

COLORADO
WATER POLLUTION CONTROL REVOLVING FUND
ANNUAL REPORT

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PREPARED BY
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APRIL 30, 2004

FOR THE ENVIRONMENTAL PROTECTION AGENCY
REGION VIII

COLORADO WPCRF 2003 ANNUAL REPORT

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I. INTRODUCTION

The Colorado Water Resources and Power Development Authority (Authority), the Water Quality Control Division (Division) and the Division of Local Government (DLG), hereinafter collectively referred to as the "State," have prepared this annual report on Colorado's Water Pollution Control Revolving Fund (WPCRF). The fiscal year covered is January 1, 2003 to December 31, 2003. This report is intended to describe the activities of the WPCRF for this period, address the progress made on the goals of the program and present the annual audit for the calendar year 2003.

II. HISTORY

Colorado's WPCRF program was established by legislation in April 1988. Also in April 1988, the Water Quality Control Commission (Commission) adopted the "State of Colorado Water Pollution Control Revolving Fund Rules" (Rules) Regulation #51 that provides guidelines for the administrative procedures and the Intended Use Plan (IUP).

The IUP is developed by the State and brought before the Commission annually. The IUP, containing additions and modifications to the Project Eligibility List, is adopted by the Commission by December 31 of each year and approved by the Colorado General Assembly during the subsequent legislative session prior to April 1.

A. Water Quality Program Rules/Policies

The Commission amended the Rules to include non-point source projects and other program improvements on January 3, 1989.

The Rules were amended again on October 11, 1990 to allow the Division and the Commission the flexibility to compile and adopt the Priority and Eligibility Lists at anytime during the year with final action being completed by December 31. Originally the process for developing the Eligibility List was initiated in April with approval by the Commission at the August hearing. The additions and modifications to the Eligibility List would then go to the legislature in January for joint resolution by April; therefore, the funding of projects was delayed by an entire year. This change allowed the process to be compatible with the legislation and reduce delays.

The October 17, 1991 revisions to the Rules allowed additional projects that are eligible under this program to receive funding priority. Eligible categories for "potential health hazards" and "facilities beyond the design life and in need of repair" were added to assist communities with pollution prevention projects before the need to take compliance and enforcement actions. A sludge disposal category was added to assist communities with meeting State/EPA sludge management regulations.

Proactive changes were made to the Rules in October 1992. Small communities (under 5,000 population) are eligible for WPCRF assistance with an approved feasibility study rather than an extensive facility plan. The feasibility study will still have all the necessary requirements (such as environmental information and public participation) and will help reduce costs to small communities. The Rules were also amended to include water conservation measures as an eligible project for participation in the WPCRF. Additional priority points are now assigned for projects that include water conservation measures.

No substantial changes were made in 1993, 1994 or 1995. However, the Commission directed staff to revisit the Rules for possible changes to the priority point system. In June 1996 the Division received a Funding Framework Grant from EPA to create a pilot priority system with expanded eligibilities. A Critical Review Team (CRT) was formed to address changes to the Rules that were targeted for completion prior to the adoption of the FY1998 IUP. On March 10, 1997 the Commission adopted interim Rules. The Interim Rules were utilized as a test and reviewed by the Division, the CRT and the Commission over the next year.

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It was anticipated that the Interim Rules would be reviewed after the 1998 IUP and Eligible Project List were produced. The 1998 IUP was finalized in November 1997 and the Division believed it would be beneficial to get the CRT's input before finalizing revisions. The 1999 IUP (adopted by the Commission in October 1998) more accurately reflected the Interim Rules due to the completion of the Division's watershed-oriented organization.

After the October 1998 Commission meeting, the Interim Rules were finalized and sent out for public notice for a hearing in February 1999. The most significant changes included: 1) definitions for traditional and non-traditional projects; 2) description and examples of eligible projects; and 3) the ability to establish a cut off date each year for the Division to submit a completed IUP to the Commission.

The Commission held a public rulemaking hearing in May 2000 to consider changes to the Rules to simplify the IUP process. Previously, the IUP contained two lists: 1) the Project List which identified all projects including long-term needs, and 2) the Project Eligibility List which contained projects extracted from the Project List that had prepared or anticipated preparing a facility plan during the funding year. Based on recommendations from stakeholders, the two lists were combined into one Project Eligibility List. Additions and modifications to this list are submitted to the legislature each year for approval. No additional changes have been made to the Rules since May 2000.

B. Financial Program Policies

Minor changes to the financial program were made in 1994, 1995 and 1996. The changes occurred in both the direct loan and leveraged loan programs. In 1994, through the Surplus Matching Account agreement, the leveraged loan program was modified to include direct loan repayments as security for the Clean Water Revenue Bonds. These repayments are held for up to one year in the Surplus Matching Account along with de-allocation from the Matching Accounts and the repayment of the State Match. On September 1 of each year, the Surplus Matching Account may be used to cure any default on any Clean Water Revenue Bonds. If there are no defaults, the funds are moved to the re-loan account on September 2. By pledging the direct loan repayments, the ability to make additional loans with this money will be delayed for a short time period.

In 1995, an additional minor change occurred. To provide additional security for the Clean Water Revenue Bonds, another modification to the Surplus Matching Account agreement required funds in each Matching Account to be the greater of: (a) the amount required to be on deposit in the Matching Account for such Bonds, or (b) maximum annual debt service due in the current year or future years on the Bonds secured by such Matching Account. By keeping the Matching Account for each borrower at the maximum annual debt service level, the WPCRF will lose some loan capacity over the last four years of each loan. The Matching Account is generally larger than the maximum annual debt service, except for the last four years of each Bond issue.

The last minor change in 1995 involved the Authority's policy on direct loan amounts. The Authority's Board reviewed the current limitation of \$500,000 for each direct loan. Although this has not been a strict policy, it had been a guideline. Since the number and size of leveraged loans are uncertain for each year and the WPCRF had at that time in excess of \$24 million of unencumbered grant awards, the Board felt it was appropriate to change the policy guideline to allow direct loans with amounts of up to \$1.0 million. In reviewing direct loans of this size, the Board would favorably consider a shorter loan term.

In December 1996, the Board reduced the closing fee on direct loans from 0.8 percent to 0.5 percent to offset increased legal expenses associated with the loan.

In the 1998 IUP and again in the 1999 IUP, plans were presented to transfer to the Drinking Water Revolving Fund (DWRF) \$6,666,667 of federal capitalization grant (and \$1,333,333 of state match) initially obligated to the WPCRF.

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Since the Commission, the Board of Health, the Governor and the public supported the transfer, the requested amounts were transferred to the DWRF in December 1999.

In 1998, the Authority evaluated the use of a "cross-collateralization" pledge between the WPCRF and DWRF. This pledge enhances the credit quality of both programs by allowing assets of one fund to be used to cure bond defaults in the other. The 1999 IUP for both programs contained language explaining this credit enhancement mechanism. In early 1999, this pledge was implemented and resulted in "AAA" ratings for the leveraged bonds of both programs.

The Authority Board made the decision to use re-loan funds on all direct loans executed after November 1, 1999. The decision was also made to retroactively use re-loan funds for the Town of New Castle (loan awarded January 1, 1999) and the City of La Junta (loan awarded October 15, 1999).

In 2000 for the 2001 IUP, the Authority reduced the interest rate on all future direct loans (after November 1, 2000) to 4.0% and eliminated the 0.5% closing charge. In addition, starting November 1, 2000, \$50,000 was designated for planning and design grants to small communities (<10,000 pop.). Maximum grant for a community is \$10,000.

In 2002, 2003 and 2004 the Authority Board approved \$100,000 for planning and design grants to small communities. \$50,000 was made available in 2001.

Due to the large number of projected loans in 2004 from the WPCRF and a small number of loans from the DWRF, the Division and the Authority met with a stakeholders group on August 6, 2003 to evaluate the feasibility of transferring funds from the DWRF to the WPCRF; there were no objections to the transfer. Based on the Commission, the Board of Health, and the Governor's approvals, a transfer of approximately \$8 million dollars (including the state match) was made from the DWRF into the WPCRF in 2003. None of these funds were used for administrative purposes.

The following table itemizes the amount of net SRF funds available for transfer between the two programs.

Year	Transaction	Banked Transfer Ceiling	Transferred from WPCRF – DWRF	Transferred from DWRF-WPCRF	WPCRF Funds Available for Transfer	DWRF Funds Available for Transfer
1997	CG Award	\$ 5.6	-----	-----	\$ 5.6*	\$ 5.6*
1998	CG Award	8.8	-----	-----	8.8	8.8
1999	CG Award	12.1	-----	-----	12.0	12.0
1999	Transfer	12.1	\$8.0	-----	4.1	20.1
2000	CG Award	15.6	-----	-----	7.6	23.6
2001	CG Award	19.1	-----	-----	11.1	27.1
2003	CG Award	23.6	-----	-----	15.6	31.6
2003	CG Award	28.0	-----	-----	20.0	36.0
2003	Transfer	28.0	-----	\$8.0	28.0	28.0

**Transfers could not occur until one year after the DWRF had been established.*

The transfer was a combination of capitalization grant (\$6,666,667) and State Match (\$1,333,333) with the federal portion coming from the 2003 capitalization grant. The transfer diminished the loan capacity of the DWRF by approximately \$18 million (leverage ratio of approximately 2.25 multiplied by \$8.0 million) and increased the loan capacity of the WPCRF by an equal amount.

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Pursuant to the 2004 IUP, the Authority Board set the 2004 direct loan rate at 3.5% at the Authority's December 2003 Board meeting.

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III. SUMMARY

Capitalization grant funds remaining on December 31, 2003 were \$12,871,488 (from the 2003 capitalization grant) of which \$471,628 is available to cover future administrative expenses for the WPCRF. The 2003 IUP's (**Attachment 1**) Project Eligibility List documented 248 projects totaling \$785,124,029 (Appendix A in the IUP.) During 2003 five loans were executed with a total principal amount of \$17,728,433.60

The three communities that received leveraged loans included:

PROJECT	LOAN AMOUNT	INTEREST RATE	LOAN CLOSING DATE
Colorado City Metro District	\$1,878,537.60	3.260%	5/29/03
Town of Milliken	\$5,897,275.80	3.280%	5/29/03
City of Pueblo	\$8,402,620.20	3.250%	5/29/03

Two communities received direct loans:

PROJECT	LOAN AMOUNT	INTEREST RATE	LOAN CLOSING DATE
Pikes Peak – America's Mountain	\$1,000,000	4.0%	7/23/03
City of Salida	\$ 550,000	4.0%	11/21/03

Through December 31, 2003, the WPCRF has funded 67 leveraged loans totaling \$496,572,489 and 40 direct loans totaling \$20,796,589. The total loan amount for the 107 loans is \$517,369,078.

IV. GOALS AND ACCOMPLISHMENTS

The following discussion addresses the accomplishments of the WPCRF throughout the year and discusses progress toward meeting the goals identified in the 2003 IUP.

A. Accomplishments

The Commission held a formal public hearing on October 15, 2002 at which time the 2003 IUP was approved. In the 2003 IUP (**Attachment 1**), 28 projects totaling \$223,980,000 were identified for potential loans (Appendix B to the 2003 IUP).

As outlined above five loans were executed during 2003 with a total principal amount of \$17,728,433.60. Two direct loans were awarded to small communities totaling \$1,550,000 and three leveraged loans were made totaling \$16,178,433.60. Both of the direct loans were funded using recycled monies. All of the leveraged loans used new capitalization grant funds. Details of the loans can be found later in the Project Status portion of this report and in the WPCRF Loan Summary (**Exhibit A**).

In March 2004, the Division, DLG and the Authority entered into an Amended and Restated Memorandum of Agreement for the Operation of the WPCRF (**Exhibit B**). The Agreement updates the existing Agreement to better

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reflect the duties and responsibilities of the three entities and to specify the terms and conditions under which administrative costs will be reimbursed from the program.

B. Long Term Goals as identified in the 2003 IUP

“1. Maintain the economic viability of the WPCRF while meeting current and projected Water Quality needs in the State of Colorado. Ensure that the WPCRF remains viable and is self perpetuating to meet the long range water quality needs of the State.”

The program has been set up to be self perpetuating and will be leveraged to the maximum extent possible to meet the projected water quality needs of the State and to maintain the economic viability of the WPCRF. The incentives used for loans include direct loan interest rates at 4 percent (reduced to 3.5% starting January 2004) and leveraged loans at 80 percent of market rate of the Clean Water Revenue Bonds issued by the Authority.

“2. Provide technical assistance to governmental agencies for facilitating effective planning, design, financing and construction of facilities to meet water quality standards. Focus will be on customer service while utilizing the team approach to create an atmosphere conducive to accomplishing the best viable project.”

Pre-application meetings are arranged with communities to assist with planning, scheduling, and financing. Representatives from the Division, DLG and the Authority work with potential loan recipients to explore funding alternatives and explain the program requirements and timeframes.

An ongoing outreach program through DLG is assisting community officials to manage their systems and achieve compliance. Technical assistance is also provided by DLG through site visits, planning discussions, a plant operator training calendar and various other publications and activities.

In May 2003 DLG conducted a series of four water and sewer system management workshops around the state. Topics included water quality and its relationship to geology, funding programs (presented by staff from DLG, the Division and the Authority), water resources and drought management.

For 2004, DLG has scheduled a series of six water and sewer system management workshops targeting small communities in rural areas throughout the state. The presentations will address distribution and collection systems and related water quality issues, financial management for water and wastewater utilities, the state's weather modification and drought management programs, and the new phase II stormwater and vulnerability assessment requirements.

DLG also coordinates the Water and Sewer Funding Coordination Committee. This is an ongoing effort to assist local utilities by raising awareness of their projects and helping to coordinate funding programs and opportunities so that the most appropriate sources of funding are made available to the diverse projects in the state. These regular meetings involve representatives of the DLG, Authority, Division, USDA Rural Development, the Colorado Water Conservation Board, Colorado's Rural Community Assistance Program and various other funding program and organization representatives.

“3. Maintain compliance with State and Federal Laws and the provisions of the State/EPA Operating Agreement.”

The WPCRF program is administered in accordance with the EPA approved Operating Agreement and Handbook of Procedures as well as the WPCRF Rules approved by the Commission. The WPCRF Operating Agreement is in the process of being updated for submittal to EPA in 2004/2005.

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C. Short Term Goals as identified in the 2003 IUP

“1. The Program will continue to provide funds (up to \$100,000 upon approval by the Authority Board) for planning and/or design grants for communities under 10,000 population, with a maximum grant per community of \$10,000. These are non-reimbursable grants, unless the entity is not borrowing funds from the WPCRF in which case the Authority Board retains the ability to review, and if appropriate, waive this requirement. These funds are provided from the Administrative Fee Account from income received after the Capitalization Grant period.”

In 2002, 2003 and 2004 the Authority Board approved \$100,000 for planning and design grants to small communities. In 2000 the Authority Board approved \$50,000 for this purpose.

A total of 24 planning and/or design grants (**Exhibit C**) have been issued since 2001 resulting in WPCRF loans totaling \$14,202,094.00. Nine grants were awarded during 2003 for preparation of planning, environmental assessment and design documents. The entities that received grants were identified in the 2003 and/or 2004 IUP. Detailed descriptions of the projects awarded in 2003 are included under the Project Status section.

“2. The Authority may consider a policy to limit the amount of assistance to an individual borrower to \$50 - \$60 million.”

There were sufficient funds to cover all loan applications in 2003. However, loan projections indicate that there may not be adequate funds to cover all loan requests in 2004. Due to the large number of projected loans the agencies involved in the WPCRF worked with a stakeholders group to consider loan limits. The stakeholders group recommended implementing an application deadline (instead of loan limits) for all leveraged loans (projects over \$1 million). Loan applications are currently submitted throughout the year making it difficult to apply the existing “Criteria and Methods for Distributing Funds” as described in the IUP and the WPCRF Rules. Application deadlines will allow staff to fairly and consistently apply the “Criteria and Methods for Distributing Funds.” Based on the stakeholders’ recommendation, the 2004 IUP includes an application deadline of February 1st for all leveraged loans. Direct loans do not have an application deadline.

“3. The State will prepare and submit a Capitalization Grant application based on the FFY-2003 allotment for the WPCRF by January 2003.”

The State submitted an application for the 2003 grant funds of \$10,594,584 on April 9, 2003. The Capitalization Grant was awarded on June 5, 2003.

“4. The State will initiate the process for identifying projects in the FY2004 Intended Use Plan by March 2003.”

A survey of facility needs was distributed in March 2003. Surveys were mailed to all entities on the 2003 Project Eligibility List, projects under a compliance schedule or enforcement action, projects identified by the Funding Coordination Committee, and projects identified by Rural Development, DLG field staff, WQCD District Engineers, and staff from Area Council of Governments.

News articles describing the survey process and listing the Authority’s web site (for a copy of the survey form) were also published in the Colorado Non-Point Source Connection, Rural Water’s Quarterly publication, the Colorado Municipal Leagues bi-weekly newsletter, the Special District Association’s newsletter, and the Rocky Mountain Water Environment Association Rumbles publication.

“5. The State will submit an Annual Report to EPA by April 30, 2003.”

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The 2002 Annual Report was submitted to EPA by April 30, 2003.

“6. The State will continue coordination with all funding agencies for water quality projects identified in the 2003 IUP.”

The agencies involved in the WPCRF have diligently worked together and with other funding agencies to find the best funding sources for each individual community. Greater effort has been expended to coordinate identification of projects and funding from all available sources including the Water Pollution Control Revolving Fund, Community Development Block Grants, Energy Impact Assistance Program, State and Tribal Assistance Grants, Colorado Water Conservation Board, and U.S. Department of Agriculture-Rural Development. Meetings are held by the Funding Coordination Committee throughout the year to discuss upcoming projects and the resources available.

“7. The Authority will leverage funds in the WPCRF to accommodate the amount of eligible costs projected for loans in 2003 as described in Appendix B (of the IUP).”

The fund was leveraged consistently on a scale of approximately 2.25 to 1 to ensure that there would be enough monies available for anticipated loans in 2003 and subsequent years. (See also WPCRF Financial Status.) The leverage factor has decreased from previous years due to the decrease in interest rates.

“8. The State will continue to actively pursue non-point source projects that are eligible for a loan from the WPCRF.”

In July of 2003, the Pikes Peak-America's Mountain, an enterprise of Colorado Springs, and the Authority entered into a loan agreement for a direct loan of \$1,000,000. This is the first non-point source project funded by the WPCRF. Funds are being utilized by the Enterprise to mitigate erosion and runoff from the roadway above timberline by paving and building stormwater diversion and detention structures. Project construction was nearly completed by the end of 2003.

The second non-point source project with the Town of Breckenridge is currently in the application stage. Along with their partner Summit County, the Town is planning to purchase 1,800 acres of land for open space that has been impacted by historic mining. Metal laden runoff from three old mines on the property has contributed to the impairment and 303 (d) listing of the receiving stream. The Town will need approximately \$4.5 million to cover its share of the acquisition and water treatment system backed by a dedicated open space sales tax and a general obligation pledge (property tax).

As a result of increased outreach and survey efforts (including articles in the Colorado Non-Point Source Connection and Colorado Municipal League newsletters) over the last few years, there were 10 non-point source projects totaling \$58,400,000 on the 2003 Project Eligibility List. The 2004 Project Eligibility List includes 18 non-point source projects totaling \$63,100,000. Ongoing discussions with communities on the list such as the City of Aspen may lead to more non-point source loans in the near future. More experience with non-point source projects will make it possible for the state to provide targeted guidance for potential applicants.

“9. The WQCD will continue to make revisions to the Handbook of Procedures to conform to regulations/guidance and submit it to EPA for approval.”

The WPCRF Handbook of Procedures (HOP) originally approved by EPA in 1995 outlines the procedures staff will follow to ensure project compliance. EPA approved changes to Chapter 3 -Disbursement Requests and Chapter 6-User Charge Systems/Sewer Use Ordinances on June 25, 2002. During 2003 EPA approved changes to Chapter 9-Project Construction Inspections. In September of 2003, staff began working with the Division's Technical Services Unit, USDA Rural Development and Rural Community Assistance Corporation to draft revisions to Chapter 4 - Facility Plan Review. This joint effort was undertaken in an effort to create a standard format for Preliminary

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Engineering Reports that will meet the needs of all funding agencies. A draft of this chapter has been forwarded to EPA for comment. In addition, staff will draft a proposed procedural document for determining and implementing a Tier II Environmental Review Process.

Staff will continue to work with stakeholders to revise and update Chapter 1 - Pre-application Meeting and WPCRF Application Review, Chapter 5 - Plans, Specifications and Addenda Review, Chapter 7 - Bid Solicitation and Contract Review, Chapter 12 - Project Files and Chapter 10 - Project Tracking System (this section will include procedures for maintaining the new shared database.)

“10. Implement a shared Access database for tracking projects.”

Division and Authority staffs have been diligently working toward populating the database. Division staff has created a project milestone tracking report that will assist with maintaining an up-to-date and accurate account of project elements. The database includes grant and loan data, federal and state compliance data, construction milestone dates, and is also used in the development of a project tracking system for the Division’s Technical Services Unit. Initial data entry is complete and the Division is generating reports and queries with the database. It is anticipated that the 2005 WPCRF and DWRF Project Eligibility Lists will be developed using this database.

“11. Provide training to three new Project Managers (out of a total of five Financial Assistance Program staff) who have been hired within the last eight months. “

Training has been an ongoing effort in the Financial Assistance Program and will continue to be a focus for the unit, as a new Project Manager will be hired in May 2004.

V. PROGRAM DETAILS

A. WPCRF Financial Status

The FFY 2003 capitalization grant was awarded on June 5, 2003. The EPA share was \$10,594,584 and the State Match was \$2,118,917 for a total of \$12,713,501. This grant award was subsequently amended on August 6, 2003, to include a transfer of \$6,666,667 from the DWRF bringing the total EPA share to \$17,261,251 and the State Match to \$3,452,250. With this grant, the State has received \$177,063,404 to date from EPA and has committed to provide a total of \$35,412,680 for State Match.

On all loans the WPCRF charges a 0.8% administrative fee based on the original principal amount of the loan. (Only in the first year or two and in the last two or three years of the leveraged loans is this fee less than 0.8%.) On direct loans, the overall fee is front-loaded because there are not sufficient interest charges on the backend to charge a full 0.8% on the original principal. Closing charges on direct loans were eliminated in 2000.

Below is a table that identifies the revenues and expenses from the administrative fee account, which is outside of the revolving loan fund. The values in this table may not reconcile differences between cash and accrual accounting methods. At the end of 2003, the State Match loan balance was \$9,535,781. Also at the end of the year, the cash balance in this account was \$824,663 (this balance includes interest earnings and repayment of funds used to prepay state match bonds.)

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Administrative Fee Account - Revenues and Expenses as of December 31, 2003

	Loan Fee* Revenue	Cap Grant Administration	Administrative Expense	State Match Loan Repayment	Net Income
1988 to 1993	\$ 2,369,907	\$ 1,466,653	\$ 2,445,817	\$ 56,400	\$ 1,334,343
1994	\$ 943,434	\$ 467,037	\$ 673,447	\$ 105,000	\$ 632,024
1995	\$ 1,136,274	\$ 1,116,974	\$ 813,147	\$ 635,025	\$ 805,076
1996	\$ 1,211,368	\$ 251,614	\$ 1,010,151	\$ 722,635	\$ (269,804)
1997	\$ 1,481,355	\$ 450,859	\$ 916,953	\$ 891,500	\$ 123,761
1998	\$ 1,905,633	\$ -	\$ 1,004,025	\$ 842,290	\$ 59,318
1999	\$ 2,378,314	\$ 263,900	\$ 1,082,722	\$ 725,000	\$ 834,492
2000	\$ 2,779,961	\$ 245,417	\$ 1,068,715	\$ 2,656,699	\$ (700,036)
2001	\$ 3,073,559	\$ 421,955	\$ 1,229,441	\$ 2,000,000	\$ 266,073
2002	\$ 3,662,878	\$ 339,810	\$ 1,180,877	\$ 4,150,000	\$ (1,328,189)
2003	\$ 4,006,729	\$ 353,152	\$ 1,265,911	\$ 3,200,000	\$ (106,030)
TOTAL	\$ 24,949,412	\$ 5,377,371	\$ 12,691,206	\$ 15,984,549	\$ 1,651,028

*Loan Fee Revenue does not include interest earnings or repayment of funds used to retire state match bonds.

Exhibit D shows the capitalization grant payments, cumulative payments, binding commitments and percentage of binding commitments. **Exhibit E** presents a summary of project and administrative draws against the various grants. Other financial details are available in **Attachment 2** (audited financial statements) and **Exhibit F** (form 269A).

B. Project Status

The following narrative lists projects by watershed group and provides a summary for all Planning and/or Design Grants and WPCRF loans executed in 2003. Updates are also provided for WPCRF projects that are currently under construction or in their one-year certification period. **Exhibit C** provides a detailed financial summary of the WPCRF Planning/Design Grant Funds. **Exhibit A** presents a summary of all loans as of December 31, 2003 and the financial status of those loans as of that date. **Exhibit G** classifies the five new loans by cost categories.

South Platte Watershed

2003 Planning and/or Design Grants

Boxelder Water and Sanitation District – A grant was issued on December 4, 2003 to develop a planning document that evaluates their wastewater treatment plant for both treatment process and additional capacity.

Town of Eaton – The Town is utilizing grant funds for the planning portion of their project. The planning documents are in draft form and they anticipate applying for a WPCRF loan in either the Fall of 2004 or the Spring of 2005.

Town of Empire – A grant was issued on November 1, 2003 to assist with the cost of determining the capacity, feasibility, legal implications and the costs of connecting failing ISDS in West Empire to the District's WWTP.

Town of Georgetown – The Town received both drinking water and wastewater grants to assist them in studying their short-term and long-term needs. The draft plans will be submitted to the WQCD by the summer of 2004.

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City of Glendale – The City is utilizing grant funds for planning and is considering consolidation with Metro Wastewater and decommissioning their current facility. They have delayed financing until Fall of 2004 or Spring of 2005 in order to complete the Environmental Assessment and Planning requirements.

Town of Gilcrest – The Town is utilizing grant funds for the planning portion of their project. They anticipate starting construction in the Fall of 2004.

Town of Haxtun – The Town is utilizing grant funds for the planning portion of their project. They anticipate applying in 2005.

Town of Keenesburg – The Town is utilizing grant funds for the planning portion of their project. They anticipate starting construction in the Fall of 2004.

Town of Wray – The Town is utilizing grant funds for the planning portion of their project. They anticipate completion of the preliminary engineering report in the Fall of 2004 and applying for funding in the Spring of 2005.

2003 WPCRF LOANS

Town of Milliken – The Town received a \$10,000 planning grant and a 22-year loan in the amount of \$5,897,275 was issued to the Town on May 1, 2003 with an interest rate of 3.28%. The overall cost of the project is \$5,800,000. The project consists of the construction of a new activated sludge wastewater treatment facility and associated wastewater collection and transmission infrastructure. Construction is due to begin in April 2004 and is expected to be complete in June 2005.

ALL OTHER ACTIVE WPCRF PROJECTS

City of Aurora – The City was issued a fifteen-year loan on July 27, 1999 in the amount of \$24,124,365.80 with an interest rate of 4.04%. Construction of the wastewater reuse facility began in October 1999. The construction of the reuse plant was completed on May 10, 2001. The construction began on the reuse line distribution system in April 2003 and is expected to be completed by Summer 2004.

Town of Berthoud – A 22-year loan in the amount of \$6,325,000 was issued to the Town on May 1, 2002 with an interest rate of 3.850%. The overall cost of the project is \$6,995,000. This project consists of the construction of a new 2.0 MGD wastewater treatment plant. The Town increased the plant capacity from 1.0 MGD to 2.0 MGD during the construction phase to address redundancy with the system and received an additional \$2,400,000 interim loan December 15, 2003. This loan will be refinanced with a permanent loan in the Spring 2004 bond issue. Construction began in November 2002 and is expected to be complete in June 2004.

Black Hawk/Central City Sanitation District – A 21-year loan in the amount of \$24,107,369 was issued to the District on May 1, 2002 with an interest rate of 3.71%. The overall cost of the project is \$39,785,896. This project consists of the construction of a new 2.0 MGD wastewater treatment plant and transmission line. Construction began in April 2003 and is expected to be complete in June 2005.

Town of Julesburg – The Town received a planning grant in September 2001 and a 20-year direct loan on May 15, 2002 in the amount of \$800,000 with an interest rate of 4.0%. The overall cost of the project was \$1,500,000. The project consisted of the construction of a new mechanical treatment plant. The major construction effort was the construction of the aeration tank. Construction began in June 2002 and was completed March 1, 2003.

City of Lafayette – A 21-year loan in the amount of \$7,861,138.80 was issued to the City on May 1, 2001. The interest rate on this loan was 4.04%. The project consisted of improvements and expansion of the existing wastewater

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treatment plant from 2.8 MGD to 4.4 MGD. The project also included partial relocation of Coal Creek. Construction commenced on December 3, 2001 and overall construction was completed on February 28, 2004.

Left Hand Water and Sanitation District – The District received a direct loan of \$84,000 on September 20, 2000 as an increase to the WPCRF loan they received on March 5, 1999 in the amount of \$126,300. This project includes the replacement of the existing package plant with an updated package plant. The facility has initiated operation and is in the one-year certification period. The District will use the remaining loans funds to correct collection system infiltration problems during the Spring and Summer of 2004.

Niwot Sanitation District – The District received a direct loan in the amount of \$1,000,000 on February 16, 2001. This project consists of remediation of their wastewater treatment plant through removal of defective components, correction of design deficiencies, and other necessary modifications. The facility initiated operations in May 2002 and a one-year follow-up inspection was conducted in May 2003.

Parker Water and Sanitation District – The District received a third loan on October 30, 2002 in the amount of \$14,112,800 at 3.62% interest. The original estimates for the 2 MGD treatment plant were lower than the actual cost. In addition to the increased cost the District added an effluent force main and an administration building that houses the laboratory. The District had received a loan of \$4,913,424 on May 1, 2001 with an interest rate of 4.01% and a loan on May 15, 2000 in the amount of \$12,063,546 with an interest rate of 4.66%. The project included construction of a new north plant providing advanced wastewater treatment and a new administration and lab building for a total project cost of \$31 million. Overall construction was completed in January 2004 and the plant initiated operation in February 2004. Minor landscaping will be completed during Spring 2004.

Pinery Water and Sanitation District (also known as Denver Southeast Suburban Water and Sanitation District) – The District received a loan in the amount of \$7,045,000 on October 30, 2002. This is a 21-year loan with an interest rate of 3.210%. This project is the second phase of a twenty-year plan for the District. The initial phase was funded with the very first loan issued under the WPCRF on December 1, 1989. The total project cost is \$13 million and will expand the facility from 1.0 MGD to 2.0 MGD. The process consists of mechanical bar screening, grit removal, a 5-step Bardenpho process for removal of BOD, ammonia and phosphorus, final clarification, chemical addition, filtration and disinfection. Biosolids from the process are aerobically digested, dewatered, and then composted into a Class A material that is beneficially reused as a fertilizer product. A pre-construction conference was held in March 2004 with construction expected to be complete June 2005.

Plum Creek Wastewater Authority – A loan in the amount of \$25,525,000 was issued to the Authority on May 1, 2001 with an interest rate of 4.020%. Due to bids coming in significantly higher than estimated, an additional loan was necessary to cover the total project cost of \$26 million. Therefore, a loan in the amount of \$3,390,000 was issued on October 30, 2002 with an interest rate of 3.22%. Reloan funds were used for this project in the amount of \$10,324,434. This project consists of the construction of three BNR oxidation ditches, three secondary clarifiers, a RAS/WAS pump station and an expansion of the existing chlorine disinfection building. Construction began in September 2002 and is expected to be complete in January 2005.

South Adams County Water and Sanitation District – On May 30, 2002 this District received a \$6,270,000 loan for 21 years with an interest rate of 3.79%. The total project cost is \$15.5 million. Reloan funds in the amount of \$2,871,660 were used on this project. The project will expand the Williams Monaco Wastewater Treatment Plant from 4.4 to 7.0 million gallons per day (MGD). This project will increase the biological treatment capacity of the East Plant to 5.5 MGD and provide ammonia removal and nitrate reduction, as well as a higher level of disinfection. The existing West Plant will continue to treat flow at its current capacity of 1.5 MGD. The District will be utilizing Moving Bed Biofilm Reactors at the East Plant. The existing East Plant trickling filter will be used for biochemical oxygen demand removal before the flow passes to a new anoxic and oxic treatment system. Flow from the East and West Plants will be disinfected separately and then combined. The combined flow will be dechlorinated and discharged to the South

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Platte River. The construction began on this project on September 16, 2002 and the plant initiated operation on March 1, 2004.

Town of Wellington – The Town received a \$10,000 Planning and Design Grant in August 2001 and a 21-year loan on May 1, 2002 in the amount of \$4,826,280 with an interest rate of 3.71%. The overall cost of the project was \$6,150,000. The project consisted of the construction of a new .50 MGD mechanical treatment plant and interceptor pipeline. This facility replaced the Town's existing 0.29 MGD lagoon facility. The new mechanical treatment plant will consist of oxidation ditch, two secondary clarifiers and UV disinfection. Biosolids processing consists of aerobic digestion and composting. Construction began in July 2002 and was completed October 15, 2003.

Arkansas/Rio Grande Watershed

2003 Planning and/or Design Grants

No Planning and/or Design Grants were awarded in the Arkansas/Rio Grande Watershed during 2003.

2003 WPCRF LOANS

Colorado City Metro District – The District received a leveraged loan on May 1, 2003 in the amount of \$1,878,537.60 at 3.26%. WQCD approved all planning and design requirements in 2003 allowing for bid advertisement in early 2004. Construction bids were \$600,000 over the engineer's estimates and could not be negotiated. The project engineer will modify the scope of the project and re-bid in the spring of 2004. A Planning Grant was provided on May 1, 2002 for the development of an Environmental Assessment for this project.

Pikes Peak – America's Mountain – Pikes Peak America's Mountain, an enterprise of Colorado Springs, was the first non-point source project funded by the WPCRF with a direct loan for \$1,000,000 in July 2003. Funds were utilized to mitigate erosion and runoff from the roadway above timberline by paving and building stormwater diversion and detention structures. The Enterprise nearly completed construction by the Fall of 2003.

City of Pueblo – The City received a leveraged loan on May 1, 2003 in the amount of \$8,402,620.20 at 3.25% for the replacement of a 30" interceptor sewer line with a 36" line, replacement of connecting feeder sewer lines and sanitary sewer rehabilitation projects throughout the City of Pueblo. Construction started in November 2003 on the interceptor and bids were advertised for the sanitary sewer rehabilitation project in March 2004.

City of Salida – The City received a direct loan on November 21, 2003 for \$550,000 with a term of 10 years. With significant reserve funds, the City was able to start construction in the Summer of 2003 and reached substantial completion of the biosolids handling facility by the end of 2003.

ALL OTHER ACTIVE WPCRF PROJECTS

Baca Grande Water and Sanitation District – The District received a \$10,000 grant in June 2001 and a direct loan for \$800,000 at 4 % interest in December 2001. The project is for consolidating and upgrading the existing wastewater facilities. Due to numerous design and legal delays the District started construction in the Fall of 2003, much later than anticipated. Construction completion is expected for Summer 2004. This project received a design grant in June 2001 to assist with design expenses.

Fremont Sanitation District – The District received a loan in the amount of \$8,094,567.60 (4.20% interest rate) on July 1, 1999. The project, consisting of a sludge air-drying and composting facility, was constructed in phases over

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several years. A one-year certification inspection will be scheduled in 2004 when the final improvements are completed.

Lower Colorado Watershed

2003 Planning and/or Design Grants

No Planning and/or Design Grants were awarded in the Lower Colorado Watershed during 2003.

2003 WPCRF LOANS

No WPCRF loans were issued in the Lower Colorado Watershed during 2003.

ALL OTHER ACTIVE WPCRF PROJECTS

Cortez Sanitation District – The District received a loan in the amount of \$9,775,000 with an interest rate of 3.99%. Reloan funds in the amount of \$3,284,400 were used for this project. The District currently operates three wastewater treatment facilities. This project will consolidate the three wastewater treatment facilities to one location on the existing Southwest Plant site. The plant will use an extended aeration activated sludge process. Construction is currently in process. It is anticipated that the project will be completed in January 2005.

Mt. Crested Butte Water and Sanitation District – A loan in the amount of \$5,161,580.60 was issued to the District on May 1, 2001 at 4.02%. Construction of the expansion to the wastewater treatment plant began in May 2003 and operation was initiated in the Fall of 2003.

Mesa County – Mesa County, in conjunction with the City of Grand Junction, received a loan for \$13,490,000 on May 1, 2002. The loan will be used to address two initiatives: a septic elimination project (approximately \$4.6 million) and a storm water separation project (approximately \$9.5 million). The septic elimination project involves the construction of sewer mains in the western area of the City of Grand Junction. The project is nearing completion. When finished, it will serve over 600 lots. The storm water separation project entails the construction of storm water sewers in the downtown area of the city. The new structures will carry only storm water and eliminate the existing combined sewer system. It is anticipated that the project will be completed over the next three to five years.

Pagosa Springs General Improvement District – The Pagosa Springs General Improvement District received a \$200,000 loan on July 15, 2002 to extend sewer mains to the east of the town which was matched by a \$300,000 Department of Health State Grant. The balance of the project costs is supported through district funds. The project will provide sewer service to numerous residential and commercial users who are currently using failing septic systems. Construction of this project was completed in 2003.

Upper Colorado Watershed

2003 Planning and/or Design Grants

No Planning and/or Design Grants were awarded in the Upper Colorado Watershed during 2003.

2003 WPCRF LOANS

No WPCRF loans were issued in the Upper Colorado Watershed during 2003

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ALL OTHER ACTIVE PROJECTS

Fraser Sanitation District – A loan of \$2,445,000 was awarded on May 1, 2001 with an interest rate of 3.990%. CWSRF reloan funds in the amount of \$1,006,122 were used for this project. This project is for an Upper Fraser Valley Consolidated wastewater treatment facility for a total project cost of \$7.6 million that will provide comprehensive wastewater services to the geographic areas in Grand County served by Fraser Sanitation District, Grand County Water and Sanitation District No. 1 and the Winter Park West Water and Sanitation District. This project began construction on May 28, 2002 and initiated operation on November 2003.

Grand County Water and Sanitation District No. 1 – The District received a leveraged loan on July 27, 1999 in the amount of \$3,999,978 (4.17% interest rate). The first bid opening for the project was held in March 2000. The project cost was so high that negotiations began again on a regional facility with Fraser and Winter Park West (see project summary for Fraser Sanitation District). Construction began on the regional treatment plant in May 2002 and operation was initiated in November 2003. Remaining WPCRF loan funds will be used for line work and decommissioning the old wastewater treatment plant.

Three Lakes Water and Sanitation District – The District received a loan on May 15, 2000 in the amount of \$6,498,576 for a term of 19 years; the interest rate is 4.64%. The project consists of a new mechanical plant to handle advanced treatment. This project initiated operation on March 13, 2003. There may be problems with the District providing a 1-year certification of compliance due to computer software problems at the new facility.

Winter Park West Water and Sanitation District – The District received a loan in the amount of \$2,406,249.20 for 20 years at 3.68%. This project is for an Upper Fraser Valley Consolidated wastewater treatment facility (total cost \$7.6 million) that will provide comprehensive wastewater services to the geographic areas in Grand County served by Fraser Sanitation District, Grand County Water and Sanitation District No. 1 and the Winter Park West Water and Sanitation District. Construction began on the regional treatment plant in May 2002 and operation was initiated in November 2003. Remaining WPCRF loan funds will be used for line work.

C. ENVIRONMENTAL INDICATORS

The Inspector General's (IG) office at EPA has been evaluating how states measure environmental benefits. During the Winter of 2003 the IG requested Colorado and eight other states to provide specific information for their consideration in working with EPA to develop criteria for measuring environmental benefits. Colorado's information is outlined below and may be incorporated into future criteria.

"Colorado arranged its projects by watershed in its 2002 Annual Report and listed potential environmental indicators of projects as well as examples of benefits. Specifically, Colorado described the project in South Adams County Water and Sanitation District, for example, as "Increasing the biological treatment capacity of the East Plant to 5.5 MGD and provide ammonia removal and nitrate reduction, as well as higher level of disinfection."

The Colorado Department of Public Health and Environment, Water Quality Control Division, Outreach and Assistance Unit believes that there is potential in the future to effectively measure the environmental benefits of the Clean Water SRF, but the process is not currently implemented due to limited resources. Nevertheless, Colorado identifies the potential environmental benefits of Clean Water SRF projects by coordinating efforts with other program staff, including program staff that develops the Clean Water Act 303(d) list. In 2004, Colorado is requiring systems to identify the potential environmental benefit of the proposed projects in their annual Intend Use Plan Survey. This information will be used to develop the Eligibility List for the Clean Water SRF and Safe Drinking Water SRF. Unit staff is in the process of revising the loan application to request information from applicants about the

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potential environmental impacts. Currently, loan recipients must provide a one year certification that their facilities are in compliance with their discharge permits for at least 6 of the past 12 months.”

The following table is a summary of sources of water quality impact by source category, as provided by the 2002 Status of Water Quality in Colorado (305(b) report). This report will be updated in 2004.

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Summary of Causes and Sources Affecting Water Bodies Not Fully Supporting Classified Uses

Colorado Rivers		Colorado Lakes	
<u>Cause Category</u>	<u>Miles Affected</u>	<u>Cause Category</u>	<u>Acres Affected</u>
Metals and pH	1,404	Metals and pH	6,762
Ammonia and organic enrichment	72	Pesticides	156
Pathogens	212	Ammonia	8
Nitrate and sulfate	212	Pathogens	8
Siltation	44	Unknown	2,214
Unknown	4,056		
Colorado Rivers		Colorado Lakes	
<u>Cause Category</u>	<u>Acres Affected</u>	<u>Source Category</u>	<u>Acres Affected</u>
Point Sources and pH	96	Point sources	164
Agriculture/silviculture	123/11		134
Urban and road runoff	52	Agriculture and silviculture	134
Resource extraction	599	Resource extraction	142
Unknown	5,227	Unknown	8,708

Notes: "Source" means the activities, facilities, or conditions that contribute pollutants or stressors. "Cause" means the pollutants and other stressors that contribute to the non-attainment of classified uses in a water body. Sum of the acres or miles affected does not equal the total non-attained acres or miles since non-attainment may have more than one cause.

2003 Project Summary

The following is a summary of projects funded in 2003. This summary includes the Water Body Identification (WBID) that identifies and segregates differing water bodies. The 8-10 character alphanumeric WBID identifies the state, major river basin, minor river basin, and segment number. For example, all WBIDs start out with the letters CO signifying Colorado. The third and fourth letters signify the major stream basin (i.e., Arkansas, Rio Grande, Colorado, South Platte, etc). The fifth and sixth letters signify the minor stream basin (i.e., Upper, Middle or Lower, Clear Creek, Cherry Creek, Boulder Creek, etc.). The seventh through tenth numbers and sometimes letters (L = lakes, S = streams, or A, B, and C) designate the specific segment number. These segment numbers are the same as those found in the Classifications and Numeric Standards for each basin. Also included in the summary are the potential environmental benefits and improvements in water quality as a result of WPCRF projects awarded in 2003.

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South Platte Watershed

The water quality issues in the South Platte Watershed are very diverse, complex and dependent upon the particular geographic area where the project is located. The Upper South Platte watershed above Chatfield Reservoir serves as the primary source water area for the greater Denver metropolitan region. Water quality within this reach has been affected by historic mining districts (Mosquito Creek), water resource development (South Park dams and water diversions), severe sediment deposition from forest fires (Buffalo Creek and Hi Meadows areas), and elevated nutrients in groundwater from mountainous area population growth (Park and Jefferson counties). The protection of water classifications is a high priority for this area.

The middle reach of the watershed from below Chatfield Reservoir to the confluence with the Cache la Poudre River has undergone some of the most intensive use and resulting impacts experienced by any river in Colorado. Historic mining districts (Clear Creek, James Creek), explosive urban development (Cherry Creek, Plum Creek, I-25 Corridor), Superfund sites (Rocky Mountain Arsenal, Rocky Flats, Sand Creek, Shattuck, Broderick, Marshall, Woodbury, Lowry, Chemical Sales), stormwater runoff (Denver, Boulder, Fort Collins metropolitan areas), extensive hydrologic modification (Boulder, St. Vrain, Big Thompson, Cache la Poudre Rivers), and urban and agricultural nutrient loading have resulted in varying types of water quality impacts. The improvement of water quality within this reach of the watershed will require considerable resource expenditures.

Town of Milliken (COSPBT05) – discharges to the Big Thompson Segment 5. This segment, the Big Thompson from I-25 to the South Platte River, is listed on the 303(d) list for selenium. The proposed construction of a new activated sludge wastewater treatment facility is expected to address some of the selenium issues in the segment.

Arkansas/Rio Grande Watershed

The Arkansas/Rio Grande Watershed comprises two distinct watersheds covering the entire south-central and southeastern portions of the state. Water quality issues in the Arkansas and Rio Grande River Basins include water quality problems associated with the impacts of urban and rural development, active and legacy mining operations, current and legacy agricultural practices and meeting interstate river compact obligations.

Colorado City Metro District (COARMA09) – discharges to the Greenhorn Creek, which is not included on the 303(d) list. The proposed improvements to their existing wastewater treatment facility include mechanical screening and grit removal, construction of a sequencing batch reactor, installing ultraviolet disinfection, aerobic digester and flow measurement. These improvements will enable their existing facility to meet state discharge permit requirements.

Pikes Peak – America's Mountain (COARFO01 or COARUA13) – This is a non-point source project that will mitigate environmental impacts of runoff from the dirt road, which reaches over 14,000 feet in elevation. The multiphase project for erosion and sediment control includes stabilizing the cut/fill slopes and the road shoulders through re-vegetation with native grasses, improving drainage ditches with erosion control blankets or riprap, improving culvert inlets and protection culverts outlets.

City of Pueblo (COARLA01) – is on the 303(d) list for selenium. Although there is a selenium issue in this watershed area the project funded through the WPCRF is for sewer interceptor and collection system replacement. Since a portion of the 30" interceptor pipe lies in the Arkansas River bed, it is vulnerable to flood damage. The proposed project will relocate the interceptor in the embankment of the Arkansas River. In conjunction with the U S Army Corps of Engineers a Fisheries Habitat Restoration Project and a recreation boating (kayak) course is being developed in this area.

City of Salida (COARUA03) – Salida is above the confluence with Badger Creek and discharges to Segment 3, which is listed for zinc on the 303(d) list. The proposed project will upgrade the City's biosolids treatment capabilities by

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installing a high-solids centrifuge and composting area and eliminating a portion of existing drying beds. Although this project does not address surface water impairments, the quality of biosolids for land application will be improved.

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Lower Colorado Watershed

Water quality issues in the Lower Colorado River watershed consist of impacts from growth, selenium and mining. The current growth surge in Colorado is especially evident in the Lower Colorado River Watershed. This region has two main areas of growth: towns in the lower valleys where the climate is very attractive to retirees and mountain resorts areas where many people are building large homes. Wherever this growth is occurring, it has the potential to threaten water quality. This growth brings with it an increased demand for drinking water, which is taxing the capacity of drinking water plants. The availability of water to meet the increased demand, in a region where water quality availability is an historic problem, is a major concern. The large number of new septic systems in the area also has the potential to impact surface water and groundwater supplies. Where sewers exist, the growth often threatens the capacity of existing wastewater treatment plants.

Threatened and endangered species of fish inhabit the Colorado River and some of its tributaries. Protection of these species is a driving force in water quality and water quantity policies within the reaches that the fish inhabit and the reaches that affect those areas. High selenium concentrations in several segments of the Gunnison and Uncompahgre Rivers are a serious concern that is also related to the threatened and endangered species issue. The selenium problems have the potential to impact development and agriculture along both of these rivers.

Mining related water quality problems exist around the region, especially in the headwaters areas of the river. One of the more notable of these areas is the headwaters area of the Animas River around the Town of Silverton.

No loans were executed in the Lower Colorado Watershed during 2003.

Upper Colorado Watershed

The Upper Colorado Watershed encompasses the northwest quadrant of the state and includes the Blue, Eagle, Roaring Fork, Fraser, North Platte, Yampa, Green and White River Basins, as well as the headwaters of the Colorado River above Glenwood Springs. The Upper Colorado River Watershed water quality issues relate to impacts due to growth and mining, and the protection of threatened and endangered fish species. Growth related water quality issues are becoming increasingly important as the population continues to grow at rates among the highest in Colorado. Sediment and nutrient loading to streams in the watershed have the potential to create significant water quality problems. These loadings are caused primarily by runoff from construction activities at new subdivisions, commercial centers, roads, ski areas expansions and naturally erosive soils.

No loans were executed in the Upper Colorado Watershed during 2003.

D. Compliance with provisions of the Grant/Operating Agreement

There are many requirements in the capitalization grant/operating agreement that the State must meet to maintain the WPCRF according to EPA standards. A letter from the Division (**Attachment 3**) certifies the State has met the following elements of the Operating Agreement's "Roles and Responsibilities of the State".

1. Colorado has established an instrumentality of the State utilizing the specific expertise of three agencies via legislation adopted in 1988.
2. In accordance with Federal regulations, State law and the WPCRF Rules, the IUP (which includes the Project Eligibility and Projected WPCRF Loans lists) is presented at a public hearing before the Commission prior to December 31 of each year.

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3. ACH payment schedules are no longer submitted to EPA Region VIII annually. ASAP has replaced the schedules and appears to be working satisfactorily.
4. The appropriate State Match is included with each capitalization grant and verified by audit.
5. A binding commitment (loan agreement) is made after a thorough review of the sponsor's application and financial capability. **Exhibit D** reports the binding commitment percentage to be well over 120% because of the State's leveraged-loan program.
6. As required, the State expends all funds in an expeditious and timely manner from the WPCRF for the improvement of water quality.
7. There are no projects being tracked for the National Municipal Policy list in Colorado.
8. Verification of the State's compliance with project eligibility can be found in the project files.

To further track projects for compliance with the Operating Agreement, the State began utilizing a shared project database in 2003. This database includes grant and loan data, federal and state compliance data, construction milestone dates, and is also used in the development of a project tracking system for technical reviews. Initial data entry is complete and the Division is generating reports and queries with the database. It is anticipated that the 2005 WPCRF and DWRF Project Eligibility Lists will be developed using this database.

9. The State maintains extensive expenditure files (administrative and project) for the WPCRF.

The Authority and the Division also utilize a Time and Effort record keeping system for all staff that performs duties under the WPCRF. The Authority's staff and overhead costs are reimbursed with federal funds. Three Division administrative staff were funded with federal funds from the WPCRF and the Drinking Water Revolving Fund during 2003.

10. Management of the WPCRF is monitored frequently by each of the three agencies. Improvements are made to the program with concurrence from EPA as necessary.
11. The Authority maintains the WPCRF financial accounting structure. An independent accounting firm audits the financial statements annually.
12. The Colorado WPCRF Annual Report is submitted to EPA by April 30 of each year as required in the Operating Agreement, as amended by grant conditions.
13. In 2003, the State agreed to the following goals for Minority Business Enterprises (MBE) and Women's Business Enterprises (WBE):

	% MBE	% WBE
Construction	6.1	6.6
Supplies	6.1	6.6
Services	6.1	6.6
Equipment	6.1	6.6

The established goals for fiscal years 2003 through 2005 were derived from the Availability Analysis finalized in October 2002. During 2003, the State utilized MBE/WBE firms for overall construction services, investment brokering services, arbitrage rebate services, and underwriting. **Exhibit H** is the tracking system used to ensure

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compliance with the established goals. Due to staff turn over at EPA, civil rights compliance forms are kept on file at the Division. **Exhibit I** is the tracking system used to ensure Civil Rights compliance with Federal 4700-4 reporting forms.

14. During the 2003 reporting period, the State prepared Environmental Assessments (EA) or reviewed EA's prepared by consultants on behalf of the borrower. Findings of No Significant Impact (FNSI) or Categorical Exclusions were published on behalf of the WPCRF. The communities included:

FINDING OF NO SIGNIFICANT IMPACTS

Baca Grande Water and Sanitation District
Town of Berthoud
Colorado City Metropolitan District
City of Grand Junction
City of Pueblo
Town of Milliken

CATEGORICAL EXCLUSION

City of Salida

VI. PROJECTIONS

A. Approved Loans First Quarter

The 2004 IUP (**Attachment 4**) includes a list of projects from the eligibility list that have or are anticipated to submit loan applications. These projects are considered the State's projected commitments for the 2004 WPCRF loan program. The first bond issue for 2004 is scheduled for May and could include the following entities:

City of Littleton
City of Englewood
Town of Berthoud

Anticipated Direct Loans for 2004 include:

Garden Valley Water and Sanitation District

B. Applications Received, or Loans Anticipated, for 2004

Town of Eaton
City of Walsenburg
Town of Breckenridge
Roxborough Park Metropolitan District
City of Westminster

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C. Proposed Program Improvements and/or Modifications

A Policy Committee has been convened to discuss and implement policy changes to the WPCRF Program. The committee consists of representatives from the Division, the Authority and DLG. Items that will be addressed include:

- ◆ Revising the WPCRF and DWRF Rules and streamlining the IUP and Joint Resolution process. Stakeholders will look at prioritizing projects by watershed and TMDL.
- ◆ Developing a Disadvantaged Community Program under the DWRF program.
- ◆ Improve NPS funding alternatives and expand source of revenue considerations.
- ◆ Revise the IUP and Planning and Design grant procedures to outline the waiver process, allow for funding of systems listed on the State Grant Eligibility List, and provide funding to entities to form districts.

