



M E M O R A N D U M

March 10, 2023

TO: Board of Directors, Colorado Water Conservation Board, and Rebecca Mitchell, Director

FROM: Keith McLaughlin, Executive Director

RE: Colorado Water Resources & Power Development Authority (“Authority”)- Director’s Report

Drinking Water Revolving Fund (DWRF)

During the Authority’s March Board meeting the Board approved a DWRF loan to the St. Mary’s Glacier Water and Sanitation District. The district’s loan was approved for \$500 thousand, and its project consists of well improvements, treatment, and distribution system improvements.

In 2023, we closed one (1) design and engineering loan, for approximately \$300 thousand, and one (1) DWRF BIL General Supplemental direct loan, for approximately \$38.4 million, consisting of approximately \$5 million of BIL Principal Forgiveness (PF), \$4.2 million of BIL Loan and \$29.2 million. In total we have closed four (4) loans under the BIL program consisting of approximately \$52.3 million of BIL PF and \$46.5 million of BIL Loan. The 2023 project eligibility list contains 510 projects for an estimated need of approximately \$25 billion.

The DWRF loan capacity for 2023 is approximately \$70-90 million (including BIL infrastructure funds). The Authority plans to apply for the 2023 Federal Fiscal year DWRF BIL capitalization grant awards soon and should include: General Supplemental in the amount of \$43,000,000 (which consists of approximately 51% in loan and 49% in principal forgiveness (PF)), Emerging Contaminants in the amount of \$15,000,000 (which is 100% PF), and Lead Service Line Replacement in the amount of \$56,000,000 (which consists of approximately 51% in loan and 49% million in PF).

Water Pollution Control Revolving Fund (WPCRF)

During the Authority’s March Board meeting the Board approved a WPCRF loan to the Left Hand Water and Sanitation District for \$480 thousand. Its project consists of upgrades and repairs to a lift station, installing a detached valve vault, and replacing submersible sewage pumps.

In 2023, we have not yet closed any WPCRF loans. However, in total we have closed three (3) loans under the BIL program consisting of approximately \$3.44 million of BIL PF and \$3.16 million of BIL Loan. The 2023 project eligibility list contains 363 projects for an estimated need of approximately \$16 billion.

The WPCRF loan capacity for 2023 is approximately \$25-45 million (including BIL infrastructure funds). The Authority plans to apply for the 2023 Federal Fiscal year WPCRF BIL capitalization grant awards soon, and

should include: General Supplemental in the amount of \$18,560,000 (which consists of approximately 51% loan and 49% in principal forgiveness (PF)), and Emerging Contaminants in the amount of \$1,800,000 (which is 100% PF).

Legislative Matters

The Authority's Eligibility List Joint Resolution, HJR 23-1007 passed the full senate on third reading on February 7 and was signed by the Governor on February 24. Representative McCormick, Representative Catlin, Senator Roberts and Senator Simpson were the primary sponsors on the Authority's Joint Resolution.

On December 2, 2022, Governor Polis reappointed Chris Treese to represent the Main Stem of the Colorado Basin and appointed Bruce Whitehead to represent the San Miguel-Dolores-San Juan Drainage basin on the Authority Board. Both appointees were confirmed by the Senate in late January.

Future Authority Board Meetings

April 21, 2023 – Denver, hybrid format

June 2, 2023 – Mt. Crested Butte, hybrid format

August 23, 2023 – Steamboat Springs, hybrid format

October 6, 2023 – Denver, hybrid format