



## COLORADO

### Colorado Water Conservation Board

Department of Natural Resources

1313 Sherman Street, Room 718

Denver, CO 80203

August 7, 2019

Mr. Tracy Kester, President  
Trinchera Irrigation Company  
601 Main Street  
Blanca, CO 81136

Re: Mountain Home Dam Outlet Rehabilitation Phase III  
Loan Contract Number CT2018-3122

#### NOTICE OF PROJECT SUBSTANTIAL COMPLETION

Dear Mr. Kester:

This letter is to advise you that the Project referenced above will be substantially completed on September 1, 2019. In accordance with the Loan Contract, the Company owes \$5,473.95 for interest accrued during the construction phase of the Project (see attached Project Expenditure Schedule). At your request this amount has been rolled into the final loan balance and so no payment is required at this time.

The total amount disbursed under this contract was \$643,715.56 (\$637,342.14 plus \$6,373.42 for the 1% service fee). An adjustment of \$112,774.44 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 \$27,377.20 will be due on September 1, 2020 (see attached 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 = \$756,490.00  
Expended Amount = \$643,715.56

ec: Heather Dutton, CWCB Board Member, Rio Grande River Basin



Colorado Water Conservation Board  
Project Expenditure Schedule

**Mountain Home Dam Outlet Rehabilitation Phase III**

Trinchera Irrigation Company  
P. O. Box 41  
Blanca, CO 81123  
c/o Mr. Tracy S. Kester

Ph. (719) 379-3467  
Fax (719) 379-2687  
trinirr@gojade.org

|                       | Original     | Amended       | Final         |
|-----------------------|--------------|---------------|---------------|
| Loan Contract No.:    | CT2018-3122  |               |               |
| Authorization:        | \$440,360.00 | \$756,490.00  |               |
| Contract Amount       | \$436,000.00 | \$749,000.00  | \$ 637,342.14 |
| Loan Service Fee %    | 1.00%        | 1.00%         |               |
| Loan Service Fee      | \$4,360.00   | \$7,490.00    | \$ 6,373.42   |
| Total Loan Amount     | \$440,360.00 | \$ 756,490.00 | \$ 643,715.56 |
| Interest:             | 1.65%        | 1.65%         | 1.65%         |
| Term (Years):         | 30           | 30            | 30            |
| Conditions:           | Up to 100%   |               | 0             |
| IDC Calculation Date: | 9/1/2019     |               |               |

Substantial Completion Date

9/1/2019

Contract Expires:

4/30/2021

| Pay Req. No. | Date       | Description                  | Amount Disbursed | Cumulative Loan Balance | Balance Available to Loan | Interest      | Accrued Interest |
|--------------|------------|------------------------------|------------------|-------------------------|---------------------------|---------------|------------------|
|              |            |                              |                  |                         | \$ 756,490.00             |               |                  |
| 1            | 11/21/2018 | Construction and Engineering | \$ 122,829.90    | \$ 122,829.90           | \$ 633,660.10             | \$ 1,576.93   | \$ 1,576.93      |
| 2            | 12/10/2018 | Construction and Engineering | \$ 99,931.32     | \$ 222,761.22           | \$ 533,728.78             | \$ 1,197.12   | \$ 2,774.05      |
| 3            | 2/2/2019   | Engineering                  | \$ 8,359.04      | \$ 231,120.26           | \$ 525,369.74             | \$ 79.73      | \$ 2,853.78      |
| 4            | 3/1/2019   | Construction                 | \$ 160,411.46    | \$ 391,531.72           | \$ 364,958.28             | \$ 1,334.27   | \$ 4,188.05      |
| 5            | 4/12/2019  | Construction and Engineering | \$ 174,265.21    | \$ 565,796.93           | \$ 190,693.07             | \$ 1,118.64   | \$ 5,306.69      |
| 6            | 7/7/2019   | Construction and Engineering | \$ 66,071.26     | \$ 631,868.19           | \$ 124,621.81             | \$ 167.26     | \$ 5,473.95      |
| Final        | 9/1/2019   | IDC roll into loan           | \$ 5,473.95      | \$ 637,342.14           | \$ 119,147.86             | (\$ 5,473.95) | \$ 0.00          |
| Final        | 9/1/2019   | Loan Service Fee @ 1%        | \$ 6,373.42      | \$ 643,715.56           | \$ 112,774.44             | -             | \$ 0.00          |

