taps			179	480	484	486	486	0.36%
Assessed Value (\$000)			\$9,359	\$9,127	\$9,730	\$9,788	\$12,067	6.56%
Actual Value (\$000)			\$85,928	\$86,060	\$95,688	\$95,737	\$130,090	10.92%

BORROWER BRIEF: Dolores is a small town in Montezuma County in the Southwestern corner of the State, along State Highway 145. The Town is situated approximately 12 miles north of Cortez, and approximately 45 miles northwest of Durango.



RECOMMENDATION: The Town serves a small rural community in Montezuma County. This proposed loan is necessary to replace the Town’s current pipelines due to these being undersized and often not buried deep enough, leading to frequent water main breaks during extreme freezes. The Town is in a strong financial position to take on the proposed debt, and it has prepared by continuously increasing rates to avoid a sudden financial burden on its ratepayers. We therefore recommend the DWRF Committee approve a \$1,473,989 Disadvantaged Communities IIJA/BIL direct loan, and \$1,759,011 in IIJA/BIL principal forgiveness to the Town of Dolores.

PROJECT SUMMARY:

System summary: Dolores is a statutory town in Montezuma County, with a population of approximately 936, and approximately 538 water taps. The distribution system consists of approximately 58,400 linear feet of water lines, one pressure zone, and a 300,000-gallon welded steel water storage tank. It includes a well-constructed in 1959, equipped with a well pump, and a surface water diversion from the Dolores River. Booster pumps are used to transport treated water to the storage tank. The surface water treatment plant was built between 1984 and 1985. Most of the Town's water lines are 4- or 6-inch diameter cast iron pipes, which were originally installed in the 1960s.

Reason/need: Overall, the Town's transmission and distribution pipelines are in serviceable condition but are undersized and were not buried at an adequate depth in some locations. The Town has historically observed water main breaks in the fall and spring in pipes buried at inadequate depths, associated with extreme freezing events. The current distribution system does not meet recommended system pressures, and experiences water loss.

System Compliance: The Town of Dolores is in compliance with the Colorado Primary Drinking Water Regulations, and the project is primarily intended to maintain compliance.

Project Delivery Method: Design/Bid/Build

Contingency: 10% of the construction cost is included as contingency.

CURRENT INDICATORS:	2023	2024	2025	Weak	Average	Strong
Total Debt per Capita (\$):	588	640	553	>\$2,000	\$1,000 - 2,000	X <\$1,000
Total + New Debt/Capita (\$):			2,128	X >\$2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Tap (\$):	978	1,078	930	>\$5,000	\$2,500 - 5,000	X <\$2,500
Total Debt + New Debt/Tap (\$):			3,576	>\$5,000	X \$2,500 - 5,000	<\$2,500
Current Water Debt/Tap (\$):	409	380	347	>\$2,000	\$1,000 - 2,000	X <\$1,000
Current Water + New Water Debt/Tap (\$):			2,993	X >2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Assessed Value:	5.95%	6.16%	5.29%	>50%	25-50%	X <25%
Total Debt + New Water Debt/Assessed Value:			20%	>50%	25-50%	X <25%
Total Debt/Actual Value:	0.63%	0.63%	0.54%	>10%	5-10%	X <5%
Total Debt + New Water Debt/Actual Value:			2.08%	>10%	5-10%	X <5%
Curr. Water Debt + New Debt/Tap/MHI:			8.59%	>20%	10-20%	X <10%
Water Fund Current Ratio (CA/CL):	1,689%	1,788%	1,764%	<100%	100-200%	X >200%
Water Fund Reserves/Current Expense:	174%	165%	174%	<50%	50-100%	X >100%
Water Operating Ratio (OR/OE):	123%	118%	160%	<100%	100-120%	X >120%
Coverage Ratio (TR-OE)/DS:	514%	226%	816%	<110%	110-125%	X >125%
Coverage Ratio (TR-OE)/DS Excluding Tap Fees:	342%	226%	669%	<110%	110-125%	X >125%
Coverage Ratio with New Loan:			240%	<110%	110-125%	X >125%
Coverage Ratio with New Loan Excluding Tap Fees:			197%	<110%	110-125%	X >125%
Current Annual Water Rates/MHI:			1.53%	>3.0%	X 1.5-3.0%	<1.5%
Current Water Rates + New Water Debt Service/MHI:			1.85%	>3.0%	X 1.5-3.0%	<1.5%
Operation and Maintenance Reserve:			190%	<25%	25-50%	X >50%
Total:				2	3	16

FINANCIAL ANALYSIS: Of the twenty-one current indicators calculated, sixteen are rated strong, three are average, and two are considered weak. Overall, the indicators indicate a system in a strong financial position to take on the proposed debt without causing financial stress on the system and ratepayers. The strong indicators show a very manageable existing and proposed debt burden on both a per-capita and per-tap basis; current and proposed rates remain highly affordable relative to MHI, posing little financial hardship for ratepayers; and a strong capacity to take on the proposed debt from current operating revenues. The weak indicators reflect a small system where the addition of the proposed debt to its current debt per capita is becoming increasingly high.

- The 2025 operating ratio was a strong 160%, which is an improvement over the previous four years.
- The Town maintains a strong operations and maintenance reserve of 190%. This indicates that the introduction of unexpected expenses, such as repairs and maintenance, would not place an undue burden on the Town. Additionally, the Town would be able to continue making the necessary payments on the proposed loan.
- Based on 2025 financial information, coverage with the proposed loan is 240% with tap fee revenue and 227% without tap fee revenue. No additional annual revenue is projected to be needed to meet the SRF program's 110% coverage requirement under either scenario.

- Without principal forgiveness, the coverage ratio moves to 130% with tap fee revenue and 123% without tap fee revenue. No additional annual revenue is projected to be needed to meet the SRF program’s 110% coverage requirement under either scenario.
- The enterprise fund’s current ratio is 816%, a large increase over previous years. The large increase was driven by higher total revenue resulting from resolutions passed to raise rates.

Additional Project Financing

The Town has obtained various additional financing sources for this project, including:

- A planning grant for \$10,000 which was awarded in 2023.
- A submitted application for Energy/Impact Mineral Assistance (EIAF) – Design grant for \$200,000, which was awarded in 2026.
- A submitted application for Energy/Impact Mineral Assistance (EIAF) – Construction grant for \$700,000, which was awarded in 2026.
- A design and engineering (D&E) grant for \$247,476, which was awarded in 2026.
- An EPA Congressionally Directed Spending (CDS) grant for \$750,000, which was awarded in 2024.

DESCRIPTION OF THE LOAN:

An estimated \$1,473,989 loan with a thirty-year term with two payments annually at an interest rate of 1.75% will cost the Town approximately \$63,364 in debt service annually. The Town also qualifies for \$1,759,011 in IIJA/BIL principal forgiveness.

Disadvantaged 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

	Benchmark		Borrower	Met?
P1: MHI	\$76,376	>=	\$34,861	Y
P2: MHV	\$431,520	>=	\$308,100	Y
P3: County Unemployment	5.35%	<=	4.52%	N
County Job Change	0.00%	>=	9.82%	N
S1: County MHI	\$76,376	>=	\$65,244	Y
S2: Ten Year % Change in Population	0.00%	>=	3.77%	N
S3: Assessed Value per Housing unit	\$24,337	>=	\$19,042	Y
S4b: Curr. and Proj. System Debt	0.21%	<	2.00%	Y
S4b: 80th Percentile	0.77%	<	2.00%	Y
S5b: Proj. System Cost Per Tap to MHI	0.98%	<	2.88%	Y
S5b: 80th Percentile	1.58%	<	2.88%	Y

Based on 2020-2024 American Community Survey data, the Town met the requirements of a DAC, qualifying under scenario #1.

Due to its projected rates to MHI and MHV exceeding the 80th percentile, the Town qualifies for the lowest interest rate available (Category 2 DAC, 1.75%).

IIJA/BIL Principal Forgiveness Eligibility:

In order to qualify for IIJA/BIL principal forgiveness, a community must score three (3) points using the IIJA/BIL Principal Forgiveness Eligibility Criteria outlined in the Intended Use Plans. The Town scores 9 points as shown below.

IIJA/BIL PF DETERMINATION				
	Benchmark		Borrower	Points
1. Five Year % Change in Population	0.73%	>	1.32%	0
2a: County Job Change	0.00%	>	9.82%	0
2b: County Unemployment	5.35%	<	4.52%	
3: Median Household Income, or MHI exceeds 125% of state MHI (-1 point)	\$95,470	>	\$34,861	1
	\$119,338	<		
4: Rates to MHI	0.76%	<	1.62%	1
5: Project addresses removal of lead or emerging contaminants	Yes		No	0
6: % Minority	40.00%	<	40.74%	1
7: % Households Housing Burdened	50.00%	<	60.47%	1
8: % Population under 200% Poverty Level	40.00%	<	52.18%	1
9: % Population under 200% Poverty Level + % Population over 65 years old	55.00%	<	73.10%	1
10: Meets DAC criteria	Yes		Yes	3
Total Points Scored:				9

The Town qualifies for IIJA/BIL principal forgiveness and has expressed interest in receiving a proportional loan with principal forgiveness funding package. Using an estimated principal forgiveness award of 54.408%, the Town qualifies for approximately \$1,759,011 in principal forgiveness, leaving an estimated loan of \$1,473,989.

ECONOMIC ANALYSIS: The Town has a 2024 population estimated at 936 and has grown at an average annual rate of 1.32% since 2020. Montezuma County has experienced an increase of 0.92% in population since 2020. The state population increased at an average annual rate estimated at 0.73%.

The region's economy is dominated by tourism, retirees, regional services, government, and agriculture. Montezuma County's largest job sectors are local government; health care and social assistance; retail trade; accommodation and food services; and construction.

The area's largest employers consist of Ute Mountain Ute Tribe, with 1,300 employees; the Montezuma-Cortez School District RE-1, with 325 employees; Southwest Memorial Hospital, with 300 employees; Walmart, with 224 employees; and Montezuma County, with 206 employees.

The Town tracks several entities that account for more than 3% of the system's total usage. The Town of Dolores Water Dispenser represents 5.18%, the Dolores School District represents 4.9%, the Town of Dolores Town Hall (Outdoor) represents 3.01%, the Housing Authority at 300 N 15th Street represents 3.09%, and the Town of Dolores Town Hall (Outdoor) represents 3.01%.

ORGANIZATIONAL ANALYSIS:

Bond Rating

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

Organizational Structure

The Town is a statutory town governed by a mayor/board form of government and was incorporated in 1990. The Town provides water and wastewater services, public works services, and parks and recreation services. Approximately 0.88 full-time employees staff the water utility. The water utility is overseen by the utility manager, who reports to the Town manager.

- The Town has generally been in compliance with Colorado statutory budgeting and auditing requirements for the past five years.
- The Town maintains general liability insurance coverage through the Colorado Intergovernmental Risk Sharing Agency (CIRSA).
- There are currently no pending lawsuits against the Town.
- There have been no recall elections in the last ten years.

Technical/Managerial/Financial (TMF)

The WQCD and DLG conducted a review of the Town's technical, managerial and financial capacity to operate the water system. The review resulted in no mandatory recommendations.

Capital Improvement Plan

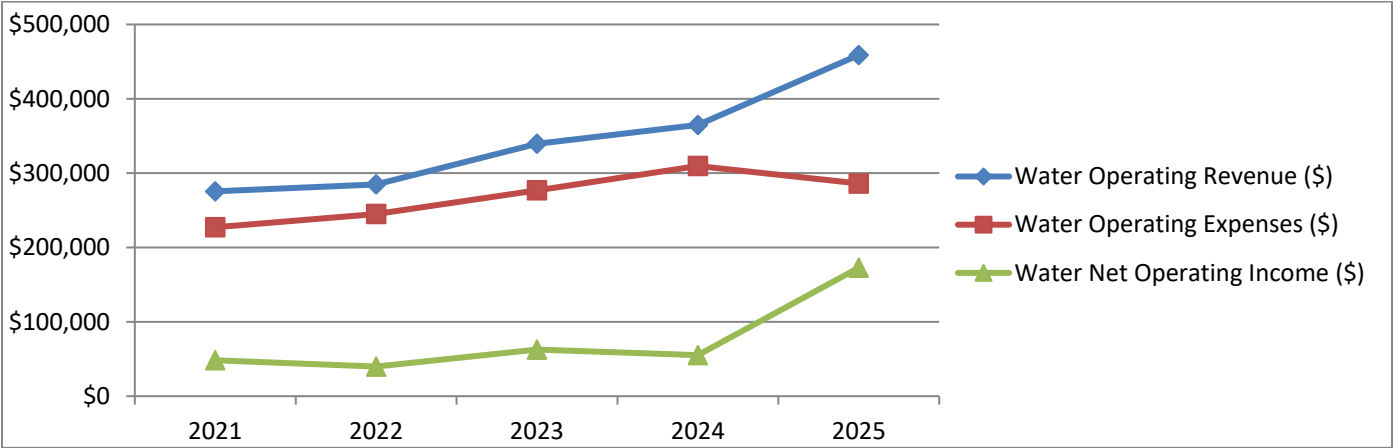
As part of the application process, the Town submitted a capital improvement schedule through 2042, which anticipates capital outlay of \$13,277,200 for improvements/projects related to the raw water supply (i.e. resleeving, pump and meter replacements), water treatment plant and storage tanks (i.e. drainage improvements, treatment water turbine, interior/exterior tank rehabilitation), transmission and distribution (i.e. waterline improvements, distribution replacement), and maintenance (i.e. rate studies, GIS mapping updates of infrastructure) to be funded from a combination of grants, loans, and reserves.

REVENUE ANALYSIS:

In August 2024, the Town acknowledged the need for significant improvements to its water and sewer lines, as costs have continued to rise due to inflationary pressures. Rates were initially increased by \$10 on January 1, 2025. An amended resolution was introduced to allow for further rate increases to offset additional anticipated costs related to the improvement projects and increased service costs due to inflation. Effective January 1, 2026, the rates for all users, whether inside or outside the Town limits, are increased by 3% annually through January 1, 2030. The Town’s total debt increased in 2024 due to obtaining an annually renewable equipment-financed purchase agreement for a Caterpillar Backhoe. Operating costs have steadily increased in the years reviewed; the Town cites that the reasoning behind these is due to the rising price of electricity, water treatment chemicals, and shipping of those chemicals. The shipping of these chemicals is higher due to the Town not being near a major highway. Operating expenses spiked in 2024 due to the installation of an emergency generator and the payment of contractors for its installation.

TRENDS	2021	2022	2023	2024	2025	2026
Monthly Water Rate (\$)	31.84	32.84	33.84	34.84	44.34	47.00
Monthly Sewer Rate (\$)	31.16	31.16	31.16	31.16	38.35	39.50
Residential Water Tap Fee (\$)	4,500	4,500	4,500	4,500	4,500	
Residential Sewer Tap Fee (\$)	4,500	4,500	4,500	4,500	4,500	
Total Water Revenue (\$)	280,764	293,858	392,476	364,805	501,915	
Tap/Development Fees (\$)	5,230	9,000	38,800	0	12,000	
Water Operating Revenue (\$)	275,534	284,858	339,571	364,805	458,848	
Water Operating Expenses (\$)	227,207	245,028	276,896	309,571	286,086	
Water Net Operating Income (\$)	48,327	39,830	62,675	55,234	172,762	
Water Debt (\$)	256,422	239,295	227,017	211,517	193,139	
Total Debt (\$)	655,863	598,059	542,934	599,234	517,781	
Water Debt Service (\$)	24,410	26,459	22,466	24,424	26,444	
Water Debt Service/Tap/Month (\$)	3.68	3.98	3.37	3.66	3.96	
Water Fund Reserves (\$)	462,867	466,422	520,045	552,095	543,254	

Ratios	2021	2022	2023	2024	2025	Average
Operating Revenue as % of Total Revenue	98%	97%	87%	100%	91%	95%
Operating Revenue as % of Expenses	121%	116%	123%	118%	160%	128%
Tap Fee Revenue as % of Total Revenue	1.86%	3.06%	9.89%	0.00%	2.39%	3.44%



Recent Rate Increases

The Town’s most recent rate increase of \$2.66 was implemented on January 1, 2026.

User Charges

The Town’s current monthly residential water rate is estimated at \$47.00 compared to the 2024 estimated state median of \$60.61. The Town’s average monthly water rate is based on typical residential consumption of 3,450 gallons per month. Residential users pay a \$47.00 base rate up to 5,000 gallons and a volume charge of \$3.28 per 1,000 gallons for consumption from 5,001 to 10,000 gallons. For consumption between 10,001 and 20,000 gallons, a volume charge of \$4.37 per 1,000 gallons applies. For any consumption exceeding 20,001 gallons, a volume charge of \$5.46 per 1,000 gallons applies. For users outside the incorporated limits, users pay a \$61.76 base rate up to 5,000 gallons and a volume charge of \$4.92 per 1,000 gallons for consumption from 5,001 to 10,000 gallons. For consumption between 10,001 and 20,000 gallons, a volume charge of \$6.55 per 1,000 gallons applies. For any consumption exceeding 20,001 gallons, a volume charge of \$8.19 per 1,000 gallons applies. Commercial water users follow the same structure depending on whether they are inside or outside Town limits.

The Town’s current monthly residential sewer rate is \$39.50 compared to the 2024 estimated state median of \$44.65. Users outside the incorporated limits pay a \$62.14 base charge. There is no volume charges attached to sewer rates. Commercial sewer users follow a tiered structure. For those within Town limits, the base rate up to 10,000 gallons is \$38.36. For consumption between 10,001 and 20,000 gallons, a volume charge of \$2.90 per 1,000 gallons applies. For any consumption exceeding 20,001 gallons, a volume charge of \$3.06 per 1,000 gallons applies. For commercial sewer users outside the incorporated limits, users pay a \$60.34 base rate up to 10,000 gallons. For consumption between 10,001 and 20,000 gallons, a volume charge of \$4.00 per 1,000 gallon applies. For any consumption exceeding 20,001 gallons, a volume charge of \$4.61 per 1,000 gallons applies.

Contributed Capital

Revenue from tap fees has ranged from \$0 to \$38,800 and has averaged 3.44% of total water revenue during the last five years. The Town’s most recent water tap fee rate increase occurred in 2021.

- Water and sewer tap fees for users (residential or commercial) within the Town limits are \$4,500.
- Water and sewer tap fees for users (residential or commercial) outside the Town limits are \$6,500.

Tap fee pricing increases as the meter and tap size increases.

Current System Utilization		
	Usage	Revenue
Residential	51%	69%
Non-residential (per EQR)	49%	31%

Current Fee Summary		
Tap size	Water user/tap fees	Sewer user/tap fees
¾”	\$47.00/\$4,500	\$39.50/\$4,500
¾”	\$47.00/\$4,500	\$38.36/\$4,500

DEBT as of December 31, 2025

Executed	Lender	Term End	Pledge	Outstanding	Interest Rate	Annual payment
2018	Caterpillar Financial Services Corporation	2028	General Fund	\$45,388	4.199%	\$1,904
2022	Dolores State Bank	2027	General Fund	\$63,536	4.00%	\$2,909
2024	Caterpillar Financial Services Corporation	2029	General Fund	\$98,949	6.99%	\$2,088
2025	Dolores State Bank	2035	Water System Revenue	\$193,139	4.00%	\$24,399

LOAN COVENANTS: The Town 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 Town has no current debt with the Authority, including the SRF programs.

Project #210071D-I
Cost Categories:
• Planning and Design: 9%
• Construction – Transmission and Distribution: 90%
• Land Acquisition: 1%

Prepared by: Monica Munoz-Revelo
Date: July 28, 2026

July 28, 2026 DWRF Credit Report Town of Dolores, Montezuma County, CO Using most recent data available (Census, audits, local records)	
Estimated Population - 2024	936
Number of Water Taps/Customers - 2025	557
Total Assessed Valuation - 2025	\$9,788,000
Actual Value of All Real Property - 2025	\$95,737,000
Median Household Income (MHI) - 2024	\$34,861
Monthly Water Rate - 2026	\$47.00
Water Operating Revenue - 2025	\$458,848
Water Total Revenue - 2025 [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.]	\$501,915
Water Tap and System Development Fee Revenue - 2025	\$38,800
Water Operating Expense - 2025	\$286,086
Water Current Expense - 2025	\$312,530
Water Debt - 2025	\$193,139
Total Debt - 2025	\$517,781
Water Fund Reserves - 2025	\$543,254
Water Debt Service - 2025	\$26,444
New Water Debt [Requested DWRF loan amount.]	\$1,473,989
Requested DWRF Loan Term	30
Requested DWRF Loan Interest Rate	1.75%
New Loan's Annual Water Debt Service (two payments annually)	\$63,364

Current Indicators (2025)					
Town of Dolores					
(Water)					
1 Total Debt	\$517,781	÷	Population	936	= \$553
New Debt	\$1,473,989	÷	Population	936	= \$1,575
Total Debt + New Debt	\$1,991,770	÷	Population	936	= \$2,128
2 Total Debt	\$517,781	÷	Number of Taps	557	= \$930
New Debt	\$1,473,989	÷	Number of Taps	557	= \$2,646
Total Debt + New Debt	\$1,991,770	÷	Number of Taps	557	= \$3,576
3 Total Debt	\$517,781	÷	Assessed Value	\$9,788,000	= 5.29%
New Debt	\$1,473,989	÷	Assessed Value	\$9,788,000	= 15.06%
Total Debt + New Debt	\$1,991,770	÷	Assessed Value	\$9,788,000	= 20.35%
4 Total Debt	\$517,781	÷	Actual Value	\$95,737,000	= 0.54%
New Debt	\$1,473,989	÷	Actual Value	\$95,737,000	= 1.54%
Total Debt + New Debt	\$1,991,770	÷	Actual Value	\$95,737,000	= 2.08%
5 Current Water Debt	\$193,139	÷	Number of Taps	557	= \$347
(Current Water Debt + New Water Debt) / Number of Taps	\$2,993	÷	MHI	\$34,861	= 8.59%
6 Current Ratio (CA / CL)					
Current Assets	\$575,893	÷	Current Liabilities	\$32,639	= 1764%
7 Reserve/Expense Ratio					
Reserves	\$543,254	÷	Current Expenses	\$312,530	= 174%
8 Operating Ratio (OR / OE)					
Operating Revenues	\$458,848	÷	Operating Expenses	\$286,086	= 160%
9 Coverage Ratio [(TR - OE) / DS]					
Total Revenues	\$501,915	-			
Minus Operating Expenses	<u>\$286,086</u>				
=	\$215,829	÷	Current Debt Service	\$26,444	= 816%
Coverage Ratio Excluding Tap and					
10 Development Fee Revenue	\$215,829				
Minus Tap and Development Fee Revenue	<u>\$38,800</u>				
=	\$177,029	÷	Current Debt Service	\$26,444	= 669%
11 Projected Coverage Ratio					
Total Revenues	\$501,915				
Minus Operating Expenses	<u>\$286,086</u>				
=	\$215,829		Total Debt Service (with new loan)	\$89,808	= 240%
Projected Coverage Excluding Tap and					
12 Development Fee Revenue	\$215,829				
Minus Tap and Development Fee Revenue	<u>\$38,800</u>				
=	\$177,029	÷	Total Debt Service (with new loan)	\$89,808	= 197%
13 Current Debt Service	\$26,444	÷	Number of Taps	557	= \$47.48
Annual New Water Debt Service	\$63,364	÷	Number of Taps	557	= \$113.76
2025 Annual Water Rate (Monthly Rate					
14 x 12)	\$564.00	÷	MHI	\$34,861	= 1.62%
2025 Annual Water Rate + New Annual Debt Service Per Tap	\$677.76	÷	MHI	\$34,861	= 1.94%
15 Current 2026 Monthly User Charge					\$47.00
(Debt Service on DWRP Loan / 2025 Taps / Month)					<u>\$9.48</u>
Total					\$56.48
16 Operation and Maintenance Reserve					
Reserves	\$543,254	÷	Operating Expenses	\$286,086	= 190%

2026 SRF Disadvantaged Community Criteria

Loan Terms

Amount of Loan:	\$3,233,000
Interest Rate:	1.75%
Term (years):	30
Annual Payment:	\$138,980

<u>Applicant:</u>	Town of Dolores	
	<u>Test Result</u>	<u>Conditions met to be DAC</u>
	Y	Test 1: P1 & P2 or P3
	N	Test 2: P1, Not P2 or P3, & 2+ S1-S5
	N	Test 3: P1 ??, P2 & P3, & 2+ S1-S5

		Benchmark	Applicant	Result	Notes on Data Used
Current Population (2024)	<=	10,000	936	Y	
Population 5 years ago (2020)			888		
Poulation 10 years ago (2015)			902		
Primary Factors					
MHI (Place)	<=	\$ 76,376	34,861	Y	
Margin of Error (MOE)	±		16,397		
MHV (Place)	<=	\$ 431,520	308,100	Y	
Margin of Error (MOE)	±		54,190		
24 Month Unemployment (County)	>=	5.35%	4.52%	N	
or 10 Year % Chng. Jobs (County)	<=	0.00%	9.82%	N	
Jobs (2024)			12,255		
Jobs (2015)			11,159		

Priority Factor Count	2
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Secondary Factors

S1	MHI (County)	<= \$ 76,376	65,244	Y	
	Margin of Error (MOE)	±	4,313		
	Reliability (CV)	<= 18.00%	4.02%	Y	
S2	10 Year % Chng. Population	<= 0.00%	3.77%	N	
S3	Assessed Value / Housing Unit	<= \$ 24,337	\$19,042	Y	
	Assessed Value		9,730,300		
	Total Housing Units		511		
S4	Current Debt / Tap / MHV	> 0.21%	0.11%	N	If MHV CV > 18%, calculate result at top of band Result
	Current + Projected Debt/Tap/MHV	> 0.21%	2.00%	Y	
	S4b 80th percentile	> 0.77%	2.00%	Y	
S5	System Full Cost / Tap / MHI	> 1.11%	1.85%	Y	If MHI CV > 18%, calculate result at top of band Result
	Projected Rate @ 110% Coverage	> 0.98%	2.41%	Y	
	S5b 80th percentile	> 1.58%	2.41%	Y	

Secondary Factor Count	3
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System Data for S4 and S5: To be completed by DLG

Taps or EQR's	557
Total Debt	193,139
Principal & Interest	26,444
Operating Expenses (including operating transfers out)	286,086
Depreciation	73,267

WPCRF & DWRP						
		Benchmark	Applicant	Points	Notes on Data Used	
Eligibility Criteria						
1	Population loss or growth is slower than the state's over 5 years	<=	0.73%	1.32%	0.0	
	Current Population (2024)			936		
	Poulation five years ago (2020)			888		
2a	10 Year % County Job Change	>=	0	9.82%	0.0	
2b	County 24 Month unemployment rate exceeds the state's plus 1%	>=	5.35%	4.52%	0.0	
3	Median Household Income	<=	\$ 95,470	34,861	1.0	If MHI CV > 40%, calculate result at top of band
		>=	\$ 119,338		0.0	
	Reliability (CV)	<=	40.00%	N/A	N	
4	Rates compared to MHI	>	0.76%	1.62%	1.0	If MHI CV > 40%, calculate result at top of band
	Monthly Residential Rate	>		47.00		
				Confirmed based on resolution No. 667 Series 2025		
5	Project addresses removal of lead or emerging contaminants		Yes	No	0.0	
6	% Population that identifies as minority is greater than 40%	>	40.00%	40.74%	1.0	
7	% Population that are housing burdened is greater than 50%	>	50.00%	60.47%	1.0	
8	% Population under 200% Poverty Level is greater than 40%	>	40.00%	52.18%	1.0	
9	% Population under 200% Poverty Level + % Population over 65 years old is equal to or greater than two thirds of communities in the state	>=	55.00%	73.10%	1.0	
	% Population over 65 years old			20.92%		
10	Meets base program DAC criteria?			Yes	3.0	
BIL Eligibility Points				9.0		



Principal Forgiveness and Priority Point Scoring

Applicant: Town of Dolores
DWRP or WPCRF: DWRP

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

BIL Principal Forgiveness

Eligible for BIL principal forgiveness? Yes.

Eligible BIL principal forgiveness percentage: 54.408%

Amount of principal forgiveness awarded (accounting for any applicable cap/max): \$1,759,011

Base DWRP/WPCRF Principal Forgiveness Scoring

DWRP/WPCRF

Water Quality & Public Health + CPDWR Compliance:	25
DOLA Affordability Score:	125
Total Score	150

Eligible as a base program DAC? Yes

Eligible base program DWRP/WPCRF principal forgiveness percentage: N/A

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

Priority Point Scoring

Total WQCD Score:	45
DOLA Affordability Score:	125
Total Score:	170

2026 IUP DWRF Priority Point Calculations				
	Entity Name:	Town of Dolores		
	Date of Scoring	6/8/2026		
	SRF Phase:	Loan app		
	DOLA Score:	125		
	DAC:	DAC		
Benchmarks				
\$95,470 2020-2024 State MHI estimate				
		Points	Entity Value	
P1	MHI		\$34,861	37%
	<50% of state MHI	35	x	
	Between 51% and 80% of state MHI	20		
	Between 81% and 100% of state MHI	5		
	>100% state MHI	0		
S5a	User Fees (current water rate at 110%/tap/MHI)		1.85%	
	Rates are > 1.55%	45	x	
	Rates are between 1.11% and 1.55%	25		
	Rates are < 1.11%	0		
	OR			
S5a	User Fees for a combined water & sewer fund			
	Rates are > 2.70%	45		
	Rates are between 2.03% and 2.70%	25		
	Rates are < 2.03%	0		
S4a	Current water debt per tap compared to MHV		0.11%	
	Debt is > 0.63%	45		
	Debt is between 0.21% and 0.63%	25		
	Debt is < 0.21%	0	x	
	OR			
S4a	Current water & sewer debt (for combined systems)			
	Debt is > 1.26%	45		
	Debt is between 0.57% and 1.26%	25		
	Debt is < 0.57%	0		
	Population served		936	
	Less than 500	35		
	Between 500 and 1,000	25	x	
	Between 1,000 and 2,000	20		
	Between 2,000 and 5,000	15		
	Between 5,000 and 10,000	5		
	>10,000	0		
S3	Assessed Value/Household		19,042	
	AV per household is < \$12,722	35		
	AV per household is between \$12,272 and \$24,337	20	x	
	AV per household is between \$24,337 and \$46,151	10		
	AV per household is greater than \$46,151	0		

PNA Date Score:		Project Manager Kathy Boyer	ES Review Engineer Austin Houser	DOLA Representative Monica Muñoz-Revelo Monica Muñoz-Revelo - DOLA				
Project Name:		Town of Dolores						
SRF Project Number:		210071D-I						
ES PQ Project Number:								
ES PNA Project Number:								
Drinking Water Revolving Fund Priority Scoring Model (Attachment I DWRF IUP 2025)								
Drinking Water Quality and Public Health Points	Possible Points	PQ Points Scored (leave blank if not scored)	PNA Points Scored	Comments	When to Score	Responsible Party	Scoring criteria	Resources
Project addresses a documented waterborne disease outbreak associated with the system within the last 24 months.	35		0		PQ/PNA	Engineering Section	For active sources, check SDWIS for violations. For new sources or for sources taken offline related to a violation, review any submitted data. If SDWIS or data shows more than one exceedance or treatment issue, then give the points for each MCL or treatment issue.	SDWIS comp report, OnBase
Project corrects or prevents violations of MCLs (primary standards) ¹ (may score points in multiple categories)								
• Nitrate, nitrite, TCR.	30		0		PQ/PNA	Engineering Section		
• Total trihalomethanes, total haloacetic acids.	25		0		PQ/PNA	Engineering Section		
• Arsenic, selenium.	20		0		PQ/PNA	Engineering Section		
• Other regulated contaminants.	15		0		PQ/PNA	Engineering Section	For systems with multiple primary MCL issues, score based on the highest value. Systems don't get multiple points (e.g., both arsenic and selenium).	
¹ This accommodates repeat violations and provides indicators for both chronic and acute health hazards								
Project corrects or prevents exceedances of MCLs for radionuclides.	35		0		PQ/PNA	Engineering Section		
Project corrects inadequate treatment techniques that are unable to satisfy the requirements for: (scores total 20 points one or more of the following)	20		0		PQ/PNA	Engineering Section	Give points to systems reclassified to GWUDI that are under the 18 month clock.	
• Surface water.								
• GWUDI.								
• Groundwater.								
Project corrects exceedances of secondary drinking water standards.	10		0		PQ/PNA	Engineering Section	Review any submitted data related to secondary standards. If data shows more than one exceedance of a secondary standard, then give the points.	n/a
System has inadequate supply* to meet all current domestic water supply demands (*system must provide records of water usage to substantiate supply is inadequate).	25		0		PQ/PNA	Engineering Section	Review self-reported data on supply issue. Data must show that the system has inadequate water supply capabilities for their existing demand/population. Must show an ongoing issue not related to an emergency event (e.g., fire, water line break). SRF funds generally cannot be used to fund growth.	n/a
Project will correct or prevent: (points are not additive, scores points only in one category)								
• Inadequate distribution due to system deterioration (e.g., experiencing multiple line breakages).	20		0	PNA did not include clear indication of issues due to line breaks	PQ/PNA	Engineering Section	For system deterioration and chronic low pressure, confirm self-reported data on by reviewing recent sanitary survey letters/spreadsheets for DS issues. Also, review OnBase for BWO/BO related to pressure loss. If chronic low pressure as noted by the acute team or sanitary survey or more than one BWO/BO in more than a year, then give points. If no mention in the file, review self-reported data and supporting information on distribution system issue. If self-reported and nothing in the file, system will need to provide records of system deterioration and low pressure mapping.	SDWIS comp report, OnBase
• Inadequate distribution due to chronic low pressure.	15		15	System provided low pressure mapping that indicates many locations under 45 psi. Project proposes increases pipe size and looping.	PQ/PNA	Engineering Section		SDWIS comp report, OnBase
• Inadequate storage.	10		0		PQ/PNA	Engineering Section	Review OnBase to see if mentioned in a recent sanitary survey. If no mention, system must provide a justification of distribution system tank sizing (e.g. peak day demands, fire flow). No design criteria but justification but detail how the system determined that they had inadequate storage. Project has to be related to drinking water capacity demand, not just for fire flow.	RPT Tracker - BWO/BO Portal Acute Tracking
• Demand exceeding design capacity.	5		0		PQ/PNA	Engineering Section	Review OnBase to see if mentioned in a recent sanitary survey. If no mention, system must provide a justification of the distribution system being inadequately sized. No design criteria but justification but detail how the system determined that they had inadequate design capacity. Project has to be related to drinking water capacity demand, not just for fire flow.	
Project incorporates fluoridation.	10		0		PQ/PNA	Engineering Section	Review proposed project to determine if fluoridation is included. Grant points if included	n/a
Total Drinking Water Quality & Pub		0	15					
Affordability	Possible Points	PQ Points Scored (leave blank if not scored)	PNA Points Scored	Comments		Responsible Party	Scoring criteria	Resources
Total Financial / Affordability Points scored by DOLA =			150			DOLA		
CPDWR Compliance Points	Possible Points	PQ Points Scored (leave blank if not scored)	PNA Points Scored	Comments		Responsible Party	Scoring criteria	Resources
(Points are not additive. Can score points only in one category)								
Project addresses an enforcement action by a regulatory agency and the facility is currently in violation of CPDWRs.	30		0		PQ/PNA	Engineering Section	Check OnBase and/or comp report to see if system has an enforcement order. Give points if an EO has been issued that the proposed project will address or partially address.	SDWIS comp report, OnBase
Project addresses a facility's voluntary efforts to resolve a possible violation and will mitigate the issuance of a consent order, notice of violation or other enforcement action.	20		0		PQ/PNA	Engineering Section	Check OnBase see if system has been issued an enforcement order warning letter. If not, check comp report to see if vicos related to the project. Give points if a warning letter has been issued or if there is other correspondence from CAS.	SDWIS comp report, OnBase
Project is designed to maintain CPDWR compliance, meet new requirements, or address contaminants included in the priority list submitted by the Division to the Commission for which standards may be considered.	15		0		PQ/PNA	Engineering Section	Give points to systems reclassified to GWUDI that are under the 18 month clock. Project to bring inactive source with MCL violations online, projects that resolve sanitary survey violations, required OQOT under the LCR, etc.	
System is currently meeting all CPDWRs.	10		10		PQ/PNA	Engineering Section	Verify contaminate or treatment tech is listed in either Reg 11 or the WQCD report to the WQCC. If so, give points.	Regulation 11 and/or check the priority contaminated in the WQCD annual report
Total CPDWR Compliance		0	10					SDWIS comp report, OnBase
Total Additional Subsidy Points =		0	175			(Sum Of Drinking Water Quality+Public Health + Affordability + CPDWR Compliance points)		
Points scored in highest priority drinking water & public health criteria sections? (Enter "Yes" only if points scored for addressing water borne disease outbreaks, Nitrate/Nitrite/TCR, or radionuclides - RED boxes)						SRF Team		
Source Protection and Conservation	Possible Points	PQ Points Scored (leave blank if not scored)	PNA Points Scored	Comments		Responsible Party	Scoring criteria	Resources
Project addresses vulnerability to potential pollution by conditions identified in an approved source water protection area assessment: (scores a total of 15 points for one or more of the following):	15		0		PQ/PNA	Engineering Section	Confirm system has a substantially implemented SWAP (see folder link). If they have a plan in the folder (about 10% of systems have plans) that mentions potential contamination sources and/or BMPs which the project addresses then give them the points.	i:SWAP-Protection Phase:SWAP Protection Plans:Substantially Implemented
• Point source discharge within a delineated area.								
• Areas impacted by agricultural chemical use or run-off.								
• Area subject to oil/gas/mineral operations.								
• Unprotected watershed area.								
Project establishes a protective zone to address potential pollution as a result of wildfires in burn scar areas.	10		0		PQ/PNA	Engineering Section	If they are working on a plan or you aren't sure, then check with Kristen Hughes or Robert Murphy.	WFDSS tracking document
Utility rate structure currently in place (points for rate structure are not additive, score points only in one category):								
• Increasing block rates.	15				PQ/PNA	SRF Team	If information not provided in PQ or PNA check with applicant.	
• Seasonal rates.	10				PQ/PNA	SRF Team	If information not provided in PQ or PNA check with applicant.	
• Uniform.	0				PQ/PNA	SRF Team	If information not provided in PQ or PNA check with applicant.	
Project will implement water metering, leak detection and/or other water conservation and efficiency infrastructure applications at a minimum of 20% of total project costs.	10				PQ/PNA	SRF Team	If detailed information included at PQ, then score. If not enough information, score as 0 and score at PNA step.	
Sustainability Points	Possible Points	PQ Points Scored (leave blank if not scored)	PNA Points Scored	Comments		Responsible Party	Scoring criteria	Resources
Project seeks to:								
• Correct compliance issues, water quality problems, and/or water supply problems through physical consolidation and regionalization of water systems.	10		0		PQ/PNA	Engineering Section	Review proposed project to see if consolidation or regionalization is included. If so, score points.	n/a

• Correct and/or improve security of the water system.	10		0	PQ/PNA	Engineering Section	Security improvements must meet the requirements of Item 1.2.11 Security and Emergency Response Program of the Design Criteria. Review if submittal indicates both physical security design/improvements and a security and emergency response program will be created, then give the points. If information included at PQ, then score. If not enough information, score as 0 and score at PNA step.	Design Criteria	
• Incorporate beneficial uses of water treatment plant sludge and/or alternative concentrate management options in an approved Beneficial Use Plan.2	10		0	PQ/PNA	Engineering Section	For improvements to an existing or a new sludge control process incorporated into the proposed project. Please reach out to HMMWD (either Michael Bankoff michael.bankoff@state.co.us or our Customer Technical Assistance line at 303-692-3320 or comments.hmmwd@state.co.us) to check with them before granting points. HMMWD can let you know if they are approved for beneficial use of the sludge/concentrate or give insight if the proposed project would be approved.		
2 The Hazardous Materials and Waste Management Division is the agency responsible for implementing the Regulations Pertaining to the Beneficial Use of Water Treatment Sludge and Fees applicable to the Beneficial Use of Sludges pursuant to SCCR1003-7.								
Project promotes sustainable utilities and/or communities through a utility management plan that:								
• Secures a replacement fund for the rehabilitation and replacement of aging and deteriorating infrastructure as needed.	5		5	20-year cash flow present with capital funding	PNA	Engineering Section	Presence/absence. As long as the 20-year cash flow plan has a capital improvements line or some type of replacement fund line then score points. If information included at PQ, then score. If not enough information, leave blank and score at PNA step.	n/a
• Provides sufficient revenues to meet O&M and capital needs.	5		5	20-year cash flow present with O&M provision	PNA	Engineering Section	Presence/absence. If the 20-year cash flow plan has an O&M line then score points. If information included at PQ, then score. If not enough information, leave blank and score at PNA step.	n/a
• Demonstrates that the facility has maintained licensed/certified operators, adequate staffing to properly operate and maintain the facility and will continue to do so.	5		5	Adequate licensed operator on staff	PQ/PNA	Engineering Section	Check OnBase/Comp report to see any system's operator issues and that the current operator meets the certification levels. If project will not impact the operator certification level, give points. If the project will impact the op certification level, the system must either have an operator certified to the new level or have a plan to get a properly certified operator to get points. System submits documentation to demonstrate planning and have been following through on the plans. For example: have a master plan, asset management plan or capital improvement plan, O&M schedule for repairs. If documentation is provided then give points. If information included at PQ, then score. If not enough information, leave blank and score at PNA step.	SDWIS comp report , OnBase
• Incorporates a fix-it-first planning methodology.	5		5	Project was broken into 2 phases. Phase 1 was completed in 2020.	PQ/PNA	Engineering Section		n/a
Readiness to Proceed Points	Possible Points	PQ Points Scored (leave blank if not scored)	PNA Points Scored	Comments	Responsible Party		Scoring criteria	Resources
Project has secured one or more of the following:								
• Plans and specifications approved.	10		0		PQ/PNA	Engineering Section	Give points if system has approval letter for the project as described in the PQ/IUP application or that covers the majority of the proposed project (roughly 80%).	PWS Search/RAW Database
Project has funding secured by multiple assistance providers.	10				PQ/PNA	SRF Team	Give points if applicant can document an award or a commitment from another funding agency for the same project being funded by SRF.	
Total Points Scored		0	195					
Yes								
No								

**COLORADO WATER RESOURCES
AND
POWER DEVELOPMENT AUTHORITY**

RESOLUTION NO. 26-30

**A RESOLUTION FOR APPROVAL OF A DRINKING WATER DIRECT LOAN TO
THE TOWN OF DOLORES AND EXECUTION OF A LOAN AGREEMENT AND
OTHER DOCUMENTS NECESSARY THEREFOR**

WHEREAS, the Colorado Water Resources and Power Development Authority (the "Authority") has received and reviewed an Application for a infrastructure Investments Jobs Act/Bipartisan Infrastructure Law ("IIJA/BIL") and IIJA/BIL General Supplemental Principal Forgiveness ("PF") direct loan from the Drinking Water Revolving Fund from the Town of Dolores (the "Applicant"); and

WHEREAS, the Loan Application has been reviewed in accordance with the procedures provided therefor in the Memorandum of Understanding 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 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 requirements and prerequisites and is eligible 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 direct loan to the Town of Dolores in an amount not to exceed \$3,233,000, (comprised of *\$1,759,011 in IIJA/BIL General Supplemental PF and *\$1,473,989 in IIJA/BIL General Supplemental direct loan)
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. 26-30 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 Steamboat Springs, Colorado on August 19, 2026.

Chair

Secretary

EXHIBIT A

Borrower:	Town of Dolores
Project:	The project includes replacing water mains located within public rights-of-way, streets, and alleyways, along with the replacement of all fire hydrants, water service lines to the meter, valves, and re-connections in the project area.
Pledge:	Water System Revenue
Loan Term:	30 Years
Interest Rate:	1.75%
Amount not to exceed:	\$3,233,000, (comprised of *\$1,759,011 in IIJA/BIL General Supplemental PF and *\$1,473,989 in IIJA/BIL General Supplemental direct loan)

Subject to the following terms & conditions:

1. Prepayment Charge - A \$15,000 prepayment charge will be applied on any full principal prepayment of the loan. All interest paid through the date of full principal prepayment will be credited against this charge.

* - Estimated PF and direct loan amounts through the IIJA/BIL and/or Base programs. The exact amount will be based on the IIJA/BIL capitalization grant principal forgiveness to loan ratio while taking into account set asides. However, in the unlikely event the ratio increases the loan amount by more than a de-minimis amount, as determined by the Executive Director, the credit will be returned to the Board for further evaluation and consideration.

** - The terms and monetary amounts set forth in Part 1 hereto under the IIJA/BIL General Supplemental and/or base direct loan and the IIJA/BIL General Supplemental and/or base PF loan are premised upon the Authority’s understanding of and expectations for the resources available to it from the base federal Capitalization Grants and the IIJA/BIL. These amounts, and the allocation of funds available to the Project from each source, are subject to change, amendment, and/or rescission depending upon the policies, procedures, and budgetary adjustments adopted by the federal administration. If such changes in policies and procedures or budgetary adjustments are adopted by the federal administration, the Authority reserves the right to review and adjust the terms and monetary amounts set forth herein in a subsequent action. Further, the loan agreement authorized by this resolution is subject to non-execution, cancellation, delay, rescission, or alteration depending upon the terms and conditions, quantities, or availability of federal funds provided under existing or future Capitalization Grants. In addition, funding for this and other approved projects may be re-evaluated under the priority scoring system implemented by the Board for all projects based on changes in the availability of anticipated funds. This re-evaluation may result in the funding of some but not all previously-authorized projects, including the project for which the execution of a loan agreement has been authorized by this resolution. The loan agreement authorized by this resolution shall include a term by which Applicant shall hold the Authority harmless for any costs or damages resulting from a change in federal policies, procedures, or funding that results in the requirement that the Authority cancel, delay, rescind, or alter its terms.



COLORADO

Department of Local Affairs

Division of Local Government

TO: Wesley Williams and Members of the Board of the CWRPDA
 FROM: Peter Dieterich, DLG
 SUBJECT: Town of La Veta ("the Town") DWRF Credit Report Update
 DATE: July 28, 2026

<u>Project Budget</u>	
DWRF Supplemental Base Loan:	\$2,413,000
2025 DWRF IJA/BIL Loan:	\$1,425,903
2025 DWRF IJA/BIL Supp. PF:	\$2,552,097
2023 EIAF Grant:	\$1,000,000
2024 Supplemental EIAF Grant:	\$236,681
2024 D&E Grant	\$300,000
<u>TOTAL:</u>	<u>\$7,927,681</u>

This project consists of a new water treatment plant using conventional treatment technology with full automation. There will be three pre-engineered clarifier units, a below grade disinfection contact, a clearwell tank, and a building extension to house the new treatment equipment.

The Town previously received DWRF funding for this project in the amount of \$1,425,903 as an IJA/BIL direct loan with a 30-year term, at an interest rate of 1.75% and IJA/BIL principal forgiveness in the amount of \$2,552,097. After requesting construction bids for the new water treatment plant, the Town received bids that were all significantly over the estimated project cost at the time of the initial DWRF loan application. Therefore, the Town is requesting a supplemental loan.

When including the previous 2024 DWRF loan, the Town's 2024 financials show that this proposed loan represents a growing but manageable debt burden for a small, mountainous community. With approved rate increases taking effect on September 1, 2026, no further rate increases are projected to be required. We therefore recommend the DWRF Committee approve a \$2,413,000 supplemental DWRF base direct loan with the same terms as the original loan, to the Town of La Veta.

CURRENT INDICATORS:	2022	2023	2024	Weak	Average	Strong
Total Debt per Capita (\$):	4,741	4,591	4,437	X >\$2,000	\$1,000 - 2,000	<\$1,000
Total + New Debt/Capita (\$):			7,046	X >\$2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Tap (\$):	7,575	7,248	6,933	X >\$5,000	\$2,500 - 5,000	<\$2,500
Total Debt + New Debt/Tap (\$):			11,009	X >\$5,000	\$2,500 - 5,000	<\$2,500
Current Water Debt/Tap (\$):	1,637	1,550	1,464	>\$2,000	X \$1,000 - 2,000	<\$1,000
Current Water + New Water Debt/Tap (\$):			5,540	X >2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Assessed Value:	48%	47%	45%	>50%	X 25-50%	<25%
Total Debt + New Water Debt/Assessed Value:			71%	X >50%	25-50%	<25%
Total Debt/Actual Value:	4.74%	4.55%	4.65%	>10%	5-10%	X <5%
Total Debt + New Water Debt/Actual Value:			7.39%	>10%	X 5-10%	<5%
Curr. Water Debt + New Debt/Tap/MHI:			10%	>20%	X 10-20%	<10%
Water Fund Current Ratio (CA/CL):	2,081%	1,721%	2,243%	<100%	100-200%	X >200%
Water Fund Reserves/Current Expense:	586%	583%	523%	<50%	50-100%	X >100%
Water Operating Ratio (OR/OE):	213%	207%	164%	<100%	100-120%	X >120%
Coverage Ratio (TR-OE)/DS:	319%	369%	290%	<110%	110-125%	X >125%
Coverage Ratio (TR-OE)/DS Excluding Tap Fees:	319%	319%	290%	<110%	110-125%	X >125%
Coverage Ratio with New Loan:			116%	<110%	X 110-125%	>125%
Coverage Ratio with New Loan Excluding Tap Fees:			116%	<110%	X 110-125%	>125%
Current Annual Water Rates/MHI:			1.12%	>3.0%	1.5-3.0%	X <1.5%
Current Water Rates + New Water Debt Service/MHI:			1.45%	>3.0%	1.5-3.0%	X <1.5%
Operation and Maintenance Reserve:			669%	<25%	25-50%	X >50%
Total:			6	6	9	





COLORADO

Department of Local Affairs

Division of Local Government

Financial Analysis

Based on 2024 financial information for this supplemental loan, of the twenty-one current indicators calculated, nine were rated strong, six were average, and six were considered weak. Overall, the indicators illustrate a high debt burden for users, but a strong operating ratio and high reserves enables the Town to pay for the project. The strong indicators show ability to meet near and long-term obligations. The weak indicators reflect existing and future debt. When considering the original loan was approved in 2024, the above indicators do not reflect its impact. When factoring in the 2024 loan debt and the proposed loan, eight are considered strong, three are average, and ten are weak. Six indicators decreased from the original 2024 credit report when assuming the new loan.

