

STATE OF COLORADO

Colorado Water Conservation Board

Department of Natural Resources

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January 9, 2009

Senator Jim Isgar
Chair, Senate Agriculture, Natural Resources & Energy Committee

Representative Kathleen Curry
Chair, House Agriculture, Livestock & Natural Resources Committee

Re: Colorado Water Conservation Board Small Project Loans for 2008 from the Construction Fund and Severance Tax Trust Fund Perpetual Base Account – Final Report

Dear Senator Isgar and Representative Curry,

Pursuant to Section 37-60-122(b) of the C.R.S. we are submitting the attached written determination of the basis for all loans authorized by the Colorado Water Conservation Board (CWCB) under ten million dollars during the past 2008 calendar year. The report was completed by CWCB staff on January 9, 2009 and will be presented at the Colorado Water Conservation Board meeting on January 27, 2009 at the Hilton Garden Inn, Denver Tech Center, 7675 East Union Ave., Denver, Colorado.

Copies of the report will be available for distribution from the CWCB and the report will also be available on the CWCB website www.cwcb.state.co.us. A copy of the report has been submitted to the Legislative Library, Room 029 of the State Capital Building. Under your direction, we are prepared to present copies of the report to your committee members and others, as you see fit.

If you have questions or need additional copies of the report please contact Mr. Mike Serlet of the CWCB staff at 303-866-3441 x3234.

Sincerely,

Jennifer L. Gimbel, Director
Colorado Water Conservation Board

Colorado Water Conservation Board

CONSTRUCTION FUND
AND
SEVERANCE TAX TRUST FUND
PERPETUAL BASE ACCOUNT

SMALL PROJECT LOAN REPORT



Colorado Water Conservation Board
Department of Natural Resources

2008

PREFACE

Pursuant to Section 37-60-122(b) of the C.R.S. the Colorado Water Conservation Board (CWCB) is required to submit a report by January 15th of each year to the Colorado General Assembly describing the basis for all Construction Fund and Severance Tax Trust Fund Perpetual Base Account loans authorized by the CWCB under \$10,000,000. This report fulfills the CWCB reporting obligations for those small project loans for calendar year 2008.

The report includes a summary spreadsheet identifying each loan approval date, the project sponsor or borrower, the project name, the loan amount, and the name of the County and river basin where the project is located. There were 19 new loan projects under \$10 million approved by the CWCB in calendar year 2008. The Board also approved loan amount increases to 7 previously approved projects. The total loan value of the 26 projects was over \$33,000,000

Also included in the report is a loan project data sheet for each new loan project that includes a project description, project location map, and other pertinent loan and project information.

**Colorado Water Conservation Board
Small Project Loans
For Calendar Year 2008**

Item	Date Approved	Sponsor	Project	Amount Approved	County	Basin
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Construction Fund

1	01/22/08	Town of Bennett	Water Well #5 Replacement	\$ 252,500	Adams & Arapahoe	South Platte
2	01/22/08	Lower Arkansas Water Management Association	Keesee Water Rights Acquisition	\$ 2,493,722	Bent & Prowers	Arkansas
3	03/19/08	South Side Ditch Company	Increase to South Side Ditch Rehabilitation	\$ 15,150	Larimer	South Platte
4	11/19/08	Silt Water Conservancy District	Increase to Silt System Infrastructure Rehabilitation	\$ 485,103	Garfield	Colorado River

Total Small Project Loans Approved in 2008 From Construction Fund

\$ 3,246,475

Severance Tax Trust Fund Perpetual Base Account

1	01/22/08	Bijou Irrigation District	Empire Reservoir Rehabilitation	\$ 2,408,850	Morgan & Weld	South Platte
2	01/22/08	Beaver Reservoir Company	Increase to Beaver Reservoir Liner Protection & Valve Replacement	\$ 355,000	Gunnison	Gunnison
3	03/19/08	Bijou Irrigation Company	Increase to Bijou Canal Diversion Structure Rehabilitation	\$ 45,450	Morgan & Weld	South Platte
4	03/19/08	Loveland Lake and Ditch Company	Loveland Reservoir Inlet Improvements	\$ 106,050	Larimer	South Platte
5	03/19/08	Lower Latham Reservoir Company	Water Rights Purchase & Well Augmentation Project	\$ 670,640	Weld	South Platte
6	03/19/08	Pinewood Springs Water District	Increase to Pinewood Springs Raw Water System Improvements	\$ 757,501	Larimer	South Platte
7	03/19/08	Supply Irrigating Company	Knouth Reservoir Rehabilitation	\$ 904,960	Boulder	South Platte
8	05/20/08	Granby Ditch and Reservoir Company	Granby #12 Dam Rehabilitation	\$ 254,520	Delta	Colorado River
9	07/23/08	Louden Irrigating Canal and Reservoir Company	Rist Benson Reservoir Dam Repair Project	\$ 263,610	Larimer	South Platte
10	07/23/08	Headgate 135 Lateral, Inc.	Headgate 135 Pipeline Project	\$ 262,600	Mesa	Colorado River
11	07/23/08	San Luis Valley Water Conservancy District	Water Rights Acquisition	\$ 727,200	Alamosa	Rio Grande
12	09/17/08	Ogilvy Augmentation Company	Well Augmentation Project	\$ 1,010,808	Weld	South Platte
13	09/17/08	Farmers Pawnee Canal Company	Ditch Flow Control Structures Rehabilitation	\$ 227,250	Logan	South Platte
14	09/17/08	WRCC, Inc.	Windsor Dam and Spillway Maintenance Project	\$ 1,285,730	Larimer	South Platte
15	11/19/08	Republican River Water Conservation District	North Fork Water Rights Lease	\$ 4,545,000	Yuma, Phillips, Sedgwick, Logan, Washington, Lincoln, & Kit Carson	South Platte
16	11/19/08	Yuma County Water Authority Public Improvement District	North Fork Water Rights Purchase	\$ 9,595,000	Yuma	South Platte
17	11/19/08	Center of Colorado Water Conservancy District	James Tingle Reservoir Construction	\$ 454,500	Park	South Platte
18	11/19/08	New Salida Ditch Company	New Salida Ditch Pipeline Project	\$ 365,620	Chaffee	Arkansas
19	11/19/08	Weldon Valley Ditch Company	Cottonwood Draw Flume Rehabilitation	\$ 136,350	Morgan	South Platte
20	11/19/08	Boulder White Rock Ditch and Reservoir Company	Panama Reservoir Outlet Project (Pump Station Install)	\$ 2,430,060	Boulder & Weld	South Platte
21	11/19/08	Bijou Irrigation District	Increase to Empire Intake Canal Diversion Structure Rehabilitation	\$ 1,436,220	Morgan & Weld	South Platte
22	11/19/08	Bijou Irrigation District	Increase to Empire Reservoir Rehabilitation	\$ 2,045,250	Morgan & Weld	South Platte

Total Small Project Loans Approved in 2008 From Severance Tax

\$ 30,288,169

Grand Total - Small Project Loans in 2008

\$ 33,534,644

Water Project Construction Loan Program - Project Data Sheet

Borrower: Town of Bennett

County: Adams & Arapahoe

Project Name: Well #5 Replacement

Project Type: Water Well

Drainage Basin: South Platte

Water Source: Denver Basin Aquifers

Total Project Cost: \$280,000

Funding Sources: CWCB, Bennett's Water Enterprise

Type of Borrower: Municipal Middle Income

Aver. Delivery: 60 acre-feet

CWCB Loan: \$252,500 (Including 1% fee)

Interest Rate: 3.5% **Term:** 30 years

Bennett is a community of 2,500 people and is located approximately 25 miles east of Denver in south Adams County and north Arapahoe County. It was incorporated in 1929. The town manages its water through a Water Enterprise Fund. User fees and property taxes fund the Water Enterprise. Bennett supplies water from two systems: a north supply system and a south supply system. In September of 2007 Well #5 (part of the north system) failed. Well #5 has historically supplied 60 af/yr. With Well #5 inoperable, Bennett will likely be unable to meet the water demands during the summer months in 2008. It is therefore critical to re-drill and complete Well #5 before the summer of 2008. The Colorado Division of Water Resources has issued a permit to re-drill the well within 200 feet of the existing well location. Construction is expected to begin in January 2008. Due to the urgency of replacing Well #5, Bennett has obtained a short term bridge loan with Guaranty Bank and is looking to the CWCB for long term financing of the project.



Location Map

Water Project Construction Loan Program-Project Data

Borrower: LAWMA **County:** Bent, Prowers
Project Name: Keesee Water Rights Acquisition **Project Type:** Water Rights Purchase
Drainage Basin: Arkansas River **Water Source:** Arkansas River
Total Project Cost: \$3,650,000 **Funding Sources:** CWCB, LAWMA
Type of Borrower: Blended (Ag./LMun./Com.) **Delivery:** 1,760 ac -ft (consumptive use)
CWCB Loan: \$2,494,700 (Includes 1% fee) **Interest Rate:** 2.30% **Term:** 30 years

The Lower Arkansas Water Management Association (LAWMA), is seeking a new loan for \$2,494,700 for the purchase of ½ of the Keesee Ditch water rights, for use as replacement water source to offset depletions from well pumping. The Keesee Ditch is located on the mainstem of the Arkansas River approximately five miles downstream of John Martin Reservoir. The Keesee Ditch shares a common diversion dam with the Fort Bent Canal, and diverts from the south bank of the Arkansas River. LAWMA has the opportunity to purchase the Keesee water rights, a very senior water right, that will strengthen the reliability of their water rights portfolio, and meets compact requirements. The average yield of the remaining ½ of the Keesee Ditch water rights is estimated to be 1,761 acre-feet between 1980 through 1994. LAWMA's available replacement water sources are estimated to yield 17,939 acre-feet on an average annual basis, with a minimum of 7,864 acre-feet. With the addition of ½ of the Keesee rights, LAWMA's available replacement water sources will increase to 19,721 acre-feet on an average annual basis, with a minimum of 9,085 acre-feet, an increase of 9.9% and 15.6% respectively. Acquisition of one-half of the Keesee water rights is also needed because those rights can be stored in the Offset Account and would assist LAWMA with placing a cushion of replacement water in storage in John Martin Reservoir to assist it with making its required replacements during a series of dry years.