**COLORADO WATER CONSERVATION BOARD**

**LOAN REPAYMENT SCHEDULE**

|                             |                                     |                   |
|-----------------------------|-------------------------------------|-------------------|
| <b>Borrower</b>             | <b>Trinchera Irrigation Company</b> | <b>FINAL</b>      |
| <b>Loan Contract Number</b> | <b>CT2018-3122</b>                  | <b>RE2020-030</b> |
| <b>Principal</b>            | <b>\$643,715.56</b>                 |                   |
| <b>Interest Rate</b>        | <b>1.65%</b>                        |                   |
| <b>Frequency</b>            | <b>Annual</b>                       |                   |
| <b>Term (In Years)</b>      | <b>30</b>                           |                   |
| <b>First Payment Due</b>    | <b>September 1, 2020</b>            |                   |
| <b>Payment Amount</b>       | <b>\$27,377.20</b>                  |                   |

| <b>Loan<br/>Payment<br/>No.</b> | <b>Annual<br/>Payment<br/>Due Date</b> | <b>Annual<br/>Payment<br/>Amount</b> | <b>Principal</b>    | <b>Interest</b>     | <b>Principal<br/>BALANCE</b> |
|---------------------------------|--|--------------------------------------|---------------------|---------------------|------------------------------|
|                                 |  |                                      |                     |                     | \$ 643,715.56                |
| 1                               | 1-Sep-20                               | \$27,377.20                          | \$16,755.89         | \$ 10,621.31        | \$ 626,959.67                |
| 2                               | 1-Sep-21                               | \$27,377.20                          | \$17,032.37         | \$ 10,344.83        | \$ 609,927.30                |
| 3                               | 1-Sep-22                               | \$27,377.20                          | \$17,313.40         | \$ 10,063.80        | \$ 592,613.90                |
| 4                               | 1-Sep-23                               | \$27,377.20                          | \$17,599.07         | \$ 9,778.13         | \$ 575,014.83                |
| 5                               | 1-Sep-24                               | \$27,377.20                          | \$17,889.46         | \$ 9,487.74         | \$ 557,125.37                |
| 6                               | 1-Sep-25                               | \$27,377.20                          | \$18,184.63         | \$ 9,192.57         | \$ 538,940.74                |
| 7                               | 1-Sep-26                               | \$27,377.20                          | \$18,484.68         | \$ 8,892.52         | \$ 520,456.06                |
| 8                               | 1-Sep-27                               | \$27,377.20                          | \$18,789.68         | \$ 8,587.52         | \$ 501,666.38                |
| 9                               | 1-Sep-28                               | \$27,377.20                          | \$19,099.70         | \$ 8,277.50         | \$ 482,566.68                |
| 10                              | 1-Sep-29                               | \$27,377.20                          | \$19,414.85         | \$ 7,962.35         | \$ 463,151.83                |
| 11                              | 1-Sep-30                               | \$27,377.20                          | \$19,735.19         | \$ 7,642.01         | \$ 443,416.64                |
| 12                              | 1-Sep-31                               | \$27,377.20                          | \$20,060.83         | \$ 7,316.37         | \$ 423,355.81                |
| 13                              | 1-Sep-32                               | \$27,377.20                          | \$20,391.83         | \$ 6,985.37         | \$ 402,963.98                |
| 14                              | 1-Sep-33                               | \$27,377.20                          | \$20,728.29         | \$ 6,648.91         | \$ 382,235.69                |
| 15                              | 1-Sep-34                               | \$27,377.20                          | \$21,070.31         | \$ 6,306.89         | \$ 361,165.38                |
| 16                              | 1-Sep-35                               | \$27,377.20                          | \$21,417.97         | \$ 5,959.23         | \$ 339,747.41                |
| 17                              | 1-Sep-36                               | \$27,377.20                          | \$21,771.37         | \$ 5,605.83         | \$ 317,976.04                |
| 18                              | 1-Sep-37                               | \$27,377.20                          | \$22,130.60         | \$ 5,246.60         | \$ 295,845.44                |
| 19                              | 1-Sep-38                               | \$27,377.20                          | \$22,495.75         | \$ 4,881.45         | \$ 273,349.69                |
| 20                              | 1-Sep-39                               | \$27,377.20                          | \$22,866.93         | \$ 4,510.27         | \$ 250,482.76                |
| 21                              | 1-Sep-40                               | \$27,377.20                          | \$23,244.23         | \$ 4,132.97         | \$ 227,238.53                |
| 22                              | 1-Sep-41                               | \$27,377.20                          | \$23,627.76         | \$ 3,749.44         | \$ 203,610.77                |
| 23                              | 1-Sep-42                               | \$27,377.20                          | \$24,017.62         | \$ 3,359.58         | \$ 179,593.15                |
| 24                              | 1-Sep-43                               | \$27,377.20                          | \$24,413.91         | \$ 2,963.29         | \$ 155,179.24                |
| 25                              | 1-Sep-44                               | \$27,377.20                          | \$24,816.74         | \$ 2,560.46         | \$ 130,362.50                |
| 26                              | 1-Sep-45                               | \$27,377.20                          | \$25,226.22         | \$ 2,150.98         | \$ 105,136.28                |
| 27                              | 1-Sep-46                               | \$27,377.20                          | \$25,642.45         | \$ 1,734.75         | \$ 79,493.83                 |
| 28                              | 1-Sep-47                               | \$27,377.20                          | \$26,065.55         | \$ 1,311.65         | \$ 53,428.28                 |
| 29                              | 1-Sep-48                               | \$27,377.20                          | \$26,495.63         | \$ 881.57           | \$ 26,932.65                 |
| 30                              | 1-Sep-49                               | \$27,377.04                          | \$26,932.65         | \$ 444.39           | \$ 0.00                      |
| <b>TOTALS</b>                   |  | <b>\$821,315.84</b>                  | <b>\$643,715.56</b> | <b>\$177,600.28</b> | <b>\$0.00</b>                |