- Based on 2024 financials, the coverage ratio for this \$2,413,000 DWRP supplemental loan is 116% without tap fee revenue and a rate increase is not projected to be necessary to meet the 110% coverage ratio.
- However, when considering the \$61,296 annual payment for the 2024 original \$1,425,903 DWRP loan with the 2024 financials, the coverage ratio with the proposed loan drops to 86% without tap fee revenue, additional annual revenue of \$57,029 or \$8.01 per tap per month is projected to be necessary to meet the 110% coverage ratio.
 - When including the recently approved rate increases of \$29.82, no further rate increases are projected for the Town to meet the 110% coverage ratio.
- When considering the debt and debt service for the original 2024 loan and this supplemental request, a total of six of the twenty-one indicators changed since the credit report for the original loan: Current Water Debt/Tap and Current Water plus New Water Debt/Tap, went from average to weak; Total Debt/Actual Value and Current Water Debt plus New Debt/Tap/MHI moved from strong to average; and Coverage Ratio with New Loan and Coverage Ratio with New Loan Excluding Tap Fees moved from strong to weak.
- While the weak and average indicators show that the debt might be an increasing burden on the community along with a weakening coverage ratio, the strong indicators show that the debt appears to be affordable to the community based on the Town's assessed value, actual value, and MHI. Additionally, the Town continues to maintain strong reserves.
- The Town's water rates had not been raised since 2021; however, they remained sufficient to cover expenses to this point. The Town approved significant rate increases on July 21, 2026, for both sewer and water, that begin September 1, 2026. No further increase is projected following the approval of the new rate structure for this project.
- The Town is considered a Category 2 disadvantaged community, as reflected by the initial interest rate. The Town does not qualify for further principal forgiveness given it reached its \$2,500,000 cap on the 2024 loan.



July 28, 2026 DWRF Credit Report Town of La Veta, Huerfano County, CO Using most recent data available (Census, audits, local records)	
Estimated Population - 2024	925
Number of Water Taps/Customers - 2024	592
Total Assessed Valuation - 2024	\$9,155,000
Actual Value of All Real Property - 2024	\$88,234,000
Median Household Income (MHI) - 2024	\$52,804
Monthly Water Rate - 2024	\$49.33
Water Operating Revenue - 2024	\$404,456
Water Total Revenue - 2024 [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.]	\$447,603
Water Tap and System Development Fee Revenue - 2024	\$0
Water Operating Expense - 2024	\$246,903
Water Current Expense - 2024	\$316,035
Water Debt - 2024	\$866,553
Total Debt - 2024	\$4,104,433
Water Fund Reserves - 2024	\$1,652,608
Water Debt Service - 2024	\$69,132
New Water Debt [Requested DWRF loan amount.]	\$2,413,000
Requested DWRF Loan Term	30
Requested DWRF Loan Interest Rate	1.75%
New Loan's Annual Water Debt Service (two payments annually)	\$103,730

Current Indicators (2024)					
Town of La Veta					
(Water)					
1	Total Debt	\$4,104,433	÷	Population	925 = \$4,437
	New Debt	\$2,413,000	÷	Population	925 = \$2,609
	Total Debt + New Debt	\$6,517,433	÷	Population	925 = \$7,046
2	Total Debt	\$4,104,433	÷	Number of Taps	592 = \$6,933
	New Debt	\$2,413,000	÷	Number of Taps	592 = \$4,076
	Total Debt + New Debt	\$6,517,433	÷	Number of Taps	592 = \$11,009
3	Total Debt	\$4,104,433	÷	Assessed Value	\$9,155,000 = 44.83%
	New Debt	\$2,413,000	÷	Assessed Value	\$9,155,000 = 26.36%
	Total Debt + New Debt	\$6,517,433	÷	Assessed Value	\$9,155,000 = 71.19%
4	Total Debt	\$4,104,433	÷	Actual Value	\$88,234,000 = 4.65%
	New Debt	\$2,413,000	÷	Actual Value	\$88,234,000 = 2.73%
	Total Debt + New Debt	\$6,517,433	÷	Actual Value	\$88,234,000 = 7.39%
5	Current Water Debt (Current Water Debt + New Water Debt) / Number of Taps	\$866,553	÷	Number of Taps	592 = \$1,464
		\$5,540	÷	MHI	\$52,804 = 10.49%
6	Current Ratio (CA / CL)				
	Current Assets	\$1,729,714	÷	Current Liabilities	\$77,106 = 2243%
7	Reserve/Expense Ratio				
	Reserves	\$1,652,608	÷	Current Expenses	\$316,035 = 523%
8	Operating Ratio (OR / OE)				
	Operating Revenues	\$404,456	÷	Operating Expenses	\$246,903 = 164%
9	Coverage Ratio [(TR - OE) / DS]				
	Total Revenues	\$447,603	-		
	Minus Operating Expenses	<u>\$246,903</u>			
	=	\$200,700	÷	Current Debt Service	\$69,132 = 290%
	Coverage Ratio Excluding Tap and Development Fee Revenue	\$200,700			
10	Minus Tap and Development Fee Revenue	<u>\$0</u>			
	=	\$200,700	÷	Current Debt Service	\$69,132 = 290%
11	Projected Coverage Ratio				
	Total Revenues	\$447,603			
	Minus Operating Expenses	<u>\$246,903</u>			
	=	\$200,700		Total Debt Service (with new loan)	\$172,862 = 116%
	Projected Coverage Excluding Tap and Development Fee Revenue	\$200,700			
12	Minus Tap and Development Fee Revenue	<u>\$0</u>			
	=	\$200,700	÷	Total Debt Service (with new loan)	\$172,862 = 116%
13	Current Debt Service	\$69,132	÷	Number of Taps	592 = \$116.78
	Annual New Water Debt Service	\$103,730	÷	Number of Taps	592 = \$175.22
	2024 Annual Water Rate (Monthly Rate x 12)	\$591.94	÷	MHI	\$52,804 = 1.12%
	2024 Annual Water Rate + New Annual Debt Service Per Tap	\$767.15	÷	MHI	\$52,804 = 1.45%
15	Current 2024 Monthly User Charge (Debt Service on DWRP Loan / 2024 Taps / Month)				\$49.33
	Total				<u>\$14.60</u>
					\$63.93
16	Operation and Maintenance Reserve				
	Reserves	\$1,652,608	÷	Operating Expenses	\$246,903 = 669%

2026 SRF Disadvantaged Community Criteria

Loan Terms

Amount of Loan:	\$ 2,413,000
Interest Rate:	3.25%
Term (years):	20
Annual Payment:	\$ 165,024

Applicant:	Town of LaVeta		
	Test Result	Conditions met to be DAC	
	Y	Test 1: P1 & P2 or P3	
		Test 2: P1, Not P2 or P3, & 2+ S1-S5	
		Test 3: P1 ??, P2 & P3, & 2+ S1-S5	

		Benchmark	Applicant	Result	Notes on Data Used
Current Population (2024)	<=	10,000	925	Y	
Population 5 years ago (2020)			903		
Poulation 10 years ago (2015)			875		

Primary Factors

P1	MHI (Place)	<=	\$ 76,376	52,804	Y	
	Margin of Error (MOE)	±		10,885		
P2	MHV (Place)	<=	\$ 431,520	389,300	Y	
	Margin of Error (MOE)	±		72,761		
P3	24 Month Unemployment (County)	>=	5.35%	6.42%	Y	
	or 10 Year % Chng. Jobs (County)	<=	0.00%	15.90%	N	
	Jobs (2024)			2,609		
	Jobs (2015)			2,251		

Priority Factor Count	3
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Secondary Factors

S1	MHI (County)	<=	\$	76,376	52,526	Y		
	Margin of Error (MOE)	±			5,017			
	Reliability (CV)	<=		18.00%	5.81%	Y		
S2	10 Year % Chng. Population	<=		0.00%	5.71%	N		
S3	Assessed Value / Housing Unit	<=	\$	24,337	\$14,837	Y		
	Assessed Value				9,154,575			
	Total Housing Units				617			
S4	Current Debt / Tap / MHV	>		0.21%	0.38%	Y	If MHV CV > 18%, calculate result at top of band	Result
W	Current + Projected Debt/Tap/MHV	>		0.21%	1.42%	Y		
	S4b 80th percentile			0.77%	1.42%	Y		
S5	System Full Cost / Tap / MHI	>		1.11%	1.12%	Y	If MHI CV > 18%, calculate result at top of band	Result
	Projected Rate @ 110% Coverage	>		0.98%	1.61%	Y		
	S5b 80th percentile			1.58%	1.61%	Y		

Secondary Factor Count	4
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System Data for S4 and S5: To be completed by DLG

Taps or EQR's	592
Total Debt	866,553
Principal & Interest	69,132
Operating Expenses (including operating transfers out)	246,903
Depreciation	104,129

WPCRF & DWRF							
		Benchmark	Applicant	Points	Notes on Data Used		
Eligibility Criteria							
1	Population loss or growth is slower than the state's over 5 years	<=	0.73%	0.60%	1.0		
	Current Population (2024)		925				
	Poulation five years ago (2020)		903				
2a	10 Year % County Job Change	>=	0	15.90%	0.0		
2b	County 24 Month unemployment rate exceeds the state's plus 1%	>=	5.35%	6.42%	0.5		
3	Median Household Income	<=	\$ 95,470	52,804	1.0	If MHI CV > 40%, calculate result at top of band	Result
		>=	\$ 119,338		0.0		
	Reliability (CV)	<=	40.00%	N/A	N		
4	Rates compared to MHI	>	0.76%	1.12%	1.0	If MHI CV > 40%, calculate result at top of band	Result
	W Monthly Residential Rate	>		49.33			
				based on application only, needs to be confirmed			
5	Project addresses removal of lead or emerging contaminants	Yes	No	0.0			
6	% Population that identifies as minority is greater than 40%	>	40.00%	4.23%	0.0		
7	% Population that are housing burdened is greater than 50%	>	50.00%	31.58%	0.0		
8	% Population under 200% Poverty Level is greater than 40%	>	40.00%	30.22%	0.0		
9	% Population under 200% Poverty Level + % Population over 65 years old is equal to or greater than two thirds of communities in the state	>=	55.00%	89.42%	1.0		
	% Population over 65 years old			59.20%			
10	Meets base program DAC criteria?		Yes	3.0			
BIL Eligibility Points				7.5			

2026 IUP DWRF Priority Point Calculations

Entity Name:	Town of La Veta
Date of Scoring	7/28/26
SRF Phase:	Loan app
DOLA Score:	115
DAC:	DAC

Benchmarks

\$95,470 2020-2024 State MHI estimate

		Points	Entity Value	
P1	MHI		\$52,804	55%
	<50% of state MHI	35		
	Between 51% and 80% of state MHI	20		
	Between 81% and 100% of state MHI	5		
	>100% state MHI	0		
S5a	User Fees (current water rate at 110%/tap/MHI)		1.12%	
	Rates are > 1.55%	45		
	Rates are between 1.11% and 1.55%	25		
	Rates are < 1.11%	0		
S5a	OR			
S5a	User Fees for a combined water & sewer fund			
	Rates are > 2.70%	45		
	Rates are between 2.03% and 2.70%	25		
	Rates are < 2.03%	0		
S4a	Current water debt per tap compared to MHV		0.38%	
	Debt is > 0.63%	45		
	Debt is between 0.21% and 0.63%	25		
	Debt is < 0.21%	0		
S4a	OR			
S4a	Current water & sewer debt (for combined systems)			
	Debt is > 1.26%	45		
	Debt is between 0.57% and 1.26%	25		
	Debt is < 0.57%	0		
	Population served		925	
	Less than 500	35		
	Between 500 and 1,000	25		
	Between 1,000 and 2,000	20		
	Between 2,000 and 5,000	15		
	Between 5,000 and 10,000	5		
	>10,000	0		
S3	Assessed Value/Household		14,837	
	AV per household is < \$12,722	35		
	AV per household is between \$12,272 and \$24,337	20		
	AV per household is between \$24,337 and \$46,151	10		
	AV per household is greater than \$46,151	0		



Principal Forgiveness and Priority Point Scoring

Applicant: Town of La Veta
DWRF or WPCRF: DWRF

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

BIL Principal Forgiveness

Eligible for BIL principal forgiveness? No

Eligible BIL principal forgiveness percentage: N/A

Amount of principal forgiveness awarded (accounting for any applicable cap/max):\$0

Base DWRF/WPCRF Principal Forgiveness Scoring

DWRF/WPCRF

Water Quality & Public Health + CPDWR Compliance:	5
DOLA Affordability Score:	115
Total Score	120

Eligible as a base program DAC? No

Eligible base program DWRF/WPCRF principal forgiveness percentage: N/A

Amount of principal forgiveness awarded (accounting for any applicable cap/max): \$0

Priority Point Scoring

Total WQCD Score:	35
DOLA Affordability Score:	115
Total Score:	150

DWRF LOAN CREDIT REPORT

Town of La Veta (“The Town”), Huerfano County

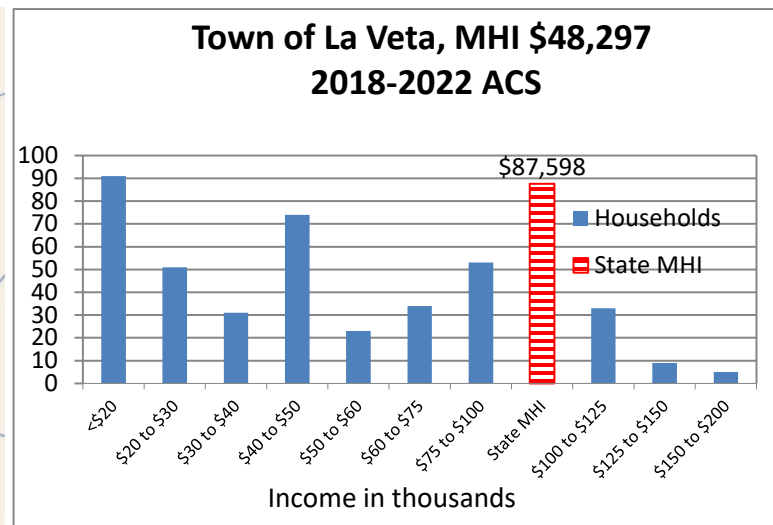
Recommendation:	APPROVAL
Loan Request:	\$3,978,000
Interest Rate & Term:	1.75%, 30 years
Annual Debt Service:	\$61,296
Pledge:	Water System Revenue
Current Rate:	\$49.33
Estimated Rate Increase:	\$0.00

<u>Project Budget</u>	
DWRF BIL Loan:	\$1,425,903
DWRF BIL Supplemental PF:	\$2,552,097
2023 EIAF Grant:	\$1,000,000
2024 D&E Grant:	\$300,000
Total:	\$5,278,000

PROJECT DESCRIPTION: This project consists of a new water treatment plant using conventional treatment technology with full automation. There will be three pre-engineered clarifier units, a below grade disinfection contact, a clearwell tank, and a building extension to house the new treatment equipment.

COMMUNITY PROFILE:								Avg. Annual Change
Town of La Veta	2018	2019	2020	2021	2022	2023	2024	
Town Population	895	899	860	875	891			-0.11%
Huerfano County Population	6,758	6,778	6,833	6,948	7,104			1.26%
Huerfano County Jobs	2,611	2,631	2,689	2,720	2,662			0.48%
Number of Water Taps			597	599	602	604	604	0.29%
Number of Sewer Taps			580	582	585	587	587	0.30%
Assessed Value (\$000)			8,494	8,569	9,303	9,112	9,155	1.89%
Actual Value (\$000)			83,265	84,196	94,062	94,064	88,234	1.46%

BORROWER BRIEF: The Town of La Veta is located at the base of the Spanish Peaks of the Sangre de Cristo Mountains in south central Huerfano County. State Highway 12 serves as the Town’s Main Street, and is located approximately 57 miles southwest of Pueblo and 46 miles east of Alamosa.



RECOMMENDATION: The Town serves a small, rural community in southern Huerfano County. This proposed loan is necessary to build a new water treatment plant (WTP) using conventional treatment technology with full automation and replace the current, aging WTP. Furthermore, the Town is subject to a compliance schedule and constructing this project will keep the system on course to meet its requirements. The Town has also received strong financial support in the form of grants totaling \$1,300,000. With the grants, the Town’s eligibility for BIL funding, and classification as a disadvantaged community, the project is considerably more affordable. We therefore recommend the DWRF Committee approve a \$1,425,903 direct BIL loan, and \$2,552,097 in BIL principal forgiveness to the Town of La Veta.

PROJECT SUMMARY:

System summary: The Town receives water from the Cucharas River and is stored in North and South La Veta lakes. The water is pumped to a filtration system with a bead clarifier and small clearwell. The finished water is stored in two contact time tanks before being sent to the 586 service connections in the distribution system.

Reason/need: The original facility was constructed in 1972. In 1996, the existing treatment equipment was converted to a Microfloc type upflow clarifier, three rapid rate gravity filters and a clearwell. In 2009, the Town constructed a new metal building over the original WTP building as the original 1972 metal building had severe corrosion. In 2011, the upflow clarifier was reclassified and the WTP treatment process reclassified as direct filtration. This increased the required disinfection contact time of the WTP. In 2013, the CDPHE Disinfection Outreach Verification Effort (DOVE) program reduced the disinfection contact efficiency of the storage tanks, further restricting the usable volume of the tanks. In 2023, the Town received an enforcement order for the MCL exceedance of the disinfection byproduct HAA5. The WTP is in very poor condition. The existing treatment processes, upflow clarification and filtration, are manually operated and require considerable operator attention.

System Compliance: The Town (CO0128500) has an enforcement order issued November 13, 2023 to address disinfection byproducts, specifically HAA5. The Town has a compliance schedule to perform activities to complete construction by October 31, 2025. The project is intended to return the system to compliance.

Project Delivery Method: Design/Bid/Build

Contingency: 8% of total project cost included as contingency.

CURRENT INDICATORS:	2020	2021	2022	Weak	Average	Strong
Total Debt per Capita (\$):	1,551	5,301	5,007	X >\$2,000	\$1,000 - 2,000	<\$1,000
Total + New Debt/Capita (\$):			6,608	X >\$2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Tap (\$):	2,234	7,743	7,411	X >\$5,000	\$2,500-5,000	<\$2,500
Total Debt + New Debt/Tap (\$):			9,780	X >\$5,000	\$2,500-5,000	<\$2,500
Current Water Debt/Tap (\$):	1,772	1,689	1,602	>\$2,000	X \$1,000 - 2,000	<\$1,000
Current Water + New Water Debt/Tap (\$):			3,970	X >2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Assessed Value:	16%	54%	48%	>50%	X 25-50%	<25%
Total Debt + New Water Debt/Assessed Value:			63%	X >50%	25-50%	<25%
Total Debt/Actual Value:	1.60%	5.51%	4.74%	>10%	5-10%	X <5%
Total Debt + New Water Debt/Actual Value:			6.26%	>10%	X 5-10%	<5%
Current Water Debt + New Debt/Tap/MHI:			8.22%	>20%	10-20%	X <10%
Water Fund Current Ratio (CA/CL):	1,290%	1,672%	2,081%	<100%	100-200%	X >200%
Water Fund Reserves/Current Expense:	361%	498%	586%	<50%	50-100%	X >100%
Water Operating Ratio (OR/OE):	172%	180%	213%	<100%	100-120%	X >120%
Coverage Ratio (TR-OE)/DS:	210%	871%	319%	<110%	110-125%	X >125%
Coverage Ratio (TR-OE)/DS Excluding Tap Fees:	203%	266%	319%	<110%	110-125%	X >125%
Coverage Ratio with New Loan:			169%	<110%	110-125%	X >125%
Coverage Ratio with New Loan Excluding Tap Fees:			169%	<110%	110-125%	X >125%
Current Annual Water Rates/MHI:			1.23%	>3.0%	1.5-3.0%	X <1.5%
Current Water Rates + New Water Debt Service/MHI:			1.44%	>3.0%	1.5-3.0%	X <1.5%
Operation and Maintenance Reserve:			796%	<25%	25-50%	X >50%
Total:				6	3	12

FINANCIAL ANALYSIS: Of the twenty-one current indicators calculated, twelve are rated strong, three are average and six are considered weak. Overall, the indicators show this proposed loan represents a growing but manageable debt burden for a small community. Moreover, the new debt should not result in user fee increases. The strong indicators show a strong operating ratio and reserves, affordable current and projected rates, and the ability to meet short and long-term obligations. The weak indicators reflect the proposed debt is large relative to the size of the community

- Based on 2022 financial information, coverage with the proposed loan is 169% without tap fee revenue. No additional annual revenue is projected to be needed to meet the SRF program's 110% coverage requirement.
- Over the past three years, the water fund's operating ratio and current ratio has exceeded the benchmark for a "strong" indicator, thus demonstrating consistent financial stewardship of the water fund.
- The Town's water rates have not been raised since 2021, however, they remain sufficient to cover expenses. Rate increases may be considered following the final cost determinations for this project, but the Town is not planning any increases at this time.
- Without principal forgiveness, the coverage ratio decreases to 92% without tap fee revenue. Additional annual revenue of about \$43,999, or \$6.07 per tap per month, would increase the coverage ratio to 110%.

Additional Project Financing:

In July 2023, the Town was awarded an Energy/Mineral Impact Assistance Grant (EIAF) for \$1,000,000. The Town also received a Design & Engineering (D&E) grant totaling \$300,000 in March 2024.

DESCRIPTION OF THE LOAN:

An estimated \$1,425,903 loan with a thirty-year term with two payments annually at an interest rate of 1.75% will cost the Town approximately \$61,296 in debt service annually. The Town also qualifies for \$2,552,097 in BIL principal forgiveness.

Disadvantaged 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

	Benchmark		Borrower	Met?		Benchmark		Borrower	Met?
P1: MHI	\$70,078	>=	\$48,297	Yes	S1: County MHI	\$70,078	>=	\$49,631	Yes
P2: MHV	\$465,900	>=	\$291,700	Yes	S2: Population Loss	0.00%	>=	3.13%	No
P3: County Unemployment	5.38%	<=	5.94%	Yes	S3: Assessed Value per Housing unit	\$24,963	>=	\$15,403	Yes
County Job Change	0.00%	>=	0.30%	No	S4b: Current and Projected System Debt	0.30%	<	2.81%	Yes
					S4b: 80th Percentile	1.05%	<	2.81%	Yes
					S5b: Projected System Cost Per Tap to MHI	1.08%	<	1.95%	Yes
					S5b: 80th Percentile	1.63%	<	1.95%	Yes

Based on 2018-2022 American Community Survey data, the Town met the requirements of a DAC, qualifying under scenario #1.

Due to its projected rates to MHI and MHV exceeding the 80th percentile, the Town qualifies for the lowest interest rate available (Category 2 DAC, 1.75%).

BIL Principal Forgiveness Eligibility:

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. The Town scores 7.5 points as shown below.

BIL PF DETERMINATION				
	Benchmark		Borrower	Points
1. Five Year % Change in Population	0.71%	>	-0.11%	1
2a: County Job Change	0.00%	>	0.30%	0.5
2b: County Unemployment	5.38%	<	5.94%	
3: Median Household Income, or MHI exceeds 125% of state MHI (-1 point)	\$87,598	>	\$48,297	1
	\$109,498	<		
4: Rates to MHI	0.81%	<	1.23%	1
5: Project addresses removal of lead or emerging contaminants	Yes		No	0
6: % Minority	40.00%	<	13.37%	0
7: % Households Housing Burdened	50.00%	<	29.88%	0
8: % Population under 200% Poverty Level	40.00%	<	32.89%	0
9: % Population under 200% Poverty Level + % Population over 65 years old	55.00%	<	87.34%	1
10: Meets DAC criteria	Yes		Yes	3
Total Points Scored:				7.5

The Town qualifies for BIL principal forgiveness and has expressed interest in receiving a proportional loan with principal forgiveness funding package. Using an estimated principal forgiveness award of 64.115%, the Town qualifies for approximately \$2,552,097 in principal forgiveness, leaving an estimated loan of \$1,425,903.

ECONOMIC ANALYSIS: The Town has a 2022 population estimated at 891 and has changed at an average annual rate of -0.11% since 2018. Huerfano County has experienced an increase of 1.26% in population since 2018. The state population increased at an average annual rate estimated 0.71%.

The region's economy is dominated by retirees and the next largest base industries consist of tourism, government and regional services such as healthcare and transportation. In Huerfano County, Government accounts for the largest job sector (18%), along with Health Service and Retail Trade (16%). The area's largest employers consist of the Le Veta School District (45 employees); Spanish Peaks Medical Clinic (15 employees); Sangre Agro Tech (12 employees); the Town of La Veta (10 employees); and Charlie's Market (8 employees).

No single customer accounts for more than 3% system utilization.

ORGANIZATIONAL ANALYSIS:**Bond Rating**

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

Organizational Structure

The Town is a statutory town governed by a board of trustees and was incorporated in 1876. The Town provides services including Marshal (police) and fire protection, water and wastewater services, public works services, and parks and recreation services. The Town reports a full time operator staffs the system, who reports to the Board of Trustees.

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

Technical/Managerial/Financial (TMF)

The WQCD and DLG conducted a review of the Town's technical, managerial and financial capacity to operate the water system. The review resulted in no mandatory recommendations

Capital Improvement Plan

As part of the application process, the Town submitted a capital improvement schedule, which anticipates capital outlay of \$700,000 for several maintenance projects for the water fund. These projects begin in 2035 and last through 2050 and include replacement of process pumps at the WTP, replacement of customer meters, and distribution system replacement. These projects will be funded from reserves.

Intergovernmental

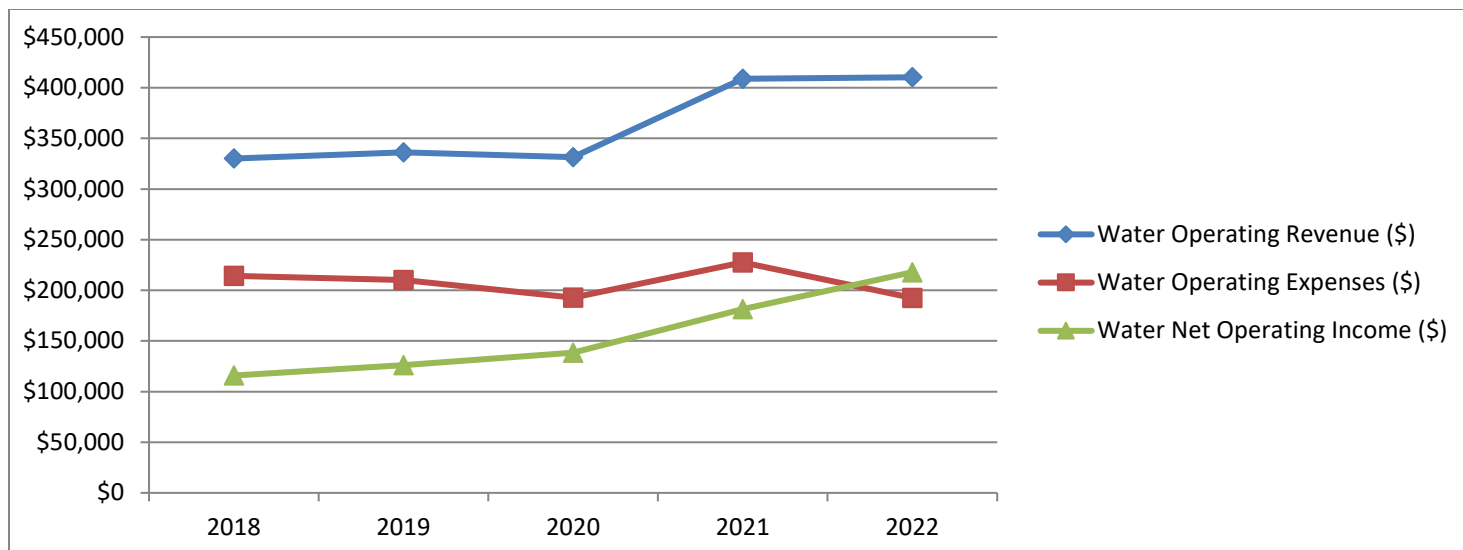
The Town has a 2017 Intergovernmental Agreement (IGA) with the Navajo Western Water District (the District), where the District leases 5.0 acre feet annually of consumptive use of the District Water Rights to the Town. The Town may terminate the lease if it determines it will be impossible or impractical to obtain approval of a substitute water supply plan. In the event of litigation between the parties regarding the performance of either party's obligations, the prevailing party shall be awarded its costs and reasonable attorney fees. The agreement shall terminate in December 2042, unless the District reaches 75% buildout prior to 2037. Should the District achieve 75% buildout, the agreement will expire in December five years after that point.

REVENUE ANALYSIS:

The Town's water system revenues have been steady over the last several years, with an increase in 2021, before leveling off again in 2022. The 2021 revenue increases were attributed to greater usage accompanying new development and taps. Tap fee revenue has been an inconsistent source of revenue over the last five years, but operating revenues have consistently covered operating expenses by a wide margin. The Town expects moderate growth at about a 1% per year moving forward, and has 12 affordable homes scheduled to be built in the next four years.

Operating expenditures declined slightly from 2018-2020, then peaked in 2021, before decreasing again in 2022. The modest 2021 increase was attributed to supply cost increases stemming from the pandemic and ordering more parts given the shortage. In 2022, operating expenditures declined as fewer maintenance purchases were needed.

TRENDS	2018	2019	2020	2021	2022	2023	2024
Monthly Water Rate (\$)			39.79	49.33	49.33	49.33	49.33
Monthly Sewer Rate (\$)			35.82	49.82	49.82	49.82	49.82
Residential Water Tap Fee (\$)			5,000	7,000	7,000	7,000	7,000
Residential Sewer Tap Fee (\$)			2,500	4,000	4,000	4,000	4,000
Total Water Revenue (\$)	331,232	345,313	337,602	828,094	412,334		
Tap/Development Fees (\$)	0	8,000	5,000	417,500	0		
Water Operating Revenue (\$)	330,078	336,101	331,304	408,841	410,285		
Water Operating Expenses (\$)	214,214	210,116	192,817	227,513	192,426		
Water Net Operating Income (\$)	115,864	125,985	138,487	181,328	217,859		
Water Debt (\$)	1,147,743	1,103,324	1,057,955	1,011,615	964,283		
Total Debt (\$)	1,462,743	1,398,824	1,333,955	4,638,217	4,461,610		
Water Debt Service (\$)	68,932	68,924	68,919	68,914	68,910		
Water Debt Service/Tap/Month (\$)			9.62	9.59	9.54		
Water Fund Reserves (\$)	721,179	868,602	944,255	1,475,704	1,531,749		
Ratios	2018	2019	2020	2021	2022	Average	
Operating Revenue as % of Total Revenue	100%	97%	98%	49%	100%	89%	
Operating Revenue as % of Expenses	154%	160%	172%	180%	213%	176%	
Tap Fee Revenue as % of Total Revenue	0.00%	2.32%	1.48%	50%	0.00%	11%	



Recent Rate Increases

The Town's most recent rate increase of \$9.54 for water and \$14.00 for sewer were implemented on January 1, 2021.

User Charges

The Town's current monthly water rate is estimated at \$49.33 compared to the 2022 estimated state median of \$59.19. The Town's average monthly water rate is based on typical residential consumption of 4,537 gallons per month. Residential users pay a \$31.18 base rate (\$9.16 for debt service and \$22.02 O&M) and a volume charge of \$4.00 per 1,000 gallons for consumption. Commercial users are charged per an EQR schedule.

The Town's current monthly sewer rate is a flat \$49.82 (\$23.82 debt service and \$26.00 O&M) compared to the 2022 estimated state median of \$41.23. Commercial users are charged per an EQR schedule.

Contributed Capital

Revenue from tap fees has ranged from \$0.00 to \$417,500 and has averaged 11% of total water revenue during the last five years. The Town's most recent water tap fee rate increase occurred in January 2021.

- Residential water tap fees are \$7,000.
- Residential sewer tap fees are \$4,000.
- Commercial users are charged per an EQR schedule for the type of business and ranges from .01 to 1.20 EQR.

Current System Utilization		
	Usage	Revenue
Residential	86%	95%
Non-residential (per EQR)	14%	5%

Current Fee Summary		
Tap size	Water user/tap fees	Sewer user/tap fees
¾"	\$49.33/\$7,000	\$49.82/\$4,000
¾"	\$49.33/\$7,000	\$49.82/\$4,000

DEBT as of December 31, 2022

Executed	Lender	Term End	Pledge	Outstanding	Interest Rate	Annual payment
2008	CWRPDA	2039	Water System Revenue	\$708,429	1.875%	\$50,118
2014	CWCB	2040	Water System Revenue	\$255,854	3.0%	\$19,014

LOAN COVENANTS: The Town 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 Town has met the Loan Covenants on its DWRF direct loan dated 2008 with the Authority. The Town has also had no debt service payment issues.

Prepared by: Peter Dietrich
Date: August 6, 2024

Project # 141451D-B
Cost Categories:
Planning and Design Only (non-construction) – 9.8%
Construction - Treatment 84.8%
Other – 5.4%

August 8, 2024	
DWRF Credit Report La Veta, Huerfano County, CO Using most recent data available (Census, audits, local records)	
Estimated Population - 2022	891
Number of Water Taps/Customers - 2022	602
Total Assessed Valuation (in thousands) - 2022	\$9,303,000
Actual Value of All Real Property (in thousands) - 2022	\$94,062,000
Median Household Income (MHI) - 2022	\$48,297
Monthly Water Rate - 2022	\$49.33
Water Operating Revenue - 2022	\$410,285
Water Total Revenue - 2022 [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.]	\$412,334
Water Tap and System Development Fee Revenue - 2022	\$0
Water Operating Expense - 2022	\$192,426
Water Current Expense - 2022	\$261,336
Water Debt - 2022	\$964,283
Total Debt - 2022	\$4,461,610
Water Fund Reserves - 2022	\$1,531,749
Water Debt Service - 2022	\$68,910
New Water Debt [Requested DWRF loan amount.]	\$1,425,903
Requested DWRF Loan Term	30
Requested DWRF Loan Interest Rate	1.75%
New Loan's Annual Water Debt Service (two payments annually)	\$61,296

Current Indicators (2022)					
Town of La Veta					
(Water Only)					
1 Total Debt	\$4,461,610	÷	Population	891	= \$5,007
New Debt	\$1,425,903	÷	Population	891	= \$1,600
Total Debt + New Debt	\$5,887,513	÷	Population	891	= \$6,608
2 Total Debt	\$4,461,610	÷	Number of Taps	602	= \$7,411
New Debt	\$1,425,903	÷	Number of Taps	602	= \$2,369
Total Debt + New Debt	\$5,887,513	÷	Number of Taps	602	= \$9,780
3 Total Debt	\$4,461,610	÷	Assessed Value	\$9,303,000	= 47.96%
New Debt	\$1,425,903	÷	Assessed Value	\$9,303,000	= 15.33%
Total Debt + New Debt	\$5,887,513	÷	Assessed Value	\$9,303,000	= 63.29%
4 Total Debt	\$4,461,610	÷	Actual Value	\$94,062,000	= 4.74%
New Debt	\$1,425,903	÷	Actual Value	\$94,062,000	= 1.52%
Total Debt + New Debt	\$5,887,513	÷	Actual Value	\$94,062,000	= 6.26%
5 Current Water Debt (Current Water Debt + New Water Debt) / Number of Taps	\$964,283 \$3,970	÷	Number of Taps MHI	602 \$48,297	= 8.22%
6 Current Ratio (CA / CL) Current Assets	\$1,609,061	÷	Current Liabilities	\$77,312	= 2081%
7 Reserve/Expense Ratio Reserves	\$1,531,749	÷	Current Expenses	\$261,336	= 586%
8 Operating Ratio (OR / OE) Operating Revenues	\$410,285	÷	Operating Expenses	\$192,426	= 213%
9 Coverage Ratio [(TR - OE) / DS] Total Revenues Minus Operating Expenses	\$412,334 \$192,426	-			
=	\$219,908	÷	Current Debt Service	\$68,910	= 319%
Coverage Ratio Excluding Tap and 10 Development Fee Revenue Minus Tap and Development Fee Revenue	\$219,908 \$0				
=	\$219,908	÷	Current Debt Service	\$68,910	= 319%
11 Projected Coverage Ratio Total Revenues Minus Operating Expenses	\$412,334 \$192,426				
=	\$219,908		Total Debt Service (with new loan)	\$130,206	= 169%
Projected Coverage Excluding Tap and 12 Development Fee Revenue Minus Tap and Development Fee Revenue	\$219,908 \$0				
=	\$219,908	÷	Total Debt Service (with new loan)	\$130,206	= 169%
13 Current Debt Service Annual New Water Debt Service	\$68,910 \$61,296	÷	Number of Taps	602	= \$114.47 \$101.82
2022 Annual Water Rate (Monthly Rate 14 x 12)	\$591.94	÷	MHI	\$48,297	= 1.23%
2022 Annual Water Rate + New Annual Debt Service Per Tap	\$693.76	÷	MHI	\$48,297	= 1.44%
15 Current 2022 Monthly User Charge (Debt Service on DWRP Loan / 2022 Taps / Month) Total					\$49.33 \$8.49 \$57.81
16 Operation and Maintenance Reserve Reserves	\$1,531,749	÷	Operating Expenses	\$192,426	= 796%

2024 SRF Disadvantaged Community Criteria

Loan Terms

Amount of Loan:	\$ 3,978,000
Interest Rate:	3.25%
Term (years):	20
Annual Payment:	\$ 272,053

Applicant:	Town of La Veta		
	Test Result	Conditions met to be DAC	
	Y	Test 1: P1 & P2 or P3	
		Test 2: P1, Not P2 or P3, & 2+ S1-S5	
		Test 3: P1 ??, P2 & P3, & 2+ S1-S5	

		Benchmark	Applicant	Result	Notes on Data Used
Current Population (2022)	<=	10,000	891	Y	
Population 5 years ago (2018)			895		
Poulation 10 years ago (2013)			864		
Primary Factors					
P1 MHI (Place)	<=	\$ 70,078	48,297	Y	
Margin of Error (MOE)	±		12,680	OK	
Reliability (CV)	<=	18.00%	15.96%	Y	
P2 MHV (Place)	<=	\$ 465,900	291,700	Y	
Margin of Error (MOE)	±		46,799		
Reliability (CV)	<=	18.00%	9.75%	Y	
P3 24 Month Unemployment (County)	>=	5.38%	5.94%	Y	
or 10 Year % Chng. Jobs (County)	<=	0.00%	0.30%	N	
Jobs (2022)			2,662		
Jobs (2013)			2,654		

Priority Factor Count

3

Secondary Factors

S1 MHI (County)	<=	\$ 70,078	49,631	Y	
Margin of Error (MOE)	±		5,676		
Reliability (CV)	<=	18.00%	6.95%	Y	
S2 10 Year % Chng. Population	<=	0.00%	3.13%	N	
S3 Assessed Value / Housing Unit	<=	\$ 24,963	\$15,403	Y	
Assessed Value			9,303,345		
Total Housing Units			604		
S4 Current Debt / Tap / MHV	>	0.30%	0.55%	Y	
W Current + Projected Debt/Tap/MHV	>	0.30%	2.81%	Y	
S4b 80th percentile		1.05%	2.81%	Y	
S5 System Full Cost / Tap / MHI	>	1.23%	1.07%	N	
Projected Rate @ 110% Coverage	>	1.08%	1.95%	Y	
S5b 80th percentile		1.63%	1.95%	Y	

If MHV CV > 18%, calculate result at top of band Result

If MHI CV > 18%, calculate result at top of band Result

Secondary Factor Count

3

System Data for S4 and S5: To be completed by DLG

Taps or EQR's	602
Total Debt	964,283
Principal & Interest	68,910
Operating Expenses (including operating transfers out)	192,426
Depreciation	118,687

DWRF Only

		Benchmark	Applicant	Points	Notes on Data Used
Eligibility Criteria					
1	Population loss or growth is slower than the state's over 5 years	<= 0.71%	-0.11%	1.0	
	Current Population (2021)		891		
	Population five years ago (2017)		895		
2a	10 Year % County Job Change	>= 0	0.30%	0.0	
2b	County 24 Month unemployment rate exceeds the state's plus 1%	>= 5.38%	5.94%	0.5	
3	Median Household Income	<= \$ 87,598	48,297	1.0	If MHI CV > 40%, calculate result at top of band
	Reliability (CV)	>= \$ 109,498		0.0	
		<= 40.00%	15.96%	Y	
4	Rates compared to MHI	> 0.81%	1.23%	1.0	If MHI CV > 40%, calculate result at top of band
W	Monthly Residential Rate	>	49.33		
based on application only, needs to be confirmed					
5	Project addresses removal of lead or emerging contaminants	Yes	No	0.0	
6	% Population that identifies as minority is greater than 40%	> 40.00%	13.37%	0.0	
7	% Population that are housing burdened is greater than 50%	> 50.00%	29.88%	0.0	
8	% Population under 200% Poverty Level is greater than 40%	> 40.00%	32.89%	0.0	
9	% Population under 200% Poverty Level + % Population over 65 years old is equal to or greater than two thirds of communities in the state	>= 55.00%	87.34%	1.0	
	% Population over 65 years old		54.45%		
10	Meets base program DAC criteria?		Yes	3.0	
BIL Eligibility Points				7.5	

2024 IUP DWRP Priority Point Calculations	
Entity Name:	Town of La Veta
Date of Scoring	7/8/2024
SRF Phase:	Loan app
DOLA Score:	155
DAC:	DAC

Benchmarks

\$87,598 2018-2022 State MHI estimate

		Points	Entity Value	
P1	MHI		\$48,297	55%
	<50% of state MHI	35		
	Between 51% and 80% of state MHI	20		
	Between 81% and 100% of state MHI	5		
	>100% state MHI	0		
S5b	User Fees (projected water rate at 110%/tap/MHI)		1.95%	
	Rates are > 1.63%	45		
	Rates are between 1.08% and 1.63%	25		
S5b	OR			
S5b	User Fees for a combined water & sewer fund			
	Rates are > 2.90%	45		
	Rates are between 1.94% and 2.90%	25		
S4b	Projected water debt per tap compared to MHV		2.81%	
	Debt is > 1.05%	45		
	Debt is between 0.30% and 1.05%	25		
S4b	OR			
S4b	Projected water & sewer debt (for combined systems)			
	Debt is > 2.15%	45		
	Debt is between 0.67% and 2.15%	25		
	Population served		891	
	Less than 500	35		
	Between 500 and 1,000	25		
	Between 1,000 and 2,000	20		
	Between 2,000 and 5,000	15		
	Between 5,000 and 10,000	5		
	>10,000	0		
S3	Assessed Value/Household		15,403	
	AV per household is < \$11,959	35		
	AV per household is between \$11,959 and \$24,963	20		
	AV per household is between \$24,963 and \$43,240	10		
	AV per household is greater than \$43,240	0		



Principal Forgiveness and Priority Point Scoring

Applicant: Town of La Veta
DWRF or WPCRF:DWRF

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

BIL Principal Forgiveness

Eligible for BIL principal forgiveness? Yes

Eligible BIL principal forgiveness percentage: 64.115%

Amount of principal forgiveness awarded (accounting for any applicable cap/max: \$3,000,000

Base DWRF Principal Forgiveness Scoring

DWRF

Water Quality & Public Health + CPDWR Compliance:	15
DOLA Affordability Score:	155
Total Score	170

Eligible as a base program DAC? Yes

Eligible base program DWRF principal forgiveness percentage: 60%

Amount of principal forgiveness awarded (accounting for any applicable cap/max): \$0

Priority Point Scoring

Total WQCD Score:	20
DOLA Affordability Score:	155
Total Score:	175

**COLORADO WATER RESOURCES
AND
POWER DEVELOPMENT AUTHORITY**

RESOLUTION NO. 26-31

**A RESOLUTION APPROVING A DRINKING WATER DIRECT LOAN TO THE
TOWN OF LA VETA 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 Town of La Veta (the "Applicant"); and

WHEREAS, on June 3, 2025, the Authority executed a base direct loan in the amount of \$3,978,000 (\$1,425,903 of principal to be re-paid, plus \$2,552,097 of principal forgiveness, for a total of \$3,978,000 DWRF loan funds) with the Applicant through the Drinking Water Revolving Fund; and

WHEREAS, the Applicant has subsequently requested an additional base direct loan in the amount of \$2,413,000 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 Town of La Veta in an amount not to exceed \$2,413,000 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. 26-31 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 Steamboat Springs, Colorado on August 19, 2026.

Chair

Secretary

ATTEST

EXHIBIT A

Borrower:	Town of La Veta
Project:	This project consists of a new water treatment plant using conventional treatment technology with full automation. There will be three pre-engineered clarifier units, a below grade disinfection contact, a clearwell tank, and a building extension to house the new treatment equipment.
Pledge:	Water Systems Revenue
Loan Term:	30 years
Interest Rate:	1.75%
Amount not to exceed:	\$2,413,000

* - The terms and monetary amounts set forth in Part 1 hereto under the IIJA/BIL General Supplemental and/or base direct loan and the IIJA/BIL General Supplemental and/or base PF loan are premised upon the Authority's understanding of and expectations for the resources available to it from the base federal Capitalization Grants and the IIJA/BIL. These amounts, and the allocation of funds available to the Project from each source, are subject to change, amendment, and/or rescission depending upon the policies, procedures, and budgetary adjustments adopted by the federal administration. If such changes in policies and procedures or budgetary adjustments are adopted by the federal administration, the Authority reserves the right to review and adjust the terms and monetary amounts set forth herein in a subsequent action. Further, the loan agreement authorized by this resolution is subject to non-execution, cancellation, delay, rescission, or alteration depending upon the terms and conditions, quantities, or availability of federal funds provided under existing or future Capitalization Grants. In addition, funding for this and other approved projects may be re-evaluated under the priority scoring system implemented by the Board for all projects based on changes in the availability of anticipated funds. This re-evaluation may result in the funding of some but not all previously-authorized projects, including the project for which the execution of a loan agreement has been authorized by this resolution. The loan agreement authorized by this resolution shall include a term by which Applicant shall hold the Authority harmless for any costs or damages resulting from a change in federal policies, procedures, or funding that results in the requirement that the Authority cancel, delay, rescind, or alter its terms.



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

August 12, 2026

TO: Project Finance Committee and Karl Ohlsen

FROM: Wes Williams, Finance Director
Giorgi Gazashvili, Financial Analyst II

RE: Review of the Montezuma County Local Improvement District No. 2023-1 Upper Road 42 Disadvantaged Community ("DAC") Business Case
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 Disadvantaged Communities ("DAC") Business Case and agreed to forward the request to the Authority's Project Finance Committee with the following recommendation:

Montezuma County Local Improvement District No. 2023-1 Upper Road 42

The Montezuma County Local Improvement District No. 2023-1 Upper Road 42 (the "District"), located in Montezuma County, is seeking approval of a DAC Business Case to allow for potential access to a reduced interest rate through the DWRF program, and DAC approval would qualify the District to receive Infrastructure Investment Jobs Act/Bipartisan Infrastructure Law ("IIJA/BIL") Principal Forgiveness ("PF") and/or Base DAC PF, if available. If the District is approved for DAC status it would automatically be approved for IIJA/BIL benefits. The District is currently not qualified for IIJA/BIL nor DAC eligibility. The proposed project will include construction of a new domestic water distribution system with booster pumps and a water storage tank. The project will become an extension of the Mancos Rural Water Company water distribution system, providing domestic drinking water to residents reliant on hauling water. The District submitted a Project Needs Assessment ("PNA") on April 7, 2023, and it was determined the District did not qualify for DAC status at the time and have not been determined eligible at loan application. The project cost is high compared to the estimated number of taps and would lead to very high debt burden for the community, but there is no specific demographic data available for this community along Montezuma County Road 42. We therefore forward the District's request for disadvantaged community status to the DWRF committee for consideration with a neutral staff recommendation.

<u>Factor</u>	<u>Entity Figures</u>	<u>Benchmark</u>	<u>Qualify?</u>	<u>Notes</u>
P1: MHI	\$128,191	<=\$76,736	No	The block group (the smallest geography available) is several times larger than the District and may not be representative of the District's population. CV is 16.57%.
P2: MHV	\$423,918	<=\$431,520	Yes	
P3: County Unemployment or County Jobs	4.52% 9.82%	>=5.35% <= 0%	No	
S1: County MHI	\$65,244	<= \$76,376	Yes	
S2: Population change	N/A	<=0.0%		Because the system is not built, there was no change in population served.
S3: AV/Households	\$32,333	<=\$24,337	No	
S4b: Current system debt	19.40%	>0.21%	Yes	
S5b: Current system cost	4.83%	>0.98%	Yes	

Attachments: Montezuma County Local Improvement District No. 2023-1 Upper Road 42 DWRF 2026 DAC Business

Recommendation

The Board has two options regarding this DAC business case: approval of DAC eligibility, which would automatically qualify the District for IIJA/BIL benefits, or denial of the DAC request. Based on the attached Business Case for the District, staff forwards a neutral recommendation to the Project Finance Committee. Any approvals are subject to limits, caps, maxes, and availability of PF funds in place at the time of loan application.

Note: A Zoom conference call has been scheduled for **Wednesday, 9:00 a.m. August 12, 2026**. The link to join via online is: <https://us06web.zoom.us/j/86434046643?pwd=bP0FDXrGyJUHcspT1XMDVpl1ahOA7s.1>. If you prefer to dial in, the call-in number is: **1-719-359-4580**, and the Meeting ID is **864 3404 6643**. The passcode is: **163551**.

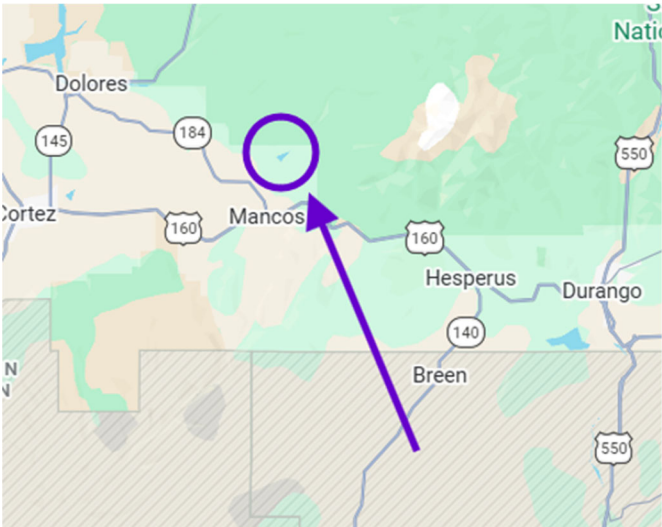
BUSINESS CASE REQUEST (2026)

Montezuma County Local Improvement District No. 2023-1 Upper Road 42 ("The District")

Recommendation:	Neutral	Funding sources:	DWRF Loan:	\$2,385,000
Est. Project Total:	\$2,494,749		2024 D&E Grant:	\$80,000
Est. Amount of Loan:	\$2,385,000		2023 Planning Grant:	\$7,489
Pledge:	Property assessments		Southwest Basin Roundtable	\$22,260
			Total:	\$2,494,749

Project Description: Construction of a new domestic water distribution system with booster pumps and a water storage tank. The project will become an extension of the Mancos Rural Water Company water distribution system, providing domestic drinking water to residents reliant on hauling water.

