



MEMORANDUM

January 20, 2025

TO: Board of Directors, Colorado Water Conservation Board, and Director Lauren Ris

FROM: Keith McLaughlin, Executive Director

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

Drinking Water Revolving Fund (DWRF)

Two (2) DWRF loan applications were approved at the Authority’s December 6th Board meeting. The **Cucharas Sanitation and Water District** in the amount of \$1,259,300 (BIL Loan and PF) for rehabilitating the existing Baker Creek Resort water treatment facility, replacing water treatment components, and constructing a water intake line. The **City of Trinidad** in the amount of \$3,450,000 (BIL Loan and PF) for either replacing or rehabilitating four water storage tanks and improvements to the distribution system.

We have closed nineteen (19) total loans under the DWRF Bipartisan Infrastructure Law (BIL) program for approximately \$122.5 million in BIL principal forgiveness and \$73.3 million in BIL loan funds. In 2024, we closed ten (10) DWRF design and engineering loans, for approximately \$1.7 million.

We are expecting two DWRF loan applications for consideration at our January Board meeting for approximately \$494 thousand for the Town of Crawford (construction of a new supplemental water storage tank) and approximately \$1.8 million for the Pinewood Springs Water District (distribution system improvements, install tank mixers, valve/water main replacements, hydrant upgrades, and upgraded service lines upstream of the meter for each service location). As of January 20, 2025, and after accounting for the submitted loan applications for the Authority’s January Board meeting, the estimated remaining DWRF loan capacity for 2025 is approximately \$70 million.

Water Pollution Control Revolving Fund (WPCRF)

One (1) WPCRF loan application was approved at the Authority’s December 6th Board meeting. The **Town of Limon** in the amount of \$3,660,000 (BIL Loan and PF) for replacing a collection system piping and adding and removing manholes. The sewer piping replacement is necessary due to back pitch, maintenance hole degradation, and over-capacity issues.

We have closed fifteen (15) total loans under the WPCRF BIL program for approximately \$14.9 million in BIL principal forgiveness and \$13.7 million in BIL loan funds. In 2024, we closed four (4) WPCRF design and engineering loans for approximately \$1 million.

As of January 20, 2025, and after accounting for the Authority's January Board meeting, the estimated remaining WPCRF loan capacity for 2025 is approximately \$61 million.

EPA Capitalization Grants

Congress maintains level funding for the SRF's in FFY 2025 but continues to use EPA capitalization grants to pay for congressional earmarks. The 2022-2025 EPA capitalization grants (net of earmarks) represent a 56% cut from 2021 grants.

Legislative Matters

On January 27, I am scheduled to testify in House Ag. in support of the Authority's annual projects list, HJR 25-1004. The 2025 project eligibility list contains 560 Drinking Water projects for an estimated need of approximately \$27 billion and 391 wastewater projects for an estimated need of approximately \$18 billion. The Governor has reappointed Director Wells, representing the City and County of Denver, and Director Wilkinson, representing the South Platte Basin, to a second term on the Authority Board, subject to a successful confirmation hearing in the Senate.

Other Matters

The Authority continues to work closely with the CWCB and the SECWCD regarding funding for the Arkansas Valley Conduit. The Authority is close to finalizing an IGA that outlines the funding relationships between SECWCD, CWCB, the Authority and Otero County. Authority staff hopes to have the IGA finalized and executed by all parties in the next couple of months.

Future Authority Board Meetings*

January 29, 2025 – Aurora (in conjunction with the CWC annual convention)

March 7, 2025 - Denver

April 25, 2025 – Denver

June 6, 2025 - Denver

*All Authority Board meetings are provided in a hybrid in person and online format.