

STATE OF COLORADO

Colorado Water Conservation Board Department of Natural Resources

1313 Sherman Street, Room 721
Denver, Colorado 80203
Phone: (303) 866-3441
Fax: (303) 866-4474
www.cwcb.state.co.us



October 8, 2012

Mr. Allan Bunch, President
Pagosa Area Water & Sanitation District
PO Drawer 4610
Pagosa Springs, CO 81157

John W. Hickenlooper
Governor

Mike King
DNR Executive Director

Jennifer L. Gimbel
CWCB Director

Re: Dry Gulch Reservoir Project - Land Acquisition
Loan Contract Number C150261

NOTICE OF PROJECT SUBSTANTIAL COMPLETION

Dear Mr. Bunch:

This letter is to advise you that the Project referenced above was substantially completed on October 1, 2012. In accordance with the Loan Contract, the District owes \$243,113.35 for the remaining interest accrued during the purchasing phase of the Project (see attached Project Expenditure Schedule). It is our understanding that the District desires to pay the 1% Service Fee of \$92,193.64 and not finance it. The Total amount owed to CWCB is \$335,306.99. Please make your check payable to the Colorado Water Conservation Board and include the Loan Contract Number.

The total amount disbursed under this contract was \$9,219,363.70. An adjustment of \$1,997,636.30 will be made to the contract for the funds no longer needed. Peg Mason will initiate the process of amending the contract and Promissory Note. The first annual loan payment of 501,269.08 will be due on October 1, 2013 (see attached Amortization Schedule).

Please note, in accordance with the Borrower's Liability Insurance Provision of the Loan Contract, a renewed insurance certificate must be submitted to the CWCB annually.

It has been a pleasure working with you on the successful completion of this project. Please don't hesitate to call if you have any questions regarding this matter.

Sincerely,

Kirk Russell, P.E., Chief
CWCB Finance Section

Current Contract Amount = \$11,217,000.00
Expended Amount = \$9,219,363.70

cc: April Montgomery, CWCB Board Member, Southwest River Basins
CWCB Finance Section Staff

Interstate Compact Compliance • Watershed Protection • Flood Planning & Mitigation • Stream & Lake Protection
Water Project Loans & Grants • Water Modeling • Conservation & Drought Planning • Water Supply Planning

Colorado Water Conservation Board
Project Expenditure Schedule
Dry Gulch Reservoir Project - Land Acquisition

Sponsor: Pagosa Area Water &
Address: Sanitation District
P.O. Drawer 4610
Pagosa Springs, CO 81157
Contact: Shellie Tressel
Telephone: 970-731-2691
Fax: 970-731-2693
E-mail: shellie@pawasd.org

Loan Contract No.: C150261
Authorization: C150261
Contract Amount: \$11,217,060.00
Loan Service Fee: \$11,105,941.00
Total Loan Amount: \$111,059.00
Interest: \$11,217,000.00
Term: 3.50%
Conditions: 30-years
Tax I.D. No.: Up to 90%
See File

Org. Accounting

Final Accounting

**Substantial
Completion
Date:**

October 1, 2012

IDC Calculation Date: 10/1/2012

Project Finish: 09/18/12

Loan Disb. No.	Date	Description	Amount Disbursed	Cumulative Loan Balance	Balance Available to Loan	Interest	Accrued Interest
					\$11,217,000.00		
1	1/6/2009	Land Acquisition - Planning	\$ 9,219,363.70	\$ 9,219,363.70	\$ 1,997,636.30	\$ 1,205,842.25	\$ 1,205,842.25
1P	12/29/2010	IDC Payment Received	\$ -	\$ 9,219,363.70	\$ 1,997,636.30	\$ (640,051.17)	\$ 565,791.08
2P	12/22/2011	IDC Payment Received	\$ -	\$ 9,219,363.70	\$ 1,997,636.30	\$ (20,110.00)	\$ 545,681.08
3P	12/30/2011	IDC Payment Received	\$ -	\$ 9,219,363.70	\$ 1,997,636.30	\$ (302,567.73)	\$ 243,113.35
Final	10/1/2012	Adjustment (PO Mod)	\$ (1,997,636.30)	\$ 9,219,363.70	\$ -	\$ -	\$ 243,113.35

