Colorado Water Conservation Board

CONSTRUCTION FUND
AND
SEVERANCE TAX
PERPETUAL BASE FUND

SMALL PROJECT LOAN REPORT

(2017 CALENDAR YEAR)

COLORADO
Colorado Water Conservation Board
Department of Natural Resources

Colorado Water Conservation Board
Department of Natural Resources

January 15, 2018

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 of all Construction Fund and Severance Tax Perpetual Base Fund loans authorized by the CWCB under $10,000,000. This report fulfills the CWCB reporting obligations for those "Small Project" loans for calendar year 2017.

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 15 new loan projects under $10,000,000 approved by the CWCB in calendar year 2017. The total loan value is approximately $41 million.

Included in the report is a loan project Data Sheet for each new loan project. The Data Sheet includes a project description, project location map, and other pertinent loan and project information.

January 12, 2018

COLORADO
Colorado Water Conservation Board
Department of Natural Resources

1313 Sherman Street, Room 718
Denver, CO 80203

January 15, 2018

The Honorable Senator Jerry Sonnenberg
Chair, Senate Agriculture, Natural Resources, and Energy Committee

The Honorable Representative Jeni Arndt
Chair, House Agriculture, Livestock and Natural Resources Committee

Re: Small Project Loans Approved in 2017
Construction Fund and Severance Tax Perpetual Base Fund

Dear Senator Sonnenberg and Representative Arndt,

Pursuant to C.R.S. § 37-60-122(b), the Colorado Water Conservation Board (CWCB) is submitting the attached written determination of the basis for all loans under $10,000,000 authorized during the 2017 calendar year. The report will be presented to the CWCB at the January 22, 2018 Board meeting.

The report will be posted on the web at www.leg.colorado.gov and 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 Capitol Building. Paper copies of the Report will be made available upon request.

If you have questions or need additional copies of the report, please contact Mr. Doug Vilsack, Legislative Liason, at 303-866-3311 x8664.

Sincerely,

Rebecca Mitchell

Rebecca Mitchell, Director
Colorado Water Conservation Board

Colorado Water Conservation Board
Small Project Loans
For Calendar Year 2017

Project	Date Approved	Borrower	Project	Amount Approved	Funding Source*	County	Basin
1	01/23/17	St. Vrain and Left Hand Water Conservancy District	St. Vrain & Left Hand Lake 4 Outlet Pipeline Repair	$ 619,130	CF	Boulder	South Platte
2	01/23/17	Chilcott Ditch Company	Chilcott Ditch Jimmy Camp Creek Siphon Reconstruction	$ 580,750	CF	El Paso	Arkansas River
3	03/23/17	Town of Wiggins	Wiggins Recharge Facility at Glassey Farms	$ 2,408,850	ST	Morgan	South Platte
4	03/23/17	North Poudre Irrigaiton Company	North Poudre IC Mountain Supply Reservoir No. 10 Repairs	$ 802,950	ST	Larimer	South Platte
5	05/18/17	San Juan Water Conservancy District	San Juan WCD Dry Gulch Reservoir Land Acquisition	$ 2,000,000	CF	Archuleta	Dolores / San Juan
6	05/18/17	Florida Consolidated Ditch Company	Florida Hess Lateral Improvement	$ 1,085,750	ST	La Plata	Dolores / San Juan
7	07/19/17	Church Ditch Water Authority	Church Ditch System Improvements	$ 3,615,800	CF	Jefferson	South Platte
8	07/19/17	Consolidated Ditch and Headgate Company	Consolidated Diversion and Headgate Replacement Project	$ 1,010,000.00	ST	Rio Grande	Rio Grande
9	07/19/17	Corsentino Dairy Farms	Corsentino Holita Dam Rehabilitation	$ 85,446.00	ST	Huerfano	Arkansas River
10	07/19/17	City of Walsenburg	Walsenburg City Lake Dam Rehabilitation & Enlargement	$ 6,889,210.00	ST	Huerfano	Arkansas River
11	09/20/17	Left Hand Water District	Left Hand WD Southern Water Supply Project II	$ 10,000,000	CF	Broomfield / Weld	South Platte
12	09/20/17	Fruitland Irrigation Company	Fruitland Tunnel and Canal Renovation	$ 1,746,290.00	ST	Delta / Montrose	Gunnison
13	09/20/17	Fort Lyon Canal Company	Fort Lyon Adobe Creek Dam Rehabilitation	$ 8,181,000.00	ST	Bent	Arkansas River
14	09/20/17	Bonus Ditch Company	Bonus Ditch St. Vrain Diversion Replacement	$ 1,309,970.00	ST	Boulder	South Platte
15	09/20/17	Centenial Irrigating Ditch Company	Centenial Diversion Replacement	$ 232,300.00	ST	Rio Grande	Rio Grande
		New Small Project Loans Approved in 2017		**$ 40,567,446**			
		Total Amount Approved in 2017		**40,567,446**			

*Indicates whether the funding source is from Construction Fund (CF) or Severence Tax Fund (ST)

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Lake 4 Outlet Pipeline Repair

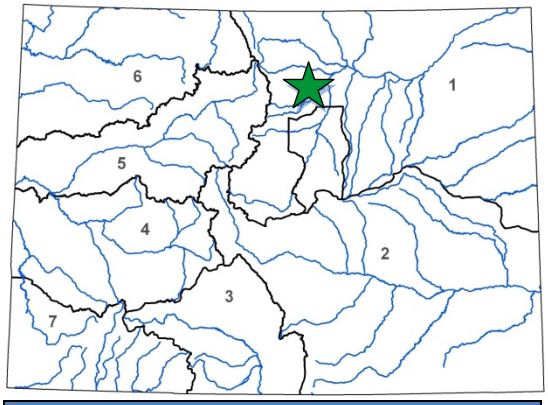
St. Vrain and Left Hand Water Conservancy District

January 2017 Board Meeting

LOAN DETAILS	
Project Cost:	$912,000
CWCB Loan (with Service Fee):	$619,130
Loan Term and Interest Rate:	30 Years @ 2.85%
Funding Source:	Construction Fund

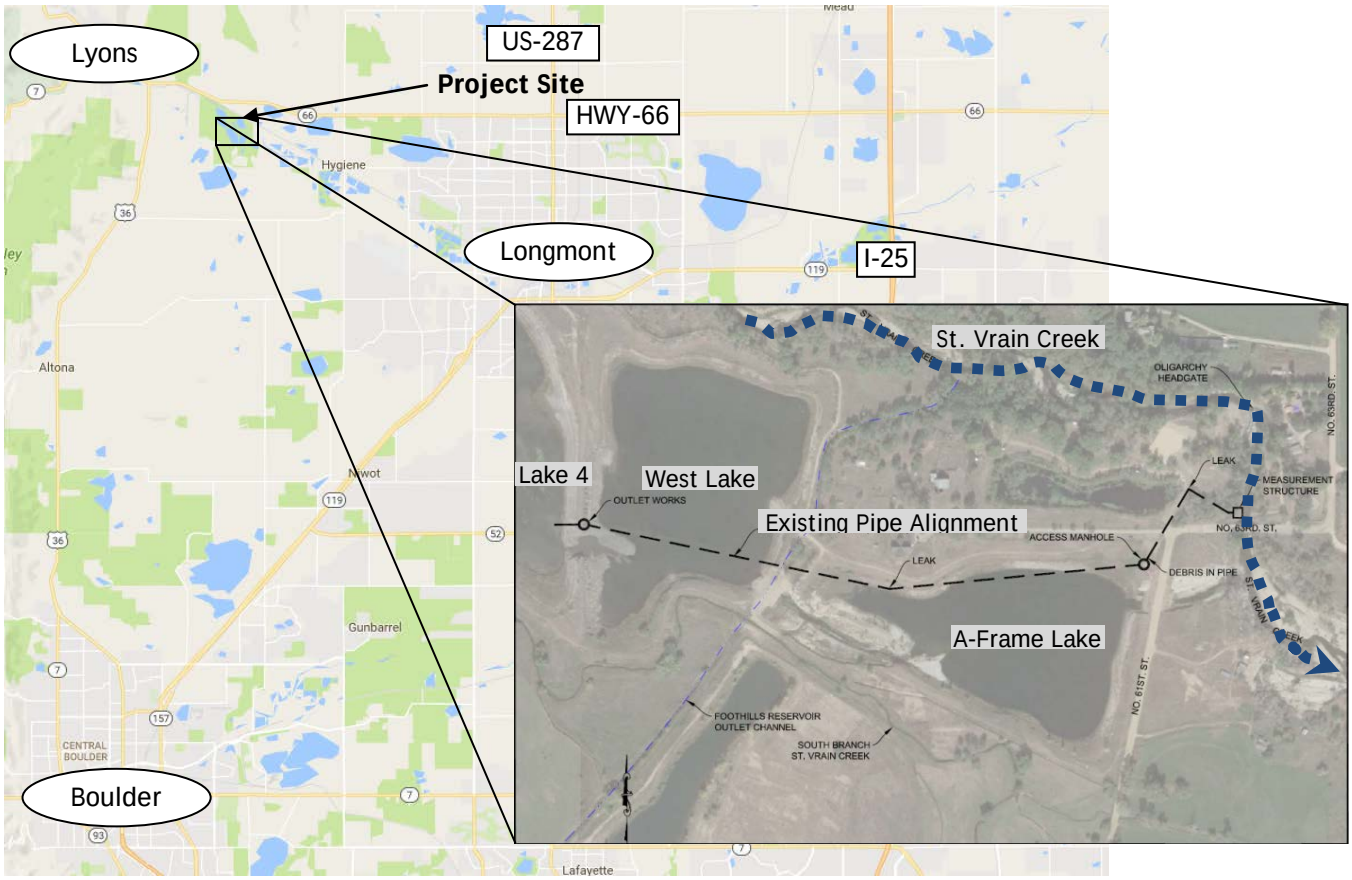
BORROWER TYPE		
Agriculture	*Municipal*	*Commercial*
0%	0% Low - 0% Mid - 97% High	3%

