



## COLORADO

### Colorado Water Conservation Board

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

January 11, 2024

Randi Kim, Utilities Director  
City of Grand Junction  
910 Main Street  
Grand Junction, CO 81501

Re: Carson Reservoir Dam Rehabilitation Project  
Loan Contract Number CT2021-3110

#### NOTICE OF PROJECT SUBSTANTIAL COMPLETION

Dear Randi:

This letter is to advise you that the Project referenced above was substantially completed on January 1, 2024. In accordance with the Loan Contract, the Company owes \$63,828.81 for interest accrued during the construction phase of the Project (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. Mail it to the address above, attention Mimi Winter.

The final total loan amount under this contract is \$4,343,000.00 (\$4,300,000.00 plus \$43,000.00 for the 1% service fee). The first annual loan payment will be due on January 1, 2025, in the amount of \$458,542.96 as presented in the attached Loan Repayment Schedule and Promissory Note.

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 contact us if you have any questions regarding this matter.

Sincerely,

Kirk Russell, P.E. Chief  
CWCB Finance Section

Loan Contract Amount = \$4,343,000.00  
Final Total Loan Amount = \$4,343,000.00

cc: Paul Bruchez, CWCB Board Member, Colorado River Basin



Colorado Water Conservation Board  
Project Expenditure Schedule

**Carson Reservoir Dam Rehabilitation Project**

City of Grand Junction  
250 North 5th Street  
Grand Junction, CO 81501-2668  
c/o Randi Kim

Ph. 970-244-1429  
Fax (970) 244-1456  
randik@gjcity.org

	Original	Amended	Final
Loan Contract No.:	<b>CT2021-3110</b>		
Authorization:	\$3,030,000.00	\$4,343,000.00	
Contract Amount	\$3,000,000.00	\$4,300,000.00	\$ 4,300,000.00
Loan Service Fee %	1.00%	1.00%	
Loan Service Fee	\$30,000.00	\$43,000.00	\$ 43,000.00
Total Loan Amount	\$3,030,000.00	\$ 4,343,000.00	\$ 4,343,000.00
Interest:	1.00%	1.00%	1.00%
Term (Years):	10	10	10
Conditions:	Up to 100%		0
IDC Calculation Date:	1/1/2024		

Substantial Completion Date

1/1/2024

Contract Expires:

1/26/2025

Pay Req. No.	Date	Description	Amount Disbursed	Cumulative Loan Balance	Balance Available to Loan	Interest	Accrued Interest
					\$ 4,343,000.00		
1	10/27/2021	Construction	\$ 937,240.76	\$ 937,240.76	\$ 3,405,759.24	\$ 20,439.55	\$ 20,439.55
2	11/23/2021	Construction	\$ 343,287.33	\$ 1,280,528.09	\$ 3,062,471.91	\$ 7,232.55	\$ 27,672.10
3	12/27/2021	Construction	\$ 684,692.27	\$ 1,965,220.36	\$ 2,377,779.64	\$ 13,787.64	\$ 41,459.74
4	3/10/2022	Construction	\$ 147,336.41	\$ 2,112,556.77	\$ 2,230,443.23	\$ 2,672.24	\$ 44,131.98
5	11/17/2022	Construction	\$ 601,990.08	\$ 2,714,546.85	\$ 1,628,453.15	\$ 6,762.08	\$ 50,894.06
6	1/26/2023	Construction	\$ 1,340,266.66	\$ 4,054,813.51	\$ 288,186.49	\$ 12,484.68	\$ 63,378.74
7	10/26/2023	Construction	\$ 245,186.49	\$ 4,300,000.00	\$ 43,000.00	\$ 450.07	\$ 63,828.81
Final	1/1/2024	Loan Service Fee @ 1%	\$ 43,000.00	\$ 4,343,000.00	-	-	\$ 63,828.81

*MW*



# COLORADO

## Colorado Water Conservation Board

Department of Natural Resources

1313 Sherman Street, Room 718  
Denver, CO 80203

### Loan Repayment Schedule

Borrower | City of Grand Junction

Loan Contract Number | CT2021-3110

FINAL Loan Amount | \$4,300,000.00

1% Service Fee | \$43,000.00

Interest During Construction Added | \$0.00

FINAL Total Loan Amount | \$4,343,000.00

Interest Rate | 1.000000 %

Term | 10

First Payment Due | January 1, 2025

Annual Payment Amount | \$458,542.96

Line status	Pmt Date	Payment	Principal	Interest	Column fees	True Balance
Service Fee / IDC	01/01/2024	\$0.00	\$-43,000.00	\$0.00	\$43,000.00	\$4,343,000.00
Due Pmt	01/01/2025	\$458,542.96	\$415,112.96	\$43,430.00	\$0.00	\$3,927,887.04
Due Pmt	01/01/2026	\$458,542.96	\$419,264.09	\$39,278.87	\$0.00	\$3,508,622.95
Due Pmt	01/01/2027	\$458,542.96	\$423,456.73	\$35,086.23	\$0.00	\$3,085,166.22
Due Pmt	01/01/2028	\$458,542.96	\$427,691.30	\$30,851.66	\$0.00	\$2,657,474.92
Due Pmt	01/01/2029	\$458,542.96	\$431,968.21	\$26,574.75	\$0.00	\$2,225,506.71
Due Pmt	01/01/2030	\$458,542.96	\$436,287.89	\$22,255.07	\$0.00	\$1,789,218.82
Due Pmt	01/01/2031	\$458,542.96	\$440,650.77	\$17,892.19	\$0.00	\$1,348,568.05
Due Pmt	01/01/2032	\$458,542.96	\$445,057.28	\$13,485.68	\$0.00	\$903,510.77
Due Pmt	01/01/2033	\$458,542.96	\$449,507.85	\$9,035.11	\$0.00	\$454,002.92
Due Pmt	01/01/2034	\$458,542.95	\$454,002.92	\$4,540.03	\$0.00	\$0.00