Location Map

Water Project Construction Loan Program - Project Data

Borrower: Bijou Irrigation District (District)	County: Morgan & Weld
Project Name: Empire Res. East Embankment Dam Repair	Project Type: Reservoir Rehabilitation
Drainage Basin: South Platte	Water Source: So. Platte River
Total Project Cost: \$2,650,000	Funding Sources: CWCB, District
Type of Borrower: Agricultural	Aver. Delivery: 19,900 acre-feet
CWCB Loan: \$2,408,850	Interest Rate: 2.25% Term: 30 years

The District is a statutory Irrigation District (1905) and owns and operates Empire Reservoir located west of Fort Morgan in Weld and Morgan Counties. It is an off-stream reservoir primarily impounded by four separate dams constructed in about 1905. Water is diverted from the South Platte River through the Empire Intake Ditch. The water storage rights are 37,709 acre-feet and there is one refill right. The water storage at gage height (GH) 30.0 is 36,142 AF. The reservoir has been re-restricted to a GH 29.0 by the SEO due to wind erosion problems along the east embankment. The proposed project consists of repairing failed sections of parapet walls, removing trees along the upstream toe of the dam, and adding additional riprap slope stabilization. This will allow the reservoir to be filled to its full gage height. The one-foot increase in storage height will result in 2,682 AF of recovered storage. The District is a special taxing district that levies a tax per acre, with an assessment zone currently consisting of 19,177 acres. The existing levy of \$18 per acre has been increased to \$46.58 per acre for the CWCB loan repayment and to cover additional maintenance.



Location Map

Water Project Loan Program - Project Data

Borrower: Loveland Lake and Ditch Company **County:** Larimer

Project Name: Loveland Reservoir Inlet Improvements **Project Type:** Ditch Rehabilitation

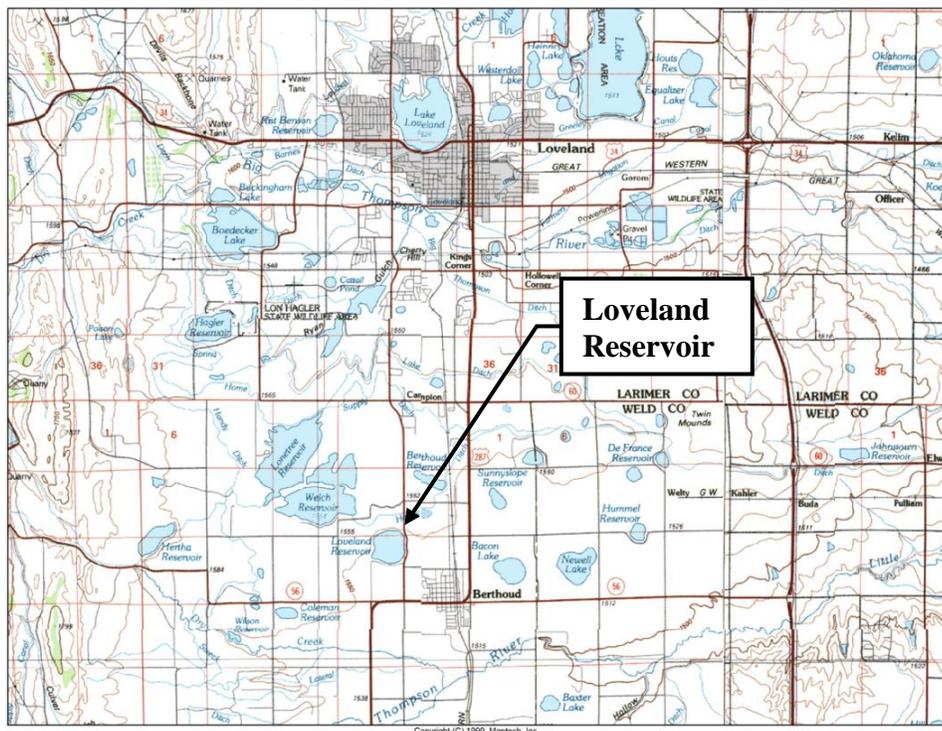
Drainage Basin: South Platte **Water Source:** Big Thompson River

Total Project Cost: \$135,000 **Funding Sources:** CWCB, Company

Type of Borrower: Blended (Ag., Municipal High Income) **Aver. Diversion:** 2,900 acre-feet

CWCB Loan: \$106,050 (Including 1% fee) **Interest Rate:** 2.20% **Term:** 20 years

The Loveland Lake and Ditch Company owns and operates the Loveland Reservoir just west of Berthoud, CO. Currently the inlet capacity to the reservoir is limited to 20 cfs, which does not allow the Company to fill the Reservoir when in priority. This project consists of constructing a new inlet pipeline with a capacity of 50 cfs. Improving this inlet will increase the odds of filling the Reservoir to its decreed amount when it is in priority; therefore allowing the company to deliver water to shareholders.

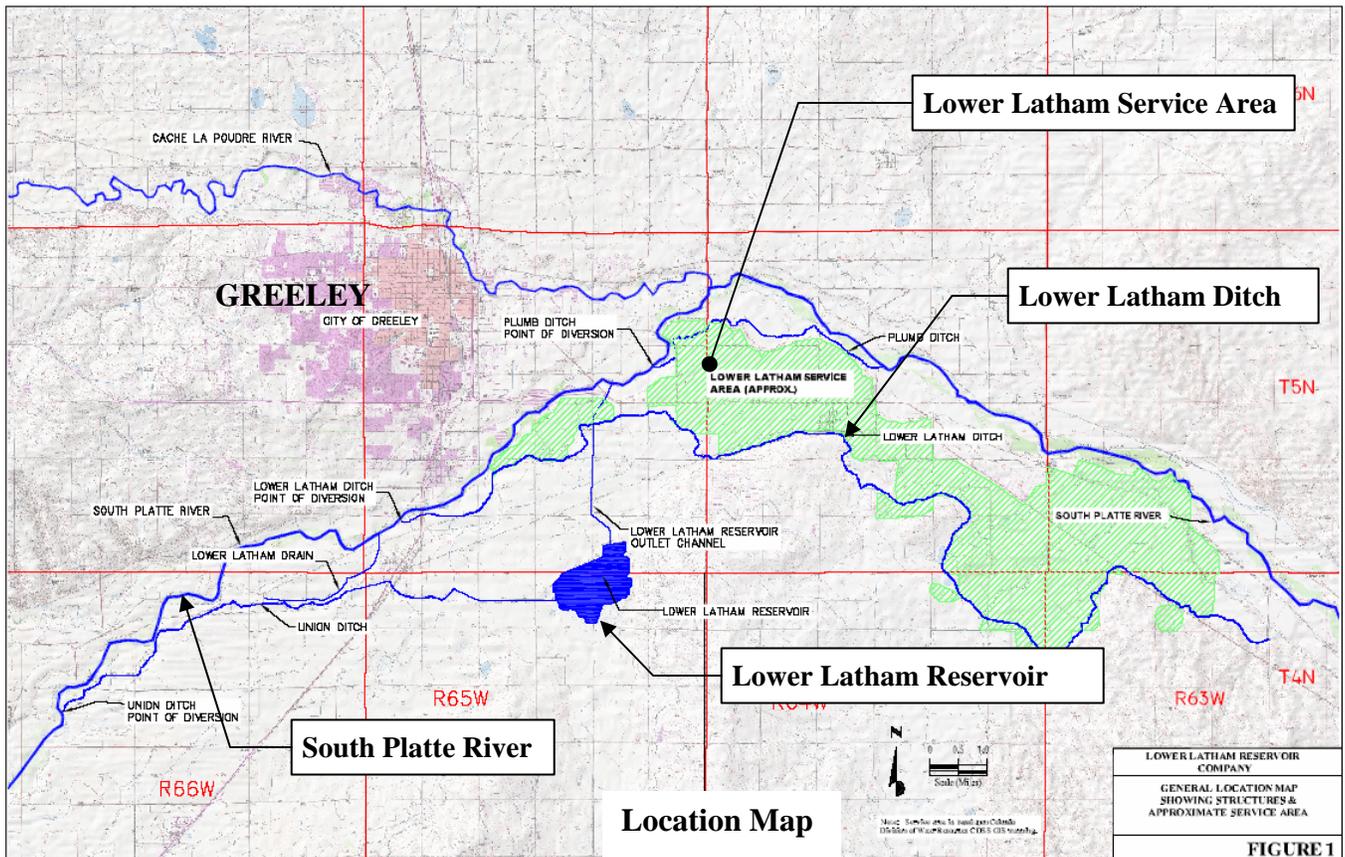


Location Map

Water Project Loan Program - Project Data

Borrower: Lower Latham Reservoir Company	County: Weld
Project Name: Well Augmentation Proj. (Ph II)	Project Type: Water Rights Purchase
Drainage Basin: South Platte	Water Source: South Platte
Total Project Cost: \$738,000	Funding Sources: CWCB & Company
Type of Borrower: Agricultural	Aver. Delivery: 8,472 AF
CWCB Loan: \$670,640 (incl. 1% loan fee)	Interest Rate: 2.25% Term: 30 years

The Lower Latham Reservoir Company (Company) is acquiring 2 shares of Lower Latham Ditch Company, for the purpose of providing augmentation water for existing shareholder wells. The Company provides augmentation water for 84 wells in Weld County by replacing out-of-priority pumping depletions. 39 wells were formerly in the GASP Augmentation Plan, and 45 wells are covered in the Augmentation Plan of Central Colorado Water Conservancy District's GMS. The Company is attempting to cover the former GASP wells, and supplement coverage of the GMS wells with their own augmentation plan. A 2008 SWSP for the Company was revised and submitted to the SEO in December 2007. In 2003, the Company filed a permanent well augmentation plan that is pending. The Company has concluded that additional replacement sources are necessary to provide sufficient replacement water during extended drought years.