PROJECT DETAILS	
Project Type:	Reservoir Rehabilitation
Average Annual Delivery:	182 AF
Storage Preserved:	600 AF



LOCATION			
County:			Boulder
Water Source:			St Vrain Creek
Drainage Basin:			South Platte
Division:	1	*District:*	5

The St. Vrain and Left Hand Water Conservancy District and Boulder County Parks and Open Space jointly own a lined reservoir known as Rock'n WP Ranch Lake No. 4 (Lake 4). Lake 4 was created by reclaiming mined slopes, installing a slurry wall liner around the former gravel pit, and installing inlet and outlet structures. The outlet works included a half-mile-long 18-inch reinforced concrete pipe approximately extending from the dam to the St. Vrain Creek. The District and County County recently inspected the outletworks pipeline and determined that it is leaking in several locations. It is critical for reservoir accounting and water rights administration purposes that the water delivered through the pipeline be water from Lake 4 and not groundwater leaking into the pipe between the dam and the river. Therefore the District and Boulder County desire to repair the pipe to resolve the leakage and to extend the service life of the structure.



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Jimmy Camp Creek Siphon Reconstruction

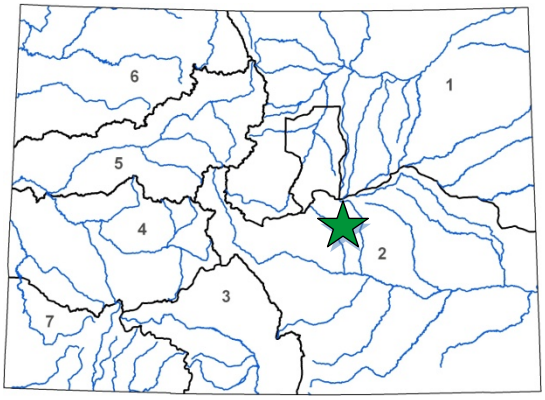
Chilcott Ditch Company

January 2017 Board Meeting

LOAN DETAILS	
Project Cost:	$575,000
CWCB Loan (with Service Fee):	$ 580,750
Loan Term and Interest Rate:	20 Years @ 2.20%
Funding Source:	Construction Fund

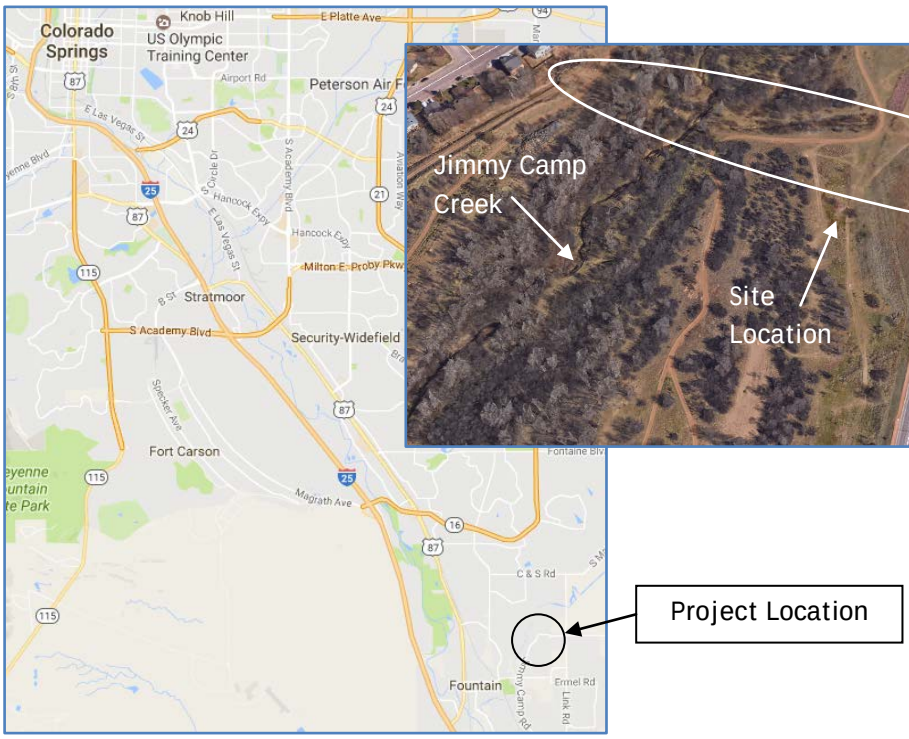
BORROWER TYPE		
Agriculture	*Municipal*	*Commercial*
0%	0% Low - 100% Mid - 0% High	0%

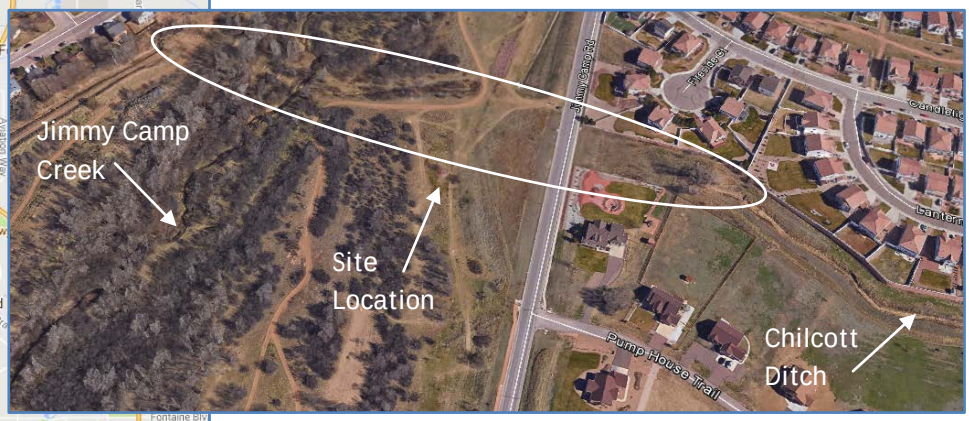
PROJECT DETAILS	
Project Type:	Ditch Rehabilitation
Average Annual Delivery:	4,961 AF



LOCATION			
County:			El Paso
Water Source:			Fountain Creek
Drainage Basin:			Pueblo
Division:	2	*District:*	10

The Chilcott Ditch Company, located in El Paso County, operates the Chilcott Ditch for the benefit of its shareholders by providing direct flow Zirrigation water. The ditch diverts from Fountain creek, just north of the Town of Fountain, and water deliveries are made through the Company's eight mile ditch to service historically irrigated areas under the ditch as well as to an augmentation station that measures direct flow water returning back to Fountain creek on behalf of shareholders. A 42-inch diameter 1,300 foot long siphon conveys ditch water flows under Jimmy Camp Creek to historically irrigated farmland to the south of the City of Fountain. During the 1940's the siphon was constructed from asphalt dipped corrugated steel pipe and has been in service for nearly 76 years. The structure has required significant repairs over the last few years. In reviewing the siphon's age, maintenance history and number of failures, the Company has concluded that the siphon has reached its useful life and the Company intends to rebuild the siphon prior to the 2017 irrigation season.





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Wiggins Recharge Facility at Glassey Farms

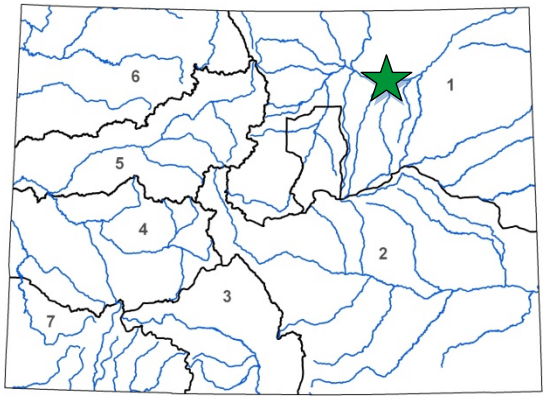
Town of Wiggins

March 2017 Board Meeting

LOAN DETAILS	
Project Cost:	$2,385,000
CWCB Loan:	$2,408,850
Loan Term and Interest Rate:	30 Years @ 2.40%
Funding Source:	Severance Tax PBF

BORROWER TYPE		
Agriculture	*Municipal*	*Commercial*
0%	100% Low - 0% Mid - 0% High	0%

