



COLORADO

Colorado Water
Conservation Board

Department of Natural Resources

1313 Sherman Street, Room 718
Denver, CO 80203

December 16, 2019

Mr. Nathan Schultz, Mayor
Town of Fowler
317 South Main Street
Fowler, CO 81039

Re: Augmentation Waterline Project - Loan Closeout
CWCB Loan No. CT2015-054 (C150359)

Dear Mr. Schultz:

I would like to thank you for your participation in the Colorado Water Conservation Board Loan Program. We have reviewed your loan contract and, as you are aware, the contracted time frame to complete the Project has passed. The original Project end date was June 30, 2014 which was extended to June 30, 2016 and then to the most recent date of June 30, 2018. Per the second request, the additional time was needed for the following reason:

"The additional time is required to complete the process of obtaining those easements and for physical construction of the line. The construction engineering is complete unless the easement process mandates some change."

On October 30, 2018, the Town requested a third extension with the same explanation. In response to this request, CWCB requested additional information to justify the third extension. The CWCB staff reached out to Town staff multiple times in person, by phone and in writing requesting additional information.

On November 12, 2019, CWCB staff attended the Town Council meeting to discuss the Project's status. The Town elected to close out the loan on December 1, 2019, even though the Project has not been completed as originally planned. It is our understanding that a change to the Project scope of work is expected along with an amendment needed to Decree No. 13CW0007 with respect to the Oxford Ditch shares.

The Town owes \$4,783.99 for interest on the loan that has accrued to date. This interest will be rolled into the total final loan balance. The total amount disbursed under this contract was \$60,851.35 (\$60,248.86 plus \$602.49 for the 1% service fee). An adjustment of \$216,393.65 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 \$12,808.54 will be due on December 1, 2020 (see attached loan Repayment Schedule).

Please note, in accordance with the Loan Contract, audited annual financials must be submitted to the CWCB and a Reserve Account must be maintained during the entire repayment period.

We wish you success in your continued efforts to develop an augmentation supply for your community. If we can be of further assistance, feel free to contact us.

Sincerely,



Kirk Russell, P.E.
Finance Section Chief

Original Loan Contract Amount \$277,245.00
Final Disbursed Amount \$60,851.35

cc: Jack Goble, Board Member, Colorado Water Conservation Board
Lonnie Spady, Water Commissioner, Division of Water Resources
Kelly Lotrich, Town Clerk and Administrator, Town of Fowler

COLORADO WATER CONSERVATION BOARD

LOAN REPAYMENT SCHEDULE

Borrower	Town of Fowler	FINAL
Loan Contract Number	CT2015-054	CT2015-054
Principal	\$277,245.00	\$60,851.35
Interest Rate	2.25%	2.25%
Frequency	Annual	Annual
Term (In Years)	30	6
First Payment Due		December 1, 2020
Payment Amount	\$12,808.54	\$12,808.54

Loan Payment No.	Annual Payment Due Date	Annual Payment Amount	Principal	Interest	Principal BALANCE
					\$ 277,245.00
	CT Adj	\$216,393.65	\$216,393.65	\$ -	\$ 60,851.35
1	1-Dec-20	\$12,808.54	\$ 11,439.38	\$ 1,369.16	\$ 49,411.97
2	1-Dec-21	\$12,808.54	\$ 11,696.77	\$ 1,111.77	\$ 37,715.20
3	1-Dec-22	\$12,808.54	\$ 11,959.95	\$ 848.59	\$ 25,755.25
4	1-Dec-23	\$12,808.54	\$ 12,229.05	\$ 579.49	\$ 13,526.20
5	1-Dec-24	\$12,808.54	\$ 12,504.20	\$ 304.34	\$ 1,022.00
6	1-Dec-25	\$1,044.99	\$ 1,022.00	\$ 22.99	\$ -
TOTALS		\$65,087.69	\$60,851.35	\$4,236.34	\$0.00

**Colorado Water Conservation Board
Project Expenditure Schedule**

Town of Fowler Augmentation Waterline Project

Town of Fowler
317 S. Main Street
Fowler, CO 81039
c/o Mr Dan Hyatt
Ph. 719-263-4461
Fax
administrator@fowlercolorado.com

Loan Contract No.:	Original	Amended	Final
CT2015-054			
Authorization:	\$277,245.00		
Contract Amount	\$274,500.00		\$ 60,248.86
Loan Service Fee %	1.00%		
Loan Service Fee	\$2,745.00		\$ 602.49
Total Loan Amount	\$277,245.00		\$ 60,851.35
Interest:	2.25%		2.25%
Term (Years):	30		30
Conditions:	Up to 90%		Up to 90%
IDC Calculation Date:	12/1/2019		

