



COLORADO

**Colorado Water
Conservation Board**

Department of Natural Resources
1313 Sherman Street, Room 718
Denver, CO 80203

April 24, 2017

Ms. Heather Dutton, Manager
San Luis Valley Water Conservancy District
623 Fourth Street
Alamosa, CO 81101
719-589-2270

Re: ANACONDA DITCH WATER RIGHT ACQUISITION PROJECT
Loan Contract Number CT2015-166 (C150348)

NOTICE OF PROJECT SUBSTANTIAL COMPLETION

Dear Ms. Dutton:

This letter is to advise you that the Project referenced above will be substantially completed on May 1, 2017. In accordance with the Loan Contract, the District owes \$4,266.93 for interest accrued during the construction phase of the Project (see attached Project Expenditure Schedule). Please make this "interest only payment" check payable to the Colorado Water Conservation Board and include the Loan Contract Number on the check.

The total amount disbursed under this contract was \$1,123,574.50 (\$1,112,450.00 plus \$11,124.50 for the 1% service fee). The first annual loan payment will be due on May 1, 2018, in the amount of \$53,681.74 as presented in the attached Promissory Note and Loan Repayment 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 and a Reserve Account must be maintained during the entire repayment period.

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

Loan Contract Amount = \$1,123,574.50
Expended Amount = \$1,123,574.50

ec: Travis Smith, CWCB Board Member, Rio Grande River Basin



Colorado Water Conservation Board
Project Expenditure Schedule

San Luis Valley WCD Anaconda Ditch Water Right Acquisition Project

San Luis Valley Water Conservancy District
623 Fourth Street
Alamosa, CO 81101

Ph. (719) 589-2270
Fax (719) 589-2270

Original **Amended** **Final**

Loan Contract No.: CT2015-166

Authorization: \$1,123,574.50

Contract Amount \$1,112,450.00

Loan Service Fee % 1.00%

Loan Service Fee \$11,124.50

Total Loan Amount \$ 1,123,574.50

Interest: 2.50%

Term (Years): 30

Conditions: Up to 100%

IDC Calculation Date: 5/1/2017

Contract Expires: 3/30/2018

Substantial Completion Date May 1, 2017

Pay Req. No.	Date	Description	Amount Disbursed	Cumulative Loan Balance	Balance Available to Loan	Interest	Accrued Interest
					\$ 1,123,574.50		
1	3/6/2017	Water Rights Purchase	\$ 1,112,450.00	\$ 1,112,450.00	\$ 11,124.50	\$ 4,266.93	\$ 4,266.93
Final	5/1/2017	Loan Service Fee @ 1%	\$ 11,124.50	\$ 1,123,574.50	-	-	\$ 4,266.93

COLORADO WATER CONSERVATION BOARD

LOAN REPAYMENT SCHEDULE

Borrower	San Luis Valley Water Conservancy District
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FINAL

Loan Contract Number CT2016-166 (C150348)
Principal \$1,123,574.50
Interest Rate 2.50%
Frequency Annual
Term (In Years) 30
First Payment Due May 1, 2018
Payment Amount \$53,681.74

Loan Payment No.	Annual Payment Due Date	Annual Payment Amount	Principal	Interest	Principal BALANCE
					\$ 1,123,574.50
1	1-May-18	\$53,681.74	\$ 25,592.38	\$ 28,089.36	\$ 1,097,982.12
2	1-May-19	\$53,681.74	\$ 26,232.19	\$ 27,449.55	\$ 1,071,749.93
3	1-May-20	\$53,681.74	\$ 26,887.99	\$ 26,793.75	\$ 1,044,861.94
4	1-May-21	\$53,681.74	\$ 27,560.19	\$ 26,121.55	\$ 1,017,301.75
5	1-May-22	\$53,681.74	\$ 28,249.20	\$ 25,432.54	\$ 989,052.55
6	1-May-23	\$53,681.74	\$ 28,955.43	\$ 24,726.31	\$ 960,097.12
7	1-May-24	\$53,681.74	\$ 29,679.31	\$ 24,002.43	\$ 930,417.81
8	1-May-25	\$53,681.74	\$ 30,421.29	\$ 23,260.45	\$ 899,996.52
9	1-May-26	\$53,681.74	\$ 31,181.83	\$ 22,499.91	\$ 868,814.69
10	1-May-27	\$53,681.74	\$ 31,961.37	\$ 21,720.37	\$ 836,853.32
11	1-May-28	\$53,681.74	\$ 32,760.41	\$ 20,921.33	\$ 804,092.91
12	1-May-29	\$53,681.74	\$ 33,579.42	\$ 20,102.32	\$ 770,513.49
13	1-May-30	\$53,681.74	\$ 34,418.90	\$ 19,262.84	\$ 736,094.59
14	1-May-31	\$53,681.74	\$ 35,279.38	\$ 18,402.36	\$ 700,815.21
15	1-May-32	\$53,681.74	\$ 36,161.36	\$ 17,520.38	\$ 664,653.85
16	1-May-33	\$53,681.74	\$ 37,065.39	\$ 16,616.35	\$ 627,588.46
17	1-May-34	\$53,681.74	\$ 37,992.03	\$ 15,689.71	\$ 589,596.43
18	1-May-35	\$53,681.74	\$ 38,941.83	\$ 14,739.91	\$ 550,654.60
19	1-May-36	\$53,681.74	\$ 39,915.37	\$ 13,766.37	\$ 510,739.23
20	1-May-37	\$53,681.74	\$ 40,913.26	\$ 12,768.48	\$ 469,825.97
21	1-May-38	\$53,681.74	\$ 41,936.09	\$ 11,745.65	\$ 427,889.88
22	1-May-39	\$53,681.74	\$ 42,984.49	\$ 10,697.25	\$ 384,905.39
23	1-May-40	\$53,681.74	\$ 44,059.11	\$ 9,622.63	\$ 340,846.28
24	1-May-41	\$53,681.74	\$ 45,160.58	\$ 8,521.16	\$ 295,685.70
25	1-May-42	\$53,681.74	\$ 46,289.60	\$ 7,392.14	\$ 249,396.10
26	1-May-43	\$53,681.74	\$ 47,446.84	\$ 6,234.90	\$ 201,949.26
27	1-May-44	\$53,681.74	\$ 48,633.01	\$ 5,048.73	\$ 153,316.25
28	1-May-45	\$53,681.74	\$ 49,848.83	\$ 3,832.91	\$ 103,467.42
29	1-May-46	\$53,681.74	\$ 51,095.05	\$ 2,586.69	\$ 52,372.37
30	1-May-47	\$53,681.68	\$ 52,372.37	\$ 1,309.31	\$ -
TOTALS		\$1,610,452.14	\$1,123,574.50	\$486,877.64	\$0.00

