



COLORADO

Colorado Water Conservation Board

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

June 6, 2024

Mr. Wayne Eppich, Secretary/Treasurer
Root and Ratliff Ditch Company
8629 Road 41
Mancos, CO 81328
epictime@yahoo.com

Re: Ditch Piping and Rehabilitation
Loan Contract Number CT2022-2976

NOTICE OF PROJECT SUBSTANTIAL COMPLETION

Dear Mr. Eppich:

This letter is to advise you that the Project referenced above was substantially completed on June 1, 2024. In accordance with the Loan Contract, the Company owes \$3,205.42 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.

The final total loan amount under this contract is \$250,408.96 (\$247,929.66 plus \$2,479.30 for the 1% service fee). An adjustment in the amount of \$52,591.04 will be made to the contract for funds no longer needed; however, the annual payment will remain as shown on the original Promissory Note. Kaylee Salazar, Contracts Manager, will follow up with an executed 'Option Letter' reflecting the adjusted amount. The first annual loan payment will be due on June 1, 2025, in the amount of \$11,912.94 as presented in the attached Loan Repayment Schedule and Promissory Note.

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 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 = \$303,000.00
Final Total Loan Amount = \$250,408.96

cc: Lorelei Cloud, CWCB Board Member, San Miguel-Dolores-San Juan Basin



Colorado Water Conservation Board
Project Expenditure Schedule

Ditch Piping and Rehabilitation

Root and Ratliff Ditch Company
8629 Road 41
Mancos, CO 81328
c/o Wayne Eppich

Ph. 970-739-6695
Fax
epictime@yahoo.com

	Original	Amended	Final
Loan Contract No.:	CT2022-2976		
Authorization:	\$303,000.00		
Contract Amount	\$300,000.00		\$ 247,929.66
Loan Service Fee %	1.00%		
Loan Service Fee	\$3,000.00		\$ 2,479.30
Total Loan Amount	\$303,000.00		\$ 250,408.96
Interest:	1.10%		1.10%
Term (Years):	30		30
Conditions:	Up to 100%		Up to 100%
IDC Calculation Date:	6/1/2024		

Substantial Completion Date

6/1/2024

Contract Expires:

5/6/2027

Pay Req. No.	Date	Description	Amount Disbursed	Cumulative Loan Balance	Balance Available to Loan	Interest	Accrued Interest
					\$ 303,000.00		
1	3/30/2023	Engineering & Const to close out Project	\$ 247,929.66	\$ 247,929.66	\$ 55,070.34	\$ 3,205.42	\$ 3,205.42
Final	6/1/2024	Loan Service Fee @ 1%	\$ 2,479.30	\$ 250,408.96	\$ 52,591.04	-	\$ 3,205.42
CT	6/1/2024	Adjustment - Funds not needed	(\$ 52,591.04)	\$ 250,408.96	\$ 0.00	-	\$ 3,205.42

