



April 23, 2018

Kevin Reidy
Colorado Water Conservation Board
1313 Sherman St. Room 721
Denver, CO 80203

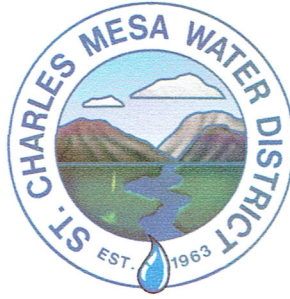
Dear Kevin,

This letter serves as the St. Charles Mesa Water District's (SCMWD) 50% progress report for PO 2016-1004.

SCMWD reports that due to months of litigation the project was significantly delayed. The Zinno Water Users Association agreed to commence a court determination that by providing water to members of the subdivision with desired water service from SCMWD it does not constitute a condemnation of the property of Joseph Water Corporation (former water provider) by SCMWD and does not constitute unlawful interference with any of Joseph Corporation's economic interests by SCMWD. On March 24, 2016, the Zinno Water Association began circulating forms among its membership seeking annexation into the SCMWD service area boundaries, understanding that even if a parcel of property is annexed into SCMWD there is no requirement that the member obtain water from SCMWD and each member is free to obtain potable drinking water from whatever source the member desires. These initial steps are necessary for completing the process of including the Zinno subdivision into the SCMWD service area. On August 7, 2017 a Court Order was signed stating the subdivision may receive water service from SCMWD and by doing so, it does not constitute a condemnation of the property of Joseph Water Corporation. A Declaration was signed by Joseph Water Corporation, SCMWD and the Zinno Water Users Association that defined the terms of the agreement.

The Court Order and Declaration resolved all legal matters and has opened the door for this project to move forward. We immediately began working on several other grants and a loan that could potentially assist with financing this project. This has taken up quite a bit of our time.

During this time, we were also challenged with finding a new project engineer. Our original engineer could no longer work on the project due to health problems. This task has been completed and we are ready to move forward with engineering and planning. These issues have affected our schedule tremendously. A revised schedule and budget is attached to this letter. Please note that the District continues to allocate the CWCW Water Efficiency funding to a portion of the cost of water meters for the project. This part of the budget has not changed, only the schedule has changed for the project.



On the bright side, we are moving forward and have annexed the Zinno Subdivision into the District's service boundaries. We have also secured all our project funding from the various sources. We are in the process of signing contracts for a Dept. of Local Affairs Grant and a CWCB Colorado Water Plan Grant. We are also in the process of executing a loan contract with Colorado Water Resources and Power Development Authority.

We anticipate spending funds on the meters within the next 3 months and anticipate making a request for reimbursement in June or July 2018. We thank you for your patience and your support. If you have any questions, please, let me or Jean Van Pelt know.

Sincerely,

A handwritten signature in blue ink, which appears to read "David K. Simpson", is written over a horizontal line.

