



COLORADO

Colorado Water Conservation Board

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

CONSENT TO PARITY WAIVER

The State of Colorado, Department of Natural Resources, Colorado Water Conservation Board (CWCB), entered into a loan with the Town of Starkville, Loan Contract Number C153347 dated June 1, 1981, amended on April 1, 1982 and again on December 20, 2012, referred to herein as the "CWCB Loan Contract."

The CWCB Loan Contract does not specifically address the parity test requirements; however, in accordance with CWCB Financial Policy #6, "the Borrower may issue parity obligations with the prior written approval of the CWCB, provided that certain revenue tests set forth in the CWCB Financial Policy #6 are met."

On September 9, 2022, the Town submitted an audit and Parity Bond Certificate performed by Logan & Associates, LLC, and the CWCB consented to parity with a Colorado Water Resources and Power Development Authority (CRWPDA) loan for \$65,880.00. In November 2023, the Town notified the CWCB that an increase in the CRWPDA loan of \$40,000.00 is needed due to project cost increases, and therefore an additional consent to parity is needed.

Due to the excessive cost to the small number of residents in the Town; time associated with an additional audit and certification test; and the absence of the contractual parity test requirement in the contract, the CWCB is waving the parity test requirement for the additional debt. The Town has agreed to increase rates as necessary to cover the additional debt.

To date, the remaining principal on the CWCB Loan Contract is \$88,448.06 with the next payment due on June 1, 2024.

The CWCB hereby waives the Consent to Parity requirement in connection with the CWCB Loan Contract for the additional \$40,000.00 of the CRWPDA's loan to the Town of Starkville.

By: 

Kirk Russell, P.E.
Section Chief, Finance Section
Colorado Water Conservation Board

Date: 1/26/2024