Water Project Loan Program - Project Data

Borrower: Supply Irrigating Ditch Company

County: Boulder

Project Name: Knouth Reservoir Dam Rehabilitation

Project Type: Reservoir Rehabilitation

Drainage Basin: South Platte

Water Source: St. Vrain Creek

Total Project Cost: \$995,000

Funding Sources: CWCB, Company

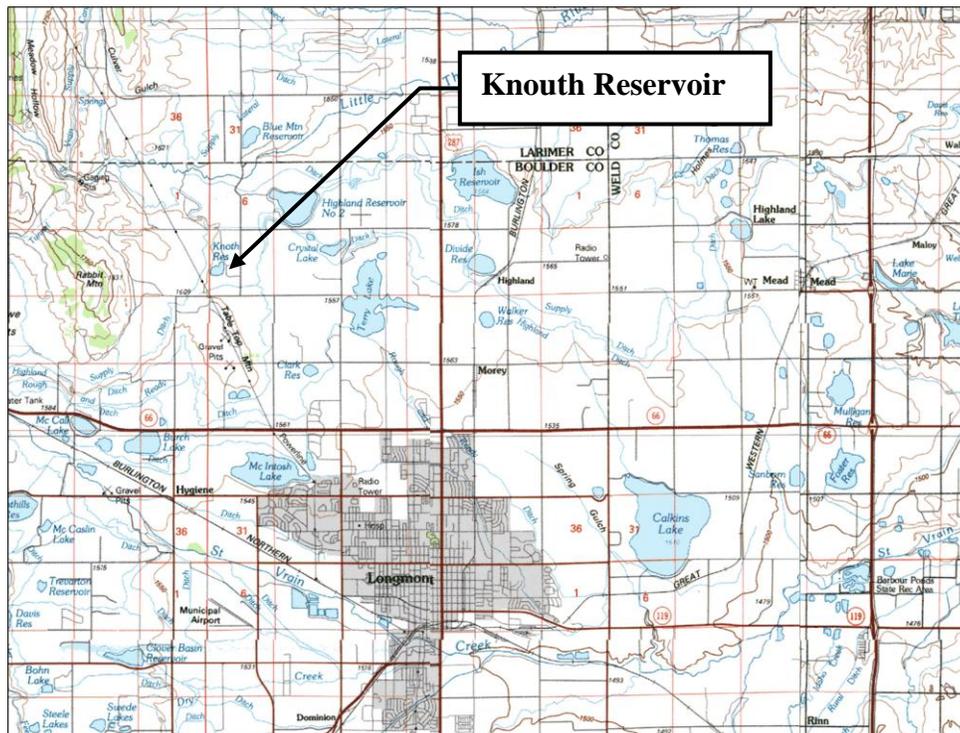
Type of Borrower: Blended (Ag., Municipal High Income, Commercial)

Aver. Diversion: 4,800 acre-feet

CWCB Loan: \$904,960 (Including 1% fee)

Interest Rate: 2.60% **Term:** 30 years

Supply Irrigating Ditch Company services approximately 8,500 acres of irrigated farmland in Boulder County between Lyons and Mead. Currently the water for irrigation is supplied by a direct flow decree and from the Beaver Park Reservoir (which is approx. 25 miles west of the start of the Supply Ditch near the continental divide). Supply Irrigating Ditch Company is in the process of acquiring a storage decree within Knouth Reservoir in exchange for the rehabilitation of the reservoir. This reservoir will give the Company some system flexibility, as this storage is significantly closer to users than Beaver Park Reservoir. The reservoir improvements include: construction of a spillway, removing vegetation from the embankment of the dam, lining select areas on the upstream dam face with a clay liner, placing riprap along the upstream dam face, enclosing an irrigation ditch within a pipe, and installing dam instrumentation.



Location Map

Water Project Loan Program - Project Data

Borrower: Granby Ditch and Reservoir Company **County:** Delta

Project Name: Granby #12 Dam Rehabilitation **Project Type:** Dam Rehabilitation

Drainage Basin: Colorado River Basin

Water Source: Dirty George Creek

Total Project Cost: \$280,000

Funding Sources: CWCB, Company, Colorado River District Small Grant Program

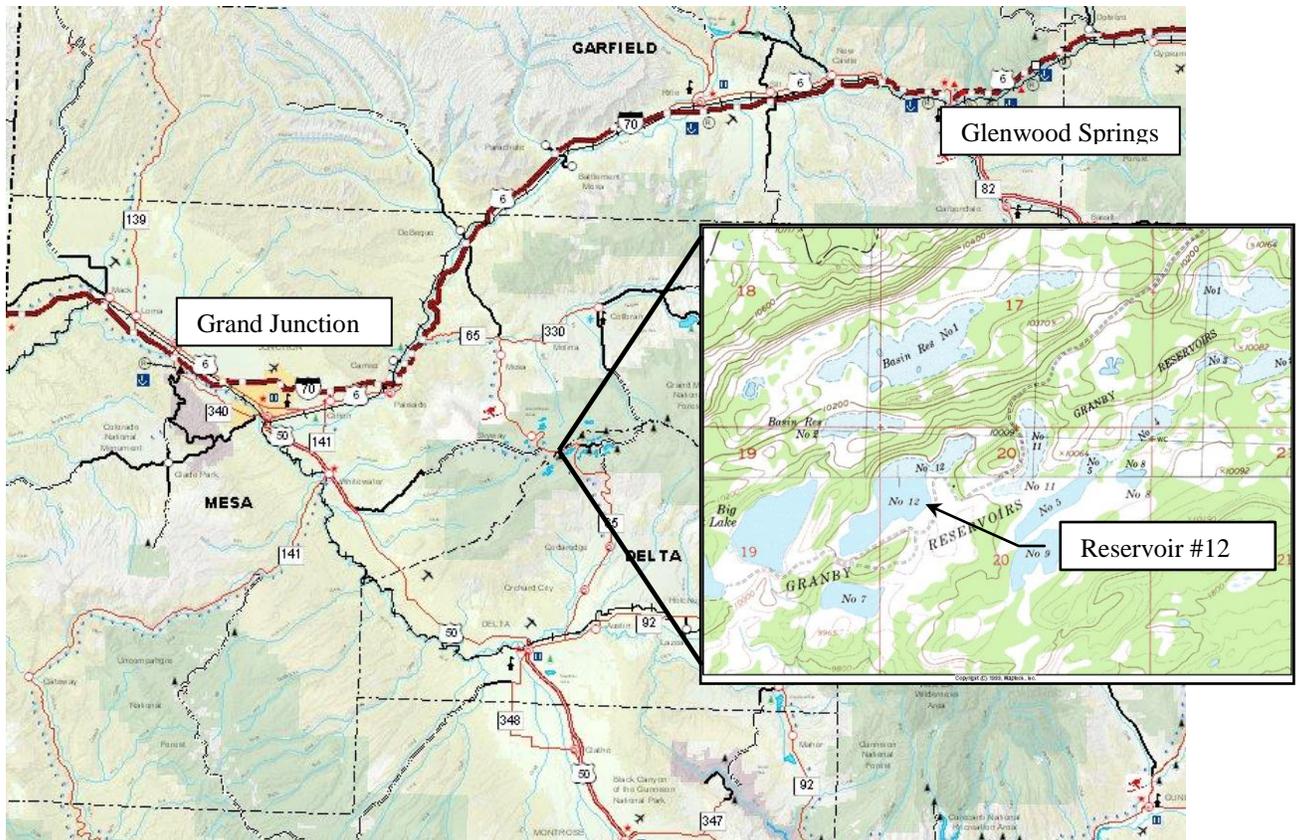
Type of Borrower: Blended (Ag., Municipal Low Income)

Aver. Diversion: 2,000 acre-feet

CWCB Loan: \$254,520 (Including 1% fee)

Interest Rate: 2.35% **Term:** 30 years

The Granby Ditch and Reservoir Company owns and operates the Granby Ditch and six reservoirs in the Grand Mesa National Forest. Currently its Reservoir #12 has been restricted by five feet due to a slump on the downstream face of the dam. The rehabilitation involves adding a toe drain collection to help with seepage along the dam and construction a buttress to improve stability. Repairing the dam will allow the Company to regain an additional 259 AF of storage. Construction is expected to commence in the summer of 2009.



Location Map

Water Project Loan Program - Project Data

Borrower: Louden Irrigating Canal and Res. Co. **County:** Larimer

Project Name: Rist Benson Reservoir
Dam Repair Project

Project Type: Dam Rehabilitation

Drainage Basin: South Platte River Basin

Water Source: Big Thompson River

Total Project Cost: \$290,000

Funding Sources: CWCB, Company

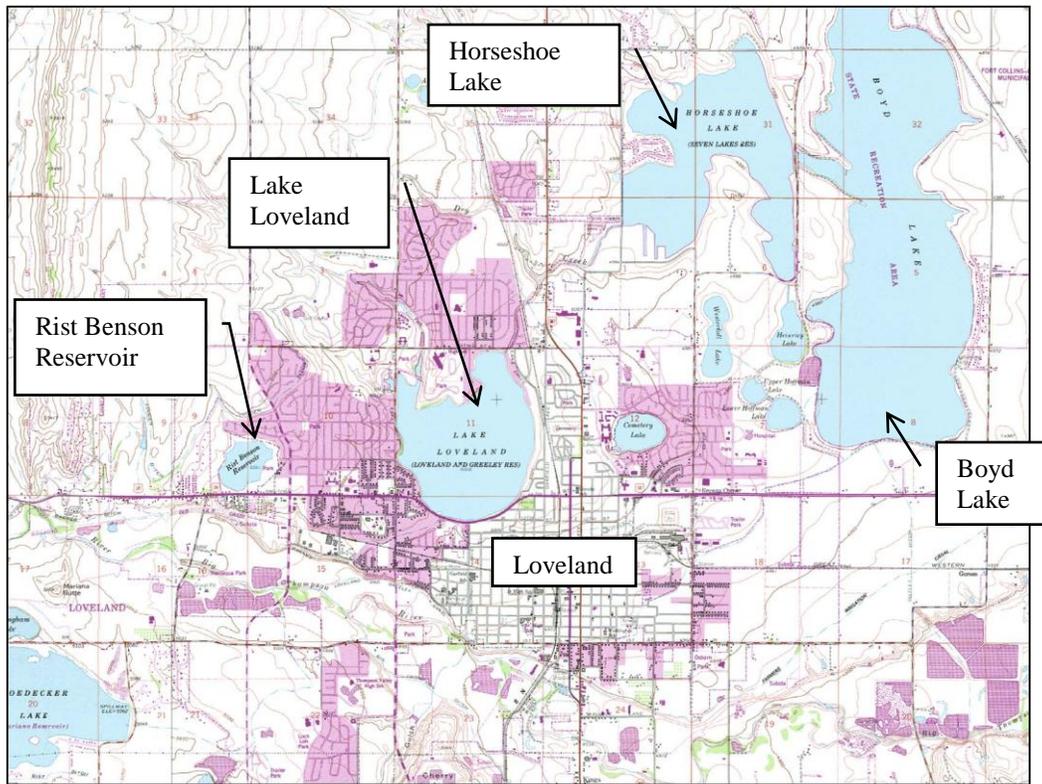
Type of Borrower: Blended
(Ag., Municipal, Commercial)

Project Annual Recovery: 150 acre-feet

CWCB Loan: \$263,610 (Including 1% fee)

Interest Rate: 3.5% **Term:** 30 years

The Louden Irrigating Canal and Reservoir Company (Borrower) owns and operates the Rist Benson Reservoir (Reservoir), which is on the west side of Loveland, Colorado. Since 2005, the Reservoir has been restricted to a gauge height of 10.0 feet due to seepage problems along the dam. The Borrower has repaired two sections of the embankment in previous years. This Project is the third phase of repairs and once completed will increase storage by 150 AF allowing for full storage of 491 AF. The rehabilitation involves excavating and re-compacting sections of the embankment, installation of a toe drain, and installing riprap on the upstream face of the dam. Construction is expected to begin in August of 2009 with completion by the end of the year.