Recommendation: The District was formed to build a water distribution system for a group of households near Mancos State Park, approximately five miles northwest of the Town of Mancos. The properties were developed in the late 1980s and property owners expected that the Mancos Rural Water Company ("MRWC") would extend their system to include their properties. Now, MRWC will only connect those properties to the water system if the property owners build a distribution system. The community of 29 taps that will be served by the new system would be heavily burdened by the cost of the project. The project cost is high compared to the estimated number of taps and would lead to very high debt burden for the community but there is no specific demographic data available for this community along Montezuma County Road 42. We therefore forward the District's request for disadvantaged community status to the DWRF committee for consideration with a neutral staff recommendation.



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

Factor	Entity Figures	Benchmark	Qualify ?	Notes
P1: MHI	\$128,191	<=\$76,736	No	The block group (the smallest geography available) is several times larger than the District and may not be representative of the District's population.
P2: MHV	\$423,918	<=\$431,520	Yes	

BUSINESS CASE REQUEST (2026)

Montezuma County Local Improvement District No. 2023-1 Upper Road 42 ("The District")

P3: County Unemployment or County Jobs	4.52% 9.82%	$\geq 5.35\%$ $\leq 0\%$	No	
S1: County MHI	\$65,244	$\leq \$76,376$	Yes	
S2: Population change	N/A	$\leq 0.0\%$		Because the system is not built, there was no change in population served.
S3: AV/Households	\$32,333	$\leq \$24,337$	No	
S4b: Current system debt	19.40%	$> 0.21\%$	Yes	
S5b: Current system cost	4.83%	$> 0.98\%$	Yes	

Scoring zero of the three required points, the District is not currently eligible for IIJA/BIL PF and is not a DAC. The District'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 two potential funding scenarios:

Scenario 1: \$2,385,000 loan (no IIJA/BIL or DAC PF; no funds available or ineligible).

Scenario 2: \$1,087,369 loan; \$1,297,631 IIJA/BIL PF; (business case approved; IIJA/BIL PF and DAC eligible)

The credit report which is being considered during the same application cycle as this business case request is written for a \$2,385,000 loan without PF. On November 7, 2023 the District secured voter approval for a \$1,728,511 increase in debt with a maximum annual revenue of \$99,960. The ballot issue authorizing the debt and tax increases passed 30 to zero. If this business case is not approved, the District will need to return to its voters to obtain authorization to take on the entire loan or find another revenue source. If this business case is approved, the District will likely be able to proceed with the PF and avoid returning to its voters for additional debt and assessments.

Explanation of Factors

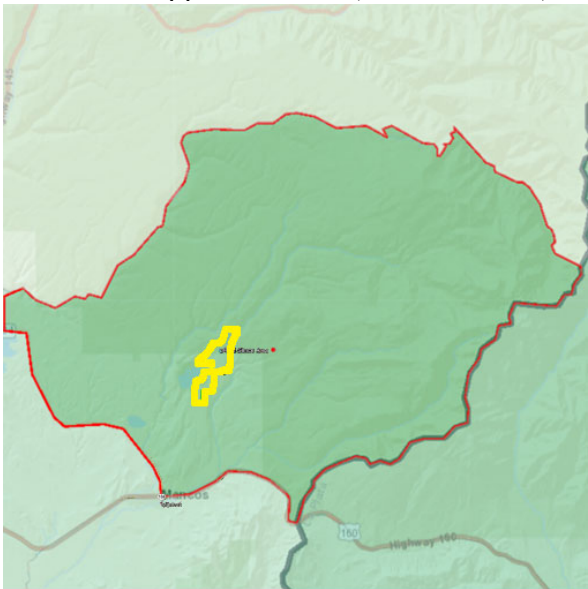
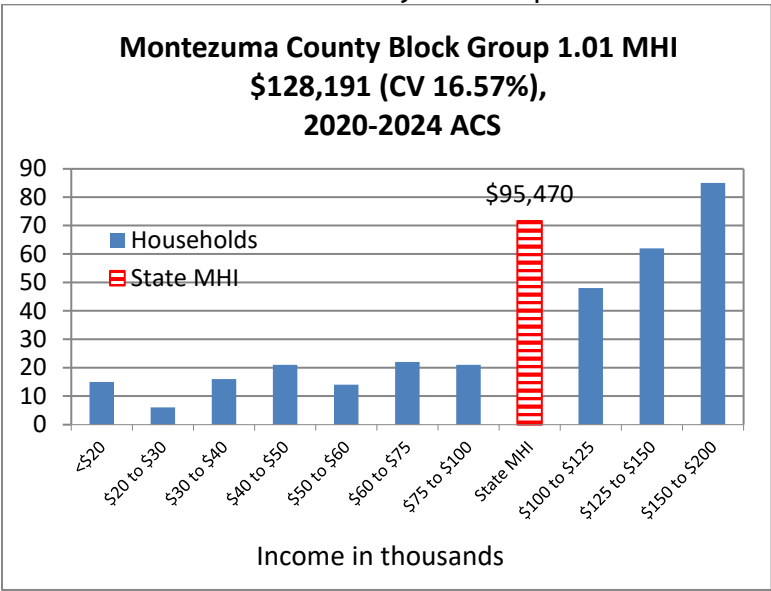
Existing debt as of December 31, 2024:

The District has no existing debt as of December 31, 2024.

P1: The smallest geographic area for the ACS dataset is the block group, which encompasses an area far greater than that of the District. In the below map, the block group is outlined in red and the District boundaries are outlined in yellow. The District's estimated population is 73 while the block group's estimated population is almost ten times greater at 754.

BUSINESS CASE REQUEST (2026)

Montezuma County Local Improvement District No. 2023-1 Upper Road 42 ("The District")



While the block group estimate does exceed the DAC MHI benchmark, the block group is not geographically representative of the District.

P2: Based on data provided by the Montezuma County Assessor’s Office, the median home value within the District is \$423,918, which is slightly below the benchmark of \$431,520 (which is 80% of the state median home value). The ACS estimate for the Block Group is \$441,700, which is slightly higher than the actual median home value of the District.

P3: The region’s economy is dominated by healthcare, retail, local government, agriculture, and hospitality. Regional services, retirees, agribusiness, and tourism make up the majority of the economy. Montezuma County saw the number of jobs increase from 11,225 to 12,400 from 2020 to 2024, with most jobs sectors expanding except for transportation/warehousing, manufacturing, mining/extraction, healthcare, and manufacturing.

S1: The County’s MHI is below the benchmark.

S2: N/A

S3: The District’s assessed value per housing unit is above the benchmark.

S4: The District’s projected debt per tap compared to MHV, 19.40%, far exceeds both the current benchmark of 0.21% and the 80th percentile benchmark (for DAC category 2 determinations) of 0.77%, reflecting very high debt burden associated with the loan.

S5: The District’s projected full cost per tap compared to MHI, 4.83%, far exceeds both the current benchmark of 0.98% and the 80th percentile benchmark (for DAC category 2 determinations) of 1.58%, reflecting very high cost burden associated with the loan.

Eligibility Determination for Infrastructure Investments Jobs Act/Bipartisan Infrastructure Law (IIJA/BIL) Principal Forgiveness:

In order to qualify for IIJA/BIL principal forgiveness, a community must score three (3) points using the IIJA/BIL Principal Forgiveness Eligibility Criteria outlined in the Intended Use Plans.

BUSINESS CASE REQUEST (2026)

Montezuma County Local Improvement District No. 2023-1 Upper Road 42 ("The District")
 Additionally, a community with DAC status is automatically eligible for IIJA/BIL principal forgiveness. The District scores zero points using the following criteria:

IIJA/BIL PF DETERMINATION				
	Benchmark		Borrower	Points
1. Five Year % Change in Population	0.73%	>	0.00%	1
2a: County Job Change	0.00%	>	9.82%	0
2b: County Unemployment	5.35%	<	4.52%	
3: Median Household Income, or MHI exceeds 125% of state MHI (-1 point)	\$95,470	>	\$128,191	-1
	\$119,338	<		
4: Rates to MHI	0.76%	<	0.72%	0
5: Project addresses removal of lead or emerging contaminants	Yes		No	0
6: % Minority	40.00%	<	12.60%	0
7: % Households Housing Burdened	50.00%	<	12.39%	0
8: % Population under 200% Poverty Level	40.00%	<	3.32%	0
9: % Population under 200% Poverty Level + % Population over 65 years old	55.00%	<	48.15%	0
10: Meets DAC criteria	Yes		No	0
Total Points Scored:				0

If this request is approved, the District will automatically qualify for IIJA/BIL PF.

Upper Road 42 Local Improvement District

42115 Road N.25
Mancos, CO 81328
970-379-5715

Board of Directors
Colorado Water Resources and Power Development Authority
1580 N. Logan St, Ste 820
Denver, CO 80203

June 16, 2026

Re: Business Case for IJJA/BIL Loan Forgiveness Eligibility

Dear CWRPDA Board of Directors,

The UR42LID is requesting a business case for loan forgiveness eligibility. Without loan forgiveness, the monthly property assessment would be in excess of \$400/month per tap, which is unaffordable for the majority of the property owners.

For nearly 40 years, the property owners of this area have been waiting to be connected to Mancos Rural Water Company (MRWC). With no plans for expansion of the MRWC distribution system, the property owners formed the Upper Road 42 Water Association, Inc (UR42WA) in 2019 and received a letter of commitment to serve treated water to the properties from MRWC. With grant funding from the Southwest Basin Roundtable in 2020, a Planning Grant and Design and Engineering loan from CDPHE and SRF, the Association held an election to become a Local Improvement District in Montezuma County in order to qualify for more funding opportunities. There were many setbacks over the last seven years that have significantly delayed this project, and we would like to provide that background information on the timeline up to this point.

Over the last seven years, the UR42WA/LID has been searching and applying for every funding opportunity we qualify for to get this project to the finish line. In January 2026, UR42LID submitted our SRF application and within one day received another call from CDPHE informing us the loan forgiveness was no longer available. We were encouraged to pull our application and hold on to it until the June 2026 deadline, at which point the loan forgiveness may be available again. We were informed that the IJJA/BIL expires in January 2027, so the June deadline is our last opportunity for loan forgiveness.

UR42LID resubmitted our application on June 4, 2026 working closely with CDPHE. The LID has been informed we do not qualify for loan forgiveness as we are not a disadvantaged community according to new DOLA criteria. UR42LID has expressed to DOLA, CDPHE and CWRPDA that without supplemental grant funding or loan forgiveness, the principal payments of more than \$400 per month per tap are financially infeasible for the majority of our members. Of the 29 properties in the project boundary, excluding the commercial properties of Mancos State Park

and Mancos Water Conservancy District, 25 of the properties are owned by retired residents, living on a fixed income. While two or three of the 29 properties are affluent, the rest are not able to afford a \$400 per month property assessment in addition to other monthly costs of living.

The properties in the UR42LID have been hauling water for nearly 40 years. There are no water hauling companies currently serving our area so all water must be hauled privately. The majority of the residents are over 65 years old and the chore of hauling water weekly has become a burden to many. While our neighbors help each other and fill our elderly neighbors' cisterns for them, we have been waiting for uninterrupted, reliable, safe drinking water for nearly four decades, which is less than ¼-mile from the first tap.

This project is not only beneficial to the property owners; it is beneficial to MRWC by providing increased pressure to customers whose pressure doesn't currently meet CDPHE design criteria, and providing their water distribution system with a redundant water storage tank that can be back-fed into the rest of the system or used while another tank is taken offline for maintenance. Radios are planned to be placed atop the tank for MRWC, Mancos Water Conservancy District, BOR, and Mancos State Park for communications and the proposed pump station is a repurposed pump station from the City of Durango, which they would have to pay to have removed/demolished. The water system extension was designed not only by an engineering firm, but in collaboration with water operators to ensure the system that would be handed over would be easily operational on day one and a true upgrade to the MRWC distribution system. This project has the full support of the Southwest Basin Roundtable, the Montezuma Board of County Commissioners, many staff at CDPHE, DOLA, CWRPDA, and has wide community support.

The UR42LID formally requests a business case for loan forgiveness eligibility based on the need for the project, the average age of our residents, the average income, no opportunity for growth, the many challenges and setbacks this project has faced, the mutual benefits this project provides for MRWC's water distribution system and existing MRWC customers, Mancos Water Conservancy District, BOR, and Mancos State Parks communications, community residential and organization support, support from local government officials, and of course, the full support of the members of the UR42LID.

Thank you for your consideration. Should you have any questions or require additional project details or background, please contact us.

Sincerely,

Laura Rieck
District Administrator
Upper Road 42 Local Improvement District
upperroad42water@gmail.com
970-379-5715

ec: UR42LID members
Erick Worker, CDPHE
Ian Loffert, CWRPDA

**COLORADO WATER RESOURCES
AND
POWER DEVELOPMENT AUTHORITY**

RESOLUTION NO. 26-32

**A RESOLUTION PROVIDING FOR APPROVAL OF RECEIPT TERMS FOR USE OF
STATE MATCH FUNDS FOR THE IJJA FUNDING PROGRAM - WATER POLLUTION
CONTROL REVOLVING FUND AND DRINKING WATER REVOLVING FUND**

WHEREAS the federal government has created the U.S. Environmental Protection Agency's Water Pollution Control Revolving Fund and Drinking Water Revolving Fund Bipartisan Infrastructure Law ("BIL") (also known as the Infrastructure Investment and Jobs Act ("IIJA")) Funding Program (the "IIJA Funding Program");

WHEREAS the IIJA Funding Program requires that for certain federal funds provided under the IIJA Funding Program in federal fiscal year 2026, any state shall deposit in its state loan fund from state moneys an amount equal to twenty percent (20%) of that portion of the grant to be requested by and provided to the State under the IIJA Funding Program requiring state matching funds;

WHEREAS the State of Colorado (the "State"), by and through applications submitted by the Colorado Department of Public Health and Environment ("Public Health") and the Colorado Water Resources and Power Development Authority (the "Authority"), will request approximately \$109,000,000 under the IIJA Funding Program for the year 2026. Of that amount, IIJA Supplemental requests are estimated to be approximately \$64,000,000, which require commitment of 20 percent state matching funds, in an amount of approximately \$13,000,000 only for IIJA Supplemental Grant funds;

WHEREAS Public Health has requested state matching funding (the "State Matching Funds") from the State through Senate Bills 22-215 and 23-238, for use in meeting the state match requirement of the IIJA Funding Program, for the purposes of applying for and implementation of the IIJA Program Funding for the State's Water Pollution Control Revolving Fund ("WPCRF") and Drinking Water Revolving Fund ("DWRF") (and jointly, the "State Revolving Funds" or "SRFs");

WHEREAS use of the State Matching Funds is dependent upon successful receipt of federal funds as part of the IIJA Funding Program;

WHEREAS the Authority has been created and designated by the Colorado State Legislature under C.R.S. § 37-95-101, et seq., as the entity charged with administering the State's WPCRF and DWRF;

WHEREAS the Authority has and maintains a SRF state match holding account, wherein it deposits state match funds required for participation in the SRF programs; and

WHEREAS Public Health desires to convey to the Authority, and the Authority desires to accept for deposit in its SRF state match holding fund, the State Matching Funds for its use in seeking and administering Program Funding under the IJJA Funding Program subject to the requirements of the IJJA, C.R.S. §25-1.5-208, C.R.S. § 37-95-101, et seq., other applicable statutes and requirements, and the terms of this Resolution;

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

A. The Authority will accept from Public Health for deposit in its SRF state match holding fund an amount not to exceed \$14,000,000 as State Matching Funds, to be used by the Authority to meet the state match requirements under the IJJA Funding Program. In accepting the State Matching Funds, the Authority agrees as follows:

1. The State Matching Funds will be used for eligible uses as enumerated in C.R.S. §24-75-232, C.R.S. §25-1.5-208, and Senate Bills 22-215 and 23-238
2. The State Matching Funds will be used to support applications for federal funds through the IJJA Funding Program.
3. The Authority's use of the State Matching Funds is dependent upon the successful receipt of federal funds as part of the IJJA Funding Program.
4. The Authority will cooperate with Public Health in meeting Public Health's requirement to provide the Governor's Office with confirmation and a copy of the application for grants under the IJJA Funding Program to the EPA.
5. The Authority will cooperate with Public Health to fulfill Public Health's obligation to notify the Governor's Office within 5 days of receiving notification from the EPA about the approval or denial of a grant application.
6. The Authority will cooperate with Public Health to submit an addendum to Public Health's agreement with the Office of the Governor with the grant award documentation and materials setting forth the specific uses, budget, and timeline for spending the State Matching Funds.
7. The Authority will work with Public Health to ensure that the State Matching Funds, in combination with the federal funds received under the IJJA Funding Program, are used for eligible projects, as defined in the IJJA Funding Program.
8. If the Authority does not spend the entire amount of the State Matching Funds within the timeline provided under the IJJA Funding Program, then the Authority will cooperate with Public Health to return the unspent funds to the Governor's Office.
9. The Authority will cooperate with Public Health to fulfill Public Health's obligation to provide the Governor's Office with any information needed for reporting related to implementation and compliance, including but not limited to reports to the Joint Budget Committee.
10. The Authority will keep and maintain records sufficient and adequate to satisfy the reporting requirements of the IJJA Funding Program and shall coordinate with Public Health to ensure such records are provided or available as required by the IJJA Funding Program and the Governor's Office.

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. 26-32 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 Steamboat, Colorado on August 19, 2026.

Chair

Secretary

TO: Board of Directors and Karl Ohlsen

FROM: Wesley Williams, Finance Director
Ian Loffert, Assistant Finance Director and Compliance Officer

RE: Disadvantaged Communities (DAC) Criteria Updates

At the June 2026, Board meeting, staff presented several broad options for modifying DAC eligibility criteria and were directed to further evaluate criteria that could replace or supplement the current DAC methodology while aligning more closely with Infrastructure Investment and Jobs Act (IIJA) / Bipartisan Infrastructure Law (BIL) affordability considerations. The DAC Subcommittee has evaluated a range of potential criteria, including existing IIJA/BIL affordability indicators, current DAC criteria, and additional measures included within Colorado’s definition of disproportionately impacted communities.

Staff Recommendations: Staff recommends continuing development of a points-based DAC methodology and seeks Board direction regarding which criteria should be included in the benchmark and weighting analysis. Based on the attached DAC Subcommittee memo and review that includes detailed metrics, staff recommends the following:

Broad Criterion Category	Recommendation
Population ≤ 10,000	Retain
Population Growth/Loss	Retain
Jobs/Unemployment	Retain
Median Household Income (MHI)	Retain
Rates as % of MHI	Retain
Minority Population	Retain
Housing-Burdened Population	Retain
Population Below 200% of Poverty	Retain
Poverty + Population Over 65	Retain
Median Home Value (MHV)	Retain
Assessed Value per Household	Retain
System Debt per Tap Relative to MHV	Retain
System Full Cost/Required Revenue per Tap Relative to MHI	Retain
Mobile Home Communities	Add, Auto Qualify
Lead Service Line/Emerging Contaminant Projects	Do Not Include
Linguistically Isolated Communities	Do Not Include

Next Steps: Following Board discussion and direction, staff will conduct a comprehensive data analysis of the selected criteria to evaluate potential benchmark values, weighting methodologies, and DAC qualification thresholds. Staff anticipates returning to the Board with a recommended scoring framework, supporting analyses, and proposed revisions to DAC eligibility criteria for future consideration and possible approval.

Board Action: Review and discuss the Board’s desires and strategies regarding potential DAC criteria and staff recommendations and offer guidance on criteria to be included in the development of a revised DAC scoring methodology to be presented for possible approval at a future Board meeting.



MEMORANDUM

To: SRF Committee
From: DAC Subcommittee
Date: July 28, 2026
Re: DAC Criteria Updates

Background/ Reason and Need

The Authority Board has expressed concerns with how the existing process deals with applicants that do not have representative data for Median Household Income (MHI) or whose population is too small for the Census Bureau to provide a reliable estimate for MHI. After presenting the Authority Board with several broad options for making changes to the Disadvantaged Community (DAC) eligibility criteria at the June 2026 Board meeting, staff was directed to further explore and present more detailed options for modifying IIJA/BIL criteria to replace existing DAC criteria and scenarios.

Staff has developed a list of potential criteria that could replace existing DAC criteria. Each criterion will have a benchmark as well as a number of points associated with that criterion. Communities would then have a total number of points that will be compared with a threshold number to determine DAC status. While the benchmarks, points per criterion, and total points threshold will need to be set later, staff is seeking direction now on which DAC criteria should be included. Below is a list of DAC criteria options based on IIJA/BIL criteria, in addition to other criteria options from the existing DAC program, as well as criteria options which are neither in the existing DAC program nor the current IIJA/BIL criteria.

Staff seeks Authority Board direction on which of the following criteria to include in a data analysis for establishing benchmarks, a number of points associated with each criterion, and a total points threshold for DAC status to be presented for review by the Authority Board.

DAC Criteria Options and Recommendations

Population Limit

The current population limit for DACs is 10,000. Staff does not recommend changing this threshold because funding small communities remains a priority for the SRF program.

Existing IJJA/BIL Criteria

1. Population loss or growth slower than the state's over 5 years (benchmark is 0.61%). (1 point). Total possible score of 1 point.
 - a. Data source: State Demography Office population data or number of taps used to estimate population
 - b. **Recommendation:** Retain this criterion because slowing population growth or population decline indicates both socioeconomic challenges as well as increasing cost and debt burden on a shrinking community. The Clean Water Act requires states to consider population trends when formulating affordability criteria.
2. Jobs/Unemployment
 - a. County-level job loss over 10-years. (0.5 points)
 - b. Counties with $\geq$ a 24-month average unemployment rate that exceeds the state's plus 1% (benchmark is 4.47%). (0.5 points)
 - c. Data source: Bureau of Labor Statistics
 - d. **Recommendation:** Retain this criterion because the Clean Water Act requires states to consider unemployment data when formulating affordability criteria.
3. Median Household Income
 - a. Community MHI less than the State MHI (benchmark is \$92,470): (1 point)
 - b. Community MHI exceeds 125% of the State MHI (benchmark is \$115,588): (-1 point).
 - c. Data source: Census Bureau American Communities Survey 5-year estimates (ACS)
 - d. **Recommendation:** Retain this criterion because the Clean Water Act requires states to consider income when formulating affordability criteria.
4. Rates compared to MHI exceed the ratio of estimated annual median rates to state Median Household Income.
 - a. Benchmarks are 1.35% for combined sewer and drinking water, 0.79% for water, and 0.56% for sewer. (1 point)
 - b. Data source: ACS and DLG Compendium of municipal finances
 - c. **Recommendation:** Retain this criterion because rates directly impact community members and indicate affordability.
5. Project addresses removal of lead or emerging contaminants as these water quality contaminants contribute to environmental risk factors and health disparities. (1 point)
 - a. **Recommendation:** Do not include this criterion because dedicated funds for lead or emerging contaminants do not exist within the base program.
6. The percentage of the population within a community that identifies as minority. (benchmark is 40%) (1 point)
 - a. Data source: ACS
 - b. **Recommendation:** Retain this criterion since it is in the state definition of disproportionately impacted communities.
7. The percentage of population within a community that is housing-burdened. (benchmark is 50%). (1 point)

- a. Data source: ACS
 - b. **Recommendation:** Retain this criterion since it is in the state definition of disproportionately impacted communities.
- 8. The percentage of the population within a community living under 200% of the poverty level. (benchmark is 40%). (1 point)
 - a. Data source: ACS
 - b. **Recommendation:** Retain this criterion since it is in the state definition of disproportionately impacted communities.
- 9. Combined percent of population living under 200% of poverty level + percent of population over 65 years is greater than or equal to two-thirds of communities in the state (benchmark is 55%). (1 point)
 - a. Data source: ACS
 - b. **Recommendation:** Retain this criterion since the State Demography Office recommended it as a useful indicator for affordability issues in aging populations.

Current DAC Criteria for Consideration

- 10. Median Home Value
 - a. Community MHI less than 80% of State MHI (benchmark is \$431,520)
 - b. Data Source: ACS and County Assessor data
 - c. **Recommendation:** Retain this criterion because MHV has been long used in the SRF program as a proxy to measure community wealth. In cases where the Census Bureau data is not available or representative, DOLA can work with the County Assessor to obtain a geographically accurate estimate.
- 11. Assessed value/household
 - a. The community's total assessed value is less than the median Colorado municipality.
 - b. **Recommendation:** Retain this criterion as an indicator of community economic wealth
- 12. Current & projected system debt per tap to MHV
 - a. Debt per tap to MHV greater than that of the median Colorado municipality.
 - b. Data source: ACS and DLG Compendium of municipal finances
 - c. **Recommendation:** Retain this criterion because it uses DLG data on real municipal system costs to assess debt burden.
- 13. System full-cost per tap to MHI or required revenue per tap to MHI
 - a. Full cost is greater than the median Colorado municipality or required revenue is greater than the median Colorado municipality.
 - b. Data source: ACS and DLG Compendium of municipal finances
 - c. **Recommendation:** Retain this criterion because it uses DLG data on real municipal system costs to assess affordability.

Other Criteria for Consideration (that are listed in the state's disproportionately impacted communities definition)

14. Mobile home communities

- a. Mobile home parks that meet [DOLA's definition](#) automatically qualify as a disproportionately impacted community under the state definition.
- b. **Recommendation:** Include this criterion because DAC analysis on mobile homes is challenging given their small populations. Recommend using this criterion as an automatic qualifier outside of the points threshold. Private mobile home parks would still not be eligible for SRF funding.

15. Linguistically isolated communities

- a. Census block groups in which more than 20% of the population lives in households where all adults speak a language other than English or do not speak English well.
- b. Data source: ACS
- c. **Recommendation:** Do not include this criterion as it is not a reliable indication of a disadvantaged community.



COLORADO WATER RESOURCES POWER DEVELOPMENT AUTHORITY

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MEMORANDUM

August 19, 2026

TO: Board of Directors and Karl Ohlsen

FROM: Wes Williams, Finance Director
Ian Loffert, Assistant Finance Director

RE: 2025 Base and Infrastructure Investment and Jobs Act / Bipartisan Infrastructure Law (“IIJA/BIL”) Capitalization Grant Awards and Conditions Drinking Water Revolving Fund (“DWRF”)

The following 2025 Federal Fiscal Year (“FFY”) DWRF Base and Infrastructure Investment and Jobs Act / Bipartisan Infrastructure Law (“IIJA/BIL”) program capitalization grants were awarded either late last year or will be awarded soon:

Capitalization Grant	FFY 2025 (\$)	Increase/Decrease from FFY 2024	Date of Award
DWRF Base Program	\$19,105,000	+\$10,941,000	9/10/2025
DWRF IIJA/BIL General Supplemental	\$43,616,000	+\$3,351,000	9/11/2025
DWRF IIJA/BIL Emerging Contaminants	\$13,384,000	\$0	9/10/2025
DWRF IIJA/BIL Lead Service Line	\$28,650,000*	-\$4,150,000*	N/A

*Estimated – final award is forthcoming

FFY 2025 DWRF Capitalization Grant conditions may include, but are not limited to, the following:

- Build America Buy America Act (BABAA).
- Disadvantaged Business Enterprise (DBE) solicitation and utilization.
- Davis Bacon wage rates.
- American Iron and Steel (AIS).
- Reporting requirements (including SRF, NIMS, FFATA & SAM, and environmental benefits reporting).
- National Environmental Policy Act (NEPA).
- Uniform administrative requirements.
- Sub award requirements.
- Financial requirements.
- Audit requirements.
- Obligation and spend down requirements.
- Resource conservation and recovery requirements.
- Statutory, regulatory and program guidance (CFDA) requirements.
- State grant cybersecurity conditions.
- Contract administrative provisions.

The FFY 2025 DWRF Base Program Capitalization Grant includes the option of using grant funds for “green” projects, if the state so chooses. DWRF green projects are not historically prevalent or in high demand for the Colorado SRF, and therefore, staff recommends that no funds be allocated to the DWRF green project reserve (“GPR”). GPR had been a DWRF requirement but became optional during FFY 2012 and ever since.

The FFY 2025 DWRF **Base Program** Capitalization Grant agreement requires that no less than 26%, but no more than 49%, of the grant be provided as additional subsidy. The 26% and 49% levels of the FFY 2025 DWRF Base Capitalization Grant equal \$4,967,300 and \$9,361,450 respectively. The Colorado DWRF Base Program uses additional subsidy for the Design and Engineering grant program, and staff recommends that 26%, or \$4,967,300, of the capitalization grant be allocated to additional subsidy for the DWRF. For reference, the DWRF budgeted \$1,500,000 for Design and Engineering grants for calendar year 2026. Additional Subsidy funds not budgeted for Design and Engineering grants will continue to be provided as up-front loan principal forgiveness during the year, as originally approved by the Authority Board at the June 2018 Board meeting and is subsequently updated and approved semiannually.

The FFY 2025 DWRF **IIJA/BIL General Supplemental** Capitalization Grant agreement requires that at least 49%, or \$21,371,840, be provided as principal forgiveness. Proportional loan and principal forgiveness will be provided from this capitalization grant with a maximum of \$2.5 million of IIJA/BIL Supplemental principal forgiveness per project, per year, for category 2 DACS, \$2 million for Category 1 DACS, and \$1.5 million for IIJA/BIL-eligible non-DACs as previously approved by the Authority Board in June 2026, or such other limits as subsequently approved by the Authority Board.

Currently, the proportional **IIJA/BIL Supplemental** loan funds and IIJA/BIL Supplemental principal forgiveness that are available to non-DAC IIJA/BIL eligible entities includes a per-entity limit as previously approved by the Authority Board in March 2023. This per-entity limit is subject to change per future Authority Board approvals and will be reviewed and discussed at the August 19, 2026, Board meeting.

DWRF IIJA/BIL **Emerging Contaminants** Capitalization Grant agreement requires that 100%, or \$13,384,000, of the grant be provided as principal forgiveness.

The forthcoming DWRF IIJA/BIL **Lead Service Line** Capitalization Grant agreement requires that at least 49%, or \$14,038,500*, be provided as principal forgiveness. Proportional loan and principal forgiveness will be provided from this capitalization grant.

Board Action: Staff recommends the Board approve the FFY 2025 DWRF Base and IIJA/BIL program capitalization grant awards and the conditions and requirements that must be met for each grant. Specific, important condition/requirement recommendations are listed below for reference purposes but are not intended to be an exhaustive list.

- GPR – Staff recommends no additional subsidy funds be allocated to GPR under the Base or IIJA/BIL grants.
- DWRF Base – Staff recommends the minimum of 26% (\$4,967,300) of the grant be provided as additional subsidy with an allocation of \$1,500,000 in additional subsidy funds for Design and Engineering Grants in calendar year 2026.
- DWRF IIJA/BIL General Supplemental – Staff recommends the minimum of 49% (\$21,371,840) of the grant be provided as principal forgiveness.
- DWRF IIJA/BIL Emerging Contaminants – Staff recommends 100% (\$13,384,000) of the grant be provided as principal forgiveness.
- DWRF IIJA/BIL Lead Service Line – Staff recommends the minimum of 49% (\$14,038,500*) of the grant be provided as principal forgiveness.

*Estimated – final award is forthcoming.



COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

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MEMORANDUM

August 19, 2026

TO: Board of Directors and Karl Ohlsen
FROM: Wes Williams, Finance Director
Ian Loffert, Assistant Finance Director
RE: Drinking Water Revolving Fund ("DWRF") and Water Pollution Control Revolving Fund ("WPCRF") Infrastructure and Investment Jobs Act/Bipartisan Infrastructure Law ("IIJA/BIL")

The Authority Board of Directors establishes principal forgiveness ("PF") policies and funding restrictions for IIJA/BIL funding as needed to manage program capacity and demand.

In 2023, in response to increased demand driven by PF availability, the Board approved a restriction providing each IIJA/BIL eligible entity with only one opportunity at each pot of IIJA/BIL funding. Disadvantaged Communities ("DACs") were excluded from the restriction and may apply for multiple projects from the same pot.

The SRF program is now in the final year of IIJA/BIL funding, and the EPA has directed that IIJA/BIL funds, particularly WPCRF funds, be spent down at a faster rate. Demand for Lead Service Line and Emerging Contaminant funds has been low, and removing the one-time restriction will allow those funds to be spent more quickly by communities that have already been through the SRF program. WPCRF demand weakened over the past few years due to temporary funding limitations, but the SRF project pipeline is improving. However, the DAC local governments would continue to be prioritized for funding by the SRF.

Staff recommends the following changes:

- Remove the restriction that IIJA eligible non-DAC entities may only receive funding one, as outlined in the table below.
- No change to DWRF IIJA Supplemental due to strong current demand nor to the DWRF and WPCRF Base programs for the same reason plus low base funding capacity.

Program	Current Policy	Staff suggested change
DWRF Base	DAC only PF	Remain the same
DWRF IIJA/BIL Supplemental	IIJA eligible entities once per entity DACs can repeat apply	Remain the same
DWRF IIJA/BIL Lead	IIJA/BIL entities once per entity DACs can repeat apply	Allow multiple applications from IIJA/BIL entities
DWRF IIJA/BIL EC	IIJA/BIL entities once per entity DACs can repeat apply	Allow multiple applications from IIJA/BIL entities
WPCRF Base	DAC only PF	Remain the same
WPCRF IIJA/BIL Supplemental	IIJA eligible entities once per entity DAC can repeat apply	Allow multiple applications from IIJA/BIL entities
WPCRF IIJA/BIL EC	IIJA/BIL entities once per entity DACs can repeat apply	Allow multiple applications from IIJA/BIL entities

Board Action: Staff recommends that the Board approve removing the one-time funding restriction for IIJA eligible non-DAC entities from the four funding sources listed above, at the August 19, 2026, Board meeting.



MEMORANDUM

To: SRF Committee
From: DAC Subcommittee
Date: July 28, 2026
Re: Per Entity IIJA/BIL Funding and WPCRF Loan Limit Recommendations

Background/Reason and Need

As the SRF program is in the final year of the Infrastructure Investment and Jobs Act/Bipartisan Infrastructure Law (“IIJA/BIL”) funding, staff is monitoring the project pipeline for IIJA funding sources to ensure the timely and expeditious use of funds. The EPA has identified that WPCRF IIJA Supplemental funds, and WPCRF funds in general, should be spent down faster. This memo reviews and makes recommendations on changing restrictions to DWRF IIJA Lead Service Line, DWRF Emerging Contaminants, WPCRF IIJA Supplemental, and WPCRF IIJA Emerging Contaminants funding sources.

Recommendation:

For IIJA Eligible non-DAC local governments, remove the restriction that entities may only receive funding one time from the DWRF Lead Service Line and DWRF Emerging Contaminants funding sources. For WPCRF applicants, remove the limit of \$25M in total funding per project (including PF), and remove the restriction that entities may only receive funding one time from the WPCRF IIJA Supplemental and WPCRF Emerging Contaminants funding sources.

Rationale:

The Colorado SRF program has received direction to spend down IIJA funds at a faster rate. Demand for Lead Service Line funds has been low, and removing the restriction on IIJA Eligible non-DAC local governments receiving funds multiple times will allow those funds to be spent more quickly with high capacity communities who have already been through the SRF program. DAC local governments would still be prioritized for Lead Service Line projects.

WPCRF demand weakened over the past two years because funding for WPCRF projects was limited for a short period of time and lower loan limits were in place. The program has since seen increased interest and demand, and the WPCRF project pipeline is now robust. Removing the restriction that all applicants can only receive \$25M in total funding per project (including PF) will allow WPCRF funds to be spent more quickly. As is the case with Lead Service Line Replacement projects, DAC local governments would still be prioritized for WPCRF funding.

DWRF IIJA Supplemental

- **Current limit:** \$30M total loan funding per entity, ~50% PF of loan.
 - DAC: Up to \$2.5M in PF per project for Category 2 DACs. Up to \$2M in PF per project for Category 1 DACs.
 - IIJA-eligible non-DAC: Up to \$1.5M in PF per project. Entity may only receive funding source one (1) time.
- **Recommendation:** No change due to strong current demand for DWRF IIJA Supplemental funds. PF limits for this funding source were last adjusted at the June 2026 Board meeting.

DWRF Lead Service Lines

- **Current limit:** \$30M total loan funding per entity, ~50% PF of loan; Up to \$10M in PF per project per year
 - DAC: LSL grant funds do NOT count against the \$30M loan limit if it is included in the same project.
 - IIJA-eligible non-DAC: Entity may only receive funding source one (1) time.
- **Recommendation:** Allow all entities to receive funding sources multiple times.

DWRF Emerging Contaminants

- **Current limit:** \$30M total loan funding per entity, 100% PF loan; Up to \$30M in PF per project per year.
 - DAC: 25% of DWRF Emerging Contaminants funding is reserved for entities that are DAC or <25,000 pop, 75% can go to any local government with an eligible project. DWRF Emerging Contaminants funds do NOT count against the \$30M loan limit if it is included in the same project.
 - IIJA-eligible non-DAC: Entity may only receive funding source one (1) time.
- **Recommendation:** Allow all entities to receive funding sources multiple times.

WPCRF IIJA supplemental

- **Current limit:** \$25M total loan funding per entity, ~50% PF loan.
 - All applicants: \$25M in total funding per project (including PF)
 - DAC: Up to \$1.5M in PF per project for all DACs.
 - IIJA-eligible non-DAC: Up to \$500k in PF per project. Entity may only receive funding source one (1) time.
- **Recommendation:** Remove the loan limit entirely and allow all entities to receive funding sources multiple times.

WPCRF Emerging Contaminants

- **Current limit:** No limit currently, 100% PF loan.
 - DAC: 25% of WPCRF Emerging Contaminants funding is reserved for entities that are DAC or <25,000 pop, 75% can go to any local government with an eligible project.
 - IIJA-eligible non-DAC: Entity may only receive funding source one (1) time.
- **Recommendation:** Allow all entities to receive funding sources multiple times.

DWRF SET ASIDE UPDATE
July 23, 2026

Program	Grant Year	Grant Amount	Funds Remaining	% Complete
Admin	1997-2025 Base	\$ 18,185,904	\$ 0	100%
	2022-2024 IIJA/BIL Supplemental	\$ 4,507,960	\$ 0	100%
	2022 IIJA/BIL Emerging Contaminants	\$ 597,080	\$ 0	100%
	2022 IIJA/BIL Lead	\$ 666,450	\$ 0	100%
	2023 IIJA/BIL Emerging Contaminants	\$ 535,360	\$ 315,683	41%
	2023 IIJA/BIL Lead	\$ 1,304,000	\$ 883,716	32%
	2024 IIJA/BIL Emerging Contaminants	\$ 350,000	\$ 350,000	0%
	2024 IIJA/BIL Lead	\$ 600,000	\$ 600,000	0%
	2025 IIJA/BIL Supplemental	\$ 1,744,640	\$ 1,744,640	0%
	2025 IIJA/BIL Emerging Contaminants	\$ 350,000	\$ 350,000	0%
Totals		\$ 28,841,394	\$ 4,244,039	85%
SSTTA	1997-2022 Base	\$ 8,429,320	\$ 0	100%
	2022 IIJA/BIL Supplemental	\$ 156,420	\$ 0	100%
	2023 IIJA/BIL Supplemental	\$ 737,680	\$ 333,661	55%
	2024 IIJA/BIL Supplemental	\$ 737,680	\$ 737,680	0%
	2025 IIJA/BIL Supplemental	\$ 741,472	\$ 741,472	0%
	Totals	\$ 10,802,572	\$ 1,812,813	83%
PWSS	2000-2024 Base	\$ 33,103,428	\$ 0	100%
	2022-2023 IIJA/BIL Supplemental	\$ 3,382,100	\$ 0	100%
	2022 IIJA/BIL Lead	\$ 3,600,000	\$ 0	100%
	2023 IIJA/BIL Lead	\$ 3,260,000	\$ 499,362	85%
	2023 IIJA/BIL Emerging Contaminants	\$ 1,000,000	\$ 327,560	67%
	2024 IIJA/BIL Supplemental	\$ 3,200,000	\$ 1,318,188	59%
	2024 IIJA/BIL Lead	\$ 3,280,000	\$ 3,280,000	0%
	2024 IIJA/BIL Emerging Contaminants	\$ 900,000	\$ 900,000	0%
	2025 IIJA/BIL Supplemental	\$ 4,361,600	\$ 4,361,600	0%
	2025 IIJA/BIL Emerging Contaminants	\$ 900,000	\$ 900,000	0%
Totals		\$ 56,987,128	\$ 11,586,710	80%
Cap. Development	1997-2024 Base	\$ 35,493,580	\$ 0	100%
	2022-2023 IIJA/BIL Supplemental	\$ 3,382,100	\$ 0	100%
	2024 IIJA/BIL Supplemental	\$ 3,000,000	\$ 2,914,170	3%
	2025 IIJA/BIL Supplemental	\$ 4,361,600	\$ 4,361,600	0%
	Totals	\$ 46,237,280	\$ 7,275,770	84%
Well Head	1997-2022 Base	\$ 18,020,416	\$ 0	100%
	2022 IIJA/BIL Supplemental	\$ 391,050	\$ 0	100%
	2023 IIJA/BIL Supplemental	\$ 1,300,000	\$ 683,902	47%
	2024 IIJA/BIL Supplemental	\$ 1,100,000	\$ 1,100,000	0%
	2025 IIJA/BIL Supplemental	\$ 1,308,480	\$ 1,308,480	0%
	Totals	\$ 22,119,946	\$ 3,092,382	86%



COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

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MEMORANDUM

August 12, 2026

TO: Project Finance Committee and Karl Ohlsen

FROM: Wesley Williams, Finance Director
Kevin Carpenter, Senior Financial Analyst I
Giorgi Gazashvili, Financial Analyst II
Emma Tucker, Financial Analyst I

RE: Review of the Town of La Veta, City of Las Animas, and Town of Cheraw Loan Term Change Request
Water Pollution Control Revolving Fund ("WPCRF")

The Division of Local Government has forwarded to the WPCRF Committee its analyses of the above-listed projects. 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 projects and agreed to forward the requests to the Colorado Water Resources and Power Development Authority's ("Authority") Project Finance Committee with the following recommendations:

Town of La Veta

The Town of La Veta (the "Town"), located in Huerfano County, is seeking funds through the WPCRF Disadvantaged Communities ("DAC") loan program in the total amount of \$2,220,000 (comprised of an *\$877,200 Infrastructure Investment and Jobs Act/Bipartisan Infrastructure Law ("IIJA/BIL") General Supplemental direct loan, an *\$842,800 IIJA/BIL General Supplemental Principal Forgiveness ("PF"), and a \$500,000 Base PF). The project consists of the construction of a new mechanical dewatering system in a new building located adjacent to the existing wastewater treatment facility ("WWTF") building. The Town's project was authorized by SJR 12-003.

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 WPCRF DAC loans with the Town in the total amount of \$2,220,000 (comprised of an *\$877,200 IIJA/BIL General Supplemental direct loan, an *\$842,800 IIJA/BIL General Supplemental PF direct loan, and a \$500,000 Base PF). The loans will be for a term of 30 years, at an interest rate of 1.75%, with all loans subject to increasing user rates sufficiently, if necessary, to meet the Authority's rate covenant prior to loan execution. The Board will consider this request on August 19, 2026.

City of Las Animas

The City of Las Animas (the "City"), located in Bent County, is seeking funds through the WPCRF DAC loan program in the total amount of \$1,507,600 (comprised of a *\$513,876 IIJA/BIL General Supplemental direct loan, *\$493,724 IIJA/BIL General Supplemental PF, and \$500,000 Base PF). The project consists of replacing the failing force main to prevent any collapses and sewer spills in the future. The City's project was authorized by SJR 10-004.

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 DAC loans with the City in the total amount of \$1,507,600 (comprised of a *\$513,876 IIJA/BIL General Supplemental direct loan, *\$493,724 IIJA/BIL General Supplemental PF, and \$500,000 Base PF). The loans will be for a term of 30 years, at an interest rate of 1.75%. The Board will consider this request on August 19, 2026.

Town of Cheraw

The Town of Cheraw (the "Town"), located in Otero County, was approved for an IIJA/BIL General Supplemental DAC direct loan through the WPCRF loan program in the total amount of \$944,000

(comprised of a *\$451,915 IJJA/BIL General Supplemental direct loan and a *\$492,085 IJJA/BIL General Supplemental PF) on March 6, 2026. The approved loan terms were for a 20-year repayment at 1.5% interest rate. The project consists of replacing the existing lift station with a new above-ground lift station. The Town's project was authorized by SJR 22-002.

During staff negotiations with the Town to execute the loan, the Town expressed interest in changing the 20-year loan repayment term to 30 years instead, in order to ease the burden of the required rate increase on its residents. After checking in with the SRF project team and CDPHE engineers, the project components qualify for this loan term change. Changing the loan repayment term from 20 to 30 years also means that the interest rate would increase from 1.5% to 1.75%, per the current terms. With these term changes, the Town goes from requiring a rate increase estimated at \$23.97 to \$19.13 to take on the approved debt and meet the coverage ratio requirement.

Recommendation

Based on the attached updated credit report, staff recommends that the Project Finance Committee forward to the Board a recommendation to approve the Town's request to change the repayment terms of the approved loan from 20 years at 1.5% to 30 years at 1.75%, subject to increasing user rates sufficiently, if necessary, to meet the Authority's rate covenant prior to loan execution. The Board will consider this request on August 19, 2026.

* - Estimated PF and direct loan amounts through the IJJA/BIL and/or Base programs. The exact amount may be different at the time of loan execution. While no significant differences are anticipated, any significant differences needed to comply with the proportional allocation requirements of the IJJA/BIL will be discussed with the Finance Director and Executive Director to determine if additional Authority Board approval is needed.

Note: A Zoom conference call has been scheduled for **Wednesday, 9:00 a.m. August 12, 2026**. The link to join via online is: <https://us06web.zoom.us/j/86434046643?pwd=bP0FDXrGyJUHCspT1XMDVpl1ahOA7s.1> If you prefer to dial in, the call-in number is: **1-719-359-4580**, and the Meeting ID is **864 3404 6643**. The passcode is: **163551**.

Attachment: Town of La Veta 2026 WPCRF Credit Report
 City of Las Animas 2026 WPCRF Credit Report
 Town of Cheraw Updated 2026 WPCRF Credit Report and Original 2026
 WPCRF Credit Report

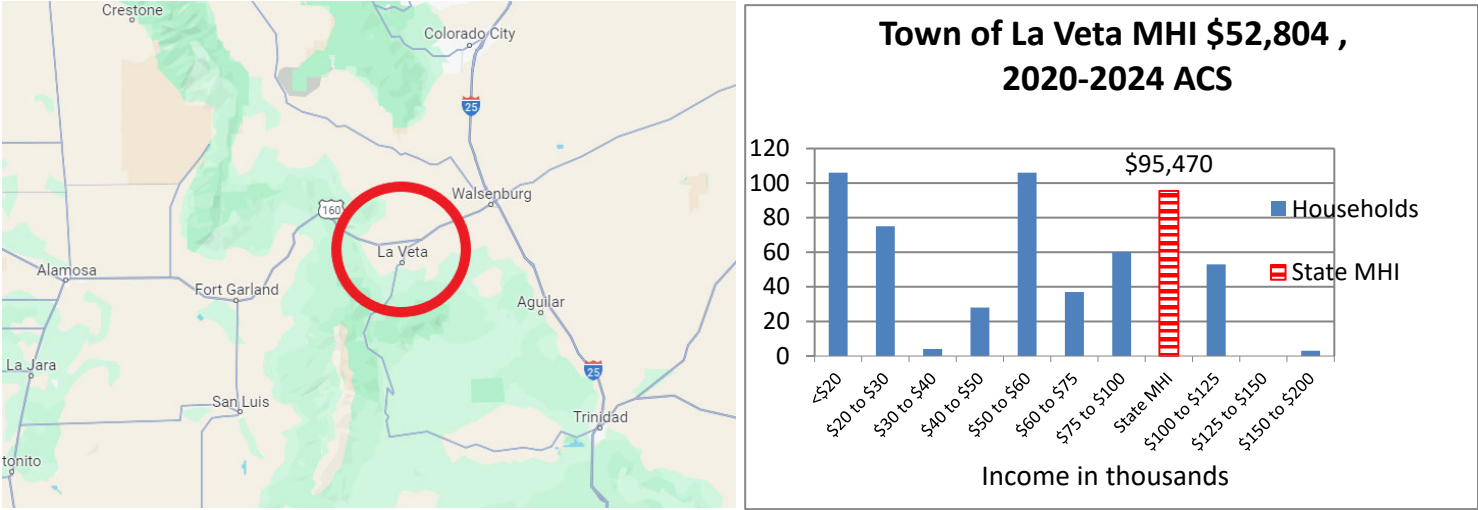
WPCRF LOAN CREDIT REPORT (2026)
Town of La Veta (“The Town”), Huerfano County

Recommendation:	APPROVAL	Project Budget	
Loan Request:	\$2,220,000	WPCRF IIA/BIL Loan:	\$877,200
Interest Rate & Term:	1.75%, 30 years	WPCRF IIA/BIL PF:	\$842,800
Annual Debt Service:	\$37,709	WPCRF Base PF:	\$500,000
Pledge:	Sewer Fund	2026 EIAF Grant	\$400,000
Current Rate:	*\$66.00 (S) \$77.92 (W)	2026 D&E Grant:	\$300,000
Estimated Rate Increase:	*\$0.00	2024 Planning Grant:	\$10,000
*Represents approved rate beginning September 1, 2026		Total:	\$2,930,000

PROJECT DESCRIPTION: The project consists of the construction of a new mechanical dewatering system in a new building located adjacent to the existing wastewater treatment facility (WWTF) building.