David Simpson
General Manager

St. Charles Mesa Water District

CWCW WATER EFFICIENCY GRANT BUDGET UPDATE

Long-Term Potable Water Supply - Zinno Subdivision Project

LOAN & GRANT DETAILED PROJECT BUDGET						Approved 3/30/18	Approved 11/10/17		Approved 3/6/18	Approved 4/20/18	Received 9/11/17	Received 6/17/16	Received 3/22/18	Commitment Letter
						Department of Local Affairs Grant	Drinking Water Revolving Fund Planning Grant	St. Charles Mesa Water District	Drinking Water Revolving Fund Design and Engineering Grant	Drinking Water Revolving Fund Loan	Colorado Water Conservation Board Water Supply Reserve Fund Grant	Colorado Water Conservation Board Water Efficiency Grant	Colorado Water Conservation Board Colorado Water Plan Grant	Pueblo County Marijuana Tax Fund
SOW TASKS	SCOPE OF WORK TASK EXPLANATIONS	QTY	UNIT	MATERIAL / LABOR COST	COSTS	DOLA Grant	DWRF Planning Grant	SCMWD 20% Match	DWRF Design & Engineering Grant	CWRPDA Loan	CWCW WSRA Grant	CWCW WE Grant	CWCW CWP Grant	Pueblo County
TASK 1	Planning and Construction Engineering Services				\$ 65,079				\$ 65,079					
A	CDPHE Approval	1	L.S.		\$ 7,060				\$ 7,060					
	Principal Engineer	12	HR	\$ 155	\$ 1,860									
	Grants Management	80	HR	\$ 65	\$ 5,200									
B	Engineering Planning and Project Development	1	L.S.		\$ 13,144				\$ 13,144					
	Principal Engineer	72	HR	\$ 155	\$ 11,160									
	CAD Technician	32	HR	\$ 62	\$ 1,984									
C	Surveying	1	L.S.		\$ 8,528				\$ 8,528					
	GPS Survey Crew	24	HR	\$ 285	\$ 6,840									
	Licensed Surveyor	2	HR	\$ 100	\$ 200									
	CAD Technician	24	HR	\$ 62	\$ 1,488									
D	Construction Plans	1	L.S.		\$ 17,360				\$ 17,360					
	Principal Engineer	80	HR	\$ 155	\$ 12,400									
	CAD Technician	80	HR	\$ 62	\$ 4,960									
E	Contract Documents	1	L.S.		\$ 3,995				\$ 3,995					
	Principal Engineer	24	HR	\$ 155	\$ 3,720									
	Reproduction	1	L.S.	\$ 275	\$ 275									
F	Materials and Compaction Testing (Geotech)	1	L.S.		\$ 6,000				\$ 6,000					
	Gradation and Proctor Tests	3	EA	\$ 500	\$ 1,500									
	Compaction Tests	150	EA	\$ 25	\$ 3,750									
	Concrete Test Sets	6	EA	\$ 125	\$ 750									
G	As-Built Plans				\$ 992				\$ 992					
	Principal Engineer	4	HR	\$ 155	\$ 620									
	CAD Technician	6	HR	\$ 62	\$ 372									
H	Legal - General Counsel	1	L.S.	\$ 8,000	\$ 8,000				\$ 8,000					
Task 2	Project Needs Assessment and Environmental Assessment				\$ 18,830		\$ 10,000	\$ 2,030	\$ 6,800					
A	Project Needs Assessment				\$ 1,860		\$ 1,860		\$ 1,860					
	Principal Engineer	12	HR	\$ 155	\$ 1,860									
B	Environmental Assessment				\$ 11,575		\$ 4,775	\$ -	\$ 6,800					
	Program Manager	80	HR	\$ 85	\$ 6,800		\$ 2,200		\$ 4,600					
	Professional Staff	20	HR	\$ 65	\$ 1,300		\$ 1,300							
	Administrative	5	HR	\$ 45	\$ 225		\$ 225							
	AutoCAD	15	HR	\$ 60	\$ 900		\$ 900							
	Other Costs	1	L.S.	\$ 150	\$ 150		\$ 150							
	Opinical Archeologist	10	HR	\$ 120	\$ 1,200				\$ 1,200					
	Biologist	10	HR	\$ 100	\$ 1,000				\$ 1,000					
C	Grants Coordinator	83	HR	\$ 65	\$ 5,395		\$ 3,365	\$ 2,030						
TASK 3	Construction Project to install water infrastructure				\$ 628,200	\$ 180,550				\$ 251,100	\$ 75,000	\$ 49,950	\$ 71,600	
A	Construction surveying and traffic control				\$ 25,000					\$ 25,000				
	Traffic Control	1	L.S.	\$ 20,000	\$ 20,000									
	Construction Surveying	1	L.S.	\$ 5,000	\$ 5,000									
B	Repair existing lines & install temporary service during construction	1	L.S.	\$ 75,000	\$ 75,000					\$ 75,000				
C	Installation of the proposed potable water system				\$ 297,700					\$ 226,100			\$ 71,600	
	Mobilization	1	L.S.	\$ 30,000	\$ 30,000					\$ 30,000				
	Rock Excavation	100	C.Y.	\$ 10	\$ 1,000					\$ 1,000				
	3/4" Washed Rock Bedding (20% of Trench)	150	Tons	\$ 20	\$ 3,000					\$ 3,000				
	Select Imported Backfill (50% of Trench)	1,200	Tons	\$ 15	\$ 18,000					\$ 18,000				
	6" Dia. C900 Water Main (Zinno Blvd.)	2,100	L.F.	\$ 30	\$ 63,000					\$ 63,000				
	6" Dia. C900 Water Main (Carmela Rd.)	1,460	L.F.	\$ 30	\$ 43,800					\$ 43,800				
	6" Dia. C900 Water Main (20 1/4 Lane)	860	L.F.	\$ 30	\$ 25,800					\$ 25,800				
	12" Dia. C900 Water Main (21st Lane)	600	L.F.	\$ 60	\$ 36,000					\$ 36,000				
	Tracer Wire	5,500	L.F.	\$ 1	\$ 5,500					\$ 5,500				
	6" MJ Gate Valve & Box (Zinno Blvd.)	7	EA.	\$ 1,500	\$ 10,500								\$ 10,500	
	6" MJ Gate Valve & Box (Carmela Rd.)	5	EA.	\$ 1,500	\$ 7,500								\$ 7,500	
	6" MJ Gate Valve & Box (20 1/4 Lane)	2	EA.	\$ 1,500	\$ 3,000								\$ 3,000	
	12" MJ Gate Valve & Box (21st Lane)	2	EA.	\$ 2,800	\$ 5,600								\$ 5,600	
	8" x 6" MJ Tee	5	EA.	\$ 1,000	\$ 5,000								\$ 5,000	
	8" Solid Sleeve	5	EA.	\$ 1,000	\$ 5,000								\$ 5,000	
	12" 45Deg. MJ Bend	2	EA.	\$ 1,500	\$ 3,000								\$ 3,000	
	Fire Hydrant Assembly	6	EA.	\$ 3,700	\$ 22,200								\$ 22,200	
	Tie-In with Existing 8" Dia. A.C. Water Main	2	EA.	\$ 1,400	\$ 2,800								\$ 2,800	
	Tie-In with Existing 8" Dia. C900. Water Main	3	EA.	\$ 1,400	\$ 4,200								\$ 4,200	
	Tie-In with Existing 12" Dia. A.C. Water Main	2	EA.	\$ 1,400	\$ 2,800								\$ 2,800	
D	Installation of proposed individual user taps and water meters				\$ 230,500	\$ 180,550						\$ 49,950		
	3/4" Type K Copper Pipe	2,700	L.F.	\$ 15	\$ 40,500	\$ 40,500								
	6" Tap Saddle Assemblies	100	EA.	\$ 700	\$ 70,000	\$ 70,000								