Location Map

CWCB Construction Loan Program Project Data Sheet

Borrower: Headgate 135 Lateral, Inc.

County: Mesa

Project Name: Headgate 135 Pipeline Project

Project Type: Ditch Piping for Salinity Control

Drainage Basin: Colorado

Water Source: Grand Valley Canal

Total Project Cost: \$260,000

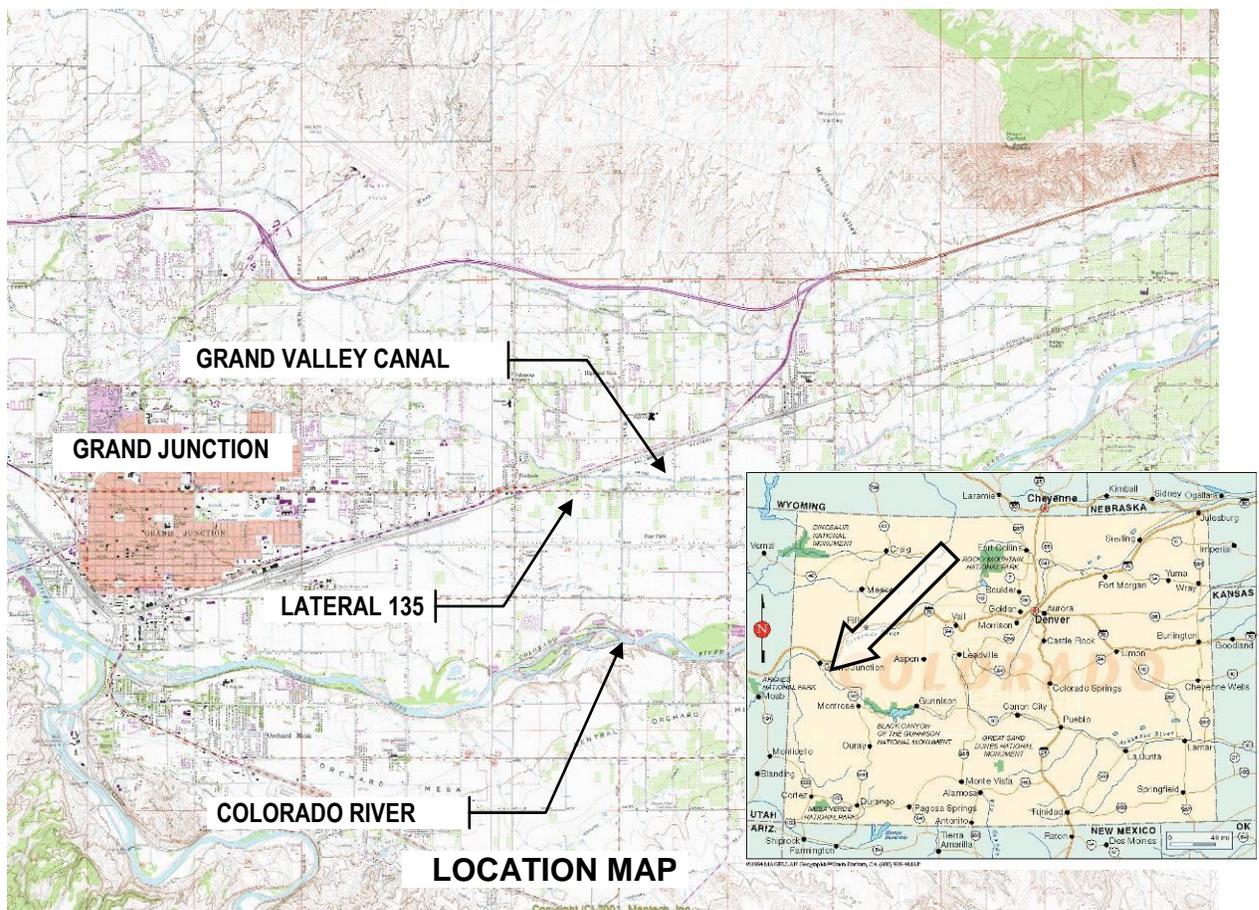
Funding Sources: NRCS, Partners, & CWCB

Type of Borrower: Municipal - Low

Average Delivery: 1,000 acre-feet

Loan Amount: \$136,600 (Initial loan \$262,600) **Interest Rate:** 3.5% **Term:** 30 years
(including 1% service fee)

The Headgate 135 Lateral, Inc. manages the 135 Lateral, which starts at the Grand Valley Irrigation Company's (GVIC) Headgate 135 and delivers irrigation water to the 100 shareholders in the Corporation. Members own shares of GVIC water which is conveyed to properties via the Lateral. The headgate is located east of Grand Junction near the intersection of E Road and 31 Rd. The Project is approximately 4800 feet new 15 to 6 inch PVC pipe that carries approximately 3.0 cfs. NRCS has provided planning and design engineering services. The total project cost is \$260,000. The design is scheduled for this summer and construction is scheduled for the fall of 2008. Proposed CWCB funding consists of an initial loan from CWCB for \$262,600 that will be reduced by an NRCS grant and several other project participants. The remaining \$136,600 will become a 30-year CWCB Loan.



Water Project Loan Program - Project Data

Borrower: San Luis Valley Water Conservancy District

County: Alamosa

Project Name: Water Rights Acquisition

Project Type: Water Rights

Drainage Basin: Rio Grande

Water Source: Rio Los Pinos

Total Project Cost: \$800,000

Funding Sources: CWCB, District

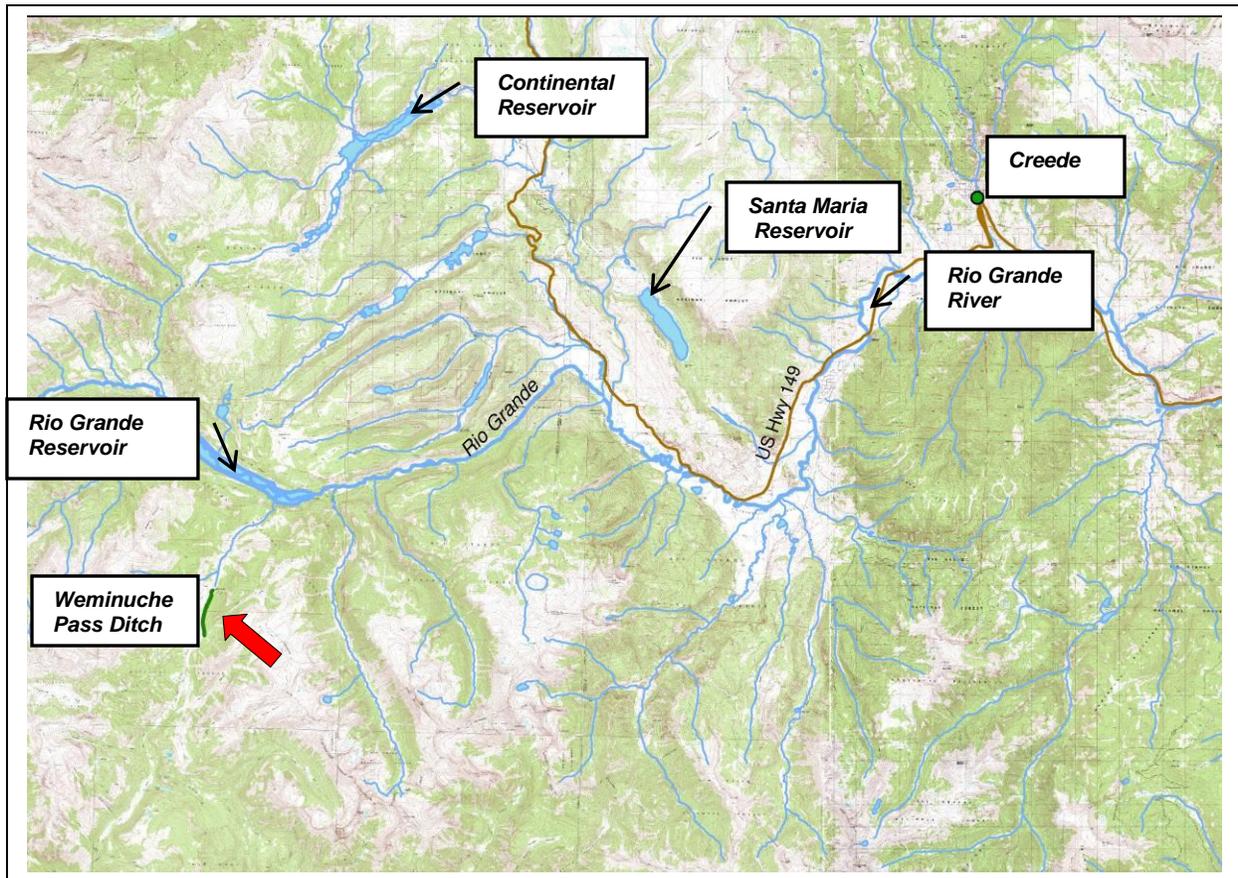
Type of Borrower: Municipal Low Income

Average Delivery: 141 acre-feet

CWCB Loan: \$727,200 (Including 1% fee)

Interest Rate: 3.5% **Term:** 30 years

The San Luis Valley Water Conservancy District (District) operates an augmentation program servicing portions of Rio Grande, Alamosa, Saguache, Hinsdale and Mineral Counties. The augmentation program was developed to offset river depletions from wells serving residential and commercial uses in the area. The District intends to acquire additional water rights to add to its existing program. It has a signed purchase agreement to buy a one-third interest in the Pine River Weminuche Pass Ditch (of which it already owns one half interest). This new right equals 6 cfs and is expected to yield approx. 141 AF annually. The purchase is expected to take place within 45-100 days of the July 2008 CWCB Board Meeting.