COMMUNITY PROFILE:								Avg. Annual
Town of La Veta	2020	2021	2022	2023	2024	2025	2026	Change
Town Population	903	921	941	933	925			0.60%
Huerfano County Population	6,834	6,950	7,101	7,059	7,025			0.69%
Huerfano County Jobs	2,349	2,399	2,384	2,452	2,542			1.99%
Number of Sewer Taps			581	583	584	585	585	0.17%
Number of Water Taps			589	591	592	593	593	0.17%
Assessed Value (\$000)			\$9,297	\$9,112	\$9,155	\$9,137	\$12,442	7.56%
Actual Value (\$000)			\$94,062	\$94,064	\$88,234	\$88,306	\$147,303	12%

BORROWER BRIEF: The Town of La Veta is located at the base of the Spanish Peaks of the Sangre de Cristo Mountains in south central Huerfano County. State Highway 12 serves as the Town’s Main Street and is located approximately 57 miles southwest of Pueblo and 46 miles east of Alamosa.



RECOMMENDATION: The Town serves a small, rural community in southern Huerfano County. This proposed loan is necessary to lower and stabilize long-term operational costs, especially related to rising costs needed to haul liquid sludge and maintain compliance and meet future requirements. Current costs are unsustainable and this project will streamline the Town’s solids handling process by adding a dewatering facility (squeezing out the water) before shipping the waste away. Despite a projected rate increase, this project remains affordable thanks to strong financial support, including \$710,000 in grants received by the Town. With the grants, the Town’s eligibility for IIA/BIL and base funding, plus its classification as a disadvantaged community, the project is considerably more affordable. We therefore recommend the WPCRF Committee approve a \$877,200 IIA/BIL repayable loan, \$500,000 in WPCRF Base principal forgiveness, and \$842,800 in IIA/BIL principal forgiveness to the Town of La Veta.

PROJECT SUMMARY:

System summary: The Town is located in Huerfano County, approximately 17 miles southwest of Walsenburg serving 925 residents. The facility installed in 2022, processes consist of preliminary treatment (mechanical self-cleaning screen and grit separation), influent flow monitoring, two sequencing batch reactors (SBR), flow equalization tanks, disinfection using an ultraviolet (UV) light radiation system, and effluent flow monitoring. The solids handling process includes aerobic digestion and a digested sludge holding tank. Currently, the concentrated stabilized sludge is transferred from the aerobic digester to the holding tank and stored for offsite disposal.

Reason/need: Initially, the Town planned to find a nearby landowner willing to accept stabilized sludge for land application. However, despite years-long effort, no suitable landowners were identified. A contract sludge hauler is disposing of the liquid sludge which is very expensive and not financially sustainable. As a result, the Town's best alternative is to install a biosolids dewatering facility, which will allow for dewatered sludge to be transported offsite for disposal. The operational cost for dewatering and sludge hauling is substantially lower than hauling liquid sludge. The proposed dewatering facility will include a day tank with a tank mixer, a sludge feed pump, a rotary fan press sludge dewatering system, and equipment to handle and temporarily store dewatered biosolids for regular removal and disposal by a contract hauler. The equipment will be housed inside a new building located adjacent to the existing WWTF building. Additional improvements will include process piping and a pump to transfer stabilized sludge into the day tank and return the filtrate to the treatment facility's headworks. This project will streamline the Town's solids handling process, providing a cost-effective solution for disposal of its stabilized sludge while maintaining compliance with water quality standards.

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

Project Delivery Method: Design/Bid/Build

Contingency: 9% of the total project cost

CURRENT INDICATORS:	2022	2023	2024	Weak	Average	Strong
Total Debt per Capita (\$):	4,741	4,591	4,437	X >\$2,000	\$1,000 - 2,000	<\$1,000
Total + New Debt/Capita (\$):			5,386	X >\$2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Tap (\$):	7,679	7,348	7,028	X >\$5,000	\$2,500 - 5,000	<\$2,500
Total Debt + New Debt/Tap (\$):			8,530	X >\$5,000	\$2,500 - 5,000	<\$2,500
Current Sewer Debt/Tap (\$):	6,019	5,777	5,544	X >\$2,000	\$1,000 - 2,000	<\$1,000
Current Sewer + New Sewer Debt/Tap (\$):			7,046	X >\$2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Assessed Value:	48%	47%	45%	>50%	X 25-50%	<25%
Total Debt + New Sewer Debt/Assessed Value:			54%	X >50%	25-50%	<25%
Total Debt/Actual Value:	5%	5%	5%	>10%	5-10%	X <5%
Total Debt + New Sewer Debt/Actual Value:			6%	>10%	X 5-10%	<5%
Curr. Sewer Debt + New Debt/Tap/MHI:			13%	>20%	X 10-20%	<10%
Sewer Fund Current Ratio (CA/CL):	611%	1,013%	556%	<100%	100-200%	X >200%
Sewer Fund Reserves/Current Expense:	499%	353%	260%	<50%	50-100%	X >100%
Sewer Operating Ratio (OR/OE):	258%	183%	120%	<100%	100-120%	X >120%
Coverage Ratio (TR-OE)/DS:	194%	156%	72%	X <110%	110-125%	>125%
Coverage Ratio (TR-OE)/DS Excluding Tap Fees:	194%	156%	72%	X <110%	110-125%	>125%
Coverage Ratio with New Loan:			57%	X <110%	110-125%	>125%
Coverage Ratio with New Loan Excluding Tap Fees:			57%	X <110%	110-125%	>125%
Current Annual Sewer Rates/MHI:			1.13%	>3.0%	1.5-3.0%	X <1.5%
Current Sewer Rates + New Sewer Debt Service/MHI:			1.25%	>3.0%	1.5-3.0%	X <1.5%
Operation and Maintenance Reserve:			361%	<25%	25-50%	X >50%
			Total:	11	3	7

FINANCIAL ANALYSIS: Of the twenty-one current indicators calculated, seven are rated strong, three are average and eleven are considered weak. Overall, the indicators show this proposed loan represents a growing but manageable debt burden for a small community. The strong indicators show revenues consistently exceed expenses as well as strong reserves. The weak indicators reflect that the proposed debt is large relative to the size of the community.

- Based on 2024 financial information, coverage with the proposed loan is 57% without tap fee revenue. Additional annual revenue of about \$93,677, or \$13.34 per tap per month, would increase the coverage ratio to 110%. When including the recently approved rate increases of \$16.18, no further rate increases are projected for the Town to meet the 110% coverage ratio.
 - When excluding the nearly \$90,000 spent on sludge removal in 2024, the coverage with the proposed loan increases to 108% and both related indicators move from weak to strong.
- Over the past three years, the sewer fund's operating ratio and current ratio have exceeded the benchmark for a "strong" indicator, thus demonstrating consistent financial stewardship of the sewer fund.

- The Town’s sewer rates had not been raised since 2021; however, they remained sufficient to cover expenses to this point. The Town approved significant rate increases on July 21, 2026, for both sewer and water, that begin September 1, 2026. No further increase is projected following the approval of the new rate structure.
- Without principal forgiveness, the coverage ratio decreases to 43% without tap fee revenue. Additional annual revenue of about \$157,174, or about \$22 per tap per month, would increase the coverage ratio to 110%.

Additional Project Financing

In May 2026, the Town was awarded an Energy/Mineral Impact Assistance Grant (EIAF) for \$400,000. The Town also received a Design and Engineering grant totaling \$300,000 in 2026 as well as a Planning Grant in 2024 totaling \$10,000.

DESCRIPTION OF THE LOAN:

An estimated \$877,200 loan with a thirty-year term with two payments annually at an interest rate of 1.75% will cost the Town approximately \$37,709 in debt service annually. The Town also qualifies for \$500,000 in WPCRF Base principal forgiveness and \$842,800 in IIJA/BIL principal forgiveness.

Disadvantaged 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

	Benchmark		Borrower	Met?
P1: MHI	\$76,376	>=	\$52,804	Yes
P2: MHV	\$431,520	>=	\$389,300	Yes
P3: County Unemployment	5.35%	<=	6.85%	Yes
County Job Change	0.00%	>=	15.90%	No
S1: County MHI	\$76,376	>=	\$52,526	Yes
S2: Ten Year % Change in Population	0.00%	>=	5.71%	No
S3: Assessed Value per Housing unit	\$24,337	>=	\$14,837	Yes
S4b: Curr. and Proj. System Debt	0.15%	<	2.40%	Yes
S4b: 80th Percentile	0.75%	<	2.40%	Yes
S5b: Proj. System Cost Per Tap to MHI	0.73%	<	2.20%	Yes
S5b: 80th Percentile	1.10%	<	2.20%	Yes

Based on 2020-2024 American Community Survey data, the Town met the requirements of a DAC, qualifying under scenario #1.

Due to its projected rates to MHI and MHV exceeding the 80th percentile, the Town qualifies for the lowest interest rate available (Category 2 DAC, 1.75%).

IJA/BIL Principal Forgiveness Eligibility:

In order to qualify for IJA/BIL principal forgiveness, a community must score three (3) points using the IJA/BIL Principal Forgiveness Eligibility Criteria outlined in the Intended Use Plans. The Town scores 7.5 points as shown below.

IJA/BIL PF DETERMINATION				
	Benchmark		Borrower	Points
1. Five Year % Change in Population	0.73%	>	0.60%	1
2a: County Job Change	0.00%	>	15.90%	0.5
2b: County Unemployment	5.35%	<	6.85%	
3: Median Household Income, or MHI exceeds 125% of state MHI (-1 point)	\$95,470	>	\$52,804	1
	\$119,338	<		
4: Rates to MHI	0.56%	<	1.13%	1
5: Project addresses removal of lead or emerging contaminants	Yes		No	0
6: % Minority	40.00%	<	4.23%	0
7: % Households Housing Burdened	50.00%	<	31.58%	0
8: % Population under 200% Poverty Level	40.00%	<	30.22%	0
9: % Population under 200% Poverty Level + % Population over 65 years old	55.00%	<	89.42%	0
10: Meets DAC criteria	Yes		Yes	3
Total Points Scored:				7.5

The Town qualifies for IJA/BIL principal forgiveness and has expressed interest in receiving a proportional loan with principal forgiveness funding package. Using an estimated principal forgiveness award of 49.00%, the Town qualifies for approximately \$842,800 in IJA/BIL principal forgiveness after application of the \$500,000 base principal forgiveness limit, leaving an estimated loan of \$877,200. Due to the availability of funds and the Additional Subsidy requirements of the SRF, the Town will receive both Base principal forgiveness funds and IJA/BIL principal forgiveness.

ECONOMIC ANALYSIS: The Town has a 2024 population estimated at 925 and has grown at an average annual rate of 0.60% since 2020. Huerfano County has experienced an increase of 0.69% in population since 2020. The state population increased at an average annual rate estimated at 0.73%.

The region's economy is dominated by retirees and the next largest base industries consist of regional services (such as healthcare and transportation), agriculture, and transfer payment. In Huerfano County, Government accounts for the largest job sector (18%), along with Health Service and Retail Trade (16%). The area's largest employers consist of the La Veta School District (45 employees); Spanish Peaks Medical Clinic (15 employees); Sangre Agro Tech (12 employees); the Town of La Veta (10 employees); and Charlie's Market (8 employees).

One customer accounts for more than 3% of utilization; La Veta School accounts for 0.94% of total usage and 3.27% of total revenue.

ORGANIZATIONAL ANALYSIS:**Bond Rating**

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

Organizational Structure

The Town is a statutory town governed by a board of trustees and was incorporated in 1876. The Town provides services including Marshal (police) and fire protection, water and wastewater services, public works services, and parks and recreation services. The Town reports a full-time operator staffs the system, who reports to the Board of Trustees.

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

Capital Improvement Plan

As part of the application process, the Town submitted a capital improvement schedule, which anticipates capital outlay of \$234,500 for several maintenance projects for the sewer fund. These projects begin in 2031 and last through 2050 and include replacement of the sanitary sewer collection system (2035 & 2050), WWTF Submersible pumps and mixers for SBR (2031 & 2043), Pumps and Mixers for WWTF equalization basin (2034 & 2049), and blowers for the WWTF in 2039. These projects will be funded by reserves.

Intergovernmental

The Town has a 2017 Intergovernmental Agreement (IGA) with the Navajo Western Water District (the District), where the District leases 5.0 acre feet annually of consumptive use of the District Water Rights to the Town. The Town may terminate the lease if it determines it will be impossible or impractical to obtain approval of a substitute water supply plan. In the event of litigation between the parties regarding the performance of either party's obligations, the prevailing party shall be awarded its costs and reasonable attorney fees. The agreement shall terminate in December 2042, unless the District reaches 75% buildout prior to 2037. Should the District achieve 75% buildout, the agreement will expire in December five years after that point.

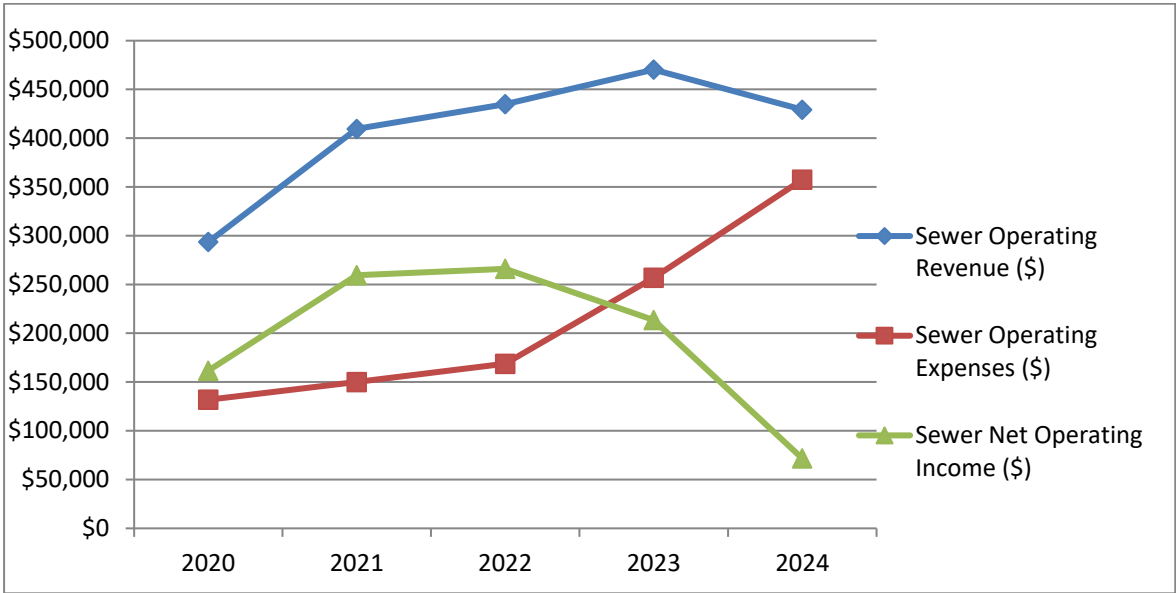
REVENUE ANALYSIS:

The Town’s sewer system revenues have been generally steady over the last several years, with a substantial spike in 2021 before leveling off again from 2022 through 2024. The significant 2021 revenue increase was driven heavily by tap fees of \$284,500 that year alongside ongoing system usage. Tap fee revenue has historically been an inconsistent source of revenue over the observed five-year period, dropping to \$0 in all other years—but operating revenues have consistently covered operating expenses by a wide margin. Operating revenues have shown a generally positive trend, climbing sequentially from 2020 to a peak in 2023, before experiencing a decline in 2024. This 2024 decline was driven by the Town’s auditor reclassifying approximately \$37,000 from grant revenue to operating revenue. The Town disputed this reclassification as inaccurate and subsequently hired a new auditor in 2024. Excluding the reclassified \$37,000, operating revenue decreased by only about \$2,000. Monthly sewer rates and residential sewer tap fees remained entirely flat over the observed multi-year period.

Sewer operating expenditures increased consistently each year. Because operating revenues consistently outpaced expenses, the Town's sewer operating ratio remained exceptionally strong, averaging 211% over the five-year period, though it contracted from a high of 273% in 2021 down to 120% in 2024 as expenditures rose due to the cost of hauling sludge.

TRENDS	2020	2021	2022	2023	2024	2025	2026
Monthly Sewer Rate (\$)			49.82	49.82	49.82	49.82	49.82
Monthly Water Rate (\$)			48.10	48.10	48.10	48.10	48.10
Residential Sewer Tap Fee (\$)			4,000	4,000	4,000	4,000	4,000
Residential Water Tap Fee (\$)			7,000	7,000	7,000	7,000	7,000
Total Sewer Revenue (\$)	295,581	696,579	437,864	473,529	457,816		
Tap/Development Fees (\$)	0	284,500	0	0	0		
Sewer Operating Revenue (\$)	293,566	409,517	434,790	470,359	429,161		
Sewer Operating Expenses (\$)	131,919	149,996	168,653	256,835	357,471		
Sewer Net Operating Income (\$)	161,647	259,521	266,137	213,524	71,690		
Sewer Debt (\$)	276,000	3,626,602	3,497,327	3,367,754	3,237,880		
Total Debt (\$)	1,333,955	4,638,217	4,461,610	4,283,691	4,104,433		
Sewer Debt Service (\$)	19,500	50,190	138,676	138,675	138,675		
Sewer Debt Service/Tap/Month (\$)			19.89	19.82	19.79		
Sewer Fund Reserves (\$)	742,246	3,626,827	1,534,546	1,397,329	1,289,375		

Ratios	2020	2021	2022	2023	2024	Average
Operating Revenue as % of Total Revenue	99%	59%	99%	99%	94%	90%
Operating Revenue as % of Expenses	223%	273%	258%	183%	120%	211%
Tap Fee Revenue as % of Total Revenue	0.00%	41%	0.00%	0.00%	0.00%	8.17%



Recent Rate Increases

The Town’s most recent rate increase of \$16.18 for sewer and \$29.82 for water was approved on July 21, 2026 and will be implemented on September 1, 2026.

User Charges & System Utilization

The Town’s upcoming monthly sewer rate is a flat \$66.00 (\$23.82 debt service, \$41.18 O&M, and a \$1.00 processing fee) compared to the 2024 estimated state median of \$44.65. Commercial users are charged per EQR schedule.

The Town’s upcoming monthly water rate is estimated at \$77.92 compared to the 2024 estimated state median of \$60.61. The Town’s average monthly water rate is based on typical residential consumption of 4,230 gallons per month. Residential users will pay a \$61.00 base rate (\$29.46 for debt service and \$31.54 for O&M) and a volume charge of \$4.00 per 1,000 gallons for consumption. Commercial users are charged per EQR schedule.

Contributed Capital

Sewer revenue from tap fees has ranged from \$0.00 to \$284,500 and has averaged 8% of total sewer revenue during the last five years as 2021 was the only year observed to record tap fee revenue. The Town’s most recent sewer tap fee rate increase occurred in January 2021.

- Residential sewer tap fees are \$4,000 (combined tap and connect fees).
- Residential water tap fees are \$7,000 (combined tap and connect fees).
- Commercial users are charged per an EQR schedule for the type of business and ranges from .01 to 1.20 EQR.

Current System Utilization		
	Usage	Revenue
Residential	79%	78%
Non-residential (per EQR)	21%	22%

Current Fee Summary		
Tap size	Sewer user/tap fees	Water user/tap fees
¾”	\$66.00/\$4,000	\$77.92/\$7,000
¾”	\$66.00/\$4,000	\$77.92/\$7,000

DEBT as of December 31, 2024

Executed	Lender	Term End	Pledge	Outstanding	Interest Rate	Annual payment
2014	CWRPDA	2034	Sewer System Revenue	\$135,000	\$0.0	\$13,500
2015	CWRPDA	2034	Sewer System Revenue	\$63,000	\$0.0	\$6,000
2018	CWRPDA	2051	Sewer System Revenue	\$1,325,000	\$0.0	\$50,000
2020	CWRPDA	2051	Sewer System Revenue	\$1,714,880	0.5%	\$69,175
2008	CWRPDA	2039	Water System Revenue	\$633,717	1.875%	\$50,118
2014	CWCB	2040	Water System Revenue	\$232,836	3.0%	\$19,014

LOAN COVENANTS: The Town 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 Town has met the Loan Covenants on its WPCRF direct loans dated 2014, 2015, 2018 and 2020 and its 2008 DWRF direct loan with the Authority. The Town has also had no debt service payment issues.

Prepared by: Peter Dieterich
Date: July 28, 2026

Project # 142882W-B

Cost Categories:
Secondary Treatment (Category I) 100%

August 5, 2026 WPCRF Credit Report Town of La Veta, Huerfano County, CO Using most recent data available (Census, audits, local records)	
Estimated Population - 2024	925
Number of Sewer Taps/Customers - 2024	584
Total Assessed Valuation - 2024	\$9,155,000
Actual Value of All Real Property - 2024	\$88,234,000
Median Household Income (MHI) - 2024	\$52,804
Monthly Sewer Rate - 2024	\$49.82
Sewer Operating Revenue - 2024	\$429,161
Sewer Total Revenue - 2024 [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.]	\$457,816
Sewer Tap and System Development Fee Revenue - 2024	\$0
Sewer Operating Expense - 2024	\$357,471
Sewer Current Expense - 2024	\$496,146
Sewer Debt - 2024	\$3,237,880
Total Debt - 2024	\$4,104,433
Sewer Fund Reserves - 2024	\$1,289,375
Sewer Debt Service - 2024	\$138,675
New Sewer Debt [Requested WPCRF loan amount.]	\$877,200
Requested WPCRF Loan Term	30
Requested WPCRF Loan Interest Rate	1.75%
New Loan's Annual Sewer Debt Service (two payments annually)	\$37,709

Current Indicators (2024)					
Town of La Veta					
(Sewer Only)					
1 Total Debt	\$4,104,433	÷	Population	925	= \$4,437
New Debt	\$877,200	÷	Population	925	= \$948
Total Debt + New Debt	\$4,981,633	÷	Population	925	= \$5,386
2 Total Debt	\$4,104,433	÷	Number of Taps	584	= \$7,028
New Debt	\$877,200	÷	Number of Taps	584	= \$1,502
Total Debt + New Debt	\$4,981,633	÷	Number of Taps	584	= \$8,530
3 Total Debt	\$4,104,433	÷	Assessed Value	\$9,155,000	= 44.83%
New Debt	\$877,200	÷	Assessed Value	\$9,155,000	= 9.58%
Total Debt + New Debt	\$4,981,633	÷	Assessed Value	\$9,155,000	= 54.41%
4 Total Debt	\$4,104,433	÷	Actual Value	\$88,234,000	= 4.65%
New Debt	\$877,200	÷	Actual Value	\$88,234,000	= 0.99%
Total Debt + New Debt	\$4,981,633	÷	Actual Value	\$88,234,000	= 5.65%
5 Current Sewer Debt (Current Sewer Debt + New Sewer Debt) / Number of Taps	\$3,237,880	÷	Number of Taps	584	= \$5,544
	\$7,046	÷	MHI	\$52,804	= 13.34%
6 Current Ratio (CA / CL)					
Current Assets	\$1,572,424	÷	Current Liabilities	\$283,049	= 556%
7 Reserve/Expense Ratio					
Reserves	\$1,289,375	÷	Current Expenses	\$496,146	= 260%
8 Operating Ratio (OR / OE)					
Operating Revenues	\$429,161	÷	Operating Expenses	\$357,471	= 120%
9 Coverage Ratio [(TR - OE) / DS]					
Total Revenues	\$457,816	-			
Minus Operating Expenses	<u>\$357,471</u>				
=	\$100,345	÷	Current Debt Service	\$138,675	= 72%
Coverage Ratio Excluding Tap and					
10 Development Fee Revenue	\$100,345				
Minus Tap and Development Fee Revenue	<u>\$0</u>				
=	\$100,345	÷	Current Debt Service	\$138,675	= 72%
11 Projected Coverage Ratio					
Total Revenues	\$457,816				
Minus Operating Expenses	<u>\$357,471</u>				
=	\$100,345		Total Debt Service (with new loan)	\$176,384	= 57%
Projected Coverage Excluding Tap and					
12 Development Fee Revenue	\$100,345				
Minus Tap and Development Fee Revenue	<u>\$0</u>				
=	\$100,345	÷	Total Debt Service (with new loan)	\$176,384	= 57%
13 Current Debt Service	\$138,675	÷	Number of Taps	584	= \$237.46
Annual New Sewer Debt Service	\$37,709	÷	Number of Taps	584	= \$64.57
2024 Annual Sewer Rate (Monthly Rate					
14 x 12)	\$597.84	÷	MHI	\$52,804	= 1.13%
2024 Annual Sewer Rate + New Annual Debt Service Per Tap	\$662.41	÷	MHI	\$52,804	= 1.25%
15 Current 2024 Monthly User Charge (Debt Service on WPCRF Loan / 2024 Taps / Month)					\$49.82
Total					\$5.38
					\$55.20
16 Operation and Maintenance Reserve					
Reserves	\$1,289,375	÷	Operating Expenses	\$357,471	= 361%

2026 SRF Disadvantaged Community Criteria

Loan Terms

Amount of Loan:	\$ 2,220,000
Interest Rate:	3.25%
Term (years):	20
Annual Payment:	\$ 151,825

Applicant:	Town of La Veta		
	Test Result	Conditions met to be DAC	
	Y	Test 1: P1 & P2 or P3	
		Test 2: P1, Not P2 or P3, & 2+ S1-S5	
		Test 3: P1 ??, P2 & P3, & 2+ S1-S5	

	Benchmark	Applicant	Result	Notes on Data Used
Current Population (2024)	<= 10,000	925	Y	
Population 5 years ago (2020)		903		
Poulation 10 years ago (2015)		875		

Primary Factors

P1	MHI (Place)	<= \$ 76,376	52,804	Y	
	Margin of Error (MOE)	±	10,885		
P2	MHV (Place)	<= \$ 431,520	389,300	Y	
	Margin of Error (MOE)	±	72,761		
P3	24 Month Unemployment (County)	>= 5.35%	6.85%	Y	
	or 10 Year % Chng. Jobs (County)	<= 0.00%	15.90%	N	
	Jobs (2024)		2,609		
	Jobs (2015)		2,251		

Priority Factor Count	3
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Secondary Factors

S1	MHI (County)	<=	\$	76,376	52,526	Y		
	Margin of Error (MOE)	±			5,017			
	Reliability (CV)	<=		18.00%	5.81%	Y		
S2	10 Year % Chng. Population	<=		0.00%	5.71%	N		
S3	Assessed Value / Housing Unit	<=	\$	24,337	\$14,837	Y		
	Assessed Value				9,154,575			
	Total Housing Units				617			
S4	Current Debt / Tap / MHV	>		0.15%	1.42%	Y	If MHV CV > 18%, calculate result at top of band	Result
S	Current + Projected Debt/Tap/MHV	>		0.15%	2.40%	Y		
	S4b 80th percentile			0.75%	2.40%	Y		
S5	System Full Cost / Tap / MHI	>		0.80%	1.29%	Y	If MHI CV > 18%, calculate result at top of band	Result
	Projected Rate @ 110% Coverage	>		0.73%	2.20%	Y		
	S5b 80th percentile			1.10%	2.20%	Y		

Secondary Factor Count	4
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System Data for S4 and S5: To be completed by DLG

Taps or EQR's	584
Total Debt	3,237,880
Principal & Interest	138,675
Operating Expenses (including operating transfers out)	357,471
Depreciation	40,213

WPCRF & DWRF									
		Benchmark		Applicant	Points	Notes on Data Used			
<u>Eligibility Criteria</u>									
1	Population loss or growth is slower than the state's over 5 years	<=	0.73%	0.60%	1.0				
	Current Population (2024)			925					
	Poulation five years ago (2020)			903					
2a	10 Year % County Job Change	>=	0	15.90%	0.0				
2b	County 24 Month unemployment rate exceeds the state's plus 1%	>=	5.35%	6.85%	0.5				
3	Median Household Income	<=	\$ 95,470	52,804	1.0	If MHI CV > 40%, calculate result at top of band			
		>=	\$ 119,338		0.0				
		Reliability (CV)	<=	40.00%	N/A	N	If MHI CV > 40%, calculate result at top of band		
4	Rates compared to MHI	>	0.56%	1.13%	1.0	Result			
S	Monthly Residential Rate	>		49.82		Result			
					based on application only, needs to be confirmed				
5	Project addresses removal of lead or emerging contaminants		Yes	No	0.0				
6	% Population that identifies as minority is greater than 40%	>	40.00%	4.23%	0.0				
7	% Population that are housing burdened is greater than 50%	>	50.00%	31.58%	0.0				
8	% Population under 200% Poverty Level is greater than 40%	>	40.00%	30.22%	0.0				
9	% Population under 200% Poverty Level + % Population over 65 years old is equal to or greater than two thirds of communities in the state	>=	55.00%	89.42%	1.0				
	% Population over 65 years old			59.20%					
10	Meets base program DAC criteria?			Yes	3.0				
BIL Eligibility Points					7.5				

2026 IUP WPCRF Priority Point Calculations

Entity Name:	Town of La Veta
Date of Scoring	7/28/2026
SRF Phase:	Loan app
DOLA Score:	155
DAC:	DAC

Benchmarks

\$95,470 2020-2024 State MHI estimate

P1	MHI		\$52,804	55%
	<50% of state MHI	35		
	Between 51% and 80% of state MHI	20 x		
	Between 81% and 100% of state MHI	5		
	>100% state MHI	0		
S5a	User Fees (current SEWER rate at 110%/tap/MHI)		1.29%	
	Rates are > 1.14%	45 x		
	Rates are between 0.80% and 1.14%	25		
	Rates are < 0.80%	0		
S5a	OR			
	User Fees for a combined water & sewer fund			
	Rates are > 2.70%	45		
	Rates are between 2.03% and 2.70%	25		
	Rates are < 2.03%	0		
S4a	Current SEWER debt per tap compared to MHV		1.42%	
	Debt is > 0.53%	45 x		
	Debt is between 0.15% and 0.53%	25		
	Debt is < 0.15%	0		
S4a	OR			
	Current water & sewer debt (for combined systems)			
	Debt is > 1.26%	45		
	Debt is between 0.57% and 1.26%	25		
	Debt is < 0.57%	0		
	Population served		925	
	Less than 500	35		
	Between 500 and 1,000	25 x		
	Between 1,000 and 2,000	20		
	Between 2,000 and 5,000	15		
	Between 5,000 and 10,000	5		
	>10,000	0		
S3	Assessed Value/Household		14,837	
	AV per household is < \$12,722	35		
	AV per household is between \$12,272 and \$24,337	20 x		
	AV per household is between \$24,337 and \$46,151	10		
	AV per household is greater than \$46,151	0		



Principal Forgiveness and Priority Point Scoring

Applicant: Town of La Veta
DWRF or WPCRF: WPCRF

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

BIL Principal Forgiveness

Eligible for BIL principal forgiveness? Yes

Eligible BIL principal forgiveness percentage: 49.00%

Amount of principal forgiveness awarded (accounting for any applicable cap/max): \$842,800

Base DWRF/WPCRF Principal Forgiveness Scoring

DWRF/WPCRF

Water Quality & Public Health + CPDWR Compliance:	0
DOLA Affordability Score:	155
Total Score	155

Eligible as a base program DAC? Yes

Eligible base program DWRF/WPCRF principal forgiveness percentage:

Amount of principal forgiveness awarded (accounting for any applicable cap/max): \$500,000

Priority Point Scoring

Total WQCD Score:	30
DOLA Affordability Score:	155
Total Score:	185

**COLORADO WATER RESOURCES
AND
POWER DEVELOPMENT AUTHORITY**

RESOLUTION NO. 26-33

**A RESOLUTION FOR APPROVAL OF A WASTEWATER DIRECT LOAN TO THE
TOWN OF LA VETA AND EXECUTION OF A LOAN AGREEMENT AND OTHER
DOCUMENTS NECESSARY THEREFOR**

WHEREAS, the Colorado Water Resources and Power Development Authority (the "Authority") has received and reviewed an Application for Base Principal Forgiveness ("PF"), Infrastructure Investment and Jobs Act/Bipartisan Infrastructure Law ("IIJA/BIL") General Supplemental direct loan, and IIJA/BIL General Supplemental PF from the Water Pollution Control Revolving Fund ("WPCRF") from the Town of La Veta (the "Applicant"); and

WHEREAS, the Loan Application has been reviewed in accordance with the procedures provided therefor in the Memorandum of Understanding 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 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 requirements and prerequisites and is eligible 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 direct loan to the Town of La Veta in an amount not to exceed \$2,220,000 (*\$500,000 of Base PF, *\$877,200 of IIJA/BIL General Supplemental direct loan to be repaid, plus *\$842,800 of IIJA/BIL General Supplemental PF, for a total of \$2,220,000 WPCRF 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. 26-33 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 Steamboat Springs, Colorado on August 19, 2026.

Chair

Secretary

Borrower:	Town of La Veta
Project:	The project consists of the construction of a new mechanical dewatering system in a new building located adjacent to the existing wastewater treatment facility (“WWTF”) building.
Pledge:	Sewer Revenue
Loan Term:	30 Years
Interest Rate:	1.75%
Amount not to exceed:	\$2,220,000 (*\$500,000 of Base PF, *\$877,200 of IJJA/BIL General Supplemental direct loan to be repaid, plus *\$842,800 of IJJA/BIL General Supplemental PF, for a total of \$2,220,000 WPCRf loan funds)

1. The Town increasing user rates sufficiently, if necessary, to meet the Authority's rate covenant prior to loan execution.
2. Prepayment Charge - A \$15,000 prepayment charge will be applied on any full principal prepayment of the loan. All interest paid through the date of full principal prepayment will be credited against this charge.

** - The terms and monetary amounts set forth in Part 1 hereto under the IJJA/BIL General Supplemental loan and the IJJA/BIL General Supplemental PF loan are premised upon the Authority's understanding of and expectations for the resources available to it from the Base Federal Capitalization Grants and the IJJA/BIL. These amounts, and the allocation of funds available to the Project from each source, are subject to change, amendment, and/or rescission depending upon the policies, procedures, and budgetary adjustments adopted by the federal administration. If such changes in policies and procedures or budgetary adjustments are adopted by the federal administration, the Authority reserves the right to review and adjust the terms and monetary amounts set forth herein in a subsequent action. Further, the loan agreement authorized by this resolution is subject to non-execution, cancellation, delay, rescission, or alteration depending upon the terms and conditions, quantities, or availability of federal funds provided under existing or future Capitalization Grants. In addition, funding for this and other approved projects may be re-evaluated under the priority scoring system implemented by the Board for all projects based on changes in the availability of anticipated funds. This re-evaluation may result in the funding of some but not all previously-authorized projects, including the project for which the execution of a loan agreement has been authorized by this resolution. The loan agreement

by this resolution shall include a term by which Applicant shall hold the Authority harmless for any costs or damages resulting from a change in federal policies, procedures, or funding that results in the requirement that the Authority cancel, delay, rescind, or alter its terms.

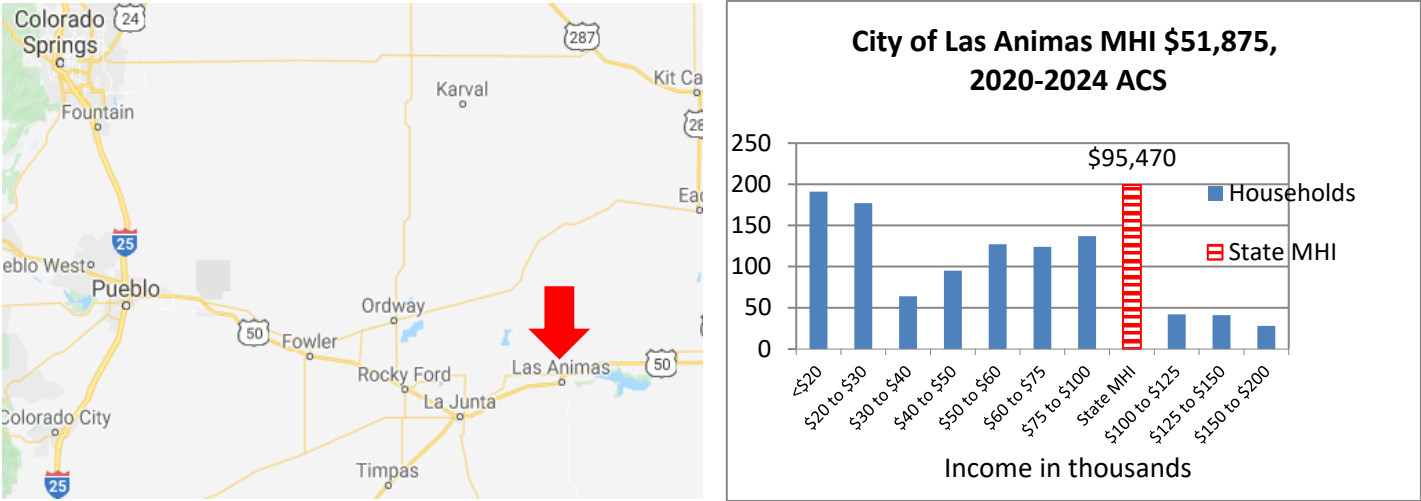
WPCRF LOAN CREDIT REPORT (2026)
City of Las Animas (“The City”), Bent County

Recommendation:	APPROVAL	Project Budget	
Loan Request:	\$1,507,600	WPCRF IIJA/BIL Loan:	\$513,876
Interest Rate & Term:	1.75%, 30 years	WPCRF IIJA/BIL PF:	\$493,724
Annual Debt Service:	\$22,090	WPCRF Base PF:	\$500,000
Pledge:	Sewer Fund	2024 D&E Grant:	\$294,400
Current Rate:	\$36.61 (S) \$41.05 (W)	2025 CDBG Grant:	\$600,000
Estimated Rate Increase:	\$0.00	Total:	\$2,402,000

PROJECT DESCRIPTION: The purpose of the proposed project is to replace the failing force main to prevent any collapses and sewer spills in the future.

COMMUNITY PROFILE:								Avg. Annual Change
City of Las Animas	2020	2021	2022	2023	2024	2025	2026	
City Population	2,281	2,326	2,315	2,363	2,331			0.54%
Bent County Population	5,479	5,343	5,425	5,700	5,744			1.19%
Bent County Jobs	1,321	1,327	1,358	1,432	1,593			4.79%
Number of Sewer Taps		1,100	1,106	1,112	1,094	1,088	1,087	-0.43%
Number of Water Taps		1,189	1,194	1,195	1,213	1,171	1,162	-0.68%
Assessed Value (\$000)			\$6,654	\$6,621	\$5,371	\$5,159	\$8,523	6.38%
Actual Value (\$000)			\$57,947	\$59,443	\$49,105	\$49,041	\$97,697	13.95%

BORROWER BRIEF: The City of Las Animas is located along the banks of the Arkansas River in northwestern Bent County. U.S. Highway 50 serves as the City’s Main Street and is located approximately 82 miles east of Pueblo and 36 miles west of Lamar.



RECOMMENDATION: The City serves a rural community in southeastern Colorado. This proposed loan is necessary to proactively prevent a public health emergency before the degraded force main fails. The City’s wastewater force main has lost 50% of its wall thickness and serves over 90% of the City and it is now so thin that it is highly susceptible to collapsing under pressure or shifting soil. A collapse would result in the immediate loss of service as well as potentially contaminating large portions of the City and even spreading to the Arkansas River. However, the City is in a strong position to take on this loan and is not projected to need a rate increase given the funding support from grants as well as qualifying for principal forgiveness as a disadvantaged community. We therefore recommend the WPCRF Committee approve a \$513,876 IIJA/BIL repayable loan, \$500,000 in WPCRF Base principal forgiveness, and \$493,724 in IIJA/BIL principal forgiveness to the City of Las Animas.

PROJECT SUMMARY:

System summary: The City serves a population of 2,331 in Bent County. The current collection system was largely constructed in the early 1900s using clay pipe with brick-and-mortar manholes. The collection system travels to their traditional wastewater treatment facility where it is treated and discharged through three discharge points and ultimately ends up in the Arkansas River.

Reason/need: In 2022, the City undertook a wastewater system improvements project in which approximately 15,300 lineal feet of sanitary sewer collection system main was replaced with 8, 10, and 12-inch PVC. While replacing a section of the collection system piping in Moore Ave, the City's existing force main was damaged. The Contractor repaired the force main but noted that the pipe wall was very thin. After further inspection, it was determined that the force main has lost half of its wall thickness, making the force main susceptible to failure due to collapse. Since the force main was damaged, the force main has undergone inspection in other areas and it has been further confirmed that the wall thickness has the potential of failure since it is so thin. This force main serves over 90% of the City and failure of the force main could have serious consequences.

System Compliance: The City 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: 10.8% of the total project

CURRENT INDICATORS:	2022	2023	2024	Weak	Average	Strong
Total Debt per Capita (\$):	1,226	1,157	1,078	___ >\$2,000	X	___ <\$1,000
Total + New Debt/Capita (\$):			1,299	___ >\$2,000	X	___ <\$1,000
Total Debt/Tap (\$):	2,565	2,459	2,297	___ >\$5,000	___	X <\$2,500
Total Debt + New Debt/Tap (\$):			2,767	___ >\$5,000	X	___ <\$2,500
Current Sewer Debt/Tap (\$):	1,667	1,578	1,522	___ >\$2,000	X	___ <\$1,000
Current Sewer + New Sewer Debt/Tap (\$):			1,992	___ >\$2,000	X	___ <\$1,000
Total Debt/Assessed Value:	43%	41%	47%	___ >50%	X	___ <25%
Total Debt + New Sewer Debt/Assessed Value:			56%	X >50%	___	___ <25%
Total Debt/Actual Value:	4.90%	4.60%	5.12%	___ >10%	X	___ <5%
Total Debt + New Sewer Debt/Actual Value:			6.16%	___ >10%	X	___ <5%
Curr. Sewer Debt + New Debt/Tap/MHI:			3.84%	___ >20%	___	X <10%
Sewer Fund Current Ratio (CA/CL):	795%	599%	962%	___ <100%	___	X >200%
Sewer Fund Reserves/Current Expense:	312%	124%	135%	___ <50%	___	X >100%
Sewer Operating Ratio (OR/OE):	162%	120%	127%	___ <100%	___	X >120%
Coverage Ratio (TR-OE)/DS:	355%	124%	172%	___ <110%	___	X >125%
Coverage Ratio (TR-OE)/DS Excluding Tap Fees:	350%	121%	170%	___ <110%	___	X >125%
Coverage Ratio with New Loan:			140%	___ <110%	___	X >125%
Coverage Ratio with New Loan Excluding Tap Fees:			139%	___ <110%	___	X >125%
Current Annual Sewer Rates/MHI:			0.82%	___ >3.0%	___	X <1.5%
Current Sewer Rates + New Sewer Debt Service/MHI:			0.86%	___ >3.0%	___	X <1.5%
Operation and Maintenance Reserve:			160%	___ <25%	___	X >50%
			Total:	1	8	12

FINANCIAL ANALYSIS: Of the twenty-one current indicators calculated, twelve are rated strong, eight are average and one is considered weak. Overall, the indicators show that the system is in a strong financial position to take on the proposed loan, despite some existing debt. The strong indicators show a well-managed system with strong reserves, and consistently robust current and operating ratios. The weak indicator reflects high debt ratios with the proposed loan per capita and per tap.

- Based on 2024 financial information, coverage with the proposed loan is 140% with tap fee revenue and 139% without tap fee revenue. No additional annual revenue is projected to be needed to meet the SRF program's 110% coverage requirement under either scenario.
- Over the past three years, the sewer fund's operating ratio and current ratio have both far exceeded the benchmark for a "strong" indicator, thus demonstrating consistent financial stewardship of the sewer fund.
- The City's sewer rates were raised in 2024 and 2025 and beginning in 2025 the City enacted annual CPI adjustments (1.4% and 2.1% respectively) to the sewer and water rates to prepare for future debt.
- Without principal forgiveness, the coverage ratio moves to 103% with tap fee revenue and 102% without tap fee revenue. Additional annual revenue of about \$10,800, or \$0.83 per tap per month, would increase the coverage ratio to 110% when including tap fee revenue.

Additional Project Financing

In January 2025, the City was awarded a Community Development Block Grant (CDBG) of \$600,000.

The City also received a design and engineering grant for \$294,400 in June 2024.

DESCRIPTION OF THE LOAN:

An estimated \$513,876 loan with a thirty-year term with two payments annually at an interest rate of 1.75% will cost the City approximately \$22,090 in debt service annually. The City also qualifies for \$500,000 in WPCRF base principal forgiveness and \$493,724 in IIJA/BIL principal forgiveness.

Disadvantaged 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

	Benchmark		Borrower	Met?
P1: MHI	\$76,376	>=	\$51,875	Yes
P2: MHV	\$431,520	>=	\$132,700	Yes
P3: County Unemployment	5.35%	<=	3.42%	No
County Job Change	0.00%	>=	13.22%	No
S1: County MHI	\$76,376	>=	\$50,179	Yes
S2: Ten Year % Change in Population	0.00%	>=	0.60%	No
S3: Assessed Value per Housing unit	\$24,337	>=	\$4,266	Yes
S4b: Curr. and Proj. System Debt	0.15%	<	2.18%	Yes
S4b: 80th Percentile	0.75%	<	2.18%	Yes
S5b: Proj. System Cost Per Tap to MHI	0.73%	<	1.30%	Yes
S5b: 80th Percentile	1.10%	<	1.30%	Yes

Based on 2020-2024 American Community Survey data, the City met the requirements of a DAC, qualifying under scenario #1.

Due to its projected rates to MHI and MHV exceeding the 80th percentile, the City qualifies for the lowest interest rate available (Category 2 DAC, 1.75%).

IJA/BIL Principal Forgiveness Eligibility:

In order to qualify for IJA/BIL principal forgiveness, a community must score three (3) points using the IJA/BIL Principal Forgiveness Eligibility Criteria outlined in the Intended Use Plans. The City scores nine points as shown below.

IJA/BIL PF DETERMINATION				
	Benchmark		Borrower	Points
1. Five Year % Change in Population	0.73%	>	0.54%	1
2a: County Job Change	0.00%	>	13.22%	0
2b: County Unemployment	5.35%	<	3.42%	
3: Median Household Income, or MHI exceeds 125% of state MHI (-1 point)	\$95,470	>	\$51,875	1
	\$119,338	<		
4: Rates to MHI	0.56%	<	0.82%	1
5: Project addresses removal of lead or emerging contaminants	Yes		No	0
6: % Minority	40.00%	<	56.97%	1
7: % Households Housing Burdened	50.00%	<	40.85%	0
8: % Population under 200% Poverty Level	40.00%	<	55.16%	1
9: % Population under 200% Poverty Level + % Population over 65 years old	55.00%	<	76.93%	1
10: Meets DAC criteria	Yes		Yes	3
Total Points Scored:				9

The City qualifies for IJA/BIL principal forgiveness and has expressed interest in receiving a proportional loan with a principal forgiveness funding package. Using an estimated principal forgiveness award of 49.00%, the City qualifies for approximately \$493,724 in IJA/BIL principal forgiveness after application of the \$500,000 base principal forgiveness limit, leaving an estimated loan of \$513,876. Due to the availability of funds and the Additional Subsidy requirements of the SRF, the City will receive both Base principal forgiveness funds and IJA/BIL principal forgiveness.

ECONOMIC ANALYSIS: The City has a 2024 population estimated at 2,331 and has grown at an average annual rate of 0.54% since 2020. Bent County has experienced an increase of 1.19% in population since 2020. The state population increased at an average annual rate, estimated 0.73%.

The region's largest job sectors are agriculture, regional services, retirees and government. In Bent County, agribusiness accounts for the largest job sector (28%), along with government (23%), and retirees (17%). The area's largest employers consist of Bent County Correctional Facility with 230 employees, Mountain Prairie (agriculture) with 120 employees, Bent County Healthcare Facility with 82 employees, Las Animas School District RE-2 with 80 employees, and Bent County with 40 employees.

One customer accounts for more than 3% utilization: CoreCivic, owner of the Bent County Correctional Facility, accounts for 33% of total usage and 23% of total revenue.

ORGANIZATIONAL ANALYSIS:**Bond Rating**

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

Organizational Structure

The City is a statutory city governed by a council/mayor form of government and was incorporated in 1882. The City provides services including public safety, highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and water and wastewater services. Approximately six full-time employees staff the sewer utility. The sewer utility is overseen by the Treatment Operator who can delegate tasks to other full-time city employees and who reports to the Public Works Director, who reports to the Mayor.

- The City has generally been in compliance with Colorado statutory budgeting and auditing requirements for the past five years.
- The City maintains general liability insurance coverage through the Colorado Intergovernmental Risk Sharing Agency (CIRSA).

- There are currently no pending lawsuits against the City.
- There have been no recall elections in the last ten years.

Capital Improvement Plan

As part of the application process, the City submitted a capital improvement schedule, which anticipates capital outlay of \$320,000 for various sewer projects to be funded from reserves through 2050. These projects include replacement sanitary sewer collection lines, lift station pump replacement, and aeration equipment repair/replacement.

Intergovernmental

The City has an agreement in perpetuity with Bent County, and correspondingly with Corrections Corporation of America (CCA) to provide water and sewer service to the Bent County Correctional Facility. The agreement replaced a previous agreement with the County for a different prison contractor, and stipulates the tap sizes, responsibilities, etc. and designates authority. The IGA does not have stipulations concerning guaranteed revenues if the Facility downsizes or closes.

