



COLORADO

Colorado Water Conservation Board

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

July 6, 2020

Mr. Don Higbee, Manager and Secretary
Lower Arkansas Water Management Association
P.O. Box 1161
Lamar, CO 81052

Re: West Farm Gravel Pit Water Storage Purchase Project
CWCB Contract number CT2020-2335

NOTICE OF PROJECT SUBSTANTIAL COMPLETION

Dear Mr. Higbee:

This letter is to advise you that the Project referenced above was substantially completed on July 1, 2020. In accordance with the Loan Contract, the Lower Arkansas Water Management Association owes \$3,781.87 for interest accrued since the disbursement of funds (see attached Project Expenditure Schedule). Please make this "interest only payment" check payable to the Colorado Water Conservation Board and include the Loan Contract Number on the check.

The total expended amount under this contract was \$3,556,598.35 (\$3,521,384.50 plus \$35,213.85 for the 1% service fee). Funds in the amount of \$74,351.65 were not needed and an adjustment of that amount will be made to the contract. Peg Mason, Contracts Manager, will initiate the process of amending the contract for this reduction and the modification to the recorded Deed of Trust. The first annual loan payment of \$172,323.76 will be due on July 1, 2021 (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 this purchase. 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 = \$3,630,950.00
Expended Amount = \$3,556,598.35

cc: Mr. Greg Felt, CWCB Board Member, Arkansas River Basin



COLORADO WATER CONSERVATION BOARD

LOAN REPAYMENT SCHEDULE

Borrower	Lower Arkansas Water Management Association		FINAL RE2020-556
Loan Contract Number	CT2020-2335	CT2020-2335	
Principal	\$3,630,950.00	\$3,556,598.35	
Interest Rate	2.45%	2.45%	
Frequency	Annual	Annual	
Term (In Years)	30	30	
First Payment Due		July 1, 2021	
Payment Amount	\$172,323.76	\$172,323.76	

Loan Payment No.	Annual Payment Due Date	Annual Payment Amount	Principal	Interest	Principal BALANCE
					\$ 3,630,950.00
	CT Adj	\$74,351.65	\$74,351.65	\$ -	\$ 3,556,598.35
1	7/1/2021	\$172,323.76	\$85,187.10	\$ 87,136.66	\$ 3,471,411.25
2	7/1/2022	\$172,323.76	\$87,274.18	\$ 85,049.58	\$ 3,384,137.07
3	7/1/2023	\$172,323.76	\$89,412.40	\$ 82,911.36	\$ 3,294,724.67
4	7/1/2024	\$172,323.76	\$91,603.01	\$ 80,720.75	\$ 3,203,121.66
5	7/1/2025	\$172,323.76	\$93,847.28	\$ 78,476.48	\$ 3,109,274.38
6	7/1/2026	\$172,323.76	\$96,146.54	\$ 76,177.22	\$ 3,013,127.84
7	7/1/2027	\$172,323.76	\$98,502.13	\$ 73,821.63	\$ 2,914,625.71
8	7/1/2028	\$172,323.76	\$100,915.43	\$ 71,408.33	\$ 2,813,710.28
9	7/1/2029	\$172,323.76	\$103,387.86	\$ 68,935.90	\$ 2,710,322.42
10	7/1/2030	\$172,323.76	\$105,920.86	\$ 66,402.90	\$ 2,604,401.56
11	7/1/2031	\$172,323.76	\$108,515.92	\$ 63,807.84	\$ 2,495,885.64
12	7/1/2032	\$172,323.76	\$111,174.56	\$ 61,149.20	\$ 2,384,711.08
13	7/1/2033	\$172,323.76	\$113,898.34	\$ 58,425.42	\$ 2,270,812.74
14	7/1/2034	\$172,323.76	\$116,688.85	\$ 55,634.91	\$ 2,154,123.89
15	7/1/2035	\$172,323.76	\$119,547.72	\$ 52,776.04	\$ 2,034,576.17
16	7/1/2036	\$172,323.76	\$122,476.64	\$ 49,847.12	\$ 1,912,099.53
17	7/1/2037	\$172,323.76	\$125,477.32	\$ 46,846.44	\$ 1,786,622.21
18	7/1/2038	\$172,323.76	\$128,551.52	\$ 43,772.24	\$ 1,658,070.69
19	7/1/2039	\$172,323.76	\$131,701.03	\$ 40,622.73	\$ 1,526,369.66
20	7/1/2040	\$172,323.76	\$134,927.70	\$ 37,396.06	\$ 1,391,441.96
21	7/1/2041	\$172,323.76	\$138,233.43	\$ 34,090.33	\$ 1,253,208.53
22	7/1/2042	\$172,323.76	\$141,620.15	\$ 30,703.61	\$ 1,111,588.38
23	7/1/2043	\$172,323.76	\$145,089.84	\$ 27,233.92	\$ 966,498.54
24	7/1/2044	\$172,323.76	\$148,644.55	\$ 23,679.21	\$ 817,853.99
25	7/1/2045	\$172,323.76	\$152,286.34	\$ 20,037.42	\$ 665,567.65
26	7/1/2046	\$172,323.76	\$156,017.35	\$ 16,306.41	\$ 509,550.30
27	7/1/2047	\$172,323.76	\$159,839.78	\$ 12,483.98	\$ 349,710.52
28	7/1/2048	\$172,323.76	\$163,755.85	\$ 8,567.91	\$ 185,954.67
29	7/1/2049	\$172,323.76	\$167,767.87	\$ 4,555.89	\$ 18,186.80
30	7/1/2050	\$18,632.38	\$18,186.80	\$ 445.58	\$ -
TOTALS		\$5,016,021.42	\$3,556,598.35	\$1,459,423.07	\$0.00