Other Program improvements that will be addressed in the coming year(s) include:

- ◆ Conducting the 2004 Clean Water Needs Survey by January 2005.
- ◆ Continue reviewing and updating both the WPCRF and DWRF Handbook of Procedures and Operating Agreements as appropriate.
- ◆ Establishing a web site for the Financial Assistance Program.
- ◆ Draft proposed guidance document for the management of the WPCRF and DWRF programs.

D. EPA Annual Review

Region VIII EPA conducted an Annual Review of the WPCRF and DWRF for 2002; their findings were submitted to the Division on October 20, 2003. The report indicated that the “State managed both programs in accordance with applicable statutes and regulations.” In the 2002 Review and in previous reviews, EPA identified that the manner in which the WPCRF had been disbursing funds for projects had not matched the State’s success in providing assistance. Division and Authority staff have been working together to carefully scrutinize the expected project schedules and other factors to ensure significant construction delays do not occur after loan execution. Also, informal procedures have been implemented requiring planning and environmental requirements be met prior to loan approval.

In addition, Division staff have made improvements to its environmental review process, including adequately evaluating and disclosing secondary and cumulative impacts in environmental assessments of SRF projects.

EXHIBIT A

WPCRF LOAN SUMMARY

Colorado Water Resources & Power Development Authority
WATER POLLUTION CONTROL REVOLVING FUND (WPCRF)
 Loan Summary Report as of December 31, 2003

LEVERAGED LOANS									
Number of Bonds Issued (excluding refundings):		18							
Number of Leveraged Loans Executed:		67							
Bond Issue	BORROWER	LOAN DATE	ORIGINAL LOAN AMOUNT	LOAN TERM	EFFECTIVE INTEREST RATE	FEDERAL GRANT AMOUNT	STATE MATCH PROVIDED	Code	CWSRF RELOAN FUNDS USED FOR NEW LOANS
1989A	Denver SE Suburban W&S District	12/01/89	\$6,905,000.00	22 YEARS	4.634%	\$3,073,381.70	\$634,118.30	D	\$0.00
1990A	Castle Rock, Town of	06/15/90	4,319,911.00	20 YEARS	5.202%	2,147,505.40	429,910.53	D	0.00
1991A	Englewood, City of	11/15/90	12,750,000.00	22 YEARS	4.642%	6,464,024.04	1,292,811.89	D	0.00
1991A	Littleton (Revenue), City of	11/15/90	5,000,694.16	22 YEARS	4.642%	2,535,263.31	507,055.44	D	0.00
1991A	Littleton (Gen. Oblig.), City of	11/15/90	7,750,000.00	22 YEARS	4.642%	3,929,112.65	785,826.83	D	0.00
1991B	Metro WW Reclamation District	05/01/91	21,910,000.00	20 YEARS	4.576%	11,125,000.00	2,225,000.00	D	0.00
1992A	Fort Lupton, City of	06/15/92	4,200,000.00	21 YEARS	5.174%	1,151,100.00	230,220.00	B	0.00
1992A	Frisco Sanitation District	06/15/92	4,500,000.00	20 YEARS	5.174%	1,455,800.00	291,160.00	B	0.00
1992A	Eagle River W&S District	06/15/92	7,368,840.00	21 YEARS	5.174%	1,737,300.00	347,460.00	B	0.00
1992B	Fort Collins, City of	07/15/92	24,540,580.00	23 YEARS	4.045%	9,548,700.00	1,909,740.00	B	0.00
1992B	Longmont, City of	07/15/92	3,500,000.00	20 YEARS	3.965%	1,729,200.00	345,840.00	B	0.00
1994A	Alamosa, City of	08/01/94	3,197,216.00	15 YEARS	3.768%	1,336,080.00	267,216.00	B	0.00
1994A	Genesee W&S District	08/01/94	1,498,151.50	20 YEARS	4.863%	465,757.00	93,152.00	B	0.00
1994A	Greeley, City of	08/01/94	13,457,960.00	20 YEARS	4.973%	3,664,800.00	732,960.00	B	0.00
1994A	Parker W&S District	08/01/94	1,781,883.00	20 YEARS	4.892%	584,415.00	116,883.00	B	0.00
1994A	Windsor, Town of	08/01/94	3,998,852.50	15 YEARS	4.621%	1,069,263.00	213,852.00	B	0.00
1995A	Brighton, City of	05/01/95	5,080,483.75	20 YEARS	4.578%	1,277,418.75	255,483.75	B	0.00
1995A	Craig, City of	05/01/95	1,096,820.00	20 YEARS	4.578%	359,100.00	71,820.00	B	0.00
1995A	Fort Morgan, City of	05/01/95	9,146,685.00	20 YEARS	4.587%	2,708,425.00	541,685.00	B	0.00
1995A	Steamboat Springs, City of	05/01/95	1,563,550.00	20 YEARS	4.576%	492,750.00	98,550.00	B	0.00
1995A	Eagle River W&S District	05/01/95	6,099,183.00	20 YEARS	4.583%	1,920,915.00	384,183.00	B	0.00
1995A	Winter Park W&S District	05/01/95	3,050,000.00	20 YEARS	4.590%	799,250.00	160,000.00	B	0.00
1996A	Crested Butte, Town of	06/01/96	2,499,120.00	20 YEARS	4.727%	795,600.00	159,120.00	B	0.00
1996A	Mt. Crested Butte W&S District	06/01/96	1,399,080.00	19 YEARS	4.740%	445,400.00	89,080.00	B	0.00
1996A	Fountain Sanitation District	06/01/96	1,716,099.00	19 YEARS	4.711%	505,495.00	101,099.00	B	0.00
1996A	Idaho Springs, City of	06/01/96	1,541,237.00	20 YEARS	4.742%	481,185.00	96,237.00	B	0.00
1997A	Breckenridge Sanitation District	05/01/97	8,093,616.90	20 YEARS	4.534%	2,618,084.00	523,616.90	B	0.00
1997A	Carbondale, Town of	05/01/97	2,327,490.20	10 YEARS	4.216%	662,451.00	132,490.20	B	0.00
1997A	Eagle, Town of	05/01/97	\$2,345,204.20	20 YEARS	4.533%	\$801,021.00	\$160,204.20	B	0.00
1997A	Erie, Town of	05/01/97	1,821,690.20	20 YEARS	4.539%	583,451.00	116,690.20	B	0.00
1997A	Parker W&S District	05/01/97	3,271,642.30	20 YEARS	4.543%	1,033,211.00	206,642.30	B	0.00
1997A	Sterling, City of	05/01/97	2,499,524.10	19 YEARS	4.534%	822,620.00	164,524.10	B	0.00
1997A	Westminster, City of	05/01/97	13,246,525.00	20 YEARS	4.543%	3,482,625.00	696,525.00	B	0.00
1998A	Buena Vista Sanitation District	04/01/98	3,896,505.00	19 YEARS	3.960%	1,257,525.00	251,505.00	B	0.00
1998A	Eagle River W&S District	04/01/98	17,685,395.60	18 YEARS	3.940%	6,176,978.00	1,235,395.60	B	0.00
1998A	Evans, City of	04/01/98	1,141,616.60	20 YEARS	4.030%	433,083.00	86,616.60	B	0.00

Colorado Water Resources & Power Development Authority
WATER POLLUTION CONTROL REVOLVING FUND (WPCRF)
 Loan Summary Report as of December 31, 2003

LEVERAGED LOANS (cont'd)

Bond Issue	BORROWER	LOAN DATE	ORIGINAL LOAN AMOUNT	LOAN TERM	EFFECTIVE INTEREST RATE	FEDERAL GRANT AMOUNT	STATE MATCH PROVIDED	Code	CWSRF RELOAN FUNDS USED FOR NEW LOANS
1998A	Trinidad, City of	04/01/98	6,670,909.00	20 YEARS	3.990%	2,129,545.00	425,909.00	B	0.00
1998A	Westminster, City of	04/01/98	4,085,697.00	19 YEARS	3.980%	1,453,485.00	290,697.00	B	0.00
1998B	Colorado Springs, City of	04/01/98	22,204,270.00	21 YEARS	4.060%	6,971,350.00	1,394,270.00	B	0.00
1999A	Aurora, City of	07/01/99	24,124,365.80	15 YEARS	4.040%	8,571,829.00	1,714,365.80	B	0.00
1999A	Fremont Sanitation District	07/01/99	8,094,567.60	20 YEARS	4.200%	2,772,838.00	554,567.60	B	0.00
1999A	Grand County W&S District	07/01/99	3,999,978.00	19 YEARS	4.170%	1,424,890.00	284,978.00	B	0.00
1999A	Mt. Werner W&S District	07/01/99	3,034,627.20	20 YEARS	4.200%	0.00	219,627.20	B	0.00
1999A	Steamboat Springs, City of	07/01/99	2,935,636.00	20 YEARS	4.200%	978,180.00	195,636.00	B	0.00
2000A	Parker W&S District	05/15/00	12,063,546.00	20 YEARS	4.650%	3,392,730.00	678,546.00	B	0.00
2000A	Summit County	05/15/00	17,086,830.00	20 YEARS	4.660%	5,184,150.00	1,036,830.00	B	0.00
2000A	Three Lakes W&S District	05/15/00	6,498,576.00	19 YEARS	4.640%	1,792,880.00	358,576.00	B	0.00
2001A	Cortez Sanitation District	05/01/01	9,775,000.00	20 YEARS	3.990%	0.00	0.00	F	3,284,400.00
2001A	Ft. Collins, City of	05/01/01	9,845,000.00	21 YEARS	4.020%	0.00	0.00	F	4,331,800.00
2001A	Fraser Sanitation District	05/01/01	2,445,000.00	20 YEARS	3.990%	0.00	0.00	F	1,006,122.00
2001A	LaFayette, City of	05/01/01	7,861,138.80	21 YEARS	4.040%	2,730,694.00	546,138.80	B	0.00
2001A	Mt. Crested Butte W&S District	05/01/01	5,161,580.60	21 YEARS	4.020%	1,882,903.00	376,580.60	B	0.00
2001A	Parker W&S District	05/01/01	4,913,424.00	21 YEARS	4.010%	1,667,120.00	333,424.00	B	0.00
2001A	Plum Creek Wastewater Authority	05/01/01	25,525,000.00	21 YEARS	4.020%	0.00	0.00	F	8,742,316.00
2001A	Steamboat Springs, City of	05/01/01	5,895,654.40	21 YEARS	4.010%	2,278,272.00	455,654.40	B	0.00
2002A	Berthoud, Town of	05/01/02	6,325,000.00	22 YEARS	3.850%	0.00	0.00	F	2,400,340.00
2002A	Black Hawk Central City Sanitation Distric	05/01/02	24,107,369.40	21 YEARS	3.710%	7,811,847.00	1,562,369.40	B	0.00
2002A	Mesa County / City of Grand Junction	05/01/02	13,490,000.00	23 YEARS	3.620%	0.00	0.00	F	5,884,338.00
2002A	South Adams W&S District	05/01/02	6,270,000.00	21 YEARS	3.790%	0.00	0.00	F	2,871,660.00
2002A	Wellington, Town of	05/01/02	4,826,280.60	21 YEARS	3.710%	1,856,403.00	371,280.60	B	0.00
2002A	Winter Park West W&SD	05/01/02	2,406,249.20	20 YEARS	3.680%	906,246.00	181,249.20	B	0.00
2002B	Denver SE W&SD	10/01/02	7,045,000.00	21 YEARS	3.210%	0.00	0.00	F	3,434,443.00
2002B	Parker W&S District	10/01/02	14,112,800.00	23 YEARS	3.620%	5,564,000.00	1,112,800.00	B	0.00
2002B	Plum Creek Wastewater Authority	10/01/02	3,390,000.00	21 YEARS	3.220%	0.00	0.00	F	1,582,118.00
2003A	Colorado City Metro Dist	05/01/03	1,878,537.60	22 YEARS	3.260%	842,688.00	168,537.60	B	0.00
2003A	Milliken, Town of	05/01/03	5,897,275.80	22 YEARS	3.280%	2,511,379.00	502,275.80	B	0.00
2003A	Pueblo, City of	05/01/03	8,402,620.20	22 YEARS	3.250%	3,788,101.00	757,620.20	B	0.00
TOTAL LEVERAGED LOANS			\$496,572,489.21			\$146,184,819.85	\$29,476,607.04		\$33,537,537.00

Colorado Water Resources & Power Development Authority
WATER POLLUTION CONTROL REVOLVING FUND (WPCRF)
 Loan Summary Report as of December 31, 2003

DIRECT LOANS									
Number of Direct Loans Executed:		40							
Year of Loan	BORROWER	LOAN DATE	ORIGINAL LOAN AMOUNT	LOAN TERM	EFFECTIVE INTEREST RATE	FEDERAL GRANT AMOUNT	STATE MATCH PROVIDED	Code	CWSRF RELOAN FUNDS USED FOR NEW LOANS
1989	Mountain Range Shadows	12/01/89	\$1,721,489.01	21 YEARS	3.150%	\$1,207,770.00	\$241,554.37	D	\$0.00
1990	Mountain W&S District	04/17/90	200,000.00	20 YEARS	1.431%	166,666.68	33,333.32	A	0.00
1990	Wellington, Town of	06/01/90	375,000.00	20 YEARS	1.431%	312,500.00	62,499.90	A	0.00
1991	Durango West Metro. District #2	07/29/91	500,000.00	20 YEARS	4.500%	416,658.00	83,342.10	B, C	0.00
1992	Nucla Sanitation District	05/11/92	180,000.00	20 YEARS	1.500%	149,999.00	30,001.48	A	0.00
1992	Divide W&S District	07/15/92	69,000.00	9 YEARS	4.500%	57,500.00	11,500.00	C	0.00
1992	Ouray, City of	09/17/92	800,000.00	20 YEARS	4.500%	666,667.00	133,333.33	C	0.00
1992	Montrose County	10/30/92	257,919.26	20 YEARS	4.500%	214,932.00	42,967.17	C	0.00
1994	Fort Lupton, City of	01/12/94	200,000.00	20 YEARS	5.170%	166,666.00	33,334.00	B	0.00
1994	St. Mary's Glacier W&S District	07/15/94	150,000.00	20 YEARS	4.500%	125,000.00	25,000.00	B, E	0.00
1994	Roxborough Park Metro. District	11/18/94	600,000.00	20 YEARS	4.500%	500,000.00	100,000.00	B	0.00
1995	Parker W&S District	03/16/95	500,000.00	5 YEARS	4.890%	416,667.00	83,333.00	B	0.00
1995	Fruita, City of	04/27/95	155,435.23	20 YEARS	4.500%	129,530.00	25,905.23	B	0.00
1995	Log Lane Village, Town of	06/01/95	250,000.00	21 YEARS	4.500%	208,333.00	41,667.00	B	0.00
1996	Lyons, Town of	10/07/96	506,311.19	20 YEARS	4.500%	421,925.00	84,386.19	B	0.00
1996	Ordway, Town of	10/15/96	350,000.00	20 YEARS	4.500%	291,666.00	58,334.00	B, E	0.00
1996	Broomfield, City of	12/05/96	2,514,119.34	20 YEARS	4.710%	2,095,099.00	419,020.34	B	0.00
1997	Vona, Town of	01/29/97	85,000.00	20 YEARS	4.500%	70,833.00	14,167.00	B	0.00
1997	Manzanola, Town of	06/01/97	80,360.00	20 YEARS	4.500%	66,966.00	13,394.00	B	0.00
1997	Pagosa Springs (DL #1)	06/03/97	640,000.00	19 YEARS	4.500%	533,333.00	106,667.00	B	0.00
1997	Erie, Town of	10/08/97	500,000.00	20 YEARS	4.500%	416,666.00	83,334.00	B, E	0.00
1997	Holyoke, City of	12/01/97	489,700.00	20 YEARS	4.500%	408,083.00	81,617.00	B	0.00
1998	Byers W&S District	08/28/98	435,000.00	20 YEARS	4.500%	362,500.00	72,500.00	B, E	0.00
1998	Las Animas, City of	11/12/98	1,070,000.00	20 YEARS	4.500%	891,666.00	178,334.00	B	0.00
1998	Evans, City of	11/16/98	396,249.40 *	20 YEARS	4.500%	330,207.00	66,042.40	B, E	0.00
1998	East Alamosa, W&S District	12/02/98	180,000.00	20 YEARS	4.500%	150,000.00	30,000.00	B	0.00
1999	New Castle, Town of	01/01/99	917,076.00	20 YEARS	4.500%	415,233.00	83,046.62	B / F	418,796.38
1999	Left Hand W&S District (DL#1)	03/05/99	126,300.00	19 YEARS	4.500%	105,250.00	21,050.00	B	0.00
1999	Monte Vista, Town of	09/01/99	968,000.00	20 YEARS	4.500%	806,667.00	161,333.00	B	0.00
1999	La Junta, City of	10/15/99	\$358,400.00	20 YEARS	4.500%	\$0.00	\$0.00	F	\$358,400.00
1999	Kersey, Town of	12/29/99	163,000.00	20 YEARS	4.500%	0.00	0.00	F	163,000.00
2000	Columbine W&S District	03/31/00	424,229.57 *	15 YEARS	4.500%	0.00	0.00	F	424,229.57
2000	Left Hand W&S District (DL#2)	09/20/00	84,000.00	20 YEARS	4.500%	0.00	0.00	F	84,000.00
2000	Springfield, Town of	11/01/00	200,000.00 *	20 YEARS	4.000%	0.00	0.00	F	200,000.00
2001	Niwot Sanitation District	02/16/01	1,000,000.00	20 YEARS	4.000%	0.00	0.00	F	1,000,000.00
2001	Baca Grande W&SD	12/20/01	800,000.00	20 YEARS	4.000%	0.00	0.00	F	800,000.00
2002	Julesburg, Town of	05/15/02	800,000.00	20 YEARS	4.000%	0.00	0.00	F	800,000.00
2002	Pagosa Springs (DL#2)	07/15/02	200,000.00	20 YEARS	4.000%	0.00	0.00	F	200,000.00

Colorado Water Resources & Power Development Authority
WATER POLLUTION CONTROL REVOLVING FUND (WPCRF)
Loan Summary Report as of December 31, 2003

DIRECT LOANS (Cont'd)

Year of Loan	BORROWER	LOAN DATE	ORIGINAL LOAN AMOUNT	LOAN TERM	EFFECTIVE INTEREST RATE	FEDERAL GRANT AMOUNT	STATE MATCH PROVIDED	CWSRF RELOAN FUNDS USED FOR NEW LOANS
2003	Pikes Peak - America's Mountain	07/23/03	1,000,000.00	17 YEARS	4.000%	0.00	0.00 F	1,000,000.00
2003	Salida, City of	11/21/03	550,000.00	10 YEARS	4.000%	0.00	0.00 F	550,000.00
TOTAL DIRECT LOANS			\$20,796,589.00			\$12,104,982.68	\$2,420,996.45	\$5,998,425.95

TOTAL AMOUNT OF WPCRF LOANS EXECUTED:	\$517,369,078.21	\$158,289,802.53	\$31,897,603.49	\$39,535,962.95
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* Reflects amount of loan after amendment. See WPCRF records for further information.

(a) Mt Werner original loan amount was \$3,034,627.20. The loan was defeased in total on 04/02/01 per borrower request. No EPA funds were drawn, but the state match, funded at bond closing, was transferred to the CWSRF Reloan Account upon defeasance (state match funds remained in the Clean Water program).

Summary of Sources of State Match Provided:	
A - Loan Recipient	\$125,835
B - Authority	\$25,428,562
C - WPCRF Administrative Fee Account	\$206,211
D - Revenue Bonds	\$6,116,277
E - Direct Loan Pre-Construction Account Interest Income	\$20,718
Total	\$31,897,603
F - No State Match Required (LOANS Financed with CWSRF Reloan Funds)	\$39,535,963

EXHIBIT B

**AMENDED AND RESTATED
MEMORANDUM OF AGREEMENT
FOR THE OPERATION OF THE
WPCRF PROGRAM**

AMENDED AND RESTATED
MEMORANDUM OF AGREEMENT
FOR THE OPERATION OF THE WPCRF PROGRAM

THIS AMENDED AND RESTATED MEMORANDUM OF AGREEMENT (“MOA”) is entered into this 5th day of March 2004 by and between the Colorado Department of Local Affairs through the Division of Local Government (“DLG”), the Colorado Department of Public Health and Environment, Division of Administration (otherwise known as the Water Quality Control Division, (“WQCD”)), and the Colorado Water Resources and Power Development Authority (“Authority”).

Section 1. Background and Purpose.

Title VI of the 1987 Amendments to the Clean Water Act (the “Act”) created a state revolving fund program for the funding of construction of publicly-owned treatment works and nonpoint source pollution control projects and programs to replace the former Federal Construction Grant program. Under this program, pursuant to an Operating Agreement and annual Capitalization Grant Agreements, the United States Environmental Protection Agency (“EPA”) awards capitalization grants to the State of Colorado (the “State”) for a revolving fund to provide assistance for construction of publicly owned treatment works as defined in Section 212 of the Act, and for developing and implementing a conservation and management plan, and funding projects, under Section 319 of the Act relating to nonpoint source pollution control. The State established a revolving fund, the Water Pollution Control Revolving Fund (“WPCRF”) in accordance with the requirements of the Act. In addition, the State, acting through the Authority, has provided and continues to provide matching monies, consisting of at least 20% of the capitalization grants provided to the State by the EPA, into the fund. These matching funds may be provided from the proceeds of revenue bonds or other available resources of the Authority.

Money in the WPCRF must be used by (1) providing loans for projects at or below market interest rates for terms no longer than twenty years after completion of construction; (2) purchasing or refinancing debt obligations of municipalities incurred after March 7, 1985 for construction initiated after March 7, 1985; (3) guaranteeing or purchasing insurance for bond issues by governmental agencies constructing treatment works; (4) pledging funds as a source of revenue or as security for payment of principal and interest on bonds issued by the Authority for these purposes; (5) earning interest on the fund accounts; and (6) providing for reasonable costs of administering the fund (except that such amounts may not exceed 4% of all grant awards).

Projects to be assisted from the fund include publicly-owned treatment works that are included on the State Project Priority List under Section 216 of the Act. In addition, under Section 319 of the Act, fund money may be used for the development and implementation of nonpoint source pollution control programs and for loans for nonpoint source pollution control projects that are included on the State’s Priority List, except that money must first be used to assure maintenance of progress toward compliance with enforceable deadlines, goals, and requirements of the Act, including the municipal compliance deadline.

Senate Bill 87-50, 1987-1988 session, codified at C.R.S. § 37-95-103 (4.5, 10.5), and 37-95-107.6 was enacted to allow the State to meet the requirements of the new program. The statute created the WPCRF as required by the Act, to be held and administered by the Authority. Further, the statute provides for the participation of three entities in the WPCRF program: the WQCD and the DLG, both state agencies, and the Authority, a political subdivision of the State.

Under the statute, the Authority issues bonds or utilizes other available resources to provide the State match for the WPCRF, and uses the WPCRF money to provide financial assistance to governmental agencies for construction of publicly-owned treatment works, and for nonpoint source control programs or projects, that are included upon the Project Eligibility list adopted by the Water Quality Control Commission, and then approved by the Colorado Legislature in a joint resolution signed by the Governor, all as required by Senate Bill 50. The Project Eligibility List includes publicly-owned treatment works projects prioritized in accordance with Section 216 of the Act, and nonpoint source pollution control programs or projects identified in accordance with Section 319 of the Act.

On June 16, 1989, the WQCD, DLG, and Authority entered into a Memorandum of Agreement to identify their respective roles and responsibilities in connection with the operation of the WPCRF program ("Program"), recognizing that the successful implementation of the Program requires cooperation and coordination by all parties with respect to all aspects of the Program.

Subsequent to the execution of the 1989 Memorandum of Agreement, the parties' respective roles and responsibilities with regard to the Program have evolved and been refined. Accordingly, in recognition of the development of the Program over almost fifteen years, this amended and restated Memorandum of Agreement is to restate the respective roles and responsibilities of the DLG, the WQCD, and the Authority in connection with the operation of the Program, and to specify the terms and conditions under which administrative costs of the DLG, the WQCD, and the Authority, in fulfillment of their duties pursuant to this MOA for the program will be reimbursed by the Authority from available funds in the WPCRF administrative fee account of the WPCRF.

Section 2. Operation of the Program.

The operation and administration of the Program encompasses the following general activities: (1) budgeting, accounting, and administrative expense reimbursement; (2) periodic modification of the WPCRF Rules adopted by the Colorado Water Quality Control Commission, ("Commission") and annual modifications to the Intended Use Plan (the "IUP"), which includes the Project Priority List and the Project Eligibility List (the "PEL"); (3) processing and administering project applications and loans, including financial and technical review, and monitoring and approving project expenditures in accordance with the loan agreements; (4) annual approval of the Capitalization Grant Agreement, annual reports, audits, annual updates to the IUP, periodic updates to the Operating Agreement with EPA, and liaison with EPA. Further definition of the role and responsibility of each party hereto with respect to the general activities of the Program is set forth in sections 3 and 4 below.

Section 3. Roles and Responsibilities of the Parties.

3.1 WQCD.

3.1.1 Budget.

The WQCD shall provide a proposed detailed budget for its WPCRF administrative costs for the following calendar year to the Authority by August 21 of each year. The WQCD's 2004 budget for administrative costs shall not exceed \$684,000 and shall be limited to no more than 7.4 FTE. Subsequent annual WPCRF budgets for the WQCD shall be adjusted by a factor reflecting: (1) State Annual Compensation Survey results as implemented by the General

Assembly; (2) any change in responsibilities among the parties; and (3) any change in indirect costs or in responsibilities resulting from changes in federal or state laws, regulations, directives from, or requirements imposed by, the General Assembly in developing the budget for state agencies. A material change to federal funding levels for this program shall require a review and revision to budgeting provisions of this MOA.

3.1.2. Project Priority List and Project Eligibility List.

In consultation with the DLG and the Authority, the WQCD shall annually survey wastewater management agencies to estimate the project funding demands from the WPCRF for subsequent years. With the information collected from the survey, the WQCD shall develop proposed additions and modifications to the PEL in accordance with the "State of Colorado Water Pollution Control Revolving Fund Rules," 5 CCR 1002-51 as amended. Projects will be prioritized according to the Rules if the WPCRF lacks sufficient funds to cover loans for all eligible projects that are ready to proceed within the funding year.

On or before September 30 of each year the WQCD shall submit the PEL to the Commission for review and adoption. The WQCD shall provide technical back-up information on additions and modifications to the PEL to the Authority, and, as appropriate, provide testimony to the General Assembly in support of a Joint Resolution on such additions and modifications.

3.1.3. Loan Processing and Administration.

3.1.3.1. Loan Applications.

The WQCD shall be the primary contact for a project loan applicant. The WQCD shall acquaint applicants with all requirements and the procedures to be followed in seeking assistance from the WPCRF, assist applicants in preparing loan applications or other requests for assistance, and coordinate the preparation and review of all supporting environmental and financial documentation. WQCD shall forward each completed loan application to the DLG and the Authority for review and processing.

3.1.3.2. Financial and Technical Review.

The WQCD will inform applicants about the planning, environmental assessments, design, and applicable data collection required to assure that projects comply with the Title VI documentation requirements of the Act, as well as with the State Water Quality Act, C.R.S. § 25-8-101 *et seq.* The WQCD will provide technical project reviews, determine eligible and reasonable costs, and provide engineering and environmental reviews.

3.1.3.3. Monitoring Project Expenditures.

The WQCD shall authorize reimbursement of expenditures for projects for which loan assistance is provided. The WQCD shall monitor loan projects including periodic, or at a minimum, final construction inspections. Loan recipients shall send all requests for disbursement of loan funds for incurred costs to the WQCD, with a copy to the Authority. The WQCD shall approve or deny all such requests for disbursement within five (5) working days of the receipt of the request. If the WQCD denies a request, it shall provide the reasons to the loan recipient and the Authority within such five (5) working day period. Upon approval of each request, the WQCD shall forward the approved request for disbursement to the Authority within the five (5) working

day period. All project costs that have been approved by the WQCD shall be subject to audits required by the Operating Agreement and the loan agreement with the project applicant.

3.1.3.4. Files Maintenance and Data Management

The WQCD shall maintain official project files for all projects receiving assistance under the WPCRF. The WQCD shall make such files available to the DLG, the Authority, and EPA for review at the WQCD's offices on reasonable notice. The WQCD will also maintain, update and populate the technical and project information in the Authority/WQCD shared database.

3.1.3. Reports, Certification, and Liaison.

The WQCD shall serve as the primary contact with the EPA for the programmatic aspects of the Capitalization Grant Agreement required under Title VI of the Clean Water Act and the WPCRF Operating Agreement. The WQCD shall prepare the Third Quarter Estimate of Disbursements required under the Operating Agreement and submit it to the EPA and the Authority. The WQCD shall provide all certifications or other documentation required by EPA that relate to programmatic aspects of the WPCRF or of the projects financed thereby. The WQCD, as necessary, shall approve in writing any capitalization grant or agreement between the EPA and the Authority with respect to the WPCRF. The WQCD shall coordinate closely with the Authority in structuring Capitalization Grant Payment Schedules. In addition, in cooperation with the DLG and the Authority, the WQCD shall develop annual IUPs describing the activities proposed for the WPCRF. The annual IUP is adopted by the Commission and submitted to the EPA. In addition, the WQCD, with assistance from the Authority and the DLG, initially prepares an annual report for review by the WPCRF Committee.

The WQCD shall assist the Authority in preparing the annual National Information Management System ("NIMS") report to the EPA. The NIMS report provides financial and programmatic information on the activities of the WPCRF and other related loan and grant programs administered by the State.

So long as planning and design grants remain authorized, and funds are available for them in the WPCRF administrative fee account, the WQCD shall forward requests for such funds, along with a recommendation to approve or reject, to the Authority.

3.1.5 Needs Survey.

The WQCD shall participate in the national needs survey with the EPA that determines the State's allocation of funding for the WPCRF. The WQCD acknowledges the importance of this internal activity.

The WQCD shall conduct annually a State needs survey of wastewater systems, as part of the annual IUP process, to identify eligible projects for the PEL and to estimate the funding demands from the WPCRF for the following five years.

3.2 DLG.

3.2.1. Budget.

The DLG shall provide a proposed detailed budget for its WPCRF administrative costs for the following calendar year to the Authority by August 21 of each year. The DLG's 2004 budget for administrative costs shall not exceed \$120,000 and shall be limited to 1.25 FTE. Subsequent budgets shall be adjusted by a factor reflecting: (1) State Annual Compensation Survey results as implemented by the General Assembly; (2) any change in responsibilities among the parties; and (3) any change in indirect costs or in responsibilities resulting from changes in federal or state laws, regulations, directives from, or requirements imposed by the General Assembly in developing the budget for state agencies. A material change to federal funding levels for this program shall require a review and revision to the budgeting provisions of this MOA. Prior to June 30, 2005, the Authority Board, in consultation with the DLG, shall establish such FTE cap as is warranted by the facts of record at that time; provided, however, that in no case shall the number of FTE's fall below 1.0 absent justification therefore under the above-referenced adjustment factors.

3.2.2. Project Priority List and Project Eligibility List.

As needed, the DLG shall assist the WQCD in assigning points based on a priority system involving financial need, when the WPCRF lacks sufficient funds to cover loans for all eligible projects that are ready to proceed in accordance with the WPCRF Rules (51.6 (3)). The DLG shall be available to consult with the WQCD and the Authority in the preparation of the PEL. The DLG shall provide financial back-up information on additions and modifications to the PEL to the Authority, and, as appropriate, provide testimony to the General Assembly regarding the Joint Resolution on such additions and modifications.

3.2.3. Loan Processing and Administration.

3.2.3.1. Loan Applications.

The DLG shall assist potential loan applicants with project development and financial planning support; shall provide project loan applicants with information concerning the financial disclosure requirements of the loan application; and shall acquaint such applicant with the financial procedures and requirements for receiving assistance from the WPCRF. In the event that the project loan applicant does not have the required financial information available, the DLG will work with the applicant to assemble such data. The DLG shall prepare a credit report to analyze each project loan applicant's ability to repay a loan and submit such report for review before the WPCRF Committee. This analysis shall examine existing revenue streams for the wastewater system (taxes, tap fees, user charges and other revenue sources) and expenditures such as existing debt repayment (all existing debt including overlapping jurisdictions) and operation and maintenance costs.

If the WPCRF Committee has reason to believe that a project loan applicant is financially unable to repay a loan, the DLG shall review other State and Federal programs for the availability of grants and/or low interest loans to enhance the applicant's repayment capability and include any information developed in the WPCRF Committee findings to be forwarded to the Authority Board. The DLG shall assist the Authority in the acquisition of necessary financial data to be presented in any Official Statement for Authority bond issues under the WPCRF.

3.2.3.2. Outreach and Assistance.

The DLG will conduct a WPCRF outreach program consisting of sponsorship of and participation in workshops and conferences relevant to the WPCRF, providing financial and managerial assistance to wastewater systems, coordination of funding activities through the Funding Coordination Committee, and marketing of the SRF's to make potential project loan applicants aware of the availability of WPCRF monies. The outreach program will be coordinated with the staffs of the Authority and the WQCD. The DLG shall develop a proposed annual work plan for review by other members of the WPCRF Committee at such time as to permit a summary to be incorporated into the annual IUP. The outreach program will be summarized in the IUP and the annual report.

3.2.3.3. Monitoring Project Expenditures.

The DLG shall not be responsible for monitoring project expenditures.

3.2.3.4. Loan Surveillance.

The DLG shall annually review all WPCRF direct loan borrowers' audits and establish financial trends for the WPCRF direct loan borrowers and annually issue a report with copies to the Authority and the WQCD. Audit information may be supplemented by personal communication with borrower representatives. The DLG will also support the Authority in its efforts to monitor leveraged loan borrowers through the provision of copies of financial audits and other materials and support as requested.

3.2.4. Reports and Liaison.

The DLG shall participate with the WQCD and the Authority in the drafting and reviewing of an annual IUP, additions and modifications to the PEL, and the development of an annual report.

The DLG shall assist the Authority in preparing the annual NIMS report to the EPA.

3.3. Authority

3.3.1. WPCRF Administration.

The Authority shall administer the WPCRF, and to that end shall be responsible for the financial structure of the WPCRF, investments, and disbursements of funds for administrative and project costs.

3.3.2. Budget.

The Authority staff shall prepare a proposed WPCRF budget for the following calendar year based on the budget information provided by the WQCD and the DLG and on information developed internally. The Authority's 2004 budget for internal administrative costs (personnel and overhead) shall not exceed \$465,000. Subsequent annual internal administrative WPCRF budgets for the Authority shall be adjusted by a factor reflecting: (1) Board authorizations for a) personnel costs covering staff and associated benefits as well as annual salary adjustments, and b) overhead costs covering rent, utilities, equipment, furniture and fixtures, insurance, etc.; (2) any change in responsibilities resulting from changes in federal or state laws, regulations, directives

from, or requirements imposed by, the General Assembly in developing the budget for state agencies. A material change to federal funding levels for this program shall require a review and revision to the budgeting provisions of this MOA. Outside consulting needs for required, but specific, services will be presented separately from the Authority's WPCRF internal administrative budget as part of the standard budget documentation and shall be adjusted to reflect anticipated increases or decreases in the cost of the services. The proposed WPCRF budget incorporating the administrative expenses of the DLG, the WQCD and the Authority for the ensuing calendar year shall be accompanied by the narrative descriptions provided by the WQCD and DLG, and a similar narrative prepared by the Authority staff for the Authority's portion of the proposed WPCRF budget explaining changes in the amounts compared to the previous year, and specifically identifying those costs that are eligible for grant reimbursement.

Once the proposed WPCRF budget has been drafted, it will be incorporated as a component of the Authority's overall proposed Budget for the ensuing calendar year, and a copy will be sent to the WQCD and the DLG at the same time that the proposed overall Authority Budget is forwarded to the Authority's Board for review, usually about the last week of September. From that point in time until the Authority's Board adopts the overall Authority Budget in December (usually the first Friday in December), the WQCD and the DLG may submit written comments on the proposed WPCRF budget component to the Authority.

Subject to the aforementioned provisions of this MOA, by December 31 of each year, the Authority Board shall review, approve or revise as necessary, and in its sole discretion, adopt the WPCRF budget as a component of the Authority's overall Budget for the ensuing calendar year. The WPCRF component of the Authority's Budget shall be annotated as necessary to identify the FTE's to be funded thereby for the DLG and WQCD.

If as a result of unexpected circumstances, arising after the budget has been adopted, any party believes that additional resources are required over budgeted amounts, then such party may request that the Authority amend the budget appropriately.

3.3.3. Project Eligibility List.

The Authority shall participate with the WQCD and the DLG in the establishment of additions and modifications to the PEL. The Authority shall be the lead entity in securing the joint resolution from the Colorado General Assembly authorizing such additions or modifications to the PEL as are adopted by the Commission. To that end, the Authority shall seek sponsors for a joint resolution and have such resolution introduced into the General Assembly by January 15th of each year.

3.3.4. Loan Processing and Administration.

3.3.4.1. Loan Applications.

The Authority Board and staff shall review applications for financial assistance from the WPCRF, using the financial analysis of the DLG and the technical analyses of the WQCD. The Authority Board shall approve or disapprove all applications for project loans or other financial assistance. If the Authority Board denies a project loan application, the Authority Board's meeting minutes shall reflect the reasons for denial. The Authority Board shall determine the loan structure, including interest rate and security provisions, for each loan financed by the WPCRF, as well as all other loan provisions and conditions.

3.3.4.2. Financial Services.

The Authority shall negotiate and execute loan agreements for each WPCRF loan. The Authority shall procure all services associated with the issuance of its bonds and the execution of the loan agreements. Such services may include, but will not be limited to, those provided by financial advisers, bond and disclosure counsel, underwriter, general counsel, auditor, accountant, consulting engineer, and trustee, the solicitation of credit ratings, and the selection of bond insurers.

3.3.4.3. Disbursements and Monitoring Project Expenditures.

After the project loan agreements are executed, the Authority shall rely upon the WQCD's approval of requests for payment as set forth in Paragraph 3.1.3.3. above prior to authorizing any loan disbursements to any borrower. Upon approval of requisition requests by the WQCD, the Authority shall be authorized to make disbursements to the loan recipient. Requisitions shall be reviewed by the Authority for compliance with the loan agreement, if applicable, and shall be approved or denied within five (5) working days of receipt. If a requisition is denied, the Authority shall provide notification of the basis for denial, and confer with the WQCD concerning the same.

If the Authority determines that a loan recipient is in default, it shall be authorized to withhold funds, and will provide the reasons funds are withheld within three (3) working days of receipt of an approved request for disbursement from the WQCD. In addition, the Authority shall be under no obligation to make a disbursement to a loan recipient, whose loan is supported by federal monies, until such time as the cash draw from the EPA automated clearing house (ACH) has been received and deposited into accounts held or caused to be held by the Authority. In the case of approval (by WQCD and the Authority) of requests for disbursement for loans that are supported by federal monies (e.g., EPA ACH cash draws) the Authority shall request ACH cash draws from the United States Treasury within a three (3) working day period.

The Authority shall record payments for project expenditures and fund balances and record fund balances for each project receiving assistance from the WPCRF in accordance with generally accepted procedures.

3.3.4.4. Files Maintenance and Data Management.

The Authority will maintain, update, and populate the basic and financial information on the shared WQCD/Authority database and will also maintain the supporting computer system.

3.3.5 Marketing.

The Authority, in coordination with the DLG and the WQCD, will market the WPCRF at various conferences or other events, including but not limited to those conferences sponsored by: Colorado Rural Water Association, Colorado Municipal League, Special District Association, Colorado Water Congress, Colorado Government Finance Officers Association, Colorado Counties, Inc., DOLA and the Rocky Mountain AWWA/WEA. The marketing effort may involve a display at these conferences as well as individual contacts with local government officials involving a potential WPCRF project. The individual contacts with local government

officials will be coordinated with the WQCD and the DLG. The Authority shall develop a workplan for review by the other members of the WPCRF Committee. The marketing program will be summarized in the annual IUP and the annual report.

3.3.6. Annual Reports and Liaison with EPA.

The Authority shall serve as primary contact with the EPA for all financial issues involved with the Capitalization Grant Agreement and the Operating Agreement for the WPCRF. The Authority shall participate with the DLG and the WQCD to establish an annual IUP. The Authority will prepare annual financial statements covering all activities of the WPCRF enterprise fund, which will then be audited by an independent, certified public accounting firm as required under Section 606(d) of the Clean Water Act. The annual audit is to be included in the annual report. The Authority shall assist the WQCD in developing the annual report for review by the WPCRF Committee. (The annual report is prepared every year and covers the financial aspects of the WPCRF.) Once the report has been reviewed by the WPCRF Committee, the Authority shall submit the annual report to the EPA on behalf of the State on or before April 30.

The Authority with assistance from the WQCD and the DLG will prepare the annual NIMS report to EPA. The NIMS report provides financial and programmatic information on the activities of the WPCRF and other related loan and grant programs administered by the State.

3.3.7. Operating Agreement and Capitalization Grant Agreement.

Pursuant to C.R.S. §37-95-107.6(7), with the written consent of the Department of Public Health and Environment, the Authority, on behalf of the State of Colorado, shall execute all Operating Agreements and Capitalization Grant Agreements with EPA, and any revisions thereto.

Section 4. WPCRF Committee.

A WPCRF Committee, (the "Committee"), to be composed of a designated representative from the WQCD, the DLG, and the Authority, shall be formed to coordinate the WPCRF. The Committee shall meet as needed. The primary activities of the Committee shall be reviewing loan applications, reviewing the progress of the WPCRF in meeting the goals stated in the IUP and reviewing and recommending policy changes involving the WPCRF. The Committee shall act by unanimous vote of its duly designated members.

4.1. Duties of the Committee.

4.1.1. WPCRF Review.

The Committee shall review: (a) progress on short and long term goals; (b) drafts of the annual report to the EPA; (c) recommend additions and modifications to the PEL and the annual IUP; (d) the Authority's financial statements on the status of the WPCRF; (e) the content and effectiveness of the outreach and marketing programs; and (f) make recommendations on policy changes for the WPCRF to the Authority Board and the Water Quality Control Commission.

4.1.2. Project Review.

The Committee shall review each loan application received and the financial analysis and technical information (including but not limited to planning review, plans and specifications review, environmental review and the project sponsor's ability to operate and maintain the system) provided on each such loan application by the DLG and the WQCD respectively, and upon review of such information, forward its findings and recommendations to the Authority Board. If upon initial review, the Committee recommends that a loan application be denied, the Committee, acting through the DLG, shall afford the loan applicant an opportunity to submit additional information relevant to the loan application, and to correct deficiencies therein.

Section 5. Reimbursement of Expenses

5.1. Reimbursable Expenses.

Reimbursable administrative expenses for the Program shall consist of all costs, including salary and benefits and related indirect costs, and other direct costs of all personnel providing services supporting the WPCRF, and the roles and responsibilities of the parties set forth in this MOA. Direct costs shall include operating (e.g., supplies, telecommunications, travel, legal services, workers' compensation insurance, risk management, insurance, rent, incidental expenses, and equipment (e.g., computers, etc.)) costs.

5.2. Rates for Reimbursement.

5.2.1. Reimbursements for salary and benefits and related indirect costs of the parties' personnel fulfilling the roles and responsibilities for the WPCRF as set forth in this MOA shall be for the total indirect and direct hourly salary costs of employees for all hours directly devoted to fulfillment of the responsibilities for the WPCRF pursuant to this MOA.

5.2.2. Reimbursement of other direct costs of the DLG and the WQCD shall be according to the rates and terms of the State of Colorado Fiscal Rules for Travel, Personnel Pay, Allowances and Benefits as they exist on the date of this amended agreement and as they may be further amended from time to time during the term of this agreement. (The current Rules are found at 1 CCR 101-1 and 1 CCR 101-2.) The Authority shall be reimbursed for other direct costs based on the reimbursement policies adopted by the Authority Board of Directors for the Authority's personnel. Reimbursement from federal grant funds for computers and other equipment shall follow federal regulations associated with the use of grant funds for the purchase of such equipment.

5.3. Reimbursement Procedures.

5.3.1. The parties shall prepare monthly requests for reimbursement and submit them quarterly to the Authority's controller. Each request shall be accompanied by supporting documentation in an easily understandable format: (1) indicating the nature of the expenses for which reimbursement is being sought; (2) certifying that employee salary expenses (including benefits and related indirect costs) were determined using OMB Circular A-87 procedures (only if reimbursement is sought from federal funds); (3) certifying that the purpose of all costs for which reimbursement is sought is consistent with WPCRF activities. The DLG and the WQCD shall maintain and shall make available to the Authority, upon request, time sheets or other documentation sufficient to verify employee salary expenses, and receipts, invoices, or other documentation sufficient to verify other direct costs. Reimbursement of salary, benefits, and

related indirect costs to be funded by federal grant moneys will be made only after written assurance from the EPA that the time and effort documentation process is satisfactory.

5.3.2. The Authority shall review all requests for reimbursement and shall pay all requests that are accompanied by satisfactory documentation within thirty (30) days. In order for the Authority to prepare annual financial statements in a timely manner, the monthly requests for October and November shall be submitted to the Authority's controller by January 15 of the following year. However, the Authority shall not be required to pay any requests for administrative reimbursement that exceed the overall annual amount budgeted for that party for the WPCRF for the applicable year, or for which money is not available in the WPCRF (from the federal grant or from loan administrative surcharge fees) or the payment of which would violate the terms of C.R.S. § 37-95-107.6, the Clean Water Act, the Operating Agreement or Capitalization Grant Agreement between the United States and the State of Colorado, the MOA, or any other statute, agreement, regulation, covenant, or other document governing the WPCRF. The Authority shall provide 90 days notice to the DLG and the WQCD if funds are not available in the WPCRF to pay administrative costs.

Section 6. Term.

This MOA shall be in effect from the date of execution until termination by any party for cause by written notice to all other parties hereto, or until statutory revisions to the WPCRF require adjustments to the MOA; provided, however, that if adjustments are required because of statutory revisions, those portions, if any, of this MOA that are consistent with such statutory revisions shall remain effective until a revised MOA has been executed. This MOA shall be reviewed by all parties at least every five years, but no later than December 31, 2008.

Section 7. Amendments.

The MOA may be amended from time to time to reflect changes in the responsibilities of any Party upon the approval of the WQCD, the DLG, and the Authority.

Section 8. Notices.

All notices required or permitted to be given hereunder shall be in writing and sent by registered or certified mail, and shall be delivered upon deposit in the United States mail as follows:

If to the WQCD: Executive Director
 Colorado Department of Public Health and Environment
 4300 Cherry Creek Dr. South, A-5
 Denver, Colorado 80246-1530

If to the DLG: Executive Director
 Department of Local Affairs
 1313 Sherman Street, Room 521
 Denver, Colorado 80203

If to the Authority: Executive Director
 Colorado Water Resources & Power Development Authority
 1580 Logan Street, Suite 620
 Denver, Colorado 80203-1942

These addresses may be changed by written notice.

COLORADO DEPARTMENT OF PUBLIC HEALTH
AND ENVIRONMENT

By: _____
 Douglas H. Benevento, Executive Director

Attest: _____

DEPARTMENT OF LOCAL AFFAIRS

By: _____
 Michael L. Beasley Executive Director

Attest: _____

COLORADO WATER RESOURCES & POWER
DEVELOPMENT AUTHORITY

By: _____
 Ann Nichols, Chair

Attest: _____
 Secretary

EXHIBIT C

**WPCRF PLANNING AND DESIGN
GRANTS**

COLORADO WPCRF 2003 ANNUAL REPORT

EXHIBIT C

WPCRF PLANNING/DESIGN GRANT FUNDS FOR 2001, 2002 AND 2003 (\$10,000 EACH)

Recipients of 2001 Funds	Sent Application	Received Application	Criteria Met	Agreement Date	Project Number	Expiration / Completion Date
1) Wellington	8/15/2001	10/31/2001	Rate	11/20/2001	WQC02000050	12/27/2001
2) Baca Grande WSD	6/19/2001	8/18/2001	Rate	10/1/2001	WQC02000021	12/5/2001
3) Julesburg	9/1/2001	9/28/2001	Both	10/4/2001	WQC02000019	12/4/2001
4) Powderhorn MD	10/1/2001	2/7/2002	Rate	3/26/2002	WQC02000036	6/1/2003
5) Ault	3/1/2002	4/2/2002	Income	4/5/2002	WQC02000038	11/26/2002
Recipients of 2002 Funds						
1) Akron	3/1/2002	3/27/2002	Income	4/5/2002	WQC02000039	9/20/2002
2) Colorado City MD	5/1/2002	6/26/2002	Rate	7/22/2002	WQC03000013	12/31/2002
3) Merino	5/6/2002	7/11/2002	Income	8/1/2002	WQC03000022	12/31/2003
4) Oak Creek	5/31/2002	6/26/2002	Both	7/18/2002	WQC03000011	12/30/2003
5) N La Junta WSD	4/1/2002	5/15/2002	Income	2/10/2003	030196W	12/31/2003
6) Milliken	9/19/2002	11/26/2002	Rate	11/28/2002	03186W	12/31/2003
7) Westwood Lakes	1/15/2003	4/4/2003	Rate	5/21/2003	030285W	6/1/2004
8) Severance	8/15/2003	9/2/2003	Rate	9/15/2003	030247W	12/31/2004
9) Timnath	7/14/2003	8/11/2003	Rate	8/15/2003	030273W	7/31/2004
Recipients of 2003 Funds						
1) Eaton	8/15/2003	8/27/2003	Rate	9/15/2003	040017W	12/31/2004
2) Haxtun	8/15/2003	9/5/2003	Income	9/30/2003	030133W	12/31/2004
3) Glendale	8/1/2003	9/25/03	Income	10/1/2003	040019W	12/31/2004
4) Georgetown	9/9/2003	10/14/2003	Income/Rate	11/1/2003	030114W	12/31/2004
5) Keenesburg	9/17/2003	10/27/2003	Income/Rate	12/1/2003	040026W	1/31/2005
6) Empire	11/1/2003	12/4/2003	Income/Rate	12/15/2003	030087W	1/31/2004
7) Boxelder	12/4/2003	12/8/2003	Rate	12/20/2003	030031W	1/31/2004
8) Wray	1/9/2003	12/9/2003	Income	12/20/2003	030295W	12/31/2004
9) Gilcrest	11/3/2003	12/17/2003	Income/Rate	12/31/2003	030115W	12/31/2004

EXHIBIT D

BINDING COMMITMENTS

COLORADO WATER RESOURCES and POWER DEVELOPMENT AUTHORITY
WATER POLLUTION CONTROL REVOLVING FUND
BINDING COMMITMENTS as of December 31, 2003

Quarter Ending	Federal Fiscal Year	Federal Quarter	EPA CAPITALIZATION GRANTS					Total Payments Received in	Cumulative Payment into EPA LOC	Executed Loans	Administrative Expenses See Note *	Cumulative Binding Commitments	Percentage of Binding Commitments **	
			1989 - 1998 Grants	1999 Grant (04/29/99) #080001-99-	2000 Grant (04/27/00) #08000100-0	2001 Grant (03/08/01) #08000101-0	2002 Grant (03/24/02) #08000102-0							2003 Grant (06/05/03) #08000103-0
3/31/99	FY99	2						\$0	\$116,920,105	\$1,043,376	\$0	\$268,353,589	237.8695%	
6/30/99	FY99	3	\$6,659,824	\$7,772,190				14,432,014	131,352,119	0	430,887	268,784,476	238.2514%	
9/30/99	FY99	4						0	131,352,119	40,122,547	0	308,907,023	264.2035%	
12/31/99	FY00	1	(6,666,667) (a)					(6,666,667)	124,685,452	521,400	0	309,428,423	264.6495%	
03/31/00	FY00	2						0	124,685,452	424,230	0	309,852,653	265.0123%	
06/30/00	FY00	3		3,000,000	\$10,735,659			13,735,659	138,421,111	35,648,952	429,426	345,931,031	263.3616%	
09/30/00	FY00	4						0	138,421,111	84,000	0	346,015,031	263.4255%	
12/31/00	FY01	1						0	138,421,111	200,000		346,215,031	277.6708%	
03/31/01	FY01	2						0	138,421,111	1,000,000		347,215,031	278.4728%	
06/30/01	FY01	3				\$10,640,223		10,640,223	149,061,334	71,421,798	428,686	419,065,515	302.7468%	
09/30/01	FY01	4						0	149,061,334			419,065,515	302.7468%	
12/31/01	FY02	1						0	149,061,334	800,000		419,865,515	303.3248%	
03/31/02	FY02	2			76,935	\$10,663,884		10,740,819	159,802,153	0	426,555	420,292,071	303.6329%	
06/30/02	FY02	3						0	159,802,153	58,224,899		478,516,970	321.0202%	
09/30/02	FY02	4						0	159,802,153	200,000		478,716,970	321.1544%	
12/31/02	FY03	1						0	159,802,153	24,547,800		503,264,770	337.6226%	
03/31/03	FY03	2						0	159,802,153			503,264,770	314.9299%	
06/30/03	FY03	3						0	159,802,153	16,178,434	423,783	519,866,987	325.3191%	
09/30/03	FY03	4						0	159,802,153	1,000,000		520,866,987	325.9449%	
12/31/03	FY04	1						5,000,000 (b)	164,802,153	550,000		521,416,987	326.2891%	
03/31/04	FY04	2						10,100,000	174,902,153			521,416,987	326.2891%	
06/30/04	FY04	3						2,008,099	176,910,252			521,416,987	326.2891%	
09/30/04	FY04	4						100,000	177,010,252			521,416,987	326.2891%	
12/31/04	FY05	1						53,152	177,063,404			521,416,987	316.3897%	
TOTALS			<u>\$116,913,262</u>	<u>\$10,772,190</u>	<u>\$10,735,659</u>	<u>\$10,717,158</u>	<u>\$10,663,884</u>	<u>\$17,261,251</u>	<u>\$177,063,404</u>			<u>\$514,334,451</u>	<u>\$7,082,535</u>	

NOTES *:
The total Administrative Expense for each grant (4% of Cap. Grant) is recorded up front as of the date the Capitalization Grant is awarded.
** Must be 120% (Cumulative Binding Commitments / Cumulative payments to EPA LOC one year earlier.)
(a) In December, 1999, \$6,666,667 of the 1998 Grant was transferred to the Authority's 1999 Drinking Water Revolving Fund Grant. However the administrative expense was not transferred.
(b) These payments reflect the August, 2003, transfer of \$6,666,667 from the DWSRF 2003 Grant to the CWSRF 2003 Grant. (Amendment 1 of CW 2003 grant - original grant award for 2003 was \$10,594,584.)
(c) To reduce the size of this report, the 1989 through 1998 grant details have been combined into the first column. Details of these grants are shown in Exhibit B. Detail for years prior to 1999 (1989 through 1998) is available upon request.
(d) The percentage of binding commitments reflects not only new loans funded and grant funds received, but also any adjustments made during the current year to existing grant and loans (amendments).