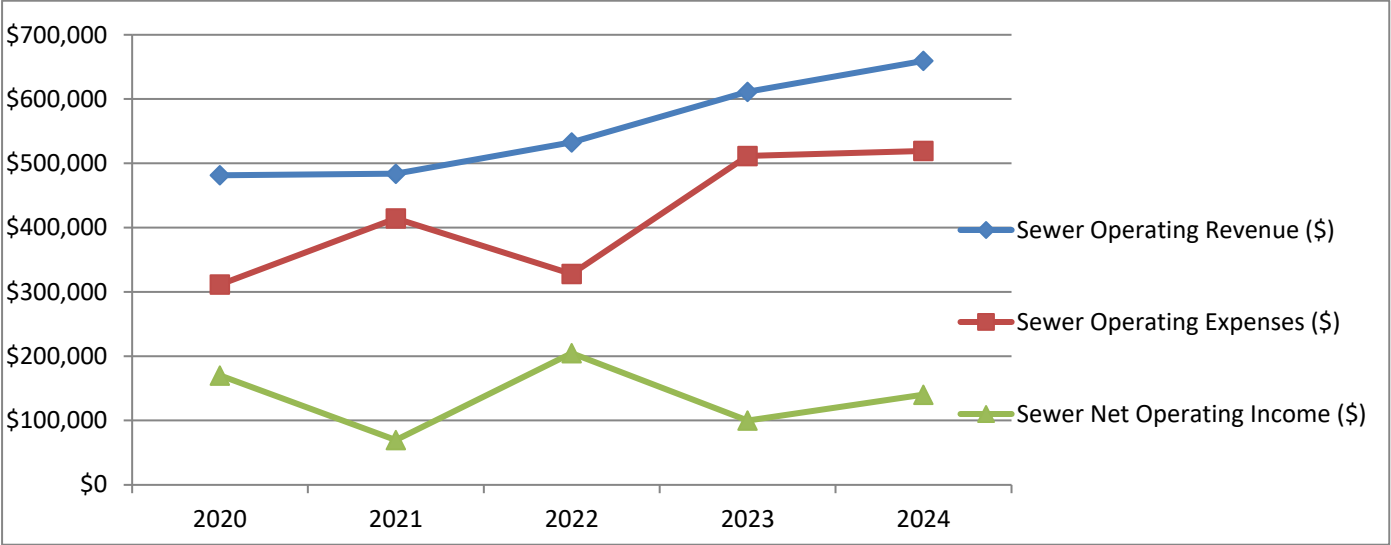
REVENUE ANALYSIS:

Sewer system revenues have been on a positive trend over the last several years, increasing steadily from 2021 through 2024. Monthly sewer rates were held constant from 2022 through 2024 (\$35.36) before rate increases in 2025 and 2026. Tap and development fees have consistently represented a minor fraction of the total revenue, making up less than 1% of total revenue each year and averaging just 0.39% overall. Despite this minimal connection to new development, operating revenues have steadily climbed annually, consistently covering operating expenses by a healthy margin.

Sewer operating expenditures experienced some volatility over the observed five-year period. Expenses spiked significantly in 2021 to \$414,178 before dropping back down in 2022 and jumping again in 2023, where they remained relatively flat through 2024.. The large drop in 2022 was due to deferred maintenance on swabbing main lines, which picked up again in 2023. 2023 saw a rise in large part from the renewed swabbing projects as well as the implementation of significant salary increases for the City to remain competitive in the area. Because operating revenues consistently outpaced these changing costs, the City's operating ratio remained positive every year, averaging 136% overall. Net operating income peaked in 2022 following the rate hike, before stabilizing in 2024.

TRENDS	2020	2021	2022	2023	2024	2025	2026
Monthly Sewer Rate (\$)			35.36	35.36	35.36	35.88	36.61
Monthly Water Rate (\$)			39.66	39.66	39.66	40.24	41.05
Residential Sewer Tap Fee (\$)		500	500	500	500	500	500
Residential Water Tap Fee (\$)		1,000	1,000	1,000	1,000	1,000	1,000
Total Sewer Revenue (\$)	492,900	492,177	593,839	631,419	686,445		
Tap/Development Fees (\$)	0.00	3,078	3,700	2,700	2,000		
Sewer Operating Revenue (\$)	481,390	483,734	532,588	611,282	659,362		
Sewer Operating Expenses (\$)	311,482	414,178	327,929	511,426	519,321		
Sewer Net Operating Income (\$)	169,908	69,556	204,659	99,856	140,041		
Sewer Debt (\$)	418,489	1,913,091	1,843,989	1,754,541	1,664,849		
Total Debt (\$)	1,600,889	3,037,224	2,837,056	2,733,897	2,513,311		
Sewer Debt Service (\$)	41,120	41,047	74,856	96,906	96,941		
Sewer Debt Service/Tap/Month (\$)		3.11	5.64	7.26	7.38		
Sewer Fund Reserves (\$)	541,647	1,971,352	1,255,471	756,058	832,115		

Ratios	2020	2021	2022	2023	2024	Average
Operating Revenue as % of Total Revenue	98%	98%	90%	97%	96%	96%
Operating Revenue as % of Expenses	155%	117%	162%	120%	127%	136%
Tap Fee Revenue as % of Total Revenue	0.00%	0.63%	0.62%	0.43%	0.29%	0.39%



Recent Rate Increases

The City’s most recent sewer rate increase of \$0.73 was implemented on January 1, 2026. Water rates increased by \$0.81 on the same date.

User Charges & System Utilization

The City’s current monthly sewer rate is estimated at \$36.61, compared to the 2024 estimated state median of \$44.65. The City’s average monthly sewer rate is based on typical residential utilization of 4,088 gallons per month. Residential and commercial users pay a base rate of \$35.20 monthly for up to 3,000 gallons and \$1.30 per 1,000 gallons over 3,000. The base rate for non-resident users is \$59.00 monthly for up to 3,000 gallons and \$1.30 per 1,000 gallons over 3,000.

The City’s current estimated average monthly residential water rate is \$41.05 compared to the 2024 estimated state median of \$60.61. The City’s average monthly water rate is based on typical residential consumption of 5,787 gallons per month. Users with a ¾” tap pay a \$35.20 base rate up to 3,000 gallons and volume charges as follows: \$2.10 per 1,000 gallons for consumption from 3,001 to 10,000 gallons; \$3.37 per 1,000 gallons from 10,001 to 30,000 gallons; \$4.22 per 1,000 gallons for 30,001 to 40,000 gallons, and \$5.83 per 1,000 gallons for use over 40,000 gallons. The base rate for out-of-town users with ¾” taps is \$64.75. The base rate and volume charges increase depending on meter size up to 6’.

Industrial and commercial users with meters of 2" or more, and who do not use water from the meter to irrigate vegetation pay the allotted minimum and are then charged by the following schedule: \$2.10/1,000 gallons after minimum up to 200,000 gallons; \$3.50/1,000 from 200,001 gallons to 800,000; and \$5.31/1,000 gallons for 800,001 and above.

Contributed Capital

Revenue from tap fees has ranged from \$0.00 to \$3,700 and has averaged 0.39% of total sewer revenue during the last five years. The City’s most recent sewer tap fee rate increase occurred prior to the observed five years.

- Residential sewer tap fees are \$500. Multiple unit dwellings are \$500 plus \$300/each additional unit, and commercial taps are \$600.
- Residential and commercial water tap fees are \$1,000.

Current System Utilization		
	Usage	Revenue
Residential	47%	48%
Non-residential (per EQR)	53%	52%

Current Fee Summary		
Tap size	Sewer user/tap fees	Water user/tap fees
¾”	\$36.61/\$500	\$38.84/\$1,000
¾”	\$36.61/\$500	\$38.84/\$1,000

DEBT as of December 31, 2024

Executed	Lender	Term End	Pledge	Outstanding	Interest Rate	Annual payment
2008	CWRPDA-WPCRF	2028	Sewer revenue	\$75,400	0%	\$18,850
2011	CWRPDA-WPCRF	2032	Sewer revenue	\$118,350	0%	\$15,780
2013	CWRPDA-WPCRF	2034	Sewer revenue	\$60,674	0%	\$6,387
2021	CWRPDA-WPCRF	2051	Sewer revenue	1,410,425	0.50%	\$55,909
2008	CWRPDA-DWRF	2038	Water revenue	\$378,935	0%	\$27,067
2022	Water Refunding	2027	Water revenue	\$144,527	2.25%	\$48,262
2022	Water Refunding	2033	Water revenue	\$325,000	2.75%	\$8,938

LOAN COVENANTS: The City 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 City has met the Loan Covenants on their WPCRF direct loans dated 2008, 2011, 2013, and 2021 and DWRF loan dates 2008 with the Authority. The City has also had no debt service payment issues.

Prepared by: Peter Dieterich
Date: July 28, 2026

Project # 140841W-B

Cost Categories:
Sewer System Rehabilitation (Category IIIB)- 100%

July 28, 2026 WPCRF Credit Report City of Las Animas, Bent County, CO Using most recent data available (Census, audits, local records)	
Estimated Population - 2024	2,331
Number of Sewer Taps/Customers - 2024	1,094
Total Assessed Valuation - 2024	\$5,371,000
Actual Value of All Real Property - 2024	\$49,105,000
Median Household Income (MHI) - 2024	\$51,875
Monthly Sewer Rate - 2024	\$35.36
Sewer Operating Revenue - 2024	\$659,362
Sewer Total Revenue - 2024 [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.]	\$686,445
Sewer Tap and System Development Fee Revenue - 2024	\$2,000
Sewer Operating Expense - 2024	\$519,321
Sewer Current Expense - 2024	\$616,262
Sewer Debt - 2024	\$1,664,849
Total Debt - 2024	\$2,513,311
Sewer Fund Reserves - 2024	\$832,115
Sewer Debt Service - 2024	\$96,941
New Sewer Debt [Requested WPCRF loan amount.]	\$508,776
Requested WPCRF Loan Term	30
Requested WPCRF Loan Interest Rate	1.75%
New Loan's Annual Sewer Debt Service (two payments annually)	\$21,871

Current Indicators (2024)					
City of Las Animas					
(Sewer Only)					
1 Total Debt	\$2,513,311	÷	Population	2,331	= \$1,078
New Debt	\$508,776	÷	Population	2,331	= \$218
Total Debt + New Debt	\$3,022,087	÷	Population	2,331	= \$1,296
2 Total Debt	\$2,513,311	÷	Number of Taps	1,094	= \$2,297
New Debt	\$508,776	÷	Number of Taps	1,094	= \$465
Total Debt + New Debt	\$3,022,087	÷	Number of Taps	1,094	= \$2,762
3 Total Debt	\$2,513,311	÷	Assessed Value	\$5,371,000	= 46.79%
New Debt	\$508,776	÷	Assessed Value	\$5,371,000	= 9.47%
Total Debt + New Debt	\$3,022,087	÷	Assessed Value	\$5,371,000	= 56.27%
4 Total Debt	\$2,513,311	÷	Actual Value	\$49,105,000	= 5.12%
New Debt	\$508,776	÷	Actual Value	\$49,105,000	= 1.04%
Total Debt + New Debt	\$3,022,087	÷	Actual Value	\$49,105,000	= 6.15%
5 Current Sewer Debt (Current Sewer Debt + New Sewer Debt) / Number of Taps	\$1,664,849	÷	Number of Taps	1,094	= \$1,522
	\$1,987	÷	MHI	\$51,875	= 3.83%
6 Current Ratio (CA / CL)					
Current Assets	\$928,692	÷	Current Liabilities	\$96,577	= 962%
7 Reserve/Expense Ratio					
Reserves	\$832,115	÷	Current Expenses	\$616,262	= 135%
8 Operating Ratio (OR / OE)					
Operating Revenues	\$659,362	÷	Operating Expenses	\$519,321	= 127%
9 Coverage Ratio [(TR - OE) / DS]					
Total Revenues	\$686,445	-			
Minus Operating Expenses	<u>\$519,321</u>				
=	\$167,124	÷	Current Debt Service	\$96,941	= 172%
Coverage Ratio Excluding Tap and					
10 Development Fee Revenue	\$167,124				
Minus Tap and Development Fee Revenue	<u>\$2,000</u>				
=	\$165,124	÷	Current Debt Service	\$96,941	= 170%
11 Projected Coverage Ratio					
Total Revenues	\$686,445				
Minus Operating Expenses	<u>\$519,321</u>				
=	\$167,124		Total Debt Service (with new loan)	\$118,812	= 141%
Projected Coverage Excluding Tap and					
12 Development Fee Revenue	\$167,124				
Minus Tap and Development Fee Revenue	<u>\$2,000</u>				
=	\$165,124	÷	Total Debt Service (with new loan)	\$118,812	= 139%
13 Current Debt Service	\$96,941	÷	Number of Taps	1094	= \$88.61
Annual New Sewer Debt Service	\$21,871	÷	Number of Taps	1094	= \$19.99
2024 Annual Sewer Rate (Monthly Rate x 12)	\$424.32	÷	MHI	\$51,875	= 0.82%
2024 Annual Sewer Rate + New Annual Debt Service Per Tap	\$444.31	÷	MHI	\$51,875	= 0.86%
15 Current 2024 Monthly User Charge (Debt Service on WPCRF Loan / 2024 Taps / Month)					\$35.36
Total					\$1.67
					\$37.03
16 Operation and Maintenance Reserve					
Reserves	\$832,115	÷	Operating Expenses	\$519,321	= 160%

WPCRF & DWRF									
		Benchmark		Applicant	Points	Notes on Data Used			
<u>Eligibility Criteria</u>									
1	Population loss or growth is slower than the state's over 5 years	<=	0.73%	0.54%	1.0				
	Current Population (2024)			2,331					
	Poulation five years ago (2020)			2,281					
2a	10 Year % County Job Change	>=	0	13.22%	0.0				
2b	County 24 Month unemployment rate exceeds the state's plus 1%	>=	5.35%	3.42%	0.0				
3	Median Household Income	<=	\$ 95,470	51,875	1.0	If MHI CV > 40%, calculate result at top of band			
		>=	\$ 119,338		0.0	Result			
	Reliability (CV)	<=	40.00%	N/A	N				
4	Rates compared to MHI	>	0.56%	0.82%	1.0	If MHI CV > 40%, calculate result at top of band			
S	Monthly Residential Rate	>		35.36		Result			
					based on application only, needs to be confirmed				
5	Project addresses removal of lead or emerging contaminants		Yes	No	0.0				
6	% Population that identifies as minority is greater than 40%	>	40.00%	56.97%	1.0				
7	% Population that are housing burdened is greater than 50%	>	50.00%	40.85%	0.0				
8	% Population under 200% Poverty Level is greater than 40%	>	40.00%	55.16%	1.0				
9	% Population under 200% Poverty Level + % Population over 65 years old is equal to or greater than two thirds of communities in the state	>=	55.00%	76.93%	1.0				
	% Population over 65 years old			21.77%					
10	Meets base program DAC criteria?			Yes	3.0				
BIL Eligibility Points					9.0				

2026 SRF Disadvantaged Community Criteria

Loan Terms

Amount of Loan:	\$1,497,600
Interest Rate:	3.25%
Term (years):	20
Annual Payment:	\$102,420

Applicant:	City of Las Animas		
	Test Result	Conditions met to be DAC	
	Y	Test 1: P1 & P2 or P3	
		Test 2: P1, Not P2 or P3, & 2+ S1-S5	
		Test 3: P1 ??, P2 & P3, & 2+ S1-S5	

	Benchmark	Applicant	Result	Notes on Data Used
Current Population (2024)	<= 10,000	2,331	Y	
Population 5 years ago (2020)		2,281		
Poulation 10 years ago (2015)		2,317		

Primary Factors

MHI (Place)	<= \$ 76,376	51,875	Y	
Margin of Error (MOE)	±	10,249		
MHV (Place)	<= \$ 431,520	132,700	Y	
Margin of Error (MOE)	±	54,040		
24 Month Unemployment (County)	>= 5.35%	3.42%	N	
or 10 Year % Chng. Jobs (County)	<= 0.00%	13.22%	N	
Jobs (2024)		1,576		
Jobs (2015)		1,392		

Priority Factor Count	2
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Secondary Factors

MHI (County)	<=	\$	76,376	50,179	Y		
Margin of Error (MOE)	±			7,108			
Reliability (CV)	<=		18.00%	8.61%	Y		
10 Year % Chng. Population	<=		0.00%	0.60%	N		
Assessed Value / Housing Unit	<=	\$	24,337	\$4,266	Y		
Assessed Value				5,371,290			
Total Housing Units				1259			
Current Debt / Tap / MHV	>		0.15%	1.15%	Y	If MHV CV > 18%, calculate result at top of band	Result
Current + Projected Debt/Tap/MHV	>		0.15%	2.18%	Y		
S4b 80th percentile			0.75%	2.18%	Y		
System Full Cost / Tap / MHI	>		0.80%	1.32%	Y	If MHI CV > 18%, calculate result at top of band	Result
Projected Rate @ 110% Coverage	>		0.73%	1.30%	Y		
S5b 80th percentile			1.10%	1.30%	Y		

Secondary Factor Count	4
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System Data for S4 and S5: To be completed by DLG

Taps or EQR's	1,094
Total Debt	1,664,849
Principal & Interest	96,941
Operating Expenses (including operating transfers out)	519,321
Depreciation	227,701

2026 IUP WPCRF Priority Point Calculations

Entity Name:	City of Las Animas
Date of Scoring	7/28/2026
SRF Phase:	Loan app
DOLA Score:	160
DAC:	DAC

Benchmarks

\$95,470 2020-2024 State MHI estimate

P1	MHI		\$51,875	54%
	<50% of state MHI	35		
	Between 51% and 80% of state MHI	20 x		
	Between 81% and 100% of state MHI	5		
	>100% state MHI	0		
S5a	User Fees (current SEWER rate at 110%/tap/MHI)		1.32%	
	Rates are > 1.14%	45 x		
	Rates are between 0.80% and 1.14%	25		
	Rates are < 0.80%	0		
	OR			
S5a	User Fees for a combined water & sewer fund			
	Rates are > 2.70%	45		
	Rates are between 2.03% and 2.70%	25		
	Rates are < 2.03%	0		
S4a	Current SEWER debt per tap compared to MHV		1.15%	
	Debt is > 0.53%	45 x		
	Debt is between 0.15% and 0.53%	25		
	Debt is < 0.15%	0		
	OR			
S4a	Current water & sewer debt (for combined systems)			
	Debt is > 1.26%	45		
	Debt is between 0.57% and 1.26%	25		
	Debt is < 0.57%	0		
	Population served		2,331	
	Less than 500	35		
	Between 500 and 1,000	25		
	Between 1,000 and 2,000	20		
	Between 2,000 and 5,000	15 x		
	Between 5,000 and 10,000	5		
	>10,000	0		
S3	Assessed Value/Household		4,266	
	AV per household is < \$12,722	35 x		
	AV per household is between \$12,722 and \$24,337	20		
	AV per household is between \$24,337 and \$46,151	10		
	AV per household is greater than \$46,151	0		



Principal Forgiveness and Priority Point Scoring

Applicant: City of Las Animas
DWRP or WPCRF: WPCRF

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

BIL Principal Forgiveness

Eligible for BIL principal forgiveness? Yes

Eligible BIL principal forgiveness percentage: 49%

Amount of principal forgiveness awarded (accounting for any applicable cap/max): \$493,724

Base DWRP/WPCRF Principal Forgiveness Scoring

DWRP/WPCRF

Water Quality & Public Health + CPDWR Compliance:	0
DOLA Affordability Score:	160
Total Score	160

Eligible as a base program DAC? Yes

Eligible base program DWRP/WPCRF principal forgiveness percentage:

Amount of principal forgiveness awarded (accounting for any applicable cap): \$500,000

Priority Point Scoring

Total WQCD Score:	45
DOLA Affordability Score:	160
Total Score:	205

**COLORADO WATER RESOURCES
AND
POWER DEVELOPMENT AUTHORITY**

RESOLUTION NO. 26-34

**A RESOLUTION FOR APPROVAL OF A WASTEWATER DIRECT LOAN TO THE
CITY OF LAS ANIMAS AND EXECUTION OF A LOAN AGREEMENT AND
OTHER DOCUMENTS NECESSARY THEREFOR**

WHEREAS, the Colorado Water Resources and Power Development Authority (the "Authority") has received and reviewed an Application for Base Principal Forgiveness ("PF"), Infrastructure Investment and Jobs Act/Bipartisan Infrastructure Law ("IIJA/BIL") General Supplemental direct loan, and IIJA/BIL General Supplemental PF from the Water Pollution Control Revolving Fund ("WPCRF") from the City of Las Animas (the "Applicant"); and

WHEREAS, the Loan Application has been reviewed in accordance with the procedures provided therefor in the Memorandum of Understanding 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 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 requirements and prerequisites and is eligible 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 direct loan to the City of Las Animas in an amount not to exceed \$1,507,600 (*\$500,000 of Base PF, *513,876 of IIJA/BIL General Supplemental direct loan to be repaid, plus *\$493,724 of IIJA/BIL General Supplemental PF, for a total of \$1,507,600 WPCRF 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. 26-34 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 Steamboat Springs, Colorado on August 19, 2026.

Chair

Secretary

EXHIBIT A

Borrower:	City of Las Animas
Project:	The project consists of replacing the failing force main to prevent any collapses and sewer spills in the future.
Pledge:	Sewer Revenue
Loan Term:	30 Years
Interest Rate:	1.75%
Amount not to exceed:	\$1,507,600 (*\$500,000 of Base PF, *\$13,876 of IJA/BIL General Supplemental direct loan to be repaid, plus *\$493,724 of IJA/BIL General Supplemental PF, for a total of \$1,507,600 WPCRF loan funds)

Subject to the following terms & conditions:

1. Prepayment Charge - A \$15,000 prepayment charge will be applied on any full principal prepayment of the loan. All interest paid through the date of full principal prepayment will be credited against this charge.

* - Estimated PF and direct loan amounts through the Base and IJA/BIL programs. The exact amount will be based on the IJA/BIL capitalization grant principal forgiveness to loan ratio while taking into account set asides. However, in the unlikely event the ratio increases the loan amount by more than a de-minimis amount, as determined by the Executive Director, the credit will be returned to the Board for further evaluation and consideration.

** - The terms and monetary amounts set forth in Part 1 hereto under the IJA/BIL General Supplemental loan and the IJA/BIL General Supplemental PF loan are premised upon the Authority’s understanding of and expectations for the resources available to it from the Base Federal Capitalization Grants and the IJA/BIL. These amounts, and the allocation of funds available to the Project from each source, are subject to change, amendment, and/or rescission depending upon the policies, procedures, and budgetary adjustments adopted by the federal administration. If such changes in policies and procedures or budgetary adjustments are adopted by the federal administration, the Authority reserves the right to review and adjust the terms and monetary amounts set forth herein in a subsequent action. Further, the loan agreement authorized by this resolution is subject to non-execution, cancellation, delay, rescission, or alteration depending upon the terms and conditions, quantities, or availability of federal funds provided under existing or future Capitalization Grants. In addition, funding for this and other approved projects may be re-evaluated under the priority scoring system implemented by the Board for all projects based on changes in the availability of anticipated funds. This re-evaluation may result in the funding of some but not all previously-authorized projects, including the project for which the execution of a loan agreement has been authorized by this resolution. The loan agreement authorized by this resolution shall include a term by which Applicant shall hold the Authority harmless for any costs or damages resulting from a change in federal policies, procedures, or funding that results in the requirement that the Authority cancel, delay, rescind, or alter its terms.



TO: Members of the CWRPDA Board and Karl Ohlsen
 FROM: Wesley Williams, Ian Loffert, and Giorgi Gazashvili, CWRPDA
 SUBJECT: Town of Cheraw (the "Town") WPCRF Loan Year Term Change- Credit Report Update
 DATE: August 19, 2026

Project Budget	
WPCRF IJA/BIL Loan:	\$451,915
WPCRF IJA/BIL Principal Forgiveness:	\$492,085
2024 D&E Grant:	\$300,000
2023 Planning Grant:	\$10,000
Total:	\$1,254,000

The CWRPDA Board approved the Town for a WPCRF funding package of \$1.25 million on March 6, 2026. The March loan application was approved for a repayment term of 20 years. Due to the rate increase that was associated with application, the Town has requested an amendment to the Board-approved loan to change the term of 20 years to 30 years, in order to ease the burden of the required rate increase on the Town residents. The associated term change would result in the Town receiving the 30-year interest rate of 1.75%, as opposed to the approved 20-year and interest rate of 1.5%. After checking with the SRF project team and CDPHE engineers, the project qualifies for a 30-year term with the SRF due to the project's useful life being 30 years or more.

Based on 2024 financial statements, the Town's finances largely remain the same with a few minor changes due to the interest rate and term change. The indicators related to the coverage ratio and the new debt calculation have improved but stayed in their respective categories.

CURRENT INDICATORS	2024	Weak	Average	Strong
Total Debt per Capita (\$):	1,574	>\$2,000	X \$1,000 - 2,000	<\$1,000
Total + New Debt/Capita (\$):	3,565	X >\$2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Tap (\$):	2,770	>\$5,000	X \$2,500-5,000	<\$2,500
Total Debt + New Debt/Tap (\$):	6,273	X >\$5,000	\$2,500-5,000	<\$2,500
Current Sewer Debt/Tap (\$):	0	>\$2,000	\$1,000 - 2,000	X <\$1,000
Current Sewer + New Sewer Debt/Tap (\$):	3,503	X >\$2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Assessed Value:	87%	X >50%	25-50%	<25%
Total Debt + New Sewer Debt/Assessed Value:	196%	X >50%	25-50%	<25%
Total Debt/Actual Value:	6.87%	>10%	X 5-10%	<5%
Total Debt + New Sewer Debt/Actual Value:	16%	X >10%	5-10%	<5%
Curr. Sewer Debt + New Debt/Tap/MHI:	9.09%	>20%	10-20%	X <10%
Sewer Fund Current Ratio (CA/CL):	216%	<100%	100-200%	X >200%
Sewer Fund Reserves/Current Expense:	144%	<50%	50-100%	X >100%
Sewer Operating Ratio (OR/OE):	63%	X <100%	100-120%	>120%
Coverage Ratio (TR-OE)/DS:	N/A	<110%	110-125%	X >125%
Coverage Ratio (TR-OE)/DS Excluding Tap Fees:	N/A	<110%	110-125%	X >125%
Coverage Ratio with New Loan:	-88%	X <110%	110-125%	>125%
Coverage Ratio with New Loan Excluding Tap Fees:	-88%	X <110%	110-125%	>125%
Current Annual W&S Rates/MHI:	0.62%	>3.0%	1.5-3.0%	X <1.5%
Current Sewer Rates + New Sewer Debt Service/MHI:	1.01%	>3.0%	1.5-3.0%	X <1.5%
Operation and Maintenance Reserve	144%	<25%	25-50%	X >50%
TOTAL:	9	3	9	

Financial Analysis

The financials, when considering the change of term from 20-years to 30-years which comes with an interest rate change from 1.5% to 1.75%, improve the coverage ratio indicators, which decreases the required rate increase from \$23.97 to \$19.13

- The Coverage Ratio with a 20-year term and 1.5% interest was approximately -65%, which seems higher than the new coverage ratio of -88%. However, this is due to the Operating income being a negative number. The Debt Service actually decreases which makes the Town's financials and coverage ratio better.
- If the change request is approved, the annual debt service of \$26,238 with the approved loan terms of 1.50% interest rate over 20 years, will decrease to \$19,427 with the suggested loan terms of 1.75% interest rate over 30 years.

WPCRF LOAN CREDIT REPORT (2026)

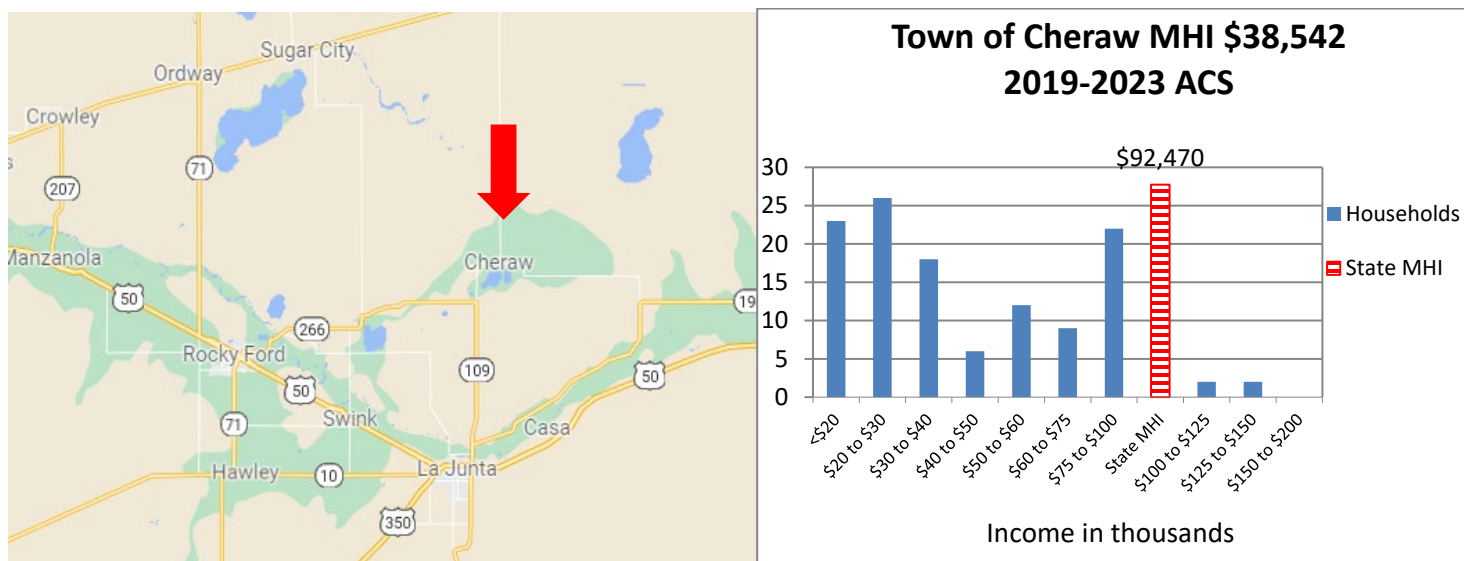
Town of Cheraw ("The Town"), Otero County

Recommendation:	CONDITIONAL APPROVAL	Project Budget	
Loan Request:	\$944,000	WPCRF IIJA/BIL Loan:	\$451,915
Interest Rate & Term:	1.5%, 20 years	WPCRF IIJA/BIL Principal Forgiveness:	\$492,085
Annual Debt Service:	\$26,238	2023 Planning Grant:	\$10,000
Pledge:	Sewer System Revenue	2025 D&E Grant:	\$300,000
Current Rate:	\$25.70	Total:	\$1,254,000
Estimated Rate Increase:	\$23.97		

PROJECT DESCRIPTION: The proposed project includes replacing the existing lift station with a new above-ground lift station.

COMMUNITY PROFILE:							Avg. Annual Change
Town of Cheraw	2020	2021	2022	2023	2024	2025	
Town Population	237	236	232	230	227		-1.07%
Otero County Population	18,670	18,527	18,277	18,142	17,916		-1.03%
Otero County Jobs	7,022	7,119	7,167	7,249	7,216		0.68%
Number of Sewer Taps		129	129	129	129	129	0.00%
Number of Water Taps		119	119	119	119	119	0.00%
Assessed Value (\$000)		513	529	505	412	425	-4.60%
Actual Value (\$000)		5,886	5,962	5,960	5,198	5,253	-2.80%

BORROWER BRIEF: The Town of Cheraw is located about 75 miles east of the City of Pueblo and 10 miles north of the City of La Junta in Otero County in southeast Colorado.



RECOMMENDATION: The Town serves a small, rural community in Otero County. This proposed loan is necessary to replace a lift station that is at the end of its useful life. The Town will need to nearly double sewer rates to complete this project, however, the Town has spent a substantial amount of time educating residents on the need for the project and is prepared to make the required rate increases. We therefore recommend the WPCRF Committee approve a \$451,915 WPCRF IIJA/BIL supplemental loan, and \$492,085 in principal forgiveness to the Town of Cheraw on the condition rates are increased to meet coverage requirements for this WPCRF request and to come into compliance with the outstanding DWRF loans.

PROJECT SUMMARY:

System summary: The Town's sanitary sewer system consists of a collection system that was installed in 1980. The entire collection system flows by gravity to the Town's lift station. The collection system feeds into the treatment facility, that is comprised of three interconnected wastewater evaporative ponds.

Reason/need: The Town's existing lift station is at the end of its useful life and is in need of replacement. The existing lift station is exhibiting signs of corrosion and exposed concrete aggregate in the wetwell walls. This is increasing the risk of the lift station becoming inoperable, which would make the collection system fail.

System Compliance: The Town 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: 10% of the total project cost is included as contingency.

CURRENT INDICATORS:	2022	2023	2024	Weak	Average	Strong
Total Debt per Capita (\$):	1,621	1,605	1,574	___ >\$2,000	<u>X</u> \$1,000 - 2,000	___ <\$1,000
Total + New Debt/Capita (\$):			3,565	<u>X</u> >\$2,000	___ \$1,000 - 2,000	___ <\$1,000
Total Debt/Tap (\$):	2,915	2,862	2,770	___ >\$5,000	<u>X</u> \$2,500 - 5,000	___ <\$2,500
Total Debt + New Debt/Tap (\$):			6,273	<u>X</u> >\$5,000	___ \$2,500 - 5,000	___ <\$2,500
Current Sewer Debt/Tap (\$):	0	0	0	___ >\$2,000	___ \$1,000 - 2,000	<u>X</u> <\$1,000
Current Sewer + New Sewer Debt/Tap (\$):			3,503	<u>X</u> >\$2,000	___ \$1,000 - 2,000	___ <\$1,000
Total Debt/Assessed Value:	71%	73%	87%	<u>X</u> >50%	___ 25-50%	___ <25%
Total Debt + New Sewer Debt/Assessed Value:			196%	<u>X</u> >50%	___ 25-50%	___ <25%
Total Debt/Actual Value:	6.31%	6.19%	6.87%	___ >10%	<u>X</u> 5-10%	___ <5%
Total Debt + New Sewer Debt/Actual Value:			16%	<u>X</u> >10%	___ 5-10%	___ <5%
Curr. Sewer Debt + New Debt/Tap/MHI:			9.09%	___ >20%	___ 10-20%	<u>X</u> <10%
Sewer Fund Current Ratio (CA/CL):	2,128%	537%	216%	___ <100%	___ 100-200%	<u>X</u> >200%
Sewer Fund Reserves/Current Expense:	334%	181%	144%	___ <50%	___ 50-100%	<u>X</u> >100%
Sewer Operating Ratio (OR/OE):	110%	64%	63%	<u>X</u> <100%	___ 100-120%	___ >120%
Coverage Ratio (TR-OE)/DS:	N/A	N/A	N/A	___ <110%	___ 110-125%	<u>X</u> >125%
Coverage Ratio (TR-OE)/DS Excluding Tap Fees:	N/A	N/A	N/A	___ <110%	___ 110-125%	<u>X</u> >125%
Coverage Ratio with New Loan:			-65%	<u>X</u> <110%	___ 110-125%	___ >125%
Coverage Ratio with New Loan Excluding Tap Fees:			-65%	<u>X</u> <110%	___ 110-125%	___ >125%
Current Annual Sewer Rates/MHI:			0.62%	___ >3.0%	___ 1.5-3.0%	<u>X</u> <1.5%
Current Sewer Rates + New Sewer Debt Service/MHI:			1.15%	___ >3.0%	___ 1.5-3.0%	<u>X</u> <1.5%
Operation and Maintenance Reserve:			144%	___ <25%	___ 25-50%	<u>X</u> >50%
Total:			9	3	9	

FINANCIAL ANALYSIS: Of the twenty-one current indicators calculated, nine are rated strong, three are average and nine are considered weak. Overall, the indicators illustrate a system where sewer expenses exceed system revenues, and the proposed debt is anticipated to be large for the community. The strong indicators show the lack of existing sewer debt and affordable rates with both the current and requested debt. The weak indicators reflect inadequate revenue to cover expenses, the need to raise rates for the projected loan, and the Town's existing and requested debt being large relative to community size and wealth.

- The Town's operating ratio was negative in 2023 and 2024, meaning operating expenses exceeded operating revenue in those years. This deficit is explained in the revenue section below.
- Based on 2024 financial information, coverage with the proposed loan is -65%. Additional annual revenue of about \$45,931, or \$29.67 per tap per month, would increase the coverage ratio to 110%. The Town has raised sewer rates by \$5.70 since 2024, which decreases the required rate increase to \$23.97.
- Without principal forgiveness, the coverage ratio moves to -31%. Additional annual revenue of about \$77,359, or \$49.97 per tap per month.
- The Town states "public reception to the anticipated rate increases has been mixed but generally constructive. The Town has been transparent about the financial condition of the sewer fund, the need for the project, and the consequences of inaction, which has helped residents better understand why rate increases are necessary. While there is understandable concern about affordability and the impact on household budgets, much of the feedback has reflected recognition that the infrastructure improvements are essential and long overdue."

Additional Project Financing

The Town received a \$10,000 planning grant and a \$300,000 design and engineering grant in 2025.

DESCRIPTION OF THE LOAN:

An estimated \$451,915 loan with a twenty-year term with two payments annually at an interest rate of 1.5% will cost the Town approximately \$26,238 in debt service annually. The Town also qualifies for \$492,085 in IJA/BIL principal forgiveness.

Disadvantaged 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

Credit Report				
	Benchmark		Borrower	Met?
P1: MHI	\$73,976	>=	\$38,542	Yes
P2: MHV	\$401,760	>=	\$97,900	Yes
P3: County Unemployment	4.47%	<=	4.72%	Yes
County Job Change	0.00%	>=	5.04%	No
S1: County MHI	\$73,976	>=	\$54,897	Yes
S2: Ten Year % Change in Population	0.00%	>=	-1.73%	Yes
S3: Assessed Value per Housing unit	\$24,308	>=	\$3,434	Yes
S4b: Curr. and Proj. System Debt	0.16%	<	7.47%	Yes
S4b: 80th Percentile	0.88%	<	7.47%	Yes
S5b: Proj. System Cost Per Tap to MHI	0.76%	<	2.39%	Yes
S5b: 80th Percentile	1.18%	<	2.39%	Yes

Based on 2019-2023 American Community Survey data, the Town met the requirements of a DAC, qualifying under scenario #1.

Due to its projected rates to MHI and MHV exceeding the 80th percentile, the Town qualifies for the lowest interest rate available (Category 2 DAC, 1.5% or 1.75%).

IJA/BIL Principal Forgiveness Eligibility:

In order to qualify for IJA/BIL principal forgiveness, a community must score three (3) points using the IJA/BIL Principal Forgiveness Eligibility Criteria outlined in the Intended Use Plans. The Town scores 8.5 points as shown below.

IJA/BIL PF DETERMINATION				
	Benchmark		Borrower	Points
1. Five Year % Change in Population	0.61%	>	-1.07%	1
2a: County Job Change	0.00%	>	5.04%	0.5
2b: County Unemployment	4.47%	<	4.72%	
3: Median Household Income, or MHI exceeds 125% of state MHI (-1 point)	\$92,470	>	\$38,542	1
	\$115,588	<		
4: Rates to MHI	0.56%	<	0.78%	1
5: Project addresses removal of lead or emerging contaminants	Yes		No	0
6: % Minority	40.00%	<	16.59%	0
7: % Households Housing Burdened	50.00%	<	32.50%	0
8: % Population under 200% Poverty Level	40.00%	<	40.28%	1
9: % Population under 200% Poverty Level + % Population over 65 years old	55.00%	<	70.61%	1
10: Meets DAC criteria	Yes		Yes	3
Total Points Scored:				8.5

The Town qualifies for IJA/BIL principal forgiveness and has expressed interest in receiving a proportional loan with principal forgiveness funding package. Using an estimated principal forgiveness award of 52.128%, the Town qualifies for approximately \$492,085 in principal forgiveness, leaving an estimated loan of \$451,915.

ECONOMIC ANALYSIS: The Town has a 2024 population estimated at 227 and has decreased at an average annual rate of -1.07% since 2020. Otero County has experienced a decrease of -1.03% in population since 2020. The state population increased at an average annual rate, estimated at 0.95%.

The County’s economy is dominated by agribusiness, retirees, education and health care, public assistance income (excluding retirees), and government. Otero County’s largest job sectors are health services, government, retail, accommodation and food service, and manufacturing. The County’s jobs have been stagnant over the past five years, though they have increased when looking at a 10-year span.

The area’s largest employers consist of Cheraw School District with 40 employees, Frontier Diner with 5 employees, Bruce Well Service with 4 employees, Town of Cheraw with 3 employees, and Phillips Communication with 3 employees.

ORGANIZATIONAL ANALYSIS:

Bond Rating

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

Organizational Structure

The Town is a statutory town governed by a council/mayor form of government and was incorporated in 1917. The Town provides services including street maintenance, water, sewer and garbage disposal services. Approximately 1 full-time employee plus contract operator staff the sewer utility. The sewer utility is overseen by the superintendent, who reports to the mayor.

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

Capital Improvement Plan

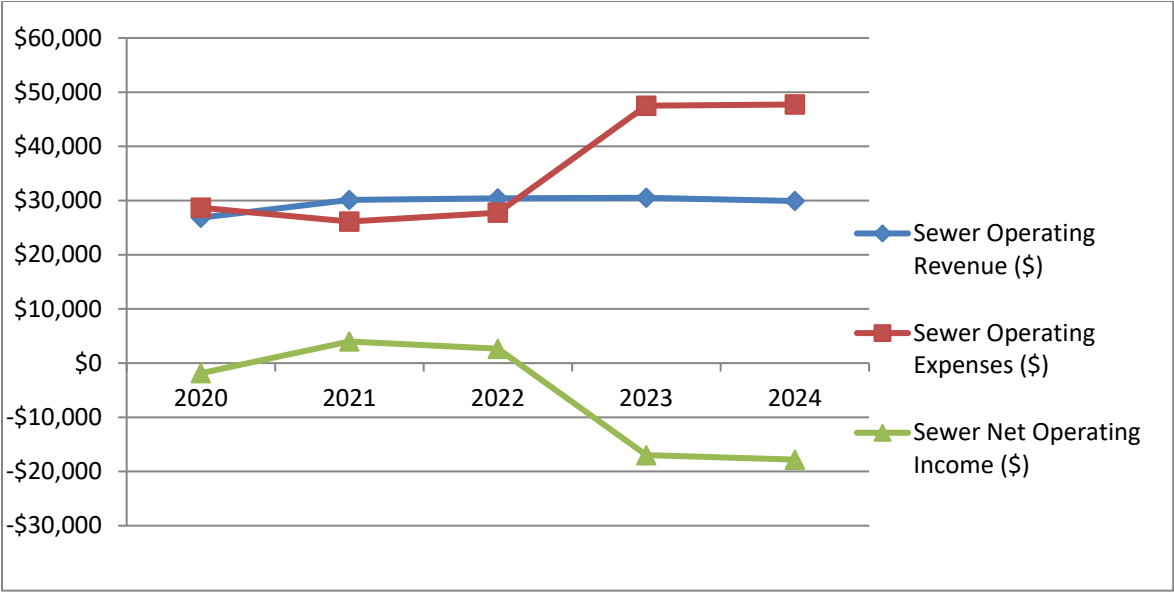
The Town does not maintain a capital improvement plan. Anticipated upcoming capital improvement projects include the replacement of the lining of the third lagoon in 2028, and the replacement of the Town’s water meters with smart meters in the next 2-5 years. The anticipated costs are approximately \$2,600,000 to be funded from grant and loans.

REVENUE ANALYSIS:

In 2023, the Town changed how it accounted for sewer fund expenses. Sewer expenses that we previously billed to the general fund were reallocated to the sewer fund, causing the rise in expenses there. The higher 2023 and 2024 sewer fund expenses are expected to be the normal moving forward. Now that the Town has a more accurate understanding of the expenses, the Town has been taking incremental steps to ensure the fund is self-sufficient by implementing annual rate increases, though a larger rate increase will be necessary for the proposed loan.

TRENDS	2020	2021	2022	2023	2024	2025	2026
Monthly Sewer Rate (\$)		20.00	20.00	20.00	20.00	25.00	25.70
Monthly Water Rate (\$)		24.51	43.01	45.01	45.01	47.68	58.72
Residential Sewer Tap Fee (\$)		5,000	5,000	5,000	5,000	5,000	51,000
Residential Water Tap Fee (\$)		5,000	5,000	5,000	5,000	5,000	51,000
Total Sewer Revenue (\$)	26,947	30,286	30,427	30,528	30,653		
Tap/Development Fees (\$)	0	0	0	0	0		
Sewer Operating Revenue (\$)	26,835	30,112	30,410	30,510	29,916		
Sewer Operating Expenses (\$)	28,681	26,122	27,757	47,494	47,722		
Sewer Net Operating Income (\$)	-1,846	3,990	2,653	-16,984	-17,806		
Sewer Debt (\$)	0	0	0	0	0		
Total Debt (\$)	0	0	376,040	369,163	357,303		
Sewer Fund Reserves (\$)	71,962	97,743	92,803	85,837	68,768		

Ratios	2020	2021	2022	2023	2024	Average
Operating Revenue as % of Total Revenue	100%	99%	100%	100%	98%	99%
Operating Revenue as % of Expenses	94%	115%	110%	64%	63%	89%
Tap Fee Revenue as % of Total Revenue	0%	0%	0%	0%	0%	0%



Recent Rate Increases

The Town’s most recent rate increase of \$0.70 was implemented on December 8, 2025.

User Charges & System Utilization

The Town’s current monthly sewer rate is a flat \$25.70 compared to the 2024 estimated state median of \$44.65.

The Town’s current estimated average monthly residential water rate is \$58.72 compared to the 2024 estimated state median of \$60.61. The Town’s average monthly water rate is based on typical residential consumption of 5,340 gallons per month. Residential and commercial customers pay a \$38.04 base rate, a \$10 facility charge, and \$2.00 per 1,000 gallons of consumption.

Contributed Capital

The Town has not collected any revenue from tap fees during the last five years. The Town has not changed their tap fees in the past five years.

- Sewer tap fees are \$1,000.
- Water tap fees are \$1,000.

Current System Utilization		
	Usage	Revenue
Residential	91%	94%
Non-residential (per EQR)	9%	6%

Current Fee Summary		
Tap size	Sewer user/tap fees	Water user/tap fees
¾”	\$25.70/\$1,000	\$58.72/\$51,000
¾”	\$25.70/\$1,000	\$58.72/\$51,000

DEBT as of December 31, 2024

Executed	Lender	Term End	Pledge	Outstanding	Interest Rate	Annual payment
2022	DWRF	2052	Water Revenue	\$159,209	0.50%	\$6,311
2022	DWRF	2052	Water Revenue	\$186,175	0.50%	\$7,380

LOAN COVENANTS: The Town 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 Town has had no debt service payment issues.

- The Town has met the O&M reserve fund covenant for its 2022 DWRF loans in recent two years. However, the Town failed to meet the 110% rate covenant on their 2022 DWRF loans. The Town has already raised rates to meet this covenant

Town of Cheraw Water Revenue Pledge				
Year	Rate Covenant	In Compliance (Y/N)	O&M Reserve Fund*	In Compliance (Y/N)
2023	-315%	N	\$204.50	Y
2024	-169%	N	\$296.50	Y

*Dollar amount reserved above the 3-month O&M expenses.