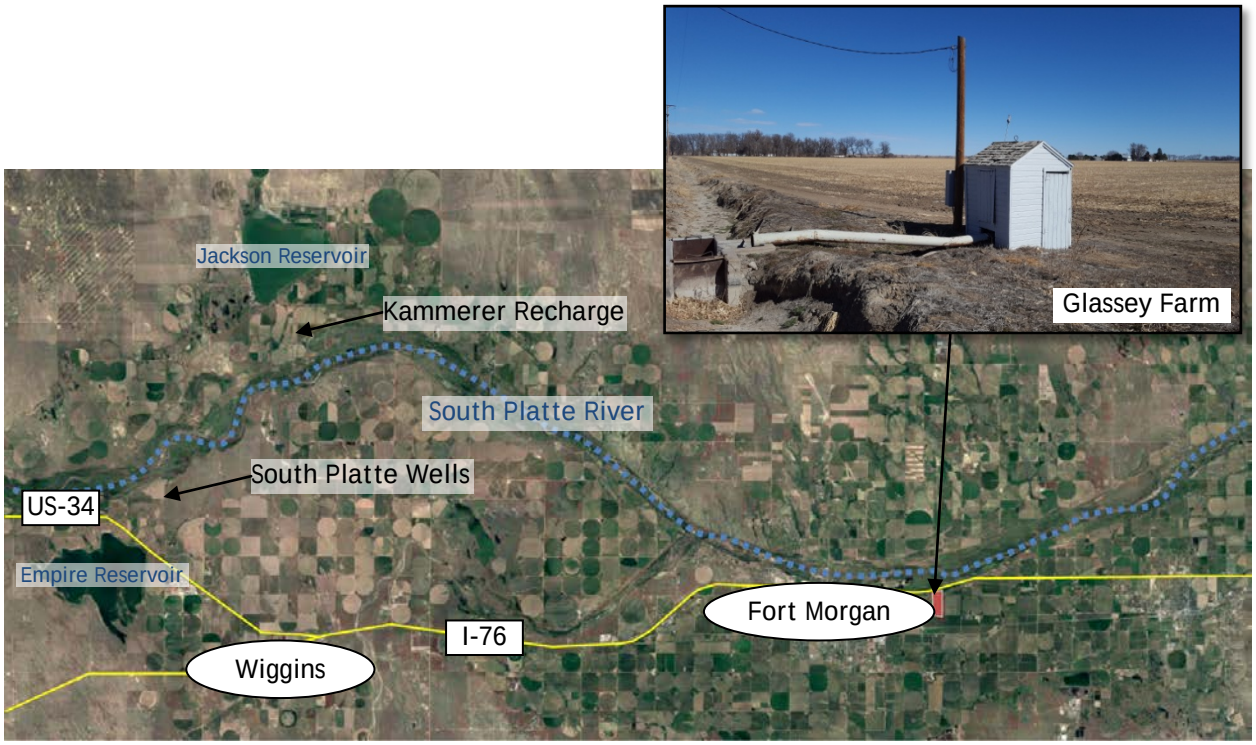
PROJECT DETAILS	
Project Type:	Augmentation
Average Annual Delivery:	140 AF



LOCATION			
County:			Morgan
Water Source:			South Platte River
Drainage Basin:			South Platte River
Division:	1	*District:*	1

The Town of Wiggins, through a water activity enterprise, provides service to approximately 900 residents. The Town anticipates considerable growth over the next 10 years due to four new developments recently annexed into the Town limits. Those developments are projected to bring up to 310 jobs into Wiggins over the next 5 years and approximately 500 new single family units and 150 multi-family units.

Historically the Town has relied on non-tributary wells drilled into the Kiowa Bijou Designated Ground Water Basin. Due to water quality issues and dropping aquifer levels, the Town drilled two wells into the South Platte Alluvial Aquifer. Those wells are augmented through the Kammerer Recharge site and augmentation water leases. In order to develop a reliable and long-term augmentation water supply, the Town will purchase the Glassey Farm and associated water rights. Recharge ponds will take approximately 40 acres and the Town is in negotiations with Morgan County Community College to share the remaining farmland for an agricultural education program focused on low watering farming techniques. Construction is planned to begin summer 2017 and be complete by fall 2017.



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Mountain Supply Reservoir No. 10 Repairs

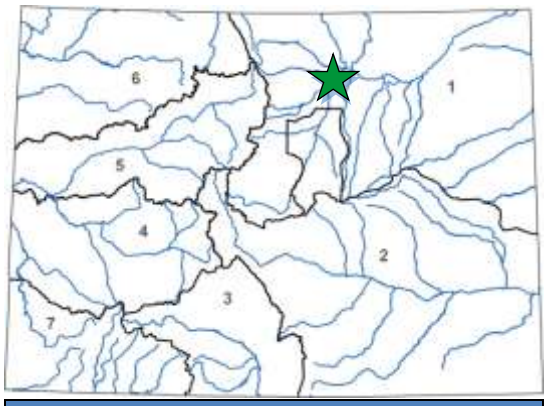
North Poudre Irrigation Company

March 2017 Board Meeting

LOAN DETAILS	
Project Cost:	$495,000
CWCB Loan (with Service Fee):	$499,950
Loan Term and Interest Rate:	30 years @ 2.50%
Funding Source:	Severance Tax Perpetual Base Fund

BORROWER TYPE		
Agriculture	*Municipal*	*Commercial*
26%	0% Low - 73% Mid - 0% High	1%

PROJECT DETAILS	
Project Type:	Reservoir Rehabilitation
Average Annual Delivery:	88,900 AF
Total Reservoir Storage:	344 AF
Water Storage Preserved:	264 AF



LOCATION			
County:			Larimer
Water Source:			Cache la Poudre River
Drainage Basin:			South Platte River
Division:	1	*District:*	3

The North Poudre Irrigation Company's service area encompasses approximately 300 square miles, including additional service areas covering 14 communities and municipal water providers owning NPIC shares. The Company operates 22 storage reservoirs, 5 flood control dams, and approximately 200 miles of ditches. Irrigated acreage within the service area supports production of corn, sugar beets, soybeans, hay, and feed crops.

Mountain Supply Reservoir No. 10, owned and operated by the Company, was constructed in 1905, and a major rehabilitation of the dam was completed in 1973. The Company has a storage decree in this reservoir of 344 acre-feet. In August of 2015, the outlet works experienced a failure in the corrugated metal pipe outlet tube downstream of the intake headgate. The reservoir was drained. A subsequent storage restriction by the State Engineer's Office (SEO) was put in place while the Company made temporary repairs. Due to the temporary nature of the repairs, the Company was only permitted to store 80 acre-feet, pending comprehensive repairs to the outlet works. Further engineering investigations found need for additional reservoir infrastructure repairs, including repairs to the headgate and inlet structure from the ditch to the reservoir, grading in the bottom of the reservoir from inlet to outlet, and changes to the outlet works.

The purpose of the Project is to repair the Mountain Supply Reservoir No. 10 inlet and outlet works, removing the SEO storage restriction and restoring the Company's ability to hold their full storage rights.

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Dry Gulch Reservoir Land Acquisition

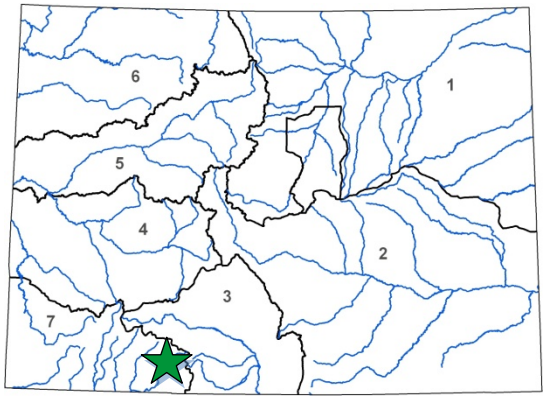
San Juan Water Conservancy District

May 2017 Board Meeting

LOAN DETAILS	
Project Cost:	$2,000,000
CWCB Loan (with Service Fee):	$2,000,000
Loan Term and Interest Rate:	30 Years @ 2.55%
Funding Source:	Construction Fund

BORROWER TYPE		
Agriculture	*Municipal*	*Commercial*
0%	100% Low - 0% Mid - 0% High	0%

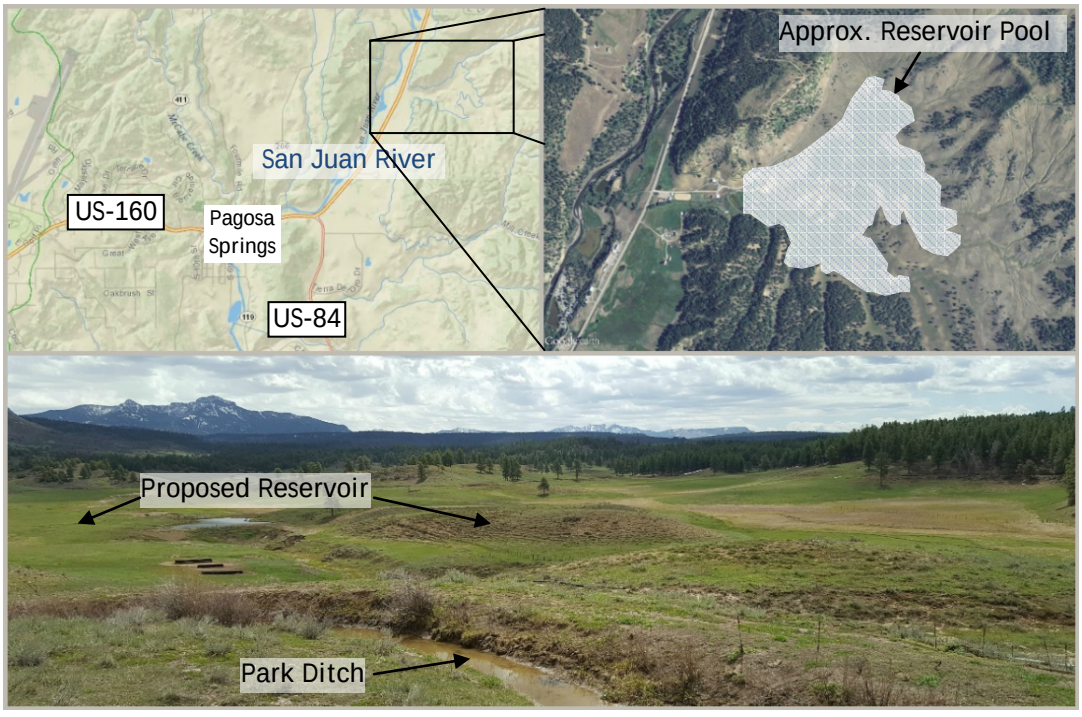
PROJECT DETAILS	
Project Type:	Water Storage Land Acquisition
Average Annual Delivery:	NA