EXHIBIT E

**EPA CAPITAL CONTRIBUTIONS
SUMMARY**

Colorado Water Resources Power Development Authority
WATER POLLUTION CONTROL REVOLVING FUND
Total Program EPA Draw Summary Report
As of December 31, 2003

	CONSOLIDATED 1989 - 1998 GRANTS (closed) \$116,913,262	1999 GRANT \$10,772,190	2000 GRANT \$10,735,659	2001 GRANT (d) \$10,717,158	2002 GRANT \$10,663,884	2003 GRANT (e) \$17,261,251	TOTAL GRANTS \$177,063,404
GRANT AMOUNT AWARDED							
ORIGINAL GRANT AWARD DATE		APR. 29, 1999	APR. 27, 2000	MAR. 8, 2001	March 27, 2002	June 5, 2003	
GRANT I.D. NUMBER		#CSO80001-99-0	#CSO80001-00-0	#CSO8000101-1	#CSO80001-02	#CSO80003-01	
DATE of FINAL LOC CASH DRAW		SEPT. 4, 2002	MAY 15, 2003				
DATE GRANT CLOSED ADMINISTRATIVELY BY E.P.A.							

GRANT FUND DRAWS

GRANT ADMINISTRATION DRAWS	4,526,687.22	414,766	163,786	325,246			5,430,485
BORROWERS with FEDERAL FUNDS REMAINING:							
LEVERAGED LOANS							
1999A Aurora	3,877,648.00	407,416	2,363,028	1,187,141			7,835,233
1999A Fremont	2,414,769.00	310,735					2,725,504
1999A Grand County W&SD	132,285.00	181,971	424,210	325,776			1,064,242
2001A Lafayette	0.00	1,320,261	749,169	278,939			2,348,369
2002A Blackhawk/Central City SD	0.00		390,592	1,789,588			2,180,180
2002A Winter Park West W&SD	0.00	157,744	318,412	255,900			732,056
2002B Parker W&SD	0.00		125,869	4,315,027			4,440,896
2003A Colorado City Metro Dist.	0.00			9,136			9,136
2003A Milliken	0.00			183,556			183,556
2003A Pueblo	0.00			321,729			321,729
BORROWERS with FEDERAL FUNDS FULLY DRAWN:							
DIRECT LOANS							
DL Broomfield	2,095,099.00						2,095,099
DL Byers W&SD	362,500.00						362,500
DL Divide W&SD	57,500.00						57,500
DL Durango West	416,658.00						416,658
DL East Alamosa W&SD	150,000.00						150,000
DL Erie	416,666.00						416,666
DL Evans	330,207.00						330,207
DL Fort Lupton	166,666.00						166,666
DL Fruita	129,530.00						129,530
DL Holyoke	408,083.00						408,083
DL Las Animas	891,666.00						891,666
DL Left Hand W&SD #1	96,422.00	8,828					105,250
DL Log Lane Village	208,333.00						208,333
DL Lyons	421,925.00						421,925

Colorado Water Resources Power Development Authority
WATER POLLUTION CONTROL REVOLVING FUND
Total Program EPA Draw Summary Report
As of December 31, 2003

	CONSOLIDATED 1989 - 1998	1999 GRANT	2000 GRANT	2001 GRANT	2002 GRANT	2003 GRANT	TOTAL GRANTS
GRANT FUND DRAWS (continued)							
<u>BORROWERS with FEDERAL FUNDS FULLY DRAWN:</u>							
<u>DIRECT LOANS</u>							
DL Manzanola	66,966.00						66,966
DL Monte Vista	806,667.00						806,667
DL Montrose County	214,932.00						214,932
DL Mountain Range	1,207,770.00						1,207,770
DL Mountain W&SD	166,666.68						166,667
DL New Castle	415,233.00						415,233
DL Nucla SD	149,999.00						149,999
DL Ordway	291,666.00						291,666
DL Ouray	666,666.00						666,666
DL Pagosa Springs GID #1	533,333.00						533,333
DL Parker W&SD	416,667.00						416,667
DL Roxborough Park Metro Dist	500,000.00						500,000
DL St. Mary's Glacier W&SD	125,000.00						125,000
DL Vona	70,833.00						70,833
DL Wellington	312,500.00						312,500
<u>LEVERAGED LOANS</u>							
1989A Denver SE Sub W&SD	3,073,381.70						3,073,382
1990A Castle Rock	2,147,505.40						2,147,505
1991A Englewood	6,464,024.02						6,464,024
1991A Littleton-Revenue	2,535,263.34						2,535,263
1991A Littleton-G.O.	3,929,112.64						3,929,113
1991B Metro WW Reclam Dist	11,125,000.00						11,125,000
1992A Eagle River W&SD	1,737,300.00						1,737,300
1992A Fort Lupton	1,151,100.00						1,151,100
1992A Frisco SD	1,455,800.00						1,455,800
1992B Fort Collins	9,548,700.00						9,548,700
1992B Longmont	1,729,200.00						1,729,200
1994A Alamosa	1,336,080.00						1,336,080
1994A Genesee W&SD	465,757.00						465,757
1994A Greeley	3,664,800.00						3,664,800
1994A Parker W&SD	584,415.00						584,415
1994A Windsor	1,069,263.00						1,069,263
1995A Brighton	1,277,419.00						1,277,419
1995A Craig	359,100.00						359,100
1995A Eagle River W&SD	1,920,915.00						1,920,915
1995A Fort Morgan	2,708,425.00						2,708,425
1995A Steamboat Springs	465,197.00	27,553					492,750
1995A Winter Park W&SD	784,410.00			14,840			799,250

Colorado Water Resources Power Development Authority
WATER POLLUTION CONTROL REVOLVING FUND
Total Program EPA Draw Summary Report
As of December 31, 2003

	CONSOLIDATED	1999 GRANT	2000 GRANT	2001 GRANT	2002 GRANT	2003 GRANT	TOTAL GRANTS
1996A Crested Butte	1989 - 1998 795,600.00						795,600

Colorado Water Resources Power Development Authority
WATER POLLUTION CONTROL REVOLVING FUND
Total Program EPA Draw Summary Report
As of December 31, 2003

	CONSOLIDATED 1989 - 1998	1999 GRANT	2000 GRANT	2001 GRANT	2002 GRANT	2003 GRANT	TOTAL GRANTS
GRANT FUND DRAWS (continued)							
BORROWERS with FEDERAL FUNDS FULLY DRAWN:							
LEVERAGED LOANS							
1996A Idaho Springs	387,919.00	86,293	6,973				481,185
1996A Mt. Crested Butte W&SD	445,400.00						445,400
1996A Fountain SD	505,494.00						505,494
1997A Breckenridge SD	2,618,084.00						2,618,084
1997A Carbondale	640,009.00			22,442			662,451
1997A Eagle	801,021.00						801,021
1997A Erie	583,451.00						583,451
1997A Parker W&SD	1,033,211.00						1,033,211
1997A Sterling	822,620.00						822,620
1997A Westminster	3,482,625.00						3,482,625
1998A Buena Vista SD	1,257,525.00						1,257,525
1998A Eagle River W&SD	6,176,978.00						6,176,978
1998A Evans	433,083.00						433,083
1998A Trinidad	2,129,545.00						2,129,545
1998A Westminster	1,453,485.00						1,453,485
1998B Colorado Springs	6,971,350.00						6,971,350
1999A Steamboat Springs	978,180.00						978,180
2000A Parker W&SD	200,688.00	945,231	2,246,811				3,392,730
2000A Summit County	1,738,851.00	3,366,926	78,373				5,184,150
2000A Three Lakes W & S District	206,253.00	1,383,766	194,127	8,734			1,792,880
2001A Mount Crested Butte W&SD	0.00	621,325	787,365	474,213			1,882,903
2001A Parker W&SD	0.00		1,667,120				1,667,120
2001A Steamboat Springs	672,179.00	1,539,375		66,718			2,278,272
2002A Wellington	0.00		1,204,984	651,419			1,856,403
Totals for Projects (net of admin)	116,913,262.00	10,357,424	10,571,873	9,890,318	0	0	143,206,190
SRF LOAN GRANT FUNDS REMAINING	\$0	\$0	\$0	\$501,594	\$10,663,884	\$17,261,251	\$33,857,214

Notes:

(d) ORIGINAL 2001 GRANT ISSUED: \$10,640,223; AMENDMENT #1 (01/09/02) AUTHORIZED THE ADDITION OF \$76,935.00, THE LAST OF THE AUTHORITY'S OLD CONSTRUCTION GRANT DOLLARS.

(e) Original 2003 CW Cap Grant Award was \$10,594,000. In August, 2003, \$6,666,667 was transferred from the DW '2003 Grant' (Amend 1")

ADMINISTRATION COSTS ALLOWABLE PER GRANT (4% of Grant Awarded * (5/6))	4,119,330.97	359,073	357,855	357,239	355,463	353,153	5,902,113
TOTAL GRANT FUNDS USED FOR ADMIN COSTS	4,526,687.22	414,766	163,786	325,246	0	0	5,430,485
TOTAL GRANT FUNDS USED FOR LOANS	112,386,574.78	10,357,424	10,571,873	9,890,318	0	0	143,206,190

Colorado Water Resources Power Development Authority
 WATER POLLUTION CONTROL REVOLVING FUND
 Total Program EPA Draw Summary Report
 As of December 31, 2003

	CONSOLIDATED 1989 - 1998	1999 GRANT	2000 GRANT	2001 GRANT	2002 GRANT	2003 GRANT	TOTAL GRANTS
TOTAL CUMULATIVE GRANT FUNDS USED TO DATE	116,913,262.00	10,772,190	10,735,659	10,215,564	0	0	148,636,675

EXHIBIT F

FINANCIAL STATUS REPORTS

FINANCIAL STATUS REPORT
(Short Form)
(Follow instructions on the back)

1. Federal Agency and Organization Element to Which is Submitted U.S. Environmental Protection Agency Grants Administration Office	2. Federal Grant or other Identifying Number Assigned by Federal Agency CS080001-00-0	OMB Approval No. 0348-0039	Page 1	of 1	pages
3. Recipient Organization (name and complete address, including ZIP code) Colorado Water Resources and Power Development Authority CWSRF 1580 Logan Street, Suite 620, Denver, Colorado 80203					
4. Employer Identification Number 84-0879485	5. Recipient Account Number or Identifying Number N/A	6. Final Report Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	7. Basis Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/>		
8. Grant Period (See Instructions) From: (Month, Day, Year) 05/01/00	To: (Month, Day, Year) 04/30/20	9. Period Covered by this report From (Month, Day, Year) 01/01/03		To: 12/31/03	
10. Transactions:		I Previously Reported	II This Period	III Cumulative	
a. Total outlays		6,832,745	6,050,046	12,882,791	
b. Recipient share of outlays		1,138,791	1,008,341	2,147,132	
c. Federal share of outlays		5,693,954	5,041,705	10,735,659	
d. Total unliquidated obligations				0	
e. Recipient share of unliquidated obligations				0	
f. Federal share of unliquidated obligations				0	
g. Total Federal share (sum of c. and f.)				10,735,659	
h. Total Federal funds authorized to this grant period				10,735,659	
i. Unobligated balance of Federal funds (line h. minus line g.)				0	
11. Indirect Expense		a. Type of Rate Provisional <input type="checkbox"/> Predetermined <input type="checkbox"/> Final <input type="checkbox"/> Fixed <input type="checkbox"/> OTHER - Based on direct labor costs			
		b. Rate 34.22%	c. Base \$128,161	d. Total Amount \$43,767	e. Federal Share \$36,473
12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation.					
13. Certification: I certify to the best of my knowledge that this report is correct and complete and that all outlays and unliquidated obligations are for the purpose set forth in the award documents.					
Typed or Printed Name and Title Daniel L. Law, Executive Director			Telephone (Area code, number, and extension) (303) 830-1550 call Ext 14		
Signature of Authorized Certifying Official			Date Report Submitted March 29, 2004		

Colorado Water Resources & Power Development Authority
WATER POLLUTION CONTROL REVOLVING FUND
2000 GRANT FINANCIAL STATUS REPORT
FORM 269A, LINES 10(d - f) - UNLIQUIDATED OBLIGATIONS
FOR THE PERIOD: JANUARY 1, 2003 to DECEMBER 31, 2003

	UNLIQUIDATED OBLIGATIONS		
	TOTAL	EPA LOC DRAWS	UNLIQUIDATED OBLIGATION
	CAP. GRANT AMOUNT	RECEIVED thru 12/31/03	
1995A - WINTER PARK W&SD	799,250	799,250	0
1997A - CARBONDALE	662,451	662,451	0
1999A - AURORA	8,571,829	7,835,233	736,596
1999A - FREMONT SAN DIST	2,772,838	2,725,504	47,334
1999A - GRAND COUNTY W&SD	1,424,890	1,064,242	360,648
2000A - PARKER W&SD	3,392,730	3,392,730	0
2000A - THREE LAKES W&SD	1,792,880	1,792,880	0
2001A - LAFAYETTE	2,730,694	2,348,369	382,325
2001A - MT CRESTED BUTTE W&SD	1,882,903	1,882,903	0
2001A - PARKER W&SD	1,667,120	1,667,120	0
2001A - STEAMBOAT SPRINGS	2,278,272	2,278,272	0
2002A - BLACKHAWK-CENTRAL CITY SAN DIST	7,811,847	2,180,180	5,631,667
2002A - WELLINGTON	1,856,403	1,856,403	0
2002A - WINTER PARK WEST W&SD	906,246	732,056	174,190
2002B - PARKER W&SD	5,564,000	4,440,896	1,123,104
2003A - COLORADO CITY METRO DIST	842,688	9,136	833,552
2003A - MILLIKEN	2,511,379	183,556	2,327,823
2003A - PUEBLO	3,788,101	321,729	3,466,372
TOTAL UNLIQUIDATED OBLIGATIONS - FEDERAL PROJECT FUNDS as of 12/31/03			\$15,083,611
LESS: UNLIQUIDATED OBLIGATIONS-FEDERAL PROJECT FUNDS ALLOCABLE TO:			
		2001 GRANT	(\$501,594)
		2002 GRANT	(\$10,663,884)
		2003 GRANT	(\$3,918,133)
2000 GRANT - UNLIQUIDATED OBLIGATIONS - FEDERAL FUNDS as of 12/31/03			\$0
2000 GRANT - UNLIQUIDATED OBLIGATIONS - STATE MATCH as of 12/31/03			\$0
2000 GRANT - TOTAL UNLIQUIDATED OBLIGATIONS as of 12/31/03			\$0

Colorado Water Resources & Power Development Authority
WATER POLLUTION CONTROL REVOLVING FUND
2000 GRANT FINANCIAL STATUS REPORT
FORM 269A, LINES 10(a - c) - OUTLAYS
FOR THE PERIOD: **JANUARY 1, 2003 to DECEMBER 31, 2003**

	OUTLAYS		
	EPA LOC	STATE MATCH (20% of EPA LOC)	TOTAL
ADMINISTRATION	\$81,020	\$16,204	\$97,224
1995A - WINTER PARK W&SD	14,840	2,968	17,808
1997A - CARBONDALE	0	0	0
1999A - AURORA	678,032	135,606	813,638
1999A - FREMONT SANITATION DIST	0	0	0
1999A - GRAND COUNTY W&SD	161,350	32,270	193,620
2000A - PARKER W&SD	769,244	153,849	923,093
2000A - THREE LAKES W&SD	0	0	0
2001A - LAFAYETTE	275,919	55,184	331,103
2001A - MT CRESTED BUTTE W&SD	354,029	70,806	424,835
2001A - PARKER W&SD	1,667,120	333,424	2,000,544
2001A - STEAMBOAT SPRINGS	0	0	0
2002A - BLACKHAWK/CENTRAL CITY	0	0	0
2002A - WELLINGTON	787,542	157,508	945,050
2002A - WINTER PARK WEST W&SD	126,740	25,348	152,088
2002B - PARKER W&SD	125,869	25,174	151,043
2003B - COLORADO CITY METRO DIST	0	0	0
2003B - MILLIKEN	0	0	0
2003B - PUEBLO	0	0	0
TOTAL OUTLAYS - 2000 GRANT	\$5,041,705	\$1,008,341	\$6,050,046

FINANCIAL STATUS REPORT
(Short Form)
(Follow instructions on the back)

1. Federal Agency and Organization Element to Which is Submitted U.S. Environmental Protection Agency Grants Administration Office	2. Federal Grant or other Identifying Number Assigned by Federal Agency CS080001-01-01	OMB Approval No. 0348-0039	Page 1	of 1	pages
3. Recipient Organization (name and complete address, including ZIP code) Colorado Water Resources and Power Development Authority CWSRF 1580 Logan Street, Suite 620, Denver, Colorado 80203					
4. Employer Identification Number 84-0879485	5. Recipient Account Number or Identifying Number N/A	6. Final Report Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	7. Basis Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/>		
8. Grant Period (See Instructions) From: (Month, Day, Year) 03/01/01	To: (Month, Day, Year) 09/30/21	9. Period Covered by this report From (Month, Day, Year) 01/01/03		To: 12/31/03	
10. Transactions:		I Previously Reported	II This Period	III Cumulative	
a. Total outlays		0	12,258,677	12,258,677	
b. Recipient share of outlays		0	2,043,113	2,043,113	
c. Federal share of outlays		0	10,215,564	10,215,564	
d. Total unliquidated obligations				601,913	
e. Recipient share of unliquidated obligations				100,319	
f. Federal share of unliquidated obligations				501,594	
g. Total Federal share (sum of c. and f.)				10,717,158	
h. Total Federal funds authorized to this grant period				10,717,158	
i. Unobligated balance of Federal funds (line h. minus line g.)				0	
11. Indirect Expense		a. Type of Rate Provisional <input type="checkbox"/> Predetermined <input type="checkbox"/> Final <input type="checkbox"/> Fixed <input type="checkbox"/> OTHER - BASED ON DIRECT LABOR COSTS			
		b. Rate 27.65%	c. Base 215,773.10	d. Total Amount 59,863.72	e. Federal Share 49,886.43
12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation.					
13. Certification: I certify to the best of my knowledge that this report is correct and complete and that all outlays and unliquidated obligations are for the purpose set forth in the award documents.					
Typed or Printed Name and Title Daniel L. Law, Executive Director			Telephone (Area code, number, and extension) (303) 830-1550 call Ext 14		
Signature of Authorized Certifying Official			Date Report Submitted March 29, 2004		

Colorado Water Resources & Power Development Authority
WATER POLLTION CONTROL REVOLVING FUND
2001 GRANT FINANCIAL STATUS REPORT
FORM 269A, LINES 10(d - f) - UNLIQUIDATED OBLIGATIONS
FOR THE PERIOD: JANUARY 1, 2003 to DECEMBER 31, 2003

	UNLIQUIDATED OBLIGATIONS		
	TOTAL	EPA LOC DRAWS	UNLIQUIDATED OBLIGATION
	CAP. GRANT AMOUNT	RECEIVED thru 12/31/03	
1995A - WINTER PARK W&SD	799,250	799,250	0
1997A - CARBONDALE	662,451	662,451	0
1999A - AURORA	8,571,829	7,835,233	736,596
1999A - FREMONT SAN DIST	2,772,838	2,725,504	47,334
1999A - GRAND COUNTY W&SD	1,424,890	1,064,242	360,648
2000A - PARKER W&SD	3,392,730	3,392,730	0
2000A - THREE LAKES W&SD	1,792,880	1,792,880	0
2001A - LAFAYETTE	2,730,694	2,348,369	382,325
2001A - MT CRESTED BUTTE W&SD	1,882,903	1,882,903	0
2001A - PARKER W&SD	1,667,120	1,667,120	0
2001A - STEAMBOAT SPRINGS	2,278,272	2,278,272	0
2002A - BLACKHAWK-CENTRAL CITY SAN DIST	7,811,847	2,180,180	5,631,667
2002A - WELLINGTON	1,856,403	1,856,403	0
2002A - WINTER PARK WEST W&SD	906,246	732,056	174,190
2002B - PARKER W&SD	5,564,000	4,440,896	1,123,104
2003A - COLORADO CITY METRO DIST	842,688	9,136	833,552
2003A - MILLIKEN	2,511,379	183,556	2,327,823
2003A - PUEBLO	3,788,101	321,729	3,466,372
TOTAL UNLIQUIDATED OBLIGATIONS - FEDERAL PROJECT FUNDS as of 12/31/03			\$15,083,611
LESS: UNLIQUIDATED OBLIGATIONS-FEDERAL PROJECT FUNDS ALLOCABLE TO:			
		2000 GRANT	\$0
		2002 GRANT	(\$10,663,884)
		2003 GRANT	(\$3,918,133)
2001 GRANT - UNLIQUIDATED OBLIGATIONS - FEDERAL FUNDS as of 12/31/03			<u>\$501,594</u>
2001 GRANT - UNLIQUIDATED OBLIGATIONS - STATE MATCH as of 12/31/03			<u>\$100,319</u>
2001 GRANT - TOTAL UNLIQUIDATED OBLIGATIONS as of 12/31/03			<u><u>\$601,913</u></u>

Colorado Water Resources & Power Development Authority
WATER POLLUTION CONTROL REVOLVING FUND
2001 GRANT FINANCIAL STATUS REPORT
FORM 269A, LINES 10(a - c) - OUTLAYS
FOR THE PERIOD: JANUARY 1, 2003 to DECEMBER 31, 2003

	OUTLAYS		
	EPA LOC	STATE MATCH (20% of EPA LOC)	TOTAL
ADMINISTRATION	\$325,246	\$65,049	\$390,295
1995A - WINTER PARK W&SD	0	0	0
1997A - CARBONDALE	22,442	4,488	26,930
1999A - AURORA	1,187,141	237,428	1,424,569
1999A - FREMONT SANITATION DIST	0	0	0
1999A - GRAND COUNTY W&SD	325,776	65,155	390,931
2000A - PARKER W&SD	0	0	0
2000A - THREE LAKES W&SD	8,734	1,747	10,481
2001A - LAFAYETTE	278,939	55,788	334,727
2001A - MT CRESTED BUTTE W&SD	474,213	94,843	569,056
2001A - PARKER W&SD	0	0	0
2001A - STEAMBOAT SPRINGS	66,718	13,344	80,062
2002A - BLACKHAWK/CENTRAL CITY	1,789,588	357,918	2,147,506
2002A - WELLINGTON	651,419	130,284	781,703
2002A - WINTER PARK WEST W&SD	255,900	51,180	307,080
2002B - PARKER W&SD	4,315,027	863,005	5,178,032
2003A - COLORADO CITY	9,136	1,827	10,963
2003A - MILLIKEN	183,556	36,711	220,267
2003A - PUEBLO	321,729	64,346	386,075
TOTAL OUTLAYS - 2001 GRANT	\$10,215,564	\$2,043,113	\$12,258,677

FINANCIAL STATUS REPORT
(Short Form)
(Follow instructions on the back)

1. Federal Agency and Organization Element to Which is Submitted U.S. Environmental Protection Agency Grants Administration Office	2. Federal Grant or other Identifying Number Assigned by Federal Agency CS080001-02-00	OMB Approval No. 0348-0039	Page 1 of 1 pages
3. Recipient Organization (name and complete address, including ZIP code) Colorado Water Resources and Power Development Authority CWSRF 1580 Logan Street, Suite 620, Denver, Colorado 80203			
4. Employer Identification Number 84-0879485	5. Recipient Account Number or Identifying Number N/A	6. Final Report Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	7. Basis Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/>
8. Grant Period (See Instructions) From: (Month, Day, Year) 04/01/02	To: (Month, Day, Year) 09/30/22	9. Period Covered by this report From (Month, Day, Year) 01/01/03 To: 12/31/03	
10. Transactions:	I Previously Reported	II This Period	III Cumulative
a. Total outlays	0	0	0
b. Recipient share of outlays	0	0	0
c. Federal share of outlays	0	0	0
d. Total unliquidated obligations			12,796,661
e. Recipient share of unliquidated obligations			2,132,777
f. Federal share of unliquidated obligations			10,663,884
g. Total Federal share (sum of c. and f.)			10,663,884
h. Total Federal funds authorized to this grant period			10,663,884
i. Unobligated balance of Federal funds (line h. minus line g.)			0
11. Indirect Expense	a. Type of Rate Provisional <input type="checkbox"/> Predetermined <input type="checkbox"/> Final <input type="checkbox"/> Fixed <input type="checkbox"/> NOT APPLICABLE		
	b. Rate	c. Base	d. Total Amount
	NOT APPLICABLE-NO INDIRECT EXPENSES CHARGED TO THIS GRANT		
12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation.			
13. Certification: I certify to the best of my knowledge that this report is correct and complete and that all outlays and unliquidated obligations are for the purpose set forth in the award documents.			
Typed or Printed Name and Title Daniel L. Law, Executive Director		Telephone (Area code, number, and extension) (303) 830-1550 call Ext 14	
Signature of Authorized Certifying Official		Date Report Submitted March 29, 2004	

Colorado Water Resources & Power Development Authority
WATER POLLUTION CONTROL REVOLVING FUND
2002 GRANT FINANCIAL STATUS REPORT
FORM 269A, LINES 10(d - f) - UNLIQUIDATED OBLIGATIONS
FOR THE PERIOD: JANUARY 1, 2003 to DECEMBER 31, 2003

	UNLIQUIDATED OBLIGATIONS		
	TOTAL	EPA LOC DRAWS	UNLIQUIDATED OBLIGATION
	CAP. GRANT AMOUNT	RECEIVED thru 12/31/03	
1995A - WINTER PARK W&SD	799,250	799,250	0
1997A - CARBONDALE	662,451	662,451	0
1999A - AURORA	8,571,829	7,835,233	736,596
1999A - FREMONT SAN DIST	2,772,838	2,725,504	47,334
1999A - GRAND COUNTY W&SD	1,424,890	1,064,242	360,648
2000A - PARKER W&SD	3,392,730	3,392,730	0
2000A - THREE LAKES W&SD	1,792,880	1,792,880	0
2001A - LAFAYETTE	2,730,694	2,348,369	382,325
2001A - MT CRESTED BUTTE W&SD	1,882,903	1,882,903	0
2001A - PARKER W&SD	1,667,120	1,667,120	0
2001A - STEAMBOAT SPRINGS	2,278,272	2,278,272	0
2002A - BLACKHAWK-CENTRAL CITY SAN DIST	7,811,847	2,180,180	5,631,667
2002A - WELLINGTON	1,856,403	1,856,403	0
2002A - WINTER PARK WEST W&SD	906,246	732,056	174,190
2002B - PARKER W&SD	5,564,000	4,440,896	1,123,104
2003A - COLORADO CITY METRO DIST	842,688	9,136	833,552
2003A - MILLIKEN	2,511,379	183,556	2,327,823
2003A - PUEBLO	3,788,101	321,729	3,466,372
TOTAL UNLIQUIDATED OBLIGATIONS - FEDERAL PROJECT FUNDS as of 12/31/03			\$15,083,611
LESS: UNLIQUIDATED OBLIGATIONS-FEDERAL PROJECT FUNDS ALLOCABLE TO:			
		2000 GRANT	\$0
		2001 GRANT	(\$501,594)
		2003 GRANT	(\$3,918,133)
2002 GRANT - UNLIQUIDATED OBLIGATIONS - FEDERAL FUNDS as of 12/31/03			\$10,663,884
2002 GRANT - UNLIQUIDATED OBLIGATIONS - STATE MATCH as of 12/31/03			\$2,132,777
2002 GRANT - TOTAL UNLIQUIDATED OBLIGATIONS as of 12/31/03			\$12,796,661

Colorado Water Resources & Power Development Authority
WATER POLLUTION CONTROL REVOLVING FUND
2002 GRANT FINANCIAL STATUS REPORT
FORM 269A, LINES 10(a - c) - OUTLAYS
FOR THE PERIOD: JANUARY 1, 2003 to DECEMBER 31, 2003

	OUTLAYS		
	EPA LOC	STATE MATCH (20% of EPA LOC)	TOTAL
ADMINISTRATION	\$0	\$0	\$0
1995A - WINTER PARK W&SD	0	0	0
1997A - CARBONDALE	0	0	0
1999A - AURORA	0	0	0
1999A - FREMONT SANITATION DIST	0	0	0
1999A - GRAND COUNTY W&SD	0	0	0
2000A - PARKER W&SD	0	0	0
2001A - LAFAYETTE	0	0	0
2001A - MT CRESTED BUTTE W&SD	0	0	0
2001A - PARKER W&SD	0	0	0
2001A - STEAMBOAT SPRINGS	0	0	0
2002A - BLACKHAWK/CENTRAL CITY	0	0	0
2002A - WELLINGTON	0	0	0
2002A - WINTER PARK WEST W&SD	0	0	0
2002B - PARKER W&SD	0	0	0
2003A - COLORADO CITY METRO DIST	0	0	0
2003A - MILLIKEN	0	0	0
2003A - PUEBLO	0	0	0
 TOTAL OUTLAYS - 2002 GRANT	 \$0	 \$0	 \$0

FINANCIAL STATUS REPORT
(Short Form)
(Follow instructions on the back)

1. Federal Agency and Organization Element to Which is Submitted U.S. Environmental Protection Agency Grants Administration Office	2. Federal Grant or other Identifying Number Assigned by Federal Agency CS080001-03-01	OMB Approval No. 0348-0039	Page 1	of 1 pages
3. Recipient Organization (name and complete address, including ZIP code) Colorado Water Resources and Power Development Authority CWSRF 1580 Logan Street, Suite 620, Denver, Colorado 80203				
4. Employer Identification Number 84-0879485	5. Recipient Account Number or Identifying Number N/A	6. Final Report Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	7. Basis Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/>	
8. Grant Period (See Instructions) From: (Month, Day, Year) 06/09/03	To: (Month, Day, Year) 09/30/23	9. Period Covered by this report From (Month, Day, Year) 01/01/03		To: 12/31/03
10. Transactions:				
		I Previously Reported	II This Period	III Cumulative
a. Total outlays		0	0	0
b. Recipient share of outlays		0	0	0
c. Federal share of outlays		0	0	0
d. Total unliquidated obligations				4,701,760
e. Recipient share of unliquidated obligations				783,627
f. Federal share of unliquidated obligations				3,918,133
g. Total Federal share (sum of c. and f.)				3,918,133
h. Total Federal funds authorized to this grant period				17,261,251
i. Unobligated balance of Federal funds (line h. minus line g.)				13,343,118
11. Indirect Expense				
a. Type of Rate Provisional Predetermined Final Fixed <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> NOT APPLICABLE				
b. Rate		c. Base	d. Total Amount	e. Federal Share
NOT APPLICABLE-NO INDIRECT EXPENSES CHARGED TO THIS GRANT				
12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation.				
13. Certification: I certify to the best of my knowledge that this report is correct and complete and that all outlays and unliquidated obligations are for the purpose set forth in the award documents.				
Typed or Printed Name and Title Daniel L. Law, Executive Director		Telephone (Area code, number, and extension) (303) 830-1550 call Ext 14		
Signature of Authorized Certifying Official		Date Report Submitted March 29, 2004		

Colorado Water Resources & Power Development Authority
WATER POLLUTION CONTROL REVOLVING FUND
2003 GRANT FINANCIAL STATUS REPORT
FORM 269A, LINES 10(d - f) - UNLIQUIDATED OBLIGATIONS
FOR THE PERIOD: JANUARY 1, 2003 to DECEMBER 31, 2003

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2000A - PARKER W&SD	3,392,730	3,392,730	0
2000A - THREE LAKES W&SD	1,792,880	1,792,880	0
2001A - LAFAYETTE	2,730,694	2,348,369	382,325
2001A - MT CRESTED BUTTE W&SD	1,882,903	1,882,903	0
2001A - PARKER W&SD	1,667,120	1,667,120	0
2001A - STEAMBOAT SPRINGS	2,278,272	2,278,272	0
2002A - BLACKHAWK-CENTRAL CITY SAN DIST	7,811,847	2,180,180	5,631,667
2002A - WELLINGTON	1,856,403	1,856,403	0
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2002B - PARKER W&SD	5,564,000	4,440,896	1,123,104
2003A - COLORADO CITY METRO DIST	842,688	9,136	833,552
2003A - MILLIKEN	2,511,379	183,556	2,327,823
2003A - PUEBLO	3,788,101	321,729	3,466,372
TOTAL UNLIQUIDATED OBLIGATIONS - FEDERAL PROJECT FUNDS as of 12/31/2003			\$15,083,611
LESS: UNLIQUIDATED OBLIGATIONS-FEDERAL PROJECT FUNDS ALLOCABLE TO:			
		2000 GRANT	0.00
		2001 GRANT	(\$501,594)
		2002 GRANT	(\$10,663,884)
2003 GRANT - UNLIQUIDATED OBLIGATIONS - FEDERAL FUNDS as of 12/31/2003			\$3,918,133
2003 GRANT - UNLIQUIDATED OBLIGATIONS - STATE MATCH as of 12/31/2003			\$783,627
2003 GRANT - TOTAL UNLIQUIDATED OBLIGATIONS as of 12/31/2003			\$4,701,760

Colorado Water Resources & Power Development Authority
WATER POLLUTION CONTROL REVOLVING FUND
2003 GRANT FINANCIAL STATUS REPORT
FORM 269A, LINES 10(a - c) - OUTLAYS
FOR THE PERIOD: **JANUARY 1, 2003 to DECEMBER 31, 2003**

	OUTLAYS		
	EPA LOC	STATE MATCH <i>(20% of EPA LOC)</i>	TOTAL
ADMINISTRATION	\$0	\$0	\$0
1995A - WINTER PARK W&SD	0	0	0
1997A - CARBONDALE	0	0	0
1999A - AURORA	0	0	0
1999A - FREMONT SANITATION DIST	0	0	0
1999A - GRAND COUNTY W&SD	0	0	0
2000A - PARKER W&SD	0	0	0
2001A - LAFAYETTE	0	0	0
2001A - MT CRESTED BUTTE W&SD	0	0	0
2001A - PARKER W&SD	0	0	0
2001A - STEAMBOAT SPRINGS	0	0	0
2002A - BLACKHAWK/CENTRAL CITY	0	0	0
2002A - WELLINGTON	0	0	0
2002A - WINTER PARK WEST W&SD	0	0	0
2002B - PARKER W&SD	0	0	0
2003A - COLORADO CITY METRO DIST	0	0	0
2003A - MILLIKEN	0	0	0
2003A - PUEBLO	0	0	0
 TOTAL OUTLAYS - 2003 GRANT	 <u>\$0</u>	 <u>\$0</u>	 <u>\$0</u>

EXHIBIT G

LOAN AWARDS BY COST CATEGORIES

COLORADO WPCRF 2003 ANNUAL REPORT

EXHIBIT G**LOAN AWARDS BY COST CATEGORIES**

Project	Loan Amount	Cost Category
Colorado City MD	\$1,878,537.60	100% - II
Town of Milliken	\$5,897,275.80	50% - I 50% - II
City of Pueblo	\$8,402,620.20	100% - IIIb
Pikes Peak – America's Mountain	\$1,000,000.00	100% - NPS
City of Salida	\$550,000.00	100% - II

Cost Categories:

I – Secondary Treatment

II – Advanced Treatment

IIIb – Major Sewer Rehabilitation

NPS – Nonpoint Source

EXHIBIT H

MBE/WBE PARTICIPATION

COLORADO WPCRF 2003 ANNUAL REPORT

EXHIBIT H

MBE / WBE PARTICIPATION

Project Name	Project Number	Construction Start	Construction End	Federal Share	Federal Quarters	MBE Dollars	WBE Dollars
Black Hawk-Central City SD	CO8115401	4/14/2003	6/30/2005	\$7,811,847.00	1st	NA	NA
					2nd	NA	NA
					3rd	\$0.00	\$5,000.00
					4th	\$0.00	\$113,256.00
Grand County #1 WSD / Winter Park West WSD	C080943-01 C081174-01	5/28/2002	12/31/2004	\$1,424,890.00 \$906,246.00	1st	\$0.00	\$18,762.50
					2nd	\$0.00	\$0.00
					3rd	\$0.00	\$0.00
					4th	\$0.00	\$0.00
Parker WSD	C081027-02	3/15/2002	12/31/2003	\$1,882,903.00	1st	\$0.00	\$0.00
					2nd	\$0.00	\$0.00
					3rd	\$0.00	\$0.00
					4th	\$0.00	\$0.00
Three Lakes WSD	C081102-01	5/8/2001	7/23/2002	\$1,792,880.00	1st	\$0.00	\$29,787.52
					2nd	\$0.00	\$39.90
					3rd	\$0.00	\$3,214.30
					4th	NA	NA
Wellington, Town of	C080746-01	7/15/2002	10/15/2003	\$1,856,403.00	1st	\$50,170.90	\$0.00
					2nd	\$0.00	\$33,590.00
					3rd	\$0.00	\$50,884.00
					4th	NA	NA
TOTALS				\$15,675,169.00		\$50,170.90	\$254,534.22
**Colorado Water Resources & Power Development Authority	CS080001-01-1				1st	\$0.00	\$23,025.00
					2nd	\$0.00	\$3,450.00
					3rd	\$0.00	\$12,165.00
					4th	\$0.00	\$7,350.00
						\$0.00	\$45,990.00
Grand Totals				\$15,675,169.00		\$50,170.90	\$300,524.22

NA = Project not in construction during the reporting quarter

**Non-construction related participation

The following projects made a good faith effort but did not receive any MBE/WBE participation: Mount Crested Butte WSD

EXHIBIT I

CIVIL RIGHTS COMPLIANCE

COLORADO WPCRF 2003 ANNUAL REPORT

EXHIBIT I**CIVIL RIGHTS COMPLIANCE**

Project	Project Number	Administrator	Date Received
Colorado City MD	030057W	Pate	1/15/2003
Littleton – Englewood	030167W	Emerick	10/30/2003
Town of Milliken	030186W	Hermann	12/23/2002
Pikes Peak – America's Mountain	030218W	Pate	1/3/2003
City of Pueblo	030225W	Pate	1/31/2003
City of Salida	030241W	Pate	4/15/2003

Per Brian Friel 12/18/02 no staff at EPA to certify (state responsible for tracking)

ATTACHMENT 1

2003 INTENDED USE PLAN

STATE OF COLORADO

FISCAL YEAR 2003

**WATER POLLUTION CONTROL REVOLVING FUND
(WPCRF)**

INTENDED USE PLAN

REGULATION NO. 52

Date Drafted June 25, 2002
Date Revised September 4, 2002
Approved November 12, 2002

**STATE OF COLORADO
WATER POLLUTION CONTROL REVOLVING FUND
FY 2003 INTENDED USE PLAN**

REGULATION NO. 52

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52.29 STATEMENT OF BASIS AND PURPOSE	10

ATTACHMENTS:

- Appendix A – 2003Project Eligibility List
- Appendix B - Projected Loans for 2003
- Appendix C - Summary of Loans Awarded To-Date
- Appendix D – Summary of Fire and Drought Impacts
- Appendix E – Fire and Drought Recovery Grant Funds Available in Colorado

**WATER POLLUTION CONTROL REVOLVING FUND
FY 2003
INTENDED USE PLAN
REGULATION NO. 52**

52.1 INTRODUCTION

S.B. 88-50 amended Title 37 of Article 95, C.R.S. establishing a Water Pollution Control Revolving Fund (WPCRF) as an enduring and viable mechanism to fund water quality projects. The WPCRF shall be maintained and be available in perpetuity for providing financial assistance as authorized and defined by the Clean Water Act (federal Act).

Regulation No. 52, adopted by the Water Quality Control Commission (WQCC), is the WPCRF Intended Use Plan (IUP) that will serve as the planning document for January 1, 2003 through December 31, 2003 explaining how the state will use its appropriations for the WPCRF. The IUP identifies the specific projects and activities associated with the federal appropriation and other funds available to the WPCRF (e.g. state match, leveraged funds, and repayments). Funds allotted to the State for federal fiscal year (FFY) 2003 and the funds remaining from the prior FFY 2002 Capitalization Grant are available to the WPCRF.

The WPCRF provides leveraged loans (over \$1 million) at an interest rate of 80% of the market rate of the clean water revenue bonds, rated "AAA" and direct loans (\$1 million and below) at a 4% interest rate.

The agencies (hereinafter referred to as the State) having responsibility for administering the WPCRF include: The Colorado Department of Public Health and Environment, Water Quality Control Division ("WQCD"), the Colorado Water Resources and Power Development Authority ("Authority"), and the Colorado Department of Local Affairs, Division of Local Government (DLG). The State agrees to submit to EPA, as part of its annual application for a Capitalization Grant under Title VI of the federal Act, an IUP that meets the requirements of Section 606(c) of the federal Act and C.R.S. 37-95-107.6.

The requirements of the federal Act specify that the IUP include the following:

- ◆ A list of projects for construction of publicly owned treatment works and projects/activities eligible for assistance under sections 319 and 320 of the federal Act on the State's priority list. This list must include the name of the community, permit number or other applicable enforceable requirement (if available), the type of financial assistance, and the projected amount of eligible assistance. Permit numbers and other applicable enforceable requirements will be made available upon request.
- ◆ A description of the short and long-term goals of the State's WPCRF;

- ◆ Information on the types of activities, as opposed to project level details, to be supported by the WPCRF including the eligible cost categories, types of assistance to be provided (e.g., loans, guarantees, insurance, etc.), terms of financial assistance, types of communities to be served by the fund, and administrative costs.
- ◆ Assurances and specific proposals on how the State intends to meet the requirements of the federal Act.
- ◆ The criteria and method established for the distribution of funds.

52.2 LIST OF WATER POLLUTION CONTROL REVOLVING FUND PROJECTS

Attached to the IUP as Appendix A is the 2003 WPCRF Project Eligibility List identifying additions and modifications that were made to the 2002 Project Eligibility List. The list shows the current construction needs for all identified eligible water quality projects including point source wastewater treatment, nonpoint source (NPS), ground water, and storm water.

Appendix B to the IUP is a table depicting projects that are likely to be funded with loans from the WPCRF during the remainder of calendar year 2002 and all of 2003. Projects shall conform to a State-approved plan, (for example, Water Quality Management Plan, NPS Management Plan, etc.) as updated from time to time, or they may not be considered for assistance through the WPCRF. The total estimated eligible cost for the 28 projects listed in Appendix B is \$223,980,000. If all of the projects listed apply for a WPCRF loan during 2003 and sufficient funds are not available the projects will be funded in a priority order as outlined in “52.6 Criteria and Methods For Distributing Funds.”

Attached as Appendix D is a Summary of Fire and Drought Impacts. This list has been included in the 2003 IUP to solicit public participation in the process of allocating funds to water and wastewater systems affected by wildfires and drought. Funding options for these projects are listed in Appendix E. The Division has developed funding distribution criteria for the funds administered through the Department of Public Health and Environment. Eligible projects listed in Appendix D that are ready to proceed with funding from the WPCRF will be included on the Joint Resolution forwarded to the Legislature for 2003. Eligible projects that are identified after the Joint Resolution process may be funded on an emergency basis and then added to the Joint Resolution for 2004.

Federal Crosscutting Authorities

Several leveraged loan projects listed on Appendix B will receive loan assistance equaling the Capitalization Grant. Communities receiving assistance from federal capitalization grant funds shall comply with all applicable federal requirements.

All direct loans, NPS loans and some leveraged loans (**see note below**) will receive assistance from re-loan funds. Communities receiving assistance from the re-loan funds need only comply with the federal environmental and anti-discrimination requirements.

NOTE: Project sponsors seeking leveraged loans from the WPCRF should notify the WQCD by letter or loan application expressing interest in using re-loan funds. Assistance from re-loan funds will be allocated on a first come, first served basis.

52.3 LONG TERM GOALS

The State continues to develop and maintain long term goals that will insure the integrity of the WPCRF:

1. Maintain the economic viability of the WPCRF while meeting current and projected water quality needs in the State of Colorado.

Ensure that the WPCRF remains viable and is self perpetuating to meet the long-range water quality needs of the State.

2. Provide technical assistance to governmental agencies for facilitating effective planning, design, financing, and construction of facilities to meet water quality standards.

Focus will be on customer service while utilizing the team approach to create an atmosphere conducive to accomplishing the best viable project.

3. Maintain compliance with state and federal laws and the provisions of the State/EPA Operating Agreement.

52.4 SHORT TERM GOALS

In an effort to continually improve the WPCRF program, the State will pursue the following short term goals throughout the calendar year for 2003.

1. The Program will continue to provide funds (up to \$100,000 upon approval by the Authority Board) for planning and/or design grants for communities under 10,000 population, with a maximum grant per community of \$10,000. These are non-reimbursable grants, unless the entity is not borrowing funds from the WPCRF in which case the Authority Board retains the ability to review, and if appropriate, waive this requirement. These funds are provided from the Administrative Fee Account from income received after the Capitalization Grant period.
2. The Authority may consider a policy to limit the amount of assistance to an individual borrower to \$50 - \$60 million.
3. The State will prepare and submit a Capitalization Grant application based on the FFY 2003 allotment for the WPCRF by January 2003.

4. The State will initiate the process for identifying projects in the FY2004 Intended Use Plan by March 2003.
5. The State will submit an Annual Report to EPA by April 30, 2003.
6. The State will continue coordination with all funding agencies for water quality projects identified in the 2003 IUP.
7. The Authority will leverage funds in the WPCRF to accommodate the amount of eligible costs projected for loans in 2003 as described in Appendix B.
8. The State will continue to actively pursue nonpoint source projects that are eligible for a loan from the WPCRF.
9. The WQCD will continue to make revisions to the Handbook of Procedures to conform to regulations/guidance and submit it to EPA for approval.
10. Implement a shared Access database for tracking projects.
11. Provide training to 3 new Project Managers (out of a total of 5 Financial Assistance Program staff) who have been hired within the last eight months.

52.5 INFORMATION ON ACTIVITIES TO BE SUPPORTED

Financial Activities

As of May 31, 2002, the WPCRF administered 37 direct loans totaling \$19,046,589 and 61 leveraged loans totaling \$452,811,628. The total loan amount for the 98 loans is \$471,858,217.

The FFY 2002 capitalization grant was awarded on March 27, 2002. The EPA share was \$10,663,884 and the State Match was \$2,132,777 for a total of \$12,796,661. The State anticipates receiving a similar amount of grant funds to be allocated in 2003.

The total amount of federal Capitalization Grant awards through FFY2002 available for loans and program administration is \$159,802,153. Of this amount, \$145,583,635 has been obligated through May 31, 2002 for loans (see Appendix C) and \$5,326,738 has been allocated for program administration.

Re-loan funds of approximately \$13,900,000 are expected to be available during the 2003 calendar year. Approximately \$24,500,000 of grant and re-loan funds will be available for loans in the year 2003. Because Colorado leverages the fund, the 2003 loan capacity of the WPCRF should be approximately \$83,000,000 (see Table I below).

Table I
Calculation of Loan Capacity for 2003

Capitalization grants through 2002	\$ 159,802,153
Obligated for loans and admin through 12/31/02*	<u>\$ 159,578,389</u>
Remainder	\$ 223,764
2003 Capitalization Grant	
0.8% of \$1.332 billion	\$ 10,663,884
Less 5/6 of 4% Administrative Fee	<u>\$ 355,463</u>
Total 2003 Grant	\$ 10,308,421
Total Grant Funds Available	\$ 10,532,185
Re-loan funds as of 9/02/02	\$ 10,331,695
less: Re-loan funds used on 2002 Series B issue	\$ 3,185,185
less: Re-loan funds used on direct loans 2002	\$ 2,250,000
plus: Deallocation on 9/02/03	<u>\$ 9,000,000</u>
Total Re-Loan Funds Available	\$ 13,896,510
**Transfer from Drinking Water Revolving Fund	\$ 8,000,000
Loan Capacity for 2003	
Leveraged Loans from Grants X 2.9	\$ 30,543,337
Direct Loans from Re-Loan Funds	\$ 4,000,000
Leveraged Loans from Re-Loan Funds (total less direct loans) X 2.7	\$ 26,720,577
Leveraged Loans from DWRF transfer X 2.75	<u>\$ 22,000,000</u>
2003 WPCRF Loan Capacity	\$ 83,263,914

*Includes the 2002 Series B issue (\$9,310,344)

**Refer to the information under "Transfer Activities"

The State intends to utilize the full administrative allocation (4%) of each grant to administer the WPCRF. With the award of the FFY2002 Capitalization Grant, the State has allocated \$5,326,738 of grant funds to program administration. As of May 31, 2002, \$4,848,960 of this amount has been utilized.

The WPCRF charges a 0.8% administrative fee on all loans based on the original principal amount of the loan. (Only in the first year or two and in the last two or three years of leveraged loans is this fee less than 0.8%.) On direct loans, more of the fee is front-loaded because there are not enough interest charges on

the backend to charge a full 0.8% on the original principal. Closing charges on direct loans were eliminated in 2000.

Table II identifies the revenues and expenses from the administrative fee account that are outside of the revolving loan fund. The values in this table may not reconcile differences between cash and accrual accounting methods. At the end of 2001, the State Match loan balance was at \$12.2 million. Also at the end of the year, the cash balance in the administrative fee account was approximately \$3.6 million with investments of approximately \$2.1 million.

TABLE II
Water Pollution Control Revolving Fund

Administrative Fee Account - Revenues and Expenses as of December 31, 2001

	Loan Fee	Cap Grant	Administrative	State Match	
	Revenue	Administration	Expense	Loan Repayment	Net Income
1988 to 1992	\$ 1,636,524	\$ 1,037,826	\$ 1,910,106	\$ -	\$ 764,244
1993	\$ 733,383	\$ 428,827	\$ 535,711	\$ 56,400	\$ 570,099
1994	\$ 943,434	\$ 467,037	\$ 673,447	\$ 105,000	\$ 632,024
1995	\$ 1,136,274	\$ 1,116,974	\$ 813,147	\$ 635,025	\$ 805,076
1996	\$ 1,211,368	\$ 251,614	\$ 1,010,151	\$ 722,635	\$ (269,804)
1997	\$ 1,481,355	\$ 450,859	\$ 916,953	\$ 891,500	\$ 123,761
1998	\$ 1,905,633	\$ -	\$ 1,004,025	\$ 842,290	\$ 59,318
1999	\$ 2,378,314	\$ 263,900	\$ 1,082,722	\$ 725,000	\$ 834,492
2000	\$ 2,779,961	\$ 245,417	\$ 1,068,715	\$ 2,656,699	\$ (700,036)
2001	\$ 3,073,559	\$ 421,955	\$ 1,199,441	\$ 2,000,000	\$ (296,073)
2002 est.	\$ 3,902,000	\$ 432,500	\$ 1,385,000	\$ 2,600,000	\$ 349,500
TOTAL	\$ 21,181,805	\$ 5,116,909	\$ 11,599,418	\$ 11,234,549	\$ 2,872,601

Additionally, administrative fee income will be used to fund a planning and/or design grant program for 2003 (see Short Term Goal No. 1).