Location Map

Water Project Loan Program - Project Data

Borrower: Ogilvy Augmentation Company

County: Weld

Project Name: Well Augmentation Project

Project Type: Well Augmentation

Drainage Basin: South Platte

Water Source: Cache La Poudre

Total Project Cost: \$1,112,000

Funding Sources: CWCB, Company

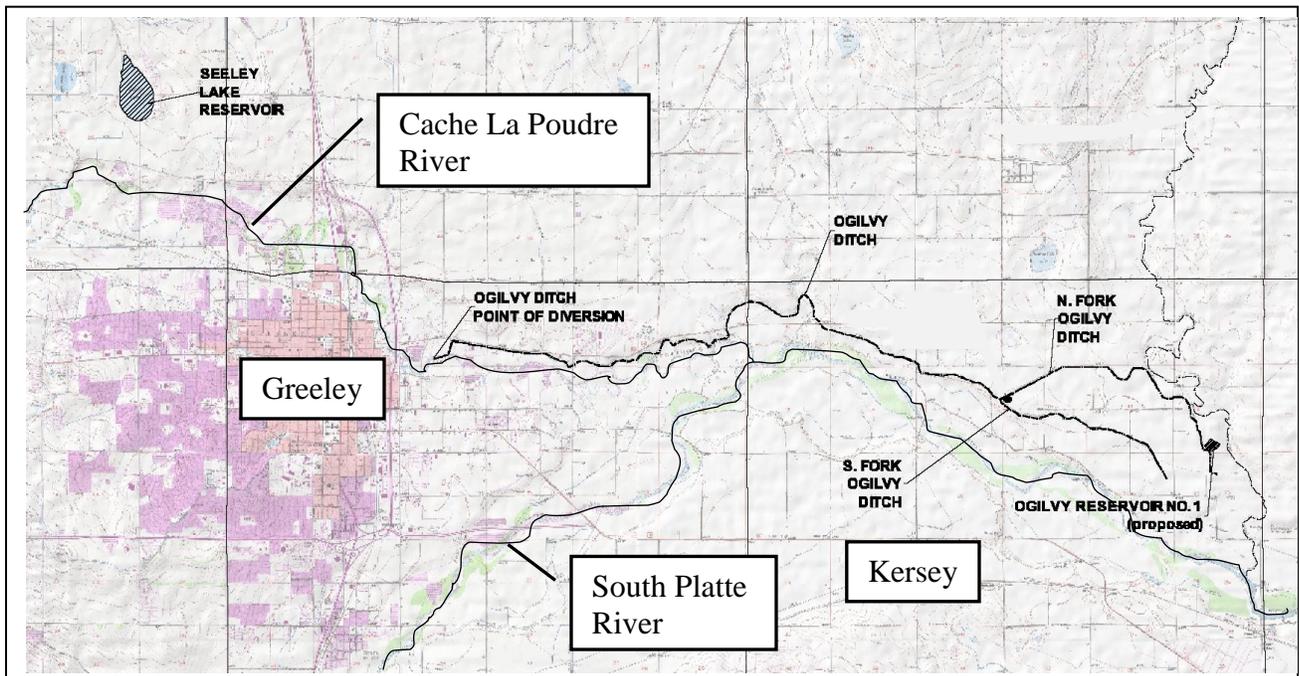
Type of Borrower: Agricultural

Average Delivery: 60 acre-feet

CWCB Loan: \$1,010,808 (Including 1% fee)

Interest Rate: 2.5% **Term:** 30 years

The Ogilvy Augmentation Company (Augmentation Company) was established in 2005 to augment wells that operate under the Ogilvy Irrigating and Land Company service area. Approximately 1,400 acres of land are irrigated by the Augmentation Company members in an area north of Kersey, Colorado. There are 17 wells in the Augmentation Company that operate under its temporary substitute water supply plan (SWSP). The SWSP is currently operated using leased water. A permanent water supply is necessary for the Augmentation Company to obtain a permanent augmentation plan. Funds are being requested from the CWCB to: purchase water rights, construct a recharge facility, construct a storage reservoir, and install monitoring devices. The Augmentation Company intends to purchase the water rights upon the approval of the CWCB funding and construct the recharge facility in fall/winter of 2008. It will file for its permanent augmentation plan in early 2009. Once the permanent augmentation plan is approved, construction will begin on the storage reservoir.



Location Map

Water Project Loan Program - Project Data

Borrower: Farmers Pawnee Canal Company

County: Logan

Project Name: Ditch Flow Control Structures Project

Project Type: Diversion Structures

Drainage Basin: South Platte

Water Source: South Platte River

Total Project Cost: \$250,000

Funding Sources: CWCB, Company

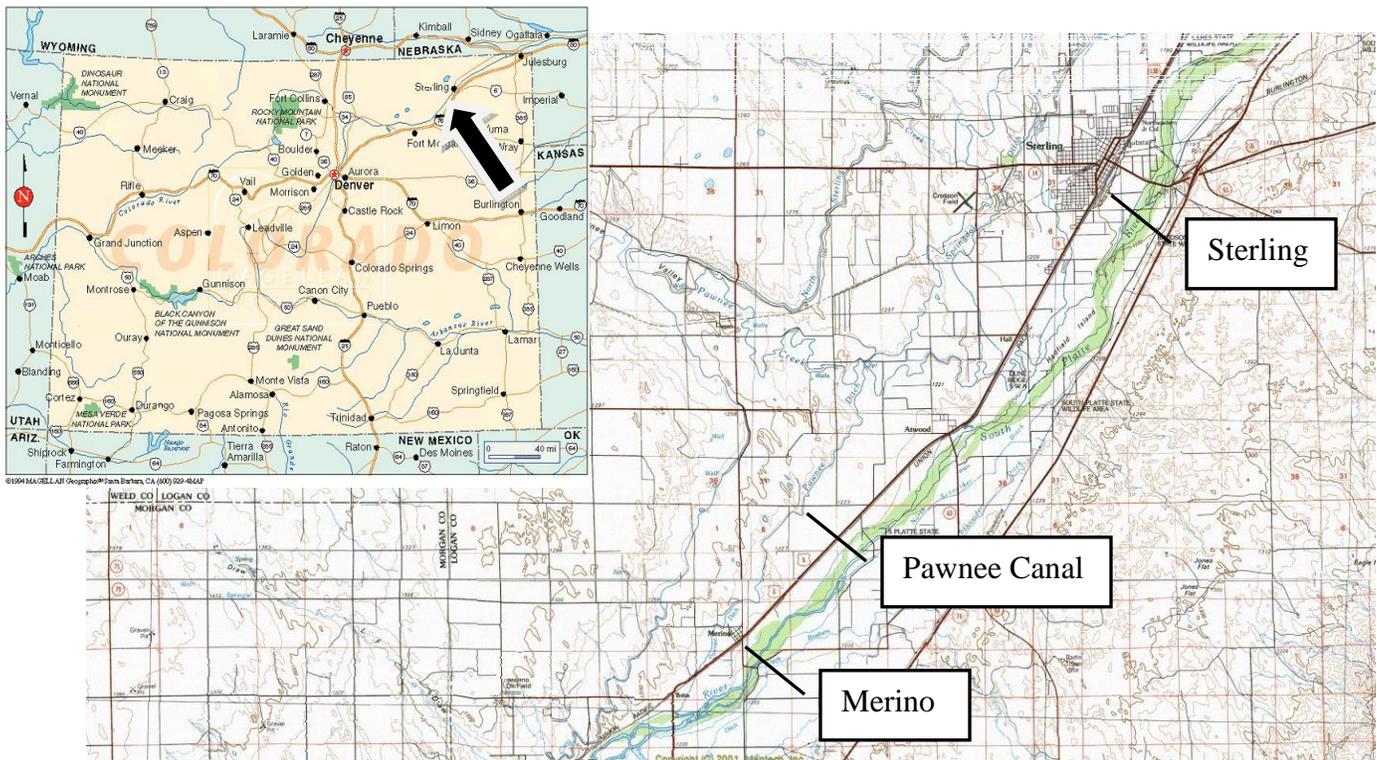
Type of Borrower: Agricultural

Average Diversion: 27,260 acre-feet

CWCB Loan: \$227,250 (Including 1% fee)

Interest Rate: 2.5% **Term:** 30 years

The Farmers Pawnee Canal Company (Company) provides irrigation water to approximately 10,000 acres of land between Merino and Sterling, Colorado. It uses two separate structures to control flow in the Pawnee Ditch (Ditch). The first is a main diversion at the South Platte River. The second is a few miles down the Ditch and is used to adjust flow. The main diversion is a concrete rollover wall with vents to allow flushing of sand when opened. The secondary structure is currently controlled through the use of board style gates. Both structures are labor intensive and require monthly maintenance. To help with efficiency, the Company plans on replacing a portion of the main diversion with a new 12-foot radial gate. It also plans on replacing the board gates at the secondary structure with four 8-foot wide radial gates. Construction is expected to take place in November of 2008.



Location Map

Water Project Loan Program - Project Data

Borrower: WRCC, Inc.