Colorado Water Conservation Board
Project Expenditure Schedule

West Farm Gravel Pit Storage Purchase

Lower Arkansas Water Management Association
P. O. Box 1161
Lamar, CO 81052
c/o Donald Higbee

Ph. 719-336-9696
Fax (719) 336-2422
lawma@cminet.net

	Original	Amended	Final
Loan Contract No.:	CT2020-2335		
Authorization:	\$3,630,950.00		
Contract Amount	\$3,595,000.00		\$ 3,521,384.50
Loan Service Fee %	1.00%		
Loan Service Fee	\$35,950.00		\$ 35,213.85
Total Loan Amount	\$3,630,950.00		\$ 3,556,598.35
Interest:	2.45%		2.45%
Term (Years):	30		30
Conditions:	Up to 100%		Up to 100%
IDC Calculation Date:	7/1/2020		

Substantial Completion Date

7/1/2020

Contract Expires:

2/3/2021

Pay Req. No.	Date	Description	Amount Disbursed	Cumulative Loan Balance	Balance Available to Loan	Interest	Accrued Interest
					\$ 3,630,950.00		
1	6/15/2020	WFGP storage purchase	\$ 3,521,384.50	\$ 3,521,384.50	\$ 109,565.50	\$ 3,781.87	\$ 3,781.87
Final	7/1/2020	Loan Service Fee @ 1%	\$ 35,213.85	\$ 3,556,598.35	\$ 74,351.65	-	\$ 3,781.87
CT	7/1/2020	Funds Not Needed	(\$ 74,351.65)	\$ 3,556,598.35	(\$ 0.00)	-	\$ 3,781.87



West Farm Gravel Pit Water Storage Purchase Project

Lower Arkansas Water Management Association
Substantially Complete July 1, 2020



Project Description

The West Farm Gravel Pit (WFGP) storage reservoir is located downstream of the City of Lamar on the Arkansas River. The Lower Arkansas Water Management Association (LAWMA) purchased approximately 1,638 acre-feet of open water storage capacity in the WFGP to store fully consumable water for use in LAWMA's decreed plan for augmentation, its annual Arkansas River Use Rules replacement plan (Rule 14 Plan), LAWMA-operated Compact Compliance Plans under Rule 10 of the Compact Rules Governing improvements to Surface Water Irrigation Systems in the Arkansas River Basin in Colorado (Rule 10 Plan), and substitute water supply plans that include LAWMA shares as a source of replacement supply. Project benefits included an increased average annual allocation to a common share from 72% to 85% and a reduction in the number of dry year allocations. LAWMA was approved for a Water Plan Grant to fund a portion of this project from the water Supply and Storage grant program. A February 2015 final letter report prepared by the State Engineer's Office determined the WFGP slurry wall was lined to their design standard. LAWMA completed the water storage purchase in June 2020.

P R O J E C T D A T A		
<i>Sponsor:</i> Lower Arkansas Water Management Association	<i>County:</i> Prowers	<i>Water Source:</i> Arkansas River
<i>Type of Project:</i> Reservoir Storage	<i>Board Approval Date:</i> July 2019	
<i>Terms of Loan:</i> 2.45% for 30 years	<i>(Original)</i> \$3,630,950.00	<i>(Final)</i> \$3,556,598.35
<i>Terms of Water Plan Grant:</i>	<i>(Original)</i> \$1,000,000.00	<i>(Final)</i> \$993,211.02
<i>Engineer:</i> Randy Hendrix, P.E., Hendrix Wai Engineering, Inc.		
<i>Appraiser:</i> Gregory T. Gerken, MAI, AI-GRS, Hegarty & Gerken, Inc.		