The proposed payment schedule using FFY-2003 WPCRF funds will be included in the application for the Capitalization Grant. The payment schedule identifies the anticipated amount of EPA Automated Clearinghouse (ACH) draws from the Capitalization Grant and State dollars to be deposited into the WPCRF.

Upon the request of EPA, a contractor (BBC Research and Consulting) was hired to perform a Minority Business Enterprise/Women Business Enterprise (MBE/WBE) study to determine the availability of MBE/WBE contractors for the Colorado WPCRF and DWRP programs. BBC collected a sample of firms, surveyed each firm, and analyzed the resulting data to determine availability of MBE/WBE firms. The results of the study will be available this fall and will help determine the appropriate MBE/WBE goals for the FFY 03 capitalization grant.

General Activities

All funding agencies meet periodically to coordinate the financial needs of communities that have a water quality improvement project per the WPCRF Rules (Regulation No. 51). These projects are listed on the 2003 WPCRF Project Eligibility List (Appendix A).

The State will provide the necessary assurance and certifications as part of the Capitalization Grant Agreement and Operating Agreement between the State of Colorado and the EPA.

Transfer Activities

As authorized by Congress, up to 33% of the Drinking Water capitalization grants for FY1997 through FY2003 (total drinking water grants estimated at \$90.6 million), may be reserved from the Drinking Water Revolving Fund (DWRf) and transferred to the WPCRF. The authorization to transfer funds between revolving funds expired on October 1, 2001. In 2001 Congress extended the transfer provision to September 30, 2002. In late 2002, Congress is expected to extend the transfer provision through September 30, 2003.

In 1999 \$8,000,000 of grant funds and state match were transferred from the WPCRF to the DWRf. This transfer would return the \$8,000,000 to the WPCRF. Based on anticipated project needs for 2003, representatives of the Authority, the Water Quality Control Division and the Division of Local Government, jointly agreed to pursue this transfer.

The total estimated eligible cost for the 28 projects listed in Appendix B is \$223,980,000. Due to the large number of projected loans from the WPCRF and a small number of loans from the DWRf, the WQCD and the Authority met with a stakeholders group to evaluate the feasibility of transferring funds from the DWRf to the WPCRF. Based on the WQCC, the Board of Health, and the Governor's approvals, a transfer of approximately \$8 million dollars (including the state match) will be made from the DWRf into the WPCRF in 2003. None of these funds will be used for administrative purposes.

This transfer diminishes the loan capacity of the DWRf by approximately \$24 million (leverage ratio of approximately 3 multiplied by \$8.0 million) and increases the loan capacity of the WPCRF by an equal amount. Assuming a FY2003 WPCRF grant award of \$10.6 million and re-loan funds of over \$13 million, the 2003 loan capacity of the WPCRF (utilizing the transferred funds) is estimated to be over \$80 million as demonstrated in Table I above. Since several large water pollution projects are expected to need funds in 2003, WPCRF loan demand is expected to utilize all available loan capacity. The long term needs for the WPCRF is more than \$700,000,000.

This transfer is a combination of capitalization grant (\$6,666,667) and State Match (\$1,333,333) with the federal portion coming from the 2002 capitalization grant. The set-asides would not be affected. This grant combined with the existing unused grant and re-loan funds, minus the transfer, creates a 2003 DWRf loan capacity of over \$40 million. The expected DWRf need for the year 2003 and beyond is the same as the WPCRF above \$700,000,000. All identified and eligible drinking water projects that are ready for construction in 2003 can be funded out of the expected 2003 loan capacity.

All of this information was presented to a stakeholders group on August 6, 2002. There were no objections to the transfer.

This transfer, which is a combination of capitalization grant and state match, will be deposited in the WPCRF and would only be available for loans. With the statutory language approved by the Colorado State Legislature in 2002, any transfers can be made from one account to the other with all of the appropriate approvals.

Financial modeling, with a series of Federal funding and other program assumptions, shows the long term result of this transfer will be an additional average of \$1.75 million per year in WPCRF project disbursements over the next twenty years.

Cross-Collateralization Activities

Beginning in the calendar year commencing on January 1, 1999, the WPCRF, along with the DWRF, was able to cross-collateralize or pledge moneys on deposit in one fund to act as additional security for bonds secured by moneys on deposit in the other fund. This mechanism was utilized for both programs in 1999 and, as a result, the bond ratings for both programs were upgraded to "AAA" by all three bond rating agencies. This upgrade translates to lower interest rates and thereby more savings to the borrowers of both programs.

Public Review and Comment

The WQCD contacted governmental agencies on the State's 2002 WPCRF Project Eligibility List regarding their potential for funding under the WPCRF. The WQCC held a formal public hearing on October 15, 2002 at which time the State's FY 2003 WPCRF IUP (Regulation No. 52) was adopted. Except by the WQCD, there were no written comments submitted to the WQCC or oral comments presented at the public hearing. Each year, the IUP will be amended to include additional WPCRF projects and the State will seek further public review and comment.

52.6 CRITERIA AND METHODS FOR DISTRIBUTING FUNDS

The WPCRF Rules (Regulation No. 51) and the IUP (Regulation No. 52) which includes the Project Eligibility List (attached as Appendix A) and Projected Loans (attached as Appendix B), provide a clear, objective system for identifying projects that will improve or benefit water quality in our state. A more detailed prioritization will be assembled if there is a shortage of funds available. This system uses the following criteria:

1. The list shall include three categories:

Category 1 includes those projects that improve or benefit public health.

Category 2 includes those projects that will utilize proactive and long range planning of water quality approaches and/or pollution prevention methods.

Category 3 is the remainder of projects listed that will improve or benefit water quality.

2. If it is determined that the WPCRF lacks sufficient funds to cover loans for all eligible projects that are ready to proceed, Category 1 projects will be funded prior to Category 2 projects, which will be funded prior to Category 3 projects. Within each category, the following criteria will be used to further prioritize the projects:
 - a) Priority will be given to the project of any governmental agency that is under an enforcement action and/or compliance schedule relating to water quality standards as long as the enforcement action does not relate to administrative requirements of the program.
 - b) If there are more projects of governmental agencies under enforcement actions than there are funds available, higher priority will be given to those entities that have a greater financial need as determined by procedures and recommendations of the DLG.
 - c) Higher priority will also be given to any project serving a small community.
3. The rationale for funding projects in an order other than that shown shall be due to one or more of the following three reasons:
 - a) Governmental agencies do not wish to participate in the WPCRF;
 - b) Governmental agencies are not ready to proceed with the project; or
 - c) Governmental agencies do not have the financial capability to repay a loan.

The WPCRF criteria for the financial capability review of applicants are included in the State/EPA Operating Agreement.

52.29 STATEMENT OF BASIS, SPECIFIC STATUTORY AUTHORITY, AND PURPOSE (2002 REVISIONS)

The provisions of sections 25-8-202(1)(e) and (g); 25-8-308(1)(d); 37-95-107.6(4) C.R.S., provide the specific statutory authority for adoption of the attached regulatory amendments. The Water Quality Control Commission (WQCC) also adopted, in compliance with sections 24-4-103(4) C.R.S., the following statement of basis and purpose.

BASIS AND PURPOSE:

The Intended Use Plan (IUP) is presented to the WQCC each year for agency action and public comment. The IUP describes the intent of the Water Pollution Control Revolving Fund (WPCRF) for providing financial assistance to governmental agencies for water quality projects. The IUP also describes all funds available for program administration and loan commitments from the WPCRF.

Attached to the 2003 IUP as Appendix A is the WPCRF 2003 Project Eligibility List showing the current construction needs for all identified eligible water quality projects, including point source wastewater treatment, nonpoint source, ground water, and storm water. Attachment B to the IUP is a chart depicting projects that are expected to receive funding from the WPCRF. Attachment B also includes a target date for the project's binding commitment.

Approximately \$223,980,000 in loans are expected to be provided to communities in 2003. Due to large number of projected loans the WQCD and the Authority is working with a stakeholders group to evaluate the feasibility of transferring funds from the Drinking Water Revolving fund to the WPCRF. Based on the outcome of the stakeholders meeting, the WQCC and the Board of Health's approval, a transfer of approximately \$8 million dollars (including the state match) will be made from the Drinking Water Revolving Fund into the WPCRF in 2003.

The WQCC held a formal public hearing on October 15, 2002 at which time the State's FY 2002 IUP (Regulation No. 52) was adopted with a preliminary approval. Approval of the final document will occur at the November 2002 Commission meeting. There were no comments at the public hearing.

APPENDIX A

WATER POLLUTION CONTROL REVOLVING FUND

2003 PROJECT ELIGIBILITY LIST

PROJECT NUMBER	ELIG CAT	ENTITY	MUNICIPALITY/ COMMUNITY	COUNTY	DESCRIPTION	PROJECT COST
030001W	3	ADAMS COUNTY	BRIGHTON	ADAMS	NPS BMP'S THAT MAY INCLUDE BUT ARE NOT LIMITED TO LAND PURCHASE	\$1,000,000
030002W	2	AGUILAR, TOWN OF	AGUILAR	LAS ANIMAS	NEED TO REPLACE AERATORS & BLOWERS	\$200,000
030003W	2	AKRON, TOWN OF	AKRON	WASHINGTON	NEW AERATED LAGOON WITH LAND APPLICATION	\$3,000,000
030004W	1	ALAMOSA CNTY/MOSCA	ALAMOSA	ALAMOSA	FAILING SEPTICS, POTENTIAL GROUNDWATER POLLUTION, CONST CLUSTER OR LAGOON SYSTEM	\$443,303
030005W	3	ALAMOSA, CITY OF	ALAMOSA	ALAMOSA	STORMWATER PROJECT	\$800,000
030006W	3	ALMA, TOWN OF	ALMA	PARK	STORMWATER IMPROVEMENTS	\$1,002,000
030007W	2	ANTONITO, TOWN OF	ANTONITO	CONEJOS	EXPAND CAPACITY	\$150,000
030009W	3	ASPEN, CITY OF	ASPEN	PITKIN	NPS BMP'S THAT MAY INCLUDE BUT ARE NOT LIMITED TO LAND PURCHASE, STORMWATER MANAGEMENT & WETLANDS ENHANCEMENT	\$10,000,000
030010W	2	AULT, TOWN OF	AULT	WELD	UPGRADE 2 CELL LAGOON SYSTEM TO MEET GROUNDWATER REGS	\$1,000,000
030011W	2	AURORA/SAND CREEK	AURORA	ARAPAHOE	CONSTRUCT REUSE LINES, STORAGE & PUMPING FACILITIES	\$10,000,000
030012W	2	AVONDALE WSD	AVONDALE	PUEBLO	EXPANSION OF LAGOONS (ALMOST AT CAPACITY)	\$300,000
030013W	2	BACA GRANDE WSD	CRESTONE	SAGUACHE	CONSOLIDATE AND UPGRADE WWTF	\$800,000
030014W	2	BAILEY WSD	BAILEY	PARK	REPLACE DIGESTER, INSTALL FLOW METER	\$210,000
030016W	2	BASALT SANITATION DIST/LAZY GLEN/HOLLAND HILLS	BASALT	EAGLE	CONNECT TO BASALT OR UPGRADE/REPLACE LAZY GLEN WWT SYSTEM	\$4,000,000
030017W	2	BAYFIELD SANITATION DIST	BAYFIELD	LA PLATA	STUDY II, RENOVATE LINES, UPGRADE WWTF TO PROVIDE SLUDGE REMOVAL. PROJECT APPROVED FOR 50 NEW HOMES, MAY REQUIRE EXPANSION.	\$300,000
030018W	2	BEAR CREEK WSD	LAKEWOOD	JEFFERSON	REPLACE SEPTICS WITH COLLECTION SYSTEM, 59 HOMES, TIE INTO CITY OF LAKEWOOD	\$500,000
030019W	2	BENNETT, TOWN OF	BENNETT	ADAMS	PLANNING WATER RE-USE PROJECT, UPGRADE WWTF	\$22,000
030020W	1	BENT COUNTY/HASTY	HASTY	BENT	FAILING SEPTICS, HIGH GROUNDWATER, CONSTRUCT WWTF & COLL SYSTEM	\$500,000
030022W	1	BERKELEY WSD	DENVER	ADAMS	HIGH GROUNDWATER, FAILING SEPTICS, MAY CONNECT TO METRO	\$361,000
030023W	2	BERTHOUD, TOWN OF	BERTHOUD	LARIMER	CONST WWTF, DIGESTER, FORCE MAIN	\$9,100,000
030025W	2	BOULDER CNTY/CANYON PARKS	BOULDER	BOULDER	UPGRADE SEPTICS, POSSIBLY CONNECT TO BOULDER	\$150,000
030026W	2	BOULDER CNTY/ELDORADO SPRINGS	BOULDER	BOULDER	CONSTRUCT WWTF AND COLLECTION SYSTEM	\$1,300,000
030027W	2	BOULDER CNTY/SHADY ACRES	LAFAYETTE	BOULDER	REPLACE COLLECTION SYSTEM	\$150,000

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2003 PROJECT ELIGIBILITY LIST

PROJECT NUMBER	ELIG CAT	ENTITY	MUNICIPALITY/ COMMUNITY	COUNTY	DESCRIPTION	PROJECT COST
030029W	3	BOULDER, CITY OF	BOULDER	BOULDER	NPS BMP'S THAT MAY INCLUDE BUT ARE NOT LIMITED TO LAND PURCHASE	\$1,000,000
030030W	2	BOX ELDER WSD	ENGLEWOOD	ARAPAHOE	CONSTRUCT WWTF	\$500,000
030031W	2	BOXELDER SD	FORT COLLINS	LARIMER	REHAB/REPLACE COLL LINES, WWTP UPGRADES	\$1,316,000
030032W	2	BRIGHTON, CITY OF	BRIGHTON	ADAMS	EXPAND WWTF TO 4.1 MGD OR CONSOLIDATE WITH OTHER WWTF	\$14,000,000
030033W	2	BRISTOL WSD	BRISTOL	PROWERS	REHAB 2-CELL NON-DISCHARGING LAGOON SYSTEM, REPLACE MAINS	\$300,000
030034W	2	BROOKSIDE, TOWN OF	BROOKSIDE	FREMONT	CONNECT TO FREMONT SANITATION DISTRICT	\$750,000
030036W	3	BROOMFIELD/CITY/CNTY	BROOMFIELD	BROOMFIELD	NPS BMP'S THAT MAY INCLUDE BUT ARE NOT LIMITED TO LAND PURCHASE	\$5,000,000
030037W	1	BROWNSVILLE WSD	LAFAYETTE	WELD	CONNECT TO ERIE, CONST COLLECTION SYSTEM	\$2,000,000
030039W	2	BURLINGTON, TOWN OF	BURLINGTON	KIT CARSON	EXPAND/UPGRADE FACILITY, AT 80% CAPACITY	\$1,200,000
030040W	2	CALHAN, TOWN OF	CALHAN	EL PASO	STUDY OF WWTF EXPANSION	\$7,500
030041W	3	CANON CITY	CANON CITY	FREMONT	STORMWATER IMPROVEMENTS	\$500,000
030042W	2	CASTLE ROCK, TOWN OF	CASTLE ROCK	DOUGLAS	UPGRADE WWTF AND/OR CONSOLIDATE W/ PINERY WSD AND REHAB COLLECTION SYSTEM	\$6,600,000
030298W	3	CASTLE ROCK, TOWN OF	CASTLE ROCK	DOUGLAS	STORMWATER IMPROVEMENTS	\$400,000
030299W	2	CASTLE ROCK, TOWN OF	CASTLE ROCK	DOUGLAS	COLLECTION LINE REPLACEMENT FOR CRAIG & GOULD NEIGHBORHOOD	\$2,880,000
030300W	2	CASTLE ROCK, TOWN OF	CASTLE ROCK	DOUGLAS	REUSE PROJECT	\$8,000,000
030043W	1	CEDAREEDGE, TOWN OF	CEDAREEDGE	DELTA	CONS OR UPGRADE WWTF, WETLANDS, REUSE, OR CONSOLIDATE WITH ORCHARD MESA, CAPACITY/COMPLIANCE	\$3,100,000
030044W	2	CENTER SD	CENTER	SAGUACHE	COMPLIANCE SCHEDULE/WWTF IMPROVEMENTS	\$175,000
030047W	2	CHEROKEE METRO DISTRICT	COLORADO SPRINGS	EL PASO	REPLACE TREATMENT PLANT	\$13,300,000
030048W	3	CHERRY CREEK BASIN WQ AUTH	GREENWOOD VILLAGE	ARAPAHOE, DOUGLAS	IMPLEMENT NON-POINT SOURCE AND STORM WATER BMP'S IN BASIN	\$17,400,000
030049W	2	CHEYENNE WELLS SAN DIST	CHEYENNE WELLS	CHEYENNE	UPGRADE LAGOONS, ADD AERATION AND CONTROL WEEDS	\$120,000
030050W	2	CHICAGO CREEK SD	IDAHO SPRINGS	CLEAR CREEK	I/I PROBLEMS, REPLACE MANHOLES, COLL & TRANSMISSION LINE	\$75,000
030051W	1	CLEAR CREEK COUNTY/ARAPAHOE MHP	EMPIRE	CLEAR CREEK	CONSTRUCT INTERCEPTOR OR WWTF	\$800,000
030052W	2	CLEAR CREEK COUNTY/FLOYD HILL	IDAHO SPRINGS	CLEAR CREEK	CONSTRUCT NEW WWTF	\$2,000,000
030053W	2	CLIFTON SANITATION DIST #1	CLIFTON	MESA	REPAIR AND REPLACE COLLECTION LINES	\$1,200,000
030054W	1	COAL CREEK, TOWN OF	COAL CREEK	FREMONT	CONST WWTF OR CONSOLIDATE WITH FREMONT SD	\$1,000,000

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PROJECT NUMBER	ELIG CAT	ENTITY	MUNICIPALITY/ COMMUNITY	COUNTY	DESCRIPTION	PROJECT COST
030055W	2	COLLBRAN, TOWN OF	COLLBRAN	MESA	I/I, MAY CONST NEW WWTF, LEAKING PONDS	\$1,750,000
030056W	2	COLORADO CENTRE METRO DISTRICT	COLORADO SPRINGS	EL PASO	CONSTRUCT INTERCEPTOR/PLANT INVESTMENT FEE TO LOWER FOUNTAIN, UPGRADE FORCE MAIN AND LIFT STATION	\$5,500,000
030057W	2	COLORADO CITY METRO DISTRICT	COLORADO CITY	PUEBLO	EXPAND/UPGRADE WWTF FOR AWT, CONSOLIDATE WITH RYE	\$2,600,000
030058W	2	COLORADO SPRINGS, CITY OF	COLORADO SPRINGS	EL PASO	CONST NEW REGIONAL WWTF	\$62,300,000
030059W	2	COLORADO SPRINGS, CITY OF	COLORADO SPRINGS	EL PASO	REPLACE LINES, PUMP STATION, AND FORCE MAIN	\$7,200,000
030060W	2	COLORADO SPRINGS/CHEYENNE MTN ZOO	COLORADO SPRINGS	EL PASO	CONNECT TO COLORADO SPRINGS, CONSTRUCT FLOW EQUAL BASIN	\$500,000
030061W	1	CORTEZ SD	CORTEZ	MONTEZUMA	CONSOLIDATION, CONSTRUCT WWTF	\$11,000,000
030063W	2	CRAIG, CITY OF	CRAIG	MOFFAT	UPGRADE COLLECTION SYSTEM, ODOR CONTROL & BIOSOLIDS	\$2,847,000
030064W	2	CRAWFORD, TOWN OF	CRAWFORD	DELTA	LINE LAGOON SYSTEM/COMPLIANCE SCHEDULE	\$250,000
030068W	2	CROWLEY, TOWN OF	CROWLEY	CROWLEY	INCREASE CAPACITY	\$770,000
030070W	1	CUSTER CNTY/SAN ISABEL	SAN ISABEL	CUSTER	CONST WWTF TO REPLACE SEPTICS	\$2,000,000
030071W	2	CUSTER COUNTY	WESTCLIFFE	CUSTER	PROBLEMS HAULING AND DISPOSING OF SLUDGE AND SEPTAGE	\$500,000
030072W	2	DEER TRAIL, TOWN OF	DEER TRAIL	ARAPAHOE	REPLACE COLLECTION LINES, UPGRADE WWTF	\$1,000,000
030073W	3	DEL NORTE, TOWN OF	DEL NORTE	RIO GRANDE	STORMWATER COLLECTION AND DISPOSAL	\$3,000,000
030074W	2	DELTA COUNTY/REDWOOD ARMS MOTEL AND TRAILER COURT	DELTA	DELTA	CONNECT TO PAONIA OR CONSTRUCT NEW WWTF	\$300,000
030075W	1	DELTA, CITY OF	DELTA	DELTA	CONNECT REMAINING HOMES WITH SEPTICS SYSTEM FAILURES IN NORTH DELTA	\$2,100,000
030076W	2	DENVER SE SUBURBAN WSD/PINERY	PARKER	DOUGLAS	EXPAND AND UPGRADE WWTF, AWT, UV DIS-INFECTION	\$12,100,000
030077W	2	DINOSAUR, TOWN OF	DINOSAUR	MOFFAT	NEED FLOW MEAS DEVICE, POWER SUPPLY, AND AERATION	\$78,000
030078W	2	DOLORES, TOWN OF	DOLORES	MONTEZUMA	REPLACE DETERIORATING/UNDERSIZED LINES, REPAIR I/I	\$450,000
030080W	2	DOUGLAS COUNTY/LOUVIERS	LOUVIERS	DOUGLAS	UPGRADE EXISTING WWTF	\$350,000
030081W	2	EADS, TOWN OF	EADS	KIOWA	UPGRADE WWTF TO MAINTAIN COMPLIANCE	\$300,000
030082W	2	EAGLE RIVER WSD/VAIL	VAIL	EAGLE	VAIL PLANT AT 80% CAPACITY, EXPAND/UPGRADE	\$6,500,000
030083W	2	EAGLE, TOWN OF	EAGLE	EAGLE	REPLACE OLD MAINS, EXTEND TO UN-SEWERED AREAS	\$1,500,000

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2003 PROJECT ELIGIBILITY LIST

PROJECT NUMBER	ELIG CAT	ENTITY	MUNICIPALITY/ COMMUNITY	COUNTY	DESCRIPTION	PROJECT COST
030084W	3	EAST CHERRY CK VALLEY WSD	AURORA	ARAPAHOE	IMPROVE/EXPAND STORMWATER, UPGRADE COLLECTION SYSTEM	\$15,000,000
030085W	2	EDGEWATER, CITY OF	EDGEWATER	JEFFERSON	REHAB SEWER LINES	\$300,000
030086W	1	ELBERT WSD	ELBERT	ELBERT	CONSTRUCT NEW LAGOON SYSTEM WITH CONSTRUCTED WETLANDS, POSSIBLE FAILING FACILITY IS NEAR CAPACITY	\$250,000
030087W	1	EMPIRE, TOWN OF	EMPIRE	CLEAR CREEK	UPGRADE WWTF TO SERVE REGIONAL NEEDS, EXTEND SEWER TO HOMES WEST OF TOWN	\$1,243,830
030089W	2	ERIE, TOWN OF	ERIE	WELD	UPGRADE/EXPAND WWTF, FACILITY AT CAPACITY	\$3,772,000
030088W	2	ERIE, TOWN OF	ERIE	WELD	CONSTRUCT BIOSOLIDS FACILITY	\$1,000,000
030090W	2	ESTES PARK SAN DIST	ESTES PARK	LARIMER	CORRECT II ,WWTF IMPROVEMENTS	\$700,000
030091W	2	EVANS, CITY OF	EVANS	WELD	INFILTRATION PROBLEMS. SLIPLINE AND/OR REPLACE COLLECTION SYSTEM	\$500,000
030093W	2	EVERGREEN MD	EVERGREEN	JEFFERSON	CAPACITY LOWERED DUE TO AMMONIA REMOVAL, CONST DIGESTER	\$1,000,000
030297W	1	FAIRWAY PINES SANITATION DISTRICT	MONTROSE	MONTROSE	EXTEND SERVICE TO ADJACENT AREAS, FAILING SEPTICS	\$100,000
030094W	2	FLEMING, TOWN OF	FLEMING	LOGAN	GROUNDWATER MONITORING WELLS	\$60,000
030095W	3	FLORENCE, CITY OF	FLORENCE	FREMONT	STORMWATER PROJECT	\$500,000
030096W	2	FLORISSANT WSD	FLORISSANT	TELLER	EXTEND SERVICE TO UN-SEWERED AREA, INCLUDING LIFT STATION	\$150,000
030097W	2	FOREST LAKES MD	BAYFIELD	LA PLATA	CORRECT II, EXPAND WWTF TO 3-CELL LAGOON SYSTEM	\$204,000
030099W	2	FORT COLLINS, CITY OF	FORT COLLINS	LARIMER	REHAB/UPGRADES TO DRAKE, MULBERRY, AND MEADOW SPRINGS WWTF'S	\$15,000,000
030101W	2	FORT LUPTON, CITY OF	FORT LUPTON	WELD	WASTEWATER RE-USE PROJECT, CORRECT II	\$1,000,000
030102W	3	FORT LUPTON, CITY OF	FORT LUPTON	WELD	CONSTRUCT STORM SEWER SYSTEM	\$8,400,000
030104W	1	FOWLER TOWN OF/WESTCAMP	FOWLER	OTERO	CONNECT TO TOWN OF FOWLER, HEALTH CONCERNS	\$500,000
030103W	3	FOWLER, TOWN OF	FOWLER	OTERO	STORM SEWER REHAB	\$100,000
030105W	2	FRANKTOWN METRO DIST	FRANKTOWN	DOUGLAS	CONST COLLECTION SYST, POSS. CONNECT TO DENVER SE SUBURBAN	\$2,100,000
030301W	1	FRASER SANITATION DISTRICT	FRASER	GRAND	CONSOLIDATE WITH GRAND COUNTY WSD#1	\$900,000
030108W	2	FRISCO SANITATION DISTRICT	FRISCO	SUMMIT	CONNECT UN-SEWERED AREAS TO FRISCO	\$550,000
030110W	2	GALETON WSD	GALETON	WELD	REPAIR LAGOON, POSSIBLE SEEPAGE TO GROUNDWATER	\$200,000
030111W	1	GARDEN VALLEY WSD	COLORADO SPRINGS	EL PASO	COMPLIANCE PROBLEMS, CONNECT TO COLORADO SPRINGS	\$650,000

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2003 PROJECT ELIGIBILITY LIST

PROJECT NUMBER	ELIG CAT	ENTITY	MUNICIPALITY/ COMMUNITY	COUNTY	DESCRIPTION	PROJECT COST
030112W	2	GENESSEE WSD	GOLDEN	JEFFERSON	CONSTRUCT REPLACEMENT LIFT STATION & BACK-UP POWER	\$500,000
030113W	1	GENOA, TOWN OF	GENOA	LINCOLN	UPGRADE WWTF	\$350,000
030114W	2	GEORGETOWN, TOWN OF	GEORGETOWN	CLEAR CREEK	NEARING CAPACITY, CONSTRUCT NEW WWTF, I/I CORRECTION	\$2,500,000
030115W	2	GILCREST, TOWN OF	GILCREST	WELD	LINING OF POLISHING POND AT WWTF	\$60,000
030116W	3	GILCREST, TOWN OF	GILCREST	WELD	STORM WATER DRAINAGE	\$8,000,000
030117W	3	GILPIN COUNTY SCHOOL DIST. RE-1		GILPIN	STORMWATER PROJECT	\$75,000
030118W	2	GLENWOOD SPRINGS, CITY OF	GLENWOOD SPRINGS	GARFIELD	REHAB SEWERS/LINES, NEW REGIONAL FACILITY	\$26,000,000
030119W	3	GOLDEN, CITY OF	GOLDEN	JEFFERSON	STORMWATER PROJECT	\$500,000
030121W	2	GRAND COUNTY WSD #1	WINTER PARK	GRAND	CONSOLIDATE WITH FRASER SD & WINTER PARK WEST WSD	\$9,000,000
030122W	3	GRAND COUNTY/SHADOW MTN LAKE	GRAND LAKE	GRAND	DREDGING OR OTHER ALT. FOR SEDIMENT LOAD AT SHADOW MTN.	\$1,000,000
030124W	2	GRAND JUNCTION, CITY OF	GRAND JUNCTION	MESA	SEPTIC SYSTEM ELIMINATION PROJECT	\$3,918,789
030123W	3	GRAND JUNCTION, CITY OF	GRAND JUNCTION	MESA	STORMWATER IMPROVEMENTS	\$5,346,000
030125W	1	GRAND JUNCTION, CITY OF	GRAND JUNCTION	MESA	REHAB/REPLACE COMBINED SEWER OVERFLOW (CSO)	\$9,872,208
030127W	2	GROVER, TOWN OF	GROVER	WELD	BACK UP GENERATOR	\$20,000
030128W	3	GUNNISON COUNTY	GUNNISON	GUNNISON	NPS BMP'S THAT MAY INCLUDE BUT ARE NOT LIMITED TO LAND PURCHASE	\$1,000,000
030130W	1	GUNNISON COUNTY	GUNNISON	GUNNISON	CONSTRUCT COLLECTION SYSTEM AND EXTEND INTERCEPTOR SEWER FROM CITY OF GUNNISON TO AREAS IN THE COUNTY THAT ARE CONTAMINATING GROUNDWATER, PUBLIC HEALTH ISSUES DUE TO LACK OF TREATMENT	\$4,500,000
030131W	1	GUNNISON COUNTY/SOMERSET	GUNNISON	GUNNISON	CONST WWTF AND COLLECTION LINES	\$1,075,000
030133W	2	HAXTUN, TOWN OF	HAXTUN	PHILLIPS	EXPAND AND LINE LAGOONS	\$150,000
030134W	2	HAYDEN, TOWN OF	HAYDEN	ROUTT	I/I PROBLEMS, UPGRADE LINES AND MANHOLES DURING ROAD REPAIR	\$153,000
030135W	2	HI-LAND ACRES WSD	BRIGHTON	ADAMS	PURCHASE EQUIPMENT	\$25,000
030136W	2	HILLROSE, TOWN OF	HILLROSE	MORGAN	CONST AERATED LAGOON TREATMENT SYSTEM	\$234,875
030138W	2	HOT SULPHUR SPRINGS, TOWN OF	HOT SULPHUR SPRINGS	GRAND	UPGRADE WWTF	\$1,140,000
030139W	2	HUDSON, TOWN OF	HUDSON	WELD	EXPAND EXISTING PLANT OR CONSTRUCT NEW FACILITY	\$3,000,000
030140W	1	HUERF CNTY/N WALSENBG	WALSENBURG	HUERFANO	LAGOON SYSTEM OUT OF COMPLIANCE	\$500,000

APPENDIX A

WATER POLLUTION CONTROL REVOLVING FUND
2003 PROJECT ELIGIBILITY LIST

PROJECT NUMBER	ELIG CAT	ENTITY	MUNICIPALITY/ COMMUNITY	COUNTY	DESCRIPTION	PROJECT COST
030141W	3	IDAHO SPRINGS, CITY OF	IDAHO SPRINGS	CLEAR CREEK	STORMWATER IMPROVEMENTS	\$500,000
030142W	2	IDAHO SPRINGS, CITY OF	IDAHO SPRINGS	CLEAR CREEK	UPGRADE WWTF, REPLACE MANHOLES, SLIPLINING	\$2,000,000
030144W	2	JULESBURG, TOWN OF	JULESBURG	SEDGWICK	COMPLIANCE PROBLEMS, BOD VIOLATIONS, UPGRADE WWTF	\$750,000
030146W	2	KERSEY, TOWN OF	KERSEY	WELD	REPLACE CURRENT WWTF	\$1,798,000
030147W	2	KIOWA, TOWN OF	KIOWA	ELBERT	UPGRADE/EXPAND WWTF	\$600,000
030148W	2	KIT CARSON, TOWN OF	KIT CARSON	CHEYENNE	INSTALL LINER FOR LAGOONS, CONST MONITORING WELLS	\$250,000
030149W	2	KREMMLING-SANITATION DISTRICT	KREMMLING	GRAND	WWTF REACHING CAPACITY, UPGRADE	\$3,300,000
030150W	2	LA JARA, TOWN OF	LA JARA	CONEJOS	UPGRADE EXISTING WWTF/WETLANDS	\$400,000
030151W	2	LA JUNTA, CITY OF	LA JUNTA	OTERO	COLLECTION SYSTEM REHABILITATION.	\$2,923,000
030152W	2	LAFAYETTE, CITY OF	LAFAYETTE	BOULDER	PLANT REACHING CAPACITY, NEED ADVANCED TREATMENT	\$8,000,000
030153W	2	LAKE CITY, TOWN OF	LAKE CITY	HINSDALE	REPLACE TWO SHALLOW COLLECTION LINES	\$254,000
030154W	1	LAKE COUNTY	LEADVILLE	LAKE	UPGRADE OR CONSTRUCT NEW WWTF, REGIONALIZE OR CONSTRUCT NEW FACILITY FOR 3 MOBILE HOME PARKS	\$500,000
030155W	2	LAKE ELDORA WSD	NEDERLAND	BOULDER	UPGRADE LAGOONS	\$500,000
030156W	2	LAKEHURST WSD	LITTLETON	JEFFERSON	REPLACE WEAVER GULCH SEWER LINE	\$1,500,000
030158W	2	LAMAR, CITY OF	LAMAR	PROWERS	LINE LAGOON SYSTEM TO ELIMINATE GROUNDWATER DISCHARGE	\$800,000
030157W	3	LAMAR, CITY OF	LAMAR	PROWERS	CONST DRAINAGE IMPROVEMENT PROJECT (STORMWATER)	\$2,300,000
030159W	3	LARIMER COUNTY	FORT COLLINS	LARIMER	NPS BMP'S THAT MAY INCLUDE BUT ARE NOT LIMITED TO LAND PURCHASE	\$8,000,000
030160W	2	LARKSPUR, TOWN OF	LARKSPUR	DOUGLAS	UPGRADE WWTF, PLANT OVERLOAD POSSIBLE, ADD FLOW EQUALIZATION BASIN	\$600,000
030161W	2	LAS ANIMAS, CITY OF	LAS ANIMAS	BENT	REDUCE II, REPAIR COLLECTION SYSTEM	\$1,470,000
030162W	2	LASALLE, TOWN OF	LASALLE	WELD	ACTIVATE 2ND POND IN EXIST. LAGOON SYS.	\$250,000
030163W	2	LEADVILLE SD	LEADVILLE	LAKE	UPGRADE OR CONSTRUCT NEW WWTF, REPAIR/REPLACE SEWER LINES	\$600,000
030164W	2	LEFT HAND WSD	BOULDER	BOULDER	OLD FACILITY, NEEDS UPGRADE OR REPLACEMENT, COLLECTION SYSTEM REHAB	\$750,000
030165W	2	LIMON, TOWN OF	LIMON	LINCOLN	MODIFICATIONS TO LAGOON	\$75,000
030166W	1	LINCOLN COUNTY/KARVAL	KARVAL	LINCOLN	FAILING SEPTICS, UPGRADE OR CONSTRUCT WWTF	\$300,000
030167W	2	LITTLETON/ENGLEWOOD	ENGLEWOOD	ARAPAHOE	UPGRADE/EXPAND WWTF AND ADD NITRATE REMOVAL	\$107,000,000

APPENDIX A

WATER POLLUTION CONTROL REVOLVING FUND

2003 PROJECT ELIGIBILITY LIST

PROJECT NUMBER	ELIG CAT	ENTITY	MUNICIPALITY/ COMMUNITY	COUNTY	DESCRIPTION	PROJECT COST
030168W	2	LOCHBUIE, TOWN OF	LOCHBUIE	WELD	CONST NEW WWTF, EXPAND CAPACITY, IMPROVE AERATION	\$5,020,000
030170W	2	LOGAN CNTY/KIDZ ARK	STERLING	LOGAN	CONNECT TO CITY OF STERLING	\$93,500
030171W	2	LOMA LINDA SANITATION DISTRICT	DURANGO	LA PLATA	POTENTIAL ANNEX TO DURANGO, NEED TO PREPARE MASTER PLAN	\$50,000
030173W	2	LOVELAND, CITY OF	LOVELAND	LARIMER	UPGRADE WWTF	\$5,193,288
030174W	2	LYONS, TOWN OF	LYONS	BOULDER	UPGRADE WWTF	\$50,000
030175W	2	MACK SD	GRAND JUNCTION	MESA	SEWER LAGOON BANKS NEED STABILIZATION AND LINING	\$500,000
030176W	2	MANASSA, TOWN OF	MANASSA	CONEJOS	COMPLIANCE SCHEDULE I & I REHAB AND UPGRADE LAGOONS	\$500,000
030178W	2	MANCOS, TOWN OF	MANCOS	MONTEZUMA	REPLACE ENTIRE COLLECTION SYSTEM	\$1,000,000
030179W	2	MARBLE, TOWN OF	MARBLE	GUNNISON	CONSTRUCT NEW WWTF OR UPGRADE SEPTICS	\$350,000
030180W	2	MEAD, TOWN OF	MEAD	WELD	REPLACE EXISTING AERATION EQUIP, INCREASE CAPACITY, UPGRADE PWR SUPPLY	\$200,000
030181W	2	MERINO, TOWN OF	MERINO	LOGAN	DESIGN AND CONSTRUCT WWTF	\$500,000
030183W	2	MESA WSD	MESA	MESA	CONSTRUCT NEW WWTF	\$3,000,000
030186W	2	MILLIKEN, TOWN OF	MILLIKEN	WELD	CONSTRUCT MECHANICAL SEWER PLANT TO MEET NEW AMMONIA LIMITS	\$6,000,000
030187W	1	MOFFAT, TOWN OF	MOFFAT	SAGUACHE	GROUNDWATER, CESSPOOLS, INADEQUATE SEPTICS	\$500,000
030188W	2	MONTE VISTA, CITY OF	MONTE VISTA	RIO GRANDE	UPGRADE/EXPAND WWTF & INTERCEPTOR, REPAIR I/I	\$2,253,000
030189W	1	MONTEZUMA, TOWN OF	MONTEZUMA	SUMMIT	CONSTRUCT NEW WWTF	\$1,000,000
030190W	2	MORRISON CREEK METRO	OAK CREEK	ROUTT	UPGRADE FOR AMMONIA AND PHOSPHORUS, IMPROVE COLLECTION SYSTEM TO SERVE EXISTING CUSTOMERS.	\$500,000
030191W	2	MORRISON, TOWN OF	MORRISON	JEFFERSON	EXPAND WWTF, ADD DENITRIFICATION, AND NEW CLARIFIER	\$500,000
030192W	2	MT CRESTED BUTTE WSD	MT CRESTED BUTTE	GUNNISON	EXPAND WWTF (GROWTH), IMPROVE HEADWORKS, ODOR CTRL	\$5,250,000
030195W	2	NEDERLAND, TOWN OF	NEDERLAND	BOULDER	PROBLEMS FROM SPRING I/I FLOWS, UPGRADE WWTF	\$1,000,000
030196W	2	NORTH LA JUNTA SANITATION DISTRICT	LA JUNTA	OTERO	SERVE UN-SEWERED AREAS, POSSIBLE REGIONALIZATION	\$420,000
030197W	2	NORTH LAMAR SD	LAMAR	PROWERS	LINE CELLS, CONST WETLANDS, CHLORINATION, EXPND WWTF	\$620,000
030198W	2	NUCLA SANITATION DISTRICT	NUCLA	MONTRON	I/I REHAB	\$300,000

APPENDIX A

WATER POLLUTION CONTROL REVOLVING FUND

2003 PROJECT ELIGIBILITY LIST

PROJECT NUMBER	ELIG CAT	ENTITY	MUNICIPALITY/ COMMUNITY	COUNTY	DESCRIPTION	PROJECT COST
030199W	2	NUNN, TOWN OF	NUNN	WELD	CONSTRUCT WWTF, CURRENTLY USING SEPTIC SYSTEMS	\$500,000
030200W	2	OAK CREEK, TOWN OF	OAK CREEK	ROUTT	UPGRADE WWTF, MEET AMMONIA, REPLACE COLLECTION SYSTEM	\$2,500,000
030201W	1	OLATHE, TOWN OF	OLATHE	MONTROSE	EXPAND WWTF, MEET AMMONIA, CONNECT UNSEWERED AREAS	\$3,500,000
030202W	2	OLNEY SPRINGS, TOWN OF	OLNEY SPRINGS	CROWLEY	UPGRADE LAGOONS, FLOW MEASUREMENT, AERATION, SLUDGE MGT	\$1,000,000
030203W	1	ORCHARD CITY, TOWN OF	ORCHARD CITY	DELTA	FAILING SEPTIC SYSTEMS, CONSTRUCT WWTF OR REGIONAL WWTF WITH CEDAREGE	\$4,000,000
030204W	2	ORDWAY, TOWN OF	ORDWAY	CROWLEY	REPLACE 8 MILES OF 8" PIPE AND 60 MANHOLES	\$593,318
030206W	2	OTIS, TOWN OF	OTIS	WASHINGTON	UPGRADE LAGOON	\$200,000
030207W	2	OURAY, CITY OF	OURAY	OURAY	DEVELOP MASTER PLAN TO DETERMINE FUTURE WWTF NEEDS	\$45,000
030208W	2	OVID, TOWN OF	OVID	SEDGWICK	EXPAND WWTF, AT 95% CAPACITY	\$115,000
030209W	2	PAGOSA AREA WSD	PAGOSA SPRINGS	ARCHULETA	UPGRADE WWTF, EVALUATE COLLECTION SYS & BIOSOLIDS	\$2,000,000
030210W	2	PAGOSA SPRINGS, TOWN OF (GID)	PAGOSA SPRINGS	ARCHULETA	REPAIR AND EXTEND COLLECTION SYSTEM	\$574,000
030212W	2	PARACHUTE, TOWN OF	PARACHUTE	GARFIELD	REHAB COLLECTION LINES TO REDUCE I/I	\$1,000,000
030213W	1	PARK COUNTY / MOORE DALE	BAILEY (UN-INCORPORATED)	PARK	FAILING SEPTIC SYSTEMS IN CLOSE PROXIMITY TO PLATTE RIVER, CONSTRUCTION WWTF, INSTALL SEWER PIPING TO 48 CONDO UNITS AND 1 RESTAURANT	\$200,000
030214W	2	PARKER WATER & SAN DISTRICT	PARKER	DOUGLAS	CONSTRUCT NEW PLANT TO REPLACE NORTH PLANT, WWTF UPGRADES	\$14,000,000
030215W	2	PERRY PARK WSD		DOUGLAS	WWTF IMPROVEMENTS/COMPLIANCE SCHEDULE	\$250,000
030216W	2	PHILLIPS COUNTY/AMHERST	HOLYOKE	PHILLIPS	CONSTRUCT WWTF AND COLLECTION SYSTEM	\$5,000,000
030217W	1	PIERCE, TOWN OF	PIERCE	WELD	SYSTEM OUT OF COMPLIANCE, CONST CHLORINE CONTACT, NEED ADDITIONAL DRYING BEDS, ACQUISITION OF LAND, REFURBISH TEST WELLS.	\$30,000
030218W	3	PIKES PEAK/AMERICA'S MOUNTAIN	COLORADO SPRINGS	EL PASO	IMPLEMENT NON-POINT SOURCE BMP'S	\$8,000,000
030219W	2	PLATTEVILLE, TOWN OF	PLATTEVILLE	WELD	CONST NEW 0.50 MGD WWTF	\$2,052,683
030221W	2	PLUM CREEK WW AUTHORITY	CASTLE ROCK	DOUGLAS	EXPAND WWTF/BIOSOLIDS, WASTEWATER RE-USE	\$26,000,000
030223W	2	POWDERHORN METRO DIST #1	MESA	MESA	CONST NEW MECHANICAL PLANT FOR AMMONIA REMOVAL	\$1,250,000
030225W	2	PUEBLO, CITY OF	PUEBLO	PUEBLO	SLIPLINE 14,000 FT. OF 30" SEWER INTERCEPTOR LOCATED IN/ALONG ARKANSAS RIVER.	\$5,000,000

APPENDIX A

WATER POLLUTION CONTROL REVOLVING FUND
2003 PROJECT ELIGIBILITY LIST

PROJECT NUMBER	ELIG CAT	ENTITY	MUNICIPALITY/ COMMUNITY	COUNTY	DESCRIPTION	PROJECT COST
030226W	2	RANGELY, TOWN OF	RANGELY	RIO BLANCO	WASTEWATER TREATMENT PLANT UPGRADES, COLLECTION REHAB	\$2,500,000
030228W	2	RED CLIFF, TOWN OF	RED CLIFF	EAGLE	REPLACE EXISTING WWTP WITH .24 MGD PACKAGE PLANT.	\$425,000
030229W	2	REDSTONE WSD	REDSTONE	PITKIN	REPLACE PLANT WITH NEW SYSTEM, INCREASE CAPACITY	\$1,500,000
030230W	1	RICO, TOWN OF	RICO	DOLORES	HIGH GROUNDWATER, POOR PERCOLATION, SAN SURVEY COMPLETED, CONSTRUCT CENTRALIZED COLLECTION SYSTEM AND NEW WWTF	\$5,000,000
030231W	2	RIFLE, CITY OF	RIFLE	GARFIELD	COLLECTION SYSTEM REHAB & INSTALLATION OF NEW TRUNK MAIN	\$2,000,000
030233W	2	ROCKVALE, TOWN OF	ROCKVALE	FREMONT	POSSIBLE CONSOLIDATION WITH FREMONT SD	\$1,000,000
030234W	2	ROCKY FORD, CITY OF	ROCKY FORD	OTERO	AT CAPACITY, EXPAND WWTF, WETLANDS	\$500,000
030235W	1	ROMEO, TOWN OF	ROMEO	CONEJOS	UPGRADE WWTF, I/I PROBLEMS, REPLACE LEAKING CONNECTIONS	\$125,000
030236W	2	ROUND MOUNTAIN WSD	WESTCLIFFE	CUSTER	INCREASE LAGOON CAPACITY	\$300,000
030237W	1	ROUTT COUNTY/HAHN'S PEAK	HAHN'S PEAK	ROUTT	CONSTRUCT COLLECTION SYSTEM TO CONNECT TO CENTRAL SYSTEM (STEAMBOAT LAKE STATE PARK), POTENTIAL PUBLIC HEALTH & WQ PROBLEMS	\$1,456,000
030238W	2	ROXBOROUGH PARK METRO DIST	LITTLETON	DOUGLAS	CONNECT TO LITTLETON/ENGLEWOOD OR CENTENNIAL WSD OR EXPAND WWTF TO 1.2 MGD W/AWT	\$9,000,000
030239W	2	RYE, TOWN OF	RYE	PUEBLO	CONNECT TO COLORADO CITY METRO DIST OR CONSTRUCT WWTF	\$750,000
030240W	2	SAGUACHE, TOWN OF	SAGUACHE	SAGUACHE	UPGRADE WWTF, LINES, CONST LIFT STATION, STUDY I/I	\$500,000
030241W	2	SALIDA, CITY OF	SALIDA	CHAFFEE	CONSTRUCT DRYING BEDS AND DEWATERING FACILITY	\$500,000
030242W	2	SAN LUIS WSD	SAN LUIS	COSTILLA	SEWER LINE REPLACEMENT	\$1,000,000
030243W	1	SAN MIGUEL CNTY/PLACERVILLE	TELLURIDE	SAN MIGUEL	CONST CENTRAL SEWER SYSTEM, HIGH GROUNDWATER	\$2,676,000
030244W	2	SANFORD, TOWN OF	SANFORD	CONEJOS	BOD VIOLATIONS, UPGRADE WWTF	\$500,000
030245W	2	SEDGWICK, TOWN OF	SEDGWICK	SEDGWICK	UPGRADE LAGOON	\$200,000
030246W	2	SEIBERT, TOWN OF	SEIBERT	KIT CARSON	UPGRADE EXISTING WWTF	\$50,000
030247W	2	SEVERANCE, TOWN OF	SEVERANCE	WELD	UPGRADE TO INCREASE CAPACITY OR REGIONALIZE W/ WINDSOR	\$2,200,000
030248W	2	SILT, TOWN OF	SILT	GARFIELD	BOD VIOLATIONS, MAY NEED NEW PLANT	\$5,000,000
030250W	2	SIMLA, TOWN OF	SIMLA	ELBERT	UPGRADE LAGOONS, PIPE EFFLUENT	\$100,000

APPENDIX A

WATER POLLUTION CONTROL REVOLVING FUND
2003 PROJECT ELIGIBILITY LIST

PROJECT NUMBER	ELIG CAT	ENTITY	MUNICIPALITY/ COMMUNITY	COUNTY	DESCRIPTION	PROJECT COST
030251W	2	SOUTH ADAMS COUNTY WSD	COMMERCE CITY	ADAMS	UPGRADE/EXPAND WWTF FROM 4.4 MGD TO 7.0 MGD	\$15,500,000
030252W	2	SOUTH DURANGO SANITATION DIST	DURANGO	LA PLATA	CONST NEW WWTP AND REHAB COLLECTION	\$1,800,000
030253W	2	SOUTH FORK WSD	SOUTH FORK	RIO GRANDE	EXPAND COLLECTION SYSTEM	\$80,000
030255W	2	SPRINGFIELD, TOWN OF	SPRINGFIELD	BACA	CONST LAGOON, LIFT STATION, TRANSMISSION LINE & NEW OUTFALL LINE	\$1,250,000
030256W	2	ST CHARLES MESA SD	PUEBLO	PUEBLO	CONSTRUCT WWTP AND COLLECTION SYSTEM	\$3,000,000
030257W	2	ST VRAIN SANITATION DIS	LONGMONT	WELD	CONST NEW OR EXPAND WWTF	\$10,469,435
030258W	1	STARKVILLE, TOWN OF	STARKVILLE	LAS ANIMAS	HIGH GROUNDWATER, SEPTIC PROBLEMS, POSS CONNECT TO TRINIDAD	\$300,000
030259W	2	STEAMBOAT LAKES WSD	CLARK	ROUTT	EXPAND/UPGRADE WWTP, REPAIR OUTFALL LINE	\$750,000
030261W	2	STRASBURG SWD	STRASBURG	ADAMS	UPGRADE WWTF, CONTRACT WITH E ADAMS METRO DISTRICT	\$650,000
030262W	2	STRATTON, TOWN OF	STRATTON	KIT CARSON	LAGOON SYSTEM DISCHARGING TO GROUNDWATER	\$600,000
030263W	2	SUGAR CITY, TOWN OF	SUGAR CITY	CROWLEY	UPGRADE WWTF	\$100,000
030265W	3	SUMMIT COUNTY	BRECKENRIDGE	SUMMIT	NPS BMP'S THAT MAY INCLUDE BUT ARE NOT LIMITED TO LAND PURCHASE	\$2,000,000
030267W	2	SWINK, TOWN OF	SWINK	OTERO	UPGRADE WWTF AND SEWER LINES	\$200,000
030269W	1	TABERNASH MEADOWS WSD	TABERNASH	GRAND	COLLECTION SYSTEM FOR UN-SEWERED AREAS (ALPINE PARK & ALPINE ACRES)	\$1,000,000
030270W	1	TABERNASH/ALPINE PARK	TABERNASH	GRAND	HIGH GROUNDWATER, SEWAGE BACK-UPS IN HOMES	\$1,000,000
030271W	2	THREE LAKES WSD	GRAND LAKE	GRAND	UPGRADE WWTF FOR PHOSPHORUS	\$10,000,000
030272W	2	TIMBERS WSD	STEAMBOAT SPRINGS	ROUTT	UPGRADE WWTF	\$75,000
030273W	1	TIMNATH, TOWN OF	TIMNATH	LARIMER	WELL CONTAMINATION DUE TO SEPTICS	\$1,000,000
030274W	2	TRIPLE CREEK SAN DISTRICT	ALLENSPARK	BOULDER	CONSTRUCT MECHANICAL PACKAGE WWTF	\$100,000
030275W	2	VILAS, TOWN OF	VILAS	BACA	UPGRADE WWTF	\$382,200
030277W	2	WALSENBURG, CITY OF	WALSENBURG	HUERFANO	REACHING CAPACITY, UPGRADE WWTF	\$1,000,000
030278W	1	WELD COUNTY/CHAMBERS SUBDIVISION	WATTENBURG	WELD	FAILING SEPTICS, CONNECT TO BRIGHTON	\$500,000
030279W	2	WELD COUNTY/WATTENBURG	WATTENBURG	WELD	CONSTRUCT WWTF TO TREAT WASTE FROM DW RO SYSTEM	\$1,000,000
030280W	2	WELLINGTON, TOWN OF	WELLINGTON	LARIMER	CONST/EXPAND WWTF, I/I, REPLACE SEWER MAINS	\$4,826,280
030283W	2	WESTMINSTER, CITY OF	WESTMINSTER	ADAMS, JEFFERSON	WWTF UPGRADE/EXPANSION	\$17,000,000
030284W	3	WESTMINSTER, CITY OF	WESTMINSTER	ADAMS, JEFFERSON	NPS BMP'S THAT MAY INCLUDE BUT ARE NOT LIMITED TO LAND PURCHASE	\$5,000,000