Prepared by: Desi Santerre
Date: February 10, 2026

Project #220061W-B
Cost Categories: 100% - Sewer System Rehabilitation

Date 10-Feb-26 WPCRF Credit Report Town of Cheraw, Otero County, CO Using most recent data available (Census, audits, local records)	
Estimated Population - 2024	227
Number of Sewer Taps/Customers - 2024	129
Total Assessed Valuation (in thousands) - 2024	\$412
Actual Value of All Real Property (in thousands) - 2024	\$5,198
Median Household Income (MHI) - 2023	\$38,542
Monthly Sewer Rate - 2024	\$20.00
Sewer Operating Revenue - 2024	\$29,916
Sewer Total Revenue - 2024 [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.]	\$30,653
Sewer Tap and System Development Fee Revenue - 2024	\$0
Sewer Operating Expense - 2024	\$47,722
Sewer Current Expense - 2024	\$47,722
Sewer Debt - 2024	\$0
Total Debt - 2024	\$357,303
Sewer Fund Reserves - 2024	\$68,768
Sewer Debt Service - 2024	\$0
New Sewer Debt [Requested WPCRF loan amount.]	\$451,915
Requested WPCRF Loan Term	20
Requested WPCRF Loan Interest Rate	1.50%
New Loan's Annual Sewer Debt Service (two payments annually)	\$26,238

<u>Current Indicators (2024)</u>					
<u>Town of Cheraw</u>					
<u>(Sewer Only)</u>					
1	Total Debt	\$357,303	÷	Population	227 = \$1,574
	New Debt	\$451,915	÷	Population	227 = \$1,991
	Total Debt + New Debt	\$809,218	÷	Population	227 = \$3,565
2	Total Debt	\$357,303	÷	Number of Taps	129 = \$2,770
	New Debt	\$451,915	÷	Number of Taps	129 = \$3,503
	Total Debt + New Debt	\$809,218	÷	Number of Taps	129 = \$6,273
3	Total Debt	\$357,303	÷	Assessed Value	\$412,000 = 86.72%
	New Debt	\$451,915	÷	Assessed Value	\$412,000 = 109.69%
	Total Debt + New Debt	\$809,218	÷	Assessed Value	\$412,000 = 196.41%
4	Total Debt	\$357,303	÷	Actual Value	\$5,198,000 = 6.87%
	New Debt	\$451,915	÷	Actual Value	\$5,198,000 = 8.69%
	Total Debt + New Debt	\$809,218	÷	Actual Value	\$5,198,000 = 15.57%
5	Current Sewer Debt	\$0	÷	Number of Taps	129 = \$0
	(Current Sewer Debt + New Sewer Debt) / Number of Taps	\$3,503	÷	MHI	\$38,542 = 9.09%
6	Current Ratio (CA / CL)				
	Current Assets	\$127,817	÷	Current Liabilities	\$59,049 = 216%
7	Reserve/Expense Ratio				
	Reserves	\$68,768	÷	Current Expenses	\$47,722 = 144%
8	Operating Ratio (OR / OE)				
	Operating Revenues	\$29,916	÷	Operating Expenses	\$47,722 = 63%
9	Coverage Ratio [(TR - OE) / DS]				
	Total Revenues	\$30,653	-		
	Minus Operating Expenses	\$47,722			
	=	-\$17,069	÷	Current Debt Service	\$0 = #DIV/0!
	Coverage Ratio Excluding Tap and				
10	Development Fee Revenue	-\$17,069			
	Minus Tap and Development Fee Revenue	\$0			
	=	-\$17,069	÷	Current Debt Service	\$0 = #DIV/0!
11	Projected Coverage Ratio				
	Total Revenues	\$30,653			
	Minus Operating Expenses	\$47,722			
	=	-\$17,069		Total Debt Service (with new loan)	\$26,238 = -65%
	Projected Coverage Excluding Tap and				
12	Development Fee Revenue	-\$17,069			
	Minus Tap and Development Fee Revenue	\$0			
	=	-\$17,069	÷	Total Debt Service (with new loan)	\$26,238 = -65%
13	Current Debt Service	\$0	÷	Number of Taps	129 = \$0.00
	Annual New Sewer Debt Service	\$26,238	÷	Number of Taps	129 = \$203.40
	2024 Annual Sewer Rate (Monthly Rate				
14	x 12)	\$240.00	÷	MHI	\$38,542 = 0.62%
	2024 Annual Sewer Rate + New Annual Debt Service Per Tap	\$443.40	÷	MHI	\$38,542 = 1.15%
15	Current 2024 Monthly User Charge				\$20.00
	(Debt Service on WPCRF Loan / 2024 Taps / Month)				\$16.95
	Total				\$36.95
16	Operation and Maintenance Reserve				
	Reserves	\$68,768	÷	Operating Expenses	\$47,722 = 144%

2025 SRF Disadvantaged Community Criteria

Loan Terms

Amount of Loan:	\$	944,000
Interest Rate:		3.25%
Term (years):		20
Annual Payment:	\$	64,560

Applicant:	Town of Cheraw	
	Test Result	Conditions met to be DAC
	Y	Test 1: P1 & P2 or P3
	N	Test 2: P1, Not P2 or P3, & 2+ S1-S5
	N	Test 3: P1 ??, P2 & P3, & 2+ S1-S5

		Benchmark	Applicant	Result	Notes on Data Used
Current Population (2024)	<=	10,000	227	Y	
Population 5 years ago (2020)			237		
Poulation 10 years ago (2015)			231		
Primary Factors					
MHI (Place)	<=	\$ 73,976	38,542	Y	
Margin of Error (MOE)	±		14,161	OK	
Reliability (CV)	<=	18.00%	22.34%	N	
MHV (Place)	<=	\$ 401,760	97,900	Y	
Margin of Error (MOE)	±		13,209		
Reliability (CV)	<=	18.00%	8.20%	Y	
24 Month Unemployment (County)	>=	4.47%	4.72%	Y	
or 10 Year % Chng. Jobs (County)	<=	0.00%	5.04%	N	
Jobs (2023)			8,375		
Jobs (2014)			7,973		

Priority Factor Count	3
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Secondary Factors

MHI (County)	<=	\$	73,976	54,897	Y		
Margin of Error (MOE)	±			7,068			
Reliability (CV)	<=		18.00%	7.83%	Y		
10 Year % Chng. Population	<=		0.00%	-1.73%	Y		
Assessed Value / Housing Unit	<=	\$	24,308	\$3,434	Y		
Assessed Value				412,123			
Total Housing Units				120			
Current Debt / Tap / MHV	>		0.16%	0.00%	N	If MHV CV > 18%, calculate result at top of band	Result
Current + Projected Debt/Tap/MHV	>		0.16%	7.47%	Y		
S4b 80th percentile			0.88%	7.47%	Y		
System Full Cost / Tap / MHI	>		0.84%	1.48%	Y	If MHI CV > 18%, calculate result at top of band	Result
Projected Rate @ 110% Coverage	>		0.76%	2.39%	Y		
S5b 80th percentile			1.18%	2.39%	Y		

Secondary Factor Count	5
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System Data for S4 and S5: To be completed by DLG

Taps or EQR's	129
Total Debt	0
Principal & Interest	0
Operating Expenses (including operating transfers out)	47,722
Depreciation	25,917

WPCRF & DWRP					
		Benchmark	Applicant	Points	Notes on Data Used
Eligibility Criteria					
1	Population loss or growth is slower than the state's over 5 years	<= 0.61%	-1.07%	1.0	
	Current Population (2024)		227		
	Poulation five years ago (2020)		237		
2a	10 Year % County Job Change	>= 0	5.04%	0.0	
2b	County 24 Month unemployment rate exceeds the state's plus 1%	>= 4.47%	4.72%	0.5	
3	Median Household Income	<= \$ 92,470	38,542	1.0	If MHI CV > 40%, calculate result at top of band
		>= \$ 115,588		0.0	
	Reliability (CV)	<= 40.00%	22.34%	Y	
If MHI CV > 40%, calculate result at top of band					Result
4	Rates compared to MHI	> 0.56%	0.78%	1.0	
S	Monthly Residential Rate	>	25.00		
Confirmed Resolution No. 120824					
5	Project addresses removal of lead or emerging contaminants	Yes	No	0.0	
6	% Population that identifies as minority is greater than 40%	> 40.00%	16.59%	0.0	
7	% Population that are housing burdened is greater than 50%	> 50.00%	32.50%	0.0	
8	% Population under 200% Poverty Level is greater than 40%	> 40.00%	40.28%	1.0	
9	% Population under 200% Poverty Level + % Population over 65 years old is equal to or greater than two thirds of communities in the state	>= 55.00%	70.61%	1.0	
	% Population over 65 years old		30.33%		
10	Meets base program DAC criteria?		Yes	3.0	
BIL Eligibility Points				8.5	



Principal Forgiveness and Priority Point Scoring

Applicant: Town of Cheraw
DWRF or WPCRF: WPCRF

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

BIL Principal Forgiveness

Eligible for BIL principal forgiveness? Yes
Eligible BIL principal forgiveness percentage: 52.128%
Amount of principal forgiveness awarded (accounting for any applicable cap/max: \$492,085

Base WPCRF Principal Forgiveness Scoring

WPCRF

Water Quality & Public Health + CPDWR Compliance:	0
DOLA Affordability Score:	150
Total Score	150

Eligible as a base program DAC?
Eligible base program DWRF principal forgiveness percentage:
Amount of principal forgiveness awarded (accounting for any applicable cap/max):

Priority Point Scoring

Total WQCD Score:	5
DOLA Affordability Score:	150
Total Score:	155

2025 IUP WPCRF Priority Point Calculations				
	Entity Name:	Town of Cheraw		
	Date of Scoring	9-Jan-26		
	SRF Phase:	Loan app		
	DOLA Score:	150		
	DAC:	DAC		
Benchmarks				
\$92,470 2019-2023 State MHI estimate				
P1	MHI		\$38,542	42%
	<50% of state MHI	35 x		
	Between 51% and 80% of state MHI	20		
	Between 81% and 100% of state MHI	5		
	>100% state MHI	0		
S5a	User Fees (current SEWER rate at 110%/tap/MHI)		1.48%	
	Rates are > 1.17%	45 x		
	Rates are between 0.84% and 1.17%	25		
	Rates are < 1.17%	0		
	OR			
S5a	User Fees for a combined water & sewer fund			
	Rates are > 2.98%	45		
	Rates are between 2.12% and 2.98%	25		
	Rates are < 2.12%	0		
S4a	Current SEWER debt per tap compared to MHV		0.00%	
	Debt is > 0.67%	45		
	Debt is between 0.16% and 0.67%	25		
	Debt is < 0.16%	0 x		
	OR			
S4a	Current water & sewer debt (for combined systems)			
	Debt is > 1.49%	45		
	Debt is between 0.64% and 1.49%	25		
	Debt is < 0.64%	0		
	Population served		227	
	Less than 500	35 x		
	Between 500 and 1,000	25		
	Between 1,000 and 2,000	20		
	Between 2,000 and 5,000	15		
	Between 5,000 and 10,000	5		
	>10,000	0		
S3	Assessed Value/Household		3,434	
	AV per household is < \$12,721	35 x		
	AV per household is between \$12,271 and \$24,308	20		
	AV per household is between \$24,308 and \$46,143	10		
	AV per household is greater than \$46,143	0		

BACK TO AGENDA

BACK TO AGENDA

**COLORADO WATER RESOURCES
AND
POWER DEVELOPMENT AUTHORITY**

RESOLUTION NO. 26-35

**A RESOLUTION APPROVING MODIFICATION TO LOAN TERM LENGTH OF A
WASTEWATER DIRECT LOAN TO THE TOWN OF CHERAW AND EXECUTION
OF A LOAN AGREEMENT AND OTHER DOCUMENTS NECESSARY THEREFOR**

WHEREAS, the Colorado Water Resources and Power Development Authority (the "Authority") has received an inquiry for a loan term length modification of an Authority Board approved Infrastructure Investment and Jobs Act/Bipartisan Infrastructure Law ("IIJA/BIL") General Supplemental direct loan and IIJA/BIL General Supplemental Principal Forgiveness ("PF") from the Water Pollution Control Revolving Fund ("WPCRF") from the Town of Cheraw (the "Applicant"); and

WHEREAS, on March 6, 2026, the Authority authorized Staff to execute a direct loan in the amount of \$944,000 (*\$451,915 of IIJA/BIL General Supplemental direct loan to be re-paid, plus *\$492,085 of IIJA/BIL General Supplemental PF direct loan, for a total of \$944,000 WPCRF loan funds) for the Applicant through the Water Pollution Control Revolving Fund; and

WHEREAS, the Applicant has subsequently determined that it is in the best interest of the Applicant and its inhabitants to modify the loan term length from 20 years to 30 years, which changes the interest rate from 1.5% to 1.75%, and has requested that the loan term length for this Authority Board approved direct loan be amended; and

WHEREAS, the Loan Application and loan term length modification changes have been reviewed in accordance with the procedures provided therefor in the Memorandum of Understanding 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 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 requirements and prerequisites and is eligible 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 direct loan to the Town of Cheraw in an amount not to exceed \$944,000 (*\$451,915 of IIJA/BIL General Supplemental direct loan to be re-paid, plus *\$492,085 of IIJA/BIL General Supplemental PF direct loan, for a total of \$944,000 WPCRF 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 effect

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. 26-35 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 Steamboat Springs, Colorado on August 19, 2026.

Chair

Secretary

EXHIBIT A

Borrower:	Town of Cheraw
Project:	The proposed project consists of replacing the existing lift station with a new above-ground lift station.
Pledge:	Sewer Revenue
Loan Term:	30 Years
Interest Rate:	1.75%
Amount not to exceed:	\$944,000 (*\$451,915 of IJJA/BIL General Supplemental direct loan to be re-paid, plus *\$492,085 of IJJA/BIL General Supplemental PF direct loan, for a total of \$944,000 WPCRF loan funds)

Subject to the following terms & conditions:

1. The Town increasing user rates sufficiently to meet the Authority’s rate covenant prior to loan execution.
2. The Town coming into compliance with its outstanding DWRF loans with the Authority prior to loan execution, if necessary.
3. Prepayment Charge - A \$15,000 prepayment charge will be applied on any full principal prepayment of the loan. All interest paid through the date of full principal prepayment will be credited against this charge.

* - Estimated PF and direct loan amounts through the IJJA/BIL program. The exact amount will be based on the IJJA/BIL capitalization grant principal forgiveness to loan ratio while taking into account set asides. However, in the unlikely event the ratio increases the loan amount by more than a de-minimis amount, as determined by the Executive Director, the credit will be returned to the Board for further evaluation and consideration.

** - The terms and monetary amounts set forth in Part 1 hereto under the IJJA/BIL General Supplemental loan and the IJJA/BIL General Supplemental PF loan are premised upon the Authority’s understanding of and expectations for the resources available to it from the Base Federal Capitalization Grants and the IJJA/BIL. These amounts, and the allocation of funds available to the Project from each source, are subject to change, amendment, and/or rescission depending upon the policies, procedures, and budgetary adjustments adopted by the federal administration. If such changes in policies and procedures or budgetary adjustments are adopted by the federal administration, the Authority reserves the right to review and adjust the terms and monetary amounts set forth herein in a subsequent action. Further, the loan agreement authorized by this resolution is subject to non-execution, cancellation, delay, rescission, or alteration depending upon the terms and conditions, quantities, or availability of federal funds provided under existing or future Capitalization Grants. In addition, funding for this and other approved projects may be re-evaluated under the priority scoring system implemented by the Board for all projects based on changes in the availability of anticipated funds. This re-evaluation may result in the funding of some but not all previously-authorized projects, including the project for which

the execution of a loan agreement has been authorized by this resolution. The loan agreement authorized by this resolution shall include a term by which Applicant shall hold the Authority harmless for any costs or damages resulting from a change in federal policies, procedures, or funding that results in the requirement that the Authority cancel, delay, rescind, or alter its terms.



COLORADO WATER RESOURCES POWER DEVELOPMENT AUTHORITY

The Amp - Suite 820, 1580 N. Logan Street, Denver, Colorado 80203-1942
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MEMORANDUM

August 19, 2026

TO: Board of Directors and Karl Ohlsen

FROM: Wes Williams, Finance Director
Ian Loffert, Assistant Finance Director

RE: 2025 Base and Infrastructure Investment and Jobs Act / Bipartisan Infrastructure Law ("IIJA/BIL") Capitalization Grant Awards and Conditions Water Pollution Control Revolving Fund ("WPCRF")

The following 2025 Federal Fiscal Year ("FFY") WPCRF Base and Infrastructure Investment and Jobs Act / Bipartisan Infrastructure Law ("IIJA/BIL") program capitalization grants were awarded late last year:

Capitalization Grant	FFY 2025 (\$)	Increase/Decrease from FFY 2024	Date of Award
WPCRF Base Program	\$12,691,000	+\$6,161,000	9/11/2025
WPCRF IIJA/BIL Supplemental	\$19,705,000	+\$1,514,000	9/10/2025
WPCRF IIJA/BIL Emerging Contaminants	\$1,701,000	\$0	9/10/2025

FFY 2025 WPCRF Capitalization Grant conditions may include, but are not limited to, the following:

- Build America Buy America Act (BABAA).
- Disadvantaged Business Enterprise (DBE) solicitation and utilization.
- Davis Bacon wage rates.
- American Iron and Steel (AIS).
- Reporting requirements (including SRF, NIMS, FFATA & SAM, and environmental benefits reporting).
- National Environmental Policy Act (NEPA).
- Uniform administrative requirements.
- Sub award requirements.
- Financial requirements.
- Audit requirements.
- Obligation and spend down requirements.
- Resource conservation and recovery requirements.
- Statutory, regulatory and program guidance (CFDA) requirements.
- State grant cybersecurity conditions.
- Contract administrative provisions.

The FFY 2025 WPCRF **Base Program** includes a requirement to use a minimum of 10% of the capitalization grant funds for "green" projects. At the March 2018 Board meeting, the Board approved modifications to the Green Project Reserve ("GPR") Policy that included increasing the amount of available funding to the greater of \$5 million or the minimum percentage required by the WPCRF capitalization grant (FFY25 10% = \$1,269,100). With the recent demand decrease for the WPCRF funding, Staff recommends pausing the required allocation of the higher threshold (\$5 million) and only allocating the minimum percentage required by the WPCRF capitalization grant. The purpose of the recommended pause is to minimize the amount of lower interest rate GPR loans while the congressionally directed spending cuts are in place, so higher interest loans revolve as much as possible.

The FFY 2025 WPCRF **Base Program** Capitalization Grant Agreement and the Clean Water Act combined require that no less than 20%, but no more than 30%, of the grant be provided as additional subsidy. The 20% and 30% levels of the FFY 2025 WPCRF Base Capitalization Grant equal \$2,538,200 and \$3,807,300, respectively. The Colorado WPCRF program uses additional subsidy for the Design and Engineering grant program, and staff recommends that the minimum required amount, or \$2,538,200, be allocated to additional subsidy for the WPCRF. For reference, the WPCRF budgeted \$1,500,000 for Design and Engineering grants for calendar year 2026. In June 2026, the Authority Board approved Base WPCRF program additional subsidy to be eligible to be used for DACs, if necessary, at a prevailing limit of \$500,000, or such other limits as subsequently approved by the Authority Board.

The FFY 2025 WPCRF **IIJA/BIL General Supplemental** Capitalization Grant agreement requires at least 49% additional subsidy (\$9,655,450). In addition, the IIJA/BIL General Supplemental Capitalization Grant includes a requirement to use a minimum of 10% of the capitalization grant funds for “green” projects (\$1,970,500). Proportional loan and principal forgiveness will be provided from this capitalization grant with a maximum of \$1.5 million of IIJA/BIL Supplemental principal forgiveness per project, per year, for DACs and \$500 thousand for IIJA/BIL-eligible non-DACS as previously approved by the Authority Board in June 2026, or such other limits as subsequently approved by the Authority Board.

Currently, the proportional **IIJA/BIL General Supplemental** loan funds and IIJA/BIL General Supplemental principal forgiveness that are available to non-DAC IIJA/BIL eligible entities includes a per-entity limit as approved previously by the Authority Board in March 2023. This per-entity limit is subject to change per future Authority Board approvals and will be reviewed and discussed at the August 19, 2026, Board meeting.

All WPCRF Loans (Base and IIJA/BIL loans as well as combined base and IIJA/BIL loans) are subject to an established loan limit for Base and IIJA/BIL program funding with a maximum loan limit of \$25 million per project per year, as previously approved by the Authority Board in March 2026, and is subject to change per future Authority Board approvals. This loan limit will be reviewed and discussed at the August 19, 2026, Board meeting.

The FFY 2025 WPCRF IIJA/BIL **Emerging Contaminant** Capitalization Grant agreement requires 100%, or \$170,1000, of the grant be provided as principal forgiveness or additional subsidy.

Board Action: Staff recommends the Board approve the FFY 2025 WPCRF Base and IIJA/BIL program capitalization grant awards and the conditions and requirements that must be met for each grant. Specific, important condition/requirement recommendations are listed below for reference purposes but are not intended to be an exhaustive list.

- GPR – Staff recommends the minimum of 10% (\$1,269,100) of the WPCRF Base and 10% (\$1,970,500) of the WPCRF IIJA/BIL General Supplemental grants be provided for GPR projects/loans while continuing to pause the higher allocation threshold (\$5 million).
- WPCRF Base – Staff recommends the minimum of 20% (\$2,538,200) of the grant be provided as additional subsidy with an allocation of \$1,500,000 in additional subsidy funds for Design and Engineering Grants in calendar year 2026.
- WPCRF IIJA/BIL General Supplemental – Staff recommends the minimum of 49% (\$9,655,450) of the grant be provided as principal forgiveness.
- WPCRF IIJA/BIL Emerging Contaminants – Staff recommends 100% (\$1,701,000) of the grant be provided as principal forgiveness.



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MEMORANDUM

August 19, 2026

TO: Board of Directors and Karl Ohlsen

FROM: Wesley Williams, Finance Director
Ian Loffert, Assistant Finance Director

RE: Water Pollution Control Revolving Fund ("WPCRF")
WPCRF Loan Limit Recommendation

The Authority Board of Directors establishes loan limits for both Base and Infrastructure Investment and Jobs Act/Bipartisan Infrastructure Law ("IIJA/BIL") funding as needed to manage program capacity and demand.

At the December 2, 2022, meeting, the Board established a WPCRF loan limit per entity of \$18 million. At that time, available WPCRF funding was constrained, and the limit was implemented to ensure funds could be distributed across a greater number of entities.

At the March 6, 2026, meeting, the Board increased the WPCRF loan limit to \$25 million per project, per year. This increase was intended to help finance larger wastewater projects while preserving program capacity. However, over the last few years, the WPCRF program has experienced a significant decline in loan demand, resulting in increased available program capacity. Given current demand levels, staff believes a loan limit is no longer necessary. Additionally, larger WPCRF projects have had to seek out other funding sources due to the current loan limit, and some have elected not to use the SRF program as a result.

Staff recommends that the Board remove the WPCRF loan limit per project, per year.

This proposed change would:

- Provide additional flexibility to finance larger wastewater projects
- Allow larger entities to meet more of their capital needs through the WPCRF program
- Return the WPCRF program to its pre-IIJA/BIL structure, which did not include a per entity loan limit

The proposed change would apply to all WPCRF loans:

Loan Program & Type	Limit Per Project, Per Year
All WPCRF Loans (individual base and IIJA/BIL loans as well as combined base + IIJA/BIL loans + leveraged loan)	No limit

Board Action: Staff recommends that the Board approve removing the loan limit per project, per year for the WPCRF program at the August 19, 2026, Board meeting.



MEMORANDUM

To: SRF Committee
From: DAC Subcommittee
Date: July 28, 2026
Re: Per Entity IIJA/BIL Funding and WPCRF Loan Limit Recommendations

Background/Reason and Need

As the SRF program is in the final year of the Infrastructure Investment and Jobs Act/Bipartisan Infrastructure Law ("IIJA/BIL") funding, staff is monitoring the project pipeline for IIJA funding sources to ensure the timely and expeditious use of funds. The EPA has identified that WPCRF IIJA Supplemental funds, and WPCRF funds in general, should be spent down faster. This memo reviews and makes recommendations on changing restrictions to DWRF IIJA Lead Service Line, DWRF Emerging Contaminants, WPCRF IIJA Supplemental, and WPCRF IIJA Emerging Contaminants funding sources.

Recommendation:

For IIJA Eligible non-DAC local governments, remove the restriction that entities may only receive funding one time from the DWRF Lead Service Line and DWRF Emerging Contaminants funding sources. For WPCRF applicants, remove the limit of \$25M in total funding per project (including PF), and remove the restriction that entities may only receive funding one time from the WPCRF IIJA Supplemental and WPCRF Emerging Contaminants funding sources.

Rationale:

The Colorado SRF program has received direction to spend down IIJA funds at a faster rate. Demand for Lead Service Line funds has been low, and removing the restriction on IIJA Eligible non-DAC local governments receiving funds multiple times will allow those funds to be spent more quickly with high capacity communities who have already been through the SRF program. DAC local governments would still be prioritized for Lead Service Line projects.

WPCRF demand weakened over the past two years because funding for WPCRF projects was limited for a short period of time and lower loan limits were in place. The program has since seen increased interest and demand, and the WPCRF project pipeline is now robust. Removing the restriction that all applicants can only receive \$25M in total funding per project (including PF) will allow WPCRF funds to be spent more quickly. As is the case with Lead Service Line Replacement projects, DAC local governments would still be prioritized for WPCRF funding.

DWRF IIJA Supplemental

- **Current limit:** \$30M total loan funding per entity, ~50% PF of loan.
 - DAC: Up to \$2.5M in PF per project for Category 2 DACs. Up to \$2M in PF per project for Category 1 DACs.
 - IIJA-eligible non-DAC: Up to \$1.5M in PF per project. Entity may only receive funding source one (1) time.
- **Recommendation:** No change due to strong current demand for DWRF IIJA Supplemental funds. PF limits for this funding source were last adjusted at the June 2026 Board meeting.

DWRF Lead Service Lines

- **Current limit:** \$30M total loan funding per entity, ~50% PF of loan; Up to \$10M in PF per project per year
 - DAC: LSL grant funds do NOT count against the \$30M loan limit if it is included in the same project.
 - IIJA-eligible non-DAC: Entity may only receive funding source one (1) time.
- **Recommendation:** Allow all entities to receive funding sources multiple times.

DWRF Emerging Contaminants

- **Current limit:** \$30M total loan funding per entity, 100% PF loan; Up to \$30M in PF per project per year.
 - DAC: 25% of DWRF Emerging Contaminants funding is reserved for entities that are DAC or <25,000 pop, 75% can go to any local government with an eligible project. DWRF Emerging Contaminants funds do NOT count against the \$30M loan limit if it is included in the same project.
 - IIJA-eligible non-DAC: Entity may only receive funding source one (1) time.
- **Recommendation:** Allow all entities to receive funding sources multiple times.

WPCRF IIJA supplemental

- **Current limit:** \$25M total loan funding per entity, ~50% PF loan.
 - All applicants: \$25M in total funding per project (including PF)
 - DAC: Up to \$1.5M in PF per project for all DACs.
 - IIJA-eligible non-DAC: Up to \$500k in PF per project. Entity may only receive funding source one (1) time.
- **Recommendation:** Remove the loan limit entirely and allow all entities to receive funding sources multiple times.

WPCRF Emerging Contaminants

- **Current limit:** No limit currently, 100% PF loan.
 - DAC: 25% of WPCRF Emerging Contaminants funding is reserved for entities that are DAC or <25,000 pop, 75% can go to any local government with an eligible project.
 - IIJA-eligible non-DAC: Entity may only receive funding source one (1) time.
- **Recommendation:** Allow all entities to receive funding sources multiple times.

WPCRF ALLOTMENTS UPDATE
July 23, 2026

Program	Grant Year	Grant Amount	Funds Remaining	% Complete
Admin	2022-2023 IIJA/BIL Supplemental	\$ 1,236,400	\$ 0	100%
	2024 IIJA/BIL Supplemental	\$ 727,640	\$ 71,062	90%
	*2025 IIJA/BIL Supplemental	\$ 0	\$ 0	0%
	Totals	\$ 1,964,040	\$ 71,062	96%

Program	Grant Year	Grant Amount	Funds Remaining	% Complete
Technical ("Technical") Assistance	2022 IIJA/BIL Supplemental	\$ 284,720	\$ 0	100%
	2023 IIJA/BIL Supplemental	\$ 333,480	\$ 174,627	48%
	2024 IIJA/BIL Supplemental	\$ 363,820	\$ 363,820	0%
	*2025 IIJA/BIL Supplemental	\$ 0	\$ 0	0%
	Totals	\$ 982,020	\$ 538,447	45%

*No Admin or Technical budget requested on 2025 IIJA/BIL Supplemental allotments.

BOARD PROGRAM WORK SESSION

Minutes
June 4, 2026

Board Members: Mike Fabbre (Committee Chair), Chris Treese (joined at 3:05pm), Roy Heald, Matthew Shuler, Steve Vandiver, Patti Wells, Eric Wilkinson, Bruce Whitehead, and Karen Wogsland

Authority Staff: Keith McLaughlin, Jim Griffiths, Justin Noll, Wesley Williams, Ian Loffert, Kevin Carpenter, Daniel Lockard, and Heather Newton

Others Present: Karl Ohlsen, Cynthia Thayer, Victor Chen, Armando Herald, Aly Ulibarri, and James Wheatley

Committee Chair Mike Fabbre called the Board Program Work Session (“BPWS”) to order at 3:00 p.m. in the Authority’s conference room and via video/audio teleconferencing. He welcomed attendees and opened the meeting. Committee Chair Fabbre indicated that there are seven agenda items.

Lookout Mountain Water District Follow-up Questions

Committee Chair Fabbre reminded everyone that there was a lengthy discussion regarding Lookout Mountain Water District (“the District”) at the Project Finance Committee (“PFC”) meeting. The item was placed on the consent agenda but could be removed if requested. He also noted that Wesley Williams and Daniel Lockard sent an email to Board members with answers to questions that arose at the PFC meeting. Committee Chair Fabbre then invited Wesley Williams to present on agenda item #1. Mr. Williams stated that the District has strong credit metrics and received a favorable recommendation from the SRF committee. He indicated that the District is working through the Congressionally Directed Spending (“CDS”) process and is confident it will receive the CDS funding. Mr. Williams provided the answers to the two outstanding PFC questions. The first question was what the District would do if it did not receive the CDS funds. Mr. Williams explained that the District would reduce the project scope, add more reserves if its Board approves, or push the entire project back until CDS funds are received. The second question involved the level of available reserves. Mr. Williams relayed that the credit report reflects audited financial statements from 2024, and the reserve numbers have since increased due to rate increases implemented since 2024. Also, the District will transfer general fund money into its reserves, if necessary. There were no further questions, and Director Wogsland noted that, since she made the motion at the PFC meeting, she is comfortable with the answers provided and therefore keeping the item on the consent agenda.

Loan Interest Rate – Mid-Year Update

Kevin Carpenter referred to the memo included in the BPWS packet. He reminded the BPWS that Authority staff provided an economic update in April 2026 and that there have been only minor changes since then. Mr. Carpenter noted that staff are not recommending any changes to interest rates at this time and have not made any changes to interest rates for about two years. He stated that staff is comfortable with current

interest rates and prefers to avoid frequent changes so that the Authority's borrowers have adequate time to plan. There was discussion about the possibility of raising interest rates and making the Authority's rates more competitive with those of CWCBC and USDA, as well as the reasoning behind the Authority's current relatively low interest rates. A motion was made to recommend to the full Board staff's recommendation of no changes to interest rates.

Motion: Karen Wogsland

2nd: Bruce Whitehead

Vote: Motion carried unanimously.

Updated Authority Retention Schedule Policy

Heather Newton referred to the memo in the BPWS materials and noted that this is a cleanup item to simplify the retention guidance and ensure the Authority is not retaining documents for longer than necessary. Ms. Newton provided background information and highlighted the following sections and proposed changes to the retention policy: 1. ACC300; 2. ACC310; 3. ACC400 and 4. FIN110. Ms. Newton stated that the changes help to distinguish between permanent core accounting records and non-permanent support documents, as well as adding clarity on specific document types. There was additional discussion about: 1. Removal of ORG310 "EPA Reports" since the submission of those reports has been discontinued; 2. Setting all retention periods to the same length of time, using the longest retention, to simplify the policy even further; and 3. Concerns with electronic files and backup of the digital files. A motion was made to approve the recommended changes to the retention schedule policy and to place it on the consent agenda as presented.

Motion: Patti Wells

2nd: Matthew Shuler

Committee Chair Mike Fabbre noted the discussion regarding removal of ORG310 from the policy and asked how it should be resolved and if its removal should be included in the motion.

An amended motion to approve the recommended changes to the retention schedule policy was made to include the removal of ORG310 and place it on the consent agenda.

Motion: Patti Wells

2nd: Matthew Shuler

There was further discussion about leaving ORG310 in the policy for reference.

The amended motion was withdrawn by Directors Wells and Shuler, approving the original motion: A motion to approve the staff-recommended changes to the retention schedule policy, as presented, and to place it on the consent agenda.

Motion: Patti Wells

2nd: Matthew Shuler

Vote: Motion carried unanimously.

Disadvantaged Community Criteria Updates

Ian Loffert referred to the memo included in the BPWS materials and reminded the BPWS that at the April 2026 Board meeting, the Board approved removal of the Coefficient of Variation ("CV") threshold previously used to determine whether Median Household Income ("MHI") and Median Home Value ("MHV") data was reliable enough to be utilized for DAC evaluations. Staff anticipates that this recent

policy change will reduce the number of future business cases by allowing the use of additional census datasets that were previously excluded due to reliability thresholds, thereby allowing more communities to qualify upfront. However, this change does not address the larger question of how a DAC should be defined and what criteria best define a DAC. As a result, Staff has suggested several potential approaches for modifying DAC eligibility criteria and qualification methodologies. Staff is seeking additional Board guidance regarding which approaches should be prioritized for further analysis, case-by-case testing, and potential future implementation. The options under consideration are: 1. Maintain existing DAC criteria with no additional changes; 2. Modify existing DAC scenarios; 3. Remove or reduce reliance on certain existing DAC criteria; 4. Transition to a modified IJA/BIL-style DAC framework; and 5. Utilize alternative need-based methodologies from other state agencies. Keith McLaughlin informed the Board that, at the Board's direction, a meeting has been scheduled for June 12th with the Department of Revenue to learn what other information and financial data may be available for use. There was a discussion about what language to include in the Intended Use Plan, and it was agreed that the language should state that the criteria will include what is required at the federal level. Director Wilkinson requested that MHV be incorporated into the criteria, since it is typically a reliable and accurate number, and suggested that a percentage threshold be applied to MHI or MHV to help determine DAC category 1 versus DAC category 2 communities. Director Wells stated that she is in favor of eliminating the different scenarios (P1, P2, etc.). A motion was made to recommend to the full Board to authorize staff to incorporate language into the 2027 Intended Use Plan stating that DAC criteria and qualification processes will be updated and amended by the Authority Board in a manner consistent with federal requirements.

Motion: Patti Wells

2nd: Karen Wogsland

Vote: Motion carried unanimously.

Information Systems (“IS”) Policy Reorganization

Jim Griffiths reminded the Board that the IS policy was presented for annual review in March of 2026. The Board approved the policy in March but requested that the policy be restructured and reorganized. Mr. Griffiths, along with Karl Ohlsen and Director Wells, worked on reorganizing the policy and have a draft for the BPWS to review and provide additional feedback and direction. Mr. Griffiths highlighted a couple of the changes made, including a definitions section and a name change to the policy. He stated that the policy has been renamed the Information Resource (“IR”) Policy. There was a discussion about section 10.1 and sports betting and whether to allow it, and what guardrails to put in place if it is allowed. The following changes were requested: 1. 16.1 in Section 16, Security Training and Awareness, should be updated to remove the words “or at least within 10 days of” and to include only “prior to being granted access”; 2. 2.3 in Section 2, Acceptable Use; Incidental Use, should incorporate flexibility and require authorization from the Executive Director; 3. 1.6 in Section 1, Definitions, should read “IR consultant” with the definition of “IR”; and 4. Once the restructured policy is in place, the policy review period under Section V should be revised so that staff reviews every year and the Board reviews every two years. It was agreed that the changes would be incorporated by the next day’s Board meeting. A motion was made to recommend to the full Board the adoption of the Information Resource Policy, version 3.2, with the changes discussed.

Motion: Chris Treese

2nd: Matthew Shuler

Vote: Motion carried unanimously.

Request for Qualifications/Proposal for Auditor Services – Update

Justin Noll provided a general update regarding the Request for Qualifications (“RFQ”) and Request for Proposals (“RFP”) for auditor services, reporting on the schedule of dates and events for the process. Mr. Noll stated that staff has identified a list of twelve potential auditing firms, but staff is going to narrow the RFQ/RFP list to five or six firms. He further stated that staff has certain criteria they are looking for in a firm, such as size, tenure, and SRF program experience. Mr. Noll highlighted the key dates on the schedule and informed the BPWS that any Board members are welcome to participate in any step and attend any meetings. Mr. McLaughlin indicated that staff is preparing the RFP, using other SRFs’ RFPs as guidance, as the next step. Directors Heald and Wilkinson requested that staff include a request from the potential auditors to specify the partners and staff who would perform the audit, along with their resumes. Several Directors expressed their gratitude to staff for undertaking the auditor RFQ/RFP.

Committee Chair Fabbre announced that if time allows, a new item will be added to the end of the BPWS regarding the North Washington Street Water and Sanitation District’s loan application and the updated information received.

Administrative Fee – How to Manage Sustainably

Wesley Williams reminded the Board that this topic was originally on the agenda for the April Board retreat, but due to timing, it was never discussed. Mr. Williams defined and described the Administrative Fees, the sources for each program, the uses for each program, and the history of the fees. Mr. Williams then highlighted that over 50% (30% set-asides and 20-26% principal forgiveness) is taken from the capitalization grants in the drinking water program, making it historically less sustainable, while only 20% (10-20% principal forgiveness) is taken from grants in the wastewater program. Mr. Williams concluded by highlighting the action items completed over the last few years to help bolster the amount available for admin fees and the approaches developed to help maintain healthy admin balances going forward.

After Mr. Williams concluded, Keith McLaughlin began his discussion by noting that he, Jim Griffiths, and Director Vandiver met with leadership at the Water Quality Control Division (“WQCD”) the previous week. The discussion centered on the SRF set-aside balances, which are currently high, and the anticipated potential rapid decline in available funds (due to the end of IIJA) to support a sustainable program; staffing; and the impact of Congressionally Directed Spending. Mr. McLaughlin indicated that he believes the discussion went well, and that leadership at WQCD was receptive to what was presented (ex: securing funds from the state of Colorado). While no official plan was put into place at the conclusion of the meeting, progress was made, and Mr. McLaughlin and Mr. Griffiths will be sending a letter to WQCD with suggestions and next steps. Director Vandiver echoed Mr. McLaughlin’s comments about WQCD being receptive to the conversation and got them thinking about ideas on how to move forward. Director Vandiver also indicated that the conversation needs to continue so that a solution can be reached. In addition to the letter, Authority staff will provide amount and estimates to WQCD, so they can begin working on a solution.

WQCD committed to addressing the issues discussed and to begin making initial reductions in the FY27 budget, along with reductions in the 2026 set-aside amounts.

Director Treese left the BPWS meeting at 6:15 pm.

North Washington Street Water and Sanitation District Discussion

Keith McLaughlin reminded the BPWS of the lengthy discussion regarding the water conservation plan requirement at the PFC meeting. He noted that the statute allows applicants to apply for the funds without an approved plan but cannot receive them until the plan is approved. The question is whether this rule applies to the North Washington Street Water and Sanitation District through Denver Water. Mr. Williams noted that in 2024 and 2025, the District sold just over 2,000 acre-feet but purchases treated water from Denver Water who is a covered entity under the statute. Karl Ohlsen provided additional information and definitions regarding the statute's provisions but stated that it still leaves questions and asserted that the Authority staff and Board are not the proper body to decide whether the District is a covered entity. Mr. Ohlsen stated that the Authority needs a reliable legal opinion from the District advising whether the District is a covered entity. There was a discussion about Denver Water not being in compliance with the CWCB's requirements, as well as a discussion about approving the loan application on the condition that Denver Water comes into compliance with the requirement and not disbursing the funds to the District until compliance is met. Director Whitehead asked if the Authority is presently disbursing funds to other borrowers that are either under Denver Water's plan or are out of compliance themselves, and Mr. McLaughlin replied that he believes the CWCB reviews and approves the plan at a specific time and does not go back to review compliance annually. He added that all borrowers related to Denver Water that are receiving funds had an approved plan at the time of approval. Mr. Griffiths stated that staff would check on this internally. It was recommended to approve the loan application at the June 5, 2026, Board meeting and to require the District to come into compliance with the statute prior to receiving funds, and have staff amend the resolution accordingly.

Committee Chair Fabbre adjourned the meeting at 7:04 p.m.

**COLORADO WATER RESOURCES &
POWER DEVELOPMENT AUTHORITY**
GOVERNMENTAL/PUBLIC AFFAIRS COMMITTEE AGENDA

August 10, 2026

10:00-11:00 AM

Via Zoom meeting

(click this link to join the meeting)

<https://us06web.zoom.us/j/81524741182?pwd=RVeuSCpAQgEsabRYwwKEOaafYsAJaV.1>

Meeting ID: 815 2474 1182

Passcode: 881444

Governmental/Public Affairs Committee Members: Matt Shuler - Chair, Patti Wells, Mike Fabbre, Bruce Whitehead, and Chris Treese (ex-officio); **All Board members are welcome!**

Authority staff: Keith McLaughlin, Jim Griffiths and Heather Newton

Agenda

1. 2026 CWRPDA Legislative Review & Summary (A Summary is included in an Excel Spreadsheet)



COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

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

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MEMORANDUM

August 5, 2026

TO: Governmental Affairs Committee, Board of Directors, and Karl Ohlsen

FROM: Keith McLaughlin, Executive Director
Jim Griffiths, Deputy Director

RE: 2026 Colorado Legislative Resolution and Bill Summary
Water and Local Government Related Activity

The attached 2026 Colorado legislative summary includes a list of legislation and resolutions that may impact water and wastewater systems and the Authority's operations. The summary also includes several water and local government related bills that died due to lack of agreement and support. These failed bills are included to show some of the activity that occurred during the 2026 session and that may come back in 2027.

We will discuss these bills and resolutions at the Government Affairs Committee meeting on August 10, 2026 at 10:00 AM via Zoom.

Attachment: 2026 Colorado Legislative Resolution and Bill Summary.



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2026 Colorado Legislative Resolution and Bill Summary

Resolution / Bill	Title	Sponsors	Effective Date	Brief Description	CWC Position	Governor Signed (Y/N)	Bill Death (if applicable)	Impact on CWRPDA	Comments
SJR 26-001	Water Projects Eligibility Lists	Senators: Roberts, Simpson Reps: McCormick, Winter	signed by governor on March 13, 2026	Annual CWRPDA list including adds, deletes and modification projects	Support	Y	N/A	High	Entities can apply for, but not receive, SRF and IJIA loans/grants unless their project is included on our annual eligibility list.
HJR 26-1017	Ute Water Rights	Senators: Roberts, Simpson Reps: Stewart, McCluskie	signed by the speaker of the house on April 1, 2026	A resolution recognizing the 1980's era Ute water rights settlement and urging the federal government to provide funds for infrastructure to deliver this water from Lake Nighthorse and the Animas River to the Tribe's reservation (and several other related items).	N/A	N/A	N/A	Low	A show of support by the Colorado General Assembly for the Ute Mountain Ute water rights settlement (1988) and urging the federal government to continue to make progress on infrastructure and related items.
SB 26-016	Prohibit Discharge Pre-production Plastic Materials	Senators: Cutter, Wallace Smith, Lukens	Reps Signed by the Governor on March 30, 2026	Prohibits the discharge of plastic pellets and other preproduction plastic materials through land application or into state waters, wastewater, storm water runoff or other runoff by a facility that makes, uses, packages or transports plastic pellets.	Support	Y	N/A	Low	No appropriations were made. It was noted that workload at CDPHE may minimally increase to respond to inquiries and complaints, and investigate and prosecute violations.
SB 26-157	Determination of Town Abandonment	Senators: R. Pelton, Hinrichsen Reps: Winter, Martinez	Signed by Governor on May 26, 2026	Concerning the abandonment of a town that has critical water infrastructure for the residents of the town, and, in connection therewith, making an appropriation for O&M.	Support	Y	N/A	Medium	Authorizes CDPHE to transfer up to \$100,000 from the small communities water and wastewater grant fund to the department of public safety to cover the cost of operation and maintenance of a town's water system if an application for abandonment of the town has bee filed with the secretary and the town has a water system that is failing...
HB 26-1145	Mobile Home Park Water Quality	Senators: Cutter, Mullica Velasco, Phillips	Reps Signed by the Governor on May 4, 2026	Clarifies current law in several areas including enforcement.	Support	Y	N/A	Low	The bill clarifies current law including, WQCD has the authority to enforce the requirements of the existing program; WQCD can issue cease and desist orders to address violations; clarifies month penalty amounts; park owners are not entitled to administrative hearings to contest an imposed civil penalty but may seek judicial review.
HB 26-1338	Funding Water Conservation Board (CWCB) projects	Senators: Roberts, Simpson Reps: McCormick, Winter	Signed by Governor on June 1, 2026	CWCB projects bill and appropriation for their loan and grant programs	Support	Y	N/A	Low	Bill includes funds for basin implementation program, watershed restoration program, statewide turf analysis, grants for water plan projects, water conservation and drought mitigation planning.
HB 26-1340	Revegetation of Dry Farm - Formerly Irrigated Agricultural Land	Senators: R. Pelton, Hinrichsen Reps: Winter, Mauro	Signed by Governor on May 29, 2026	Requires a water right owner that changes the use of water right in water divisiion 2 from agriculture irrigation purposes to another beneficial use on or after January 1, 2027 to engage in revegetation or conversion to dryland farming...	Support	Y	N/A	Low	Erosion control and weed management - Lower Arkansas Basin area only.
HB 26-1391	Safe Drinking Water in Child Care Centers & Schools	Senators: Amabile, Kirkmeyer Brown, Sirota	Reps Signed by Governor on May28, 2026	Extends the school and child care clean drinking water fund through the 2028-29 state fiscal year, adding high schools to the scope of potential recipients of grants.	Support	Y	N/A	Low	Also prohibits CDPHE from issuing a license to a child care center unless that center is in compliance with laws concerning the testing of drinking water. Appropriates \$8.7 million to CDPHE.
HB 26-1112	Regulation of Underground Injection Control Wells	Senators: Hinrichsen, Simpson Paschal, Smith	Reps N/A	POSTPONED INDEFINITELY. Colorado's energy and carbon management commission would take authority over certain classes of injection wells and adopt rules and take over primacy from USEPA.	N/A	N/A	Lots of comments and edits to this Bill. Eventually died for lack of agreement/support	Low	On occasion, a water treatment facility will re-inject certain filtrate/water into the ground and become subject to certain regulations.
HB 26-1323	Wildfire Resiliency Prohibiting Taking of Beavers	Senators: Cutter, Kipp Linsay, Velasco	Reps N/A	POSTPONED INDEFINITELY. Bill would have ended much of the trapping of beavers in Colorado.	N/A	N/A	Lots of comments and edits to this Bill. Eventually died for lack of agreement/support.	Low	Could impact water intake structures for some treatment works if not written correctly. Intake structures typically need to be clear of wood including beavor structures and dams.
HR 26-1008	Affirm Commitment to the Taxpayer Bill of Rights (Resolution only)	Reps: Gonzalez, Barron	N/A	POSTPONED INDEFINITELY. Pro-TABOR Resolution	N/A	N/A	Lack of support for resolution (not a bill)	Low	We require a bond counsel opinion from our borrowers on TABOR compliance for debt issuance. So we monitor TABOR Bills and resolutions.

**Colorado Water Resources
and
Power Development Authority**

Governmental/Public Affairs Committee Minutes

August 10, 2026

Call to Order

Chair Matt Shuler called the meeting to order at 10:02 a.m.

Roll Call

Committee members attending via a video conference call: Matt Shuler (Chair), Mike Fabbre, Patti Wells, Bruce Whitehead, and Chris Treese (ex officio). Other Board members present: Roy Heald, Eric Wilkinson, and Steve Vandiver. Others present: Keith McLaughlin (Executive Director), Jim Griffiths (Deputy Director), Wesley Williams (Finance Director), Justin Noll (Controller), and Heather Newton (Office Manager).

Jim Griffiths presented the following resolutions and bills:

SJR 26-001: Water Projects Eligibility Lists

The Joint Resolution is the Authority's annual eligibility list that includes additions, deletions, and modifications to water and wastewater projects. The Bill was passed and signed by the Governor on March 13, 2026.

HJR 26-1017: Ute Water Rights

Mr. Griffiths noted that this resolution recognizes the 1980s-era Ute water rights settlement and urges the federal government to provide funds for infrastructure to deliver water from Lake Nighthorse and the Animas River to the Tribe's reservation. The Resolution passed and was signed by the Speaker of the House on April 1, 2026.

SB 26-016: Prohibit Discharge Pre-production Plastic Materials

Mr. Griffiths briefly asserted that the Bill prohibits the discharge of plastic pellets and other pre-production plastic materials through land application or into state waters, wastewater, stormwater runoff, or other runoff by a facility that makes, uses, packages, or transports plastic pellets. The Bill passed and was signed by the Governor on March 30, 2026. Mr. Griffiths noted that the Bill excludes domestic wastewater treatment works in the definition of a facility, which is beneficial, as it does not punish the wastewater treatment plants if these pellets enter their system due to others.

SB 26-157: Determination of Town Abandonment

Mr. Griffiths indicated that the Bill concerns the abandonment of a town with critical water infrastructure for its residents and makes an appropriation for operation and maintenance (O&M). This Bill provides funding, if available from CDPHE's small community grants program, for the O&M of a town's water system. There was a brief discussion about the Town of Hartman (recently abandoned) and Creede (subsequently learned that this is North Creede and not the City of Creede seeking abandonment as an administrative cleanup measure), and whether they have existing loans with the Authority. Neither Hartman nor North Creede have loans with the Authority. The City of Creede, a separate entity from North Creede, is doing well and does have a loan with the Authority.

HB 26-1145: Mobile Home Park Water Quality

This bill amends current law in several areas, including enforcement. The bill allows WQCD the authority to enforce the requirements of the existing Mobile Home Park program. The bill was signed by the Governor on May 4, 2026.

HB 26-1338: Funding Water Conservation Board (CWCB) Projects

Mr. Griffiths relayed that this bill is the CWCB's projects bill and appropriation for their loan and grant programs. The bill includes funds for basin implementation program, watershed restoration program, statewide turf analysis, grants for water plan projects, and water conservation and drought mitigation planning. The bill was signed by the Governor on June 1, 2026.

HB 26-1340: Revegetation of Dry Farm- Formerly Irrigated Agricultural Land

Mr. Griffiths stated that this bill requires a water right owner who changes the use of the water right in water division 2 (southeastern Colorado) from agricultural irrigation purposes to another beneficial use on or after January 1, 2027, to engage in revegetation or conversion to dryland farming and asserted that there was a lot of discussion about this bill with a lot of edits. The bill was passed and signed by the Governor on May 29, 2026.

HB 26-1391: Safe Drinking Water in Child Care Centers & Schools

Mr. Griffiths stated that the bill is an amendment to existing legislation that extends the school and childcare clean drinking water fund through the 2028-29 state fiscal year and adds high schools to the scope of potential grant recipients. It also prohibits CDPHE from issuing a license to a childcare center unless that center complies with drinking water testing, and it appropriates an additional \$8.7 million to CDPHE to administer the program.

Mr. Griffiths stated that three bills included in the materials did not pass due to lack of support. The first is HB 26-1112: Regulation of Underground Injection Control Wells, which could intersect with one or two of the Authority's projects and the regulations governing injection wells. The second is HB 26-1323: Wildfire Resiliency Prohibiting Taking of Beavers, which drew significant discussion and some consternation about removing beavers and beaver dams around utility infrastructure, including water intake structures on certain state and federal lands. Mr. Griffiths noted that although this bill did not pass, it could return in the future. The third bill is HR 26-1008: Affirm Commitment to the Taxpayer Bill of Rights, which was also postponed indefinitely. Mr. Griffiths concluded by indicating that the climate of this legislative session was different because of the outgoing Governor and significant budget deficit.

Keith McLaughlin added that another current hot topic that the Authority staff will continue to monitor in future legislation, and in general, is data centers and their high use of water and power.

Director Shuler thanked all Board members for attending and adjourned the meeting at 10:47 a.m.

Respectfully submitted,

Keith McLaughlin, Executive Director

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**COLORADO WATER RESOURCES &
POWER DEVELOPMENT AUTHORITY
BUDGET & AUDIT COMMITTEE AGENDA**

August 11, 2026

1:30 p.m. – 2:45 p.m.

Via Zoom meeting

(click this link to join the meeting)

<https://us06web.zoom.us/j/83950077517?pwd=cFpagJzDreTnP7h56S1U8GwMghO8pa.1>

Meeting ID: 839 5007 7517

Passcode: 990498

Budget & Audit Committee Members: Karen Wogsland (Chair and absent), Roy Heald, Matt Shuler, and Chris Treese (ex-officio); **All Board members are welcome!**

Authority staff: Keith McLaughlin, Jim Griffiths, Justin Noll, Valerie Lovato, and Heather Newton

WQCD staff: Tyson Ingels, Mike Roach, and Alex Hawley

Agenda

1. Call to Order
2. Presentation from WQCD on upcoming budget items (Tyson Ingels and Mike Roach)
3. Recommendations for audit services (Justin Noll)
4. Recommendation from B&A Committee
5. Adjournment



COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

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MEMORANDUM

August 10, 2026

TO: Budget and Audit Committee

FROM: Justin Noll, Controller

RE: Recommendation for Independent Audit Services

After careful review of the proposals submitted in response to the Authority's request for audit services and consideration of the presentations provided by the finalist firms, I recommend that the Colorado Water Resources and Power Development Authority (Authority) select Forvis Mazars, LLP as its independent auditor for the next five-year audit services term.

The Authority followed a deliberate and competitive procurement process to evaluate firms for the next audit services contract. The process began with research into potential firms with experience in governmental auditing, public finance, and water infrastructure organizations. Based on that research, six firms were invited to submit proposals in response to the Request for Proposals (RFP). Following distribution of the RFP, the Authority conducted a brief presentation and question-and-answer session to provide prospective respondents with additional information regarding the engagement and the Authority's expectations. Proposals were then reviewed and evaluated, and three firms were invited to participate in interviews. Those interviews provided an opportunity for the Authority to assess each firm's experience, proposed engagement team, audit approach, and overall fit with the Authority's needs. Upon completion of the interviews and evaluation process, the Authority developed its recommendation for award.