St. Charles Mesa Water District

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	Meter Assemblies	100	EA.	\$ 1,200	\$ 120,000	\$ 70,050								
Task 4	Demolition and Reconstruction of Roadways				\$ 192,076									\$ 192,076
A	Demolition of existing streets				\$ 43,980									
	Cut existing asphalt	10,100	L.F.	\$ 3	\$ 25,250									
	Asphalt & base course removal (Zinno Blvd.)	852	S.Y.	\$ 10	\$ 8,520									
	Asphalt & base course removal (Carmela Rd.)	653	S.Y.	\$ 10	\$ 6,530									
	Asphalt & base course removal (20 1/4 Lane)	368	S.Y.	\$ 10	\$ 3,680									
B	Reconstruct the roadways				\$ 148,096									
	Asphalt & base course repair (Zinno Blvd)	852	S.Y.	\$ 19	\$ 15,762									
	Asphalt & base course repair (Carmela Rd.)	623	S.Y.	\$ 19	\$ 11,526									
	Asphalt & base course repair (20 1/4 Lane)	368	S.Y.	\$ 19	\$ 6,808									
	Milling at curb	8,000	L.F.	\$ 6	\$ 48,000									
	1/2 Street 1" overlayment	880	Ton	\$ 75	\$ 66,000									
Task 5	Abandon Joseph Water System Storage and Wells				\$ 39,500	\$ 39,500								
	Demolish and Remove Two 300 sqft Structures	1	L.S.	\$ 20,500	\$ 20,500									
	Demolish and Remove Two 9000 gal Steel Storage Tanks	1	L.S.	\$ 15,000	\$ 15,000									
	Cap Well	1	L.S.	\$ 4,000	\$ 4,000									
Task 6	TR-840 filter for WTP	1	L.S.	\$ 54,780	\$ 54,780	\$ 54,780								
Task 7	Project Management & Contingency				\$ 210,870	\$ -				\$ 210,870				
A	Engineering Quality Assurance/Quality Control and Contracts Administration				\$ 17,920									
	Principal Engineer	104	HR	\$ 155	\$ 16,120									
	Clerical	40	HR	\$ 45	\$ 1,800									
B	Legal - General Counsel	1	L.S.	\$ 20,000	\$ 20,000									
C	Legal - Bond Counsel	1	L.S.	\$ 20,000	\$ 20,000									
D	Grant & Loan Management	230	HR	\$ 65	\$ 14,950									
E	Construction Contingency (11.5%)				\$ 138,000	\$ 138,000								
	TOTAL FOR ALL TASKS				\$ 1,209,335	\$ 274,830	\$ 10,000	\$ 2,030	\$ 71,879	\$ 461,970	\$ 75,000	\$ 49,950	\$ 71,600	\$ 192,076
	FUNDING BY SOURCE				\$ 1,209,335	\$ 274,830	\$ 10,000	\$ 2,030	\$ 71,879	\$ 461,970	\$ 75,000	\$ 49,950	\$ 71,600	\$ 192,076
	FUNDING PERCENTAGES				100%	23%	1%	0.2%	6%	38%	6%	4%	6%	16%

St. Charles Mesa Water District
Long-Term Potable Water Supply for the Zinno Subdivision
Project Schedule

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