LOCATION			
County:			Archuleta
Water Source:			San Juan River
Drainage Basin:			Southwest
Division:	29	*District:*	7

The District was created in 1987 with a purpose to conserve, maximize, and utilize the water resources of the San Juan River and its tributaries, with the primary function to address future water supply needs within its boundaries. Population projections predict an increase of 25,400 county-wide by 2070, an increase that could produce a water supply gap of 4,300 AF per year.

The District has identified the development of Dry Gulch Reservoir as a top priority project for the region's long-term water supply solution. This reservoir site has been under consideration since the 1960s and has been identified in 1989 and 2003 as a preferred water storage location for diversions from the San Juan River. A previous CWCB loan to the Pagosa Area Water and Sanitation District and a WSRF grant to the San Juan Water Conservancy District provided funding for the purchase of a large portion of the land needed for the proposed Dry Gulch Reservoir. This loan will acquire the remaining land needed for the proposed reservoir. The overall Dry Gulch Reservoir project will be planned in keeping with the objectives outlined in the Colorado Water Plan for new water storage, by not only off-setting the projected water supply gap, but also providing water resources for non-consumptive uses to enhance environmental and recreational opportunities of state and local economic benefit. Planning and permitting for the reservoir is expected to take up to 10 years. This loan will not provide funds for reservoir construction.



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Hess Lateral Improvement

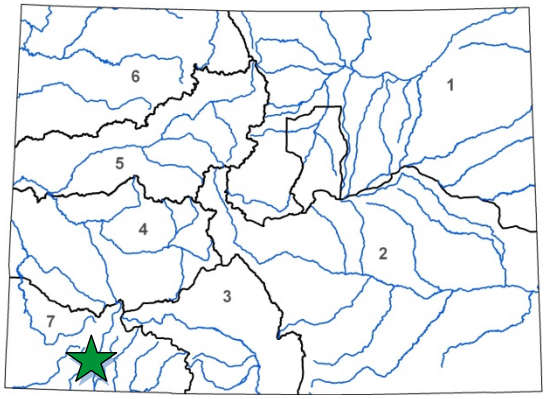
Florida Consolidated Ditch Company

May 2017 Board Meeting

LOAN DETAILS	
Project Cost:	$2,800,000
CWCB Loan:	$1,085,750
Loan Term and Interest Rate:	30-years @ 1.80%
Funding Source:	Severance Tax Perpetual Base Fund

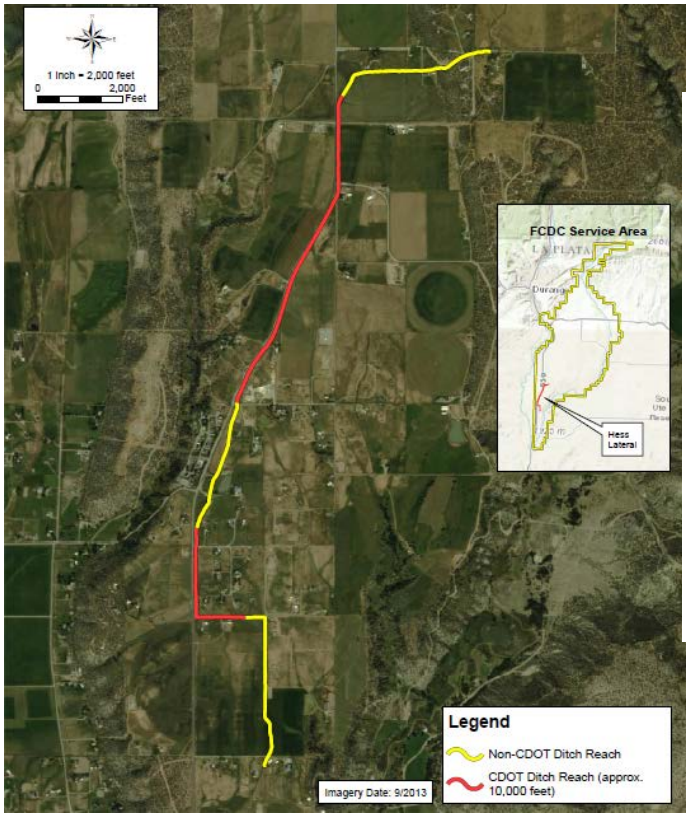
BORROWER TYPE		
Agriculture	*Municipal*	*Commercial*
100%	0%	0%

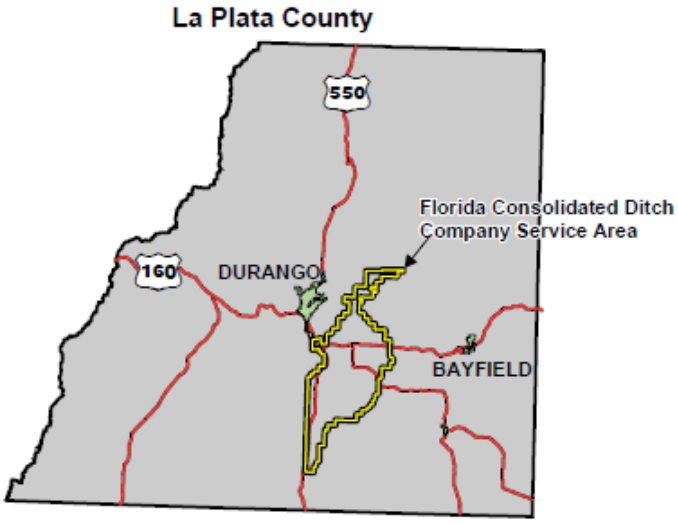
PROJECT DETAILS	
Project Type:	Ditch Rehabilitation
Average Annual Diversion:	43,000 AF



LOCATION			
County:			La Plata
Water Source:			Animas River
Drainage Basin:			San Juan/Dolores River
Division:	7	*District:*	30

The Hess Lateral, part of the Florida Consolidated Ditch Company water conveyance system, is located 7 miles south of Durango, CO on the Florida Mesa. The lateral serves approximately 67 users irrigating over 1,500 acres of hay and pasture land. The project will replace the open ditch with buried gravity-pressurized pipeline and relocate approx. 21,100 feet of the Hess Lateral due to expansion of HWY 550. CDOT has committed $950,000 to the project. The company also received approval of a $775,000 WSRF grant at the September 2015 meeting. Final design of the project is expected to begin in the fall of 2017 and construction will likely follow one year later.





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Ditch System Improvements

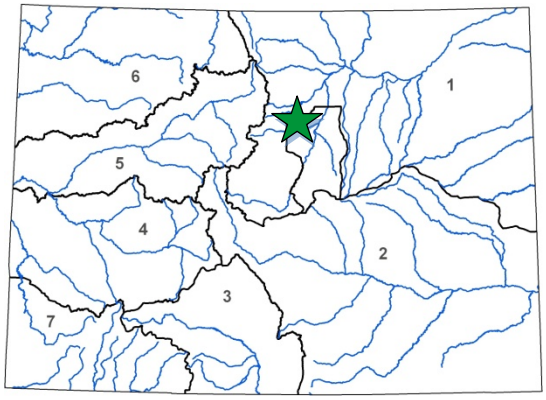
Church Ditch Water Authority

July 2017 Board Meeting

LOAN DETAILS	
Project Cost:	$3,580,000
CWCB Loan (with Service Fee):	$3,615,800
Loan Term and Interest Rate:	30 Years @ 3.0%
Funding Source:	Construction Fund

BORROWER TYPE		
Agriculture	*Municipal*	*Commercial*
0%	0% Low - 33% Mid - 67% High	0%

PROJECT DETAILS	
Project Type:	Ditch Rehabilitation
Average Annual Delivery:	10,500 AF