APPENDIX A

WATER POLLUTION CONTROL REVOLVING FUND
2003 PROJECT ELIGIBILITY LIST

PROJECT NUMBER	ELIG CAT	ENTITY	MUNICIPALITY/ COMMUNITY	COUNTY	DESCRIPTION	PROJECT COST
030285W	1	WESTWOOD LAKES WD	WOODLAND PARK	TELLER	EFFLUENT SURFACING, CONSTRUCT COLLECTION SYSTEM	\$3,000,000
030286W	2	WIDEFIELD WATER AND SANITATION DISTRICT	COLORADO SPRINGS	EL PASO	UPGRADE DIGESTER	\$3,000,000
030287W	2	WIGGINS, TOWN OF	WIGGINS	MORGAN	WWTF NEARING CAPACITY, CONST DRYING BEDS, DREDGE LAGOON	\$500,000
030288W	2	WILEY SD	WILEY	PROWERS	UPGRADE/EXPAND WWTF, DREDGE LAGOONS	\$600,000
030289W	2	WILLIAMSBURG, TOWN OF	WILLIAMSBURG	FREMONT	POSSIBLE CONSOLIDATION WITH FREMONT SD	\$3,000,000
030290W	3	WILLIAMSBURG, TOWN OF	WILLIAMSBURG	FREMONT	STORMWATER IMPROVEMENTS	\$1,000,000
030292W	2	WINTER PARK WEST WSD	WINTER PARK	GRAND	CONSOLIDATE WITH FRASER SD & GRAND COUNTY WSD #1	\$9,000,000
030293W	2	WINTER PARK WSD	WINTER PARK	GRAND	SEWER LINE REPLACEMENT	\$250,000
030294W	2	WOODLAND PARK, CITY OF	WOODLAND PARK	TELLER	UPGRADE SLUDGE HANDLING AND SYSTEM MASTER PLAN	\$400,000
030295W	2	WRAY, CITY OF	WRAY	YUMA	CONNECT UN-SEWERED AREA TO CITY	\$1,300,000
030296W	2	YUMA, CITY OF	YUMA	YUMA	UPGRADE AND EXPANSION OF WASTEWATER LAGOONS OR CONSTRUCTION OF TREATMENT PLANT	\$1,150,000
					TOTAL PROJECT COSTS	\$785,124,029

APPENDIX B
PROJECTED WPCRF LOANS FOR 2003

PROJECT #	ENTITY	DESCRIPTION	BINDING AMT	BINDING DATE	FED FY
030003W	AKRON, TOWN OF	NEW AERATED LAGOON WITH LAND APPLICATION	\$1,000,000	04/01/03	02
030010W	AULT, TOWN OF	UPGRADE 2 CELL LAGOON SYSTEM TO MEET GROUNDWATER REGS	\$1,000,000	09/01/03	03
030037W	BROWNSVILLE WSD	CONNECT TO ERIE, CONST COLLECTION SYSTEM	\$2,000,000	06/01/03	03
030042W	CASTLE ROCK, TOWN OF	CONSOLIDATE W/ PINERY WSD AND REHAB COLLECTION SYSTEM	\$10,000,000	06/04/03	02/03
0300299W	CASTLE ROCK, TOWN OF	COLLECTION LINE REPLACEMENT FOR CRAIG & GOULD NEIGHBORHOOD	\$2,880,000	06/04/03	02/03
0300298W	CASTLE ROCK, TOWN OF	STORMWATER IMPROVEMENTS	\$400,000	06/04/03	02/03
030044W	CENTER SD	COMPLIANCE SCHEDULE/WWTF IMPROVEMENTS	\$175,000	11/01/03	03
030047W	CHEROKEE METRO DISTRICT	REPLACE TREATMENT PLANT	\$13,300,000	06/01/03	3
030048W	CHERRY CREEK BASIN WQ AUTH	IMPLEMENT NON-POINT SOURCE AND STORM WATER BMP'S IN BASIN	\$1,000,000	04/01/03	02
030057W	COLORADO CITY METRO DISTRICT	EXPAND/UPGRADE WWTF FOR AT, CONSOLIDATE WITH RYE	\$2,600,000	06/01/03	3
030060W	COLORADO SPRINGS/CHEYENNE MTN ZOO	CONNECT TO COLORADO SPRINGS, CONSTRUCT FLOW EQUAL BASIN	\$500,000	06/01/03	03
030058W	COLORADO SPRINGS, CITY OF	CONST NEW REGIONAL WWTF	\$17,600,000	06/01/03	1/3
030076W	DENVER SE SUBURBAN WSD/PINERY	EXPAND AND UPGRADE WWTF, AWT, UV DISINFECTION	\$12,100,000	06/01/03	02/03
030089W	ERIE, TOWN OF	UPGRADE/EXPAND WWTF, FACILITY AT CAPACITY	\$3,772,000	06/01/03	03
030091W	EVANS, CITY OF	INFILTRATION PROBLEMS. SLIPLINE AND/OR REPLACE COLLECTION SYSTEM	\$500,000	06/01/03	03
030114W	GEORGETOWN, TOWN OF	NEARING CAPACITY, CONSTRUCT NEW WWTF, I/I CORRECTION	\$2,500,000	06/01/03	03
030167W	LITTLETON/ENGLEWOOD	UPGRADE/EXPAND WWTF AND ADD NITRATE REMOVAL	\$107,000,000	06/01/03	03
030178W	MANCOS, TOWN OF	REPLACE ENTIRE COLLECTION SYSTEM	\$1,000,000	04/01/03	03
030218W	PIKES PEAK/AMERICA'S MOUNTAIN	IMPLEMENT NON-POINT SOURCE BMP'S	\$8,000,000	04/01/02	03
030188W	MONTE VISTA, CITY OF	UPGRADE/EXPAND WWTF& INTERCEPTOR, REPAIR I/I	\$2,253,000	06/01/03	03
030225W	PUEBLO, CITY OF	SLIPLINE 14,000 FT. OF 30" SEWER INTERCEPTOR LOCATED IN/ALONG ARKANSAS RIVER.	\$5,000,000	06/01/03	03
030231W	RIFLE, CITY OF	COLLECTION SYSTEM REHAB & INSTALLATION OF NEW TRUNK MAIN	\$2,000,000	06/01/03	02
030238W	ROXBOROUGH PARK METRO DIST	CONNECT TO LITTLETON/ENGLEWOOD OR EXPAND WWTF TO 1.2 MGD W/AWT	\$9,000,000	06/01/03	03
030261W	STRASBURG SWD	UPGRADE WWTF, CONTRACT WITH E ADAMS METRO DISTRICT	\$650,000	09/01/03	03
030277W	WALSENBURG, CITY OF	REACHING CAPACITY, UPGRADE WWTF	\$1,000,000	06/01/03	03
030283W	WESTMINSTER, CITY OF	WWTF UPGRADE/EXPANSION	\$17,000,000	06/01/03	03
030287W	WIGGINS, TOWN OF	WWTF NEARING CAPACITY, CONST DRYING BEDS, DREDGE LAGOON	\$500,000	09/01/03	03
030293W	WINTER PARK WSD	SEWER LINE REPLACEMENT	\$250,000	06/01/03	03
		TOTAL ESTIMATED BINDING AMOUNT	\$223,980,000		

APPENDIX C

**WATER POLLUTION CONTROL REVOLVING FUND (WPCRF)
LOANS FUNDED as of 08/31/02**

STATE MATCH FUNDS PROVIDED BY:	
A - Loan Recipient	E - Direct Loan Pre-Construction Acct Interest Income
B - Authority	F - No State Match Required (Loans Financed with
C - WPCRF Admin. Acct.	CWSRF Reloan Funds)
D - Revenue Bonds	

LEVERAGED LOANS								
Number of Bonds Issued (including refundings):		16						
Number of Leveraged Loans Executed:		62						
BORROWER	LOAN DATE	ORIGINAL LOAN AMOUNT	LOAN TERM	EFFECTIVE INTEREST RATE	FEDERAL GRANT AMOUNT	STATE MATCH PROVIDED	D	CWSRF RELOAN FUNDS USED FOR NEW LOANS
1989A Denver SE Suburban W&S District	12/01/89	\$6,905,000.00	22 YEARS	4.634%	\$3,073,381.70	\$634,118.30	D	\$0.00
1990A Castle Rock, Town of	08/15/90	4,319,911.00	20 YEARS	5.202%	2,147,505.40	429,910.53	D	0.00
1991A Englewood, City of	11/15/90	12,750,000.00	22 YEARS	4.642%	6,464,024.04	1,292,811.89	D	0.00
1991A Littleton (Revenue), City of	11/15/90	5,000,694.16	22 YEARS	4.642%	2,535,263.31	507,055.44	D	0.00
1991A Littleton (Gen. Oblig.), City of	11/15/90	7,750,000.00	22 YEARS	4.642%	3,929,112.65	785,826.83	D	0.00
1991B Metro WW Reclamation District	05/01/91	21,910,000.00	20 YEARS	4.576%	11,125,000.00	2,225,000.00	D	0.00
1992A Fort Lupton, City of	06/15/92	4,200,000.00	21 YEARS	5.174%	1,151,100.00	230,220.00	B	0.00
1992A Frisco Sanitation District	06/15/92	4,500,000.00	20 YEARS	5.174%	1,455,800.00	291,160.00	B	0.00
1992A Eagle River W&S District	06/15/92	7,368,840.00	21 YEARS	5.174%	1,737,300.00	347,460.00	B	0.00
1992B Fort Collins, City of	07/15/92	24,540,580.00	23 YEARS	4.045%	9,548,700.00	1,909,740.00	B	0.00
1992B Longmont, City of	07/15/92	3,500,000.00	20 YEARS	3.965%	1,729,200.00	345,840.00	B	0.00
1994A Alamosa, City of	08/01/94	3,197,216.00	15 YEARS	3.768%	1,336,080.00	267,216.00	B	0.00
1994A Genesee W&S District	08/01/94	1,498,151.50	20 YEARS	4.863%	465,757.00	93,152.00	B	0.00
1994A Greeley, City of	08/01/94	13,457,960.00	20 YEARS	4.973%	3,664,800.00	732,960.00	B	0.00
1994A Parker W&S District	08/01/94	1,781,883.00	20 YEARS	4.892%	584,415.00	116,883.00	B	0.00
1994A Windsor, Town of	08/01/94	3,998,852.50	15 YEARS	4.621%	1,069,263.00	213,852.00	B	0.00
1995A Brighton, City of	05/01/95	5,080,483.75	20 YEARS	4.578%	1,277,418.75	255,483.75	B	0.00
1995A Craig, City of	05/01/95	1,096,820.00	20 YEARS	4.578%	359,100.00	71,820.00	B	0.00
1995A Fort Morgan, City of	05/01/95	9,146,685.00	20 YEARS	4.587%	2,708,425.00	541,685.00	B	0.00
1995A Steamboat Springs, City of	05/01/95	1,563,550.00	20 YEARS	4.576%	492,750.00	98,550.00	B	0.00
1995A Eagle River W&S District	05/01/95	6,099,183.00	20 YEARS	4.583%	1,920,915.00	384,183.00	B	0.00
1995A Winter Park W&S District	05/01/95	3,050,000.00	20 YEARS	4.590%	799,250.00	160,000.00	B	0.00
1996A Crested Butte, Town of	06/01/96	2,499,120.00	20 YEARS	4.727%	795,600.00	159,120.00	B	0.00
1996A Mt. Crested Butte W&S District	06/01/96	1,399,080.00	19 YEARS	4.740%	445,400.00	89,080.00	B	0.00
1996A Fountain Sanitation District	06/01/96	1,716,099.00	19 YEARS	4.711%	505,495.00	101,099.00	B	0.00
1996A Idaho Springs, City of	06/01/96	1,541,237.00	20 YEARS	4.742%	481,185.00	96,237.00	B	0.00
1997A Breckenridge Sanitation District	05/01/97	8,093,616.90	20 YEARS	4.534%	2,618,084.00	523,616.90	B	0.00
1997A Carbondale, Town of	05/01/97	2,327,490.20	10 YEARS	4.216%	662,451.00	132,490.20	B	0.00
1997A Eagle, Town of	05/01/97	\$2,345,204.20	20 YEARS	4.533%	\$801,021.00	\$160,204.20	B	\$0.00
1997A Erie, Town of	05/01/97	1,821,690.20	20 YEARS	4.539%	583,451.00	116,690.20	B	0.00
1997A Parker W&S District	05/01/97	3,271,642.30	20 YEARS	4.543%	1,033,211.00	206,642.30	B	0.00
1997A Sterling, City of	05/01/97	2,499,524.10	19 YEARS	4.534%	822,620.00	164,524.10	B	0.00
1997A Westminster, City of	05/01/97	13,246,525.00	20 YEARS	4.543%	3,482,625.00	696,525.00	B	0.00
1998A Buena Vista Sanitation District	04/01/98	3,896,505.00	19 YEARS	3.960%	1,257,525.00	251,505.00	B	0.00
1998A Eagle River W&S District	04/01/98	17,685,395.60	18 YEARS	3.940%	6,176,978.00	1,235,395.60	B	0.00
1998A Evans, City of	04/01/98	1,141,616.60	20 YEARS	4.030%	433,083.00	86,616.60	B	0.00
1998A Trinidad, City of	04/01/98	6,670,909.00	20 YEARS	3.990%	2,129,545.00	425,909.00	B	0.00
1998A Westminster, City of	04/01/98	4,085,697.00	19 YEARS	3.980%	1,453,485.00	290,697.00	B	0.00
1998B Colorado Springs, City of	04/01/98	22,204,270.00	21 YEARS	4.060%	6,971,350.00	1,394,270.00	B	0.00

APPENDIX C

**WATER POLLUTION CONTROL REVOLVING FUND (WPCRF)
LOANS FUNDED as of 08/31/02**

STATE MATCH FUNDS PROVIDED BY:	
A - Loan Recipient	E - Direct Loan Pre-Construction Acct Interest Income
B - Authority	F - No State Match Required (Loans Financed with
C - WPCRF Admin. Acct.	CWSRF Reloan Funds)
D - Revenue Bonds	

LEVERAGED LOANS (cont'd)

<u>BORROWER</u>	<u>LOAN DATE</u>	<u>ORIGINAL LOAN AMOUNT</u>	<u>LOAN TERM</u>	<u>EFFECTIVE INTEREST RATE</u>	<u>FEDERAL GRANT AMOUNT</u>	<u>STATE MATCH PROVIDED</u>		<u>CWSRF RELOAN FUNDS USED FOR NEW LOANS</u>
1999A Aurora, City of	07/01/99	24,124,365.80	15 YEARS	4.040%	8,571,829.00	1,714,365.80	B	0.00
1999A Fremont Sanitation District	07/01/99	8,094,567.60	20 YEARS	4.200%	2,772,838.00	554,567.60	B	0.00
1999A Grand County W&S District	07/01/99	3,999,978.00	19 YEARS	4.170%	1,424,890.00	284,978.00	B	0.00
1999A Mt. Werner W&S District	07/01/99	0.00	20 YEARS	4.200%	0.00 (d)	219,627.20	B	0.00
1999A Steamboat Springs, City of	07/01/99	2,935,636.00	20 YEARS	4.200%	978,180.00	195,636.00	B	0.00
2000A Parker W&S District	05/15/00	12,063,546.00	20 YEARS	4.650%	3,392,730.00	678,546.00	B	0.00
2000A Summit County	05/15/00	17,086,830.00	20 YEARS	4.660%	5,184,150.00	1,036,830.00	B	0.00
2000A Three Lakes W&S District	05/15/00	6,498,576.00	19 YEARS	4.640%	1,792,880.00	358,576.00	B	0.00
2001A Cortez Sanitation District	05/01/01	9,775,000.00	20 YEARS	3.990%	0.00	0.00	F	3,284,400.00
2001A Ft. Collins, City of	05/01/01	9,845,000.00	21 YEARS	4.020%	0.00	0.00	F	4,331,800.00
2001A Fraser Sanitation District	05/01/01	2,445,000.00	20 YEARS	3.990%	0.00	0.00	F	1,006,122.00
2001A LaFayette, City of	05/01/01	7,861,138.80	21 YEARS	4.040%	2,730,694.00	546,138.80	B	0.00
2001A Mt. Crested Butte W&S District	05/01/01	5,161,580.60	21 YEARS	4.020%	1,882,903.00	376,580.60	B	0.00
2001A Parker W&S District	05/01/01	4,913,424.00	21 YEARS	4.010%	1,667,120.00	333,424.00	B	0.00
2001A Plum Creek Wastewater Authority	05/01/01	25,525,000.00	21 YEARS	4.020%	0.00	0.00	F	8,742,316.00
2001A Steamboat Springs, City of	05/01/01	5,895,654.40	21 YEARS	4.010%	2,278,272.00	455,654.40	B	0.00
2002A Berthoud, Town of	05/30/02	6,325,000.00	22 YEARS	3.850%	0.00	0.00	F	2,400,340.00
2002A Black Hawk Central City Sanitation District	05/30/02	24,107,369.40	21 YEARS	3.710%	7,811,847.00	1,562,369.40	B	0.00
2002A Mesa County / City of Grand Junction	05/30/02	13,490,000.00	23 YEARS	3.620%	0.00	0.00	F	5,884,338.00
2002A South Adams W&S District	05/30/02	6,270,000.00	21 YEARS	3.790%	0.00	0.00	F	2,871,660.00
2002A Wellington, Town of	05/30/02	4,826,280.60	21 YEARS	3.710%	1,856,403.00	371,280.60	B	0.00
2002A Winter Park West W&SD	05/30/02	2,406,249.20	20 YEARS	3.680%	906,246.00	181,249.20	B	0.00
TOTAL LEVERAGED LOANS		\$452,811,628.41			\$133,478,651.85	\$26,935,373.44		\$28,520,976.00

DIRECT LOANS

Number of Direct Loans Executed:		38						
<u>BORROWER</u>	<u>LOAN DATE</u>	<u>ORIGINAL LOAN AMOUNT</u>	<u>LOAN TERM</u>	<u>EFFECTIVE INTEREST RATE</u>	<u>FEDERAL GRANT AMOUNT</u>	<u>STATE MATCH PROVIDED</u>		<u>CWSRF RELOAN FUNDS USED FOR NEW LOANS</u>
1989 Mountain Range Shadows	12/01/89	\$1,721,489.01	21 YEARS	3.150%	\$1,207,770.00	\$241,554.37	D	\$0.00
1990 Mountain W&S District	04/17/90	200,000.00	20 YEARS	1.431%	166,666.68	33,333.32	A	0.00
1990 Wellington, Town of	06/01/90	375,000.00	20 YEARS	1.431%	312,500.00	62,499.90	A	0.00
1991 Durango West Metro. District #2	07/29/91	500,000.00	20 YEARS	4.500%	416,658.00	83,342.10	C	0.00
1992 NUCLA Sanitation District	05/11/92	180,000.00	20 YEARS	1.500%	149,999.00	30,001.48	A	0.00
1992 Divide W&S District	07/15/92	69,000.00	9 YEARS	4.500%	57,500.00	11,500.00	C	0.00
1992 Ouray, City of	09/17/92	800,000.00	20 YEARS	4.500%	666,667.00	133,333.33	C	0.00
1992 Montrose County	10/30/92	257,919.26	20 YEARS	4.500%	214,932.00	42,967.17	C	0.00
1994 Fort Lupton, City of	01/12/94	200,000.00	20 YEARS	5.170%	166,666.00	33,334.00	B	0.00
1994 St. Mary's Glacier W&S District	07/15/94	150,000.00	20 YEARS	4.500%	125,000.00	25,000.00	B, E	0.00
1994 Roxborough Park Metro. District	11/18/94	600,000.00	20 YEARS	4.500%	500,000.00	100,000.00	B	0.00
1995 Parker W&S District	03/16/95	500,000.00	5 YEARS	4.890%	416,667.00	83,333.00	B	0.00
1995 Fruita, City of	04/27/95	155,435.23	20 YEARS	4.500%	129,530.00	25,905.23	B	0.00
1995 Log Lane Village, Town of	06/01/95	250,000.00	21 YEARS	4.500%	208,333.00	41,667.00	B	0.00

APPENDIX C

**WATER POLLUTION CONTROL REVOLVING FUND (WPCRF)
LOANS FUNDED as of 08/31/02**

STATE MATCH FUNDS PROVIDED BY:	
A - Loan Recipient	E - Direct Loan Pre-Construction Acct Interest Income
B - Authority	F - No State Match Required (Loans Financed with
C - WPCRF Admin. Acct.	CWSRF Reloan Funds)
D - Revenue Bonds	

1996	Ordway, Town of	10/15/96	350,000.00	20 YEARS	4.500%	291,666.00	58,334.00	B, E	0.00
1996	Broomfield, City of	12/05/96	2,514,119.34	20 YEARS	4.710%	2,095,099.00	419,020.34	B	0.00
1996	Lyons, Town of	10/07/96	506,311.19	20 YEARS	4.500%	421,925.00	84,386.19	B	0.00
1997	Vona, Town of	01/29/97	85,000.00	20 YEARS	4.500%	70,833.00	14,167.00	B	0.00
1997	Manzanola, Town of	06/01/97	80,360.00	20 YEARS	4.500%	66,966.00	13,394.00	B	0.00
1997	Pagosa Springs (DL #1)	06/03/97	640,000.00	19 YEARS	4.500%	533,333.00	106,667.00	B	0.00
1997	Erie, Town of	10/08/97	500,000.00	20 YEARS	4.500%	416,666.00	83,334.00	B, E	0.00
1997	Holyoke, City of	12/01/97	489,700.00	20 YEARS	4.500%	408,083.00	81,617.00	B	0.00
1998	Byers W&S District	08/28/98	435,000.00	20 YEARS	4.500%	362,500.00	72,500.00	B, E	0.00
1998	Las Animas, City of	11/12/98	1,070,000.00	20 YEARS	4.500%	891,666.00	178,334.00	B	0.00
1998	Evans, City of	11/16/98	396,249.40	20 YEARS	4.500%	330,207.00	66,042.40	B, E	0.00
1998	East Alamosa, W&S District	12/02/98	180,000.00	20 YEARS	4.500%	150,000.00	30,000.00	B	0.00
1999	New Castle, Town of	01/01/99	917,076.00	20 YEARS	4.500%	415,233.00	83,046.62	B / F	418,796.38
1999	Left Hand W&S District	03/05/99	126,300.00	19 YEARS	4.500%	105,250.00	21,050.00	B	0.00
1999	Monte Vista, Town of	09/01/99	968,000.00	20 YEARS	4.500%	806,667.00	161,333.00	B	0.00
1999	La Junta, City of	10/15/99	\$358,400.00	20 YEARS	4.500%	\$0.00	\$0.00	F	\$358,400.00
1999	Kersey, Town of	12/29/99	163,000.00	20 YEARS	4.500%	0.00	0.00	F	163,000.00
2000	Columbine W&S District	03/31/00	424,229.57	(a) 15 YEARS	4.500%	0.00	0.00	F	424,229.57
2000	Left Hand W&S District	09/20/00	84,000.00	20 YEARS	4.500%	0.00	0.00	F	84,000.00
2000	Springfield, Town of	11/01/00	200,000.00	(b) 20 YEARS	4.000%	0.00	0.00	F	200,000.00
2001	Niwot Sanitation District	02/16/01	1,000,000.00	20 YEARS	4.000%	0.00	0.00	F	1,000,000.00
2001	Baca Grande W&SD	12/20/01	800,000.00	20 YEARS	4.000%	0.00	0.00	F	800,000.00
2002	Julesburg, Town of	05/31/02	800,000.00	20 YEARS	4.000%	0.00	0.00	F	800,000.00
2002	Pagosa Springs (DL#2)	08/14/02	200,000.00	20 YEARS	4.000%	0.00	0.00	F	200,000.00
TOTAL DIRECT LOANS			\$19,246,589.00			\$12,104,982.68	\$2,420,996.45		\$4,448,425.95

TOTAL AMOUNT OF WPCRF LOANS EXECUTED: \$472,058,217.41	\$145,583,634.53	\$29,356,369.89	\$32,969,401.95
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- (a) Columbine original loan amount was \$485,000. The loan was amended 12/31/00 per borrower's request.
- (b) Springfield original loan amount was \$250,000. The loan was amended 12/14/00 per borrower's request.
- © Evans original loan amount was \$400,000. The loan was amended 02/01/01 per borrower's request.
- (d) Mt Werner original loan amount was \$3,034,627.20. The loan was defeased in total on 04/02/01 per borrower request. No EPA funds were drawn, but the state match, funded at bond closing, was transferred to the CWSRF Reloan Account upon defeasance (state match funds remained in the Clean Water program).

TOTAL ADMINISTRATIVE DRAWS FROM EPA:	\$0.00
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Detail of State Match Provided by:	
A - Loan Recipient	125,834.70
B - Authority	22,843,115.23
C - WPCRF Admin. Acct.	271,142.60
D - Revenue Bonds	6,116,277.36
E - Direct Loan Pre-Construction Acct Interest Income	0.00
Total	\$29,356,369.89

Total for F - No State Match Required (LOANS Financed with CWSRF Reloan Funds)	\$32,969,402
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**APPENDIX D
Colorado Public Water Systems
Drought-Impact Summary**

11/22/2002

SYSTEM NAME	PWSID	COUNTY	DPHE CONTACT	DATE REPORTED	PROBLEM SUMMARY	CRITICALITY	RESOLUTION	NAME OF HAULER OR ALTERNATE SOURCE	DPHE ACTION	LAST UPDATED
Aguilar, Town of	136100	Las Animas	Knope	08/02/02	springs dry; wells meeting 0.08 MGD demand; on watering restrictions	medium				08/03/2002
Bear Creek below Evergreen		Jefferson								08/03/2002
Bear Lake Campground		Jefferson			Low flows in Bear Creek and upstream WWTPs potentially impacting potability	high	park closed			08/03/2002
Beulah Water Works District	151100	Pueblo	Knope		out of water, except for fire emergency	high	purchased 700 gal tank; purchasing water from Pueblo			08/03/2002
Chambers Subdivision	162175		Davis	09/05/02	They are out of water and Brighton has ran them a hose from a fire hydrant I believe, as a temporary fix.	medium		Brighton		09/05/02
Cuchara W&SD	128100	Huerfano	Knope		If there is a call on senior water rights, their reservoirs are drying up	medium				08/03/2002
Gardner, Town of, W&S District	128300	Huerfano	Knope	08/02/02	meeting demands; reports of shortages are rumors, likely related to private homes	low				08/03/2002
Highlands Lakes	160200	Teller		08/09/02	"the drought is killing Highland Lakes."				need more information	08/09/2002
Huajatolla L&C WC (Huajatolla Valley Estates)	128400	Huerfano	Knope	07/30/02	essentially out of water; difficulty maintaining pressure during the day; may need to start hauling Aug 5; potential use of regasification well water; began drilling new well;	high	county declared a local disaster area; providing degasification (non-potable) water for sanitary purposes and issuing bottled water advisory for consumption, 8/9/02	degasification wells	Approved use of non-potable; required bacti & disinfectant monitoring; assisted with Bottled Water Advisory	08/09/2002
La Veta, Town of	128500	Huerfano	Knope	07/30/02	120-180 days of water left if Cucharas Creek doesn't dry up	medium				08/03/2002
Morrison, Town of	130085	Jefferson		07/16/02	Low flows in Bear Creek and upstream WWTPs potentially impacting treatment plant capacity	medium	Bottled water advisory issued 7/16/02.		Advisory issued jointly.	08/04/2002
Norwood WC	157500		Israel	07/19/02	Receiving 1/2 normal water volume from Gurley Reservoir	medium				08/03/2002
Pine Drive Water District	151450	Pueblo	Knope		Out of water, except for fire emergency	high	Cooperative arrangement with Buelah.			08/03/2002
Pinebrook Water	107610	Boulder		09/04/02	SW source dry; using an emergency GW well	medium				09/04/02
Pinewood Springs	135610	Larimer	Armitage							08/03/2002

**APPENDIX D
Colorado Public Water Systems
Drought-Impact Summary**

11/22/2002

SYSTEM NAME	PWSID	COUNTY	DPHE CONTACT	DATE REPORTED	PROBLEM SUMMARY	CRITICALITY	RESOLUTION	NAME OF HAULER OR ALTERNATE SOURCE	DPHE ACTION	LAST UPDATED
Tranquil Acres Water Supply	160650	Teller	Vrudny/ Talbot	09/12/02	Losing water pressure, one well drying up despite being on watering restrictions. Bottled water advisory issued late Friday afternoon (8/30/02) because they had lost pressure in their system due to drought conditions. May be using non-potable water haulers provided by Teller County.	medium	looking to DOLA for financial Assistance for water hauling	Teller County is assisting them with finding water hauler and working out details.	Advised that they call DOLA and keep us informed. Outlined hauling procedures. Bottled water advisory issued 8/30/02	09/05/02
Trinidad, City of	136800	Las Animas	Knope	08/02/02	8 month supply + North Lake & storage in Monument Lake	low				08/03/2002
Walsenburg, City of	128900	Huerfano	Knope	07/30/02	Estimate supply adequate until March 2003; pumping from raw water storage at Lathrop State Park	low				08/03/2002
Westwood Lakes	160750	Teller		08/09/02	"the drought is shutting us down." Report that they will need \$1.3 million to build water storage and improve the distribution system	medium				08/09/02

APPENDIX D

SUMMARY OF FIRE IMPACTS ON COLORADO PUBLIC WATER SYSTEMS - SUMMER 2002

Total Number of Systems: 70
 Last Updated On: 8/22/2002

PUBLIC WATER SYSTEM NAME	PWSID NUMBER	COUNTY	NAME OF IMPACTING FIRE	PORTION OF SERVICE AREA BURNED? (Y/N/?)	DESCRIPTION OF IMPACT	INFRA-STRUCTURE DAMAGE? (Y/N/?)	FINANCIAL AID CANDIDATE? (Y/N/?)	FINANCIAL AID PRIORITY
Camp Shady Brook/YMCA	218027	Douglas	Hayman	Yes	Infrastructure Destroyed by Fire	Yes	?	1
Colorado Trails LTD	234200	La Plata	Missionary Ridge	Yes	Flooding	?	?	1
Copper Gulch Store	222200	Fremont	Iron Mountain	Yes	Infrastructure Destroyed by Fire	Yes	?	1
Edgemont Ranch Metro Dist	134200	La Plata	Missionary Ridge	Yes	Raw Water Quality Affected	No	Yes	1
Freeman Creek Pipeline Subd	234388	La Plata	Missionary Ridge	Yes	Infrastructure Destroyed by Fire	Yes	Yes	1
Horsecreek Saloon and CG	218010	Douglas	Hayman	Yes	Infrastructure Destroyed by Fire	Yes	Yes	1
Lutheran Valley Retreat	260560	Teller	Hayman	Yes	Infrastructure Destroyed by Fire	Yes	?	1
Westcreek Lakes WD	118085	Douglas	Hayman	Yes	Infrastructure Destroyed by Fire	Yes	Yes	1
Aurora, City of	103005	Arapahoe	Hayman	Yes	Raw Water Quality Affected	No	Yes	2
Bayfield, Town of	134030	La Plata	Missionary Ridge	Yes	Raw Water Quality Affected	No	Yes	2
Denver Water	116001	Denver	Hayman	Yes	Raw Water Quality Affected	No	Yes	2
Durango, City of	134150	La Plata	Missionary Ridge	No	Raw Water Quality Affected	No	Yes	2
Silt, Town of	123710	Garfield	Coal Seam Fire	Yes	Raw Water Quality Affected	No	Y	2
Williams Field Services	234600	La Plata	Missionary Ridge F	Yes	Raw Water Quality Affected	No	No	2
Big Elk Meadows	135143	Larimer	Big Elk	No	Watershed Burned	No	No	3
Black Hawk, City of	124147	Gilpin	Fountain Gulch	No	Watershed Burned	No	?	3
Canon City, City of	122100	Fremont	Iron Mountain	Y	Watershed Burned	N	Y	3
Florence, City of	122500	Fremont	Iron Mountain	Y	Watershed Burned	N	Y	3
Glenwood Springs, City of	123314	Garfield	Coal Seam	Yes	Watershed Burned	No	?	3
Ignacio	134500	La Plata	Missionary Ridge	?	Watershed Burned	?	?	3
Lost Valley Ranch Corporation	230041	Jefferson	Hayman	No	Watershed Burned	No	Yes	3
New Castle, Town of	123538	Garfield	Spring Creek	Yes	Watershed Burned	No	?	3
No Name Creek WS	123552	Garfield	Coal Seam	Yes	Watershed Burned	?	?	3
Norwood Water Commission	157500	San Miguel	Burn Canyon	Yes	Watershed Burned	No	?	3
Camp Colorado	218001	Douglas	Hayman	No	System closed/evacuated	No	No	N
Decker's Resort	218005	Douglas	Hayman	?	System closed/evacuated	?	?	N
Greeley, City of	162321	Weld	Bobcat Fire	Yes	Raw Water Quality Affected	No	?	N
Mesa Verde NP	142750	Montezuma	Long Mesa	Yes	Infrastructure Destroyed by Fire	Yes	No	N
Ami's Acres	223116	Garfield	Coal Seam	Yes	Unknown	?	?	U
Antelope Hills HOA	126117	Gunnison		?	Unknown	?	?	U
Big Turkey CG	360075	Teller	Hayman	?	Unknown	?	?	U
Blue Spruce RV Park	234120	La Plata	Missionary Ridge	Yes	Unknown	?	Yes	U
Burro CG	342160	Montezuma	Missionary Ridge	?	System closed/evacuated	?	?	U
Cabin CG	342505	Montezuma	Missionary Ridge	?	System closed/evacuated	?	?	U
Canyon Creek Estates	123155	Garfield	Coal Seam	?	Unknown	?	?	U
Colorado Lions Camp	260240	Teller	Hayman	?	Unknown	?	?	U
Colvig Silver Camps	234240	La Plata	Missionary Ridge	Yes	System closed/evacuated	?	?	U
Ferris CG	342506	Montezuma	Missionary Ridge	?	System closed/evacuated	?	?	U
Florida CG	334280	La Plata	Missionary Ridge	?	System closed/evacuated	?	?	U

APPENDIX D

SUMMARY OF FIRE IMPACTS ON COLORADO PUBLIC WATER SYSTEMS - SUMMER 2002

Total Number of Systems: 70
 Last Updated On: 8/22/2002

PUBLIC WATER SYSTEM NAME	PWSID NUMBER	COUNTY	NAME OF IMPACTING FIRE	PORTION OF SERVICE AREA BURNED? (Y/N/?)	DESCRIPTION OF IMPACT	INFRA-STRUCTURE DAMAGE? (Y/N/?)	FINANCIAL AID CANDIDATE? (Y/N/?)	FINANCIAL AID PRIORITY
Forest Groves Estates HOA	134330	La Plata	Missionary Ridge	Yes	Flooding	No	No	U
Goose Creek Campground	330325	Jefferson	Hayman	?	Unknown	?	?	U
Green Mountain Campground	330350	Jefferson	Hayman	?	Unknown	?	?	U
Gunnison CO W&SD	126220	Gunnison		?	Unknown	?	?	U
Highland Lakes WD	160200	Teller	Hayman	?	Unknown	?	?	U
Kelsey Campground	330425	Jefferson	Hayman	?	Unknown	?	?	U
Lone Rock Campground	330450	Jefferson	Hayman	?	Unknown	?	?	U
Meadow Park Land Co	160295	Teller	Hayman	?	Unknown	?	?	U
Metaska CG	342507	Montezuma	Missionary Ridge	?	System closed/evacuated	?	?	U
Miller Creek CG	334600	La Plata	Missionary Ridge	?	System closed/evacuated	?	?	U
Mitchell Cooper Ditch Compar	123510	Garfield	Coal Seam	?	Unknown	?	?	U
Molly Gulch Campground	330550	Jefferson	Hayman	?	Unknown	?	?	U
North Canyon Campground	334620	La Plata	Missionary Ridge	?	Unknown	?	?	U
Pine Point	334680	La Plata	Missionary Ridge	?	System closed/evacuated	?	?	U
Pinewood Springs	135610	Larimer	Big Elk Meadows	?	Unknown	?	?	U
Quaker Ridge Camp	260600	Teller	Hayman	?	Unknown	?	?	U
Ridgewood WD	160400	Teller	Hayman	?	Unknown	?	?	U
Riverbend Resort	253720	Rio Grande	Million	Yes	Unknown	?	?	U
Rock Gardens MHP	123685	Garfield	Coal Seam	?	Unknown	?	?	U
Sig Creek	334710	La Plata	Missionary Ridge	?	System closed/evacuated	?	?	U
Transfer Park CG	334801	La Plata	Missionary Ridge	?	System closed/evacuated	?	?	U
Trappers Lake Lodge	223755	Routt	Big Fish	Yes	Infrastructure Destroyed by Fire	Yes	Yes	U
USFS Graham Creek CG	334620	La Plata	Missionary Ridge	?	System closed/evacuated	?	?	U
USFS Old Timers CG	334640	La Plata	Missionary Ridge	?	System closed/evacuated	?	?	U
Vallecito CG	334880	La Plata	Missionary Ridge	?	Unknown	?	?	U
Various USFS Campgrounds		La Plata	Missionary Ridge	?	System closed/evacuated	?	No	U
View Ridge WD	118080	Douglas	Hayman	?	Unknown	?	?	U
Westwood Lakes WD	160750	Teller	Hayman	?	Unknown	?	?	U
Wigwam Campground	330900	Jefferson	Hayman	?	Unknown	?	?	U
Woodbine Ranch	218033	Douglas	Hayman	?	System closed/evacuated	?	?	U
Woodland West	160950	Teller	Hayman	?	Unknown	?	?	U

Priority 1 = Immediate Infrastructure Improvements
 Priority 2 = Water Quality Improvements from non-point source pollution (raw water quality impacts)
 Priority 3 - Watershed restoration

TOTALS

Number of Systems with Service Area Burned	SUMMARY	Number of Systems with Infrastructure Damage	Number of Financial Aid Candidates
25	YES	8	11
5	NO	16	6
40	?	46	53
70		70	70

APPENDIX E
DROUGHT & FIRE RECOVERY LOAN FUNDS AVAILABLE IN COLORADO

PROGRAM	LOAN FUNDS AVAILABLE	USES/REQUIREMENTS	AGENCY AND CONTACT
CWCB Emergency Infrastructure Loan Program	<ul style="list-style-type: none"> - Subject to a \$2 million cumulative annual limit in the emergency account - Loans for up to 75% of project costs. - Rates from 2.75% to 6% 	<ul style="list-style-type: none"> - Raw water projects of an emergency nature - Available to any organization (municipalities, agriculture, ditch companies, homeowners assn, special districts, etc) - Must receive CWCB Board approval 	Colorado Water Conservation Board, John Van Sciver 303-866-3449
CWCB Small Project Loan Program	<ul style="list-style-type: none"> - Up to \$1 million loans for small raw water projects - Loans for up to 75% of project costs. - Rates from 2.75% to 6% 	<ul style="list-style-type: none"> - Raw water projects of an emergency nature - Available to any organization (municipalities, agriculture, ditch companies, homeowners assn, special districts, etc) - Must receive CWCB Board approval 	Colorado Water Conservation Board, John Van Sciver 303-866-3449
CWCB Construction Fund	<ul style="list-style-type: none"> - No limit - Loans typically range from \$50,000 to \$2,000,000 	<ul style="list-style-type: none"> - Raw water projects (dams, pipelines, ditches, wells, new projects or restorations) - Available to any organization (municipalities, agriculture, ditch companies, homeowners assn, special districts, etc) - Must receive CWCB Board and Legislative approval 	Colorado Water Conservation Board, John Van Sciver 303-866-3449
Water Pollution Control Revolving Fund (WPCRF)	<ul style="list-style-type: none"> - Fire-related NPS projects can be given priority status. - Direct loans under \$1,000,000 available with Board approval. - \$10K grants available for planning (fire-related OK). 	<ul style="list-style-type: none"> - Low-interest loans for public waste water treatment system needs and watershed nonpoint source (NPS) control projects. - Available to governmental agencies. - Emergency projects can be identified at any time throughout the year. - Loan funds require board review, study grants available immediately. 	Colorado Water Quality Control Division. Debbie Stenson 303-692-3554
Drinking Water Revolving Fund (DWRF)	<ul style="list-style-type: none"> - Fire-related projects can be given priority status. - Direct loans under \$1,000,000 available with Board approval. - \$10K grants available for planning (fire-related OK). 	<ul style="list-style-type: none"> - Low-interest loans for drinking water treatment system needs. - Available to governmental agencies. - Emergency projects can be identified at any time throughout the year. - Loan funds require board review, study grants available immediately. 	Colorado Water Quality Control Division. Debbie Stenson 303-692-3554
USDA Rural Development 502 Direct Housing Loan Program	<ul style="list-style-type: none"> -Loans limited by individual county mortgage limits - Most counties have loan limit of \$108,317 	Available for wells and water connections - Applicants must be very low income, owner/occupant, unable to obtain conventional credit, and in rural communities and areas.	14 Rural Development offices in Colorado Initial contact Denise Coit (720) 544-2920 for referral to local office
Natural Resources Conservations Service - Emergency Watershed Protection Program	<ul style="list-style-type: none"> - Funding available through the Simplified Acquisition Procedures (SAP) ranges from \$25K to \$100K. - Federal funds may cover 75 percent of the construction cost. 	Installing/repairing conservation measures to control flooding and prevent soil erosion. Generally, more than one individual should benefit from the project. Public or private landowners or others who have a legal interest or responsibility for the values threatened by the watershed emergency.	NRCS - Stu Simpson, Assistant State Conservationist, 720-544-2804

FIRE & DROUGHT RECOVERY GRANT FUNDS AVAILABLE IN COLORADO

PROGRAM	GRANT FUNDS AVAILABLE	USES/REQUIREMENTS	AGENCY AND CONTACT
Nonpoint Source Pollution (NPS) "319 Program" Grants	-Typical awards range from \$30K to \$150K.	<ul style="list-style-type: none"> - Applicants can include governmental and non-governmental organizations. - Applications generally evaluated through a stakeholder process, but this can be waived. - 40% non-federal match can be waived by EPA upon request from Governor and Senators Allard and Campbell. - Funds available immediately for fire-damaged watersheds, generally not on federal land. 	Colorado Water Quality Control Division. Laurie Fisher, Non-Point Source Coordinator, 303-692-3570
Supplemental Environmental Project (SEP) Grants	- Typical awards range from \$10K to \$25K.	<ul style="list-style-type: none"> - Available to governmental agencies and non-profit water systems. - Funds available for fire-damaged watersheds and infrastructure. 	Colorado Water Quality Control Division. Debbie Stenson 303-692-3554
PPG Grants (EPA funds)	-Typical awards range from \$10K to \$25K.	<ul style="list-style-type: none"> - Available to governmental agencies. - Funds available for fire-damaged watersheds and infrastructure, and drought-related needs. 	Colorado Water Quality Control Division. Debbie Stenson 303-692-3554
Agricultural Emergency Drought Response Fund	\$1million fund for loans and grants	<ul style="list-style-type: none"> - For emergency drought-related water augmentation purposes. - Limited to agricultural organizations 	Colorado Water Conservation Board & Colorado Division of Water Resources & Colorado Department of Agriculture. John Van Sciver 303-866-3449
EDA Economic Adjustment Program	Grants up to \$100,000 available	<ul style="list-style-type: none"> - Job losses from natural disasters - State and local governments and non-profit organizations 	U.S. Economic Development Administration – John Zender 303-844-4902
Energy Impact Assistance Fund	<ul style="list-style-type: none"> - Maximum grant \$300,000 (guideline) - Loans available for sewer and treated water projects 	<ul style="list-style-type: none"> - Public facility and infrastructure needs - Eligible recipients include municipalities, counties, and special districts. Loan terms up to 20 years, and interest rates of at least 5% 	8 Colorado Department of Local Affairs field offices in Colorado – Initial contact Barry Cress at 303-866-2352 for referral to field office
Community Development Block Grants	Maximum award \$250,000 (guideline)	<ul style="list-style-type: none"> - Public facility and infrastructure needs - Eligible recipients include CDBG "non-entitlement" municipality or county; districts and private systems are eligible sub-recipients. Applicants must provide local cash participation, qualify with low/moderate incomes, pay Davis-Bacon wages, and comply with NEPA. 	8 Colorado Department of Local Affairs field offices in Colorado – Initial contact Barry Cress at 303-866-2352 for referral to field office
USDA Rural Development Home Improvement and Repair Loans and Grants (504 Program)	<ul style="list-style-type: none"> -\$20,000 maximum loan -\$7,500 maximum grant (must be elderly owner occupant age 62+) 	For home rehabilitation, including wells and water connections - Applicants must be very low income, owner/occupant, unable to obtain conventional credit, and in rural communities and areas.	14 Rural Development offices in Colorado Initial contact Denise Coit (720) 544-2920 for referral to local office

ATTACHMENT 2

AUDIT REPORT FOR 2003



**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Basic Financial Statements, Supplemental Information, and
Reports Required by OMB Circular A-133

December 31, 2003 and 2002

(With Independent Auditors' Reports Thereon)



Printed on recycled paper



**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

December 31, 2003 and 2002

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**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

December 31, 2003 and 2002

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KPMG LLP
Suite 2700
707 Seventeenth Street
Denver, CO 80202

Independent Auditors' Report

The Board of Directors
Colorado Water Resources and Power Development Authority:

We have audited the accompanying financial statements of each major fund of the Colorado Water Resources and Power Development Authority (the Authority), a component unit of the State of Colorado, as of and for the years ended December 31, 2003 and 2002, which collectively comprise the Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express opinions on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the Colorado Water Resources and Power Development Authority as of December 31, 2003 and 2002, and the respective changes in financial position and the cash flows thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated March 26, 2004 on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

The Management's Discussion and Analysis on pages 3 through 22 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.



Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The schedules listed in the table of contents as supplemental information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules listed in the table of contents as supplemental information have been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. In addition, the accompanying schedule of expenditures of federal awards, listed in the table of contents under Reports Required by OMB Circular A-133, is presented for the purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

KPMG LLP

Denver, Colorado
March 26, 2004

MANAGEMENT'S DISCUSSION AND ANALYSIS

COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY

Management's Discussion and Analysis
Years Ended December 31, 2003 and 2002

As management of the Colorado Water Resources and Power Development Authority (the Authority), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the years ended December 31, 2003 and 2002.

Financial Highlights

- * Total net assets of the Authority's three enterprise funds increased \$26.6 million (7.9%) bringing the total to \$363.1 million at December 31, 2003. Capitalization grant revenue received from the United States Environmental Protection Agency (EPA) totaling \$19.1 million was the largest source of funds contributing to this increase.
- * Operating income totaled \$7.5 million during 2003, a decrease of \$3.6 million (32.4%) from 2002. Operating revenue decreased to \$45.3 million, while expenses rose to \$37.8 million for the fiscal year. A \$28 million decrease in Restricted Assets, coupled with a continued decline in investment interest rates, resulted in an investment income decrease of \$3.2 million (16.4%).
- * Bonds payable, net of unamortized refunding costs, at December 31, 2003, totaled \$656.6 million. During 2003, revenue bonds totaling \$74.7 million were issued, resulting in an increase of \$45.2 million (7.4%) in bonds payable, net of unamortized refunding costs. Revenue bonds were issued in following enterprise funds, during 2003:
 - Small Water Resources Projects (SWRP) program (\$9.6 million), plus Water Revenue Bonds Program (WRBP) (\$17.8 million), totaling \$27.4 million in the Water Operations Enterprise Fund,
 - Water Pollution Control Revolving Fund (WPCRF), within the Water Pollution Control Enterprise Fund, - \$14.8 million,
 - Drinking Water Revolving Fund (DWRF), within the Drinking Water Enterprise Fund, - \$32.5 million.
- * Total loans receivable were \$720.1 million at December 31, 2003. During 2003, loans totaling \$88.1 million were executed, resulting in a net increase in loans receivable of \$49.2 million (7.3%). New loans were executed in the following enterprise funds:
 - Water Operations \$ 31.1 million
 - WPCRF 17.7 million
 - DWRF 39.3 million

Overview of the Basic Financial Statements

Management's discussion and analysis is intended to serve as an introduction of the Authority's basic financial statements. Prior years' activity is provided in a comparative presentation in this discussion. The basic financial statements consist of the fund financial statements and the notes to the basic financial statements.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Authority are enterprise funds. These enterprise funds include three separately maintained funds: 1) The Water Operations Fund, 2) The Water Pollution Control Fund, and 3) The Drinking Water Fund. The basic financial statements for each fund are included in this report. Each fund is considered a major fund.

COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY

Management's Discussion and Analysis
Years Ended December 31, 2003 and 2002

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Financial Analysis of Enterprise Funds

Summary of Net Assets

Overview

The Authority's basic financial statements are comprised of three enterprise funds. To better assist the user of these statements, a separate schedule and analysis for each of the funds is presented below. These schedules summarize the financial position of each enterprise fund as of December 31, 2003 and 2002 in a comparative format. Furthermore, schedules of total enterprise fund data and analyses is provided in comparative year format for 2003 - 2002 and 2002 - 2001.

Unrestricted current and other assets primarily consist of cash and cash equivalents, investment and loan interest receivable, loan principal payments due in the subsequent year, investments, and other assets and receivables. Restricted assets are comprised of current and non-current: cash and cash equivalents, investments, and investment income receivable. Restricted assets include amounts relating to borrowers' project accounts, debt service reserve funds, debt service funds and other accounts legally restricted by the revenue bond resolutions.

Current and other liabilities contain amounts such as bond interest payable, bond principal payments due in the subsequent year, project costs payable (remaining borrower direct loan proceeds available), and various other miscellaneous liabilities. The Project costs payable – leveraged loans line item contains the total (current and non-current) remaining borrower loan proceeds available for loans financed with bond proceeds. Long-term debt is the total of bonds payable more than one year subsequent to the fiscal year end. Net assets are classified into invested in capital assets, restricted, and unrestricted categories.

Each of the enterprise funds contains one or more leveraged loan programs that are funded, all or in part, with bond proceeds. Bonds are issued only to provide capital for pre-approved loans. Each additional loan-bond financing package directly increases four major line items on the respective fund's summary statement of net assets: bonds payable, restricted assets, loans receivable, and project costs payable – leveraged loans.

As project construction costs are incurred, borrowers submit requisitions for reimbursement. Construction of these infrastructure projects often lasts up to three years. When approved requisitions are paid, reductions to Restricted Assets and Project Costs Payable-Leveraged Loans are recorded. Therefore, the net changes to these two accounts from year-to-year are dependent upon the increases resulting from new loans and decreases from project requisitions paid.

An explanation and graphical representation of the comparative balances for these four major line items is shown in total and separately for each enterprise fund.

COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY

Management's Discussion and Analysis
Years Ended December 31, 2003 and 2002

Total Enterprise Funds

Schedules 1A and 1B show the summary net assets for the three enterprise funds of the Authority in total and on a comparative year basis. Total assets of these funds grew by \$29.2 million in 2003, as compared to an increase of \$147.6 million in 2002. Financing new projects each year contributed to the increases in assets. In 2003 new loans totaled \$88.1 million, while \$124.0 million in loans were made in 2002. However, project draws paid to borrowers totaling \$125.5 million and \$97.9 million in 2003 and 2002 respectively, limited the net increase in total assets.

