



MEMORANDUM

September 9, 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 was one (1) DWRF loan application submitted for consideration at the Authority’s 2022 August Board meeting from the City of Ouray. The City of Ouray’s project consists of the construction of a new membrane surface water treatment plant and associated appurtenances. Three (3) DWRF loan applications have been submitted for the Authority’s 2022 October Board meeting from the City of Denver (\$76 million) for its lead service line project, Town of Buena Vista (\$4.2 million) for its water treatment plant upgrades, and Pagosa Area WSD (\$38 million) for its new water treatment plant.

There are currently three (3) outstanding, approved DWRF loans with an approximate total of \$13.1 million 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 six (6) direct loans, for approximately \$8.8 million. The 2022 project eligibility list contains 452 projects for an estimated need of over \$21 billion.

The Authority received its 2022 Federal Fiscal year DWRF capitalization grant award on August 30, 2022, 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 were (4) loan applications submitted for consideration at the Authority’s 2022 August Board meeting from the Town of Bethune, Town of Crested Butte, Town of La Jara, and Palmer Lake Sanitation District. The Town of Bethune’s project consists of replacing the existing lagoon wastewater treatment facility with a new complete retention/evaporation pond treatment facility. Town of Crested Butte’s project consists of upgrades to the wastewater treatment facility. The Town of La Jara’s project consists of improvements to the existing wastewater lagoon treatment facility, including dredging and construction of a new flow control structure. Palmer Lake Sanitation District’s project consists of replacing existing sewer pipe with new pipe, in addition to replacing or rehabilitating existing manholes. Three (3) loan applications have been submitted for the Authority’s 2022 October Board meeting from the City of Fort Lupton (\$25 million), Meeker Sanitation District (\$700 thousand), and Left Hand Water and Sanitation District (\$287 thousand). The City of Fort Lupton’s project consists of a tap fee into the Metro. Meeker Sanitation District’s project consists of repairs to the existing Wastewater Treatment Plant’s (WWTP) HVAC equipment and building. Left Hand Water and Sanitation District’s project consists of the replacement of the existing Lake of Pines Lift Station.

There are currently five (5) outstanding, approved WPCRF loans with an approximate total of \$32.2 million remaining to be executed. To date, for 2022, we have closed two (2) design and engineering loan, for approximately \$224 thousand, and eight (8) direct/leveraged loans, for approximately \$89.6 million. The 2022 project eligibility list contains 350 projects for an estimated need of over \$13 billion.

The Authority received its 2022 Federal Fiscal year WPCRF capitalization grant award on August 30, 2022, in the amount of \$9,256,000. The WPCRF loan capacity for 2022 is approximately \$20-40 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. On September 2, 2022, EPA approved a public interest waiver that should allow projects that were already proceeding through the SRF programs (as identified through eight specific criteria) prior to May 14, 2022, a waiver of all BABA requirements.

Future Authority Board Meetings

October 7, 2022- Colorado Springs, hybrid format

December 2, 2022- Denver, hybrid format

January 25, 2022- In conjunction with the CWC annual convention, hybrid format

March 3, 2022 – Denver, hybrid format