



COLORADO

Colorado Water Conservation Board

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

April 15, 2025

Mr. Chris Ivers, Program Manager
Rio Grande Water Conservation District - Subdistrict No. 5
8805 Independence Way
Alamosa, CO 81101
chris@rgwcd.org

Re: Saguache Pipeline Project
Loan Contract Number CT2021-3846

NOTICE OF PROJECT SUBSTANTIAL COMPLETION

Dear Mr. Ivers:

This letter is to advise you that the Project referenced above will be substantially completed on May 1, 2025. In accordance with the Loan Contract, the Rio Grande Water Conservation District, Special Improvement District Number 5 (Subdistrict No. 5) owes \$95,543.42 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. Mail it to the address above, attention Mimi Winter.

The final total loan amount under this contract is \$6,079,509.41 (\$6,019,316.25 plus \$60,193.16 for the 1% service fee). An adjustment in the amount of \$690.59 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 May 1, 2026, in the amount of \$242,539.37 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. Amended

Sincerely,

Kirk Russell, P.E. Chief
CWCB Finance Section

Loan Contract Amount = \$6,080,200.00
Final Total Loan Amount = \$6,079,509.41

cc: Nathan Coombs, CWCB Board Member, Rio Grande River Basin



Colorado Water Conservation Board
Project Expenditure Schedule

Saguache Pipeline

**Rio Grande Water Conservation District Subdistrict
No. 5
8805 Independence Way
Alamosa , CO 81101
c/o Chris Ivers**

**Ph. 719-588-4585
Fax
chris@rgwcd.org**

	Original	Amended	Final
Loan Contract No.:	CT2021-3846		
Authorization:	\$4,892,440.00	\$6,080,200.00	
Contract Amount	\$4,844,000.00	\$6,020,000.00	\$ 6,019,316.25
Loan Service Fee %	1.00%	1.00%	
Loan Service Fee	\$48,440.00	\$60,200.00	\$ 60,193.16
Total Loan Amount	\$4,892,440.00	\$ 6,080,200.00	\$ 6,079,509.41
Interest:	1.20%	1.20%	1.20%
Term (Years):	30	30	30
Conditions:	Up to 100%		0
IDC Calculation Date:	5/1/2025		

Substantial Completion Date

5/1/2025

Contract Expires:

6/16/2026

Pay Req. No.	Date	Description	Amount Disbursed	Cumulative Loan Balance	Balance Available to Loan	Interest	Accrued Interest
					\$ 6,080,200.00		
1	4/10/2023	Hazard Ranch Land Purchase	\$ 2,529,770.19	\$ 2,529,770.19	\$ 3,550,429.81	\$ 62,544.24	\$ 62,544.24
2	4/27/2023	Powerline Installation	\$ 286,423.06	\$ 2,816,193.25	\$ 3,264,006.75	\$ 6,921.24	\$ 69,465.48
3	10/2/2023	Construction	\$ 60,623.00	\$ 2,876,816.25	\$ 3,203,383.75	\$ 1,150.01	\$ 70,615.49
4	8/1/2024	Water rights purchase - North Star Farms	\$ 2,469,000.00	\$ 5,345,816.25	\$ 734,383.75	\$ 22,160.12	\$ 92,775.61
5	12/27/2024	Well drilling & Installation	\$ 673,500.00	\$ 6,019,316.25	\$ 60,883.75	\$ 2,767.81	\$ 95,543.42
CT	5/1/2025	Contract Adjustment - Funds not needed	(\$ 690.59)	\$ 6,019,316.25	\$ 60,193.16	-	\$ 95,543.42
Final	5/1/2025	Loan Service Fee @ 1%	\$ 60,193.16	\$ 6,079,509.41	(\$ 0.00)	-	\$ 95,543.42

