



COLORADO

Colorado Water Conservation Board

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

November 11, 2019

Mr. Randall Warren, General Manager
Inverness Water and Sanitation District
188 Inverness Drive West, Suite 150
Englewood, CO 80112
Email: randy@mulhernmre.com

Re: Water Infrastructure and Supply Efficiency (WISE) Phase 1 Infrastructure Project
Loan Contract Number CT2015-118 (C150409B)

NOTICE OF PROJECT SUBSTANTIAL COMPLETION

Mr. Warren:

This letter is to advise you that the Project referenced above will substantially complete on December 1, 2019. In accordance with the Loan Contract, the District owes \$33,167.89 for interest accrued during the construction phase of the Project. Per your request, this amount will be rolled into the total final loan balance. (see attached Project Expenditure Schedule)

The total amount disbursed under this contract was \$431,914.09 (\$427,637.71 plus \$4,276.38 for the 1% service fee). An adjustment of \$749,785.91 will be made to the contract for the funds no longer needed. Peg Mason, Contracts Manager, will initiate the process of amending the contract and Promissory Note. The first annual loan payment of \$28,364.55 will be due on December 1, 2020 (see attached Loan Repayment Schedule).

Please note, in accordance with the Borrower's Loan Contract, audited annual financials must be submitted to the CWCB 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 = \$1,181,700.00
Expended Amount = \$431,914.09

ec: Mr. Jim Yahn, CWCB Board Member, South Platte River Basin



Colorado Water Conservation Board
Project Expenditure Schedule

WISE Project Phase 1 Infrastructure

Inverness Water & Sanitation District
188 Inverness Drive West, Suite 150
Englewood, CO 80112
c/o Mr. Randall Warren

Ph.
Fax
Randy@mulhernmre.com

| | Original | Amended | Final |
|-----------------------|----------------|---------|---------------|
| Loan Contract No.: | CT2015-118 | | |
| Authorization: | \$1,181,700.00 | | |
| Contract Amount | \$1,170,000.00 | | \$ 427,637.71 |
| Loan Service Fee % | 1.00% | | |
| Loan Service Fee | \$11,700.00 | | \$ 4,276.38 |
| Total Loan Amount | \$1,181,700.00 | | \$ 431,914.09 |
| Interest: | 2.75% | | 2.75% |
| Term (Years): | 20 | | 20 |
| Conditions: | Up to 90% | | Up to 90% |
| IDC Calculation Date: | 12/1/2019 | | |

Substantial Completion Date

12/1/2019

Contract Expires:

1/1/2020

| Pay Req. No. | Date | Description | Amount Disbursed | Cumulative Loan Balance | Balance Available to Loan | Interest | Accrued Interest |
|--------------|------------|--|------------------|-------------------------|---------------------------|----------------|------------------|
| | | | | | \$ 1,181,700.00 | | |
| 1 | 11/10/2016 | Storage tank construction, design, constr svcs | \$ 35,644.72 | \$ 35,644.72 | \$ 1,146,055.28 | \$ 2,997.09 | \$ 2,997.09 |
| 2 | 11/10/2016 | Infrastructure phase one construction | \$ 179,762.25 | \$ 215,406.97 | \$ 966,293.03 | \$ 15,114.80 | \$ 18,111.89 |
| 3 | 11/10/2016 | Infrastructure phase one construction | \$ 179,062.85 | \$ 394,469.82 | \$ 787,230.18 | \$ 15,056.00 | \$ 33,167.89 |
| Final | 12/1/2019 | Roll IDC into Loan | \$ 33,167.89 | \$ 427,637.71 | \$ 754,062.29 | (\$ 33,167.89) | - |
| Final | 12/1/2019 | Loan Service Fee @ 1% | \$ 4,276.38 | \$ 431,914.09 | \$ 749,785.91 | - | - |
| CT | 12/1/2019 | Funds not Needed | (\$ 749,785.91) | \$ 431,914.09 | \$ 0.00 | - | - |

COLORADO WATER CONSERVATION BOARD

LOAN REPAYMENT SCHEDULE

| | | | |
|-----------------------------|--|-------------------------|--------------|
| Borrower | Inverness Water & Sanitation District | | FINAL |
| Loan Contract Number | CT2015-118 | CT2015-118 | |
| Principal | \$1,181,700.00 | \$431,914.09 | |
| Interest Rate | 2.75% | 2.75% | |
| Frequency | Annual | Annual | |
| Term (In Years) | 20 | 20 | |
| First Payment Due | December 1, 2020 | December 1, 2020 | |
| Payment Amount | \$77,604.28 | \$28,364.55 | |