County: Larimer

Project Name: Windsor Dam & Spillway Maintenance

Project Type: Dam Rehabilitation

Drainage Basin: South Platte

Water Source: Cache La Poudre

Total Project Cost: \$1,413,600

Funding Sources: CWCB, Company

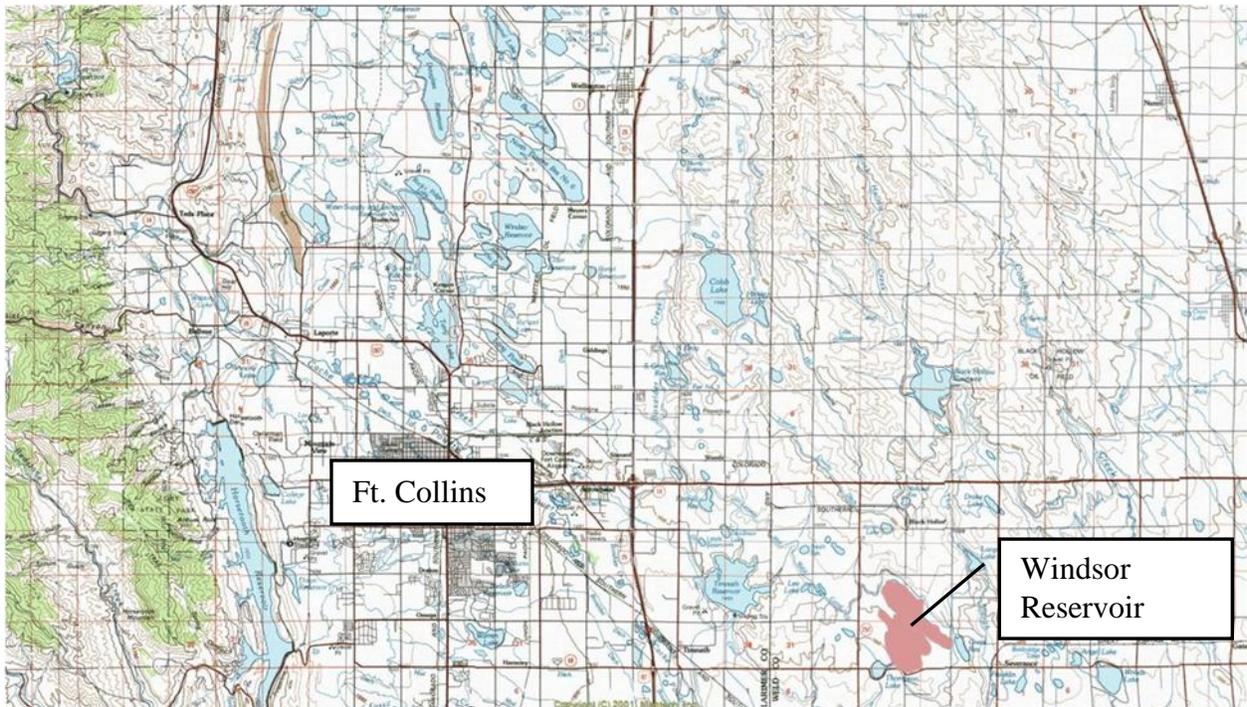
Type of Borrower: Blended (Ag/Middle Municipal)

Average Delivery: 35,000 acre-feet

CWCB Loan: \$1,285,730 (Including 1% fee)

Interest Rate: 2.55% **Term:** 30 years

WRCC, Inc. (Company) owns and operates six storage reservoirs in Larimer and Weld Counties including Big Windosr Reservoir (Reservoir). As a result of SEO safety requirements, the Reservoir is being rehabilitated with dam crest maintenance and a spillway extension. Currently, the embankment has low spots; therefore, the crest is being raised and leveled. In addition, the spillway discharges across farm land not owned by the Company. For that reason, the spillway is being reconstructed at a new location to divert flow away from private farm land back to the natural drainage. This improvement will better protect the land adjacent to the Reservoir. Construction began in August of 2008 and is expected to be complete by the end of 2008.



Location Map

CWCB Construction Loan Program Project Data Sheet

Borrower: Republican River Water Conservation District

County: Yuma, Phillips, Sedgwick, Logan, Washington, Lincoln, and Kit Carson

Project Name: North Fork Water Rights Lease

Project Type: Water Rights Lease

Drainage Basin: South Platte/Republican

Water Source: North Fork Republican River

Total Project Cost: \$5 million

Funding Sources: CWCB, Enterprise

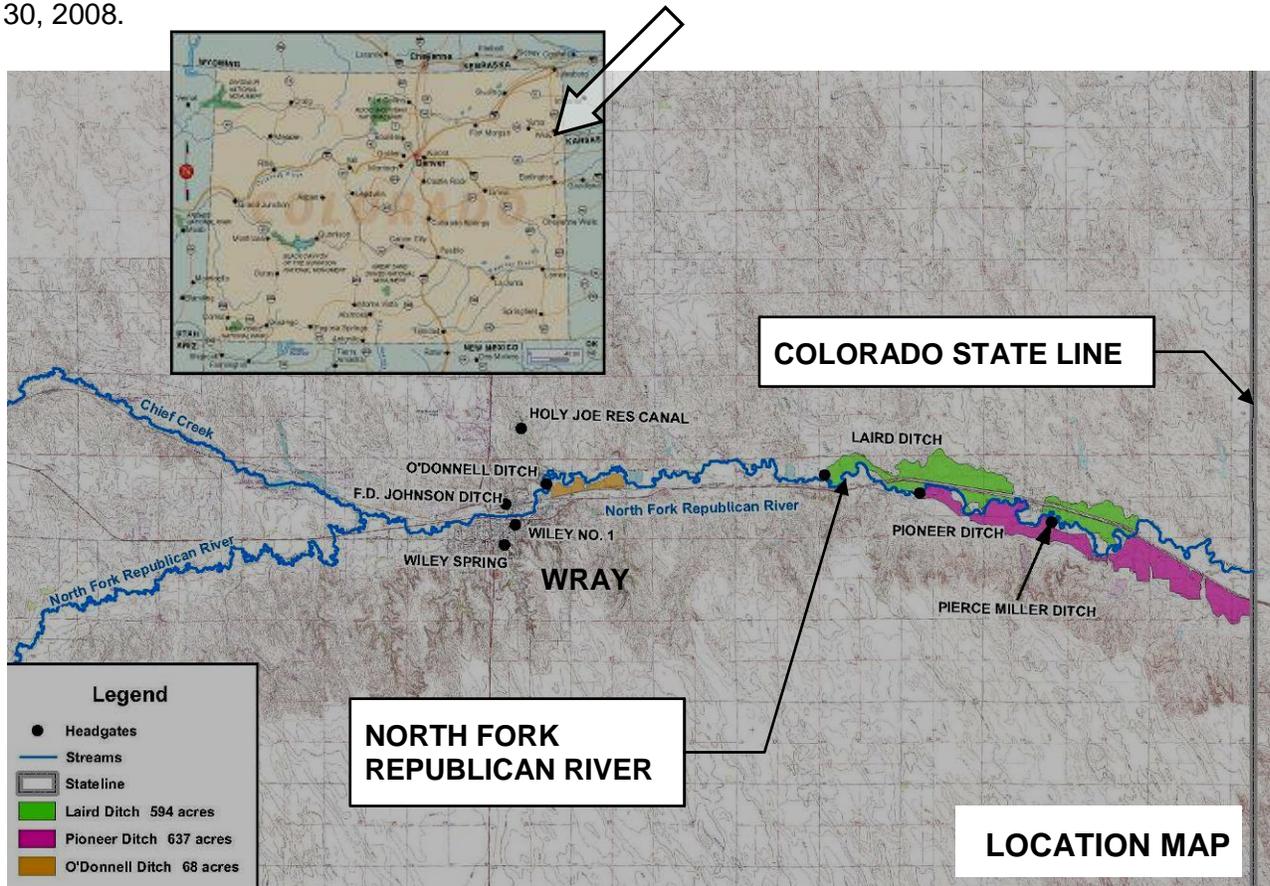
Type of Borrower: Agricultural-Low Muni Blend

Average Delivery: 2,500 AF

Loan Amount: \$4,545,000 (Including 1% fee)

Interest Rate: 2.25% **Term:** 20 years
Reduced from 2.5% - 30 year

The Republican River Water Conservation District (District), acting by and through its Water Activity Enterprise, is requesting a \$4.5 million loan from the CWCB to finance a 20-year lease of the North Fork Water Rights (Lease) as part of a \$20 million purchase of the water rights by the Yuma County Water Authority. The water rights purchase is needed in order to settle a lawsuit threatening to impact the Northern High Plains Designated Ground Water Basin (NHP-Basin) boundary and therefore threaten the District's ability to meet the Republican River Compact requirements as well as maintain a vital agricultural economy on the eastern plains of Colorado. This Lease will leave water in the stream therefore reducing the amount of water pumped from the District's proposed Compact Pipeline. CWCB approved a loan for the Compact Pipeline Project at the January 2008 meeting (HB 1346). Execution of the Lease contract is scheduled for December 30, 2008.