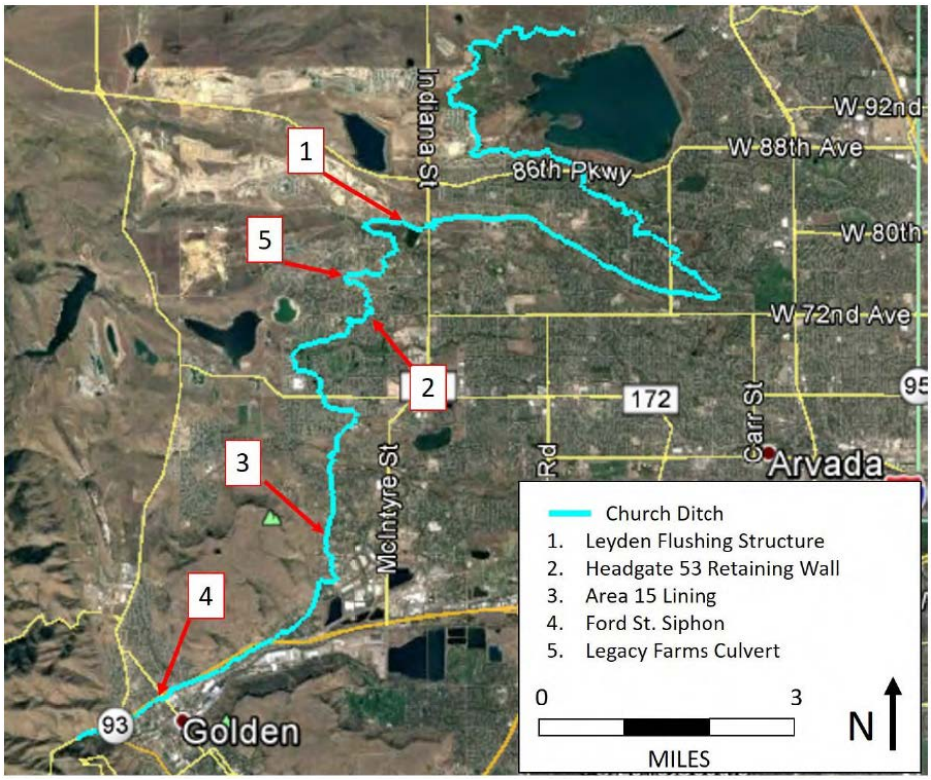


LOCATION			
County:	Jefferson		
Water Source:	Clear Creek		
Drainage Basin:	South Platte		
Division:	1	*District:*	7

The Authority was formed in 2004 by the cities of Northglenn and Westminster to operate the Church Ditch. The ditch is 26-miles long and carries water from its headgate in Clear Creek, near Golden, through Jefferson County until it ends near the intersection of 100th Ave and Simms St at the Wilson Flume. There are 97 Contractual Users who receive water from the ditch.

The Authority and Ecological Resource Consultants (ERC) created a Master Plan in 2009 to identify areas in need of maintenance, modification, or replacement. Since 2009, the Authority has been completing identified projects as time and budgets have allowed. Currently, the following five projects have been identified as the highest priority for the Authority over the next two years. (1) The Leyden Creek Flushing Structure will replace the aging structure and improve efficiency, safety, and maintenance. (2) The Headgate 53 Retaining Wall project will repair a concrete block wall which was installed as an emergency fix due to the 2013 flood. (3) The Area 15 Ditch Lining will line a section of ditch where the dewatering by new homes and businesses adjacent to the ditch are causing increased water loss in the ditch. (4) The Ford Street Siphon will address a 75 year old culvert that is at or near the end of its expected lifespan. Finally (5) the Legacy Farms Culvert will replace an undersized culvert which is currently creating a bottleneck.

All projects will be constructed during the non-irrigation season and are planned to be complete by spring of 2019.



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Consolidated Diversion and Headgate Replacement

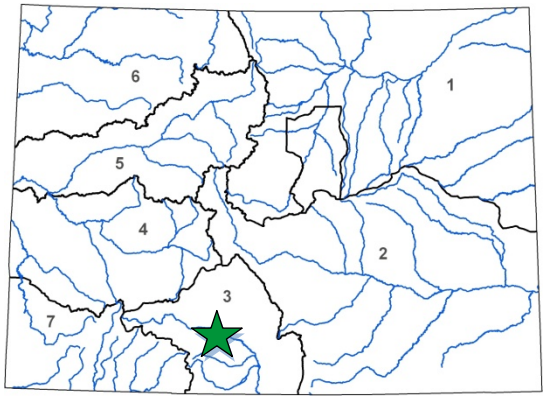
Consolidated Ditch and Headgate Company

July 2017 Board Meeting

LOAN DETAILS	
Project Cost:	$1,862,000
CWCB Loan (with Service Fee):	$1,010,000
Loan Term and Interest Rate:	30 Years @ 1.8%
Funding Source:	Severance Tax Perpetual Base Fund

BORROWER TYPE		
Agriculture	*Municipal*	*Commercial*
100%	0% Low - 0% Mid - 0% High	0%

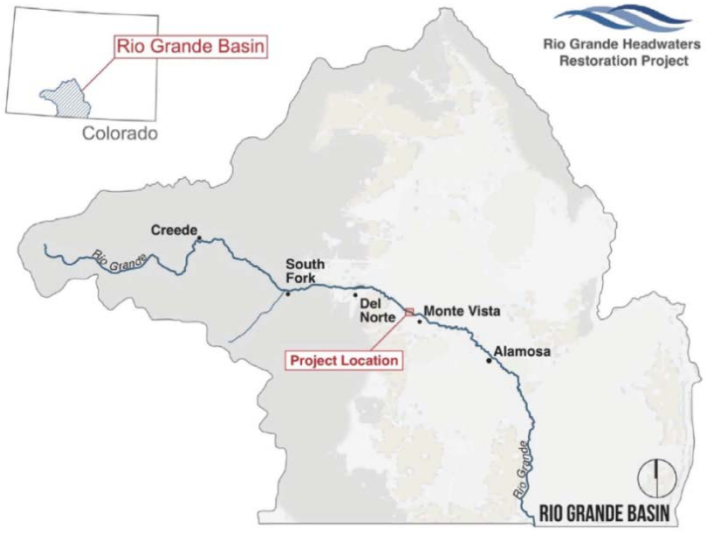
PROJECT DETAILS	
Project Type:	Ditch Rehabilitation
Average Annual Delivery:	33,500 AF



LOCATION			
County:			Rio Grande
Water Source:			Rio Grande
Drainage Basin:			Rio Grande
Division:	3	*District:*	20

The Company is a Mutual Ditch Company formed in 1910. Its diversion and headgate structures are located five miles northwest of Monte Vista on the Rio Grande. The company serves 38 shareholders made up of water right owners who use the ditch as a carrier ditch. The diversion dam and headgate structures are at the end of its service life and are no longer effective at low or high river flows. These structures were highlighted as river rehabilitation priorities in 2001 study titled "Rio Grande Headwater Restoration Project." That study analyzed the condition of riparian habitats and structures along a 91-mile reach of the Rio Grande from the town of South Fork to Alamosa.

The Company has partnered with the Colorado Rio Grande Restoration Foundation, the fiscal agent for the Rio Grande Headwater Restoration Project, to organize and raise funds for the Project. The Natural Resources Conservation Service is providing design and construction oversight for the project, as well as a $750,000 grant from its Environmental Quality Incentive Program (EQIP). The Foundation will be including this Project as part of a WSRF grant request that, if approved by the Rio Grande Roundtable, will be heard at the CWCB September 2017 Board Meeting. The EQIP grant funds are subject to forfeiture if the Project does not begin construction in Fall 2017. Therefore, to ensure construction can begin as soon as river conditions allow, the Company is seeking this CWCB loan to cover its full cost share. Any WSRF grant funds obtained for this Project will reduce the final loan amount.



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Holita Dam Rehabilitation

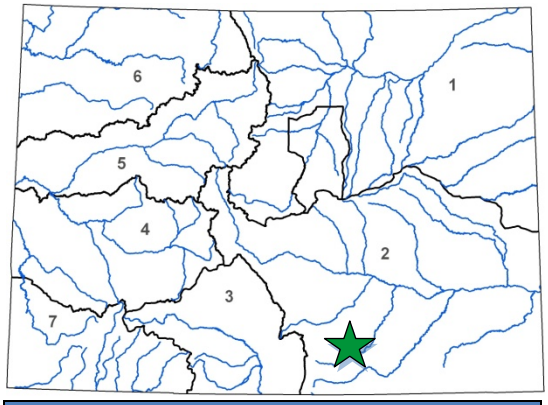
Corsentino Dairy Farms

July 2017 Board Meeting

LOAN DETAILS	
Project Cost:	$94,000
CWCB Loan (with Service Fee):	$85,446
Loan Term and Interest Rate:	10 Years @ 0.5%
Funding Source:	Severance Tax

BORROWER TYPE		
Agriculture	*Municipal*	*Commercial*
100%	0% Low - 0% Mid - 0% High	0%

PROJECT DETAILS	
Project Type:	Reservoir Rehabilitation
Average Annual Delivery:	540 AF
Storage Preserved:	274 AF