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Loan Repayment Schedule

Borrower | Rio Grande Water Conservation District

Loan Contract Number | CT2021-3846

FINAL Loan Amount | \$6,019,316.25

1% Service Fee | \$60,193.16

Interest During Construction Added | \$0.00

FINAL Total Loan Amount | \$6,079,509.41

Interest Rate | 1.200000 %

Term | 30

First Payment Due | May 1, 2026

Annual Payment Amount | \$242,539.37

Line status	Pmt Date	Payment	Principal	Interest	Column fees	True Balance
Service Fee / IDC	05/01/2025	\$0.00	\$-60,193.16	\$0.00	\$60,193.16	\$6,079,509.41
Due Pmt	05/01/2026	\$242,539.37	\$169,585.26	\$72,954.11	\$0.00	\$5,909,924.15
Due Pmt	05/01/2027	\$242,539.37	\$171,620.28	\$70,919.09	\$0.00	\$5,738,303.87
Due Pmt	05/01/2028	\$242,539.37	\$173,679.72	\$68,859.65	\$0.00	\$5,564,624.15
Due Pmt	05/01/2029	\$242,539.37	\$175,763.88	\$66,775.49	\$0.00	\$5,388,860.27
Due Pmt	05/01/2030	\$242,539.37	\$177,873.05	\$64,666.32	\$0.00	\$5,210,987.22
Due Pmt	05/01/2031	\$242,539.37	\$180,007.52	\$62,531.85	\$0.00	\$5,030,979.70
Due Pmt	05/01/2032	\$242,539.37	\$182,167.61	\$60,371.76	\$0.00	\$4,848,812.09
Due Pmt	05/01/2033	\$242,539.37	\$184,353.62	\$58,185.75	\$0.00	\$4,664,458.47
Due Pmt	05/01/2034	\$242,539.37	\$186,565.87	\$55,973.50	\$0.00	\$4,477,892.60
Due Pmt	05/01/2035	\$242,539.37	\$188,804.66	\$53,734.71	\$0.00	\$4,289,087.94
Due Pmt	05/01/2036	\$242,539.37	\$191,070.31	\$51,469.06	\$0.00	\$4,098,017.63
Due Pmt	05/01/2037	\$242,539.37	\$193,363.16	\$49,176.21	\$0.00	\$3,904,654.47
Due Pmt	05/01/2038	\$242,539.37	\$195,683.52	\$46,855.85	\$0.00	\$3,708,970.95
Due Pmt	05/01/2039	\$242,539.37	\$198,031.72	\$44,507.65	\$0.00	\$3,510,939.23
Due Pmt	05/01/2040	\$242,539.37	\$200,408.10	\$42,131.27	\$0.00	\$3,310,531.13
Due Pmt	05/01/2041	\$242,539.37	\$202,813.00	\$39,726.37	\$0.00	\$3,107,718.13
Due Pmt	05/01/2042	\$242,539.37	\$205,246.75	\$37,292.62	\$0.00	\$2,902,471.38
Due Pmt	05/01/2043	\$242,539.37	\$207,709.71	\$34,829.66	\$0.00	\$2,694,761.67
Due Pmt	05/01/2044	\$242,539.37	\$210,202.23	\$32,337.14	\$0.00	\$2,484,559.44
Due Pmt	05/01/2045	\$242,539.37	\$212,724.66	\$29,814.71	\$0.00	\$2,271,834.78
Due Pmt	05/01/2046	\$242,539.37	\$215,277.35	\$27,262.02	\$0.00	\$2,056,557.43
Due Pmt	05/01/2047	\$242,539.37	\$217,860.68	\$24,678.69	\$0.00	\$1,838,696.75
Due Pmt	05/01/2048	\$242,539.37	\$220,475.01	\$22,064.36	\$0.00	\$1,618,221.74
Due Pmt	05/01/2049	\$242,539.37	\$223,120.71	\$19,418.66	\$0.00	\$1,395,101.03
Due Pmt	05/01/2050	\$242,539.37	\$225,798.16	\$16,741.21	\$0.00	\$1,169,302.87
Due Pmt	05/01/2051	\$242,539.37	\$228,507.74	\$14,031.63	\$0.00	\$940,795.13
Due Pmt	05/01/2052	\$242,539.37	\$231,249.83	\$11,289.54	\$0.00	\$709,545.30
Due Pmt	05/01/2053	\$242,539.37	\$234,024.83	\$8,514.54	\$0.00	\$475,520.47
Due Pmt	05/01/2054	\$242,539.37	\$236,833.12	\$5,706.25	\$0.00	\$238,687.35
Due Pmt	05/01/2055	\$241,551.60	\$238,687.35	\$2,864.25	\$0.00	\$0.00