CWCB Construction Loan Program Project Data Sheet

Borrower: Yuma County Water Authority -
Public Improvement District

County: Yuma

Project Name: North Fork Water
Rights Purchase

Project Type: Water Rights Purchase

Drainage Basin: South Platte/Republican

Water Source: North Fork Republican River

Total Project Cost: \$20 million

Funding Sources: CWCB, Bond issuance
Republican River WCD

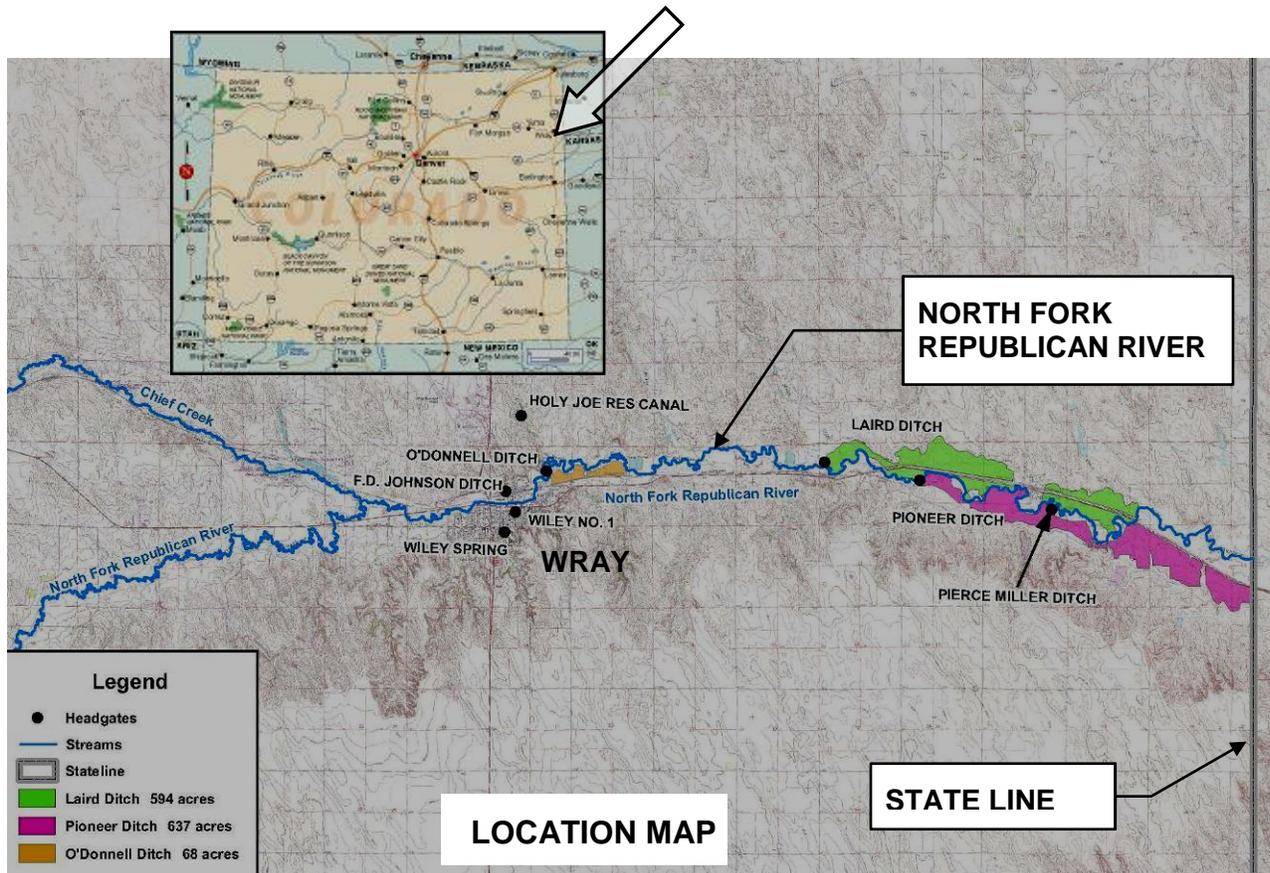
Type of Borrower: Agricultural/Compact

Average Delivery: 2,500AF(Compact Water)

Loan Amount: \$9,595,000 (Including 1% fee)

Interest Rate: 2.25% **Term:** 20 years
Reduced from 2.5% - 30 year

The Yuma County Water Authority Public Improvement District (Yuma County PID) is requesting a loan from the CWCB in the amount of \$9.5 million to finance the North Fork Water Rights Purchase (Project). The loan represents approximately 1/2 of the negotiated purchase price of \$20 million for the Project. The Project is needed in order to settle a lawsuit threatening to impact the Northern High Plains Designated Ground Water Basin boundary and therefore threaten the Republican Water Conservation District's ability to meet the State's Republican River Compact requirements as well as maintain a vital agricultural economy in the eastern plains of Colorado. This Project will assist the District in delivering Compact water and therefore improve the District's ability to repay the CWCB Compact Pipeline Project loan approved by the Board in January 2008 (HB 1346). Closing of the water right purchase is scheduled for December 30, 2008.



CWCB Construction Loan Program Project Data Sheet

Borrower: Center of Colorado Water
Conservancy District
Project Name: James Tingle Reservoir

County: Park
Project Type: New Reservoir

Drainage Basin: South Platte

Water Source: Michigan Creek

Total Project Cost: \$3,565,000

Funding Sources: CWCB, Ad-Valorum tax

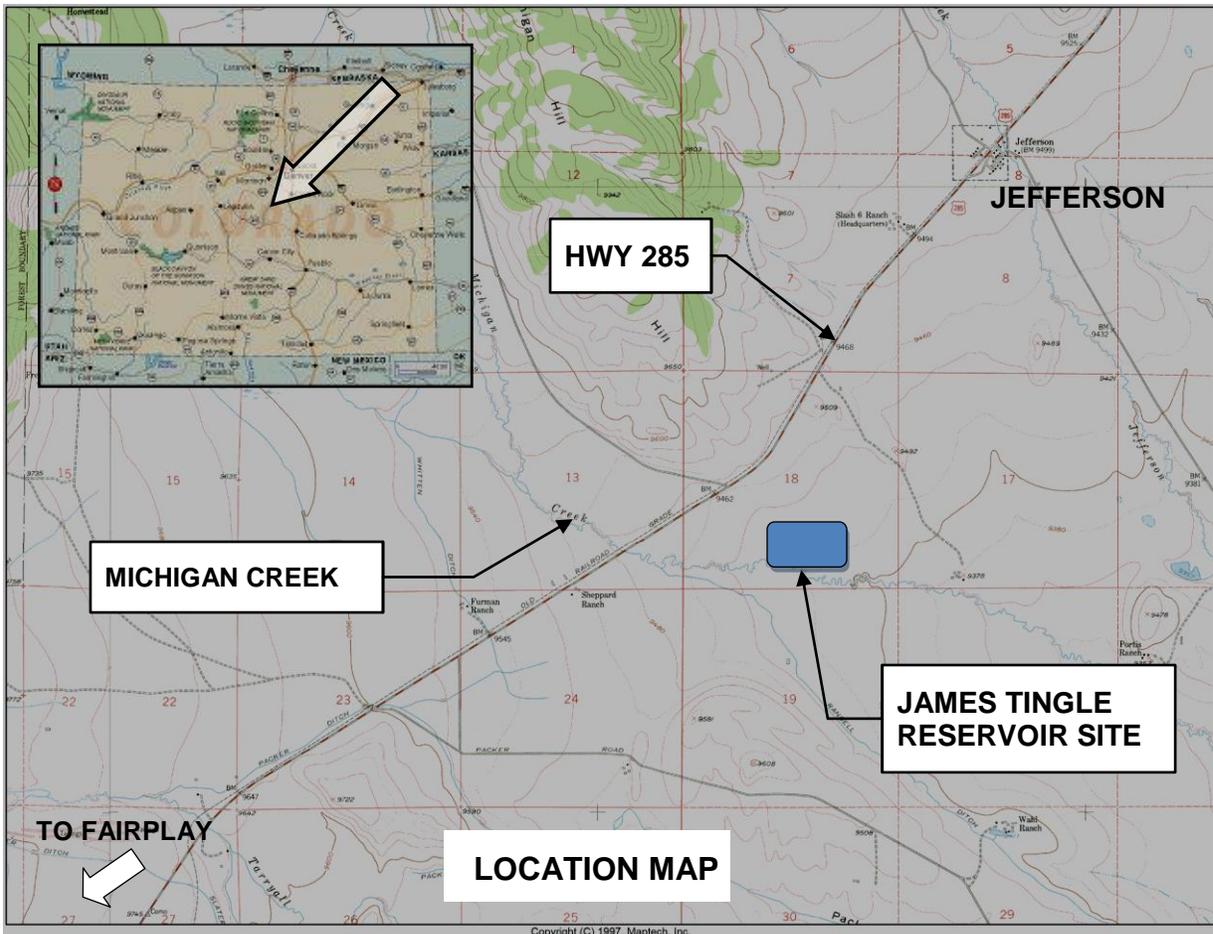
Type of Borrower: Middle Income Municipal

New Storage: 400 AF
Average Delivery: 67 AF (Augmentation)

Loan Amount: \$454,500 (Including 1% fee)

Interest Rate: 3.5% **Term:** 10 years
Reduced from 4.0%, 30 year

The Center of Colorado Water Conservancy District is applying for a \$450,000 loan as its participation cost in the construction of the James Tingle Reservoir. The District has partnered with the Centennial Water & Sanitation District to construct the Reservoir. The total Project cost estimate is \$3,565,000 and the District is responsible for 1/7th of the cost (\$509,000). This loan request is for approximately 90% of the District's obligation. The construction of the Reservoir is necessary to maintain historical return flows to Michigan Creek (in part to meet the CWCB's instream flow rights on Michigan and Tarryall Creeks). The 400AF Reservoir is located adjacent to Michigan Creek in Park County near the town of Jefferson. Of the 400AF Reservoir capacity, 195AF is allocated to the District and 205AF is allocated to Centennial. 165AF of the District's 195AF is return flow obligation and 30AF is excess capacity for use by the District for storage of augmentation water in its service area.



CWCB Construction Loan Program Project Data Sheet

Borrower: New Salida Ditch Company

County: Chaffee

Project Name: Ditch Pipeline Project

Project Type: Ditch Piping

Drainage Basin: Arkansas

Water Source: Arkansas River

Total Project Cost: \$402,000

Funding Sources: Company & CWCB

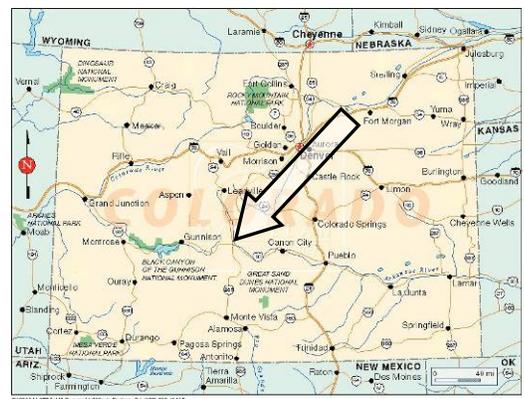
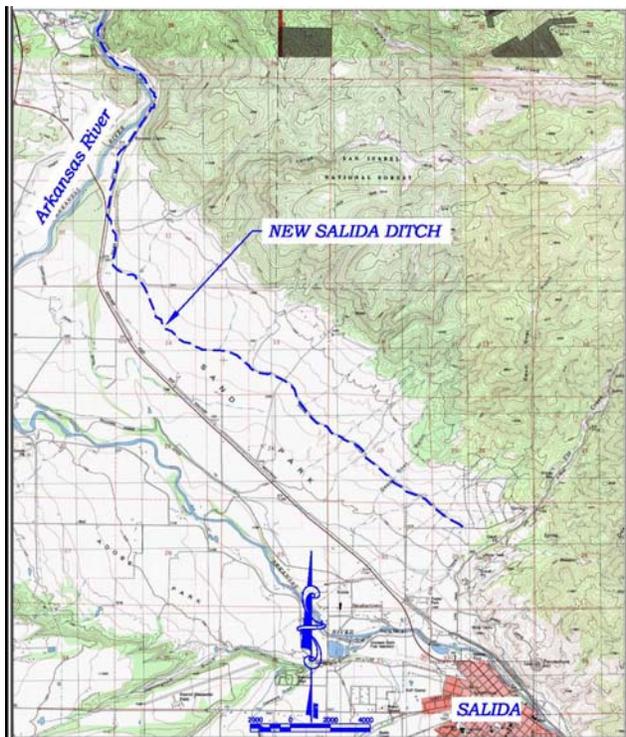
Type of Borrower: Agricultural