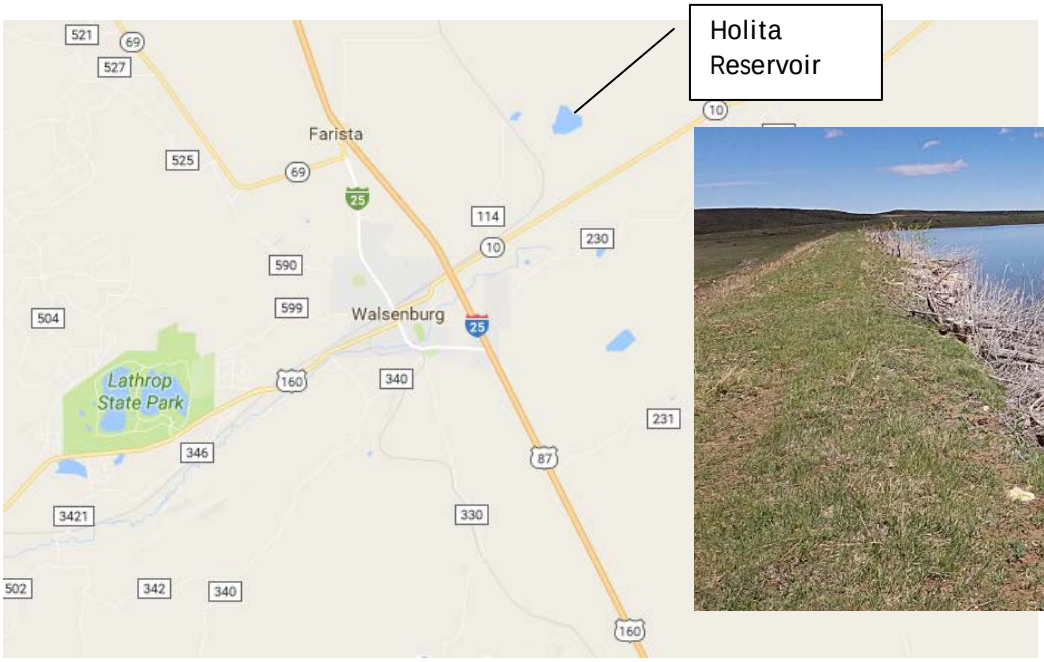
LOCATION			
County:			Huerfano
Water Source:			Cucharas River
Drainage Basin:			Arkansas
Division:	2	*District:*	16

Corsentino Dairy Farms, Inc. is located on 1,019 acres located approximately three miles east of the City of Walsenburg, along the north and south sides of State Highway 10. The Dairy has been in the Corsentino family since 1936 and is currently operated as an organic dairy.

The primary water for the dairy operation comes from a well. The well is operated in accordance with the Corsentino Dairy plan for augmentation. The replacement water comes from the Holita Reservoir.

Holita reservoir has a storage capacity of 498 acre-feet and was built in 1889. In September of 2014 the Dairy received a letter from the Office of the State Engineer (SEO) that identified the Holita dam as unsatisfactory and restricted the storage level to five feet below the low point of the west dam crest. If the dam safety issues are not addressed by December 2017, the Dairy could be required to breach the dam.

The intent of the SEO storage restriction is to eliminate uncontrolled seepage from the dam. The SEO also identified the spillway as unsafe and is requiring a permanent lowering that will result in a storage volume of 274 acre-feet. Through this loan, the Dairy plans to rehabilitate the dam in the fall/winter of 2017.



COLORADO
Colorado Water Conservation Board
Department of Natural Resources

City Lake Dam Rehabilitation & Enlargement

City of Walsenburg

July 2017 Board Meeting

LOAN DETAILS	
Project Cost:	$6,821,000
CWCB Loan (with Service Fee):	$6,889,210
Loan Term and Interest Rate:	30 years @ 2.0%
Funding Source:	Severance Tax

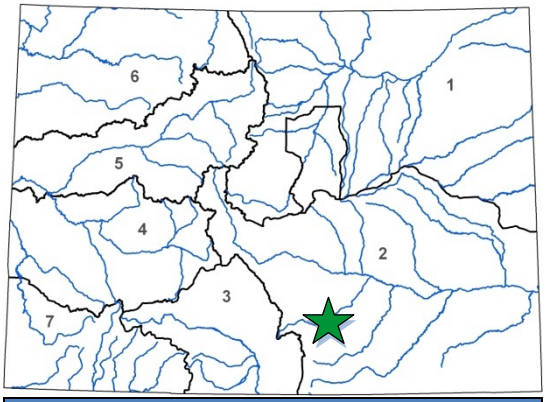
BORROWER TYPE		
Agriculture	*Municipal*	*Commercial*
0%	100% Low - 0% Mid - 0% High	0%

PROJECT DETAILS	
Project Type:	Reservoir Rehabilitation
Average Annual Delivery:	730 AF
Total Reservoir Storage:	531 AF
Water Storage Developed:	120 AF

The City of Walsenburg's City Lake dam and reservoir provides the primary water supply and storage for the City's water treatment plant located downstream of the dam. This dam has been subject to a State Engineer's Office (SEO) safety compliance plan since September of 2014, and a formal storage restriction since April 2017 as a result of dam safety deficiencies including seepage, stability, and spillway capacity. The dam safety imposes a 1-foot storage restriction on April 1, 2017, a 2-foot storage restriction on November 15, 2017, and a 3-foot storage restriction on May 1, 2019.

The City needs the full storage capacity of City Lake to adequately supply their water treatment plant and to ensure future water supplies.

Elements of the Project include dam embankment reconstruction, new outlet works, new spillway construction, riprap channel lining, and a temporary bypass conduit to route water to the water treatment plant. The project will increase storage by 120 acre-feet by raising the dam embankment three feet. Construction is planned for 2017/2018.



LOCATION			
County:			Huerfano
Water Source:			Cucharas River
Drainage Basin:			Arkansas River
Division:	2	*District:*	*16*

COLORADO
Colorado Water Conservation Board
Department of Natural Resources

Participation in Southern Water Supply Project II

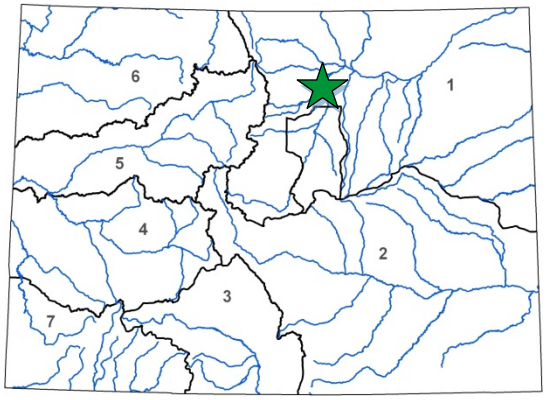
Left Hand Water District

September 2017 Board Meeting

LOAN DETAILS	
Project Cost:	$10,735,300
CWCB Loan (with Service Fee):	$10,000,000
Loan Term and Interest Rate:	20 Years @ 2.75%
Funding Source:	Construction Fund

BORROWER TYPE		
Agriculture	*Municipal*	*Commercial*
0%	0% Low - 30% Mid -70% High	0%

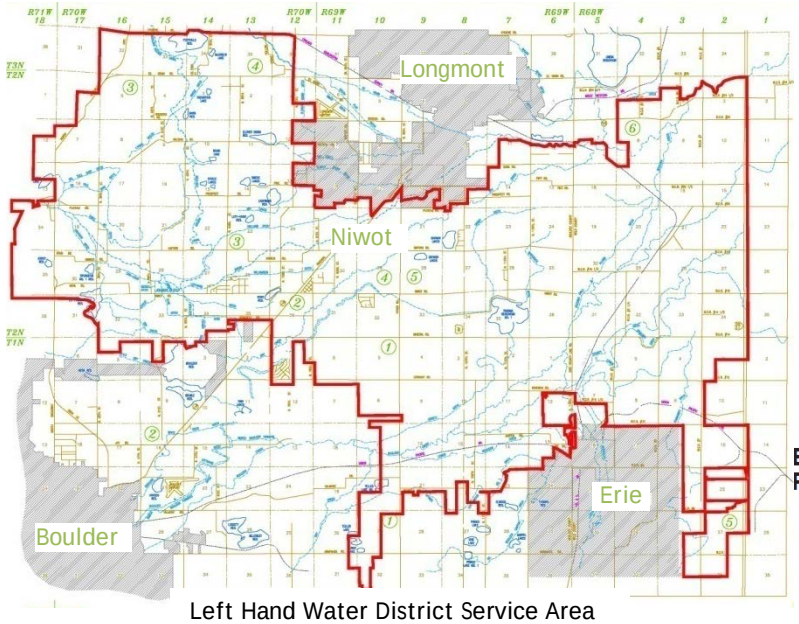
PROJECT DETAILS	
Project Type:	Municipal Water Supply System New
Average Annual Delivery:	4,400 AF



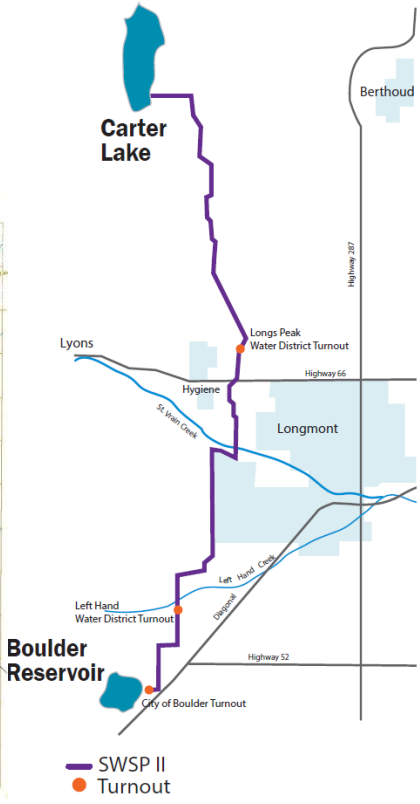
LOCATION			
County:			Broomfield, Weld
Water Source:			
Drainage Basin:			South Platte
Division:	1	*District:*	5

The District provides potable water service within a 108 square mile service area within unincorporated areas of Boulder and Larimer Counties; serving approximately 20,000 people through 7,154 individually metered taps. Water is treated at the Spurgeon Water Treatment Plant (WTP) and Dodd WTP. Spurgeon WTP is operated year-round while Dodd WTP is operated only during the irrigation season. By participating in the Southern Water Supply Project (SWSP) II, the District will be able to supply Dodd WTP with a year-round water supply, significantly reducing the risk associated with having only one water supply during the non-irrigation season, as well as reducing the maintenance associated with an open canal supplying water for treatment.

