



COLORADO

Colorado Water
Conservation Board

Department of Natural Resources

1313 Sherman Street, Room 718
Denver, CO 80203

July 24, 2018

Mr. Tad Moen, General Manager
North Poudre Irrigation Company
P.O. Box 100
Wellington, CO 80549

Re: Mountain Supply Reservoir No. 10 Repairs
Loan Contract Number CT2017-3641

NOTICE OF PROJECT SUBSTANTIAL COMPLETION

Dear Mr. Moen:

This letter is to advise you that the Project referenced above will be substantially completed on August 1, 2018. In accordance with the Loan Contract, the Company owes \$7,516.98 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 \$726,213.77 (\$719,023.53 plus \$7,190.24 for the 1% service fee). An adjustment in the amount of \$76,736.23 will be made to the contract for funds no longer needed. Peg Mason, Contracts Manager, will follow up with an executed "Option Letter" reflecting the adjusted amount. The first annual loan payment will be due on August 1, 2019, in the amount of \$38,363.06 as presented in the attached Loan Repayment Schedule and Promissory Note.

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 = \$802,950.00
Expended Amount = \$726,213.77

cc: Jim Yahn, CWCB Board Member, South Platte River Basin



Colorado Water Conservation Board
Project Expenditure Schedule

North Poudre IC Mountain Supply Reservoir No 10 Repairs

North Poudre Irrigation Company
P. O. Box 100
Wellington, CO 80549
c/o Call Gunter

Ph. 970-568-3612
Fax (970) 221-4659
cgunter@npicwater.com

Loan Contract No.: CT2017-3641
Authorization: \$499,950.00
Contract Amount: \$495,000.00
Loan Service Fee %: 1.00%
Loan Service Fee: \$4,950.00
Total Loan Amount: \$499,950.00
Interest: 2.50%
Term (Years): 30
Conditions: Up to 100%
IDC Calculation Date: 8/1/2018

Substantial Completion Date

August 1, 2018

Contract Expires:

6/23/2020

Pay Req. No.	Date	Description	Amount Disbursed	Cumulative Loan Balance	Balance Available to Loan	Interest	Accrued Interest
					\$ 802,950.00		
1	11/1/2017	Engineering	\$ 79,941.18	\$ 79,941.18	\$ 723,008.82	\$ 1,494.79	\$ 1,494.79
2	1/24/2018	Engineering & Construction	\$ 194,099.63	\$ 274,040.81	\$ 528,909.19	\$ 2,512.66	\$ 4,007.45
3	3/1/2018	Engineering & Construction	\$ 316,409.05	\$ 590,449.86	\$ 212,500.14	\$ 3,315.79	\$ 7,323.24
4	7/10/2018	Engineering & Construction	\$ 128,573.67	\$ 719,023.53	\$ 83,926.47	\$ 193.74	\$ 7,516.98
Final	8/1/2018	Loan Service Fee @ 1%	\$ 7,190.24	\$ 726,213.77	\$ 76,736.23	-	\$ 7,516.98
Final	8/1/2018	Adjustment - Funds not needed	\$ (76,736.23)	\$ 726,213.77	\$ 0.00	-	\$ 7,516.98

COLORADO WATER CONSERVATION BOARD

LOAN REPAYMENT SCHEDULE

Borrower	North Poudre Irrigation Company	FINAL
Loan Contract Number CT2017-3641		
Principal	\$802,950.00	\$726,213.77
Interest Rate	2.50%	2.50%
Frequency	Annual	Annual
Term (In Years)	30	30
First Payment Due		August 1, 2019
Payment Amount	\$38,363.06	\$38,363.06