*MW*



**APPENDIX A, AMENDMENT NO. 1 TO LOAN CONTRACT CT2021-3110  
AMENDMENT TO THE PROMISSORY NOTE**

Date: 1/1/2024

Borrower: City of Grand Junction, acting by and through the water activity enterprise

Principal Amount: \$4,343,000.00

Term of Repayment: 1.00% for 10 years

Loan Contract No.: CT2021-3110

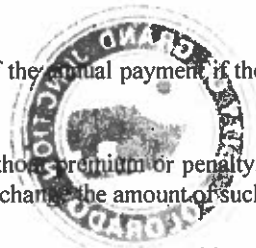
Loan Payment: \$458,542.96

Payment Initiation Date\*: 1/1/2024

Maturity Date\*: 1/1/2034

FOR VALUE RECEIVED, the Borrower promises to pay the Colorado Water Conservation Board ("CWCB"), the Principal Amount plus Interest for the Term of Repayment, pursuant to the Loan Contract and this promissory note.

1. This Amendment to Promissory Note *shall replace and supersede* the Original Promissory Note attached to the Original Contract and incorporated by reference.
2. Principal and interest shall be payable in equal Loan Payments, with the first payment due and payable one year from Payment Initiation Date, and annually thereafter. All principal, interest, and late charges, if any, then remaining unpaid shall be due and payable on or before the Maturity Date.
3. Payments shall be made to the Colorado Water Conservation Board at 1313 Sherman Street Room 718, Denver, Colorado 80203.
4. The CWCB may impose a late charge in the amount of 5% of the annual payment if the CWCB does not receive the annual payment within 15 calendar days of the due date.
5. This Note may be prepaid in whole or in part at any time without premium or penalty. Any partial prepayment shall not postpone the due date of any subsequent payments or change the amount of such payments.
6. All payments received shall be applied first to late charges, if any, next to accrued interest and then to reduce the principal amount.
7. This Note is issued pursuant to the Loan Contract between the CWCB and the Borrower. The Loan Contract creates security interests in favor of the CWCB to secure the prompt payment of all amounts that may become due hereunder. Said security interests are evidenced by a Security Agreement ("Security Instruments") of even date and amount and cover certain revenues, real property, water rights and/or accounts of the Borrower. The Loan Contract and Security Instruments grant additional rights to the CWCB, including the right to accelerate the maturity of this Note in certain events.
8. If any annual payment is not paid when due or any default under the Loan Contract or the Security Instruments securing this Note occurs, the CWCB may declare the entire outstanding principal balance of the Note, all accrued



interest, and any outstanding late charges immediately due and payable, and the indebtedness shall bear interest at the rate of 7% per annum from the date of default. The CWCB shall give the Borrower written notice of any alleged default and an opportunity to cure within thirty (30) days of receipt of such notice before the BORROWER shall be considered in default for purposes of this Promissory Note.

9. The Borrower and any co-signer or guarantor hereby agree that if this Note or interest thereon is not paid when due or if suit is brought, then it shall pay all reasonable costs of collection, including reasonable attorney fees. In the event of any bankruptcy or similar proceedings, costs of collection shall include all costs and attorney fees incurred in connection with such proceedings, including the fees of counsel for attendance at meetings of creditors' committees or other committees.

10. This Note shall be governed in all respects by the laws of the State of Colorado.

Borrower: City of Grand Junction,  
acting by and through the water activity enterprise

By [Signature]  
Signature

Name Greg Caton

Title City Manager

Date 9/12/2022

Attest: [Signature]  
By Amy Phillips  
Name Amy Phillips  
Title City Clerk  
Date Sept 13, 2022





## Carson Reservoir Dam Rehabilitation

City of Grand Junction  
Substantially Complete January 1, 2024

Carson Reservoir is a 56-foot-high, 620-foot-long earth dam that underwent repairs between 2021 and 2023. Below are images showing the intake structure/gate and downstream view of the overflow weir.



### Project Description

The City of Grand Junction's Utilities Department oversees the Water Services Division which is responsible for operation and maintenance of the water supply, treatment, and distribution system. This system serves a population of about 30,000 and is expected to increase to about 49,000 by 2069.

The Carson Reservoir Dam is a 56-foot-high, 620-foot-long earthen dam constructed in 1947 which impounds a 520 acre-foot reservoir on Kannah Creek. The State Engineers Office (SEO), Comprehensive Dam Safety Evaluation raised several safety concerns about the Carson Reservoir Dam, and in response the City contracted with Ayers Associates to evaluate the concerns and to design improvements. ESCO Construction was contracted by the City to make the repairs, which included developing an overflow weir, rehabilitating the spillway chute, constructing a new intake structure, rehabilitating the outlet works pipe, constructing a seepage collection channel, and installing a flood early warning system. SEO - Dam Safety Branch provided a notice of completion December 2023 and the Project was substantially completed on January 1<sup>st</sup>, 2024.

P R O J E C T D A T A		
<i>Sponsor:</i> City of Grand Junction	<i>County:</i> Mesa	<i>Water Source:</i> Kannah Creek
<i>Type of Project:</i> Dam Rehabilitation		<i>Board Approval Date:</i> November 2020
<i>Loan Terms: (Original)</i> \$3,030,000 <i>(Amended)</i> \$4,343,000 <i>(Final)</i> \$4,343,000 @ 1.00% for 10 years		
<i>Design Engineer:</i> Ayers Associates Inc		
<i>Contractor:</i> ESCO Construction Inc		