MW



Appendix A, Amendment No. 1 to Loan Contract CT2021-3846
Amendment to Promissory Note

Date: 3/16/, 2023
Borrower: Rio Grande Water Conservation District, Subdistrict Number 5
acting by and through the water activity enterprise for Subdistrict Number 5
Total Loan Amount: \$6,080,200.00
Interest Rate: 1.20% per annum
Term: Thirty (30) years or until loan is paid in full
Loan Contract No.: CT2021-3846
Annual Loan Payment: \$242,539.37
Payment Initiation Date: 5/1/2025
(to be filled in at Substantial Completion of Project)
Maturity Date: 5/1/2055
(to be filled in at Substantial Completion of Project)

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 Amendment to Promissory Note (Note).

1. This Note, in the **revised loan amount of \$6,080,200.00**, shall replace and supersede the Original Promissory Note, attached as Appendix 3 to the Original Loan Contract, in the amount of 4,892,440.00.
2. Principal and interest shall be payable in equal Annual Loan Payments, as set forth above, 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 Loan 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 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 Instrument") of even date and amount and cover certain revenues 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 sixty (60) days of receipt of such notice before the Borrower shall be considered in default for purposes of this Promissory Note.
9. 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.
10. This Note shall be governed in all respects by the laws of the State of Colorado.

Rio Grande Water Conservation District,
Subdistrict Number 5
acting by and through the water activity
enterprise for Subdistrict Number 5

Attest:

By Amber Pacheco
Signature
Name Amber Pacheco
Title Deputy General Manager
Date 3/16/2023

By Chris Ivers
Signature
Name Chris Ivers
Title Program Manager
Date 3/16/2023



The Project included the purchase of water rights for use under the Subdistrict's Annual Replacement Plan. Water pumped under the purchased rights is transported through a pipeline which allows for augmentation directly into Saguache Creek.



Project Description

The Rio Grande Water Conservation District, Special Improvement District Number 5 (Subdistrict No. 5) purchased agricultural water rights associated with four irrigation wells historically used for center pivot irrigation by North Star Farms. The Subdistrict will use these water rights as a source of augmentation water, which is required under Subdistrict's Annual Replacement Plan due to groundwater pumping within the Subdistrict. The Subdistrict currently serves approximately 246 wells within the Subdistrict's boundaries.

In addition to the purchase of water rights, under the Project the Subdistrict also installed a new groundwater well to pump the water at a location better suited for augmentation. Construction included approximately 725 feet of pipeline to allow for delivery of the augmentation water directly into Saguache Creek.

P R O J E C T D A T A		
<i>Sponsor:</i> Rio Grande Water Conservation District - Subdistrict No. 5	<i>County:</i> Saguache	<i>Water Source:</i> Saguache Creek
<i>Type of Project:</i> Water Right Purchase	<i>Board Approval Date:</i> March 2021	
<i>Loan Terms:</i> 30yrs @ 1.20% (Original) \$4,892,440 (Amended) \$6,080,200 (Final) \$6,079,509.41		
<i>Design Engineer:</i> Davis Engineering		
<i>Contractor:</i> Cooper Drilling & Robbins Construction		