Total Enterprise Funds (2003 - 2002)		Schedule 1A		
Summary of Net Assets as of December 31				
	<u>2003</u>	<u>2002</u>	<u>Change</u>	<u>Pct Chg</u>
Unrestricted current and other assets	\$ 145,373,310	132,181,092	13,192,218	10.0%
Restricted assets	348,926,160	376,905,821	(27,979,661)	(7.4%)
Capital assets, net	56,462	33,180	23,282	70.2%
Long-term loans receivable	679,526,210	635,525,819	44,000,391	6.9%
Total assets	<u>\$ 1,173,882,142</u>	<u>1,144,645,912</u>	<u>29,236,230</u>	<u>2.6%</u>
Current and other liabilities	\$ 65,439,838	66,415,475	(975,637)	(1.5%)
Project costs payable-leveraged loans	122,187,070	160,237,926	(38,050,856)	(23.7%)
Long-term debt outstanding, net	623,168,895	581,514,331	41,654,564	7.2%
Total liabilities	<u>810,795,803</u>	<u>808,167,732</u>	<u>2,628,071</u>	<u>0.3%</u>
Fund net assets:				
Invested in capital assets	56,462	33,180	23,282	70.2%
Restricted	289,208,103	256,479,816	32,728,287	12.8%
Unrestricted	73,821,774	79,965,184	(6,143,410)	(7.7%)
Total fund net assets	<u>363,086,339</u>	<u>336,478,180</u>	<u>26,608,159</u>	<u>7.9%</u>
Total liabilities and fund net assets	<u>\$ 1,173,882,142</u>	<u>1,144,645,912</u>	<u>29,236,230</u>	<u>2.6%</u>

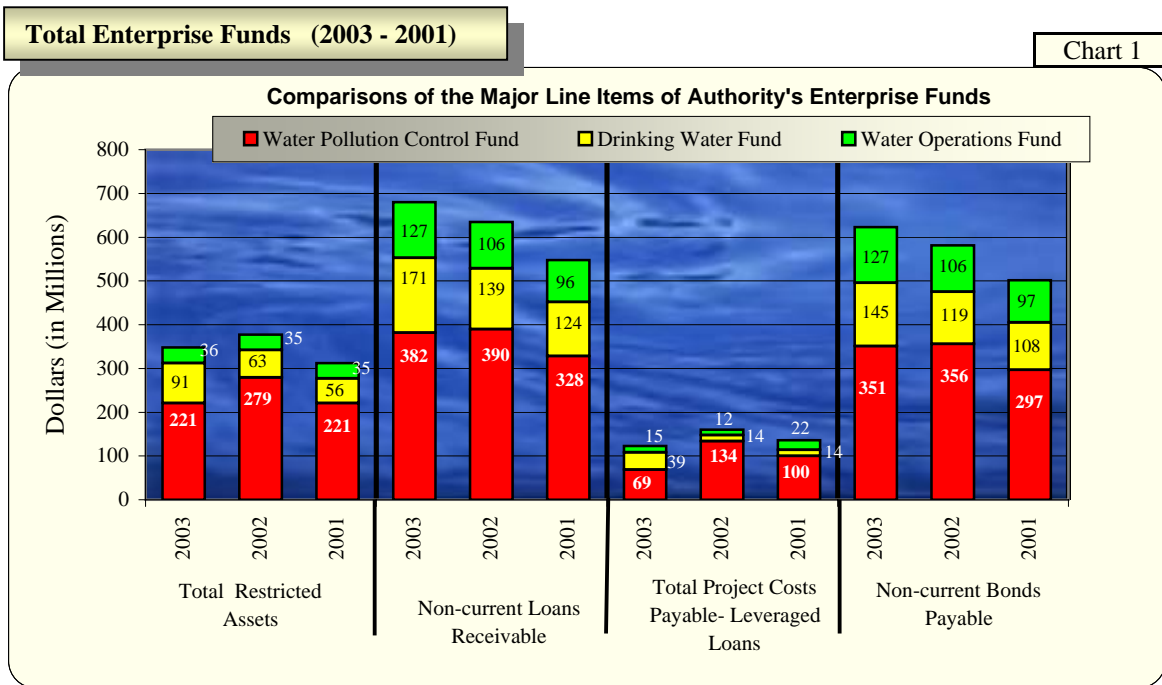
Total Enterprise Funds (2002 - 2001)		Schedule 1B		
Summary of Net Assets as of December 31				
	<u>2002</u>	<u>2001</u>	<u>Change</u>	<u>Pct Chg</u>
Current and other assets	\$ 132,181,092	136,521,526	(4,340,434)	(3.2%)
Restricted assets	376,905,821	312,034,106	64,871,715	20.8%
Capital assets, net	33,180	34,849	(1,669)	(4.8%)
Long-term loans receivable	635,525,819	548,499,309	87,026,510	15.9%
Total assets	<u>\$ 1,144,645,912</u>	<u>997,089,790</u>	<u>147,556,122</u>	<u>14.8%</u>
Current and other liabilities	\$ 66,415,475	59,488,162	6,927,313	11.6%
Project costs payable-Leveraged Loans	160,237,926	135,560,848	24,677,078	18.2%
Long-term debt outstanding, net	581,514,331	501,209,995	80,304,336	16.0%
Total liabilities	<u>808,167,732</u>	<u>696,259,005</u>	<u>111,908,727</u>	<u>16.1%</u>
Fund net assets:				
Invested in capital assets	33,180	34,849	(1,669)	(4.8%)
Restricted	256,479,816	222,598,963	33,880,853	15.2%
Unrestricted	79,965,184	78,196,973	1,768,211	2.3%
Total fund net assets	<u>336,478,180</u>	<u>300,830,785</u>	<u>35,647,395</u>	<u>11.8%</u>
Total liabilities and fund net assets	<u>\$ 1,144,645,912</u>	<u>997,089,790</u>	<u>147,556,122</u>	<u>14.8%</u>

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Total liabilities increased by \$2.6 million in 2003, but increased by \$111.9 million in 2002. Bonds totaling \$74.7 million were issued in 2003, while \$109.6 million were issued in 2002. This new debt added to the net increases in total liabilities for those years. In 2003, the project draws of \$125.5 million resulted in a net reduction to Project costs payable-leveraged loans of \$38.1 million that limited the increase in total liabilities. Total fund net assets increased by \$26.6 million in 2003, down from a \$35.6 million increase in 2002. The 2003 increase in fund net assets was limited by a reduction in investment interest of \$3.3 million. Furthermore, in 2002, the one-time \$7.3 million contribution from Animas-La Plata increased fund net assets.

Chart 1 is a stacked bar graphical representation of the four major accounts affected by new projects financed, as discussed in the general narrative section on page 4 of this discussion. The totals of these four accounts are shown for the years 2003, 2002 and 2001. Each bar is subdivided by colors that represent the amounts that each of the three enterprise funds contributes to the total for that year. The chart shows that during 2003 the DWRP had the largest addition to loans, while the WPCRFR was the most active fund in 2002.



The discussion below describes the changes to each of the three-enterprise fund's summary schedule of net assets for the current year and associated charts provide visual information of the effects of new financing activities in 2003.

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Water Operations Fund

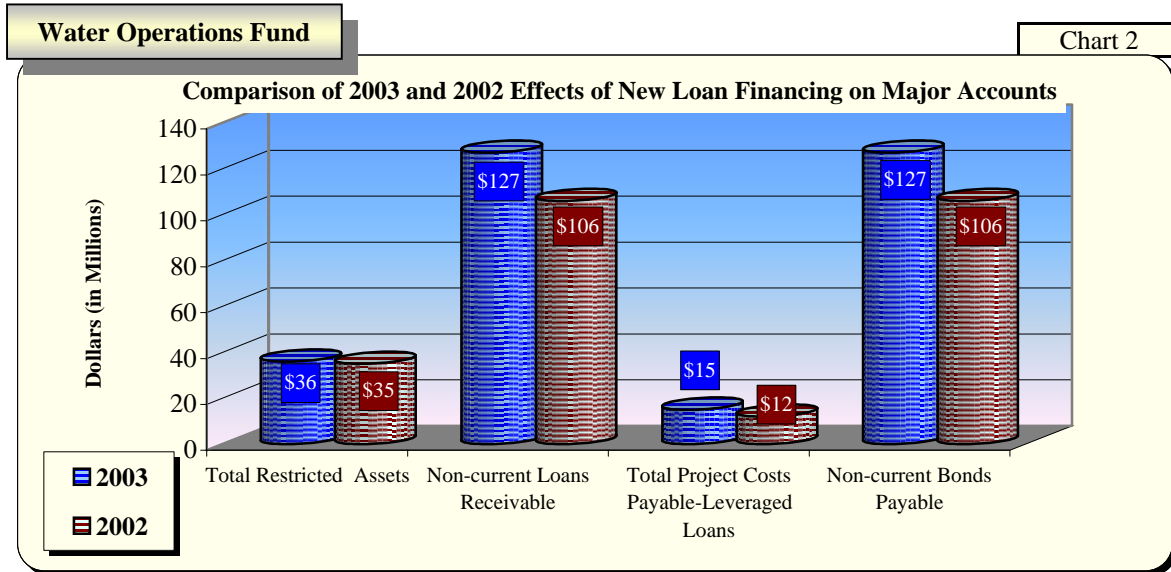
The Water Operations Fund is discussed in detail in note 1 of the basic financial statements. This fund is the combination of the business operations of the Authority (general and administrative), the SWRP and the WRBP. The SWRP and the WRBP are both leveraged loan programs, whereby revenue bonds are issued and the bond proceeds are used to fund related, approved loans. To reduce the cost of financing for these borrowers, the Authority began absorbing the total cost of issuing these bonds in 2003. Loans made from these programs are not subsidized by federal capitalization grants.

The leveraged loan programs are generally more cost effective when a pool of approved borrowers is formed prior to issuing the bonds. However, borrowers frequently have projects that require funding before bonds are ready to be issued. To assist these communities the Authority may approve interim (or bridge) loans, until permanent financing is available. During 2003, interim loan requisitions totaling \$3.7 million were paid, interim loans repaid by permanent financing totaled \$3.6 million, leaving a balance of \$3.4 million at year-end. The comparative balances of the four-major accounts affected by leveraged loans are shown in Chart 2. The increases in loans receivable and bonds payable are the result of issuing \$9.6 million of SWRP bonds and \$17.8 million of WRBP bonds, investing the bond proceeds and executing corresponding loans to the communities. Construction draws totaling \$20.4 million limited the increase in Restricted assets to \$1.6 million, and Project costs payable-leveraged loans to \$3.3 million.

Water Operations Fund		Schedule 2			
Summary of Net Assets as of December 31					
	2003	2002	Change	Pct Chg	
Unrestricted current and other assets	\$ 71,476,057	68,431,619	3,044,438	4.4%	
Restricted assets	36,452,268	34,886,556	1,565,712	4.5%	
Capital assets, net	25,924	2,872	23,052	802.6%	
Long-term loans receivable	127,000,000	106,055,833	20,944,167	19.7%	
Total assets	<u>\$ 234,954,249</u>	<u>209,376,880</u>	<u>25,577,369</u>	<u>12.2%</u>	
Current and other liabilities	\$ 9,957,242	10,582,141	(624,899)	(5.9%)	
Project costs payable-leveraged loans	15,005,994	11,704,856	3,301,138	28.2%	
Long-term debt outstanding, net	127,388,333	106,363,333	21,025,000	19.8%	
Total liabilities	<u>152,351,569</u>	<u>128,650,330</u>	<u>23,701,239</u>	<u>18.4%</u>	
Fund net assets:					
Invested in capital assets	25,924	2,872	23,052	802.6%	
Restricted	21,383,146	16,565,244	4,817,902	29.1%	
Unrestricted	61,193,610	64,158,434	(2,964,824)	(4.6%)	
Total fund net assets	<u>82,602,680</u>	<u>80,726,550</u>	<u>1,876,130</u>	<u>2.3%</u>	
Total liabilities and fund net assets	<u>\$ 234,954,249</u>	<u>209,376,880</u>	<u>25,577,369</u>	<u>12.2%</u>	

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Also included in Restricted Assets of the Water Operations fund is the \$5.7 million unexpended balance of the Animas-La Plata Escrow Account. During 2003, \$1.2 million was paid to the Bureau of Reclamation (Bureau) bringing the total payments to \$2.2 million. Payments made to the Bureau represent progress payments for the purchase of average annual depletion of 2,600 acre-feet of water from the project. These progress payments are recorded as Water depletion rights and are included in Current and other assets.

Water Pollution Control Fund

The financial model for the WPCRF program allows for a reduction in debt service reserve fund balances annually in September, after bond principal and interest payments have been made. This process is referred to as “deallocation” and consists of the liquidation of debt service reserve fund investments and depositing the cash proceeds in the reloan account (cash equivalent investment). In 2003, \$8.9 million was deposited into the reloan account contributing to the \$11 million increase (30.2%) in the fund’s Current and other assets. Reloan funds were not used to fund leveraged loans in 2003.

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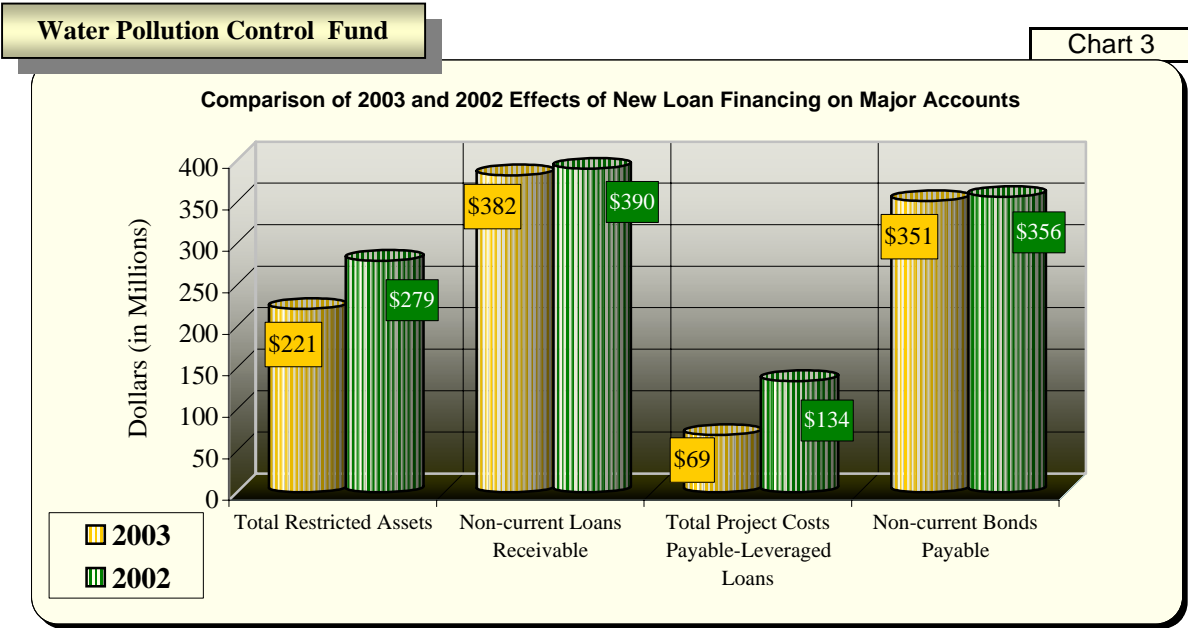
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Water Pollution Control Fund	Schedule 3			
Summary of Net Assets as of December 31				
	<u>2003</u>	<u>2002</u>	<u>Change</u>	<u>Pct Chg</u>
Unrestricted current and other assets	\$ 47,542,367	36,510,252	11,032,115	30.2%
Restricted assets	221,241,614	278,554,004	(57,312,390)	(20.6%)
Capital assets, net	15,269	15,154	115	0.8%
Long-term loans receivable	381,980,089	389,998,669	(8,018,580)	(2.1%)
Total assets	<u>\$ 650,779,339</u>	<u>705,078,079</u>	<u>(54,298,740)</u>	<u>(7.7%)</u>
Current and other liabilities	\$ 41,416,630	43,102,694	(1,686,064)	(3.9%)
Project costs payable-leveraged loans	68,501,609	134,234,465	(65,732,856)	(49.0%)
Long-term debt outstanding, net	350,590,562	356,190,998	(5,600,436)	(1.6%)
Total liabilities	<u>460,508,801</u>	<u>533,528,157</u>	<u>(73,019,356)</u>	<u>(13.7%)</u>
Fund net assets:				
Invested in capital assets	15,269	15,154	115	0.8%
Restricted	190,255,269	171,534,768	18,720,501	10.9%
Total fund net assets	<u>190,270,538</u>	<u>171,549,922</u>	<u>18,720,616</u>	<u>10.9%</u>
Total liabilities and fund net assets	<u>\$ 650,779,339</u>	<u>705,078,079</u>	<u>(54,298,740)</u>	<u>(7.7%)</u>

Chart 3 displays the comparative balances of the four-major accounts affected by loan activities. During 2003, the WPCRF issued revenue bonds totaling \$14.8 million. The bond proceeds plus \$1.4 million of state matching dollars, funded new leveraged loans totaling \$16.2 million. These loans and bonds added to the balances of each of the four accounts; however, net decreases in Restricted assets (\$57.3 million) and Project costs payable-leveraged loans (\$65.7 million) occurred due to construction draws totaling \$83.6 million. Net decreases in Long-term loans receivable (\$8 million), and Long-term debt (\$5.6 million) occurred because loan principal repayments (\$23.3 million) and bond principal payment (\$19.3 million) exceeded the effects of the 2003 new financing activity.

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The WPCRF had operating income of \$3.9 million, and federal grant revenue of \$14.9 million that resulted in the increase in restricted net assets of \$18.7 million.

Drinking Water Fund

Current and other assets decreased \$0.9 million in 2003. The net decrease was the result of transferring (decrease) unrestricted cash equivalents totaling \$3.6 million to satisfy state match requirement for the DWRF 2003 Series A and B bond issues and the deallocation (increase) of debt service reserve funds in September 2003 totaling \$2.5 million.

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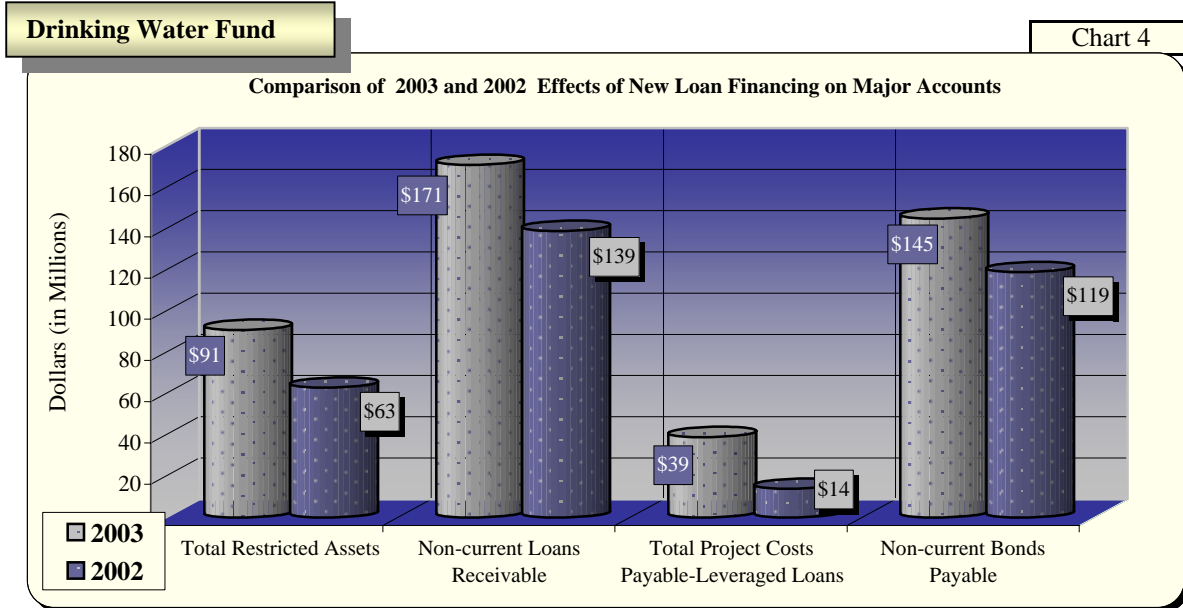
Drinking Water Fund		Schedule 4		
Summary of Net Assets as of December 31				
	2003	2002	Change	Pct Chg
Unrestricted current and other assets	\$ 26,354,886	27,239,221	(884,335)	(3.2%)
Restricted assets	91,232,278	63,465,261	27,767,017	43.8%
Capital assets, net	15,269	15,154	115	0.8%
Long-term loans receivable	170,546,121	139,471,317	31,074,804	22.3%
Total assets	<u>\$ 288,148,554</u>	<u>230,190,953</u>	<u>57,957,601</u>	<u>25.2%</u>
Current and other liabilities	\$ 14,065,966	12,730,640	1,335,326	10.5%
Project costs payable-leveraged loans	38,679,467	14,298,605	24,380,862	170.5%
Long-term debt outstanding, net	145,190,000	118,960,000	26,230,000	22.0%
Total liabilities	<u>197,935,433</u>	<u>145,989,245</u>	<u>51,946,188</u>	<u>35.6%</u>
Fund net assets:				
Invested in capital assets	15,269	15,154	115	0.8%
Restricted	77,569,688	68,379,804	9,189,884	13.4%
Unrestricted	12,628,164	15,806,750	(3,178,586)	(20.1%)
Total fund net assets	<u>90,213,121</u>	<u>84,201,708</u>	<u>6,011,413</u>	<u>7.1%</u>
Total liabilities and fund net assets	<u>\$ 288,148,554</u>	<u>230,190,953</u>	<u>57,957,601</u>	<u>25.2%</u>

During 2003, the DWRF issued Series A and Series B revenue bonds totaling \$32.5 million. The bond proceeds plus \$3.6 million state matching dollars, funded new leveraged loans totaling \$36.1 million. Chart 4 displays the comparative balances of the four-major accounts and the following net increases: Restricted assets (\$27.8 million), Long-term loans receivable (\$31.1 million), Project costs payable-leveraged loans (\$24.4 million), and Long-term debt (\$26.2 million). Construction draws totaling \$14.2 million limited the net increase in Restricted assets and Project costs payable-leveraged loans.

The DWRF had operating income of \$1.8 million, and federal grant revenue of \$4.2 million that resulted in the increase in net assets of \$6.0 million (7.1%).

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Summary of Changes in Fund Net Assets

Overview

As described in the notes to the basic financial statements, the Authority issues bonds to raise capital for funding program loans. The bonds are repaid from receipts of loan repayments (principal and interest) and in the WPCRF and DWRF, from investment income earned on restricted assets held in the borrowers' project accounts and in bond debt service reserve funds. This investment income used for paying bond debt service in the revolving funds represents the loan interest subsidy provided to the borrowers.

Below are schedules showing the summary of changes in net assets by individual enterprise funds and in total. Like the complete statements located in the basic financial statements, these summary schedules show operating revenues, operating expenses, operating income, other sources of revenue, and the changes in net assets in a comparative year format. These schedules quantify the operating results of the Authority as a financing entity. For 2003, investment income and loan interest income made up more than 79% of operating revenues, bond interest expense was more than 85% of operating expense, and 72% of total changes in net assets came from federal capitalization grant revenue.

The WPCRF and DWRF programs are allowed to collect a loan administrative fee surcharge to supplement administrative grant funds used to pay administrative expenses. The annual administrative fee surcharge rate is 0.8% and is applied to the original loan receivable balance, and is a component of loan repayments. Generally, these fees remain constant over the term of the loan.

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Pursuant to the implementation of Governmental Accounting Standards Board Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, for the WPCRF and the DWRF, federal capitalization grant receipts have been recorded as non-operating revenue. Grant revenue from the DWRF set asides and grant reimbursements for program administrative costs for both revolving funds are recorded as operating revenue. For loans funded with grant dollars, each project requisition generates a draw from the respective program's grant(s). Capitalization grant revenue is shown below operating income on the Summary of Changes in Fund Net Assets. Two major factors contribute to the amount of grant revenue recognized; 1) the number and size of loans made in the revolving funds for the year; and 2) the demand for project cost reimbursements, including projects funded in prior years.

Total Enterprise Funds

Schedules 5A and 5B combine the results of operations of the three enterprise funds, shown in a comparative year format. Although restrictions exist on transfers of monies among the enterprise funds, these schedules provide information about the overall financial operating results. Operating income was \$7.5 million, \$11.1 million and \$8.2 million for 2003, 2002 and 2001, respectively. Lower investment principal amounts, coupled with declining investment interest rate during 2003, led to a \$3.2 million decrease in investment income.

In 2002 investment balances increased significantly (net of project draws) due to the investment of bond proceeds for projects and the significant deposit of reloan funds in the bond debt service reserve funds in the WPCRF. These 2002 investments increased the restricted asset balance to \$376.9 million. This larger investment balance and higher investment interest rates resulted in the increase in investment income, and that contributed to the rise in operating income in 2002. Loan interest income rose in each of the years and totaled \$19.3 million, \$17.7 million and \$16.3 million for 2003, 2002 and 2001, respectively. The increases in loan interest income were the direct result of the additional loans made each year. For these years, loans receivable totaled \$720.1 million, \$670.9 million and \$576.5 million.

Total outstanding bonds payable were \$658.2 million, \$613.4 million and \$530.0 million at December 31, 2003, 2002 and 2001, respectively. This increase in outstanding debt resulted in the corresponding rise in bond interest expense of \$32.2 million, \$29.9 million and \$27.2 million for those years.

EPA capitalization grants totaled \$19.1 million, \$17.2 million and \$21.9 million for 2003, 2002 and 2001, respectively. As explained earlier in this section, grant funds are drawn as requisitions are paid to borrowers for projects that are financed with capitalization grant monies. These grant amounts are consistent with the project draws made in WPCRF and the DWRF for those years. The Water Operations Fund loans are not financed with federal grants.

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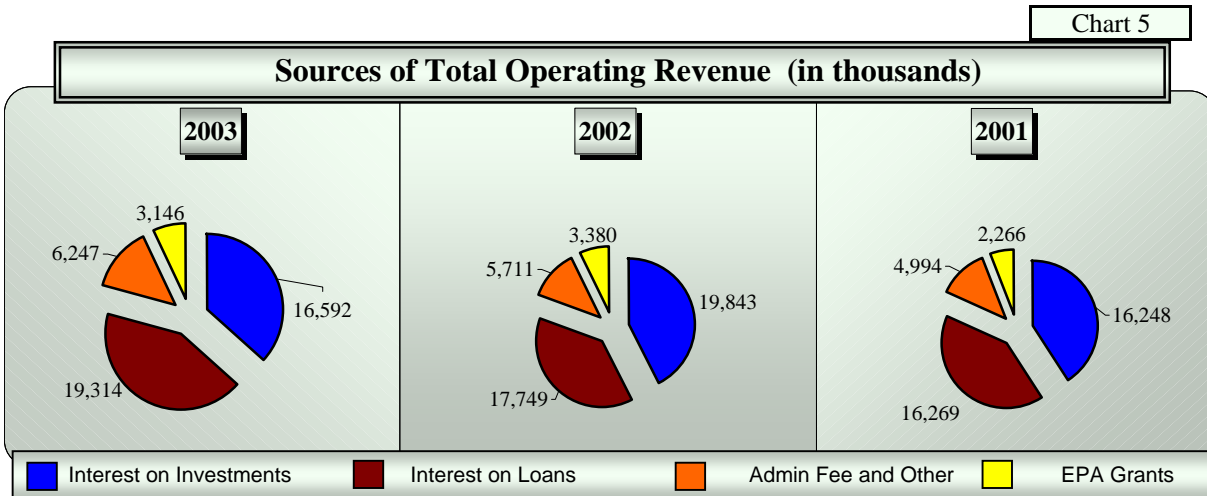
Total Enterprise Funds (2003 - 2002)		Schedule 5A		
Summary of Changes in Fund Net Assets as of December 31				
	<u>2003</u>	<u>2002</u>	<u>Change</u>	<u>Pct Chg</u>
Operating revenues:				
Interest on investments	\$ 16,592,162	19,843,062	(3,250,900)	(16.4%)
Interest on loans	19,313,722	17,748,957	1,564,765	8.8%
Administrative fee and other income	6,246,854	5,711,298	535,556	9.4%
EPA grants	3,145,799	3,379,566	(233,767)	(6.9%)
Total operating revenues	<u>45,298,537</u>	<u>46,682,883</u>	<u>(1,384,346)</u>	<u>(3.0%)</u>
Operating expenses:				
Interest on bonds	32,200,865	29,889,321	2,311,544	7.7%
Grant administration	2,251,592	2,114,324	137,268	6.5%
General, administrative, and other expenses	901,404	851,077	50,327	5.9%
EPA set asides	2,429,366	2,716,207	(286,841)	(10.6%)
Total operating expenses	<u>37,783,227</u>	<u>35,570,929</u>	<u>2,212,298</u>	<u>6.2%</u>
Operating income	7,515,310	11,111,954	(3,596,644)	(32.4%)
EPA capitalization grants	19,092,849	17,223,930	1,868,919	10.9%
Contributions from Animas-La Plata	-	7,311,511	(7,311,511)	(100.0%)
Change in net assets	<u>26,608,159</u>	<u>35,647,395</u>	<u>(9,039,236)</u>	<u>(25.4%)</u>
Net assets – beginning of year	336,478,180	300,830,785	35,647,395	11.8%
Net assets – end of year	<u>\$ 363,086,339</u>	<u>336,478,180</u>	<u>26,608,159</u>	<u>7.9%</u>

Total Enterprise Funds (2002 - 2001)		Schedule 5B		
Summary of Changes in Fund Net Assets as of December 31				
	<u>2002</u>	<u>2001</u>	<u>Change</u>	<u>Pct Chg</u>
Operating revenues:				
Interest on investments	\$ 19,843,062	16,248,309	3,594,753	22.1%
Interest on loans	17,748,957	16,269,369	1,479,588	9.1%
Administrative fee and other income	5,711,298	4,993,953	717,345	14.4%
EPA grants	3,379,566	2,266,178	1,113,388	49.1%
Total operating revenues	<u>46,682,883</u>	<u>39,777,809</u>	<u>6,905,074</u>	<u>17.4%</u>
Operating expenses:				
Interest on bonds	29,889,321	27,164,122	2,725,199	10.0%
Grant administration	2,114,324	2,083,171	31,153	1.5%
General, administrative, and other expenses	851,077	701,214	149,863	21.4%
EPA set asides	2,716,207	1,672,309	1,043,898	62.4%
Total operating expenses	<u>35,570,929</u>	<u>31,620,816</u>	<u>3,950,113</u>	<u>12.5%</u>
Operating income	11,111,954	8,156,993	2,954,961	36.2%
EPA capitalization grants	17,223,930	21,859,798	(4,635,868)	(21.2%)
Contributions from Animas-La Plata	7,311,511	37,881,052	(30,569,541)	(80.7%)
Change in net assets	<u>35,647,395</u>	<u>67,897,843</u>	<u>(32,250,448)</u>	<u>(47.5%)</u>
Net assets – beginning of year	300,830,785	232,932,942	67,897,843	29.1%
Net assets – end of year	<u>\$ 336,478,180</u>	<u>300,830,785</u>	<u>35,647,395</u>	<u>11.8%</u>

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Chart 5 shows the major components of total operating revenue. These charts show the effects of investment and loan interest earnings discussed above, including the rise and fall in investment income in 2002 and 2003. Leveraged loans in the WPCRf and the DWRf are subsidized by investment income earned in the debt service reserve funds (reserve fund financing model). The reserve fund earnings make up a significant portion of total investment income. The investment income plus loan interest income provides the funds to pay the bond interest expense in each corresponding year. As expected, administrative fee income, collected on loans, increased in direct proportion to the balances in the WPCRf and DWRf loans receivable. The EPA grant revenue shown in operating income is comprised of grant funds drawn for program administration, and for funding the DWRf set aside activities as discussed in the notes to basic financial statements. EPA capitalization grants used for the loan programs are not part of operating income.



The discussion below describes the changes to each of the three-enterprise fund's summary schedule of changes in net assets and associated charts to provide visual information of the components of income and expense that impact the change in fund net assets for 2003 and 2002.

Water Operations Fund

The Summary of Net Assets (Schedule 2) for the Water Operations Fund shows that non-current loans receivable and bonds payable each increased over \$20 million (approximately 20%). Loan interest income and bond interest expense increased 9.8% and 7.3%, respectively (see Schedule 6). These increases are proportional to the increases to the loans and bonds, since the loans and bonds were issued about mid-year in both 2003 and 2002. Interest on investments decreased nearly \$1 million (28.9%) in 2003. This decrease was the result of declining interest rates throughout the year. The fund had over \$53 million invested in the pool managed by the Colorado state treasurer and the average interest rate declined from 4.8% at the beginning of the year to 3% by the end of 2003. COLOTRUST investment pool rates declined from 1.3% to 0.9%.

As shown in Chart 6, investment and loan interest income are the principal sources of operating revenue in the Water Operations Fund. As discussed above, investment income decreased 28.9%, while loan interest income increased by 9.8%. General, administrative and other expenses remained fairly constant, while bond interest expense rose 7.3% due to the additional bonds issued in 2003. The 30.1% decrease in operating income is primarily the result of lower investment income in 2003.

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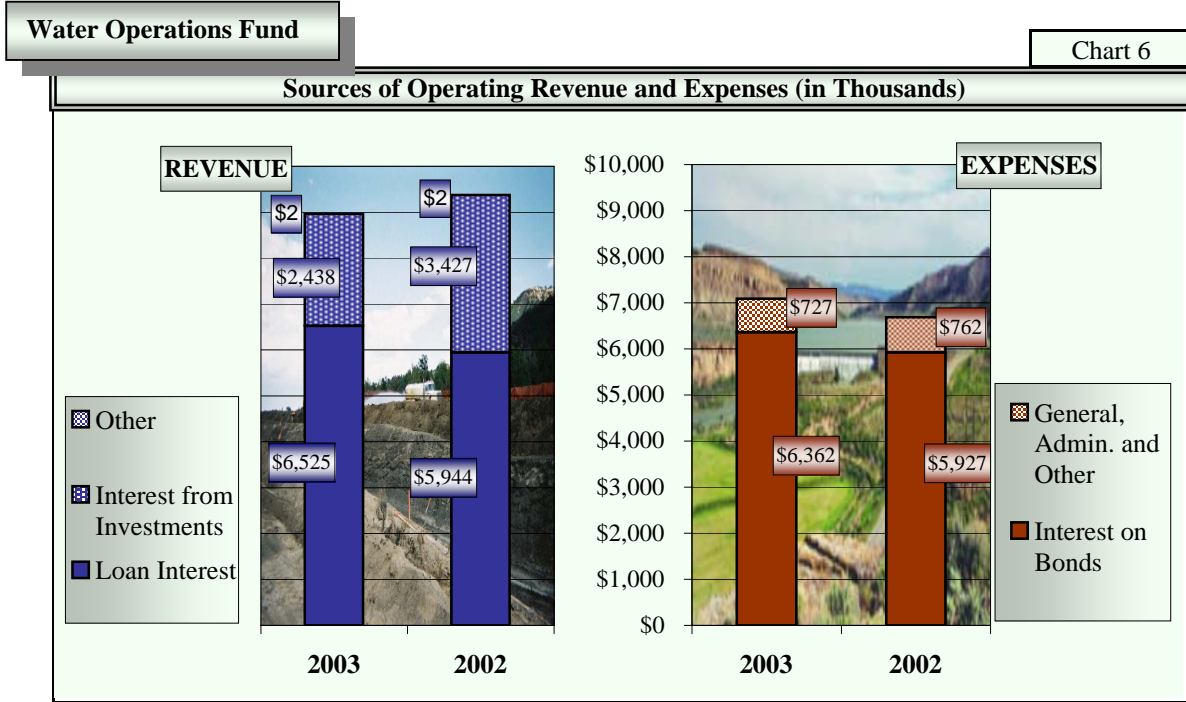
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The \$7.3 million balance of the Animas-La Plata escrow account that was contributed to the Water Operations Fund in 2002 is contractually committed for payment to the Bureau of Reclamation. In exchange for the payments the Authority will receive rights to average annual depletion of 2,600 acre-feet of water from the reservoir project. During 2003, only investment income earned on the escrow account affected the changes in fund net assets. The \$1.2 million payment to the Bureau was recorded as an addition to the Water depletion rights on the Statement of Net Assets in the basic financial statements.

Water Operations Fund	Schedule 6			
Summary of Changes in Fund Net Assets as of December 31				
	<u>2003</u>	<u>2002</u>	<u>Change</u>	<u>Pct Chg</u>
Operating revenues:				
Interest on investments	\$ 2,438,377	3,427,154	(988,777)	(28.9%)
Interest on loans	6,525,096	5,944,449	580,647	9.8%
Other income	1,631	2,464	(833)	(33.8%)
Total operating revenues	<u>8,965,104</u>	<u>9,374,067</u>	<u>(408,963)</u>	<u>(4.4%)</u>
Operating expenses:				
Interest on bonds	6,362,280	5,927,012	435,268	7.3%
General, administrative, and other expenses	726,694	761,914	(35,220)	(4.6%)
Total operating expenses	<u>7,088,974</u>	<u>6,688,926</u>	<u>400,048</u>	<u>6.0%</u>
Operating income	1,876,130	2,685,141	(809,011)	(30.1%)
Contributions from agency fund	-	7,311,511	(7,311,511)	(100.0%)
Change in net assets	<u>1,876,130</u>	<u>9,996,652</u>	<u>(8,120,522)</u>	<u>(81.2%)</u>
Net assets – beginning of year	80,726,550	70,729,898	9,996,652	14.1%
Net assets – end of year	<u>\$ 82,602,680</u>	<u>80,726,550</u>	<u>1,876,130</u>	<u>2.3%</u>

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Water Pollution Control Fund

In May 2003, bonds were issued in the WPCRF program totaling \$14.8 million, funding three loans. The Summary of Net Assets (Schedule 3) for the WPCRF shows that long-term loans receivable and bonds payable decreased by about 2%. Normally a direct correlation exists between changes in loan interest income and bond interest expense and the changes in asset and liability balances. However, in 2002, \$78.7 million in bonds were issued (\$55.3 million in May and \$23.4 million in November) and associated loans were funded. These loan and bond balances were outstanding for a few months in 2002 but were outstanding throughout 2003. Loan interest income increased 4.0% and bond interest expense increased 8.1% despite lower principal balances at the end of 2003.

Interest on investments decreased \$1.9 million (14.7%) in 2003. Although lower investment rates played a part in this decrease, the major cause of the decrease was Restricted asset balances decreased \$57.3 million (20.6%). This decrease in Restricted assets was caused by project requisitions paid to borrowers totaling \$83.6 million. Reductions to the principal balances in those project accounts directly reduced the amounts of interest earned.

Chart 7 shows the components of operating income and expenses in a comparative format. As discussed above, loan interest income and bond interest expense rose moderately, while investment income decreased \$1.9 million (14.7%). Loan administrative fee income, which is computed based upon the original loan balances, rose \$0.2 million.

COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY

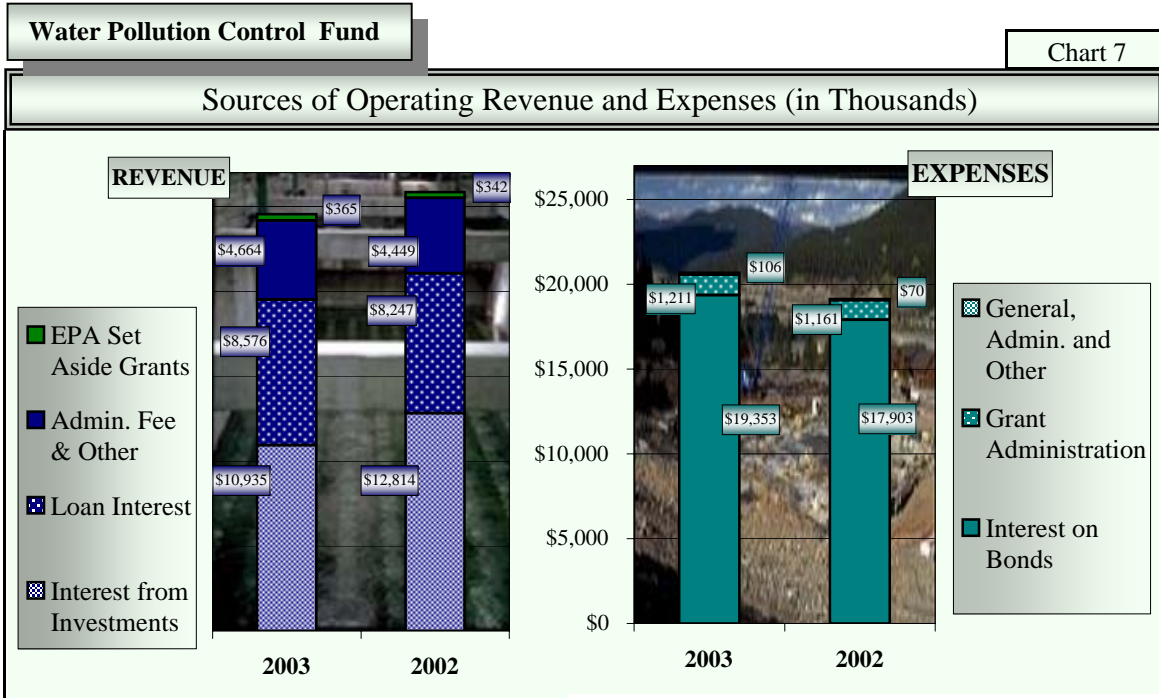
Management's Discussion and Analysis
Years Ended December 31, 2003 and 2002

Water Pollution Control Fund	Schedule 7			
Summary of Changes in Fund Net Assets as of December 31				
	<u>2003</u>	<u>2002</u>	<u>Change</u>	<u>Pct Chg</u>
Operating revenues:				
Interest on investments	\$ 10,935,359	12,813,566	(1,878,207)	(14.7%)
Interest on loans	8,575,742	8,247,247	328,495	4.0%
Administrative fee and other income	4,664,308	4,448,989	215,319	4.8%
EPA grants-administrative	365,188	341,565	23,623	6.9%
Total operating revenues	<u>24,540,597</u>	<u>25,851,367</u>	<u>(1,310,770)</u>	<u>(5.1%)</u>
Operating expenses:				
Interest on bonds	19,353,391	17,902,940	1,450,451	8.1%
Grant administration	1,211,440	1,161,206	50,234	4.3%
General, administrative, and other expenses	106,153	69,657	36,496	52.4%
Total operating expenses	<u>20,670,984</u>	<u>19,133,803</u>	<u>1,537,181</u>	<u>8.0%</u>
Operating income	3,869,613	6,717,564	(2,847,951)	(42.4%)
EPA capitalization grants	14,851,003	10,402,409	4,448,594	42.8%
Change in net assets	<u>18,720,616</u>	<u>17,119,973</u>	<u>1,600,643</u>	<u>9.3%</u>
Net assets – beginning of year	171,549,922	154,429,949	17,119,973	11.1%
Net assets – end of year	<u>\$ 190,270,538</u>	<u>171,549,922</u>	<u>18,720,616</u>	<u>10.9%</u>

The cost to administer the WPCRF for 2003 was \$1.2 million. Included in this amount are reimbursed costs paid to the Water Quality Control Division of the Colorado Department of Public Health and Environment (\$0.6 million), and the Division of Local Government of the Colorado Department of Local Affairs (\$0.1 million). These agencies of the State provide environmental, technical, outreach and financial analysis services in operating the WPCRF Program.

COLORADO WATER RESOURCES
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As discussed at the beginning of this section, a proportionate amount of federal capitalization grant revenue is recognized for each borrower project requisition. Capitalization grants revenue totaled \$14.9 million, and is consistent with project draws totaling over \$83 million.

Drinking Water Fund

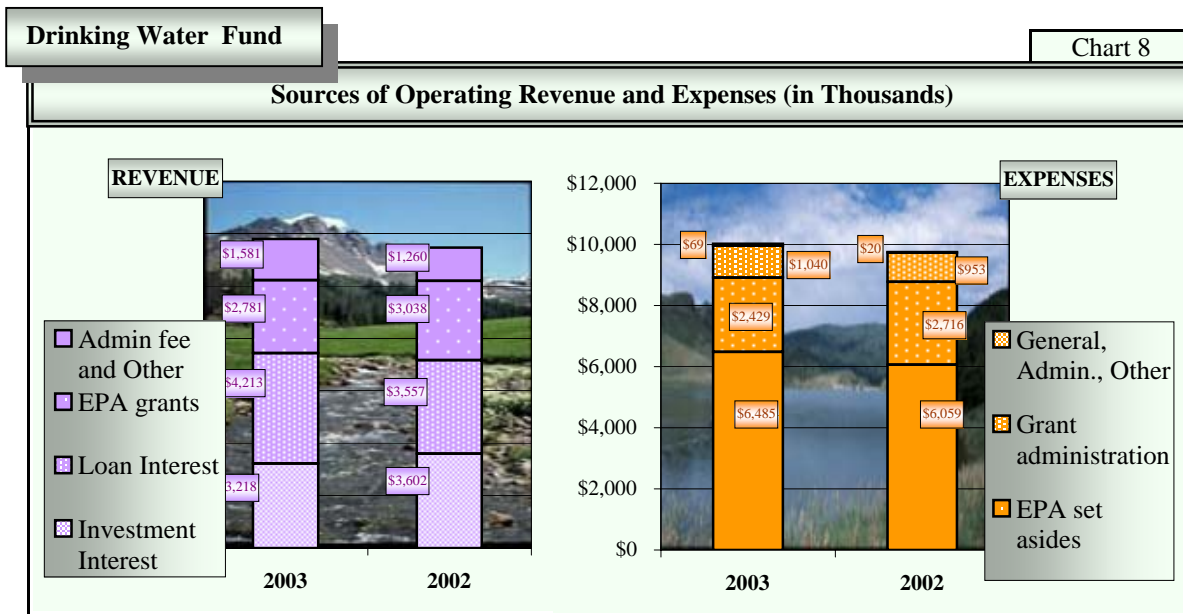
In 2003, bonds were issued in the DWRF totaling \$32.5 million. In June, \$20.8 million of bonds were issued to fund three loans, and in November, \$11.7 million of bonds were issued to fund one loan. The Summary of Net Assets (Schedule 4) for the DWRF shows that long-term loans receivable and bonds payable increased by 22.3% and 22.0% respectively. Included in the increase in loans receivable were four direct loans totaling \$3.2 million funded from reloan funds. Taking into consideration the timing and types of these financing activities, loan interest income and bond interest expense increased 18.4% and 7.0%.

As shown in Schedule 4, Restricted assets increased \$27.8 million (43.8%). This increase in investment principal would normally have produced an increase in Interest on investments; however, that income decreased \$0.4 million (10.7%). Several interrelated factors had an impact on this decrease: 1) In 2002 investment interest rates on Restricted assets generally exceeded the arbitrage rate on the associated bonds, 2) In 2003 market conditions dictated a much lower interest rate (approximately 1.8%) on the short-term investment of bond proceeds in the borrowers' project accounts, and 3) as discussed in the Water Operations Fund section on page 6 of this discussion, the interest rate on investments held in the pool managed by the Colorado state treasurer decreased 1.8% during 2003, which reduced the income earned on the \$8.5 million held in that account.

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Management's Discussion and Analysis
Years Ended December 31, 2003 and 2002

Drinking Water Fund	Schedule 8			
Summary of Changes in Fund Net Assets as of December 31				
	<u>2003</u>	<u>2002</u>	<u>Change</u>	<u>Pct Chg</u>
Operating revenues:				
Interest on investments	\$ 3,218,426	3,602,342	(383,916)	(10.7%)
Interest on loans	4,212,884	3,557,261	655,623	18.4%
Administrative fee and other income	1,580,915	1,259,845	321,070	25.5%
EPA grants	2,780,611	3,038,001	(257,390)	(8.5%)
Total operating revenues	<u>11,792,836</u>	<u>11,457,449</u>	<u>335,387</u>	<u>2.9%</u>
Operating expenses:				
Interest on bonds	6,485,194	6,059,369	425,825	7.0%
Grant administration	1,040,152	953,118	87,034	9.1%
General, administrative, and other expenses	68,557	19,506	49,051	251.5%
EPA set asides	2,429,366	2,716,207	(286,841)	(10.6%)
Total operating expenses	<u>10,023,269</u>	<u>9,748,200</u>	<u>275,069</u>	<u>2.8%</u>
Operating income	1,769,567	1,709,249	60,318	3.5%
EPA capitalization grants	4,241,846	6,821,521	(2,579,675)	(37.8%)
Change in net assets	<u>6,011,413</u>	<u>8,530,770</u>	<u>(2,519,357)</u>	<u>(29.5%)</u>
Net assets – beginning of year	84,201,708	75,670,938	8,530,770	11.3%
Net assets – end of year	<u>\$ 90,213,121</u>	<u>84,201,708</u>	<u>6,011,413</u>	<u>7.1%</u>



COLORADO WATER RESOURCES
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Please refer to the notes to the basic financial statements for an explanation of the set aside programs funded by the DWRF. These grant dollars reimburse the costs incurred to implement these special programs designed to enhance safe drinking water supplies. As program costs are incurred, EPA grant funds are drawn for those specific purposes. The amount of set aside program income and expense is dependent upon the actions of the Water Quality Control Division. In 2003, these expenditures were about 10% lower than in 2002.

The cost to administer the DWRF for 2003 was about \$1 million. Included in this amount are reimbursed costs paid to the Water Quality Control Division of the Colorado Department of Public Health and Environment (\$0.6 million), and the Division of Local Government of the Colorado Department of Local Affairs (\$0.1 million). These State agencies provide environmental, technical, outreach and financial analysis services in operating the DWRF.

EPA capitalization grants revenues decreased \$2.6 million (37.8%) in 2003. As discussed at the beginning of this section, a proportionate amount of federal capitalization grant revenue is recognized for each borrower project requisition. However, because certain loans are funded partially or entirely by reloan dollars (recycled grant funds), not all project requisitions result in the recognition of grant revenue. Furthermore, project requisitions paid decreased from \$18.9 million in 2002 to \$14.2 million in 2003. That decrease in the amount of requisitions paid resulted in the decrease in EPA capitalization grant draws.

Economic Factors

The demand for financing water and wastewater infrastructure projects is not significantly affected by general economic conditions. This demand has remained strong even though Colorado's economy remains relatively weak. Some of the factors that bolster this demand are:

- * Loans are repaid primarily from service revenues rather than tax revenues, and these revenues are less susceptible to fluctuations than are tax revenues.
- * More stringent, federal water quality standards often mandate the replacement of or upgrades to infrastructure.
- * Colorado's population continues to increase, requiring plant expansions.
- * The continued drought affecting Colorado for the past few years has created interest in building additional reservoir storage and transmission projects.
- * Low interest rates on municipal bonds issued by the Authority result in lower loan interest rates, especially those loans subsidized by the WPCRF and DWRF, thereby making project financing more affordable for local communities.

The Authority includes all potential loans in its enterprise fund budgets as shown in Schedule 9. A high demand for financing from the Water Operations Fund is expected in 2004. In January 2004 the Board of Directors approved loans totaling more than \$100 million for a jointly owned wastewater treatment facility. Approximately 40% of this project will be funded by the WRBP in the Water Operation Fund, and the balance will be funded by the WPCRF. In February 2004, a water and sanitation district submitted an application for a \$105 million WRBP loan for the construction of a dam, treatment plant and pump station.

COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY

Management's Discussion and Analysis
Years Ended December 31, 2003 and 2002

Total Enterprise Funds		Schedule 9
<u>2004 Authority Budget for Water Project Loans</u>		
Fund	Loan budget (millions)	
Water Operations Fund	\$	316.5
Water Pollution Control Revolving Fund		85.2
Drinking Water Revolving Fund		31.3
Total loans	\$	433.0

The demand for loans in the Water Pollution Control Enterprise Fund is expected to remain very strong in 2004. To accommodate this demand, all of the estimated WPCRF loan capacity has been included in the 2004 budget. To help meet this demand in 2004, the EPA and the Governor approved the return transfer of \$6.7 million in capitalization grant funds from the DWRF to the WPCRF in 2003. As discussed above, the \$100 million wastewater project will be funded about 60% from the WPCRF, and 40% from the Water Operations Fund, thereby reserving WPCRF loan capacity for other potential borrowers.

The Drinking Water Enterprise Fund is expecting a moderate loan demand in 2004. That demand, coupled with the transfer of grant funds back to the WPCRF, resulted in all of the DWRF loan capacity being included in the 2004 budget.

To fund the loans discussed above, the Authority has included in the respective enterprise fund budgets sufficient resources from additional bond issues and capitalization grants as needed and available. Furthermore, budget provisions for loan repayment revenue and bond debt service were made, including the new financing activities for 2004.

The Authority plans to continue subsidizing loan interest rates for both the WPCRF and DWRF in 2004. Unobligated grant funds available for loans at December 31, 2003 for the WPCRF totaled \$12.8 million. All of the DWRF grant funds have been obligated. Furthermore, the Authority is applying to the EPA for Colorado's share of the revolving fund grants for 2004. The grant amounts (available for loans) being applied for are \$10.2 million for the WPCRF and \$10.4 million for the DWRF. The 2004 WPCRF and DWRF budgets utilize remaining unobligated grant funds and the anticipated 2004 grants. Funds for the 2004 grants have been appropriated by Congress, and the Authority submitted applications for the State's allotment in March 2004. Estimated reloan funds of \$25.1 million and \$8.4 million for WPCRF and DWRF, respectively, will be available to augment the EPA grant funds for making loans in 2004.

