



MEMORANDUM

May 5, 2023

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)

During the Authority’s April Board meeting, the Board approved three (3) DWRF loans to: the Beulah Water Works District in the amount of \$1.04 million (includes \$803 thousand of base, up-front principal forgiveness) for replacement of distribution pipelines, service line connections, meters, and hydrants; the Town of Cedaredge in the amount of \$1 million (includes \$800 thousand of base, up-front principal forgiveness) for replacement of aging and undersized distribution lines; and the Town of Fairplay in the approximate amount of \$300 thousand (includes \$163 thousand of BIL General Supplemental principal forgiveness and \$136 thousand of BIL General Supplemental loan) for water treatment plant upgrades.

In 2023, we have closed four (4) loans under the DWRF BIL program consisting of approximately \$52.3 million of BIL PF and \$46.5 million of BIL Loan. The 2023 project eligibility list contains 510 projects for an estimated need of approximately \$25 billion.

The DWRF loan capacity for 2023 is approximately \$90-100 million (including BIL infrastructure funds). The Authority is applying for the 2023 Federal Fiscal year DWRF Base and BIL capitalization grant awards soon and that includes: Base in the amount of \$8,650,000, BIL General Supplemental in the amount of \$36,884,000 (which consists of approximately 51% in loan and 49% in principal forgiveness (PF)), BIL Emerging Contaminants in the amount of \$13,384,000 (which is 100% PF), and BIL Lead Service Line Replacement in the amount of \$32,600,000 (which consists of approximately 51% in loan and 49% million in PF).

Water Pollution Control Revolving Fund (WPCRF)

During the Authority’s April Board meeting, the Board approved three (3) WPCRF loans to: the Town of Lake City in the amount of \$600 thousand (supplemental request due to increased project and equipment costs) for wastewater treatment facility improvements; the City of Delta in the approximate amount of \$5.44 million (includes \$1.5 million of BIL General Supplemental principal forgiveness, \$1.38 million of BIL General Supplemental loan, and \$2.6 million of base loan) for improvements to the aerobic digester at the City’s wastewater treatment facility; and the City of Sterling in the approximate amount of \$29 million (a supplemental request due to significant, unforeseen project, material, and equipment cost increases that includes \$1.5 million of BIL General Supplemental principal forgiveness, \$1.38 million of BIL General Supplemental

loan, \$122 thousand of base loan, and \$26 million through the Water Revenue Bond Program) for expansion and improvements of the existing wastewater treatment facility.

In 2023, we have closed four (4) loans under the WPCRF BIL program consisting of approximately \$3.81 million of BIL PF and \$3.49 million of BIL Loan. The 2023 project eligibility list contains 363 projects for an estimated need of approximately \$16 billion.

The WPCRF loan capacity for 2023 is approximately \$35-45 million (including BIL infrastructure funds). The Authority is applying for the 2023 Federal Fiscal year WPCRF Base and BIL capitalization grant awards soon and that includes: Base in the amount of \$6 million, BIL General Supplemental in the amount of \$16,674,000 (which consists of approximately 51% loan and 49% in principal forgiveness (PF)), and BIL Emerging Contaminants in the amount of \$1,701,000 (which is 100% PF).

Other Matters

I was pleased to attend the Arkansas Valley Conduit groundbreaking ceremony with Director Mitchell on Friday, April 28, just outside Pueblo. The Authority staff continues to work with our Board and Southeastern to determine the most meaningful way to contribute to this critical project.

The Authority completed and submitted its [2022 Annual report](#) on April 30, 2023 per our statutory deadline.

Future Authority Board Meetings

June 2, 2023 – Mt. Crested Butte, hybrid format
August 23, 2023 – Steamboat Springs, hybrid format
October 6, 2023 – Denver, hybrid format
December 1, 2023 – Denver, hybrid format