Substantial Completion Date

12/1/2019

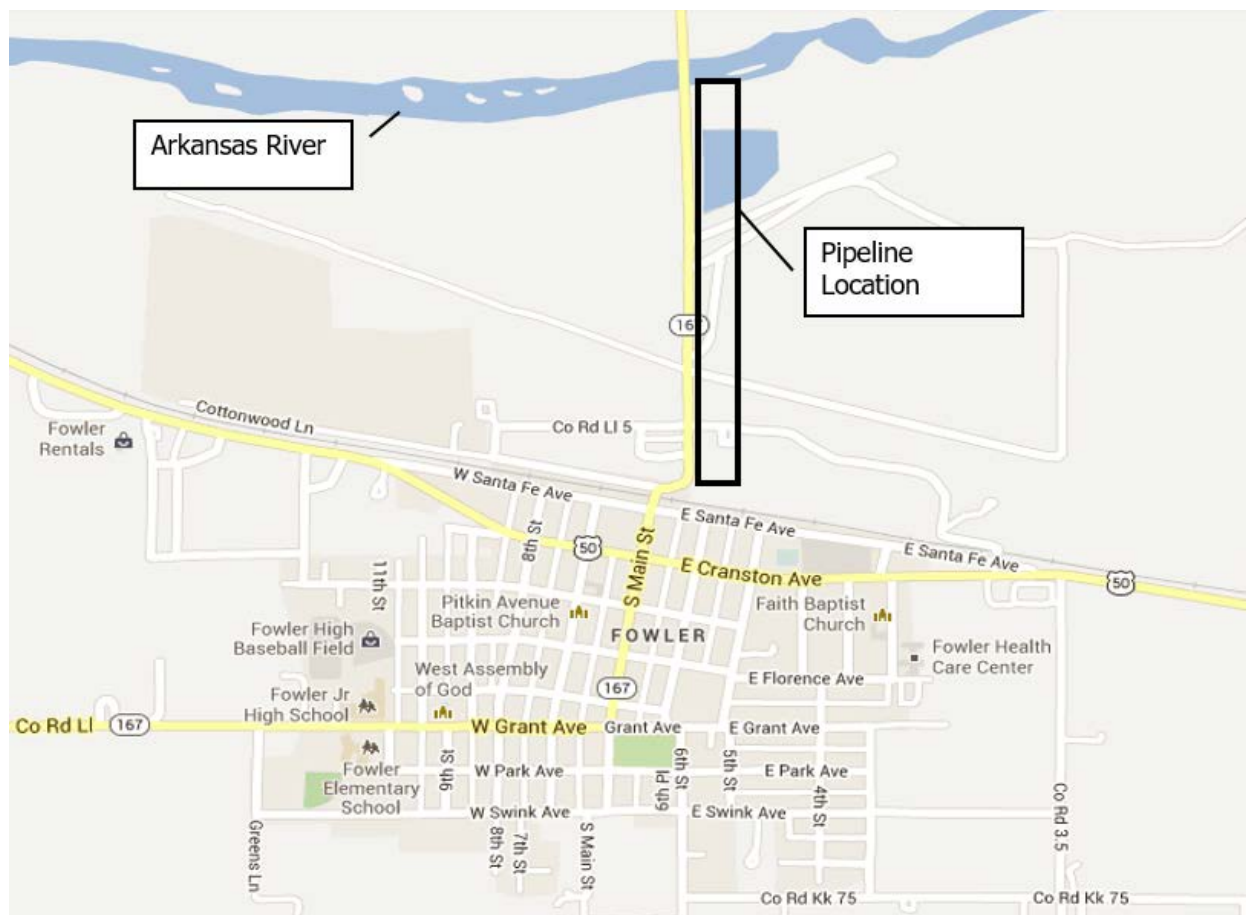
Contract Expires:

6/30/2018

Pay Req. No.	Date	Description	Amount Disbursed	Cumulative Loan Balance	Balance Available to Loan	Interest	Accrued Interest
1	1/1/2016	Engineering, Surveying, Bid Processing	\$ 42,360.87	\$ 42,360.87	\$ 234,884.13	\$ 3,708.03	\$ 3,708.03
2	4/8/2016	Engineering, Surveying	\$ 13,104.00	\$ 55,464.87	\$ 221,780.13	\$ 1,075.96	\$ 4,783.99
Final	12/1/2019	Add IDC to Loan	\$ 4,783.99	\$ 60,248.86	\$ 216,996.14	\$ 4,783.99	-
Final	12/1/2019	Loan Service Fee @ 1%	\$ 602.49	\$ 60,851.35	\$ 216,393.65	-	-
CT	12/1/2019	Funds Not Needed	\$ 216,393.65	\$ 60,851.35	\$ 0.00	-	-

* CORE AMT

60,851.35
- 4,783.99 IDC
- 602.49 FEE
55,464.87



Project Description

The Town of Fowler is located in Otero County along Highway 50, approximately 35 miles east of Pueblo. It has approximately 1,185 residents. The Town's water system service area includes the Town and adjacent areas within unincorporated Otero and Crowley Counties for a total of 709 taps.

Per a water court mandate, the Town must separate its augmentation water from its stormwater. The purpose of this project was to construct a diversion box to separate stormwater from augmentation water and to pipe the augmentation water to the Arkansas River. Construction of the Project was scheduled for the fall of 2013 with completion expected to occur the following year. This Project was not completed and the loan was closed December 2019.

P R O J E C T D A T A		
Sponsor: Town of Fowler	County: Otero	Water Source: Arkansas River
Type of Project: Augmentation	Board Approval Date: July 2013	
Terms of Loan: 2.25% for 30 years	(Original) \$277,245.00	(Final) \$60,851.35
Design Engineer: TST, Inc.		