The Authority received strong proposals and professional presentations from all firms under consideration. Both CLA (CliftonLarsonAllen LLP) and Plante Moran PLLC demonstrated substantial expertise, a clear understanding of governmental auditing requirements, and a commitment to delivering high-quality service. The Authority appreciates the time, effort, and professionalism each firm dedicated to the selection process.

However, after evaluating the proposals against the Authority's needs and priorities, it is our conclusion that Forvis Mazars represents the best overall choice. The firm has a long and successful history serving the Authority and has consistently demonstrated a deep understanding of our operations, financing programs, bond issuances, regulatory requirements, and financial reporting environment. This institutional knowledge has contributed to efficient audits, effective communication with management and the Board, and the delivery of high-quality independent audit services over many years.

In addition to their familiarity with the Authority, Forvis Mazars submitted a highly competitive proposal that clearly addressed the Authority's expectations for technical expertise, staffing continuity, responsiveness, and value. While the firm is rotating a number of staff members as part of its normal succession and professional development practices, the proposed engagement team demonstrated extensive experience with governmental entities, water

infrastructure financing organizations, and complex debt structures similar to those managed by the Authority. In particular, Anna Thigpen will assume the lead senior role on the engagement, succeeding Marcie Ardan, who has provided outstanding service to the Authority over many years. The proposal also reflected a thoughtful approach to maintaining audit quality while ensuring continuity of service throughout the engagement period.

Our review concluded that retaining Forvis Mazars provides the strongest combination of experience, proven performance, institutional knowledge, qualified personnel, and overall value. While the other finalist firms presented compelling qualifications, the Authority believes that the benefits of continuing its relationship with Forvis Mazars, together with the strength of its proposal and presentation, make it the firm best positioned to provide an independent audit and serve the Authority's interests over the next five years.

The Budget and Audit Committee meeting is scheduled for **Tuesday August 11, 2026, at 1:30 p.m.** Please feel free to contact me if you have any comments or questions, and I look forward to discussing the proposals with you during the Zoom meeting.

Note: Topic: Budget & Audit Committee Meeting

Time: Aug 11, 2026, 01:30 PM Mountain Time (US and Canada)

Join Zoom Meeting

<https://us06web.zoom.us/j/83950077517?pwd=cFpagJzDreTnP7h56S1U8GwMghO8pa.1>

Meeting ID: 839 5007 7517

Passcode: 990498

Alternate Call-In Phone Number

1-719-359-4580 Use Meeting ID and Passcode above

**Colorado Water Resources
and
Power Development Authority**

Budget and Audit Committee Minutes

July 23, 2026

Call to Order

Treasurer Karen Wogsland called the meeting to order at 10:00 a.m.

Attendance

Budget and Audit Committee members attending via a video conference call: Chris Treese (Board Chair), Karen Wogsland (Audit Committee Chair), and Roy Heald.

Other Board members included: Bruce Whitehead, and Patti Wells.

Others present included: Keith McLaughlin (Executive Director), Justin Noll (Controller), Valerie Lovato (Assistant Controller), Stephanie Hines (Accountant II), Aaron Best (Accountant I), and Heather Newton (Office Manager).

Introduction

Ms. Wogsland introduced the board members and laid out the goal of the meeting. The goal of the meeting was for the staff to recommend to the Budget & Audit Committee which applicants should be moved forward to the interview process to become the Authority's auditor.

Discussion on Responses to RFP (Requests for Proposals)

Mr. Noll explained that the RFP was sent out to six firms and three firms returned proposals. He summarized the proposals and sent them to the committee for review. He felt that all three firms have the necessary qualifications, presented good RFP documents and have good SRF experience. He added that all SRF programs are different so there would still be a learning curve if a new firm is chosen. All three bids were similar, and the spread between the three firms was about \$10,000.00 between the highest and lowest bids. The recommendation from staff is to move all three applicants forward to the interview process.

Mr. McLaughlin added that Mr. Noll and his staff hosted a meeting with all six applicants where they discussed the Authority's operations and each firm could ask questions. Ms. Wogsland asked why only three firms provided responses and Mr. Noll explained that two of the firms couldn't meet the time frame of completion by April 2027 and the third firm didn't have a large enough presence in Colorado.

Mr. Noll stated that in-person interviews should be taking place the week of August 3rd, 2026.

Questions

Mr. Heald asked if Budget & Audit Committee members will be participating in the interviews and Mr. Noll responded that committee members are welcome but not required.

Mr. Treese asked if the use of AI by the audit firms is seen as a positive or a negative. Mr. Noll explained that he views it as a positive because each firm uses multiple AI softwares and they use it to make the audit process more efficient.

Motion

Vote: Approved

BACK TO AGENDA

**Colorado Water Resources
and
Power Development Authority
Budget and Audit Committee Minutes
August 11, 2026**

Call to Order

Chair Chris Treese called the meeting to order at 1:30 p.m.

Attendance

Committee members attending via a video conference call: Chris Treese (ex-officio), Matthew Shuler, and Roy Heald.

Other Board members included: Eric Wilkinson, Patricia Wells, Bruce Whitehead, and Steve Vandiver.

Others present included: Keith McLaughlin (Executive Director), Justin Noll (Controller), Valerie Lovato (Assistant Controller), Stephanie Hines (Accountant II), Aaron Best (Accountant I), Desiree Perea (Accounting Clerk/Technician), Danica Rowe (Interdepartmental Administrative Specialist I), Heather Newton (Office Manager), Tyson Ingels (WQCD), Mike Beck (WQCD), Alex Hawley (WQCD), Ron Falco (WQCD), Michael Roach (WQCD) and MaryAnn Nason (WQCD).

Water Quality Control Division Budget Items

Mr. Ingels shared the current organizational structure for the Water Quality Control Division (WQCD) with the budget and audit committee to show changes in the WQCD organization. Mr. Ingels highlighted the split of the Clean Water program into the Clean Water Permitting & Compliance Program and the Watershed & Engineering program. Mr. Ingels then passed the discussion to Mr. Roach. Mr. Roach echoed Mr. Ingels in stating that they are resetting the narrative in permitting requirements for Clean Water.

Mr. Roach noted that WQCD is working on making technical and policy revisions through regulations and that it has a direct effect on permits. Mr. Roach explained that WQCD is building a permitting program within the Clean Water program that is protective and predictable in risk management. Mr. Roach said this will bring transparency and accountability to the permitting process. Mr. Roach said that creating the cheapest permit is done by ensuring that it works correctly the first time. Mr. Beck stated that WQCD is not asking for an increase in funds but is requesting a shift of funds within a line-item totaling \$1.3 million and \$200,000 in contingency. Mr. Noll stated that the \$1.3 million is only in Clean Water.

Mr. Treese noted that the WQCD agenda item is for the 2027 budget and no action is requested today. Mr. Heald asked how the EPA factors into permits and regulations. Mr. Ingels responded that they are committed to be clear about the rules and requirements whether they are set by the EPA or Colorado. Mr. Whitehead asked if there would have been a request for reduction in funding from the Authority if this was not a cross-neutral request. Mr. Ingels said that on an annual basis the division must prioritize funds and that it is not different just pivoting to include the permitting efficiency since it is high on their list of priorities. Mr. Beck stated that this project has become a priority in their organization and they're including it on their 2027 budget. Mr. Treese asked if there were any other questions for the division. There were none; he thanked them for joining and moved onto the next agenda item.

Audit Services Recommendation

Mr. Treese introduced Mr. Noll to begin the discussion of the recommendations for audit services. Mr. Noll explained the process the Authority went through to make its audit services recommendation. The Authority received proposals from CliftonLarsonAllen (CLA), Forvis Mazars, and Plante Moran. After evaluating the three firms, staff's recommendation is to retain Forvis Mazars as the Authority's auditor for the next five years.

Mr. Treese asked what the dollar bids were from each firm. Mr. Noll explained that Plante Moran's bid came in at \$97,270.00, Forvis Mazars' bid came in at \$103,975.00, and CLA's bid came in at \$107,375.00. Mr. Treese followed up and asked what the Authority paid Forvis Mazars last year and Mr. Noll responded that the Authority paid \$120,000. Ms. Wells asked for clarification regarding what staff members were involved in the decision-making process. Mr. Noll clarified that himself, Mr. McLaughlin, Ms. Lovato, Mr. Griffiths, and Mr. Heald were involved in the process. Ms. Wells asked if the Authority gained any new information through the RFP process. Mr. Noll explained that he learned that there are several firms capable of completing the Authority's audit that are familiar with SRF programs. Mr. McLaughlin acknowledged that he agreed with Mr. Noll's comments.

Mr. Heald commended Authority staff for their work during the RFP process. Mr. Heald was impressed with Forvis Mazar's interview and with the rapport between their staff and Authority staff. Mr. Heald added that though he was very impressed with CLA, he agreed with Mr. Noll's recommendation because he felt that opting for a new firm would result in a significant increase in costs due to the additional time required.

Mr. Whitehead asked if there was consensus among the staff involved in the RFP process that Forvis Mazars is the best choice. Mr. Noll replied that while staff agree that CLA had an impressive proposal, all members of the Authority involved agree with the recommendation to retain Forvis Mazars. Mr. Shuler agreed with the staff recommendation and added that he was glad the Authority went through the RFP process.

Recommendation – Forvis Mazars

The committee agreed to forward staff's recommendation to the full board.

Mr. McLaughlin discussed the upcoming meetings with the board.

Closing Remarks

The meeting was adjourned at 2:20 p.m. with thanks to staff and directors for their participation.

Respectfully submitted,

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**COLORADO WATER RESOURCES
&
POWER DEVELOPMENT AUTHORITY**

PROJECT FINANCE COMMITTEE
MEETING AGENDA

August 12, 2026
Committee meeting at 9:00 a.m.

Via Zoom Conference Call

Project Finance Committee Members: Bruce Whitehead (Chair), Chris Treese (ex-officio), Eric Wilkinson, Karen Wogsland, and Mike Fabbre

Authority Staff: Keith McLaughlin, Jim Griffiths, Wesley Williams, Ian Loffert, Kevin Carpenter, Giorgi Gazashvili, Daniel Lockard, and Emma Tucker

Others present: Alex Hawley, Aly Ulibarri, James Wheatley, Cynthia Thayer, Victor Chen, Peter Dieterich, and Monica Munoz-Revelo

AGENDA

1. DWRF DAC Business Case and Loan Applications:

- Montezuma County Local Improvement District No. 2023-1 Upper Road 42 – DAC Business Case – Gio (**Board Action**)
- Montezuma County Local Improvement District No. 2023-1 Upper Road 42 (Base) – Direct Loan Request – Gio (**Board Action**)
- City of Aurora (Base and IIJA/BIL LSL) – Direct Loan Request – Wes (**Board Action**)
- Camelot Property Owner’s Association (Base) – Direct Loan Request – Ian (**Board Action**)
- Colorado City Metropolitan District (Base and IIJA/BIL Supp.) – Direct Loan Request – Ian (**Board Action**)
- Penrose Water District (Base and IIJA/BIL Supp.) – Leveraged and Direct Loan Request – Wes (**Board Action**)
- Bailey Water and Sanitation District (IIJA/BIL Supp.) – Direct Loan Request – Kevin (**Board Action**)
- Town of Kremmling (Base) – Supplemental Direct Loan Request – Ian (**Board Action**)

Note: A Zoom conference call has been scheduled for **Wednesday, 9:00 a.m. August 12, 2026**. The link to join via online is: <https://us06web.zoom.us/j/86434046643?pwd=bP0FDXrGyJUHCspT1XMDVpllahOA7s.1> If you prefer to dial in, the call-in number is: **1-719-359-4580**, and the Meeting ID is **864 3404 6643**. The passcode is: **163551**.

- Town of Cheyenne Wells (Base and IIJA/BIL Supp.) – Direct Loan Request – Daniel (**Board Action – Staff recommends consent agenda**)
- Town of Dolores (IIJA/BIL Supp.) – Direct Loan Request – Daniel (**Board Action – Staff recommends consent agenda**)
- Town of La Veta (Base) – Supplemental Direct Loan Request – Kevin (**Board Action – Staff recommends consent agenda**)

2. WPCRF Loan Applications and Direct Loan Term Change:

- Town of La Veta (Base and IIJA/BIL Supp.) – Direct Loan Request – Kevin (**Board Action – Staff recommends consent agenda**)
- City of Las Animas (Base and IIJA/BIL Supp.) – Direct Loan Request – Emma (**Board Action – Staff recommends consent agenda**)
- Town of Cheraw (IIJA/BIL) – Direct Loan Term Change Request – Gio (**Board Action – Staff recommends consent agenda**)

Note: A Zoom conference call has been scheduled for **Wednesday, 9:00 a.m. August 12, 2026**. The link to join via online is: <https://us06web.zoom.us/j/86434046643?pwd=bP0FDXrGyJUHCSpT1XMDVpllahOA7s.1> If you prefer to dial in, the call-in number is: **1-719-359-4580**, and the Meeting ID is **864 3404 6643**. The passcode is: **163551**.



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@cwrpda.com

PROJECT FINANCE COMMITTEE MINUTES

August 12, 2026

9:00 a.m. Zoom Conference Call

PROJECT FINANCE COMMITTEE

MEMBERS PRESENT:

Bruce Whitehead (Chair), Eric Wilkinson, Mike Fabbre, Chris Treese (ex officio)

STAFF/COUNSEL:

Keith McLaughlin, Jim Griffiths, Wesley Williams, Ian Loffert, Kevin Carpenter, Danica Rowe, Giorgi Gazashvili, Heather Newton, Daniel Lockard, Emma Tucker

DOLA:

Victor Chen, Peter Dieterich, Monica Munoz-Revelo

WQCD:

Armando Herald, Aly Ulibarri, Alex Hawley, James Wheatley, Siobhan Yoest, Laura Leonard, Kathy Boyer, Erick Worker, Ana Ruiz

OTHER BOARD MEMBERS:

Patti Wells, Steve Vandiver, Matthew Shuler, Roy Heald

The Project Finance Committee conference call was brought to order at 9:00 a.m. by Chair Whitehead.

DRINKING WATER REVOLVING FUND ("DWRF") PROGRAM

- **Montezuma County Local Improvement District No. 2023-1 Upper Road 42 (Business Case)**

Giorgi Gazashvili presented the Montezuma County Local Improvement District No. 2023-1 Upper Road 42's ("District") disadvantaged communities ("DAC") Business Case request. The District is seeking approval of a DAC Business Case to allow for potential access to a reduced interest rate through the DWRF program, and DAC approval would qualify the District to receive Infrastructure Investment Jobs Act/Bipartisan Infrastructure Law ("IIJA/BIL") IIJA/BIL Principal Forgiveness ("PF") and/or Base DAC PF, if available. The proposed project is to build a new domestic water distribution system with booster pumps and a water storage tank. The project will become an extension of the Mancos Rural Water Company water distribution system, providing domestic drinking water to residents reliant on hauling water.

Chair Whitehead gave a quick background of the District's application timeline and history with the SRF.

Director Treese gave his concerns about the Business case, specifically about giving them IIJA/BIL PF, as the entity did not meet most of the IIJA/BIL criteria outlined and asked Chair Whitehead on his perspective of the District as a DAC. Chair Whitehead shared his perspective on the community's DAC status, as he visited the community recently. He summarized that this case is similar to a lot of other DAC cases that have been reviewed, where the MHI is unreliable and there is no denying that there is a need for the project.

Director Wells shared her concern about the reliance on the MHI, as this has been the case with other business cases, and shared her perspective that the SRF should help the community since it is so rare for communities to haul in water in 2026. Chair Whitehead agreed.

Director Fabbre agreed with the concerns and added that the community is not on the verge of DAC or IIJA/BIL criteria requirements.

Director Wilkinson shared similar concerns and asked staff if the Board could approve a reduced PF amount to help this community but not approve them for all the DAC benefits. He noted that, if the community was awarded the full principal forgiveness amount, its small population would result in a substantially higher per capita principal forgiveness benefit than that received by other communities receiving similar assistance. Mr. McLaughlin suggested that approving the community for IIJA/BIL principal forgiveness only could still provide

meaningful financial assistance, although to a lesser extent than approval as a DAC community. Director Treese was concerned about the precedent that this might set. Mr. McLaughlin and Ms. Hawley added the Board does have flexibility, but they both shared similar concerns about the precedent that it would set.

Director Wells outlined some of the other costs associated with this project, highlighting that the financial burden reaches further than just the debt service on the loan.

Chair Whitehead acknowledged concerns about the affordability of the loan and the significant financial burden it would place on the community. However, he noted that community members appeared willing to take on that burden and that the loan would be secured by tax revenues, which reduces the risk to the SRF. He also pointed out Bailey Water and Sanitation District's business case, which he suggested was similar to this case and was approved by the board earlier in the year.

Director Treese expressed his interest in Keith's suggestion to provide IJJA/BIL PF only and asked if staff could show the numbers with reduced PF before the Board meeting. Mr. McLaughlin said this can be done prior to the board meeting.

Director Whitehead made a motion to move the Business case to the full board with a favorable recommendation.

Director Fabbre appreciated the Bailey comparison and is in favor of the motion.

Director Wilkinson shared his concerns about the comparison to the Bailey WSD.

Motion: Bruce Whitehead

2nd: Mike Fabbre

Vote: Motion Carried

- **Montezuma County Local Improvement District No. 2023-1 Upper Road 42**

Giorgi Gazashvili presented the Montezuma County Local Improvement District No. 2023-1 Upper Road 42's ("District") request for a DWRP base direct loan in the amount of \$2,385,000. The loan will be for a term of 30 years, at an interest rate of 3.50%. The proposed project is to build a new domestic water distribution system with booster pumps and a water storage tank. The project will become an extension of the Mancos Rural Water Company water distribution system, providing domestic drinking water to residents reliant on hauling water. If the business case is approved, the request will be for a DWRP \$1,087,369 DAC IJJA/BIL direct loan and \$1,297,631 in IJJA/BIL principal forgiveness.

A motion was made to move the loan application to the full board with a favorable recommendation.

Motion: Mike Fabbre

2nd: Eric Wilkinson

Vote: Motion Carried

- **City of Aurora**

Wesley Williams presented the City of Aurora's ("City") request for a IJJA/BIL Lead Service Line ("LSL") direct loan through the DWRP loan program in the total amount of \$26,305,181, comprised of a *\$7,550,943 IJJA/BIL LSL loan, a *\$10,000,000 IJJA/BIL LSL PF, and a *\$8,754,238 Base direct loan. The loans will be for a term of 20 years at an interest rate of 3.25%. This project consists of the replacement of known LSL's or galvanized lines requiring replacement ("GRR") throughout the City's distribution system.

Director Whitehead asked for clarification on the distinction between the LSL and the GRR. Aly Ulibarri confirmed that GRR is not eligible under the LSL funding and the City cannot submit reimbursements for it, however it would be eligible under the base funding program.

Director Treese mentioned the first lien debt mentioned in the credit report. Mr. Williams answered that staff took a closer look at the City's financials and is under the impression that most of the liens are on parity and added that it will be a condition of the approval to be on parity with all other loans.

Chair Whitehead asked about the consent agenda and Mr. McLaughlin summarized why staff didn't recommend it for consent.

Director Fabbre asked about the LSL project pipeline and if Aurora would be taking funds away from smaller entities. Mr. Williams answered that there is a slight lack of demand on the LSL projects, combined with additional funding coming in from reallocations from other states. Which is why staff recommended to open up the LSL program for repeat borrowers and removing the cap/max for the program.

A motion was made to move the loan application to the full board with a favorable recommendation.

Motion: Eric Wilkinson

2nd: Mike Fabbre

Vote: Motion Carried

- **Camelot Property Owner's Association**

Ian Loffert presented the Camelot Property Owner's Association's ("Association") request for a DWRP base direct loan in the amount of \$1,000,000. The loan will be for a term of 30 years, at an interest rate of 5.00%. This project consists of a full replacement of the storage tank with two new 30,000-gallon water storage tanks and booster pump upgrades.

Eric Wilkinson asked a clarification question on the interest rate. Ian Loffert provided a detailed explanation on the structure of the interest rate and how it amortizes over the life of the loan.

Director Fabbre pointed out that the existing tank is only 24 years old and needing repairs, and questioned the 30 year term on the loan. Ms. Ulibarri confirmed that the CDPHE engineers have looked at the project components of the loan and they qualify for the 30 year loan term through the SRF.

Director Fabbre made a motion to move the loan application to the full board with a favorable recommendation.

Motion: Mike Fabbre

2nd: Chris Treese

Vote: Motion Carried

- **Colorado City Metropolitan District**

Ian Loffert presented the Colorado City Metropolitan District's ("District") request for a Base and an IJA/BIL General Supplemental DAC direct loan through the DWRP loan program in the total amount of \$7,500,000, comprised of a \$2,905,087 Base direct loan, a \$2,094,913 IJA/BIL Loan, and a \$2,500,000 IJA/BIL PF loan. The loans will be for a term of 30 years, at an interest rate of 1.75%, subject to the Town increasing user rates sufficiently to meet the CWRPDA's rate covenant prior to loan execution. The project consists of upgrades to the District's existing membrane filtration water treatment plant, including the design and construction of a drinking water pretreatment Dissolved Air Flotation ("DAF") system, DAF treatment building and all associated appurtenances.

Director Wilkinson asked about the timing of the parity language due to the existing USDA loan. Mr. Loffert answered that SRF staff will not close the loan without the consent to parity certificate.

Director Wilkinson made a motion to forward a favorable recommendation and to place it on the consent agenda. However, Director Treese suggested moving the application off the consent agenda to hear the thoughts of the other board members, who may not be on the PFC meeting.

Motion: Eric Wilkinson

2nd: Chris Treese

Vote: Motion Carried

- **Penrose Water District**

Wesley Williams presented the Penrose Water District's ("District") request for a DWRP IIJA/BIL General Supplemental direct loan and base loan through the DWRP loan program in the total amount of \$14,860,000, comprised of a *\$13,022,035 Base leveraged loan plus cost of issuance, a *\$837,965 IIJA/BIL General Supplemental direct loan, and a *\$1,000,000 IIJA/BIL General Supplemental PF loan. The leveraged loan will be for a term of 30 years, at an interest rate of 85% of the market rate on the CWRPDA's 2026 Series A State Revolving Fund Revenue Bonds. The Base and IIJA/BIL direct loan will be for a term of 30 years, at an interest rate of 3.50%, subject to the District increasing user rates sufficiently to meet the CWRPDA's rate covenant prior to loan execution. The project consists of the construction of a new water treatment plant and associated appurtenances, as well as decommissioning of the old treatment plant.

Director Treese asked about the reserves mentioned in the credit report, as the entity does not have enough reserves based on the financials. Mr. Williams answered that the reserves in the project budget should be coming from a general fund or a different fund of the District.

Director Wilkinson asked about the Leveraged Loan interest rate mentioned in the credit report compared to the 85% of Authority's rate and how it affects the rate increase. Mr. Williams answered that staff cannot predict what interest rate the borrower will get when bonds are sold and that it would affect the rate increase the entity would need to pass, which is determined during the negotiations where the Authority's advisor will run numbers with several scenarios.

Director Heald mentioned that he met with the District last week and provided a recap of the visit. The District has raised a couple of points with the Director which was shared at the PFC meeting, such as questions on using Equivalent Residential Units ("ERUs") instead of taps, inclusion of the CWCB loan in calculations, and about including Manganese as part of the project in order to utilize the Emerging Contaminants pot of funding for this project. Mr. Williams addressed each of the points raised, highlighting that staff will continue to work with the District to include everything possible to reduce the rate increase necessary.

Director Fabbre made a motion to move the loan application to the full board with a favorable recommendation and placed it on the consent agenda.

Motion: Mike Fabbre

2nd: Eric Wilkinson

Vote: Motion Carried

- **Bailey Water and Sanitation District**

Kevin Carpenter presented the Bailey Water District's ("District") request for a IIJA/BIL General Supplemental DAC direct loan for through the DWRP loan program in the total amount of \$2,265,498, comprised of a *\$1,032,886 IIJA/BIL General Supplemental direct loan, and a *\$1,232,612 IIJA/BIL General Supplemental PF loan. The IIJA/BIL direct loan will be for a term of 30 years, at an interest rate of 1.75%. The proposed project will include the expansion of the facility's hydraulic capacity, additional treatment and pre-treatment processes for heavy metals, as well as the construction of a second infiltration gallery, which will increase the raw water supply, and a new water treatment plant ("WTP") building with adequate space.

Director Treese asked about the property tax approvals regarding the capital improvement plan and if staff has any concerns about future debt the District is planning to take on. Mr. Carpenter outlined that the District does not currently have any other debt obligations and that staff doesn't have concerns, since the District would be pledging Water and Sewer Revenues. Additionally, if any concerns arise, staff could have entities raise rates to meet covenants.

A motion was made to move the Loan application with a favorable recommendation and place it on the consent agenda.

Motion: Mike Fabbre

2nd: Chris Treese

Vote: Motion Carried

- **Town of Kremmling**

Ian Loffert presented the Town of Kremmling's ("Town") request for a supplemental Base DAC direct loan for through the DWRf loan program in the total amount of \$1,500,000. The direct loan will be for a term of 30 years, at an interest rate of 1.75%. This project consists of replacing the Town's existing water treatment facility with ultrafiltration ("UF") treatment skids to aid in raw water quality and finished water quality goals. The new water treatment facility project includes three UF treatment skids and eight UF membrane modules housed in a new treatment plant building. Other new additions include a clearwell, booster pump, and potable water storage tank.

Director Treese asked about Construction Manager At Risk ("CMAR") process as it is unusual to see supplemental requests with this project delivery method. Mr. Loffert outlined that the original funding request was prepared before the 90% Guaranteed Maximum Price ("GMP") estimate was completed. As project costs were refined during later stages of design, additional funding was required to address increased project costs.

A motion was made to move the Loan application with a favorable recommendation and placed it on the consent agenda.

Motion: Chris Treese

2nd: Mike Fabbre

Vote: Motion Carried

- **Town of Cheyenne Wells**

Daniel Lockard presented the Town of Cheyenne Wells's ("Town") request for a Base and an IJA/BIL General Supplemental DAC direct loan through the DWRf loan program in the total amount of \$5,792,460, comprised of a *\$1,197,547 Base direct loan, a *\$2,094,913 IJA/BIL Loan, and a *\$2,500,000 IJA/BIL PF loan. The loans will be for a term of 20 years, at an interest rate of 1.50%. The Project consists of construction of two ion exchange treatment systems and associated appurtenances to address Nitrate contamination, including: Southern Ion Exchange Nitrate Removal Water Treatment Plant to service the Feyh Well; Western Ion Exchange Nitrate Removal Water Treatment Plant to service the North and Snyder Wells; and waste brine storage tanks at each plant for offsite brine disposal.

Director Whitehead commented on how proactive the borrower has been to prepare for a loan and Director Wilkinson commented on how low the per volume costs were for the entity.

Director Wilkinson made a motion to forward to the full board with a favorable recommendation and to be placed on the consent agenda.

Motion: Eric Wilkinson

2nd: Chris Treese

Vote: Motion Carried

- **Town of Dolores**

Daniel Lockard presented the Town of Dolores's ("Town") request for a IJA/BIL General Supplemental DAC direct loan for through the DWRP loan program in the total amount of \$3,233,000, comprised of a *\$1,473,989 IJA/BIL General Supplemental direct loan, and a *\$1,759,011 IJA/BIL General Supplemental PF loan. The IJA/BIL direct loan will be for a term of 30 years, at an interest rate of 1.75%. The project includes replacing water mains located within public rights-of-way, streets, and alleyways, along with the replacement of all fire hydrants, water service lines to the meter, valves, and re-connections in the project area.

Director Wells and Director Wilkinson asked for clarification on how the Congressionally Directed Spending ("CDS") affects the application. Mr. Lockard and Mr. Williams outlined that the approved policy only affects borrowers who will be receiving the 2027 CDS funds and onwards, in order not to disrupt the borrowers relying on the SRF in the current pipeline. Therefore, this does not affect the town, as their CDS funds are from 2024.

Director Vandiver asked on the feasibility of the CDS funding being applied to this project and what the Town would do if the CDS funding is not utilized. Mr. McLaughlin will ask our EPA representative about this project and will see if it is possible to see where they are on the process.

Chair Whitehead asked for clarification on the residential and non-residential components of the system revenue. Mr. Williams answered that staff will research and provide an answer to the board prior to the board meeting.

A motion was made to move the Loan application with a favorable recommendation and placed it on the consent agenda.

Motion: Chris Treese

2nd: Mike Fabbre

Vote: Motion Carried

- **Town of La Veta**

Kevin Carpenter presented the Town of La Veta's ("Town") request for a supplemental Base DAC direct loan for through the DWRP loan program in the total amount of \$2,413,000. The direct loan will be for a term of 30 years, at an interest rate of 1.75%. This project consists of a new water treatment plant using conventional treatment technology with full automation. There will be three pre-engineered clarifier units, a below grade disinfection contact, a clearwell tank, and a building extension to house the new treatment equipment.

Director Treese shared his concerns regarding the size of the supplemental loan and asked if staff has concerns of entities taking advantage of the SRF policy regarding keeping the loan terms favorable between the two applications. Mr. Carpenter and Mr. McLaughlin outlined that historically this has not been the case, and that it's mostly the affordability that is the issue with these requests. Director Heald offered his perspective on the concerns raised by Director Treese, explaining that it is often risky and involves additional cost burden for the entities to apply for a supplemental loan.

Director Wilkinson echoes some of the concerns shared earlier and added that the IUP dictates what the loan terms will be for supplemental requests. Mr. Carpenter agreed that it is written in the IUP as such, but added that the board has the discretion to set interest rates as desired.

Director Fabbre made a motion to forward it to the full board with a favorable recommendation and a place on the consent agenda.

Motion: Mike Fabbre

2nd: Eric Wilkinson

Vote: Motion Carried

- **Town of La Veta**

Kevin Carpenter presented the Town of La Veta’s (“Town”) request for a Base and an IJA/BIL General Supplemental DAC direct loan through the DWRP loan program in the total amount of \$2,220,000, comprised of a *\$500,000 Base PF, a *\$877,200 IJA/BIL Loan, and a *\$842,800 IJA/BIL PF loan. The loans will be for a term of 30 years, at an interest rate of 1.75%. The project consists of the construction of a new mechanical dewatering system in a new building located adjacent to the existing wastewater treatment facility (“WWTF”) building.

Director Fabbre mentioned a minor typo on the credit report and made a motion to forward to the full board with a favorable recommendation and place on the consent agenda.

Motion: Mike Fabbre

2nd: Eric Wilkinson

Vote: Motion Carried

- **City of Las Animas**

Emma Tucker presented the City of Las Animas’s (“City”) request for a Base and an IJA/BIL General Supplemental DAC direct loan through the DWRP loan program in the total amount of \$1,507,600, comprised of a *\$500,000 Base PF, a *\$513,876 IJA/BIL Loan, and a *\$493,724 IJA/BIL PF loan. The loans will be for a term of 30 years, at an interest rate of 1.75%. The purpose of the proposed project is to replace the failing force main to prevent any collapses and sewer spills in the future.

Director Wells commented on how well run the City’s system is, considering that they are a DAC community. Director Treese highlighted the high-priority points for this project and offered his support.

Director Treese made a motion to forward to the full board with a favorable recommendation and to be placed on the consent agenda.

Motion: Chris Treese

2nd: Eric Wilkinson

Vote: Motion Carried

- **Town of Cheraw (Term Change)**

Giorgi Gazashvili presented the Town of Cheraw’s (“Town”) request to change the loan terms on an approved IJA/BIL General Supplemental DAC direct loan through the DWRP loan program in the total amount of \$944,000, comprised of a *\$451,915 IJA/BIL Loan, and a *\$492,085 IJA/BIL PF loan. The loan terms will change from 20 years at 1.50% to 30 years at 1.75% interest rate. The proposed project includes replacing the existing lift station with a new above-ground lift station.

Director Vandiver asked if staff could provide the breakdown of difference between the different interest rates over the total life of the loan. Mr. Williams outlined the interest rate structure and stated that staff will provide the information in an email after the meeting.

A motion was made to move the Loan application with a favorable recommendation and placed it on the consent agenda.

Motion: Mike Fabbre

2nd: Eric Wilkinson

Vote: Motion Carried

The meeting was adjourned at 12:42 p.m.

* - Estimated PF and direct loan amounts through the IJA/BIL and/or Base programs. The exact amount will be based on the IJA/BIL capitalization grant principal forgiveness to loan ratio while taking into account set asides. However, in the unlikely event the ratio increases the loan amount by more than a de-minimis amount, as determined by the Executive Director, the credit will be returned to the Board for further evaluation and consideration.

**COLORADO WATER RESOURCES &
POWER DEVELOPMENT AUTHORITY
PERSONNEL COMMITTEE AGENDA**

August 14, 2026

12:00pm-1:30pm

Via Zoom meeting
(click this link to join the meeting)

<https://us06web.zoom.us/j/85880177461?pwd=02Go36b29a16wrtdJEHr0005KADd4V.1>

Meeting ID: 858 8017 7461
Passcode: 476909
OR Call-in number: 1-719-359-4580

Personnel Committee Members: Patti Wells (Chair), Eric Wilkinson, Steve Vandiver, Roy Heald, Chris Treese (ex-officio);

All Board members welcome!

Authority staff: Keith McLaughlin, Jim Griffiths

Agenda

1. Vacation Accrual Recommendations
2. Employee Survey Results
3. Authority Goals - Update

2026 – AUTHORITY GOALS – BY CATEGORY

Top Goals (from all categories – not duplicated within the categories below):

1. Work with Authority's lobbyist, state and federal congressional delegates, partner agencies, governor's office, state counterparts, and related water associations regarding cuts to the base program funds due to Congressionally Directed Spending (CDS).
2. In coordination with our partners at WQCD and DOLA, work with the Governor's office and legislative staff to secure IJA state match funds for 2026.
3. Provide base and IJA funding effectively and efficiently in 2026 while accurately navigating base and IJA program requirements. Optimize our use of IJA funds in the final year of IJA and begin transition to base program funding.
4. With assistance from our program partners select, develop and implement the CEOS replacement project.
5. Build resiliency in employee staffing. Increase efforts in cross training, technology, workload leveling, outsourcing, and the use of part-time employees.
6. Continue our close involvement in the Arkansas Valley Conduit ("AVC") project. Provide the best possible funding solutions for the communities in the Lower Arkansas Valley. Continue to collaborate with our partners, other state and federal agencies, Southeastern Colorado Water Conservancy District, and their communities.

Technology Goals:

1. Continue to monitor and upgrade state ADA website compliance.
2. Continue to understand and enhance our basic use of AI to help create efficiencies for the Authority.
3. Continue to bolster cybersecurity.
4. Continue to implement new HR software modules.
5. Continue implementation of the new audit and PAFR software in 2026
6. Complete and expand use of Authority "Intranet."

Legislative and Legal Goals:

1. Coordinate the confirmation hearing process for two Board appointees.
2. Monitor Authority and water related legislative bills and advise the Governmental/Public Affairs Committee as necessary.

3. Timely lead Authority's Joint Resolution (eligibility list) through the legislative process.
4. Continue to maintain compliance with Colorado's new employment laws like (FAMLI), equal pay for equal work act, etc.

Personnel and Employee Development Goals:

1. Continue to take a leadership role in the Council of Infrastructure Financing Authorities (CIFA). Executive Director is scheduled to move into the Treasurer role in November of 2026.
2. Continue to serve on the Colorado Water Congress board of directors.
3. Build out Authority leadership at all levels.
4. Monitor staffing levels at the Authority and our SRF partner agencies as we move into the final year of IJA funding in 2026.
5. Continue to provide and improve certain annual training to Board and Staff including conflict of interest, harassment, and other training.
6. Develop and grow the knowledge base of all staff, continuing the staff education commitment of the last four years.
7. Continue to educate staff on new and existing policies such as, employee handbook, drug free workplace policy, information systems policy and others.
8. Meet and build relationships with key water organizations across the state and nationally.
9. Continue to look for ways to improve our human resource capabilities, building on considerable improvements made over the last few years. Fully implement Inova's performance management platform as part of our human resources management upgrades.
10. Finalize benefit recommendations. This is a continuation of efforts started in 2024.

Operational Goals:

1. Find ways to improve our borrower loan payment experience focusing on smaller borrowers.
2. Review and implement streamlined financial summaries and reports.
3. Complete office space expansion project in early 2026.
4. Evaluate the investment strategy of the Authority and suggest changes to the way Authority funds are invested to maximize lending capacity.
5. Evaluate all professional insurance. Ensure all coverage is understood and the Authority is adequately protected.

6. Continue to monitor, and report on, the interest rate environment so that the Authority loan interest rates are in-line with the market and other water funding programs.

Programmatic Goals:

1. Continue to ensure IIJA funding reaches disadvantaged communities and priority projects.
2. Monitor and strategize around IIJA obligations and grant draws to meet all IIJA capitalization grant deadlines.
3. Work with WQCD to prepare a final press release highlighting Colorado's IIJA successes in the final year of the IIJA.
4. Prepare to apply for additional IIJA lead service line funds when they are re-allocated in 2026.
5. Build on the progress and successes to continue to strengthen the DWRF administrative fee in order to administer a sustainable DWRF for Colorado.
6. Maximize the use of SRF leverage in 2026 to expand our lending capacity. Learn more about additional creative ways to leverage and enhance funds availability in order to meet increasing demand.
7. Monitor EPA's preferred performance metrics. EPA recommends that states 'over-obligate' SRF funds in order to meet this metric. Evaluate and develop a Colorado-specific cash flow and obligation tolerances strategy.
8. Continue to collaborate and coordinate closely with USDA, CWCB, DOLA and WIFIA on financing for Colorado projects.
9. Continue to work with the WQCD and WQCC to discuss options for funding Colorado's Safe Drinking Water Program that are outside of the SRF.
10. Develop and bring recommendations to the Authority Board for improvements to the Small Hydroelectric Loan Program, Forest Health and the Interim Loan Program.

Board Related Goals:

1. Continue to meet and coordinate with WQCD leadership regarding the end of IIJA and related staffing and set aside issues. Director Vandiver and the Executive Director are scheduled to discuss the topics at the WQCC February Board meeting.
2. Provide the Authority Board with the education materials necessary to build upon and enhance its decision-making process. At the Board's discretion, develop a mission, vision and values statement for the Authority in 2026.
3. Meet with Board members in each water basin to determine basin and Board member needs and direction.

- 4. Hold a Board retreat in the first half of year 2026 at the Board’s discretion.
- 5. Plan with the Chair of the Board any “away” meetings and site tours that may interest the Board.
- 6. Provide recommendations and gain the Board’s perspective on continuing to use current auditor or request proposals from other audit firms.
- 7. Continue the liaison process with the WQCC. Focus on funding, efficiency, effectiveness and another joint Authority Board and WQCC meeting.

19 Completed

24 In Progress

7 No Progress



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

August 6, 2026

TO: Personnel Committee and Board of Directors

FROM: Keith McLaughlin, Executive Director
Jim Griffiths, Deputy Director

RE: Vacation Accrual Recommendations

Background:

The CWRPDA employee handbook states that unused vacation leave remaining on December 31, may be carried over to the following year, but such carryover will be limited to no more than the days/hours per year accrued based upon the employee's length of service in the schedule below.

Length of Service	Hours per Month Accrued	Days/Hours per Year Accrued
Start through Year 3	8 Hours	12 Days/96 Hours
4th Year	9 Hours	13.5 Days/108 Hours
5th Year	10 Hours	15 Days/120 Hours
6th through Year 9	11 Hours	16.5 Days/132 Hours
10th through Year 19	13.3 Hours	20 Days/160 Hours
20th Year or More	16.67 Hours	25 Days/200 Hours

However, carryover in any amount greater than the days/hours per year accrued as set forth above may be carried forward only upon approval of the Executive Director.

Current Vacation Accruals

There are six employees whose current total vacation accrual exceeds the balances as provided in the schedule above. Four of the six employees are long-tenured employees who have carried forward some amount of excess vacation for the majority of their 15-plus-years with the Authority. The remaining two employees will likely have their accrual balances below the maximum vacation accrual by the end of the year.

Accrued vacation is paid out upon the completion of employment, and several past employees that were entering retirement have used their accrued vacation payout to bridge the gap between retirement and their first PERA pension payment. In addition, the Authority does not offer short-term disability or maternity leave, and many employees over the years have used a combination of sick and vacation accruals to cover serious illnesses, surgery recovery, and childbirth.

Vacation Accrual Options to Replace Current Policy

To address the Board's concern with large, accrued vacation balances and related issues, staff are proposing the following three options:

1. Vacation Cap for New Employees. Grandfather Existing Employees with a Conversion Option for All. Set a hard 600-hour cap on vacation leave for employees hired after the policy is adopted (new employees). New employees would be automatically paid out for all hours in excess of 600 hours at the end of each year. In addition, all employees (new and existing) who carry over 300 hours of vacation would be eligible to convert vacation leave to pay at current pay rates up to two times a year but may convert no more than 80 hours per year.

2. Vacation Cap and Conversion Option for All Employees. Set a 600-hour hard cap on vacation leave for all employees. At the end of 2028 and every year thereafter, employees would automatically be paid out for all hours in excess of 600 hours. Employees with more than 300 hours of vacation leave may choose to convert vacation leave to pay at current rates up to two times a year but may convert no more than 80 hours per year.
3. Tiered Vacation Caps with Conversion Option. Set hard caps that are tiered to follow the current annual vacation accruals.

Length of Service	Annual Vacation Accruals	Proposed Max Vacation Accruals
Start through Year 3	96 Hours	No Limit
4th Year	108 Hours	300 Hours
5th Year	120 Hours	400 Hours
6th through Year 9	132 Hours	500 Hours
10th through Year 19	160 Hours	600 Hours
20th Year or More	200 Hours	600 Hours

Employees are automatically paid out for any hours exceeding their maximum annual vacation accruals at year-end. Employees with more than 300 hours of vacation may choose to convert vacation leave to pay at current rates up to two times a year but may convert no more than 80 hours per year.

Summary and Comparison Chart

Option	Name	Max Vacation Accrual	Vacation to Pay Option	Exceed Vacation Caps	Encourages Vacation Use	Restrictive/Impactive	Vacation Payout Adds to HAS	Equal Treatment of Employees
1	Grandfather Employees	600 Hrs ¹	300 Hrs	Yes ²	Lowest	Lowest	No ³	No
2	Hard Cap-All Employees	600 Hrs	300 Hrs	No	Mid	Mid	Yes	Yes
3	Tiered Cap- All Employees	Tiered	300 Hrs	No	Highest	Highest	Yes	Yes (within tiers)

¹ Only applies to new employees hired after the policy is adopted

² Only existing/grandfathered employees can exceed vacation caps with ED approval

³ Vacation payout would apply to new employees hired after the policy is adopted

Employee Input Meetings

Authority management met with all employees to discuss the vacation accrual options. In total, slightly more employees favored option 2 over option 1. Generally, newer employees are using their vacation as accrued and favored option 1 due to its minimal impact. Long-tenured employees favored option 2 as it provides a mechanism to slightly increase their PERA HAS* while addressing the Board's concerns. No employees favored option 3, though several viewed it as too restrictive.

Recommendation: Staff recommends option 2, a hard vacation cap and conversion option for all employees.

*PERA limits the annual salary increase to 8 percent per year. HAS = highest average salary.

Chimney Hollow Water Quality



Naturally Occurring Uranium Found at Chimney Hollow

Northern Water and Chimney Hollow participants are committed to keeping its customers, stakeholders and end users, as well as the general public informed as we gather additional information on the discovery of uranium at the Chimney Hollow Reservoir construction site. Collecting data and modeling are crucial steps in the development of mitigation strategies, and we are actively working to learn more by evaluating test results from field investigations and modeling scenarios.

Prior to making mitigation decisions, we want to make sure we have all the information to evaluate operational and treatment options. We are following a rigorous process, starting with geochemical characterization and scoping studies, to inform mitigation alternatives analysis and ultimately select a final approach. Following these steps allows us to make informed decisions, evaluate trade-offs, and determine the best path forward.

Learning. Evaluating. Planning.

Northern Water has been testing how the uranium minerals leach into water and what concentration to expect when the reservoir fills and as its operation begins. To allow time for additional data collection and investigations to advance, we have elected not to fill the reservoir as quickly as initially planned. After the discovery of naturally occurring uranium at Chimney Hollow Reservoir, many avenues of data collection have been initiated to learn more about this situation and inform mitigation decisions. Northern Water moved approximately 1,500 acre feet of water into Chimney Hollow Reservoir in mid-April 2026. Additional water quality data will now be collected and used to evaluate the performance of model simulations used to predict uranium concentrations in the reservoir. In addition, post-fill dam safety monitoring will begin. Project participants have not expected or planned for delivery of water to occur for several years, and this postponement will not affect community water supplies.

Northern Water and project participants have been studying how the uranium minerals mobilize into water and what concentration to expect when the reservoir fills. All testing to date has been small scale and laboratory based. The addition of a small amount of fresh water in the reservoir, less than 2 percent of the total reservoir volume, will provide a better opportunity to study real-world conditions. In addition, Northern Water has sampled groundwater in the area to characterize baseline water quality conditions. This information, paired with data collected from the initial inflow of water in the reservoir, will inform further management options.

We expect uranium leaching from the dam to decrease over time, since there is a finite quantity of soluble uranium at the site. The duration of the leaching process is not fully understood yet and will depend on how the reservoir is operated over time. While the discovery of mineralized uranium has caused Northern Water and the Chimney Hollow participants to modify its plans, it is an issue that can be safely managed. The new reservoir remains an important part of securing water supply needs for Northern Colorado and its future.

Water Quality Monitoring

No water will be released from Chimney Hollow Reservoir until a management plan is identified.

This dashboard displays uranium levels in Chimney Hollow Reservoir and in nearby sampling locations from early April 2026, when water was first introduced into the reservoir. Water sampling for uranium occurs weekly with final results typically available within two months of the sampling date. Final data will be posted to the dashboard when received, and it may not be received in chronological order due to processes at the testing laboratory.

The water currently in Chimney Hollow Reservoir represents less than 2 percent of its total capacity, and no additional water will be added during initial monitoring. The initial monitoring period provides Northern Water time to appropriately sample the new waterbody and determine a strategy to manage the naturally occurring uranium moving forward.

The EPA standard for uranium after it has been treated by the local water provider is 30 µg/L (or parts per billion). The reported values provided below are the sampling results of the raw (untreated) water presently held in the reservoir. For context, and as a comparison to nearby waterbodies, reported values for Flatiron Reservoir (outlet), Carter Lake and Horsetooth Reservoir are also provided. View [additional data collected](#) throughout Northern Water's boundaries.

Background Information:



Chimney Hollow Reservoir Water Quality Monitoring Background

Northern Water



Watch on

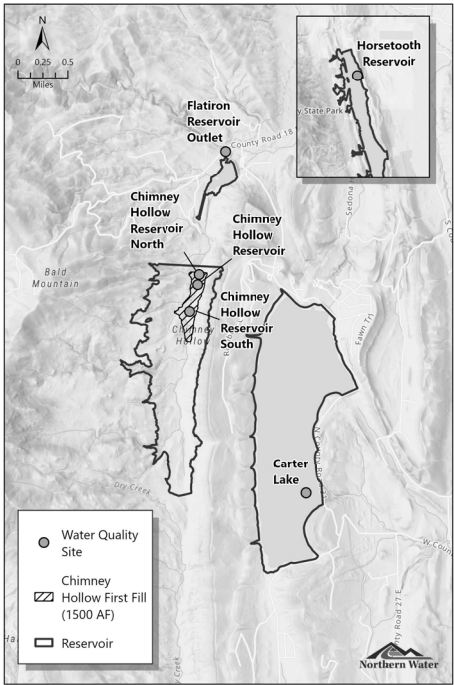


July 2026 Update of the Chimney Hollow Reservoir Water Quality

Northern Water



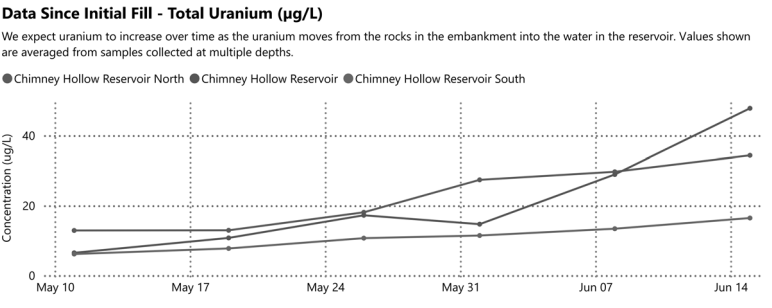
Watch on



Total Uranium (µg/L)				
Station	Sampling Location (most recent data shown)			
	Surface	Midpoint	Bottom	Canal
Chimney Hollow Reservoir North	12.9		55.8	
Chimney Hollow Reservoir	12.7	22.8	82.9	
Chimney Hollow Reservoir South	12.8		23.9	
Flatiron Reservoir Outlet				0.7
Carter Lake	0.1		0.2	
Horsetooth Reservoir	0.2		0.1	

Surface: Collected 1 meter below the water surface
Midpoint: Collected between surface and bottom sampling depths
Bottom: Collected 1 meter above the reservoir bottom

Most Recent Data - Total Uranium (µg/L)	
Values shown at reservoir sites are averaged from samples collected at multiple depths	
Chimney Reservoir North	Flatiron Reservoir Outlet
34.35	0.7
Chimney Hollow Reservoir	Carter Lake
47.80	0.11
Chimney Reservoir South	Horsetooth Reservoir
16.47	0.15



What is the problem? +

Where does the uranium come from? +

When was the uranium first detected? +

Why was uranium only recently discovered? +

What is uranium? +

How much uranium is found in rock at the site? +

How was uranium discovered? +

What do the preliminary data say? +

Are you planning on putting water into the reservoir soon? +

It’s been an unusually dry year, where is the water coming from for the initial fill? +

When will water be delivered out of the reservoir? +

What is Northern Water going to do about it? +

Is there an exposure risk for those who worked on or visited the construction site? +

Is Chimney Hollow still going to be used for water supply? +

Are there other compounds we are looking at in light of the uranium discovery? +

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CONTACT INFORMATION

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[Contact Us](#)

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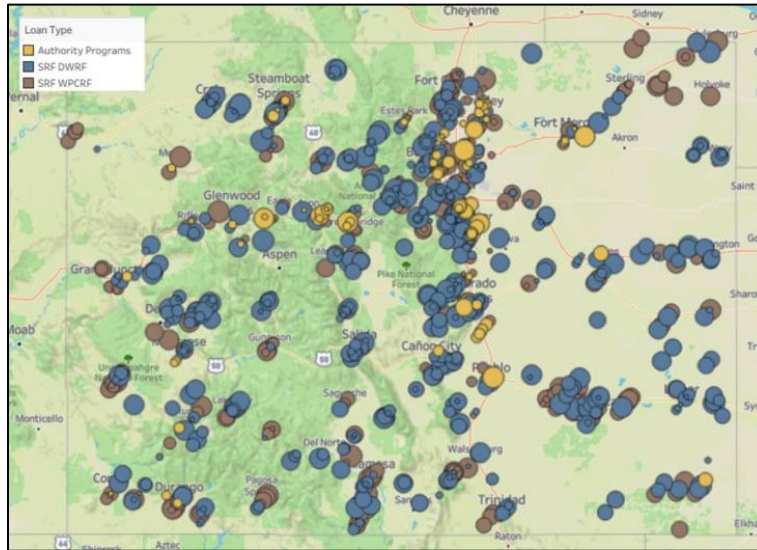


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Financing Water Projects in Every Corner of Colorado

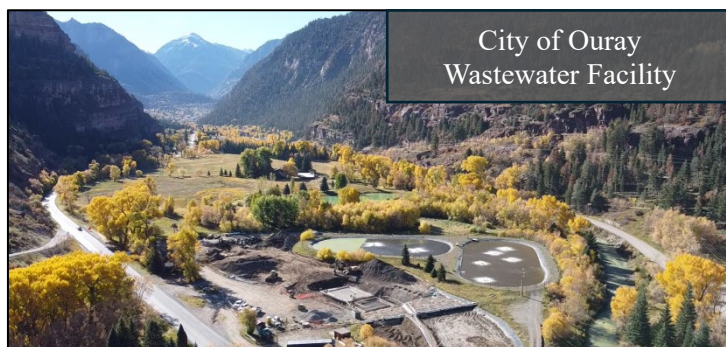
When residents in Sterling, Silt, Kremmling, and hundreds of other Colorado communities turn on the tap, they see the result of years of local planning and the financing that made those projects possible.