MW



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Loan Repayment Schedule

Borrower | Root and Ratliff Ditch Co

Loan Contract Number | CT2022-2976

FINAL Loan Amount | \$247,929.66

1% Service Fee | \$2,479.30

Interest During Construction Added | \$0.00

FINAL Total Loan Amount | \$250,408.96

Interest Rate | 1.100000 %

Term | 30

First Payment Due | June 1, 2025

Annual Payment Amount | \$11,912.94

Line status	Pmt Date	Payment	Principal	Interest	Column fees	True Balance
Service Fee / IDC	06/01/2024	\$0.00	\$-2,479.30	\$0.00	\$2,479.30	\$250,408.96
Due Pmt	06/01/2025	\$11,912.94	\$9,158.44	\$2,754.50	\$0.00	\$241,250.52
Due Pmt	06/01/2026	\$11,912.94	\$9,259.18	\$2,653.76	\$0.00	\$231,991.34
Due Pmt	06/01/2027	\$11,912.94	\$9,361.04	\$2,551.90	\$0.00	\$222,630.30
Due Pmt	06/01/2028	\$11,912.94	\$9,464.01	\$2,448.93	\$0.00	\$213,166.29
Due Pmt	06/01/2029	\$11,912.94	\$9,568.11	\$2,344.83	\$0.00	\$203,598.18
Due Pmt	06/01/2030	\$11,912.94	\$9,673.36	\$2,239.58	\$0.00	\$193,924.82
Due Pmt	06/01/2031	\$11,912.94	\$9,779.77	\$2,133.17	\$0.00	\$184,145.05
Due Pmt	06/01/2032	\$11,912.94	\$9,887.34	\$2,025.60	\$0.00	\$174,257.71
Due Pmt	06/01/2033	\$11,912.94	\$9,996.11	\$1,916.83	\$0.00	\$164,261.60
Due Pmt	06/01/2034	\$11,912.94	\$10,106.06	\$1,806.88	\$0.00	\$154,155.54
Due Pmt	06/01/2035	\$11,912.94	\$10,217.23	\$1,695.71	\$0.00	\$143,938.31
Due Pmt	06/01/2036	\$11,912.94	\$10,329.62	\$1,583.32	\$0.00	\$133,608.69
Due Pmt	06/01/2037	\$11,912.94	\$10,443.24	\$1,469.70	\$0.00	\$123,165.45
Due Pmt	06/01/2038	\$11,912.94	\$10,558.12	\$1,354.82	\$0.00	\$112,607.33
Due Pmt	06/01/2039	\$11,912.94	\$10,674.26	\$1,238.68	\$0.00	\$101,933.07
Due Pmt	06/01/2040	\$11,912.94	\$10,791.68	\$1,121.26	\$0.00	\$91,141.39
Due Pmt	06/01/2041	\$11,912.94	\$10,910.38	\$1,002.56	\$0.00	\$80,231.01
Due Pmt	06/01/2042	\$11,912.94	\$11,030.40	\$882.54	\$0.00	\$69,200.61
Due Pmt	06/01/2043	\$11,912.94	\$11,151.73	\$761.21	\$0.00	\$58,048.88
Due Pmt	06/01/2044	\$11,912.94	\$11,274.40	\$638.54	\$0.00	\$46,774.48
Due Pmt	06/01/2045	\$11,912.94	\$11,398.42	\$514.52	\$0.00	\$35,376.06
Due Pmt	06/01/2046	\$11,912.94	\$11,523.80	\$389.14	\$0.00	\$23,852.26
Due Pmt	06/01/2047	\$11,912.94	\$11,650.57	\$262.37	\$0.00	\$12,201.69
Due Pmt	06/01/2048	\$11,912.94	\$11,778.72	\$134.22	\$0.00	\$422.97
Due Pmt	06/01/2049	\$427.62	\$422.97	\$4.65	\$0.00	\$0.00
Information	06/01/2050	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Information	06/01/2051	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Information	06/01/2052	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Information	06/01/2053	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Information	06/01/2054	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

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APPENDIX 3, PROMISSORY NOTE

Date: April 23, 2021
 Borrower: Root and Ratliff Ditch Company
 Total Loan Amount: \$303,000.00
 Interest Rate: 1.10% per annum
 Term of Repayment: 30 years
 Loan Contract Number: CT2022-2976
 Annual Loan Payment: \$11,912.94
 Payment Initiation Date*: 06/01/2024
 (To be filled in at Substantial Completion of Project)
 Maturity Date*: 06/01/2054
 (To be filled in at Substantial Completion of Project)

* Payment Initiation Date and Maturity Date fields are filled in *after* the Project has been substantially completed.

1. 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 Contract and this Promissory Note.
2. Principal and interest shall be payable in annual equal payments as set forth in "Annual Loan Payment" above, with the first payment due and payable one year from the Payment Initiation Date (the date the CWCB determines that the Project is substantially complete), 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 five percent (5%) of the annual payment if the CWCB does not receive the annual payment within sixty (60) calendar days of the due date. At the discretion of the CWCB, and if the Borrower requests in writing with sufficient justification, the late fee may be waived by the CWCB. CWCB will review the request from the Borrower, and may, in its sole discretion, choose to waive the late fee.
5. This Promissory 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. This Promissory Note is issued pursuant to the Contract between the CWCB and the Borrower. The 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 and Deed of Trust ("Security Instruments") of even date and amount herewith and cover the Pledged Revenues and Pledged Property. The Contract and Security Instruments grant additional rights to the CWCB, including the right to accelerate the maturity of this Promissory Note in certain events.
7. If any annual payment is not paid when due or any default under the Contract or the Security Instruments securing this Promissory 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 seven percent (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 sixty (60) days of receipt of such notice before the Borrower shall be considered in default for purposes of this Promissory Note.

- 8. The Borrower hereby agrees 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.
- 9. This Promissory Note is authorized pursuant to and in accordance with the Constitution of the State of Colorado and all other laws of the State thereunto enabling. Specifically, but not by way of limitation, the Contract and this Promissory Note are authorized pursuant to and under the authority of Title 31, Article 35; Title 37, Article 45.1; and Title 11, Article 57, Part 2, C.R.S., and in full conformity therewith. Pursuant to Section 11-57-210, C.R.S., and Section 31-35-413, C.R.S., this recital shall be conclusive evidence of the validity and the regularity of the issuance of this Promissory Note and the Promissory Note shall be incontestable for any cause whatsoever after its delivery for value.