Loan Payment No.	Annual Payment Due Date	Annual Payment Amount	Principal	Interest	Principal BALANCE
					\$ 726,213.77
1	1-Aug-19	\$38,363.06	\$ 20,207.72	\$ 18,155.34	\$ 706,006.05
2	1-Aug-20	\$38,363.06	\$ 20,712.91	\$ 17,650.15	\$ 685,293.14
3	1-Aug-21	\$38,363.06	\$ 21,230.73	\$ 17,132.33	\$ 664,062.41
4	1-Aug-22	\$38,363.06	\$ 21,761.50	\$ 16,601.56	\$ 642,300.91
5	1-Aug-23	\$38,363.06	\$ 22,305.54	\$ 16,057.52	\$ 619,995.37
6	1-Aug-24	\$38,363.06	\$ 22,863.18	\$ 15,499.88	\$ 597,132.19
7	1-Aug-25	\$38,363.06	\$ 23,434.76	\$ 14,928.30	\$ 573,697.43
8	1-Aug-26	\$38,363.06	\$ 24,020.62	\$ 14,342.44	\$ 549,676.81
9	1-Aug-27	\$38,363.06	\$ 24,621.14	\$ 13,741.92	\$ 525,055.67
10	1-Aug-28	\$38,363.06	\$ 25,236.67	\$ 13,126.39	\$ 499,819.00
11	1-Aug-29	\$38,363.06	\$ 25,867.58	\$ 12,495.48	\$ 473,951.42
12	1-Aug-30	\$38,363.06	\$ 26,514.27	\$ 11,848.79	\$ 447,437.15
13	1-Aug-31	\$38,363.06	\$ 27,177.13	\$ 11,185.93	\$ 420,260.02
14	1-Aug-32	\$38,363.06	\$ 27,856.56	\$ 10,506.50	\$ 392,403.46
15	1-Aug-33	\$38,363.06	\$ 28,552.97	\$ 9,810.09	\$ 363,850.49
16	1-Aug-34	\$38,363.06	\$ 29,266.80	\$ 9,096.26	\$ 334,583.69
17	1-Aug-35	\$38,363.06	\$ 29,998.47	\$ 8,364.59	\$ 304,585.22
18	1-Aug-36	\$38,363.06	\$ 30,748.43	\$ 7,614.63	\$ 273,836.79
19	1-Aug-37	\$38,363.06	\$ 31,517.14	\$ 6,845.92	\$ 242,319.65
20	1-Aug-38	\$38,363.06	\$ 32,305.07	\$ 6,057.99	\$ 210,014.58
21	1-Aug-39	\$38,363.06	\$ 33,112.70	\$ 5,250.36	\$ 176,901.88
22	1-Aug-40	\$38,363.06	\$ 33,940.51	\$ 4,422.55	\$ 142,961.37
23	1-Aug-41	\$38,363.06	\$ 34,789.03	\$ 3,574.03	\$ 108,172.34
24	1-Aug-42	\$38,363.06	\$ 35,658.75	\$ 2,704.31	\$ 72,513.59
25	1-Aug-43	\$38,363.06	\$ 36,550.22	\$ 1,812.84	\$ 35,963.37
26	1-Aug-44	\$36,862.45	\$ 35,963.37	\$ 899.08	\$ -
27	1-Aug-45	\$0.00	\$ -	\$ -	\$ -
28	1-Aug-46	\$0.00	\$ -	\$ -	\$ -
29	1-Aug-47	\$0.00	\$ -	\$ -	\$ -
30	1-Aug-48	\$0.00	\$ -	\$ -	\$ -

TOTALS

\$995,938.95	\$726,213.77	\$269,725.18	\$0.00
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**Appendix A, Amendment No. 1 to Loan Contract CT2017-3641
Amendment to Promissory Note**

Date: December 7, 2017
Borrower: North Poudre Irrigation Company
Total Loan Amount: \$802,950.00
Interest Rate: 2.50% per annum
Term of Repayment: 30 years or until loan is paid in full
Loan Contract No.: CT2017-3641
Loan Payment: \$38,363.06
Payment Initiation Date: August 1, 2018 _____
(to be filled in at Substantial Completion of Project)
Maturity Date: August 1, 2044 _____
(to be filled in at Substantial Completion of Project)

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 in the revised total loan amount *shall replace and supersede* the Original Promissory Note, attached as Appendix 3 to the Original Loan Contract, in the amount of \$499,950.00 and incorporated by reference.
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 sixty (60) 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 and Deed of Trust ("Security Instruments") of even date and amount and cover certain revenues, real property, 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 sixty (60) 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

Name

Title

Date

Signature
Car. Gurnter
Corporate Secretary

12-7-17

Borrower: North Poudre Irrigation Company

By

Signature

Name

Title

Date

Loren R. Mafey
PRESIDENT
12-7-17



Project Description

The North Poudre Irrigation Company is a mutual ditch company established in 1901. The Company's service area encompasses approximately 28,000 irrigated acres in Larimer County north of Fort Collins near Wellington, and includes service to 14 communities and municipal water providers.

The Mountain Supply Reservoir No. 10 is owned and operated by the Company and was constructed in 1905. Major rehabilitation of the reservoir's dam was completed in 1973. In August 2015, the reservoir experienced a failure in its corrugated metal pipe (CMP) outlet, prompting the Company to drain the reservoir and the State Engineer's Office to impose a full storage restriction. Temporary emergency repairs were made in 2016 which permitted the Company to store 80 AF. This project made permanent repairs which resulted in the State Engineer's Office removing all storage restrictions. Repairs to the reservoir's outlet structure included construction of a new gate tower and walkway and lining the length of the outlet pipe using a cured-in-place pipe (CIPP) liner. Additionally, the Company made repairs to the reservoir's inlet structure off the No. 10 ditch, and installed a new spillway cutoff wall. Construction occurred from November 2017 to April 2018.

P R O J E C T D A T A		
<i>Sponsor:</i> North Poudre Irrigation Company	<i>County:</i> Larimer	<i>Water Source:</i> Cache la Poudre River
<i>Type of Project:</i> Reservoir Rehabilitation		<i>Board Approval Date:</i> March 2017
<i>Loan Terms:</i> 2.50% for 30 years (Original) \$802,950 (Final) \$726,213.77		
<i>Design Engineer:</i> Tessara Water, Inc		
<i>Contractor:</i> Zak Dirt, Inc.		