**APPENDIX A, AMENDMENT NO. 1 TO LOAN CONTRACT CT2015-166
AMENDMENT TO PROMISSORY NOTE**

Date: February 2, 2017

Borrower: San Luis Valley Water Conservancy District, acting by and through its water activity enterprise

Total Loan Amount: \$1,123,574.50

Interest Rate: 2.50% per annum

Term of Repayment: 30 years or until loan is paid in full

Loan Contract No.: CT2015-166

Loan Payment: \$53,681.74

Payment Initiation Date*: May 1, 2017
(To be filled in at Substantial Completion of Project)

Maturity Date*: May 1, 2047
(To be filled in at Substantial Completion of Project)

* Payment Initiation Date and Maturity Date fields are filled in *after* the project has been substantially completed.

FOR VALUE RECEIVED, the BORROWER promises to pay the Colorado Water Conservation Board ("CWCB"), the Principal Amount plus Interest for the Term of Repayment, pursuant to the LOAN CONTRACT and this promissory note.

1. This Amendment to Promissory Note replaces and supersedes the Promissory Note attached to the original contract dated March 19, 2015, in the amount of \$839,000.00.
2. Principal and interest shall be payable in equal Loan Payments, with the first payment due and payable one year from Payment Initiation Date, and annually thereafter. All principal, interest, and late charges, if any, then remaining unpaid shall be due and payable on or before the Maturity Date.
3. Payments shall be made to the Colorado Water Conservation Board at 1313 Sherman Street, Room 718, Denver, Colorado 80203.
4. The CWCB may impose a late charge in the amount of 5% of the annual payment if the CWCB does not receive the annual payment within 15 calendar days of the due date.
5. This Note may be prepaid in whole or in part at any time without premium or penalty. Any partial prepayment shall not postpone the due date of any subsequent payments or change the amount of such payments.
6. All payments received shall be applied first to late charges, if any, next to accrued

interest and then to reduce the principal amount.

7. This Note is issued pursuant to the LOAN CONTRACT between the CWCB and the BORROWER. The LOAN CONTRACT creates security interests in favor of the CWCB to secure the prompt payment of all amounts that may become due hereunder. Said security interests are evidenced by a Security Agreement ("Security Instruments") of even date and amount and cover certain revenues, real property, water rights and/or accounts of the BORROWER. The LOAN CONTRACT and Security Instruments grant additional rights to the CWCB, including the right to accelerate the maturity of this Note in certain events.
8. If any annual payment is not paid when due or any default under the LOAN CONTRACT or the Security Instruments securing this Note occurs, the CWCB may declare the entire outstanding principal balance of the Note, all accrued interest, and any outstanding late charges immediately due and payable, and the indebtedness shall bear interest at the rate of 7% per annum from the date of default. The CWCB shall give the BORROWER written notice of any alleged default and an opportunity to cure within thirty (30) days of receipt of such notice before the BORROWER shall be considered in default for purposes of this Promissory Note.
9. The BORROWER and any co-signer or guarantor hereby agree that if this Note or interest thereon is not paid when due or if suit is brought, then it shall pay all reasonable costs of collection, including reasonable attorney fees. In the event of any bankruptcy or similar proceedings, costs of collection shall include all costs and attorney fees incurred in connection with such proceedings, including the fees of counsel for attendance at meetings of creditors' committees or other committees.
10. This Note shall be governed in all respects by the laws of the State of Colorado.

(SEAL)

Attest:

By Marcie Schulz
Signature

Name Marcie Schulz

Title Secretary / Treasurer

Date 02/02/2017

BORROWER: San Luis Valley Water
Conservancy District, acting by and
through its water activity enterprise

By M. Dee Greeman
Signature

Name M. Dee Greeman

Title President

Date 02/02/2017