COLORADO WATER CONSERVATION BOARD

LOAN REPAYMENT SCHEDULE

Borrower	Pagosa Area Water & Sanitation District
Loan Contract Number	C150261
Principal	\$9,219,363.30
Interest Rate	3.50%
Frequency	Annual
Term (In Years)	30
First Payment Due	October 1, 2013
Payment Amount	\$501,269.06

Loan Payment No.	Annual Payment Due Date	Annual Payment Amount	Principal	Interest	Principal BALANCE
					\$ 9,219,363.30
1	1-Oct-13	\$501,269.06	\$ 178,591.34	\$ 322,677.72	\$ 9,040,771.96
2	1-Oct-14	\$501,269.06	\$ 184,842.04	\$ 316,427.02	\$ 8,855,929.92
3	1-Oct-15	\$501,269.06	\$ 191,311.51	\$ 309,957.55	\$ 8,664,618.41
4	1-Oct-16	\$501,269.06	\$ 198,007.42	\$ 303,261.64	\$ 8,466,610.99
5	1-Oct-17	\$501,269.06	\$ 204,937.68	\$ 296,331.38	\$ 8,261,673.31
6	1-Oct-18	\$501,269.06	\$ 212,110.49	\$ 289,158.57	\$ 8,049,562.82
7	1-Oct-19	\$501,269.06	\$ 219,534.36	\$ 281,734.70	\$ 7,830,028.46
8	1-Oct-20	\$501,269.06	\$ 227,218.06	\$ 274,051.00	\$ 7,602,810.40
9	1-Oct-21	\$501,269.06	\$ 235,170.70	\$ 266,098.36	\$ 7,367,639.70
10	1-Oct-22	\$501,269.06	\$ 243,401.67	\$ 257,867.39	\$ 7,124,238.03
11	1-Oct-23	\$501,269.06	\$ 251,920.73	\$ 249,348.33	\$ 6,872,317.30
12	1-Oct-24	\$501,269.06	\$ 260,737.95	\$ 240,531.11	\$ 6,611,579.35
13	1-Oct-25	\$501,269.06	\$ 269,863.78	\$ 231,405.28	\$ 6,341,715.57
14	1-Oct-26	\$501,269.06	\$ 279,309.02	\$ 221,960.04	\$ 6,062,406.55
15	1-Oct-27	\$501,269.06	\$ 289,084.83	\$ 212,184.23	\$ 5,773,321.72
16	1-Oct-28	\$501,269.06	\$ 299,202.80	\$ 202,066.26	\$ 5,474,118.92
17	1-Oct-29	\$501,269.06	\$ 309,674.90	\$ 191,594.16	\$ 5,164,444.02
18	1-Oct-30	\$501,269.06	\$ 320,513.52	\$ 180,755.54	\$ 4,843,930.50
19	1-Oct-31	\$501,269.06	\$ 331,731.49	\$ 169,537.57	\$ 4,512,199.01
20	1-Oct-32	\$501,269.06	\$ 343,342.09	\$ 157,926.97	\$ 4,168,856.92
21	1-Oct-33	\$501,269.06	\$ 355,359.07	\$ 145,909.99	\$ 3,813,497.85
22	1-Oct-34	\$501,269.06	\$ 367,796.64	\$ 133,472.42	\$ 3,445,701.21
23	1-Oct-35	\$501,269.06	\$ 380,669.52	\$ 120,599.54	\$ 3,065,031.69
24	1-Oct-36	\$501,269.06	\$ 393,992.95	\$ 107,276.11	\$ 2,671,038.74
25	1-Oct-37	\$501,269.06	\$ 407,782.70	\$ 93,486.36	\$ 2,263,256.04
26	1-Oct-38	\$501,269.06	\$ 422,055.10	\$ 79,213.96	\$ 1,841,200.94
27	1-Oct-39	\$501,269.06	\$ 436,827.03	\$ 64,442.03	\$ 1,404,373.91
28	1-Oct-40	\$501,269.06	\$ 452,115.97	\$ 49,153.09	\$ 952,257.94
29	1-Oct-41	\$501,269.06	\$ 467,940.03	\$ 33,329.03	\$ 484,317.91
30	1-Oct-42	\$ 501,269.04	\$ 484,317.91	\$ 16,951.13	\$ -
TOTALS		\$15,038,071.78	\$9,219,363.30	\$5,818,708.48	\$0.00