The SWSP II, proposed by Northern Colorado Water Conservancy District, is a 20-mile pipeline from Carter Lake to the Boulder Reservoir. The pipeline will deliver raw water for municipal use to Left Hand Water District (Borrower), Longs Peak Water District, and the City of Boulder. The full cost of the project is estimated to be $43,890,000. The Districts participation cost is estimated to be $10,735,000.The $10,000,000 CWCB loan will cover a majority of the District's participation cost. The District will use its cash reserves for any cost exceeding that exceeds the CWCB loan.



Left Hand Water District Service Area



COLORADO
Colorado Water Conservation Board
Department of Natural Resources

Tunnel and Canal Renovation

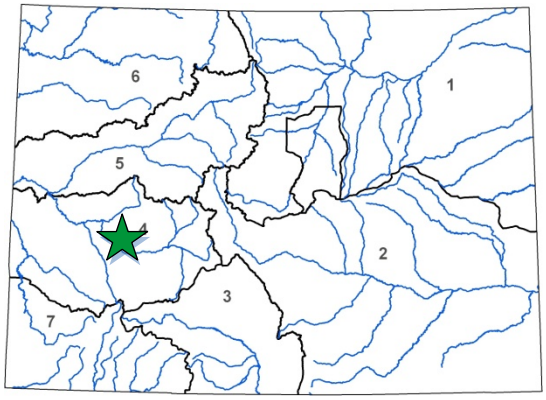
Fruitland Irrigation Company

September 2017 Board Meeting

LOAN DETAILS	
Project Cost:	$10,509,000
CWCB Loan (with Service Fee):	$1,774,671
Loan Term and Interest Rate:	40 Years @ 2.0%
Funding Source:	Severance Tax PBF and WSRF Grant

BORROWER TYPE		
Agriculture	*Municipal*	*Commercial*
100%	0% Low - 0% Mid -0% High	0%

PROJECT DETAILS	
Project Type:	Ditch Rehabilitation
Average Annual Diversions:	10,103 AF



LOCATION			
County:			Delta & Montrose
Water Source:			Crystal Creek
Drainage Basin:			Gunnison
Division:	4	*District:*	40

The Company owns and operates the 17.7 mile-long earthen Fruitland Highline Canal, the 22 mile-long earthen Gould Canal including 0.8 miles through two rock tunnels, and the 10,168 AF Gould Reservoir. The Fruitland Highline Canal diverts from Crystal Creek, 13 miles south of the Town of Crawford and provides irrigation water to approximately 5,900 acres in Delta and Montrose Counties.

The Company is seeking a CWCB Loan and a WSRF Grant as part of an overall funding package for the Tunnel and Canal Renovation Project. The two tunnels in the Gould Canal are over 100 years old and have eroded to the point that its structural integrity is threatened. A collapse would eliminate the ability to deliver irrigation water after the junior direct flow rights are out of priority, typically in mid-June. Additionally, the Fruitland Highline and Gould Canals are located within the Colorado River salinity control area. The seepage losses are estimated to be 12.5 cfs, or 1856 AF annually which equates to approximately 6,053 tons of salt to the Colorado River system.

CWCB funding will be used to pipe the Gould Canal from Gould Reservoir through the two tunnels, a distance of approximately 2.1 miles and line the earthen canal for approximately 10.3 miles.


Canal to be piped


Canal to be lined

COLORADO
Colorado Water Conservation Board
Department of Natural Resources

Adobe Creek Dam Rehabilitation

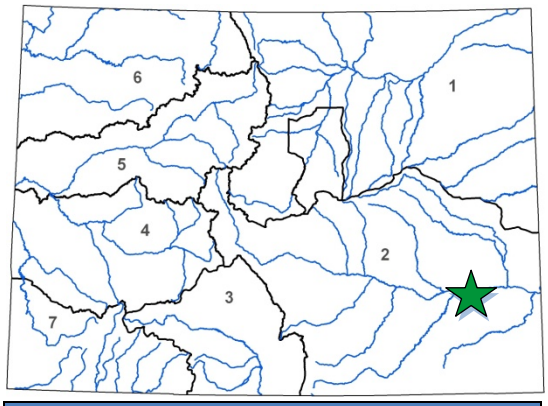
Fort Lyon Canal Company

September 2017 Board Meeting

LOAN DETAILS	
Project Cost:	$9,200,000
CWCB Loan (with Service Fee):	$8,209,381
Loan Term and Interest Rate:	40 years @ 1.50%
Funding Source:	WSRF & Severance Tax Perpetual Base Fund

BORROWER TYPE		
Agriculture	*Municipal*	*Commercial*
99.1%	<1% Low - TBD% Mid -0% High	<1%

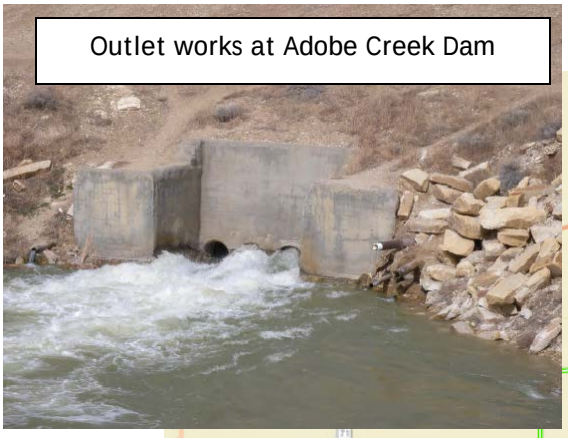
PROJECT DETAILS	
Project Type:	Dam Rehabilitation
Average Annual Diversions:	221,000 AF
Recovered Storage:	32,560 AF
Preserved Storage:	81,692 AF



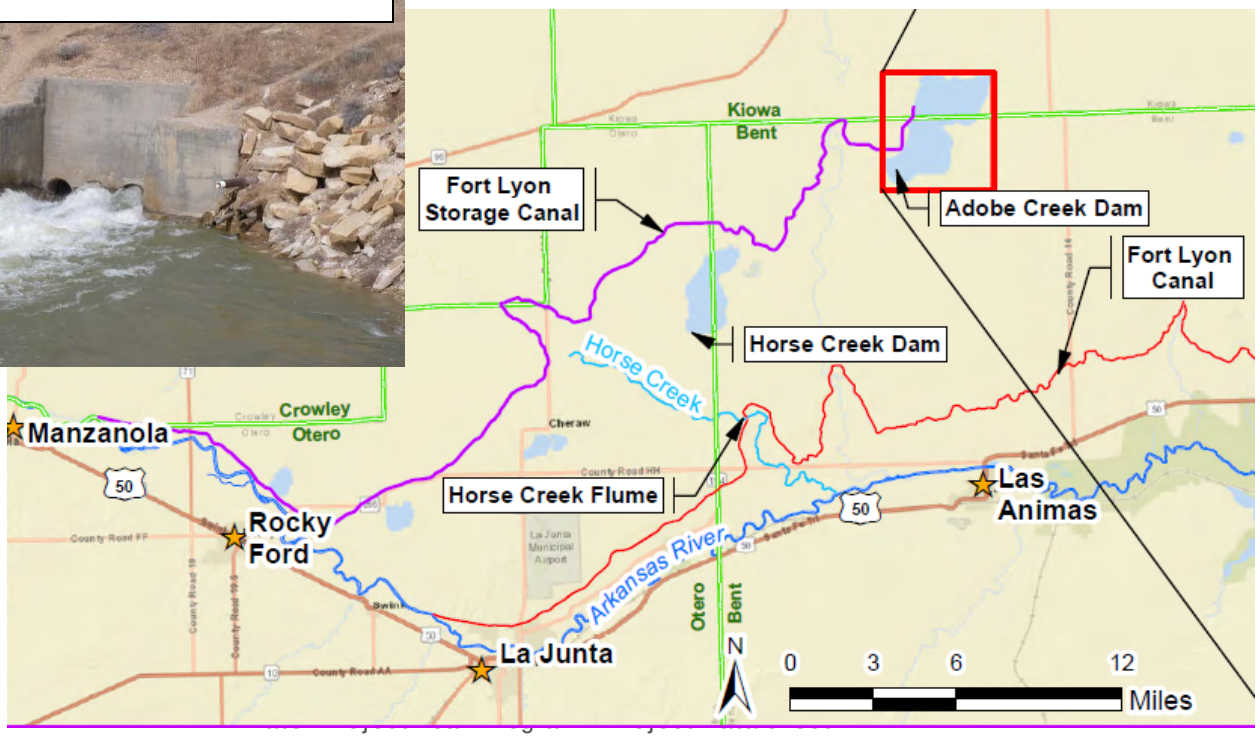
LOCATION			
County:			Bent
Water Source:			Arkansas River
Drainage Basin:			Arkansas
Division:	2	*District:*	17

Adobe Creek Reservoir (also known as Blue Lake) is owned by the Fort Lyon Canal Company. The dam is a 32-foot-high, high hazard dam that impounds approximately 77,400 acre-feet of active storage and 4,292 acre feet of dead storage. The water is used to irrigate approximately 93,000 acres of land in Bent, Otero, and Prowers County.