Since 1981, the Colorado Water Resources and Power Development Authority has worked with municipalities and special districts of every size to finance water and wastewater infrastructure, executing more than 800 loans totaling over \$2.8 billion through Colorado's State Revolving Fund Programs. We just celebrated our 45th anniversary helping Colorado communities stay hydrated with healthy and clean water. A map of our loan portfolio tells the story at a glance: projects in every river basin in the state, from the Front Range to the Western Slope, the San Luis Valley to the Eastern Plains.



For many of Colorado's smallest and rural systems, affordability determines whether a project moves forward or sits on the shelf. Our Drinking Water Revolving Fund and Water Pollution Control Revolving Fund offer below-market interest rates, flexible terms, and, for qualifying disadvantaged communities, reduced interest rates, grants and principal forgiveness that meaningfully reduce costs for local ratepayers. Our team's expertise in municipal finance, federal compliance, and capital planning means communities don't navigate the process alone, from initial planning and eligibility through closing and construction.

The Authority is here to help with Drinking Water, Wastewater and dedicated funding for priorities like lead service line replacement and emerging contaminants such as PFAS. We encourage communities to explore these opportunities and reach out to us to see if we can help keep your community's infrastructure project affordable.



If your community is planning a water or wastewater project, or wants to understand its financing options, visit www.cwrpda.com, call (303) 830-1550, or email info@cwrpda.com. You can also stay informed by subscribing to our quarterly SRF Newsletter through our website or by scanning the QR code and marking General - Grants and Loans.





COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY



BOARD OF DIRECTORS MEETING





COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

[BACK TO AGENDA](#)





Montezuma County Local Improvement District

No. 2023-1 Upper Road 42

Resolution No. 26-22, Direct Loan



[BACK TO AGENDA](#)

LOAN SUMMARY

Direct Loan, \$2,385,000

Total: \$2,385,000

KEY TERMS

	Interest Rate	3.50%
	Loan Term	30 years
	Pledge	Property Assessments

INDICATORS

STRONG
6

MODERATE
0

WEAK
5

ADDITIONAL INFORMATION

	O&M Reserve	N/A
	Bid Process	DBB
	Contingency	21.5%

[BACK TO AGENDA](#)



Montezuma County Local Improvement District

No. 2023-1 Upper Road 42

[BACK TO AGENDA](#)



PROJECT DESCRIPTION

Construction of a new domestic water distribution system with booster pumps and a water storage tank. The project will become an extension of the Mancos Rural Water Company water distribution system, providing domestic drinking water to residents reliant on hauling water (San Juan River Basin).



[BACK TO AGENDA](#)



City of Aurora

Resolution No. 26-23, IJA/BIL LSL Loan

[BACK TO AGENDA](#)

LOAN SUMMARY

IJA/BIL LSL Loan,
\$7,550,943

IJA/BIL LSL PF,
\$10,000,000

Base Direct Loan,
\$8,754,238

Total: \$26,305,181

KEY TERMS



Interest Rate



3.25%



Loan Term

20 years



Pledge

Water System Revenue

INDICATORS

✓ STRONG
15

— MODERATE
0

✗ WEAK
6

ADDITIONAL INFORMATION



O&M Reserve

212%



Bid Process

DBB



Contingency

3.27%

[BACK TO AGENDA](#)



City of Aurora

[BACK TO AGENDA](#)

PROJECT DESCRIPTION

This project consists of the replacement of known lead service lines (LSL's) or galvanized lines requiring replacement (GRR) throughout the City's distribution system (Denver Basin).

[BACK TO AGENDA](#)



Camelot Property Owner's Association

Resolution No. 26-24, Direct Loan

[BACK TO AGENDA](#)

LOAN SUMMARY

Base Direct Loan,
\$1,000,000

Total: \$1,000,000

KEY TERMS



Interest Rate



5.00%



Loan Term

30 years



Pledge

All Association Revenues

INDICATORS



STRONG

9



MODERATE

1



WEAK

7

ADDITIONAL INFORMATION



O&M Reserve

450%



Bid Process

DBB



Contingency

8.5%

[BACK TO AGENDA](#)

PFC RECOMMENDATION

Conditional Approval

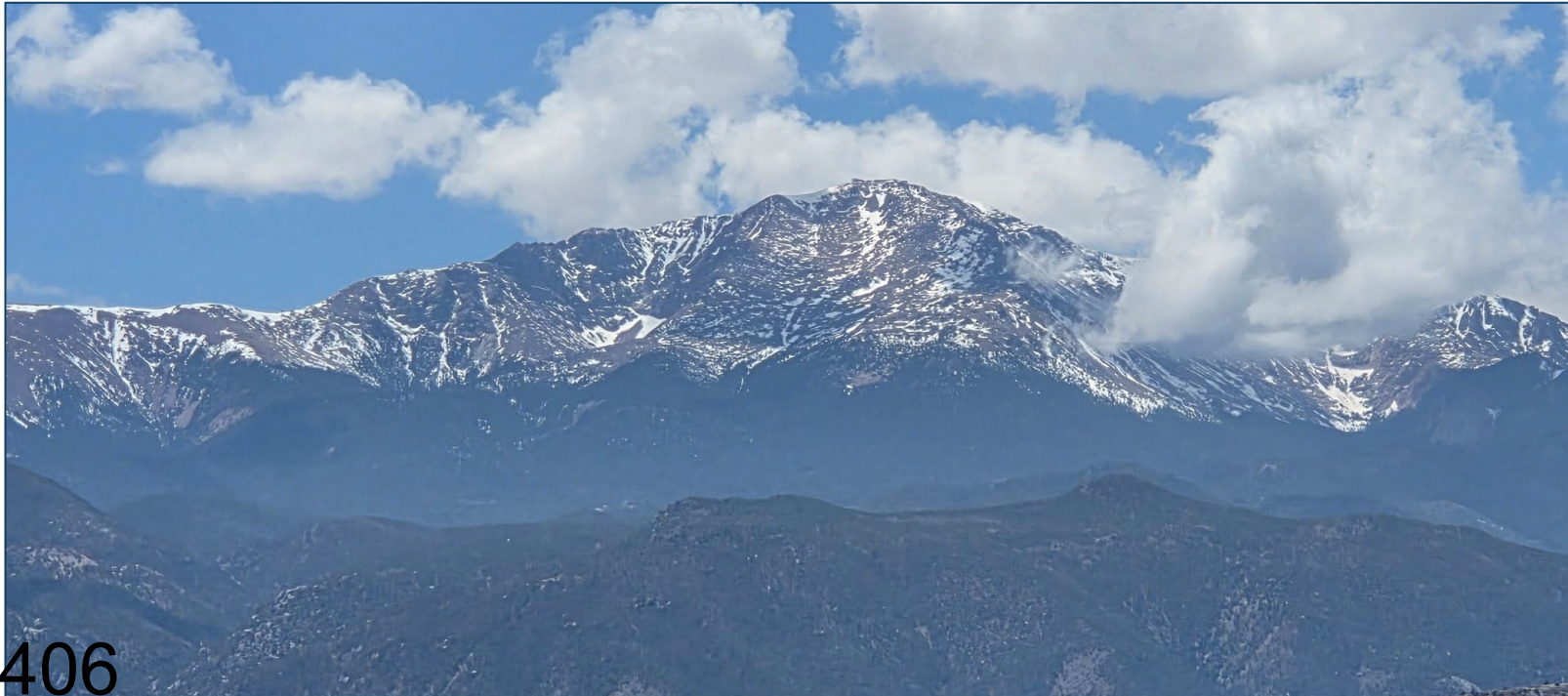


Camelot Property Owner's Association

[BACK TO AGENDA](#)

PROJECT DESCRIPTION

This project consists of a full replacement of the storage tank with two new water storage tanks and booster pump upgrades (South Platte Basin).

[BACK TO AGENDA](#)



Colorado City Metropolitan District

Resolution No. 26-25, IJA/BIL DAC Loan

[BACK TO AGENDA](#)



LOAN SUMMARY

IJA/BIL PF, \$2,500,000	IJA/BIL Loan, \$2,094,913	Base Direct Loan, \$2,905,087
Total: \$7,500,000		

KEY TERMS

	Interest Rate		1.75%
	Loan Term		30 years
	Pledge	Water and Sewer Revenues	

INDICATORS

STRONG
10

MODERATE
6

WEAK
5

ADDITIONAL INFORMATION

	O&M Reserve	132%
	Bid Process	DBB
	Contingency	8.6%

[BACK TO AGENDA](#)

PFC RECOMMENDATION

Conditional Approval

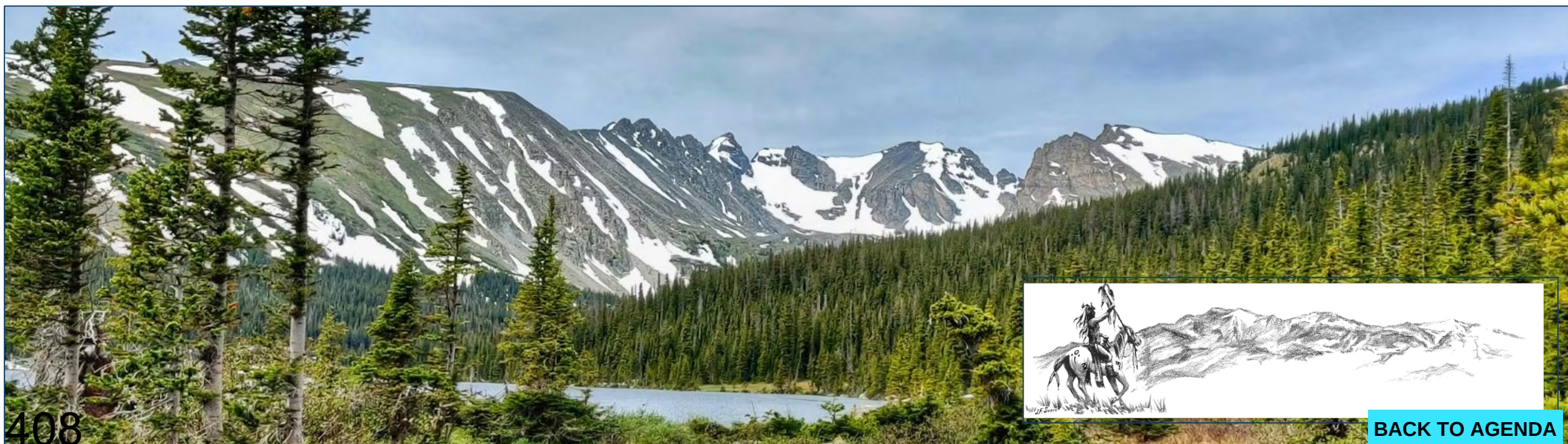


Colorado City Metropolitan District

[BACK TO AGENDA](#)

PROJECT DESCRIPTION

The project consists of upgrades to the District's existing membrane filtration water treatment plant, including the design and construction of a drinking water pretreatment Dissolved Air Flotation (DAF) system, DAF treatment building and all associated appurtenances (Arkansas River Basin).

[BACK TO AGENDA](#)



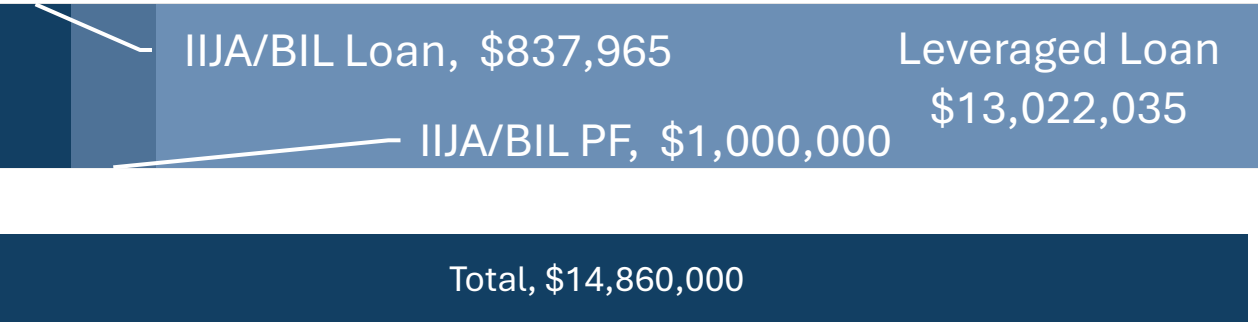
Penrose Water District

Resolution No. 26-26, Base Leverage & IJA/BIL Loan



[BACK TO AGENDA](#)

LOAN SUMMARY



KEY TERMS

	Interest Rate	Est. 4.00 % LL 3.50 % IJA/BIL
	Loan Term	30 years
	Pledge	Water System Revenue

INDICATORS

STRONG

7

MODERATE

7

WEAK

7

ADDITIONAL INFORMATION

	O&M Reserve	47%
	Bid Process	DBB
	Contingency	11.7%

[BACK TO AGENDA](#)

Consent

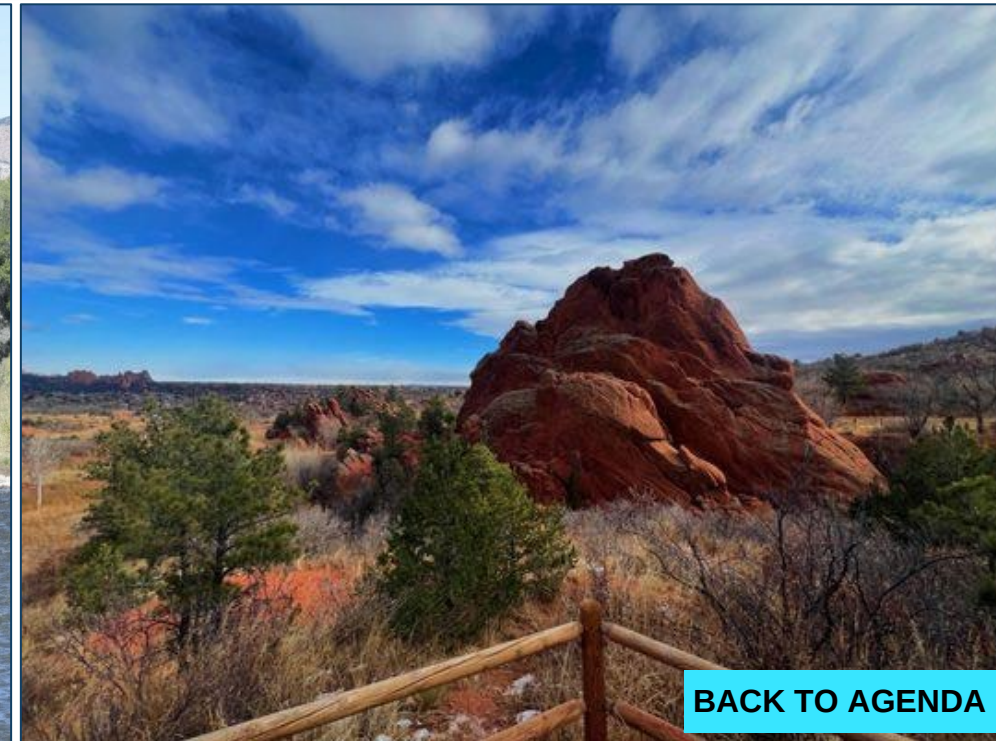


Penrose Water District

[BACK TO AGENDA](#)

PROJECT DESCRIPTION

The project consists of the construction of a new water treatment plant and associated appurtenances, as well as decommissioning of the old treatment plant (Arkansas River Basin).

[BACK TO AGENDA](#)



Bailey Water and Sanitation District

Resolution No. 26-27, IJA/BIL DAC Loan

[BACK TO AGENDA](#)



LOAN SUMMARY

IJA/BIL Loan,
\$1,032,886

IJA/BIL PF,
\$1,232,612

Total, \$2,265,498

KEY TERMS



Interest Rate



1.75%



Loan Term

30 years



Pledge

Water and Sewer Revenue

INDICATORS



STRONG

11



MODERATE

4



WEAK

6

ADDITIONAL INFORMATION



O&M Reserve

82%



Bid Process

CMAR



Contingency

8.45%

 PFC RECOMMENDATION

[BACK TO AGENDA](#)

Consent



Bailey Water and Sanitation District

[BACK TO AGENDA](#)

PROJECT DESCRIPTION

The proposed project will include the expansion of the facility's hydraulic capacity, additional treatment and pre-treatment processes for heavy metals, as well as the construction of a second infiltration gallery, which will increase the raw water supply, and a new water treatment plant (WTP) building with adequate space (South Platte River Basin).

[BACK TO AGENDA](#)



Town of Kremmling

Resolution No. 26-28, Supplemental Direct Loan

[BACK TO AGENDA](#)

LOAN SUMMARY

Supplemental Base Direct Loan,
\$1,500,000

Total, \$1,500,000

KEY TERMS



Interest Rate



1.75%



Loan Term

30 years



Pledge

Water System Revenue

INDICATORS



STRONG

7



MODERATE

3



WEAK

11

ADDITIONAL INFORMATION



O&M Reserve

2,430%



Bid Process

CMAR



Contingency

9.78%

413

PFC RECOMMENDATION

[BACK TO AGENDA](#)

Consent



Town of Kremmling

[BACK TO AGENDA](#)

PROJECT DESCRIPTION

This project consists of replacing the Town's existing water treatment facility with ultrafiltration (UF) treatment skids to aid in raw water quality and finished water quality goals. The new water treatment facility project includes three UF treatment skids and eight UF membrane modules housed in a new treatment plant building. Other new additions include a clearwell, booster pump, and potable water storage tank (Colorado River Basin).

[BACK TO AGENDA](#)



Town of Cheyenne Wells

Resolution No. 26-29, IJA/BIL DAC Loan

[BACK TO AGENDA](#)

LOAN SUMMARY

IJA/BIL Loan,
\$2,094,913

IJA/BIL PF,
\$2,500,000

Direct Loan,
\$1,197,547

Total, \$5,792,460

KEY TERMS



Interest Rate



1.50%



Loan Term

20 years



Pledge

Water System Revenue

INDICATORS



STRONG

14



MODERATE

1



WEAK

6

ADDITIONAL INFORMATION



O&M Reserve

402%



Bid Process

DBB



Contingency

20%

[BACK TO AGENDA](#)

PFC RECOMMENDATION

Consent



Town of Cheyenne Wells

[BACK TO AGENDA](#)

PROJECT DESCRIPTION

The Project consists of construction of two ion exchange treatment systems and associated appurtenances to address Nitrate contamination, including: Southern Ion Exchange Nitrate Removal Water Treatment Plant to service the Feyh Well; Western Ion Exchange Nitrate Removal Water Treatment Plant to service the North and Snyder Wells; and waste brine storage tanks at each plant for offsite brine disposal (South Platte Basin River).

[BACK TO AGENDA](#)



Town of Dolores

Resolution No. 26-30, IIJA/BIL DAC Loan

[BACK TO AGENDA](#)



LOAN SUMMARY

IIJA/BIL Loan,
\$1,473,989

IIJA/BIL PF,
\$1,759,011

Total, \$3,233,000

KEY TERMS



Interest Rate



1.75%



Loan Term

30 years



Pledge

Water System Revenue

INDICATORS



STRONG

16



MODERATE

3



WEAK

2

ADDITIONAL INFORMATION



O&M Reserve

190%



Bid Process

DBB



Contingency

10%

PFC RECOMMENDATION

[BACK TO AGENDA](#)

Consent



Town of Dolores

[BACK TO AGENDA](#)



PROJECT DESCRIPTION

The project includes replacing water mains located within public rights-of-way, streets, and alleyways, along with the replacement of all fire hydrants, water service lines to the meter, valves, and re-connections in the project area (San Juan-Dolores-San Miguel River Basin).



[BACK TO AGENDA](#)



Town of La Veta

Resolution No. 26-31, IJA/BIL DAC Loan

[BACK TO AGENDA](#)

LOAN SUMMARY

Supplemental Base Loan,
\$2,413,000

Total: \$2,413,000

KEY TERMS



Interest Rate



1.75%



Loan Term

30 years



Pledge

Water System Revenue

INDICATORS



STRONG

6



MODERATE

6



WEAK

9

ADDITIONAL INFORMATION



O&M Reserve

669%



Bid Process

DBB



Contingency

8%

[BACK TO AGENDA](#)

PFC RECOMMENDATION

Consent



Town of La Veta

[BACK TO AGENDA](#)

PROJECT DESCRIPTION

This project consists of a new water treatment plant using conventional treatment technology with full automation. There will be three pre-engineered clarifier units, a below grade disinfection contact, a clearwell tank, and a building extension to house the new treatment equipment (Arkansas River Basin).

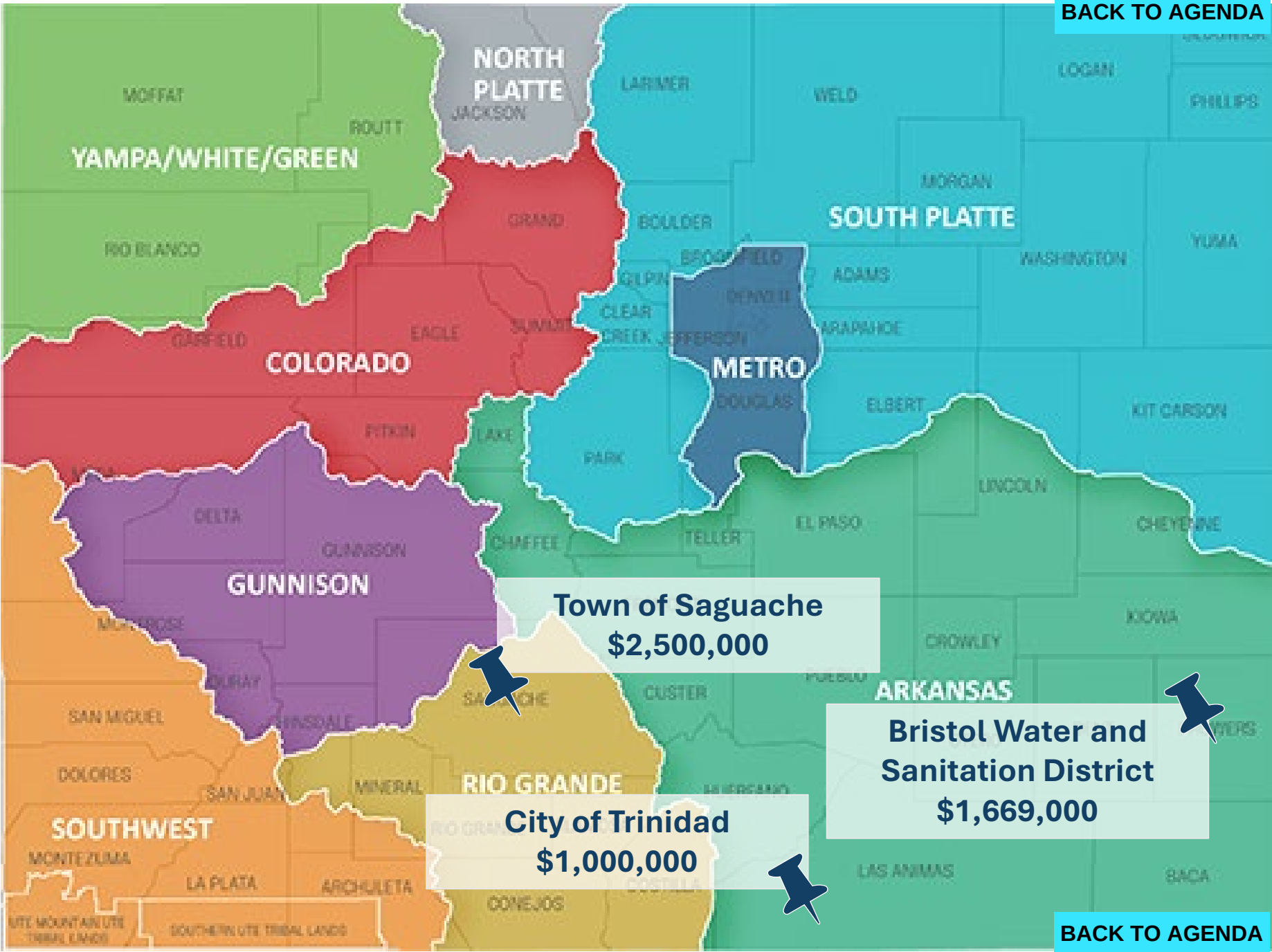
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DWRF

August 5th
Deadline

Received
Loan
Applications





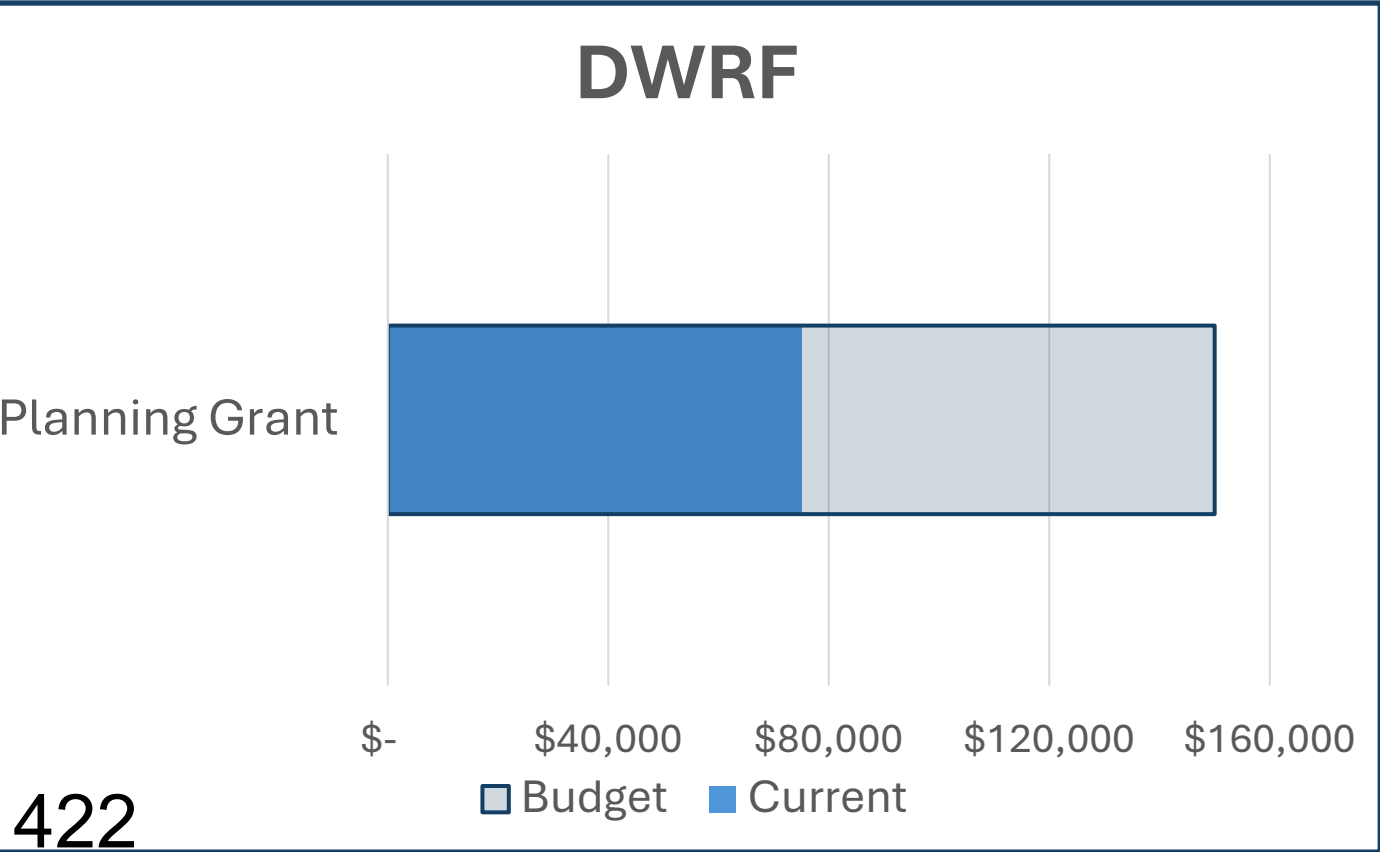
DWRF Planning Grant Update

[BACK TO AGENDA](#)



PLANNING GRANT UPDATE

In 2026, the Authority has budgeted \$150,000 for DWRF Planning Grants (PG's). There was one new planning grant awarded for the Town of Moffat since the June board meeting. There's \$75,000 remaining.



CURRENT PLANNING GRANT ALLOCATION BREAKDOWN

BORROWER	AMOUNT ALLOCATED	% OF ALLOCATED
Bristol Water and Sanitation District	\$10,000.00	13.33%
Town of Kersey	\$10,000.00	13.33%
McClave Water Association	\$25,000.00	25%
Town of Springfield	\$10,000.00	13.33%
Town of Moffat (NEW)	\$10,000.00	13.33%

[BACK TO AGENDA](#)

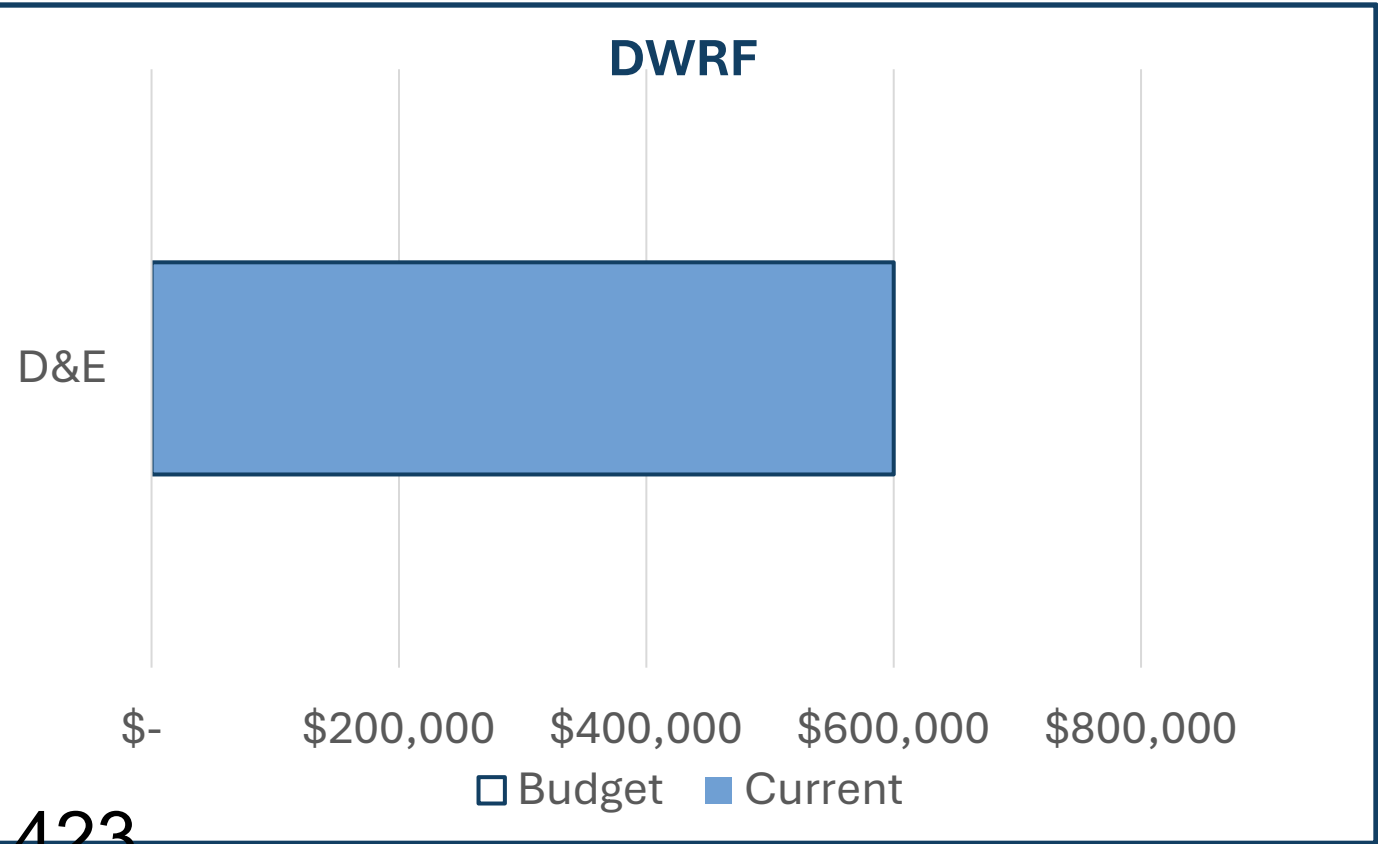


DWRF D&E Update



DESIGN AND ENGINEERING GRANT UPDATE

Accumulated D&E additional subsidy funds from the 2025 cap grant are being used to fund current 2026 awarded and executed D&E's, of which there is \$0.00 remaining. There has been no new D&E awarded since the June Board meeting:



CURRENT D&E GRANT ALLOCATION BREAKDOWN

BORROWER	AMOUNT ALLOCATED	% OF ALLOCATED
Town of Peetz	\$300,000.00	50.00%
Bent's Fort Water Authority	\$300,000.00	50.00%



Town of La Veta

Resolution No. 26-33, IIJA/BIL DAC Loan



[BACK TO AGENDA](#)

LOAN SUMMARY

IIJA/BIL PF, \$842,800	IIJA/BIL Loan, \$877,200	Base PF, \$500,000
Total, \$2,220,000		

KEY TERMS

	Interest Rate		1.75%
	Loan Term		30 years
	Pledge		Sewer Fund

INDICATORS

STRONG

7

MODERATE

3

WEAK

11

ADDITIONAL INFORMATION

	O&M Reserve	361%
	Bid Process	DBB
	Contingency	9%



Town of La Veta

[BACK TO AGENDA](#)



PROJECT DESCRIPTION

The project consists of the construction of a new mechanical dewatering system in a new building located adjacent to the existing wastewater treatment facility (WWTF) building (Arkansas River Basin).



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City of Las Animas

Resolution No. 26-34, IJA/BIL DAC Loan

[BACK TO AGENDA](#)

LOAN SUMMARY

IJA/BIL Loan,
\$513,876

IJA/BIL PF,
\$493,724

Base Direct Loan,
\$500,000

Total, \$1,507,600

KEY TERMS



Interest Rate



1.75%



Loan Term

30 years



Pledge

Sewer Fund

INDICATORS



STRONG

12



MODERATE

8



WEAK

1

ADDITIONAL INFORMATION



O&M Reserve

160%



Bid Process

DBB



Contingency

10.8%

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PFC RECOMMENDATION

Consent



City of Las Animas

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PROJECT DESCRIPTION

The purpose of the proposed project is to replace the failing force main to prevent any collapses and sewer spills in the future (Arkansas River Basin).



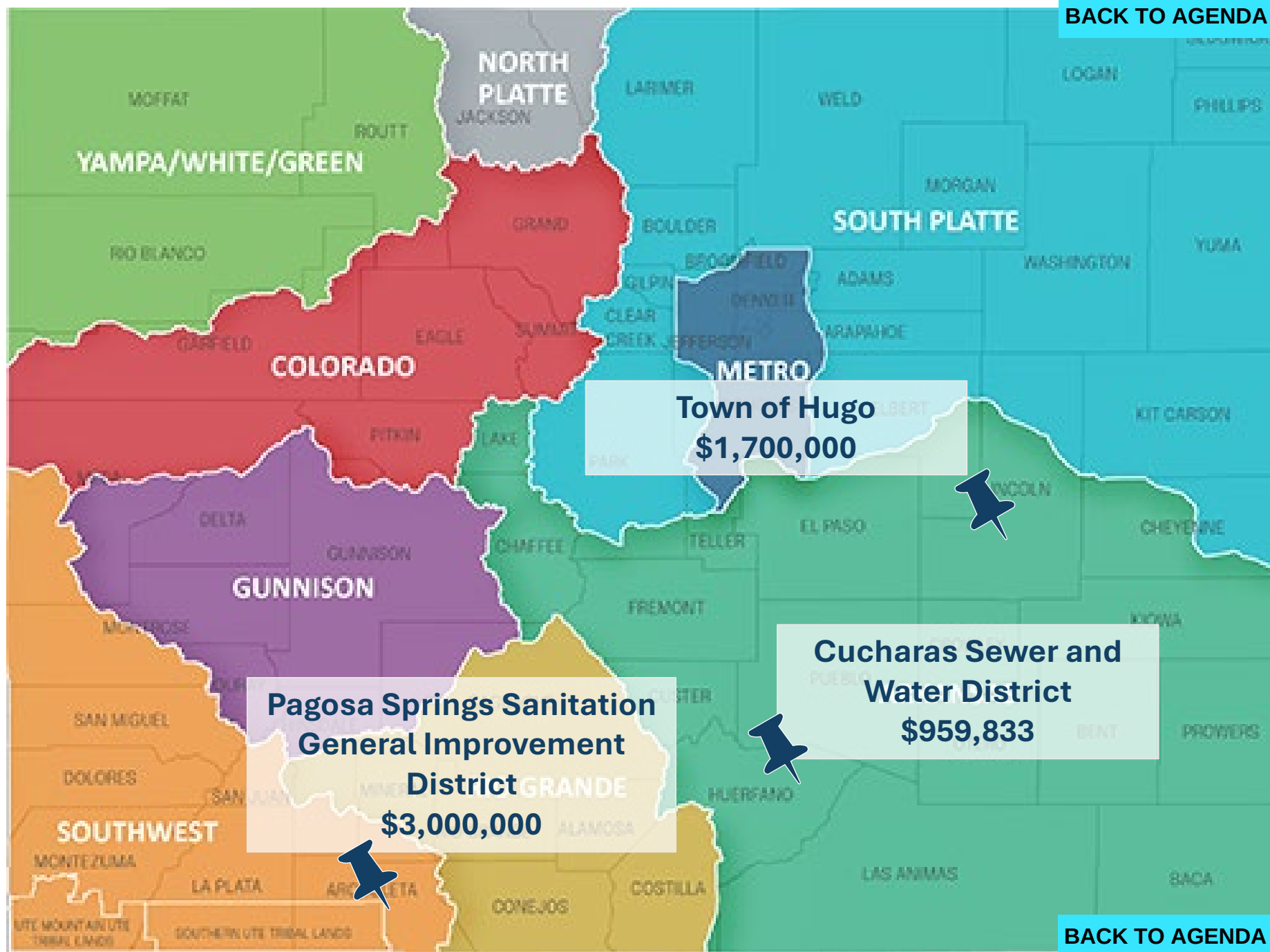
[BACK TO AGENDA](#)



WPCRF

**August 5th
Deadline**

**Received
Loan
Applications**





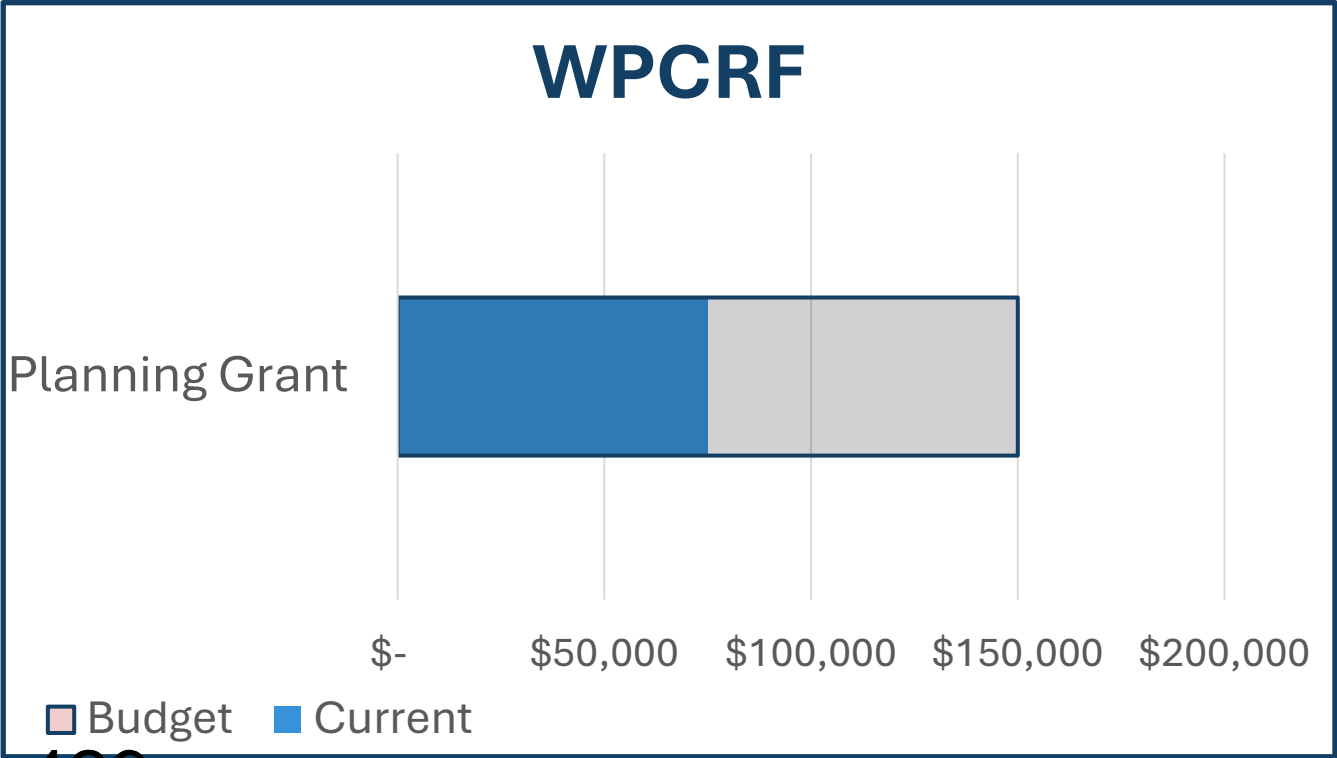
WPCRF Planning Grant Update

[BACK TO AGENDA](#)



PLANNING GRANT UPDATE

In 2026, the Authority has budgeted \$150,000 for WPCRF Planning Grants (PG’s). There has been one new planning grant awarded to Granby Sanitation District since the June board meeting. There’s \$110,000 remaining.



CURRENT PLANNING GRANT ALLOCATION BREAKDOWN

BORROWER	AMOUNT ALLOCATED	% OF ALLOCATED
Pagosa Springs Sanitation GID	\$10,000.00	25%
Town of La Veta	\$10,000.00	25%
Cucharas Sanitation and Water District	\$10,000.00	25%
Granby Sanitation District (NEW)	\$10,000.00	25%

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WPCRF D&E Update

[BACK TO AGENDA](#)

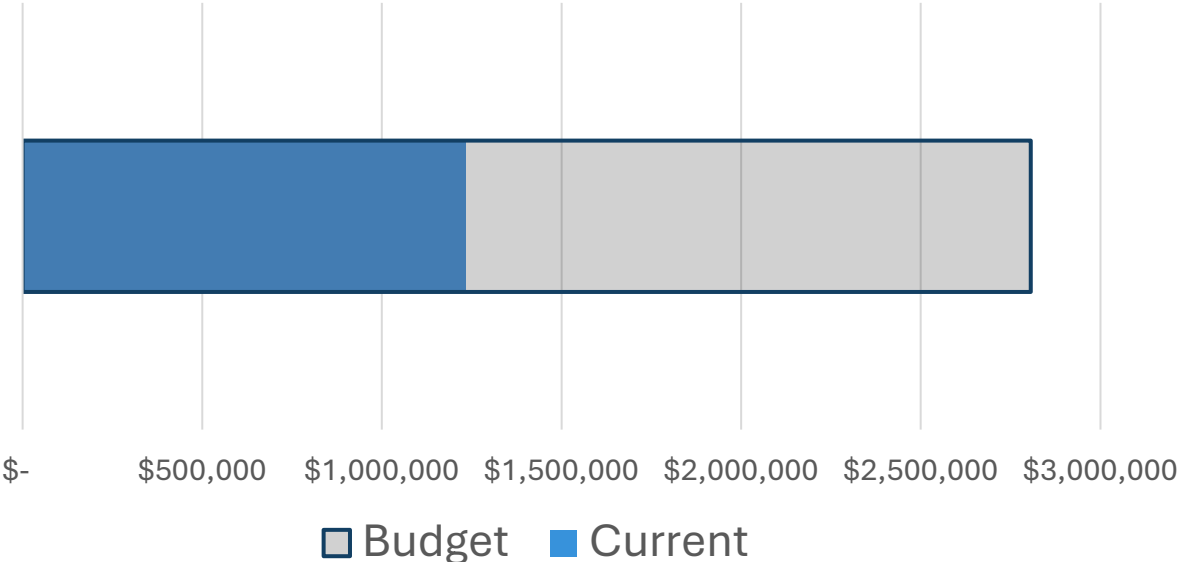


DESIGN AND ENGINEERING GRANT UPDATE

Accumulated D&E additional subsidy funds from the 2023, 2024 and 2025 cap grants are being used to fund current 2026 awarded and executed D&E's, of which there is \$1,572,700 remaining. There has been one new D&E awarded since the June Board meeting.

WPCRF

D&E



CURRENT PLANNING GRANT ALLOCATION BREAKDOWN

BORROWER	AMOUNT ALLOCATED	% OF ALLOCATED
Mountain View Villages WSD	\$288,300.00	23.37%
City of Burlington	\$300,000.00	24.32%
Town of La Veta	\$300,000.00	24.32%
Town of Pagosa Springs	\$300,000.00	24.32%
Cucharas Water and Sanitation District (NEW)	\$45,000.00	3.67%

[BACK TO AGENDA](#)



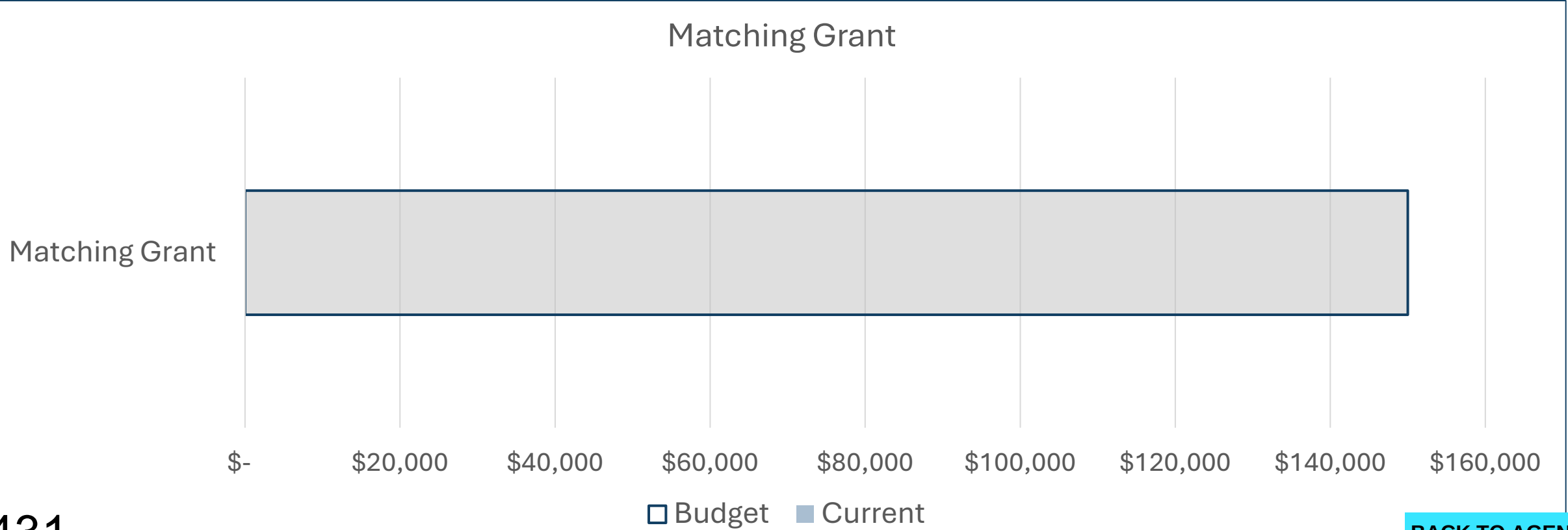
Matching Grant Update

[BACK TO AGENDA](#)



SHLP GRANT UPDATE

In 2026, the Authority has budgeted \$150,000 for Matching Grants (MG's). There have been no MG's awarded since the June Board meeting. There's \$150,000 remaining.



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COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY



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