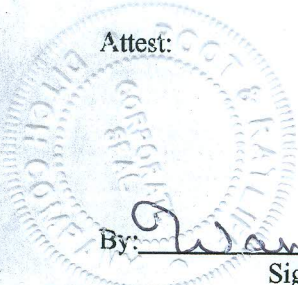
Root and Ratliff Ditch Company

By: [Signature]
Signature

Name: Samuel Perry

Title: President

Date: 4/23/22



Attest: [Signature]
Signature

Name: Wm D. Eppin

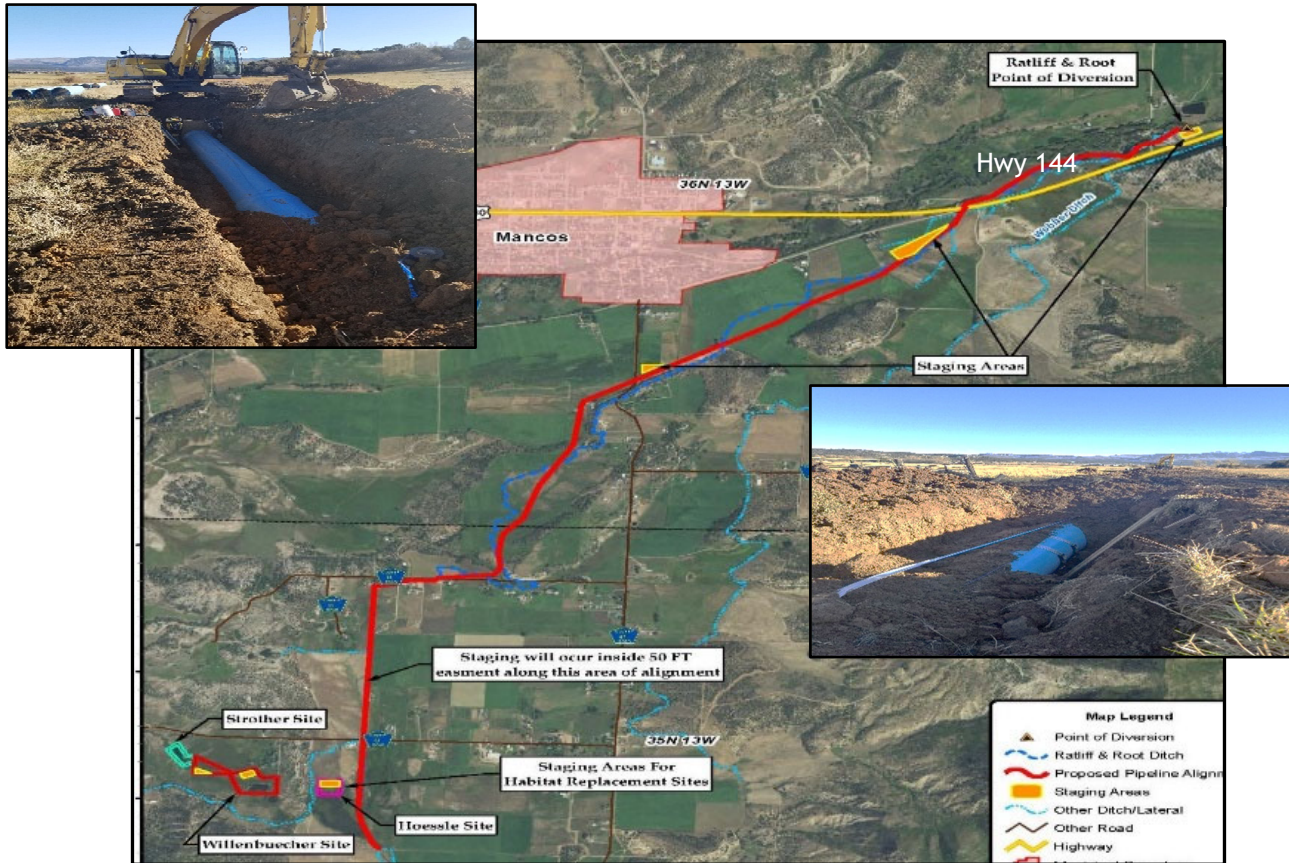
Title: Sec/Treas.

Date: 4/23/22



Ditch Piping and Rehabilitation

Root and Ratliff Ditch Company
Substantially Complete June 1, 2024



Project Description

The Root and Ratliff Ditch Company (Company) was formed in 1947 to operate and maintain the Root and Ratliff Ditch that was originally constructed in the 1870's. The Company currently has 2,200 shares and delivers irrigation water to approximately 1,290 acres growing primarily hay and pasture grass. The Company also delivers stock water to shareholders during the non-irrigation season.

The Project included the rehabilitation of approximately 5.5 miles of unlined ditch with buried pipe. A majority of the funding for the Project came from a Bureau of Reclamation, Colorado River Basin Salinity Control Program grant for about \$3,600,000. Construction began in August of 2021 and was completed in by the summer of 2022.

P R O J E C T D A T A

Sponsor: Root and Ratliff Ditch Company	County: Montezuma	Water Source: Mancos River
Type of Project: Ditch Piping and Rehabilitation	Board Approval Date: November 2021	
Loan Terms: 30yr @ 1.10% (Original) \$303,000.00 (Final) \$250,408.96		
Design Engineer: SGM Engineering		
Contractor: Lewis Excavation		