



MEMORANDUM

July 8, 2022

TO: Board of Directors, Colorado Water Conservation Board, and Rebecca Mitchell, Director

FROM: Keith McLaughlin, Executive Director

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

Drinking Water Revolving Fund (DWRF)

There were two (2) DWRF loan applications submitted for consideration at the Authority’s 2022 June Board meeting from the Town of Simla (supplemental request due to higher than anticipated construction costs) and Town of Cheraw. The Town of Simla’s project consists of distribution system upgrades, well house improvements, treatment system improvements and storage tank improvements. The Town of Cheraw’s project consists of replacing the current failing water storage tank with a new elevated potable water storage tank. One (1) DWRF loan application has been submitted for the Authority’s 2022 August Board meeting from the City of Ouray (\$12 million) for a new Water Treatment Plant and new surface water source.

There are currently two (2) outstanding, approved DWRF loans with an approximate total of \$500 thousand remaining to be executed. To date for 2022, we have closed a total of five (5) design and engineering loans, for approximately \$900 thousand, and five (5) direct loans, for approximately \$8.3 million. The 2022 project eligibility list contains 452 projects for an estimated need of over \$21 billion.

The Authority anticipates it will receive its 2022 Federal Fiscal year DWRF capitalization grant award in the next 60 days in the amount of \$13,846,000. The DWRF loan capacity for 2022 is approximately \$80-100 million (excluding infrastructure funds).

Water Pollution Control Revolving Fund (WPCRF)

There was one (1) loan application submitted for consideration at the Authority’s 2022 June Board meeting from the Mt. Werner Water and Sanitation District (supplemental request due to higher than anticipated bids received). Mt. Werner Water and Sanitation District’s project consists of replacement and upsizing of interceptor piping and associated appurtenances. Five (5) loan applications have been submitted for the Authority’s 2022 August Board meeting from the Town of Crested Butte (\$14 million), Meeker Sanitation District (\$700 thousand), Palmer Lake Sanitation District (\$1 million), Town of La Jara (\$1 million), and Town of Bethune (\$1.3 million supplemental request due to higher-than-expected construction costs). The Town of Crested Butte’s project consists of Wastewater Treatment Plant improvements. The Meeker Sanitation District’s project consists of repairs to the existing WWTP HVAC equipment and building. The Palmer Lake Sanitation District’s project consists of replacement of 7,475 lineal feet of sewer main, installing 28 new 5-foot diameter manholes, and modifying 14 manholes. The Town of La Jara’s project consists of improvements and upgrades to the existing lagoon wastewater treatment facility. The Town of Bethune’s project consists of replacing the existing lagoon wastewater treatment facility with a new complete retention/evaporation pond treatment facility.

There are currently four (4) outstanding, approved WPCRF loans with an approximate total of \$30.7 million remaining to be executed. To date for 2022, we have closed one (1) design and engineering loan, for approximately \$150 thousand, and seven (7) direct/leveraged loans, for approximately \$88.3 million. The 2022 project eligibility list contains 350 projects for an estimated need of over \$13 billion.

The Authority anticipates that it will receive its 2022 Federal Fiscal year WPCRF capitalization grant award in the next 60 days in the amount of \$9,256,000. The WPCRF loan capacity for 2022 is approximately \$30-50 million (excluding infrastructure funds).

Legislative Matters

The Infrastructure Investment and Jobs Act (IIJA) was passed on November 6, 2021 and provides over a \$1 trillion in infrastructure funding for highway projects, bridge replacement, public transportation, airports, wildfire recovery, broadband expansion, electric vehicle charging network and water infrastructure. Colorado is slated to receive approximately \$688 million over 5 years for water and wastewater projects of which approximately \$121.3 million has been allotted to the SRF program for 2022. EPA BIL implementation guidance was provided March 8 and the SRF program presented, and the Water Quality Control Commission approved its amended Intended Use Plan (IUP) on June 13, 2022.

Future Authority Board Meetings

August 24, 2022- Steamboat, hybrid format
October 7, 2022- Location TBD, hybrid format
December 2, 2022- Denver, hybrid format