Pre-Construction Valve's Leakage  
(All three valves fully closed)



New Valves (Fully Closed)



Grouting Lined Outlet Pipe



New Trash Rack

### Project Description

The Trinchera Irrigation Company owns and operates Mountain Home Reservoir. The reservoir was built in 1908 and has a capacity of 17,964 AF. Its primary function is for irrigation and the Colorado Parks and Wildlife operates a State Wildlife Area around the Reservoir and maintains a conservation pool of 653 AF in the Reservoir. The Reservoir's existing outlet works was experiencing significant leakage and only one of the three valves were operable. The purpose of this Project was to meet the emergency drawdown requirements of the State Engineer's Office Dam Safety Branch (SEO) and eliminate the annual leakage of up to 2,000 AF by rehabilitating the dam's outlet works.

Construction commenced in October 2018 shortly after the reservoir was fully drained. Rehabilitation efforts included installation of three new outlet valves, lining of the outlet pipeline and tower, installation of a new trash rack, and replacement of the gate house. Construction was substantially completed in the Spring of 2019. In addition to the CWC loan, the Company received a \$513,000 WSRF grant for construction (CTGG1 2018-1773). Additionally, the Company received \$95,000 in WSRF grants for Phase I and Phase II design efforts (POGG1 2015-120, POGG1 2017-1040).

| P R O J E C T D A T A  |                                 |                               |
|--|---------------------------------|-------------------------------|
| Sponsor: Trinchera Irr. Co.  | County: Costilla                | Water Source: Trinchera Creek |
| Type of Loan: Dam Rehabilitation   | Board Approval Date: March 2018 |                               |
| Loan Terms: 1.65% for 30 years (Original) \$756,490 (Final) \$643,715.56 |                                 | WSRF Funding: \$513,000       |
| Design Engineer: Engineering Analytics, Inc                              |                                 |                               |
| Contractor: Moltz Construction   |                                 |                               |