A storage restriction was issued by the Dam Safety Branch of the Office of the State Engineer on May 5, 2017 due to adverse seepage conditions in the dam's foundation and deteriorated conditions in the 112-year-old, vitrified clay outlet works. Through this loan, the Company intends to design and construct new outlet works and seepage control systems in Adobe Creek Dam to regain the approximately 32,560 acre-feet of storage that was lost due to the storage restriction. The project will also be funded by a $100,000 Water Supply Reserve Fund (WSRF) Arkansas Basin grant and a $1,000,000 Statewide WSRF grant. Construction is expected to being in late 2018.



Outlet works at Adobe Creek Dam



COLORADO
Colorado Water Conservation Board
Department of Natural Resources

St. Vrain Diversion Replacement

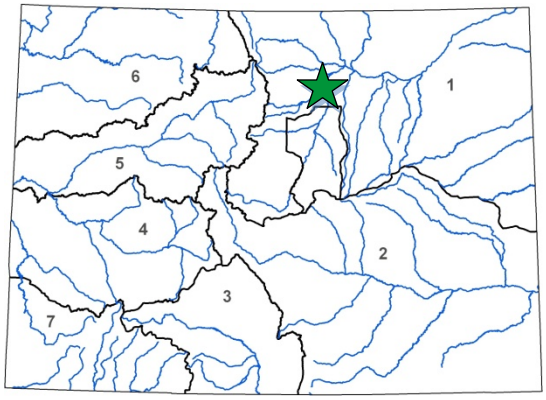
Bonus Ditch Company

September 2017 Board Meeting

LOAN DETAILS	
Project Cost:	$1,297,000
CWCB Loan (with Service Fee):	$1,309,970
Loan Term and Interest Rate:	30 Years @ 2.90 %
Funding Source:	Severance Tax PBF

BORROWER TYPE		
Agriculture	*Municipal*	*Commercial*
2%	0% Low - 52% Mid -46% High	0%

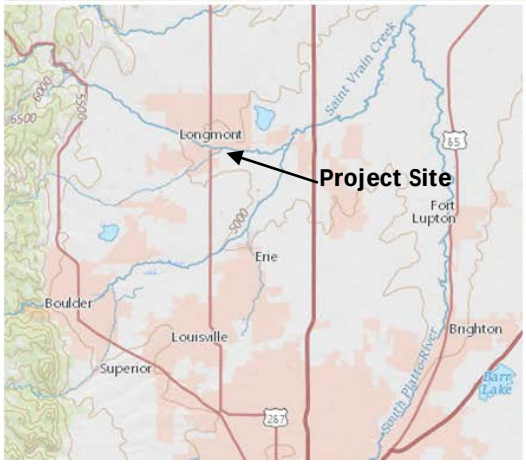
PROJECT DETAILS	
Project Type:	Ditch Rehabilitation
Average Annual Delivery:	2,221 AF

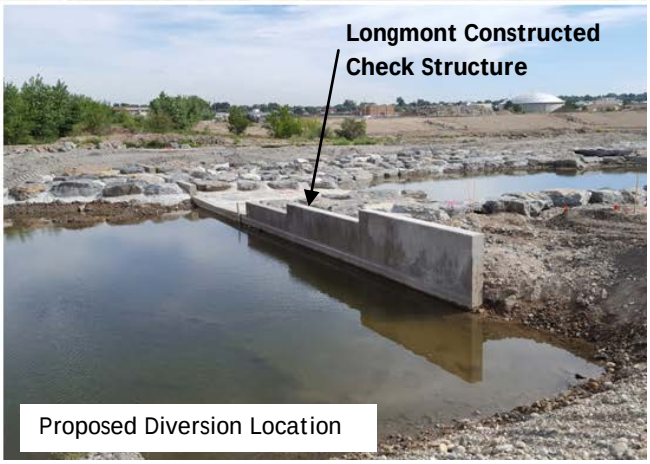


LOCATION			
County:			Boulder
Water Source:			St Vrain Creek
Drainage Basin:			South Platte
Division:	1	*District:*	5

The Bonus Ditch irrigates open space property leased to farmers in Boulder County and Weld County. Its diversion structure on St. Vrain Creek was destroyed during the September 2013 flood in the South Platte Basin.

The Company is working with Longmont under the Resilient St. Vrain (RSV) project, a multi-year project to fully restore the St. Vrain Greenway trails and improve the St. Vrain Creek channel to protect people and property from future flooding. The Company's diversion structure is located with the "City Reach" of the RSV project. The selected alternative for repairing the diversion structure fits with the goals of the RSV project. The Company has an approved Project Worksheet with FEMA to cover the "like for like" replacement cost of the project. Construction of the repair project is on hold until FEMA acts on a funding request to instead fund an "improved project" as replacing the diversion like for like is no longer feasible due to the post flood channel condition, and does not fit with the goals of the RSV project.





COLORADO
Colorado Water Conservation Board
Department of Natural Resources

Centenial Diversion Replacement

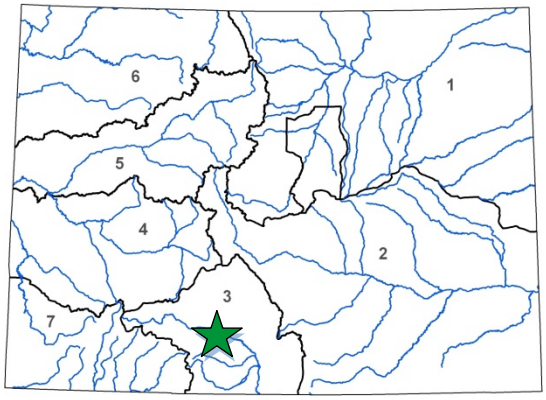
Centenial Irrigating Ditch Company

September 2017 Board Meeting

LOAN DETAILS	
Project Cost:	$512,000
CWCB Loan (with Service Fee):	$232,300
Loan Term and Interest Rate:	20 Years @ 1.50%
Funding Source:	Severance Tax PBF and WSRF Grant

BORROWER TYPE		
Agriculture	*Municipal*	*Commercial*
100%	0% Low - 0% Mid - 0% High	0%

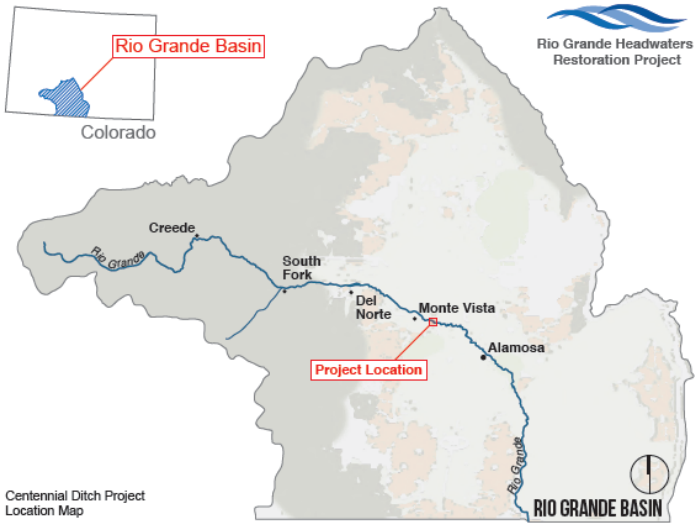
PROJECT DETAILS	
Project Type:	Ditch Rehabilitation
Average Annual Delivery:	21,700 AF



LOCATION			
County:			Rio Grande
Water Source:			Rio Grande
Drainage Basin:			Rio Grande
Division:	3	*District:*	20

The Company's diversion and headgate structures are located four miles east of Monte Vista on the Rio Grande. 8,500 acres are irrigated under the system. The diversion was highlighted as a river rehabilitation priority in a 2001 study titled "Rio Grande Headwater Restoration Project." That study analyzed the condition of riparian habitats and structures along a 91-mile reach of the Rio Grande from the town of South Fork to Alamosa, and was sponsored by the San Luis Valley Water Conservancy District and funded with a grant from the CWCB. A 2007 Rio Grande Watershed Restoration Strategic Plan highlighted the importance of continued efforts to implement the 2001 study recommendations.

The Company partnered with the Colorado Rio Grande Restoration Foundation, the fiscal agent for the Rio Grande Headwater Restoration Project, to organize and raise funds for the Project. The Foundation similarly worked with four other ditch companies and consolidated those needs into one WSRF grant request ("Five Ditches: Rio Grande Diversion and Headgate Improvement"). That grant request will also be heard at the September 2017 Board Meeting. The existing diversion dam will be replaced with a grouted rock diversion dam spanning the width of the river. The dam will include a low flow channel to allow for sediment transport. Project stakeholders worked with Colorado Parks and Wildlife, and at CPW's request, final design will incorporate a partial fish barrier to protect native fish upstream from downstream non-native predators such as the pike.



Centennial Ditch Project Location Map


Diversion Structure