| Loan Payment No. | Annual Payment Due Date | Annual Payment Amount | Principal | Interest | Principal BALANCE |
|-------------------------|--------------------------------|------------------------------|------------------|-----------------|--------------------------|
| | | | | | \$ 1,181,700.00 |
| | Adj to CT | \$ 749,785.91 | \$ 749,785.91 | | \$ 431,914.09 |
| 1 | 1-Dec-20 | \$ 28,364.55 | \$ 16,486.91 | \$ 11,877.64 | \$ 415,427.18 |
| 2 | 1-Dec-21 | \$ 28,364.55 | \$ 16,940.30 | \$ 11,424.25 | \$ 398,486.88 |
| 3 | 1-Dec-22 | \$ 28,364.55 | \$ 17,406.16 | \$ 10,958.39 | \$ 381,080.72 |
| 4 | 1-Dec-23 | \$ 28,364.55 | \$ 17,884.83 | \$ 10,479.72 | \$ 363,195.89 |
| 5 | 1-Dec-24 | \$ 28,364.55 | \$ 18,376.66 | \$ 9,987.89 | \$ 344,819.23 |
| 6 | 1-Dec-25 | \$ 28,364.55 | \$ 18,882.02 | \$ 9,482.53 | \$ 325,937.21 |
| 7 | 1-Dec-26 | \$ 28,364.55 | \$ 19,401.28 | \$ 8,963.27 | \$ 306,535.93 |
| 8 | 1-Dec-27 | \$ 28,364.55 | \$ 19,934.81 | \$ 8,429.74 | \$ 286,601.12 |
| 9 | 1-Dec-28 | \$ 28,364.55 | \$ 20,483.02 | \$ 7,881.53 | \$ 266,118.10 |
| 10 | 1-Dec-29 | \$ 28,364.55 | \$ 21,046.30 | \$ 7,318.25 | \$ 245,071.80 |
| 11 | 1-Dec-30 | \$ 28,364.55 | \$ 21,625.08 | \$ 6,739.47 | \$ 223,446.72 |
| 12 | 1-Dec-31 | \$ 28,364.55 | \$ 22,219.77 | \$ 6,144.78 | \$ 201,226.95 |
| 13 | 1-Dec-32 | \$ 28,364.55 | \$ 22,830.81 | \$ 5,533.74 | \$ 178,396.14 |
| 14 | 1-Dec-33 | \$ 28,364.55 | \$ 23,458.66 | \$ 4,905.89 | \$ 154,937.48 |
| 15 | 1-Dec-34 | \$ 28,364.55 | \$ 24,103.77 | \$ 4,260.78 | \$ 130,833.71 |
| 16 | 1-Dec-35 | \$ 28,364.55 | \$ 24,766.62 | \$ 3,597.93 | \$ 106,067.09 |
| 17 | 1-Dec-36 | \$ 28,364.55 | \$ 25,447.71 | \$ 2,916.84 | \$ 80,619.38 |
| 18 | 1-Dec-37 | \$ 28,364.55 | \$ 26,147.52 | \$ 2,217.03 | \$ 54,471.86 |
| 19 | 1-Dec-38 | \$ 28,364.55 | \$ 26,866.57 | \$ 1,497.98 | \$ 27,605.29 |
| 20 | 1-Dec-39 | \$ 28,364.44 | \$ 27,605.29 | \$ 759.15 | \$ - |
| TOTALS | | \$ 567,290.89 | \$ 431,914.09 | \$ 135,376.80 | \$ - |



Photos show installation and welding of the new pipeline near Rueter-Hess Reservoir. The pipeline extends from Chambers Road and E-470 to the Parker Water Treatment Plant south of Rueter-Hess Reservoir.

Project Description

The Inverness Water and Sanitation District (District) contains approximately 1,000 acres with approximately 2/3 of the development in unincorporated Arapahoe County and 1/3 in unincorporated Douglas County. Current annual water demands are between 1,000 and 1,100 acre feet per year for both potable and non-potable uses. Water delivery is approximately 50% from Denver Water and 50% from non-tributary well pumping. The District serves 2,400 single family equivalent taps. The District has an independent water system with potable water provided from 4 non-tributary wells and through a permanent water lease with Denver Water. The District has non tributary ground water rights totaling 2,402 acre feet annually in the Dawson Arapahoe and Laramie Fox Hills Aquifers.

The WISE Project is the result of regional cooperative planning between Denver Water Aurora Water and 10 regional water providers in the south metropolitan area. The South Metro WISE Authority is comprised of ten governmental water providers in Douglas and Arapahoe Counties bound together by a 2013 Intergovernmental Agreement. The WISE Project reduces the dependence on non-renewable groundwater resources efforts.

The District subscribed to 500 acre feet of water on an average annual basis through the WISE Project. The District has a connection to the East Cherry Creek Valley ECCV Western Pipeline near the intersection of South Jamaica Street and E-470. Immediately downstream of the connection, is a below grade vault with flow control and metering equipment. Downstream of the vault is approximately 1,800 feet of 10-inch pipe connected to the District's existing distribution system. The District also participated in a Rueter Hess Reservoir fill pipeline and pump station constructed by Parker Water and Sanitation District beginning at Chambers Road and E-470 and ending at the Parker Water Treatment Plant. South from the Rueter Hess Reservoir and treatment plant, a 16.5 million gallons per day pump station was constructed followed by 9,000 feet of a new 24-inch pipeline that allows WISE water to be conveyed to Rueter Hess Reservoir for storage. The majority of construction was complete in 2018.

| P R O J E C T D A T A | | |
|--|-------------------------------------|---|
| <i>Sponsor:</i> Inverness Water and Sanitation District | <i>County:</i> Douglas and Arapahoe | <i>Water Source:</i> South Platte River |
| <i>Type of Project:</i> Water Supply and Storage | | <i>Board Approval Date:</i> May 2014 |
| <i>Terms of Loan:</i> 2.75% for 20 years (Original) \$1,181,700 (Final) \$431,914 | | |
| <i>Design Engineer:</i> Black and Veatch | | |
| <i>Contractor:</i> Layne Heavy Civil, Inc. and Western Summit Contractors | | |