Requests for Information

This financial report was designed to provide a general overview for all those with an interest in the Authority's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to:

Duane Dohrer, Controller
Colorado Water Resources & Power Development Authority
1580 Logan Street, Suite 620
Denver, CO 80203

BASIC FINANCIAL STATEMENTS

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Statements of Net Assets

December 31, 2003

Assets	Water Operations	Water Pollution Control	Drinking Water	Totals
Current assets:				
Cash and cash equivalents	\$ 48,210,320	19,687,494	16,845,455	84,743,269
Federal grants receivable	—	39,942	103,903	143,845
Investment income receivable	310,118	355,390	162,114	827,622
Loans receivable	9,685,965	23,240,877	7,667,978	40,594,820
Due from other funds	428,459	—	—	428,459
Accounts receivable – borrowers	444,223	4,218,664	1,575,436	6,238,323
Accounts receivable – other	59,707	—	—	59,707
Restricted assets:				
Cash and cash equivalents	19,361,476	17,166,516	8,956,772	45,484,764
Investments	1,500,000	60,787,273	36,013,371	98,300,644
Investment income receivable	17,506	1,354,453	491,709	1,863,668
Total current assets	<u>80,017,774</u>	<u>126,850,609</u>	<u>71,816,738</u>	<u>278,685,121</u>
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	9,199,195	—	—	9,199,195
Investments	6,361,034	139,509,386	45,275,380	191,145,800
Investment income receivable	13,057	2,423,986	495,046	2,932,089
Advance receivable	9,535,781	—	—	9,535,781
Loans receivable	127,000,000	381,980,089	170,546,121	679,526,210
Water depletion rights – Animas-La Plata	2,243,278	—	—	2,243,278
Capital assets – equipment, net of accumulated depreciation of \$126,472	25,924	15,269	15,269	56,462
Other assets	558,206	—	—	558,206
Total noncurrent assets	<u>154,936,475</u>	<u>523,928,730</u>	<u>216,331,816</u>	<u>895,197,021</u>
Total assets	<u>\$ 234,954,249</u>	<u>650,779,339</u>	<u>288,148,554</u>	<u>1,173,882,142</u>
Liabilities and Fund Net Assets				
Current liabilities:				
Bonds payable	\$ 6,690,000	20,450,000	6,300,000	33,440,000
Accrued interest payable	1,039,722	6,294,900	2,281,674	9,616,296
Accounts payable – borrowers	821,296	—	—	821,296
Due to other funds	—	184,078	244,381	428,459
Accounts payable – other	395,410	—	78,926	474,336
Project costs payable – direct loans	—	528,387	3,014,214	3,542,601
Project costs payable – leveraged loans	15,005,994	68,101,609	36,541,467	119,649,070
Total current liabilities	<u>23,952,422</u>	<u>95,558,974</u>	<u>48,460,662</u>	<u>167,972,058</u>
Noncurrent liabilities:				
Project costs payable – direct loans	—	—	—	—
Project costs payable – leveraged loans	—	400,000	2,138,000	2,538,000
Advance payable	—	9,535,781	—	9,535,781
Bonds payable, net	127,388,333	350,590,562	145,190,000	623,168,895
Deferred revenue	27,079	270,635	—	297,714
Debt service reserve deposit	600,000	—	—	600,000
Other liabilities	383,735	4,152,849	2,146,771	6,683,355
Total noncurrent liabilities	<u>128,399,147</u>	<u>364,949,827</u>	<u>149,474,771</u>	<u>642,823,745</u>
Total liabilities	<u>152,351,569</u>	<u>460,508,801</u>	<u>197,935,433</u>	<u>810,795,803</u>
Fund net assets:				
Invested in capital assets	25,924	15,269	15,269	56,462
Restricted	21,383,146	190,255,269	77,569,688	289,208,103
Unrestricted	61,193,610	—	12,628,164	73,821,774
Total fund net assets	<u>82,602,680</u>	<u>190,270,538</u>	<u>90,213,121</u>	<u>363,086,339</u>
Total liabilities and fund net assets	<u>\$ 234,954,249</u>	<u>650,779,339</u>	<u>288,148,554</u>	<u>1,173,882,142</u>

See accompanying notes to basic financial statements.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Statements of Net Assets

December 31, 2002

Assets	Water Operations	Water Pollution Control	Drinking Water	Totals
Current assets:				
Cash and cash equivalents	\$ 46,548,452	11,041,586	18,866,819	76,456,857
Federal grants receivable	—	81,020	388,120	469,140
Investment income receivable	289,845	459,780	194,669	944,294
Loans receivable	8,054,334	20,792,144	6,510,537	35,357,015
Due from other funds	889,392	—	—	889,392
Accounts receivable – borrowers	246,991	4,135,722	1,279,076	5,661,789
Accounts receivable – other	4,459	—	—	4,459
Restricted assets:				
Cash and cash equivalents	14,719,496	23,485,129	8,839,588	47,044,213
Investments	—	68,256,395	6,224,520	74,480,915
Investment income receivable	25,792	1,550,399	232,516	1,808,707
Total current assets	<u>70,778,761</u>	<u>129,802,175</u>	<u>42,535,845</u>	<u>243,116,781</u>
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	4,283,402	—	—	4,283,402
Investments	15,822,636	182,183,248	47,436,451	245,442,335
Investment income receivable	35,230	3,078,833	732,186	3,846,249
Advance receivable	11,307,347	—	—	11,307,347
Loans receivable	106,055,833	389,998,669	139,471,317	635,525,819
Water depletion rights – Animas-La Plata	1,081,405	—	—	1,081,405
Capital assets – equipment, net of accumulated depreciation of \$136,717	2,872	15,154	15,154	33,180
Other assets	9,394	—	—	9,394
Total noncurrent assets	<u>138,598,119</u>	<u>575,275,904</u>	<u>187,655,108</u>	<u>901,529,131</u>
Total assets	<u>\$ 209,376,880</u>	<u>705,078,079</u>	<u>230,190,953</u>	<u>1,144,645,912</u>
Liabilities and Fund Net Assets				
Current liabilities:				
Bonds payable	\$ 5,245,000	19,265,000	5,345,000	29,855,000
Accrued interest payable	917,660	6,299,091	2,044,309	9,261,060
Accounts payable – borrowers	2,428,339	—	—	2,428,339
Due to other funds	—	319,966	569,426	889,392
Accounts payable – other	802,160	81,582	—	883,742
Project costs payable – direct loans	—	924,659	2,523,871	3,448,530
Project costs payable – leveraged loans	9,660,938	80,476,909	6,739,260	96,877,107
Total current liabilities	<u>19,054,097</u>	<u>107,367,207</u>	<u>17,221,866</u>	<u>143,643,170</u>
Noncurrent liabilities:				
Project costs payable – direct loans	—	130,701	213,621	344,322
Project costs payable – leveraged loans	2,043,918	53,757,556	7,559,345	63,360,819
Advance payable	—	11,307,347	—	11,307,347
Bonds payable, net	106,363,333	356,190,998	118,960,000	581,514,331
Deferred revenue	41,207	293,188	—	334,395
Debt service reserve deposit	600,000	—	—	600,000
Other liabilities	547,775	4,481,160	2,034,413	7,063,348
Total noncurrent liabilities	<u>109,596,233</u>	<u>426,160,950</u>	<u>128,767,379</u>	<u>664,524,562</u>
Total liabilities	<u>128,650,330</u>	<u>533,528,157</u>	<u>145,989,245</u>	<u>808,167,732</u>
Fund net assets:				
Invested in capital assets	2,872	15,154	15,154	33,180
Restricted	16,565,244	171,534,768	68,379,804	256,479,816
Unrestricted	64,158,434	—	15,806,750	79,965,184
Total fund net assets	<u>80,726,550</u>	<u>171,549,922</u>	<u>84,201,708</u>	<u>336,478,180</u>
Total liabilities and fund net assets	<u>\$ 209,376,880</u>	<u>705,078,079</u>	<u>230,190,953</u>	<u>1,144,645,912</u>

See accompanying notes to basic financial statements.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Statements of Revenues, Expenses, and Changes in Fund Net Assets

Year ended December 31, 2003

	Water Operations	Water Pollution Control	Drinking Water	Totals
Operating revenues:				
Interest on loans	\$ 6,525,096	8,575,742	4,212,884	19,313,722
Interest on investments	2,438,377	10,935,359	3,218,426	16,592,162
Surcharge from borrowers	—	592,497	—	592,497
Administrative fee	—	4,006,729	1,553,216	5,559,945
EPA grants	—	365,188	2,780,611	3,145,799
Other	1,631	65,082	27,699	94,412
Total operating revenues	<u>8,965,104</u>	<u>24,540,597</u>	<u>11,792,836</u>	<u>45,298,537</u>
Operating expenses:				
Interest on bonds	6,362,280	19,353,391	6,485,194	32,200,865
Grant administration	—	1,211,440	1,040,152	2,251,592
Project expenses	209,995	—	—	209,995
General and administrative	516,699	1,697	1,697	520,093
EPA set asides	—	—	2,429,366	2,429,366
Other	—	104,456	66,860	171,316
Total operating expenses	<u>7,088,974</u>	<u>20,670,984</u>	<u>10,023,269</u>	<u>37,783,227</u>
Operating income	1,876,130	3,869,613	1,769,567	7,515,310
EPA capitalization grants	—	14,851,003	4,241,846	19,092,849
Change in net assets	1,876,130	18,720,616	6,011,413	26,608,159
Fund net assets – beginning of year	<u>80,726,550</u>	<u>171,549,922</u>	<u>84,201,708</u>	<u>336,478,180</u>
Fund net assets – end of year	<u>\$ 82,602,680</u>	<u>190,270,538</u>	<u>90,213,121</u>	<u>363,086,339</u>

See accompanying notes to basic financial statements.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Statements of Revenues, Expenses, and Changes in Fund Net Assets

Year ended December 31, 2002

	Water Operations	Water Pollution Control	Drinking Water	Totals
Operating revenues:				
Interest on loans	\$ 5,944,449	8,247,247	3,557,261	17,748,957
Interest on investments	3,427,154	12,813,566	3,602,342	19,843,062
Surcharge from borrowers	—	624,820	—	624,820
Administrative fee	—	3,662,878	1,239,576	4,902,454
EPA grants	—	341,565	3,038,001	3,379,566
Other	2,464	161,291	20,269	184,024
Total operating revenues	<u>9,374,067</u>	<u>25,851,367</u>	<u>11,457,449</u>	<u>46,682,883</u>
Operating expenses:				
Interest on bonds	5,927,012	17,902,940	6,059,369	29,889,321
Grant administration	—	1,161,206	953,118	2,114,324
Project expenses	258,148	—	—	258,148
General and administrative	503,766	—	—	503,766
EPA set asides	—	—	2,716,207	2,716,207
Other	—	69,657	19,506	89,163
Total operating expenses	<u>6,688,926</u>	<u>19,133,803</u>	<u>9,748,200</u>	<u>35,570,929</u>
Operating income	2,685,141	6,717,564	1,709,249	11,111,954
EPA capitalization grants	—	10,402,409	6,821,521	17,223,930
Contributions from Animas-La Plata	7,311,511	—	—	7,311,511
Change in net assets	9,996,652	17,119,973	8,530,770	35,647,395
Fund net assets – beginning of year	<u>70,729,898</u>	<u>154,429,949</u>	<u>75,670,938</u>	<u>300,830,785</u>
Fund net assets – end of year	<u>\$ 80,726,550</u>	<u>171,549,922</u>	<u>84,201,708</u>	<u>336,478,180</u>

See accompanying notes to basic financial statements.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Statements of Cash Flows
Year ended December 31, 2003

	<u>Water Operations</u>	<u>Water Pollution Control</u>	<u>Drinking Water</u>	<u>Totals</u>
Cash flows from operating activities:				
Loan administrative fees received	\$ —	4,466,260	1,472,091	5,938,351
Federal funds received	—	406,266	3,064,828	3,471,094
Cash payments for salaries and related benefits	(372,862)	(325,640)	(231,554)	(930,056)
Cash payments to other state agencies for services	—	(758,218)	(697,110)	(1,455,328)
Cash payments to vendors	(357,844)	(317,941)	(2,932,758)	(3,608,543)
Net cash provided (used) by operating activities	<u>(730,706)</u>	<u>3,470,727</u>	<u>675,497</u>	<u>3,415,518</u>
Cash flows from noncapital financing activities:				
Proceeds from the sale of bonds	27,313,253	14,737,557	32,610,661	74,661,471
Federal funds received	—	14,851,003	4,241,846	19,092,849
Principal paid on bonds	(5,245,000)	(19,265,000)	(5,345,000)	(29,855,000)
Interest paid on bonds	(5,921,359)	(19,298,531)	(6,320,985)	(31,540,875)
Cash payment for bond issuance costs	(577,775)	(254,321)	(206,066)	(1,038,162)
Net cash provided (used) by noncapital financing activities	<u>15,569,119</u>	<u>(9,229,292)</u>	<u>24,980,456</u>	<u>31,320,283</u>
Cash flows from capital and related financing activities:				
Purchase of capital assets	(26,889)	(1,812)	(1,812)	(30,513)
Cash flows from investing activities:				
Proceeds from sales or maturities of investments	7,961,602	83,438,188	8,763,885	100,163,675
Interest received on investments	2,769,020	13,124,751	3,618,403	19,512,174
Interest received on loans	6,228,461	8,547,518	3,997,650	18,773,629
Principal repayments from localities on loans	8,496,846	23,298,281	6,948,053	38,743,180
Cash received from (paid to) other accounts	1,771,566	(1,771,566)	—	—
Purchase of investments	—	(33,658,451)	(36,391,665)	(70,050,116)
Investment in water rights	(1,161,873)	—	—	(1,161,873)
Cash disbursed to localities for loans	(27,659,686)	(83,642,441)	(14,217,616)	(125,519,743)
Cash payment for arbitrage rebate	(168,824)	(1,248,608)	(277,031)	(1,694,463)
Cash payments of interest to borrowers	(1,828,995)	—	—	(1,828,995)
Net cash provided (used) by investing activities	<u>(3,591,883)</u>	<u>8,087,672</u>	<u>(27,558,321)</u>	<u>(23,062,532)</u>
Net increase (decrease) in cash and cash equivalents	11,219,641	2,327,295	(1,904,180)	11,642,756
Cash and cash equivalents, beginning of year	65,551,350	34,526,715	27,706,407	127,784,472
Cash and cash equivalents, end of year	<u>\$ 76,770,991</u>	<u>36,854,010</u>	<u>25,802,227</u>	<u>139,427,228</u>
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income	\$ 1,876,130	3,869,613	1,769,567	7,515,310
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	3,838	1,697	1,697	7,232
Accrued sick leave expense	5,600	—	—	5,600
Interest on bonds	6,362,280	19,353,392	6,497,742	32,213,414
Cost of issuance proceeds	—	(65,082)	(27,699)	(92,781)
Interest on loans	(6,525,096)	(8,575,742)	(4,212,884)	(19,313,722)
Interest on investments	(2,438,377)	(10,935,359)	(3,218,426)	(16,592,162)
Put fees on Treasury bonds	—	49,985	—	49,985
Amortization of deferred revenue	(14,128)	(22,553)	—	(36,681)
Change in assets and liabilities:				
Decrease in due from other funds	464,825	—	—	464,825
(Increase) in accounts receivable – borrowers	—	(106,521)	(93,673)	(200,194)
Decrease in other receivables	—	41,078	284,217	325,295
(Decrease) in accounts payable – other	(465,778)	—	—	(465,778)
(Decrease) in due to other funds	—	(139,781)	(325,044)	(464,825)
Net cash provided (used) by operating activities	<u>\$ (730,706)</u>	<u>3,470,727</u>	<u>675,497</u>	<u>3,415,518</u>

See accompanying notes to basic financial statements.

**COLORADO WATER RESOURCES
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Statements of Cash Flows

Year ended December 31, 2002

	<u>Water Operations</u>	<u>Water Pollution Control</u>	<u>Drinking Water</u>	<u>Totals</u>
Cash flows from operating activities:				
Loan administrative fees received	\$ —	4,023,053	1,149,566	5,172,619
Federal funds received	—	339,810	2,914,789	3,254,599
Cash received – set aside state match reimbursement	—	—	4,022	4,022
Cash received for tenant finish allowance	42,384	—	—	42,384
Cash payments for salaries and related benefits	(333,088)	(262,327)	(195,168)	(790,583)
Cash payments to other state agencies for services	—	(693,040)	(605,624)	(1,298,664)
Cash payments to vendors	(313,002)	(295,322)	(2,756,306)	(3,364,630)
Net cash provided (used) by operating activities	<u>(603,706)</u>	<u>3,112,174</u>	<u>511,279</u>	<u>3,019,747</u>
Cash flows from noncapital financing activities:				
Proceeds from the sale of bonds	14,659,365	81,675,025	16,193,464	112,527,854
Federal funds received	—	10,402,409	6,821,521	17,223,930
Contributions from Animas-La Plata	7,278,497	—	—	7,278,497
Principal paid on bonds	(4,930,000)	(16,505,000)	(4,840,000)	(26,275,000)
Interest paid on bonds	(5,524,049)	(16,824,657)	(5,912,996)	(28,261,702)
Cash payment for bond issuance costs	(109,632)	(632,672)	(141,040)	(883,344)
Net cash provided by noncapital financing activities	<u>11,374,181</u>	<u>58,115,105</u>	<u>12,120,949</u>	<u>81,610,235</u>
Cash flows from capital and related financing activities:				
Purchase of capital assets	—	(4,346)	(4,346)	(8,692)
Cash flows from investing activities:				
Proceeds from sales or maturities of investments	46,899,656	48,956,353	18,030,920	113,886,929
Interest received on investments	4,275,444	12,493,677	3,877,288	20,646,409
Interest received on loans	5,911,633	8,240,173	3,367,464	17,519,270
Principal repayments from localities on loans	5,695,341	17,607,427	5,784,044	29,086,812
Cash received from (paid to) other accounts	922,301	(922,301)	—	—
Purchase of investments	(11,500,000)	(111,179,770)	(20,896,878)	(143,576,648)
Investment in water rights	(1,081,405)	—	—	(1,081,405)
Cash disbursed to localities for loans	(29,103,128)	(49,841,077)	(18,952,829)	(97,897,034)
Cash payment for arbitrage rebate	(29,295)	(1,082,186)	(722,343)	(1,833,824)
Cash payments of interest to borrowers	(749,642)	—	—	(749,642)
Net cash provided (used) by investing activities	<u>21,240,905</u>	<u>(75,727,704)</u>	<u>(9,512,334)</u>	<u>(63,999,133)</u>
Net increase (decrease) in cash and cash equivalents	32,011,380	(14,504,771)	3,115,548	20,622,157
Cash and cash equivalents, beginning of year	33,539,970	49,031,486	24,590,859	107,162,315
Cash and cash equivalents, end of year	<u>\$ 65,551,350</u>	<u>34,526,715</u>	<u>27,706,407</u>	<u>127,784,472</u>
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income	\$ 2,685,141	6,717,564	1,709,249	11,111,954
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	10,361	—	—	10,361
Accrued sick leave expense	6,199	—	—	6,199
Interest on bonds	5,927,012	17,902,940	6,059,369	29,889,321
Cost of issuance proceeds	—	(161,291)	(16,247)	(177,538)
Interest on loans	(5,944,449)	(8,247,247)	(3,557,261)	(17,748,957)
Interest on investments	(3,427,154)	(12,813,566)	(3,602,342)	(19,843,062)
Amortization of deferred revenue	(1,177)	(22,553)	—	(23,730)
Change in assets and liabilities:				
(Increase) in due from other funds	(111,898)	—	—	(111,898)
(Increase) in accounts receivable – borrowers	—	(238,093)	(90,010)	(328,103)
(Increase) decrease in other receivables	45,021	(5,745)	(123,212)	(83,936)
Increase in accounts payable – other	166,031	—	—	166,031
Increase in deferred revenue	41,207	—	—	41,207
Increase (decrease) in due to other funds	—	(19,835)	131,733	111,898
Net cash provided (used) by operating activities	<u>\$ (603,706)</u>	<u>3,112,174</u>	<u>511,279</u>	<u>3,019,747</u>

See accompanying notes to basic financial statements.

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(1) Organization

The Colorado Water Resources and Power Development Authority (the Authority) is a political subdivision of the State of Colorado (the State) established pursuant to the Colorado Water Resources and Power Development Act, Title 37, article 95 of the Colorado Revised Statutes, as amended. The Authority is governed by a nine member board of directors who are appointed by the Governor of the State of Colorado with consent of the Colorado State Senate.

Reporting Entity

The Authority follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations, and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's governing body as the basic criterion for including a possible governmental component unit in a primary government's financial reporting entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The Authority is not financially accountable for any other organization. Under current GASB pronouncements, the Authority has been determined to be a component unit of the State of Colorado (the primary government). As such, the Authority's financial statements are included in the basic financial statements issued by the State of Colorado (State).

The Authority was created to initiate, acquire, construct, maintain, repair, and operate or cause to be operated projects for the protection, preservation, conservation, upgrading, development, and utilization of the water resources of the State. The Authority is authorized to issue bonds, notes or other obligations which constitute its debt and not debt of the State.

Water Operations Enterprise Fund

One of the activities of the Water Operations Enterprise Fund is to administer the Small Water Resources Projects Program (SWRP). Although the Authority is statutorily authorized to finance individual water resources project loans up to \$500 million, the program is currently limited by contract to \$150 million of total outstanding debt (excluding refunding bonds). All costs of project development may be financed through the SWRP.

Pursuant to the SWRP, proceeds of the bonds issued by the Authority are to be used to fund loans to local governmental agencies. Each local government evidences its obligations under its loan agreement by the issuance to the Authority of a governmental agency bond which is to be secured by a pledge of a specific revenue source or by a general obligation pledge. The repayments pursuant to the loan agreements by the local governmental agencies participating in the SWRP are structured, in the aggregate, to provide amounts sufficient to pay the principal and interest on the bonds issued by the Authority. The SWRP Debt Service Reserve for the bonds issued by the Authority is funded by the Authority from available monies of the Authority. The principal and interest on the bonds issued by the Authority have been insured as to repayment to the bondholders.

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In addition to the Small Water Resources Projects Program, in 1998 the Authority established the Water Revenue Bonds Program (WRBP) as part of the Water Operations Fund. The WRBP was created to fund those projects that cannot be approved under the Small Water Resources Projects Program and are not eligible for funding or there is insufficient loan capacity under the Drinking Water Revolving Fund or the Water Pollution Control Revolving Fund. The Authority is authorized to finance individual water resources project loans of \$500 million or less. All costs of project development may be financed through the WRBP.

Animas-La Plata Project

In 2001, the Authority entered into an agreement with the Animas-La Plata Water Conservancy District (the District) to have the Authority fund the payment of the non-tribal water capital obligation of the reconfigured Animas-La Plata project attributable to the District's depletion allocation. As a result of this agreement, the Authority entered into a Funding Agreement and Repayment Contract with the United States Bureau of Reclamation (the Bureau), to fund this upfront capital obligation. During 2002, construction was initiated on the project. As a result of the congressional approved legislation and these agreements, \$7.3 million was transferred from the Animas-La Plata account to the Water Operations Fund in 2002. The Authority is making progress payments to the Bureau for the purchase of 2,600 acre-feet of average annual depletion from the project. Payments to the Bureau totaled \$1,161,873 and \$1,081,405 in 2003 and 2002, respectively. During 2002, the Authority entered into a marketing agreement with the District to promote the sale of these water depletion rights.

Water Pollution Control Enterprise Fund

The Water Pollution Control Enterprise Fund includes the operations of the Water Pollution Control Revolving Fund (WPCRF), also known as the State Revolving Fund, and the Nonrevolving Fund. The Nonrevolving Fund accounts for administrative grant proceeds and loan administrative fees.

The WPCRF was created by State statute (CRS 37-98-107.6) in response to the mandate from the Federal Clean Water Act of 1987 (Act). The Authority was authorized statutorily to implement the revolving loan portion of the Act. The WPCRF was established for the purpose of financing loans to local governmental agencies for the construction of publicly owned wastewater treatment projects that meet specified eligibility requirements and that are placed on a project eligibility list established in accordance with State statute.

Pursuant to statutes, with the written consent of the Colorado Department of Public Health and Environment, the Authority is authorized, on behalf of the State, to execute all operating agreements and capitalization grant agreements with the United States Environmental Protection Agency (EPA). The Authority, the Water Quality Control Division of the Colorado Department of Public Health and Environment, and the Division of Local Government of the Colorado Department of Local Affairs have entered into a Memorandum of Understanding under which each has agreed to assume specified responsibilities in connection with the operation of the WPCRF. The statutes also authorize the Authority to issue bonds for such purposes and to designate assets in the WPCRF that may be pledged and assigned as security for payment of such bonds.

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The WPCRF is capitalized by grants awarded by the EPA. Matching funds are provided by the Authority or its borrowers. In order to receive capitalization grants, matching funds must be provided in a ratio of \$1 of state match for every \$5 of capitalization grants. Administrative expense reimbursements funded by EPA capitalization grants are limited to a percentage (5/6th of 4%) of the capitalization grants.

The Authority issues bonds to provide loans to local governmental entities, either individually or in pools. Loans to borrowers may be provided from federal grants and/or from bond proceeds. The matching requirement for the federal grants is provided by the Authority in the form of cash.

When a loan to a local governmental agency is funded from the proceeds of bonds, the Authority allocates a specified amount from its federal capitalization grant for deposit to the project account(s). An amount of bond proceeds equal to the allocated capitalization grant is transferred to a reserve account as project draws are made. Earnings on such reserve are used to reduce the loan interest payable by the borrower.

Each local governmental agency evidences its obligation to the Authority under its loan agreement by the issuance to the Authority of a governmental agency bond, which is secured by a pledge of a specific revenue source or by a general obligation pledge. The loan repayments made by the local governmental agencies pursuant to direct loan agreements are structured, in the aggregate, to provide amounts sufficient to repay the Authority principal and stated interest (which includes an administrative surcharge). The loan repayments made by the local governmental agencies pursuant to leveraged loan agreements are structured, in the aggregate, to provide amounts sufficient to repay principal, premium (if any) and interest (less certain expected investment earnings) on the bonds issued by the Authority for the leveraged loans, as well as cash advances or bonds issued to provide the state matching requirements (if needed), and an administrative surcharge.

Loans are made at or below market interest rates (at terms generally not exceeding 20 years plus the construction period) with principal and interest payments commencing not later than one year after completion of the borrowers' projects.

Drinking Water Enterprise Fund

Drinking Water Revolving Fund

The Drinking Water Enterprise Fund includes the operations of the Drinking Water Revolving Fund (DWRF), also known as the State Revolving Fund, and the Nonrevolving Fund. The Nonrevolving Fund accounts for Safe Drinking Water set asides, including administrative grant proceeds, state direct loan program and loan administrative fees.

The DWRF was created by State statute (CRS 37-95-107.8) in 1995, in anticipation of the reauthorization of the Federal Safe Drinking Water Act (SDWA). The SDWA was reauthorized in 1996 with a state revolving fund loan program. The DWRF was established to provide assistance to governmental agencies for projects that appear on the *Drinking Water Project Eligibility List* (the List). The List, established in accordance with State statute, consists of new or existing water management facilities that extend, protect, improve, or replace domestic drinking water supplies in the State of Colorado and for any other means specified in the SDWA.

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Pursuant to statutes, with the written consent of the Colorado Department of Public Health and Environment, the Authority is authorized, on behalf of the State, to execute all operating agreements and capitalization grant agreements with the EPA. The Authority, the Water Quality Control Division of the Colorado Department of Public Health and Environment and the Division of Local Government of the Colorado Department of Local Affairs have entered into a Memorandum of Understanding under which each has agreed to assume specified responsibilities in connection with the operation of the DWRF. The statutes also authorize the Authority to issue bonds for such purposes and to designate assets in the DWRF that may be pledged and assigned as security for payment of such bonds.

The DWRF is capitalized by grants awarded by the EPA. Matching funds are provided by the Authority. In order to receive capitalization grants, matching funds must be provided in a ratio of \$1 of state match for every \$5 of total capitalization grants. Administrative expense reimbursements funded by EPA capitalization grants are limited to a percentage (4%) of the capitalization grants.

The Authority issues bonds to provide loans to local governmental agencies, either individually or in pools. Loans/grants to borrowers may be provided from federal grants and/or from bond proceeds. The matching requirement for the federal grants is provided by the Authority in the form of cash.

When a loan to a local governmental agency is funded from the proceeds of bonds, the Authority allocates a specific amount from its federal capitalization grant for deposit to the project account(s). An amount of bond proceeds equal to the allocated capitalization grant is transferred to a reserve fund as project draws are made. Earnings on such reserve are used to reduce the loan interest payable by the borrower.

Each local governmental agency evidences its obligation to the Authority under its loan agreement by the issuance to the Authority of a governmental agency bond, which is secured by a pledge of a specific revenue source or by a general obligation pledge. The loan repayments made by the local governmental agencies pursuant to direct loan agreements are structured, in the aggregate, to provide amounts sufficient to repay the Authority principal and stated interest (which includes an administrative surcharge). The loan repayments made by the local governmental agencies pursuant to leveraged loan agreements are structured, in the aggregate, to provide amounts sufficient to repay principal, premium (if any) and interest (less certain expected investment earnings) on the bonds issued by the Authority for the leveraged loans, as well as cash advances or bonds issued to provide the state matching requirements (if needed), and an administrative surcharge.

Loans are made at or below market interest rates (at terms generally not exceeding 20 years plus the construction period) with principal and interest payments commencing not later than one year after completion of the borrowers' projects.

Set Asides

The SDWA allows the State to "set aside" up to 31% of the annual capitalization grant for water quality programs and administration. With these set asides, the Authority, through the Water Quality Control Division of the Colorado Department of Public Health and Environment, provides assistance in the form of grants, with no repayment obligations, to eligible entities. Up to 10% of the Authority's capitalization grants may be used for source water protection, capacity development, public water system supervision, and wellhead protection. In 1997, the entire 10% was used for source water protection, but since then no

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further funds have been set aside for this activity. Up to 15% (no more than 10% for any one purpose) of each grant may be used for the following items: loans for public water systems to acquire land or conversion easements, loans for community systems to implement source water protection measures or to implement recommendations in source water petitions, technical, and financial assistance to public water systems for capacity development, expenditures to delineate or assess source water protection areas, and expenditures to establish and implement wellhead protection programs. Four percent of the Authority's capitalization grants may be used for administration, and up to two percent of the capitalization grants each year may be used for an operator training and technical assistance set aside to aid small community systems.

The Authority deposits the matching requirement (20%) for set aside grants in the State Revolving Fund at closing for the Drinking Water Revenue Bond issues.

State Loans

Prior to receiving the award of the federal capitalization grant, the DWRP loaned State-funded monies directly to local governmental agencies.

(2) Summary of Significant Accounting Policies

The significant accounting policies of the Authority are described as follows:

(a) Fund Accounting

The Authority is engaged only in business-type activities. To account for these activities, the accounts of the Authority are organized on the basis of three separate enterprise funds, each of which is considered a separate accounting entity. The accounting policies of the Enterprise Funds (Water Operations Fund, Water Pollution Control Fund and Drinking Water Fund) conform to accounting principles generally accepted in the United States of America as applicable to governmental units accounted for as enterprise funds. Enterprise funds are used since the Authority's powers are related to those operated in a manner similar to a financing institution where net income and capital maintenance are appropriate determinations of accountability. Each Enterprise Fund is considered a major fund in accordance with GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*.

(b) Basis of Accounting

The Authority's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting where revenues are recognized when earned and expenses when incurred. The Authority has adopted GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*. The Authority elected not to apply Financial Accounting Standards Board pronouncements issued after November 30, 1989, as allowed by GASB Statement No. 20.

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(c) Cash Equivalents

The Authority considers cash deposits held by State Treasurer, money market mutual funds, investment pools, and other highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

(d) Loans Receivable

Loans receivable represent outstanding principal amounts lent to borrowers for the construction of water and wastewater projects. An allowance for uncollectible loans receivable has not been established since historical collection experience has shown amounts to be fully collected when due.

(e) Restricted Assets

Restricted assets represent cash and cash equivalents, investments, and investment income receivable contained in project accounts, debt service accounts, debt service reserve accounts, and the Animas-La Plata escrow account.

(f) Capital Assets – Equipment

Equipment is recorded at cost. Depreciation expense is computed using the straight-line method over the estimated economic useful life of five years.

(g) Amortization

The deferred costs on bond refundings are amortized using the interest method over the life of the outstanding bonds. The amortization amount is a component of interest on bonds, and the unamortized deferred costs are reflected as a reduction of bonds payable. An advance payment of administrative fees from refunding bond proceeds is recorded as deferred revenue, and is being amortized over the life of the respective bonds.

(h) Compensated Absences

The Authority has a policy which allows employees to accumulate unused vacation and sick leave benefits up to a certain maximum number of days. Compensated absences are recognized as current salary costs are incurred.

(i) Project Costs Payable

Project costs payable represents the principal amounts loaned to borrowers that have not been requisitioned by the borrowers for their projects as of year end.

(j) Advance Receivable and Payable

The Water Operations Fund makes advances to the WPCRF for the purpose of financing the WPCRF's capitalization grant matching requirements. The advance is non-interest bearing. The advance is repaid from surplus WPCRF loan administrative fees.

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(k) *Restricted Net Assets*

Net assets of the Authority are classified as restricted when external constraints imposed by debt agreements, grantors, or laws are placed on net asset use.

(l) *Operating Revenues and Expenses*

Substantially all revenues and expenses, including interest received on investments and loans and interest paid on bonds, are considered operating items since the Authority issues bonds to finance loans for specific projects. In accordance with GASB Statement No. 34, federal capital contributions and contributions from the Animas-La Plata account are shown below operating income on the statements of revenues, expenses, and changes in fund net assets.

(m) *Use of Estimates*

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management of the Authority to make estimates and judgments that affect the reported amounts of assets and liabilities and the disclosures of contingencies at the date of the financial statements and revenues and expenses recognized during the reporting period. Actual results could differ significantly from those estimates.

(n) *Reclassifications*

Certain prior year balances have been reclassified to conform to the current year presentation.

(3) *Deposits and Investments*

(a) *Deposits*

The Colorado Public Deposit Protection Act (PDPA) requires that all units of Colorado government deposit cash in eligible public depositories. Eligibility is determined by State regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another financial institution or held in trust. The fair value of the collateral must be at least equal to the aggregate uninsured deposits.

The State regulatory commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2003 and 2002, the Authority's deposits had a bank balance of \$568,339 and \$42,013 and a carrying amount of \$358,914 and \$37,907, respectively. The differences between the bank balances and carrying amounts are due to outstanding reconciling items (primarily outstanding checks) at year end. The Authority's bank balances were entirely insured by federal depository insurance at December 31, 2003 and 2002.

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Notes to Basic Financial Statements

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(b) Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which Colorado governmental units may invest, which include:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market mutual funds
- Guaranteed investment contracts
- Local government investment pools

The Authority's investments are recorded at fair value and are categorized below to give an indication of the level of custodial credit risk assumed by the Authority at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the entity or its agent in the Authority's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the Authority's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Authority's name.

Category 3 investments include investments held by trustees pursuant to bond indentures. These investments were acquired by the trustees at the direction of the Authority. Investments are held in the trustee's bank account at the Federal Reserve in book entry form. Consequently, the trustees are considered to be the purchaser as well as the custodian of the investments.

Investments in local government investment pools or in money market mutual funds are not categorized because they are not evidenced by securities that exist in physical or book entry form.

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Cash, cash equivalents, and investments at December 31, 2003 are categorized as follows:

	Category 1	2	3	Total
Repurchase agreements – collateralized with U.S. Treasury obligations	\$ —	—	257,223,187	257,223,187
U.S. Treasury Bonds	—	—	10,111,223	10,111,223
U.S. Treasury Notes	22,112,034	—	—	22,112,034
	\$ 22,112,034	—	267,334,410	289,446,444

Investment Pools or Money Market Mutual Funds:

Cash held by State Treasurer			\$ 62,038,104	
Local government investment pool – COLOTRUST PLUS+			77,030,210	
			139,068,314	
Total cash equivalents not categorized			139,068,314	
Total investments and cash equivalents			428,514,758	
Total deposits			358,914	
Total cash, cash equivalents, and investments			\$ 428,873,672	

Cash, cash equivalents, and investments at December 31, 2002 are categorized as follows:

	Category 1	2	3	Total
Repurchase agreements – collateralized with U.S. Treasury obligations	\$ —	—	287,029,579	287,029,579
U.S. Treasury Bonds	—	—	10,569,071	10,569,071
U.S. Treasury Notes	22,324,600	—	—	22,324,600
	\$ 22,324,600	—	297,598,650	319,923,250

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Investment Pools or Money Market Mutual Funds:	
Cash held by State Treasurer	\$ 63,781,342
Local government investment pool – COLOTRUST PLUS+	47,385,564
Money market mutual funds	<u>16,579,659</u>
Total cash equivalents not categorized	127,746,565
Total investments and cash equivalents	447,669,815
Total deposits	<u>37,907</u>
Total cash, cash equivalents, and investments	<u><u>\$ 447,707,722</u></u>

Cash held by State Treasurer has been invested in the State Treasurer’s cash pool. A detailed composition of the cash and investments in this pool is available in the annual State Treasurer’s Report.

Colorado Local Government Liquid Asset Trust (the COLOTRUST) is an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. A designated custodial bank serves as custodian for the Trust’s portfolios pursuant to a custodian agreement. The custodian acts as a safekeeping agent for the Trust’s investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian’s internal records segregate investments owned by the Trust. As of December 31, 2003 and 2002, the Authority had \$77,030,210 and \$47,385,564 invested in COLOTRUST PLUS+, respectively.

As of December 31, 2002, the Authority had invested \$16,579,659 in the Milestone Treasury Obligation Portfolio. This account is a money market mutual fund which may invest only in U.S. Treasury obligations and repurchase agreements fully collateralized by U.S. Treasury obligations. As of December 31, 2003, the Authority did not have any amounts invested in money market mutual funds.

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(4) Loans Receivable

The following is an analysis of changes in loans receivable for the years ended December 31, 2003 and 2002:

	<u>Balance January 1, 2003</u>	<u>New loans</u>	<u>Repayments/ loans canceled</u>	<u>Balance December 31, 2003</u>
Water Operations Fund:				
Small Water Resources Program	\$ 108,257,083	9,610,000	4,762,500	113,104,583
Water Revenue Bond Program	2,535,000	17,760,000	160,000	20,135,000
Interim loans	3,318,084	3,702,643	3,574,345	3,446,382
Water Pollution Control Fund:				
Direct loans	13,570,606	1,550,000	765,470	14,355,136
Leveraged loans	397,220,207	16,178,433	22,532,810	390,865,830
Drinking Water Fund:				
Direct loans	12,172,575	3,181,198	1,230,202	14,123,571
Leveraged loans	133,809,279	36,134,600	5,853,351	164,090,528
	<u>670,882,834</u>	<u>\$ 88,116,874</u>	<u>38,878,678</u>	<u>720,121,030</u>
Less current portion	<u>35,357,015</u>			<u>40,594,820</u>
Noncurrent portion	<u>\$ 635,525,819</u>			<u>679,526,210</u>

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	Balance January 1, 2002	New loans	Repayments/ loans canceled	Balance December 31, 2002
Water Operations Fund:				
Small Water Resources Program	\$ 98,055,417	14,615,000	4,413,334	108,257,083
Water Revenue Bond Program	2,685,000	—	150,000	2,535,000
Interim loans	—	4,450,091	1,132,007	3,318,084
Water Pollution Control Fund:				
Direct loans	13,445,720	1,000,000	875,114	13,570,606
Leveraged loans	332,446,746	81,972,699	17,199,238	397,220,207
Drinking Water Fund:				
Direct loans	8,531,008	4,200,000	558,433	12,172,575
Leveraged loans	121,355,759	17,754,659	5,301,139	133,809,279
	576,519,650	\$ 123,992,449	29,629,265	670,882,834
Less current portion	28,020,341			35,357,015
Noncurrent portion	\$ 548,499,309			635,525,819

Scheduled maturities of the loans receivable are as follows:

	Water operations		WPCRF		DWRP		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2004	\$ 9,685,965	6,377,634	23,240,877	9,372,823	7,667,978	3,983,852	60,329,129
2005	6,791,667	6,288,234	22,806,250	10,617,485	7,864,596	4,439,609	58,807,841
2006	7,275,000	5,943,975	24,100,535	10,067,020	8,260,598	4,347,075	59,994,203
2007	7,627,500	5,588,145	25,105,613	9,693,419	8,732,001	4,159,181	60,905,859
2008	7,982,500	5,189,652	25,855,027	9,012,268	8,942,151	3,961,249	60,942,847
2009-2013	36,040,834	20,045,562	132,622,133	34,568,790	52,267,890	16,157,064	291,702,273
2014-2018	30,559,167	12,129,728	95,244,711	17,191,945	53,550,948	8,742,170	217,418,669
2019-2023	29,823,332	4,150,860	48,698,821	4,505,459	29,087,600	2,431,318	118,697,390
2024-2025	900,000	37,125	7,546,999	292,215	1,840,337	52,908	10,669,584
Total	\$ 136,685,965	65,750,915	405,220,966	105,321,424	178,214,099	48,274,426	939,467,795

The schedule above does not include administrative fees due from the borrowers, which are recorded as revenue when due.

The Water Operations Fund – Small Water Resources Program loans receivable, which had original amounts of \$144,535,000, have interest rates of 3.87% to 7.19% and have scheduled final maturity dates of 2004 to 2023. The Water Revenue Bond Program loans receivable, which had an original amount of \$20,900,000, has an interest rates of 1.92% to 7.08% and have scheduled maturity dates of 2004-2024.

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The WPCRF direct loans receivable, which had original amounts of \$19,252,588, have interest rates of 1.43% to 5.17% and have maturity dates of 2010 to 2022. The WPCRF leveraged loans receivable which had original amounts of \$489,037,863, have interest rates of 3.21% to 5.20% and have scheduled final maturity dates of 2007 to 2025.

The Drinking Water Fund direct loans receivable, which had original amounts of \$16,770,695, have interest rates of 4.0% to 4.5% and have scheduled final maturity dates of 2005 to 2024. The Drinking Water Fund leveraged loans receivable, which had original amounts of \$186,857,963, have interest rates of 3.03% to 4.6% and have scheduled final maturity dates of 2014 to 2024.

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(5) Noncurrent Liabilities

Bonds Payable

The following is an analysis of changes in bonds payable for the year ended December 31, 2003:

	<u>Balance January 1, 2003</u>	<u>New issues</u>	<u>Retirements</u>	<u>Balance December 31, 2003</u>
Water Operations				
Small Water Resources Program				
1992 Series B	\$ 1,155,000	—	150,000	1,005,000
1993 Series A	5,845,000	—	625,000	5,220,000
1994 Series A	4,015,000	—	280,000	3,735,000
1994 Series B	605,000	—	295,000	310,000
1996 Series A/B	5,345,000	—	375,000	4,970,000
1997 Series A	8,040,000	—	385,000	7,655,000
1997 Series B	11,460,000	—	975,000	10,485,000
1998 Series A	7,175,000	—	450,000	6,725,000
1998 Series B	13,410,000	—	810,000	12,600,000
2000 Series A	23,595,000	—	305,000	23,290,000
2001 Series A	15,245,000	—	275,000	14,970,000
2002 Series A	14,615,000	—	160,000	14,455,000
2003 Series A	—	9,610,000	—	9,610,000
	<u>110,505,000</u>	<u>9,610,000</u>	<u>5,085,000</u>	<u>115,030,000</u>
Water Revenue Bonds Program:				
1998 Taxable Series	2,535,000	—	160,000	2,375,000
2003 Series A	—	13,800,000	—	13,800,000
2003 Series B	—	3,960,000	—	3,960,000
	<u>2,535,000</u>	<u>17,760,000</u>	<u>160,000</u>	<u>20,135,000</u>
Total Water Operations	113,040,000	\$ 27,370,000	5,245,000	135,165,000
Less deferred costs	(1,431,667)			(1,086,667)
Less current portion	(5,245,000)			(6,690,000)
Noncurrent bonds payable – Water Operations	\$ 106,363,333			127,388,333
Water Pollution Control Revolving Fund – Clean Water Revenue Bonds:				
1989 Series A	\$ 630,000	—	110,000	520,000
1990 Series A	285,000	—	60,000	225,000
1991 Series A	2,530,000	—	400,000	2,130,000
1991 Series B	1,930,000	—	350,000	1,580,000
1992 Series A	915,000	—	130,000	785,000
1992 Series B	2,505,000	—	335,000	2,170,000
1994 Series A	2,600,000	—	1,330,000	1,270,000
1995 Series A	3,750,000	—	1,130,000	2,620,000
1996 Series A	5,255,000	—	315,000	4,940,000
1997 Series A	25,240,000	—	1,480,000	23,760,000
1998 Series A	26,105,000	—	1,475,000	24,630,000
1998 Series B	18,835,000	—	575,000	18,260,000
1999 Series A	31,135,000	—	1,915,000	29,220,000
2000 Series A	31,025,000	—	1,290,000	29,735,000
2001 Series A	67,305,000	—	2,470,000	64,835,000
2002 Series A	55,310,000	—	1,755,000	53,555,000
2002 Series B	23,435,000	—	445,000	22,990,000
2003 Series A	—	14,750,000	—	14,750,000
	<u>298,790,000</u>	<u>14,750,000</u>	<u>15,565,000</u>	<u>297,975,000</u>

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	Balance January 1, 2003	New issues	Retirements	Balance December 31, 2003
Water Pollution Control Revolving Fund – Wastewater Revolving Fund Refunding Revenue Bonds:				
1996 Series A	\$ 25,860,000	—	1,945,000	23,915,000
2001 Series A	51,415,000	—	1,755,000	49,660,000
	77,275,000	—	3,700,000	73,575,000
Total Water Pollution Control Revolving Fund	376,065,000	\$ 14,750,000	19,265,000	371,550,000
Less deferred costs	(609,002)			(509,438)
Less current portion	(19,265,000)			(20,450,000)
Noncurrent bonds payable – Water Pollution Control Revolving Fund	\$ 356,190,998			350,590,562
Drinking Water Revolving Fund:				
Revenue Bonds:				
1997 Series A	\$ 20,055,000	—	1,055,000	19,000,000
1998 Series A	13,295,000	—	640,000	12,655,000
1999 Series A	40,590,000	—	2,200,000	38,390,000
2000 Series A	34,045,000	—	1,265,000	32,780,000
2002 Series A	16,320,000	—	185,000	16,135,000
2003 Series A	—	20,835,000	—	20,835,000
2003 Series B	—	11,695,000	—	11,695,000
	124,305,000	\$ 32,530,000	5,345,000	151,490,000
Less current portion	(5,345,000)			(6,300,000)
Noncurrent bonds payable – Drinking Water Revolving Fund	\$ 118,960,000			145,190,000

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The following is an analysis of changes in bonds payable for the year ended December 31, 2002:

	Balance January 1, 2002	New issues	Retirements	Balance December 31, 2002
Water Operations – Small Water Resources Program:				
1990 Series A	\$ 590,000	—	590,000	—
1992 Series A	595,000	—	595,000	—
1992 Series B	1,940,000	—	785,000	1,155,000
1993 Series A	5,945,000	—	100,000	5,845,000
1994 Series A	4,280,000	—	265,000	4,015,000
1994 Series B	890,000	—	285,000	605,000
1996 Series A/B	5,705,000	—	360,000	5,345,000
1997 Series A	8,405,000	—	365,000	8,040,000
1997 Series B	11,810,000	—	350,000	11,460,000
1998 Series A	7,605,000	—	430,000	7,175,000
1998 Series B	13,535,000	—	125,000	13,410,000
2000 Series A	23,860,000	—	265,000	23,595,000
2001 Series A	15,510,000	—	265,000	15,245,000
2002 Series A	—	14,615,000	—	14,615,000
	<u>100,670,000</u>	<u>14,615,000</u>	<u>4,780,000</u>	<u>110,505,000</u>
Water Revenue Bonds Program:				
1998 Taxable Series	2,685,000	—	150,000	2,535,000
Total Water Operations	103,355,000	\$ <u>14,615,000</u>	<u>4,930,000</u>	113,040,000
Less deferred costs	(1,806,667)			(1,431,667)
Less current portion	(4,930,000)			(5,245,000)
Noncurrent bonds payable – Water Operations	<u>\$ 96,618,333</u>			<u>106,363,333</u>
Water Pollution Control Revolving Fund – Clean Water Revenue Bonds:				
1989 Series A	\$ 745,000	—	115,000	630,000
1990 Series A	350,000	—	65,000	285,000
1991 Series A	2,945,000	—	415,000	2,530,000
1991 Series B	2,300,000	—	370,000	1,930,000
1992 Series A	1,620,000	—	705,000	915,000
1992 Series B	3,705,000	—	1,200,000	2,505,000
1994 Series A	3,885,000	—	1,285,000	2,600,000
1995 Series A	4,850,000	—	1,100,000	3,750,000
1996 Series A	5,560,000	—	305,000	5,255,000
1997 Series A	26,680,000	—	1,440,000	25,240,000
1998 Series A	27,550,000	—	1,445,000	26,105,000
1998 Series B	19,365,000	—	530,000	18,835,000
1999 Series A	33,000,000	—	1,865,000	31,135,000
2000 Series A	32,270,000	—	1,245,000	31,025,000
2001 Series A	69,710,000	—	2,405,000	67,305,000
2002 Series A	—	55,310,000	—	55,310,000
2002 Series B	—	23,435,000	—	23,435,000
	<u>234,535,000</u>	<u>78,745,000</u>	<u>14,490,000</u>	<u>298,790,000</u>

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	Balance January 1, 2002	New issues	Retirements	Balance December 31, 2002
Water Pollution Control				
Revolving Fund – Wastewater				
Revolving Fund Refunding				
Revenue Bonds:				
1996 Series A	\$ 27,670,000	—	1,810,000	25,860,000
2001 Series A	51,620,000	—	205,000	51,415,000
	79,290,000	—	2,015,000	77,275,000
Total Water Pollution Control Revolving Fund	313,825,000	\$ 78,745,000	16,505,000	376,065,000
Less deferred costs	(713,338)			(609,002)
Less current portion	(16,505,000)			(19,265,000)
Noncurrent bonds payable – Water Pollution Control Revolving Fund	\$ 296,606,662			356,190,998
Drinking Water Revolving Fund:				
Revenue Bonds:				
1997 Series A	\$ 21,085,000	—	1,030,000	20,055,000
1998 Series A	13,925,000	—	630,000	13,295,000
1999 Series A	42,725,000	—	2,135,000	40,590,000
2000 Series A	35,090,000	—	1,045,000	34,045,000
2002 Series A	—	16,320,000	—	16,320,000
Total Drinking Water Revolving Fund	112,825,000	\$ 16,320,000	4,840,000	124,305,000
Less current portion	(4,840,000)			(5,345,000)
Noncurrent bonds payable – Drinking Water Revolving Fund	\$ 107,985,000			118,960,000

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All of the Authority Small Water Resources Program bonds and the Series 1989A and Series 1990A Clean Water Revenue Bonds are insured as to payment of principal and interest by the Financial Guaranty Insurance Company. The Clean Water Revenue Bonds, Series 1992A are insured as to payment of principal and interest by Financial Security Assurance, Inc. The Wastewater Revolving Fund Refunding Revenue Bonds, Series 1996A are insured as to payment of principal and interest by AMBAC Indemnity Corporation.

The outstanding bonds of the Authority had original principal amounts of \$140,635,000 for the Small Water Resources Program, \$20,900,000 for the Water Revenue Bonds Program, \$464,735,000 for the Clean Water Revenue Bonds, \$80,570,000 for the Wastewater Revolving Fund Refunding Revenue Bonds and \$171,115,000 for the Drinking Water Revolving Fund Bonds, for a total of \$877,955,000. The bonds are payable semiannually with interest rates ranging from 1.7% to 7.4% and serial and term principal maturities, including mandatory sinking fund call provisions, through the year 2025. All bonds, except the Small Water Resources Series 1996B and the Wastewater Revolving Fund Refunding Revenue Bonds Series 1996A and 2001A, have optional initial call provisions through 2015, generally eight to ten years from the issue date with maximum call premiums of 2% and decreasing to no premium.