Average Diversion: 7,000 acre-feet

Loan Amount: \$365,620 (including 1% service fee)

Interest Rate: 2.5% **Term:** 30 years

The New Salida Ditch Company owns and operates the New Salida Ditch (Ditch) to deliver water to agricultural users from the Arkansas River (River) through a diversion in Browns Canyon. The diversion is located 10 miles north of Salida and is approximately eight miles from its diversion to its end at Ute Gulch. In Browns Canyon, the Ditch runs parallel to the River for 1.25 miles. This section has historically been difficult for the Company to maintain and has suffered frequent breaks resulting in costly repairs and discharges of sand and gravel into the River. In 2005, during maintenance repairs, the Ditch broke and gravel was accidentally deposited into the River resulting in a citation from the Colorado Department of Public Health and Environment (CDPHE). As a resolution of this dispute, the Company and CDPHE entered into an agreement requiring the Company to enclose a portion of the Ditch to prevent the potential for future discharges of material due to ditch breaks in this area. Through this Project, the Company will install approximately 3,200 feet of 42 inch pipe along the existing ditch profile. Construction will begin in February 2009 with completion in the spring of 2009.



Location Map

Water Project Loan Program - Project Data

Borrower: Weldon Valley Ditch Company

County: Morgan

Project Name: Cottonwood Draw Flume

Project Type: Ditch Rehabilitation

Drainage Basin: South Platte

Water Source: South Platte River

Total Project Cost: \$150,000

Funding Sources: CWCB, Company

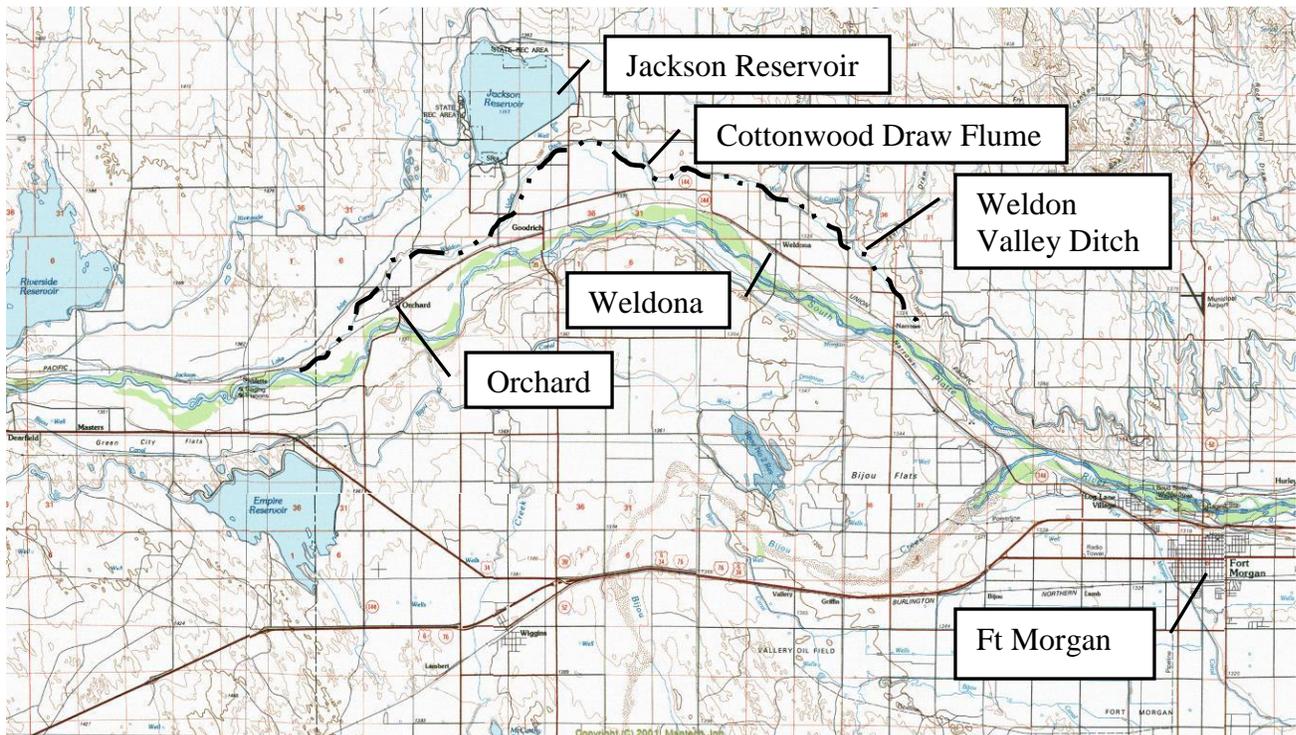
Type of Borrower: Agricultural/Low-Income
Municipal

Average Diversion: 36,000 acre-feet

CWCB Loan: \$136,350 (Including 1% fee)

Interest Rate: 2.6% **Term:** 30 years

The Weldon Valley Ditch Company (Company) owns and operates the Weldon Valley Ditch. It services approximately 6,400 acres ranging from two miles west of Orchard to three miles east of Weldona. The Company's major facilities include a bladder dam diversion at the South Platte River, a flume crossing at the Jackson Lake outlet, a flume crossing at the Cottonwood Draw, and a return flume at the terminus of the ditch. The Cottonwood Draw flume is the subject of this loan request. The flume is a wooden and steel structure built in 1965. It is nearing the end of its useful life and needs to be replaced. Additionally, it spans a natural drainage area and is thereby threatened by floods. The Company plans to replace the flume with a concrete siphon. Final design is expected to be complete in January of 2009; construction is set to follow immediately with completion estimated in February of 2009.



Location Map

Water Project Loan Program - Project Data

Borrower: Boulder White Rock Ditch & Res Company

County: Boulder/Weld

Project Name: Panama Reservoir Outlet

Project Type: Reservoir Pump Station

Drainage Basin: South Platte

Water Source: Boulder Creek

Total Project Cost: \$2,673,000

Funding Sources: CWCB, Company

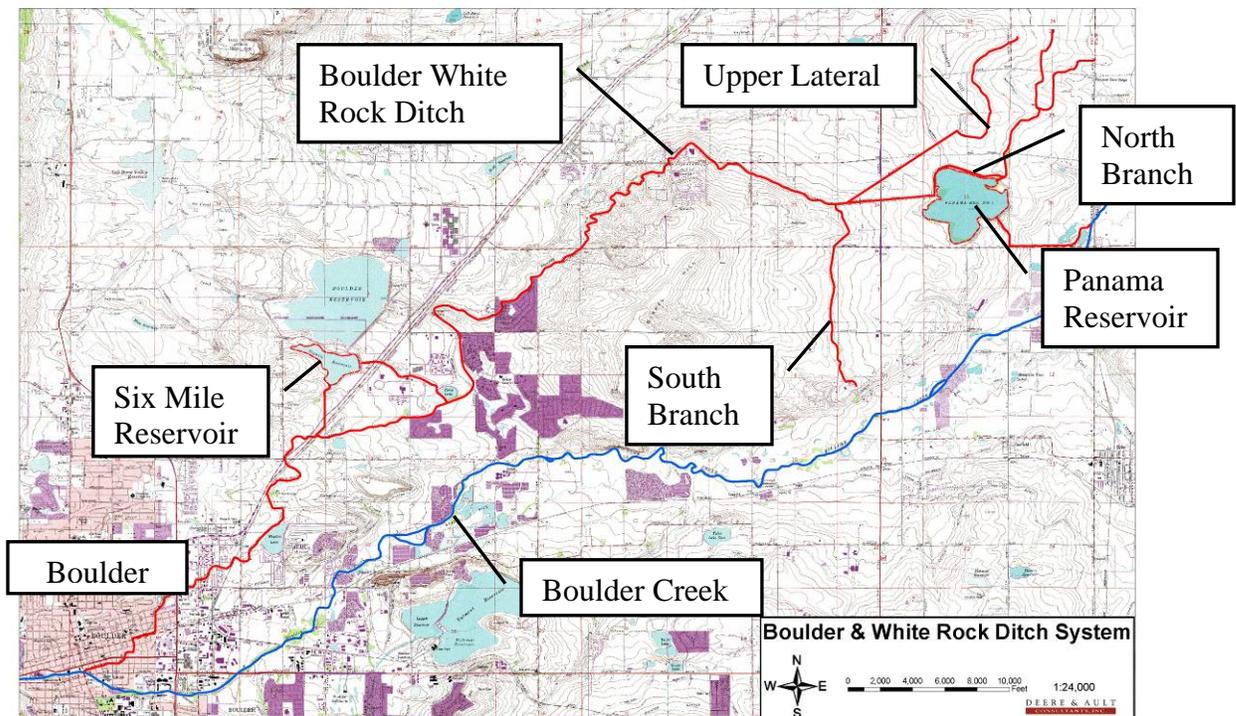
Type of Borrower: 52% Ag. / 48% High-Income Muni /
<1% Municipal

Average Diversion: 12,000 acre-feet

CWCB Loan: \$2,430,060 (Including 1% fee)

Interest Rate: 3.45% **Term:** 30 years

The Boulder White Rock Ditch and Reservoir Company (Company) delivers irrigation water to land in Boulder and Weld Counties. It diverts water from Boulder Creek in downtown Boulder through the Boulder White Rock Ditch and stores water in two of its facilities: Six Mile Reservoir and Panama Reservoir. Due to recent operational changes, the Company no longer exchanges water with nearby ditches and needs to improve the flexibility in its own system to meet its shareholder's needs. The Company intends to build a reservoir pump station at the Panama Reservoir outlet in order to use water stored in the reservoir that is unable to be accessed through the existing gravity outlet. The Project design is expected to be complete in the fall of 2008 with construction occurring during the fall/winter of 2009/2010.



Location Map