The Authority's debt service requirements to maturity, excluding unamortized original issue discount and premium and deferred costs on refundings, are as follows:

	Water operations fund		WPCRF		DWRF		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2004	\$ 6,690,000	6,329,903	20,450,000	18,884,700	6,300,000	7,016,078	65,670,681
2005	7,010,000	6,044,118	21,070,000	17,934,343	6,380,000	6,842,146	65,280,607
2006	7,445,000	5,752,924	22,105,000	16,954,299	6,625,000	6,559,396	65,441,619
2007	7,760,000	5,442,028	22,775,000	15,869,328	7,290,000	6,279,629	65,415,985
2008	8,165,000	5,107,285	23,505,000	14,770,814	7,455,000	5,972,676	64,975,775
2009-2013	36,060,000	20,235,803	120,115,000	55,128,025	43,710,000	24,437,266	299,686,094
2014-2018	30,370,000	12,351,842	88,325,000	26,374,491	45,895,000	13,538,539	216,854,872
2019-2023	30,765,000	4,366,068	46,215,000	7,206,830	25,870,000	3,777,770	118,200,668
2024-2025	900,000	37,125	6,990,000	462,288	1,965,000	127,844	10,482,257
Total	\$ 135,165,000	65,667,096	371,550,000	173,585,118	151,490,000	74,551,344	972,008,558

Total interest expense for 2003 and 2002 amounted to \$6,362,280, \$19,353,391, and \$6,485,194 and \$5,927,012, \$17,902,940, and \$6,059,369 for the Water Operations, Water Pollution Control, and Drinking Water Funds, respectively.

The bond resolutions authorizing the various bond issues contain general provisions and provisions related to accounting and financial operations of the Authority. Management of the Authority believes they are in substantial compliance with these provisions.

The Authority has provided a Debt Service Bond Reserve Account at least equal to the debt service reserve requirement under the Small Water Resources Bond Resolution. At December 31, 2003 and 2002, the Small Water Resources Debt Service Reserve Account amounted to \$8,500,000 and was fully funded. This

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amount is reflected in restricted net assets of the Water Operations Enterprise Fund. The Authority can issue up to \$150,000,000 (excluding refunding bonds) of outstanding Small Water Resources Revenue Bonds at the current funding level for the Small Water Debt Service Reserve Account. At December 31, 2003 and 2002, the Authority had \$115,030,000 and \$110,505,000 of outstanding Small Water Resources Revenue Bonds, respectively.

Refunded Debt

Various bonds previously issued by the Authority have been defeased, and thus, are not reflected in bonds payable in the accompanying statements of net assets. The detail of the Authority's total defeased bonds outstanding at December 31, 2003 and year of final maturity of the defeased bonds (if called) are as follows:

	Amount	Year of maturity
1994B Small Water Resources Revenue Bonds	\$ 4,885,000	2004
1999A Clean Water Revenue Bonds	2,365,000	2009
	\$ 7,250,000	

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Noncurrent Liabilities, Other than Bonds

Noncurrent liability activity, other than bonds, for the year ended December 31, 2003 was as follows:

	<u>Balance January 1, 2003</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance December 31, 2003</u>	<u>Current Portion</u>
Water Operations:					
Project costs payable – leveraged loans	\$ 11,704,856	27,258,150	23,957,012	15,005,994	15,005,994
Deferred revenue	41,207	—	14,128	27,079	—
Debt service reserve deposit	600,000	—	—	600,000	—
Other liabilities	547,775	4,784	168,824	383,735	—
Total Water Operations	<u>\$ 12,893,838</u>	<u>27,262,934</u>	<u>24,139,964</u>	<u>16,016,808</u>	<u>15,005,994</u>
Water Pollution Control:					
Project costs payable – direct loans	\$ 1,055,360	1,550,000	2,076,973	528,387	528,387
Project costs payable – leveraged loans	134,234,465	15,888,307	81,621,163	68,501,609	68,101,609
Advance payable	11,307,347	1,428,434	3,200,000	9,535,781	—
Deferred revenue	293,188	—	22,553	270,635	—
Other liabilities	4,481,160	920,297	1,248,608	4,152,849	—
Total Water Pollution Control	<u>\$ 151,371,520</u>	<u>19,787,038</u>	<u>88,169,297</u>	<u>82,989,261</u>	<u>68,629,996</u>
Drinking Water:					
Project costs payable – direct loans	\$ 2,737,492	3,181,198	2,904,476	3,014,214	3,014,214
Project costs payable – leveraged loans	14,298,605	35,829,500	11,448,638	38,679,467	36,541,467
Other liabilities	2,034,413	389,388	277,030	2,146,771	—
Total Drinking Water	<u>\$ 19,070,510</u>	<u>39,400,086</u>	<u>14,630,144</u>	<u>43,840,452</u>	<u>39,555,681</u>

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Noncurrent liability activity, other than bonds, for the year ended December 31, 2002 was as follows:

	<u>Balance January 1, 2002</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance December 31, 2002</u>	<u>Current Portion</u>
Water Operations:					
Project costs payable – leveraged loans	\$ 21,857,893	14,500,000	24,653,037	11,704,856	9,660,938
Deferred revenue	—	41,207	—	41,207	—
Debt service reserve deposit	600,000	—	—	600,000	—
Other liabilities	532,278	44,792	29,295	547,775	—
Total Water Operations	<u>\$ 22,990,171</u>	<u>14,585,999</u>	<u>24,682,332</u>	<u>12,893,838</u>	<u>9,660,938</u>
Water Pollution Control:					
Project costs payable – direct loans	\$ 898,887	1,000,000	843,527	1,055,360	924,659
Project costs payable – leveraged loans	99,266,209	84,019,775	49,051,519	134,234,465	80,476,909
Advance payable	12,229,648	3,227,699	4,150,000	11,307,347	—
Deferred revenue	315,741	—	22,553	293,188	—
Other liabilities	4,313,061	1,250,284	1,082,186	4,481,160	—
Total Water Pollution Control	<u>\$ 117,023,546</u>	<u>89,497,758</u>	<u>55,149,785</u>	<u>151,371,520</u>	<u>81,401,568</u>
Drinking Water:					
Project costs payable – direct loans	\$ 876,003	4,200,000	2,338,511	2,737,492	2,523,871
Project costs payable – leveraged loans	13,548,452	17,440,000	16,689,847	14,298,605	6,739,260
Other liabilities	2,454,945	301,812	722,343	2,034,413	—
Total Drinking Water	<u>\$ 16,879,400</u>	<u>21,941,812</u>	<u>19,750,701</u>	<u>19,070,510</u>	<u>9,263,131</u>

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Notes to Basic Financial Statements

December 31, 2003 and 2002

(6) Board Designated Accounts

Included in the balance of unrestricted net assets of the Water Operations Enterprise Fund are monies designated by the Authority's board of directors (the Board) for specific purposes. These amounts are not included in restricted net assets, because the designations do not meet the definition of restricted net assets as defined by accounting principles generally accepted in the United States of America. Board designations were as follows in the Water Operations Enterprise Fund as of December 31:

	2003	2002
Self insurance account	\$ 800,000	800,000
La Plata river escrow account	15,902,406	15,455,643
Total Board designated accounts	\$ 16,702,406	16,255,643

(7) EPA Capitalization Grants

The WPCRF and DWRF are capitalized through capitalization grants awarded by the EPA. Matching funds are provided by the Authority or its borrowers in a ratio of \$1 of state match for every \$5 of capitalization grants.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Notes to Basic Financial Statements

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The following table details the EPA capitalization grants and matching requirements recognized by project during 2003:

	Federal grants recognized in 2003	Matching requirement for 2003
Water Pollution Control Revolving Fund Projects:		
1995A – Winter Park Water and Sanitation District	\$ 14,840	2,968
1997A – Town of Carbondale	22,442	4,488
1999A – City of Aurora	1,865,173	373,035
1999A – Grand County Water and Sanitation District	487,126	97,425
2000A – Parker Water and Sanitation District	769,244	153,849
2000A – Three Lakes Water and Sanitation District	8,734	1,747
2001A – City of Lafayette	554,858	110,972
2001A – Mt. Crested Butte Water and Sanitation District	828,242	165,648
2001A – Parker Water and Sanitation District	1,667,120	333,424
2001A – City of Steamboat Springs	66,718	13,344
2002A – Black Hawk-Central City Sanitation District	1,789,588	357,918
2002A – Town of Wellington	1,438,961	287,792
2002A – Winter Park West Water and Sanitation District	382,640	76,528
2002B – Parker Water and Sanitation District	4,440,896	888,179
2003A – Colorado City	9,136	1,827
2003A – Town of Milliken	183,556	36,711
2003A – City of Pueblo	321,729	64,346
	<u>14,851,003</u>	<u>2,970,201</u>
Drinking Water Revolving Fund Projects:		
1998A – Town of Buena Vista	13,145	2,629
1999A – Grand County Water and Sanitation District No. 1	158,887	31,777
1999A – Left Hand Water District	389,751	77,950
2002A – City of Grand Junction	529,705	105,941
2002A – City of La Junta	1,137,140	227,428
2003A – Fountain Valley Authority	849,106	169,821
2003A – City of Longmont	1,080,824	216,165
2003A – Town of Lyons	83,288	16,658
	<u>4,241,846</u>	<u>848,369</u>
Total	<u>\$ 19,092,849</u>	<u>3,818,570</u>

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Notes to Basic Financial Statements

December 31, 2003 and 2002

The following table details the EPA capitalization grants and matching requirements recognized by project during 2002:

	Federal grants recognized in 2002	Matching requirement for 2002
	<u> </u>	<u> </u>
Water Pollution Control Revolving Fund Projects:		
1995A – City of Steamboat Springs	\$ 17,186	3,437
1996A – City of Idaho Springs	19,761	3,952
1999A – Fremont Sanitation District	52,274	10,455
1999A – City of Aurora	2,083,621	416,724
1999A – Grand County Water and Sanitation District	444,831	88,966
1999A – Left Hand Water and Sanitation District	8,828	1,766
2000A – Summit County	707,484	141,497
2000A – Parker Water and Sanitation District	2,196,753	439,351
2000A – Three Lakes Water and Sanitation District	888,181	177,636
2001A – City of Steamboat Springs	66,876	13,375
2001A – City of Lafayette	1,704,503	340,901
2001A – Mt. Crested Butte Water and Sanitation District	1,054,661	210,932
2002A – Black Hawk-Central City Sanitation District	390,592	78,118
2002A – Town of Wellington	417,442	83,488
2002A – Winter Park West Water and Sanitation District	349,416	69,883
	<u>10,402,409</u>	<u>2,080,481</u>
Drinking Water Revolving Fund Projects:		
1998A – Town of Buena Vista	1,454	291
1999A – City of Glenwood Springs	47	9
1999A – Grand County Water and Sanitation District No. 1	63,964	12,793
1999A – City of Greeley	218,297	43,659
1999A – Left Hand Water District	95,085	19,017
2000DL – Sedalia Water and Sanitation District	24,542	4,908
2000A – Evergreen Metro District	673,678	134,736
2000A – Board of Waterworks Pueblo	80,524	16,105
2000A – Town of Limon	127,552	25,510
2000A – City of Westminster	2,220,881	444,176
2000DL – Town of Wellington	534,910	106,982
2002A – Evergreen Metropolitan District	764,260	152,852
2002A – City of Idaho Springs	906,316	181,263
2002A – City of La Junta	550,096	110,019
2002DL – City of Woodland Park	559,915	111,983
	<u>6,821,521</u>	<u>1,364,303</u>
Total	<u>\$ 17,223,930</u>	<u>3,444,784</u>

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Notes to Basic Financial Statements

December 31, 2003 and 2002

(8) Defined Benefit Pension Plan

The Authority contributes to the Combined State and School Division Trust Fund (CSSDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The CSSDTF provides retirement and disability, annual increases, and death benefits for members or their beneficiaries. All employees and board members of the Authority are members of the CSSDTF. Title 24, Article 51 of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for the CSSDTF. That report may be obtained by writing to Colorado PERA, 1300 Logan Street, Denver, Colorado 80203 or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

The financial statements of the CSSDTF are prepared using the accrual basis of accounting. Member and employer contributions are recognized as revenues in the period in which the employer pays compensation to the member. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The CSSDTF plan investments are presented at fair value except for short-term investments, which are recorded at cost, which approximates fair value.

Plan members and the Authority are required to contribute to the CSSDTF at a rate set by statute. The contribution requirements of plan members and the Authority are established under Title 24, Article 51, Part 4 of the CRS, as amended. The contribution rate for members is 8.0% of covered salary (see below table for the Authority's contribution rates). Beginning with payroll periods ending after January 1, 2001, the employer contributions paid to the CSSDTF were reduced by an employer match on members' voluntary contributions to a defined contribution plan. The match, set by the board of trustees of PERA, is 100% of a member's eligible tax-deferred retirement program contributions limited by a per payroll whole percentage of PERA-includable salary limit (see below table for matchmaker rates). Any unused defined contribution match money is forwarded to the CSSDTF. Also, a portion of the Authority's contribution (1.64% of covered salary) is allocated for the Health Care Trust Fund (see note 9). The Authority's contributions to CSSDTF for the years ended December 31, 2003, 2002, and 2001 were \$75,727, \$64,688, and \$61,342, respectively, equal to their required contributions for each year.

Contribution rates from July 1, 2001 to June 30, 2004 are the following:

PERA employer rates	Matchmaker rates
7/1/01-6/30/02	9.90%
7/1/02-6/30/03	10.04%
7/1/03-6/30/04	10.15%

(9) Postemployment Healthcare Benefits

The Authority contributes to the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer postemployment healthcare plan administered by PERA. The HCTF provides a health care premium subsidy to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the CRS, as amended, assigns the authority to establish the HCTF benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and

**COLORADO WATER RESOURCES
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Notes to Basic Financial Statements

December 31, 2003 and 2002

required supplementary information for the HCTF. That report may be obtained by writing to Colorado PERA, 1300 Logan Street, Denver, Colorado 80203 or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

The financial statements of the HCTF are prepared using the accrual basis of accounting. Member and employer contributions are recognized as revenues in the period in which the employer pays compensation to the member. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The HCTF plan investments are presented at fair value except for short-term investments, which are recorded at cost, which approximates fair value.

The Authority is required to contribute at a rate of 1.64% of covered salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the Authority are established under Title 24, Article 51, Part 4 of the CRS, as amended. The apportionment of the contribution to the HCTF is established under Title 24, Article 51, Section 208 of the Colorado Revised Statutes, as amended. The Authority's contributions to HCTF for the years ended December 31, 2003, 2002, and 2001 were \$12,307, \$10,639, and \$9,841, respectively, equal to their required contributions for each year.

(10) Defined Contribution Pension Plan

The (CSSDTF) members (see note 8) of the Authority may voluntarily contribute to the Voluntary Investment Program (401(k) Plan), an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Plan participation is voluntary, and contributions are separate from others made to PERA. Title 24, Article 51, Part 14 of the CRS, as amended, assigns the authority to establish the 401(k) Plan provisions to the State Legislature.

The 401(k) Plan is funded by voluntary member contributions of up to a maximum limit set by the IRS (\$12,000 in 2003 and up to an additional \$2,000 for participants over age 50). Beginning January 1, 2001, an employer match was legislated which would match 100% of a member's eligible tax-deferred retirement program contributions limited by 2% in 2003 per payroll of the PERA-includable salary. The contribution requirements for the Authority are established under Title 24, Article 51, Section 1402 of the CRS, as amended. The 401(k) Plan member contributions from the Authority for the years ended December 31, 2003 and 2002 were \$53,771 and \$44,262, respectively. The employer contributions to the 401(k) Plan from the Authority for the years ended December 31, 2003 and 2002 were \$13,520 and \$18,084, respectively.

(11) Lease Commitment

The Authority leases office facilities under an operating lease that expires in 2005. Rent expense totaled \$108,661 and \$121,398 for 2003 and 2002, respectively. The future minimum annual rental commitment under this lease is \$109,492 and \$100,368 for 2004 and 2005, respectively. Pursuant to the lease agreement executed in 2002, the landlord made a \$42,384 payment to the Authority in lieu of providing tenant finish improvements. The payment is being amortized over the 36-month lease term and accordingly, reduces rent expense.

**COLORADO WATER RESOURCES
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Notes to Basic Financial Statements

December 31, 2003 and 2002

(12) Tax, Spending, and Debt Limitations

In November 1992, the voters of Colorado approved Amendment 1, referred to as the Taxpayer's Bill of Rights (TABOR), which added a new section 20 to article X of the Colorado Constitution. TABOR contains tax, spending, revenue, and debt limitations which apply to the State of Colorado and all local governmental agencies.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governmental agencies combined, are excluded from the provisions of TABOR. The Authority's management believes that its operations qualify for this exclusion. However, TABOR is complex and subject to interpretation. Many of the provisions, including the qualification as an Enterprise, may require judicial interpretation.

(13) Risk Management and Contingencies

The Authority is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God. The Authority maintains commercial insurance for most risks of loss, excluding directors' and officers' legal liability for which the Authority is self-insured. No claims have been made against commercial insurance coverage or the Authority in any of the past three fiscal years.

The Authority receives federal grant funds from the EPA. These amounts are subject to audit and adjustment by the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the Authority. The amount, if any, of expenses which may be disallowed by the federal government cannot be determined at this time, although the Authority expects such amounts, if any, to be immaterial to its financial operations.

SUPPLEMENTAL INFORMATION

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Regulatory Basis

Combining Schedule of Net Assets

Water Pollution Control Fund

December 31, 2003

Assets	<u>State Revolving Fund</u>	<u>Non-Revolving Fund</u>	<u>Water Pollution Control Fund</u>
Current assets:			
Cash and cash equivalents	\$ 15,052,204	4,635,290	19,687,494
Federal grants receivable	—	39,942	39,942
Investment income receivable	12,490	342,900	355,390
Loans receivable	23,240,877	—	23,240,877
Accounts receivable – borrowers	2,838,370	1,380,294	4,218,664
Restricted assets:			
Cash and cash equivalents	17,166,516	—	17,166,516
Investments	60,787,273	—	60,787,273
Investment income receivable	1,354,453	—	1,354,453
Total current assets	<u>120,452,183</u>	<u>6,398,426</u>	<u>126,850,609</u>
Noncurrent assets:			
Restricted assets:			
Investments	139,509,386	—	139,509,386
Investment income receivable	2,423,986	—	2,423,986
Loans receivable	381,980,089	—	381,980,089
Capital assets – equipment, net	—	15,269	15,269
Total noncurrent assets	<u>523,913,461</u>	<u>15,269</u>	<u>523,928,730</u>
Total assets	<u>\$ 644,365,644</u>	<u>6,413,695</u>	<u>650,779,339</u>
Liabilities and Fund Net Assets			
Current liabilities:			
Bonds payable	\$ 20,450,000	—	20,450,000
Accrued interest payable	6,294,900	—	6,294,900
Due to other funds	—	184,078	184,078
Project costs payable-direct loans	528,387	—	528,387
Project costs payable-leveraged loans	68,101,609	—	68,101,609
Total current liabilities	<u>95,374,896</u>	<u>184,078</u>	<u>95,558,974</u>
Noncurrent liabilities:			
Project costs payable-leveraged loans	400,000	—	400,000
Advance payable	—	9,535,781	9,535,781
Bonds payable, net	350,590,562	—	350,590,562
Deferred revenue	—	270,635	270,635
Other liabilities	—	4,152,849	4,152,849
Total noncurrent liabilities	<u>350,990,562</u>	<u>13,959,265</u>	<u>364,949,827</u>
Total liabilities	<u>446,365,458</u>	<u>14,143,343</u>	<u>460,508,801</u>
Fund net assets:			
Invested in capital assets	—	15,269	15,269
Restricted	198,000,186	(7,744,917)	190,255,269
Total fund net assets	<u>198,000,186</u>	<u>(7,729,648)</u>	<u>190,270,538</u>
Total liabilities and fund net assets	<u>\$ 644,365,644</u>	<u>6,413,695</u>	<u>650,779,339</u>

See accompanying notes to regulatory basis schedules.
See accompanying independent auditors' report.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Regulatory Basis

Combining Schedule of Revenues, Expenses, and Changes in Fund Net Assets

Water Pollution Control Fund

Year ended December 31, 2003

	<u>State Revolving Fund</u>	<u>Non-Revolving Fund</u>	<u>Water Pollution Control Fund</u>
Operating revenues:			
Interest on loans	\$ 8,575,742	—	8,575,742
Interest on investments	10,785,689	149,670	10,935,359
Surcharge from borrowers	592,497	—	592,497
Administrative fee	—	4,006,729	4,006,729
EPA grants	—	365,188	365,188
Other	65,082	—	65,082
Total operating revenues	<u>20,019,010</u>	<u>4,521,587</u>	<u>24,540,597</u>
Operating expenses:			
Interest on bonds	19,353,391	—	19,353,391
Grant administration	—	1,211,440	1,211,440
General and administrative	—	1,697	1,697
Other	49,985	54,471	104,456
Total operating expenses	<u>19,403,376</u>	<u>1,267,608</u>	<u>20,670,984</u>
Operating income	615,634	3,253,979	3,869,613
EPA capitalization grants	14,851,003	—	14,851,003
Transfers in (out)	971,033	(971,033)	—
Change in net assets	16,437,670	2,282,946	18,720,616
Fund net assets – beginning of year	<u>181,562,516</u>	<u>(10,012,594)</u>	<u>171,549,922</u>
Fund net assets – end of year	<u>\$ 198,000,186</u>	<u>(7,729,648)</u>	<u>190,270,538</u>

See accompanying notes to regulatory basis schedules.
See accompanying independent auditors' report.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Notes to Regulatory Basis of the Combining Schedule of
Net Assets and the Combining Schedule of Revenues,
Expenses, and Changes in Fund Net Assets

Water Pollution Control Fund

December 31, 2003

(1) Purpose

The regulatory basis combining schedule of net assets and the combining schedule of revenues, expenses, and changes in fund net assets have been prepared as required by the Environmental Protection Agency for purposes of segregating the activities of the Water Pollution Control Fund between the State Revolving Fund and Non-Revolving Fund. The State Revolving Fund and Non-Revolving Fund are activities within the Water Pollution Control enterprise fund, a major fund for accounting purposes. The State Revolving Fund and Non-Revolving Fund, individually, do not constitute a fund for reporting purposes under generally accepted accounting principles. The schedules are prepared on a regulatory basis as required by the Environmental Protection Agency for the Water Pollution Control Fund. The regulatory basis in the aggregate is consistent with generally accepted accounting principles.

(2) Grant Administration

All administration fee revenue and expenses related to the operation of the Water Pollution Control Revolving Fund capitalization program are accounted for in the Non-Revolving Fund.

(3) Advance Payable

The Non-Revolving Fund accounts for the advance from the Water Operations Fund. A cash advance is made, as needed, to the Non-Revolving Fund to meet the state match requirement of the EPA capitalization State Revolving Fund. The cash transferred to the State Revolving Fund is included in the net transfers line item. The advance is periodically repaid to the Water Operations Fund with revenue generated from loan administrative fees paid by borrowers.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Regulatory Basis

Combining Schedule of Net Assets

Drinking Water Fund

December 31, 2003

Assets	State Revolving Fund	Non-Revolving Fund	Drinking Water Fund
Current assets:			
Cash and cash equivalents	\$ 4,054,681	12,790,774	16,845,455
Federal grants receivable	—	103,903	103,903
Investment income receivable	5,610	156,504	162,114
Loans receivable	7,376,629	291,349	7,667,978
Accounts receivable – borrowers	1,122,019	453,417	1,575,436
Restricted assets:			
Cash and cash equivalents	8,956,772	—	8,956,772
Investments	36,013,371	—	36,013,371
Investment income receivable	491,709	—	491,709
Total current assets	<u>58,020,791</u>	<u>13,795,947</u>	<u>71,816,738</u>
Noncurrent assets:			
Restricted assets:			
Investments	45,275,380	—	45,275,380
Investment income receivable	495,046	—	495,046
Loans receivable	166,981,166	3,564,955	170,546,121
Capital assets – equipment, net	—	15,269	15,269
Total noncurrent assets	<u>212,751,592</u>	<u>3,580,224</u>	<u>216,331,816</u>
Total assets	<u>\$ 270,772,383</u>	<u>17,376,171</u>	<u>288,148,554</u>
Liabilities and Fund Net Assets			
Current liabilities:			
Bonds payable	\$ 6,300,000	—	6,300,000
Accrued interest payable	2,281,674	—	2,281,674
Due to other funds	—	244,381	244,381
Accounts Payable-Other	—	78,926	78,926
Project costs payable-direct loans	3,014,214	—	3,014,214
Project costs payable-leveraged loans	36,541,467	—	36,541,467
Total current liabilities	<u>48,137,355</u>	<u>323,307</u>	<u>48,460,662</u>
Noncurrent liabilities:			
Project costs payable-leveraged loans	2,138,000	—	2,138,000
Bonds payable	145,190,000	—	145,190,000
Other liabilities	—	2,146,771	2,146,771
Total noncurrent liabilities	<u>147,328,000</u>	<u>2,146,771</u>	<u>149,474,771</u>
Total liabilities	<u>195,465,355</u>	<u>2,470,078</u>	<u>197,935,433</u>
Fund net assets:			
Invested in capital assets	—	15,269	15,269
Restricted	75,307,028	2,262,660	77,569,688
Unrestricted	—	12,628,164	12,628,164
Total fund net assets	<u>75,307,028</u>	<u>14,906,093</u>	<u>90,213,121</u>
Total liabilities and fund net assets	<u>\$ 270,772,383</u>	<u>17,376,171</u>	<u>288,148,554</u>

See accompanying notes to regulatory basis schedules.
See accompanying independent auditors' report.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Regulatory Basis

Combining Schedule of Revenues, Expenses, and Changes in Fund Net Assets

Drinking Water Fund

Year ended December 31, 2003

	<u>State Revolving Fund</u>	<u>Non-Revolving Fund</u>	<u>Drinking Water Fund</u>
Operating revenues:			
Interest on loans	\$ 4,092,008	120,876	4,212,884
Interest on investments	2,790,038	428,388	3,218,426
Administrative fee	—	1,553,216	1,553,216
EPA set aside grants:			
Administrative	—	351,245	351,245
Small Systems Training and Technical Assistance Program	—	235,389	235,389
Source Water Assessment and Protection Program	—	395,851	395,851
Capacity Development	—	638,091	638,091
Wellhead Protection	—	562,658	562,658
Public Water System Supervision	—	597,377	597,377
Other	27,699	—	27,699
Total operating revenues	<u>6,909,745</u>	<u>4,883,091</u>	<u>11,792,836</u>
Operating expenses:			
Interest on bonds	6,485,194	—	6,485,194
Grant administration – State funded	—	688,907	688,907
General and Administrative	—	1,697	1,697
EPA set asides:			
Administrative	—	351,245	351,245
Small Systems Training and Technical Assistance Program	—	235,389	235,389
Source Water Assessment and Protection Program	—	395,851	395,851
Capacity Development	—	638,091	638,091
Wellhead Protection	—	562,658	562,658
Public Water System Supervision	—	597,377	597,377
Other	—	66,860	66,860
Total operating expenses	<u>6,485,194</u>	<u>3,538,075</u>	<u>10,023,269</u>
Operating income	424,551	1,345,016	1,769,567
EPA capitalization grants	4,241,846	—	4,241,846
Transfers in (out)	3,602,347	(3,602,347)	—
Change in net assets	8,268,744	(2,257,331)	6,011,413
Fund net assets – beginning of year	<u>67,038,284</u>	<u>17,163,424</u>	<u>84,201,708</u>
Fund net assets – end of year	<u>\$ 75,307,028</u>	<u>14,906,093</u>	<u>90,213,121</u>

See accompanying notes to regulatory basis schedules.
See accompanying independent auditors' report.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Notes to Regulatory Basis of the Combining Schedule of
Net Assets and the Combining Schedule of Revenues,
Expenses, and Changes in Fund Net Assets

Drinking Water Fund

December 31, 2003

(1) Purpose

The regulatory basis combining schedule of net assets and the combining schedule of revenues, expenses, and changes in fund net assets have been prepared as required by the Environmental Protection Agency for purposes of segregating the activities of the State Revolving Fund and Non-Revolving Fund. The State Revolving Fund and Non- Revolving Fund are activities within the Drinking Water enterprise fund, a major fund for accounting purposes. The State Revolving Fund and Non-Revolving Fund, individually, do not constitute a fund for reporting purposes under generally accepted accounting principles. The schedules are prepared on a regulatory basis as required by the Environmental Protection Agency for the Drinking Water Fund. The regulatory basis in the aggregate is consistent with generally accepted accounting principles.

(2) Non-Revolving Fund

The Authority issues direct loans to eligible municipalities which are funded with money from sources other than the Drinking Water Capitalization Grant. These loans are accounted for in the Non-Revolving Fund. The Drinking Water Fund nonfederal direct loans receivable amounted to \$3,856,304 at December 31, 2003. There are currently 16 loans outstanding at year end which mature in years 2005 to 2017.

(3) Grant Administration

All administration expenses, both federally and State (loan surcharge fees) funded, related to the operation of the Drinking Water Revolving Fund and set aside programs, are accounted for in the Non-Revolving Fund.

(4) Set Aside Revenue and Expenses

The set aside activities of the Drinking Water Fund are recorded in the Non-Revolving Fund. Set asides for each capitalization grant, other than for administration, are provided to public and private entities to improve the performance or quality of drinking water systems. The 20% state match for these set asides is deposited to the Drinking Water Revolving Fund by the Authority.

See accompanying independent auditors' report.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Schedule of Revenues, Expenditures, and Changes in Funds Available –
Actual (Non-GAAP Budgetary Basis) and Budget

Water Operations Fund

Year ended December 31, 2003

	<u>Actual</u>	<u>Original budget</u>	<u>Changes</u>	<u>Final budget</u>	<u>Variance – favorable (unfavorable)</u>
Revenues:					
Interest on investments	\$ 2,438,377	2,570,000	—	2,570,000	(131,623)
WPCRF state match loan repayment	3,200,000	4,000,000	—	4,000,000	(800,000)
Loan principal payments – SWRP	4,762,500	7,990,000	—	7,990,000	(3,227,500)
Loan principal payments – WRBP	160,000	11,160,000	—	11,160,000	(11,000,000)
Loan principal payments – interim	3,574,345	41,000,000	—	41,000,000	(37,425,655)
Bond proceeds – SWRP	9,610,000	40,000,000	—	40,000,000	(30,390,000)
Bond proceeds – WRBP	17,760,000	250,000,000	—	250,000,000	(232,240,000)
Refunding bond proceeds - SWRP	—	20,000,000	—	20,000,000	(20,000,000)
Loan interest income – SWRP	5,793,590	9,410,000	—	9,410,000	(3,616,410)
Loan interest income – WRBP	587,034	13,916,000	—	13,916,000	(13,328,966)
Loan interest income – interim loans	144,472	—	—	—	144,472
Other	1,631	2,000	—	2,000	(369)
Total revenues	<u>48,031,949</u>	<u>400,048,000</u>	<u>—</u>	<u>400,048,000</u>	<u>(352,016,051)</u>
Expenditures:					
WPCRF state match loans	1,428,434	4,433,000	—	4,433,000	3,004,566
General/administrative	539,750	1,737,400	—	1,737,400	1,197,650
Interim loans made	3,702,643	41,000,000	—	41,000,000	37,297,357
Bond principal payments – SWRP	5,085,000	7,950,000	—	7,950,000	2,865,000
Bond principal payments – WRBP	160,000	11,160,000	—	11,160,000	11,000,000
Bond interest expense – SWRP	5,883,740	8,859,000	—	8,859,000	2,975,260
Bond interest expense – WRBP	478,540	13,927,000	—	13,927,000	13,448,460
Loans made – SWRP	9,610,000	40,000,000	—	40,000,000	30,390,000
Loans made – WRBP	17,760,000	250,000,000	—	250,000,000	232,240,000
Refunding Bonds Escrow Deposit	—	20,000,000	—	20,000,000	20,000,000
Arbitrage rebate payments	168,824	30,000	139,000	169,000	176
Project expenditures	787,770	6,484,000	(139,000)	6,345,000	5,557,230
Total expenditures	<u>45,604,701</u>	<u>405,580,400</u>	<u>—</u>	<u>405,580,400</u>	<u>359,975,699</u>
Excess of revenues over (under) expenditures	<u>\$ 2,427,248</u>	<u>(5,532,400)</u>	<u>—</u>	<u>(5,532,400)</u>	<u>7,959,648</u>

See accompanying independent auditors' report.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Reconciliation of Non-GAAP Budgetary Basis (Actual) to
Statement of Revenues, Expenses, and Changes in Fund Net Assets

Water Operations Fund

Year ended December 31, 2003

Revenues (budgetary basis):	\$	48,031,949
WPCRF state match loan repayment		(3,200,000)
Loan principal payments – SWRP		(4,762,500)
Loan principal payments – WRBP		(160,000)
Loan principal payments – interim		(3,574,345)
Bond proceeds – SWRP		(9,610,000)
Bond proceeds – WRBP		(17,760,000)
		8,965,104
Revenues (GAAP basis)		
Expenditures (budgetary basis):		45,604,701
Depreciation		3,838
Acquisition of fixed assets		(26,889)
Capitalized bond issuance costs		(577,775)
WPCRF state match loan		(1,428,434)
Bond principal payments – SWRP		(5,085,000)
Bond principal payments – WRBP		(160,000)
Loans made – SWRP		(9,610,000)
Loans made – WRBP		(17,760,000)
Arbitrage rebate payments		(168,824)
Interim loans made		(3,702,643)
		7,088,974
Expenses (GAAP basis)		
Change in net assets per statement of revenues, expenses, and changes in fund net assets	\$	1,876,130

See accompanying independent auditors' report.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Schedule of Revenues, Expenditures, and Changes in Funds Available
Actual (Non-GAAP Budgetary Basis) and Budget

Water Pollution Control Fund

Year ended December 31, 2003

	<u>Actual</u>	<u>Original budget</u>	<u>Changes</u>	<u>Final budget</u>	<u>Variance – favorable (unfavorable)</u>
Revenues:					
Interest on investments	\$ 10,935,359	12,555,000	—	12,555,000	(1,619,641)
Administrative fee	4,006,729	4,364,900	—	4,364,900	(358,171)
Loan interest income	8,575,742	14,154,500	—	14,154,500	(5,578,758)
State surcharge income	592,497	592,500	—	592,500	(3)
EPA grants	15,216,191	31,655,000	—	31,655,000	(16,438,809)
Colorado state match	1,428,434	4,433,000	—	4,433,000	(3,004,566)
Loan principal repayments	23,298,281	23,561,000	—	23,561,000	(262,719)
Bond proceeds	14,750,000	81,500,000	—	81,500,000	(66,750,000)
Other	65,082	—	—	—	65,082
Total revenues	<u>78,868,315</u>	<u>172,815,900</u>	<u>—</u>	<u>172,815,900</u>	<u>(93,947,585)</u>
Expenditures:					
Grant administration	1,211,440	1,482,000	—	1,482,000	270,560
Bond principal payments	19,265,000	21,618,000	—	21,618,000	2,353,000
Advance repayments – state match	3,200,000	4,000,000	—	4,000,000	800,000
Project costs paid – direct loans	2,076,973	8,100,000	—	8,100,000	6,023,027
Loans made – leveraged loans	16,178,434	81,500,000	(79,000)	81,421,000	65,242,566
Planning and design grants to small local governments	54,470	200,000	—	200,000	145,530
Other	1,298,594	1,220,000	79,000	1,299,000	406
Bond interest expense	19,353,391	20,338,000	—	20,338,000	984,609
Capital asset acquisitions	1,812	10,000	—	10,000	8,188
Total expenditures	<u>62,640,114</u>	<u>138,468,000</u>	<u>—</u>	<u>138,468,000</u>	<u>75,827,886</u>
Excess of revenues over expenditures	<u>\$ 16,228,201</u>	<u>34,347,900</u>	<u>—</u>	<u>34,347,900</u>	<u>(18,119,699)</u>

See accompanying independent auditors' report.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Reconciliation of Non-GAAP Budgetary Basis (Actual) to
Statement of Revenues, Expenses, and Changes in Fund Net Assets

Water Pollution Control Fund

Year ended December 31, 2003

Revenues (budgetary basis):	\$	78,868,315
Bond proceeds		(14,750,000)
Loan principal repayments		(23,298,281)
Colorado state match		(1,428,434)
		39,391,600
Revenues (GAAP basis)		
Expenditures (budgetary basis):		62,640,114
Project costs paid – direct loans		(2,076,973)
Bond principal payments		(19,265,000)
Amortization – bond refunding costs		
Arbitrage rebate payments		(1,248,608)
Depreciation expense		1,697
Advance repayment – state match		(3,200,000)
Loans made – leveraged loans		(16,178,434)
Capital asset acquisitions		(1,812)
		20,670,984
Expenses (GAAP basis)		
Change in net assets per statement of revenues, expenses, and changes in fund net assets	\$	18,720,616

See accompanying independent auditors' report.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Schedule of Revenues, Expenditures, and Changes in Funds Available –
Actual (Non-GAAP Budgetary Basis) and Budget

Drinking Water Fund

Year ended December 31, 2003

	<u>Actual</u>	<u>Original budget</u>	<u>Changes</u>	<u>Final budget</u>	<u>Variance – favorable (unfavorable)</u>
Revenues:					
Interest on investments	\$ 3,218,426	4,000,000	—	4,000,000	(781,574)
Loan interest income	4,212,884	5,531,000	—	5,531,000	(1,318,116)
Loan principal repayments	6,948,053	7,513,000	—	7,513,000	(564,947)
Bond proceeds	32,530,000	40,000,000	—	40,000,000	(7,470,000)
Capital contributions – EPA	4,241,846	10,300,000	—	10,300,000	(6,058,154)
EPA capitalization grant set asides revenue	2,780,611	3,094,000	—	3,094,000	(313,389)
Administrative fee income	1,553,216	1,612,000	—	1,612,000	(58,784)
Other	27,699	—	—	—	27,699
Total revenues	<u>55,512,735</u>	<u>72,050,000</u>	<u>—</u>	<u>72,050,000</u>	<u>(16,537,265)</u>
Expenditures:					
Grant administration – State funded	1,040,152	1,252,000	—	1,252,000	211,848
Project costs paid – direct loans	2,768,976	7,560,000	—	7,560,000	4,791,024
Loans made – leveraged	36,134,600	40,000,000	(78,000)	39,922,000	3,787,400
Bond principal payments made	5,345,000	5,900,000	—	5,900,000	555,000
Bond interest expense	6,485,194	6,548,000	—	6,548,000	62,806
EPA capitalization grant set asides	2,429,366	2,686,000	—	2,686,000	256,634
Planning and design grants to small local governments	66,860	200,000	—	200,000	133,140
Arbitrage rebate payments	277,030	200,000	78,000	278,000	970
Capital asset acquisitions	1,812	10,000	—	10,000	8,188
Total expenditures	<u>54,548,990</u>	<u>64,356,000</u>	<u>—</u>	<u>64,356,000</u>	<u>9,807,010</u>
Excess of revenues over expenditures	<u>\$ 963,745</u>	<u>7,694,000</u>	<u>—</u>	<u>7,694,000</u>	<u>(6,730,255)</u>

See accompanying independent auditors' report.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Reconciliation of Non-GAAP Budgetary Basis (Actual) to
Statement of Revenues, Expenses, and Changes in Fund Net Assets

Drinking Water Fund

Year ended December 31, 2003

Revenues (budgetary basis):	\$	55,512,735
Bond proceeds		(32,530,000)
Loan principal repayments		(6,948,053)
		16,034,682
Revenues (GAAP basis)		16,034,682
Expenditures (budgetary basis):		54,548,990
Project costs paid – direct loans		(2,768,976)
Bond principal payments made		(5,345,000)
Loans made – leveraged loans		(36,134,600)
Arbitrage rebate payments		(277,030)
Depreciation Expense		1,697
Capital asset acquisitions		(1,812)
		10,023,269
Expenses (GAAP basis)		10,023,269
Change in net assets per statement of revenues, expenses, and changes in fund net assets	\$	6,011,413

See accompanying independent auditors' report.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Schedule of Project Costs Payable – By Borrower

December 31, 2003

	Project costs payable
Water Operations Fund:	
1996A – Town of Johnstown - SWRP	\$ 236,781
1997A – Town of Monument - SWRP	307,138
2002A – Eagle River Water and Sanitation District - SWRP	1,500,000
2003A – City of Rifle - SWRP	54,267
2003A – Clifton Water District - SWRP	5,500,000
2003A – Town of Eaton - SWRP	1,457,129
2003A – City of Louisville - WRBP	5,950,679
	15,005,994
Water Pollution Control Revolving Fund:	
1999A – City of Aurora	2,062,368
1999A – Fremont Sanitation District	136,564
1999A – Grand County Water and Sanitation District	1,001,957
2000DL – Left Hand Water and Sanitation District	62,633
2001A – City of Ft. Collins	2,786,752
2001A – City of Lafayette	1,120,079
2001A – Plum Creek Wastewater Authority	7,683,698
2001DL – Baca Grande Water and Sanitation District	68,069
2002A – Berthoud, Town of	669,002
2002A – Blackhawk-Central City Sanitation District	18,022,839
2002A – Mesa County	6,858,798
2002A – South Adams County Water and Sanitation District	678,145
2002A – Winter Park West Water and Sanitation District	480,526
2002B – Denver Southeast Suburban Water and Sanitation District	6,065,901
2002B – Parker Water and Sanitation District	2,825,925
2002B – Plum Creek Wastewater Authority	3,365,000
2003A – City of Pueblo	7,557,302
2003A – Colorado City Metropolitan District	1,824,578
2003A – Town of Milliken	5,362,175
2003DL – City of Salida	121,775
2003DL – Pike's Peak-Americas Mountain	275,910
	69,029,996

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Schedule of Project Costs Payable – By Borrower

December 31, 2003

	Project costs payable
Drinking Water Revolving Fund:	
1998A – Town of Buena Vista	\$ 23,359
1999A – Grand County Water and Sanitation District No. 1	43,033
1999A – City of Greeley	302,696
2000A – Evergreen Metro District	550,000
2000A – City of Westminster	141,209
2002A – Grand Junction, City of	1,787,120
2002A – La Junta, City of	4,711,927
2002 DLF – Dillon, Town of	100,000
2002 DLF – Thunderbird Water and Sanitation District	63,676
2002 DLF – Woodland Park, City of	49,945
2003A – City of Longmont	12,256,349
2003A – Town of Lyons	4,698,815
2003A – Fountain Valley Authority	1,343,459
2003B – City of Florence	12,821,500
2003 DLF – Mustang Water Authority	700,000
2003 DLF – Town of Oak Creek	844,270
2003 DLF – City of Ouray	1,000,000
2003 DLF – Westwood Lakes Water District	256,323
	41,693,681
Total project costs payable	\$ 125,729,671

See accompanying independent auditors' report.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Schedule of Loans Receivable – By Borrower

December 31, 2003

Water Operations Fund – Small Water Resources Projects:	
1990A – Town of Estes Park	\$ 1,095,000
1990A – Fort Collins – Loveland Water District	1,285,000
1990A – North Weld County Water District	1,520,000
1990A – Eagle River Water and Sanitation District	991,250
1991A – Edwards Metropolitan District	625,000
1991A – Town of Estes Park	665,000
1991A – Town of Minturn	225,000
1991A – City of Steamboat Springs	655,000
1992A – City of Brush	595,000
1992A – City of Fort Lupton	1,790,000
1992A – Town of LaSalle	1,095,000
1992A – City of Louisville	4,380,000
1992B – Central Weld County Water District	886,667
1992B – City of Glenwood Springs	1,580,000
1992B – Little Thompson Water District	2,232,500
1992B – Town of Minturn	45,000
1992B – Mt. Werner Water and Sanitation District	2,665,833
1992B – North Weld County Water District	601,250
1994A – Town of Berthoud	487,500
1994A – City of Fort Morgan	1,660,833
1994A – Town of Gypsum	476,250
1994A – Parker Water and Sanitation District	393,750
1994A – Town of Platteville	662,500
1994B – Town of Carbondale	1,360,000
1994B – Project 7 Water Authority	2,940,833
1994B – City of Rifle	835,833
1996A – City of Canon City	3,245,834
1996A – Town of Johnstown	1,327,500
1996B – Morgan County Quality Water District	350,000
1997A – Town of Monument	1,425,000
1997A – Parker Water and Sanitation District	3,855,000
1997A – Roxborough Park Metropolitan District	2,325,000
1998A – Town of Dillon	125,000
1998A – Morgan County Quality Water District	2,440,000
1998A – North Weld County Water District	4,085,000
2000A – Parker Water and Sanitation District	12,526,250
2000A – Upper Eagle Regional Water Authority	10,682,500
2001A – North Weld County Water District	14,902,500
2002A – Eagle River Water and Sanitation District	4,400,000
2002A – Parker Water and Sanitation District	10,055,000
2003A – Clifton Water District	5,555,000
2003A – Town of Eaton	2,530,000
2003A – City of Rifle	1,525,000
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Total Water Operations Fund loans receivable – SWRP	113,104,583
Water Operations Fund – Water Revenue Bond Program:	
1998A – Rio Blanco Water Conservancy District	2,375,000
2003A – City of Louisville	13,800,000
2003B – City of Longmont	3,960,000
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Total Water Operations Fund loans receivable – WRBP	20,135,000
Water Operations Fund – Authority interim loans	
2002 – City of Fountain	2,630,420
2003 – Town of Berthod	815,962
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Total Water Operations Fund interim loans	3,446,382
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Total Water Operations Fund loans receivable	136,685,965
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**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Schedule of Loans Receivable – By Borrower

December 31, 2003

Water Pollution Control Revolving Fund:

Direct loans (loans were provided by EPA Capitalization Grants and Authority resources):

1989DL – Larimer County Commissioners (Mountain Range Shadows Project)	\$ 695,760
1990DL – Mountain Water and Sanitation District	73,259
1991DL – Durango West Metropolitan District No. 2	225,879
1992DL – Nucla Sanitation District	83,839
1992DL – City of Ouray	432,016
1992DL – Montrose County	88,556
1994DL – City of Fort Lupton	124,534
1994DL – St. Mary’s Glacier Water and Sanitation District	96,132
1995DL – City of Fruita	74,545
1995DL – Town of Log Lane Village	179,300
1996DL – Town of Ordway	263,616
1996DL – City of Broomfield	1,899,121
1996DL – Town of Lyons	384,139
1997DL – Town of Vona	65,428
1997DL – Town of Manzanola	62,559
1997DL – Pagosa Springs GID	492,639
1997DL – Town of Erie	401,847
1997DL – City of Holyoke	391,409
1998DL – Byers Water and Sanitation District	358,505
1998DL – City of Las Animas	886,554
1998DL – City of Evans	336,611
1998DL – East Alamosa Water and Sanitation District	108,881
1999DL – Town of Kersey	144,240
1999DL – City of La Junta	317,152
1999DL – City of Monte Vista	829,322
1999DL – Town of New Castle	400,861
1999DL – Left Hand Water and Sanitation District	106,617
2000DL – Columbine Water and Sanitation District	367,700
2000DL – Left Hand Water and Sanitation District	75,732
2000DL – Town of Springfield	181,123
2001DL – Baca Grande Water and Sanitation District	759,550
2001DL – Niwot Sanitation District	924,099
2002DL – Pagosa Springs GID	196,023
2002DL – Town of Julesburg	777,588
2003DL – Pike’s Peak-Americas Mountain	1,000,000
2003DL – City of Salida	550,000
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Total WPCRF direct loans	14,355,136

Leveraged loans (loans were provided by bond proceeds, EPA Capitalization Grants and Authority resources):

1989A – Denver Southeast Suburban Water and Sanitation District (Denver SE)	3,809,008
1990A – Town of Castle Rock	2,021,224
1991A – City of Englewood	7,714,157
1991A – City of Littleton	7,714,578
1991B – Metro Wastewater Reclamation District	11,095,189
1992A – City of Fort Lupton	2,495,857
1992A – Eagle River Water and Sanitation District	4,459,624
1992B – City of Fort Collins	14,040,268
1992B – City of Longmont	1,727,814
1994A – City of Alamosa	1,511,312
1994A – Genesee Water and Sanitation District	943,675
1994A – City of Greeley	10,623,592

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Schedule of Loans Receivable – By Borrower

December 31, 2003

1994A – Parker Water and Sanitation District	\$ 1,118,360
1994A – Town of Windsor	1,959,808
1995A – City of Brighton	3,737,973
1995A – City of Craig	732,996
1995A – City of Fort Morgan	6,409,589
1995A – City of Steamboat Springs	1,045,924
1995A – Eagle River Water and Sanitation District	4,082,130
1995A – Winter Park Water and Sanitation District	2,147,664
1996A – Town of Crested Butte	1,858,320
1996A – Mt. Crested Butte Water and Sanitation District	1,014,600
1996A – Fountain Sanitation District	1,248,555
1996A – City of Idaho Springs	1,146,596
1997A – Breckenridge Sanitation District	6,169,111
1997A – Town of Carbondale	1,017,946
1997A – Town of Eagle	1,776,345
1997A – Town of Erie	1,388,972
1997A – Parker Water and Sanitation District	2,492,425
1997A – City of Sterling	1,857,248
1997A – City of Westminster	10,560,278
1998A – Buena Vista Sanitation District	3,051,996
1998A – Eagle River Water and Sanitation District	13,847,288
1998A – City of Evans	903,555
1998A – City of Trinidad	5,447,820
1998A – City of Westminster	3,092,534
1998B – City of Colorado Springs	19,483,420
1999A – City of Aurora	18,553,478
1999A – Fremont Sanitation District	7,090,798
1999A – Grand County Water and Sanitation District	3,310,883
1999A – City of Steamboat Springs	2,469,577
2000A – Parker Water and Sanitation District	10,707,258
2000A – Summit County	15,149,258
2000A – Three Lakes Water and Sanitation District	5,715,360
2001A – Cortez Sanitation District	9,015,000
2001A – City of Fort Collins	8,902,500
2001A – Fraser Sanitation District	2,250,000
2001A – City of Lafayette	7,656,954
2001A – Mt. Crested Butte Water and Sanitation District	4,767,855
2001A – Parker Water and Sanitation District	4,543,308
2001A – Plum Creek Wastewater Authority	23,670,000
2001A – City of Steamboat Springs	5,445,894
2002A – Town of Berthoud	6,325,000
2002A – Blackhawk-Central City Sanitation District	23,225,197
2002A – Mesa County	12,825,000
2002A – South Adams County Water and Sanitation District	6,262,500
2002A – Town of Wellington	4,642,113
2002A – Winter Park West Water and Sanitation District	2,308,916
2002B – Denver Southeast Suburban Water and Sanitation District	6,750,000
2002B – Parker Water and Sanitation District	14,112,800
2002B – Plum Creek Wastewater Authority	3,240,000
2003A – Colorado City Metropolitan District	1,878,538
2003A – Town of Milliken	5,897,272
2003A – City of Pueblo	8,402,620
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Total WPCRF leveraged loans	390,865,830
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Total Water Pollution Control Revolving Fund loans receivable	405,220,966
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**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Schedule of Loans Receivable – By Borrower

December 31, 2003

Drinking Water Fund:

Direct loans (loans were provided by EPA Capitalization Grants and/or Authority resources)

(DLS = state, DLF = federal):

1995DLS – Idledale Water and Sanitation District	\$ 172,622
1995DLS – Town of Fairplay #1	171,269
1995DLS – Town of Minturn	210,591
1995DLS – Town of Empire	232,656
1995DLS – Town of Elizabeth	360,118
1996DLS – Lake Creek Metropolitan District	342,994
1996DLS – Baca Grande Water and Sanitation District	122,391
1996DLS – Town of Firestone	28,329
1996DLS – Town of Nunn	245,610
1996DLS – Town of Lochbuie	259,343
1996DLS – Town of Lyons	383,372
1996DLS – Town of Bayfield	263,535
1997DLS – Town of Fairplay #2	157,438
1997DLS – City of Idaho Springs	395,685
1997DLS – Westlake Water and Sanitation District	182,645
1997DLF – Town of Grand Lake	392,544
1998DLS – Redstone Water and Sanitation District	327,706
1998DLF – Chatfield South Water District	602,041
1998DLF – Left Hand Water and Sanitation District	154,664
1999DLF – Thunderbird Water and Sanitation District	269,203
1999DLF – City of La Junta	—
2000DLF – Sedalia Water and Sanitation District	289,391
2000DLF – Springfield Water and Sanitation District	308,786
2000DLF – City of Craig	203,537
2001DLF – Town of Wellington	954,660
2002DLF – Town of Basalt	929,392
2002DLF – Town of Dillon	949,659
2002DLF – Town of Hayden	882,641
2002DLF – Thunderbird Water and Sanitation District	387,708
2002DLF – City of Woodland Park	770,121
2003 DLF – Mustang Water Authority	700,000
2003 DLF – Town of Oak Creek	981,198
2003 DLF – City of Ouray	1,000,000
2003 DLF – Westwood Lakes Water District	491,722

Total Drinking Water Fund direct loans

14,123,571

Leveraged loans (loans were provided by bond proceeds, EPA Capitalization Grants and Authority resources):

1997A – Arapahoe Estates Water District	783,490
1997A – City of Englewood	12,004,472
1997A – City of Fort Collins	7,679,177
1998A – Town of Buena Vista	1,048,261
1998A – City of Fort Morgan	12,565,429
1999A – City of Aurora	11,597,417
1999A – City of Fort Collins	4,092,809
1999A – City of Glenwood Springs	4,032,685
1999A – Grand County Water and Sanitation District No. 1	2,490,701
1999A – City of Greeley	12,618,239
1999A – Town of Julesburg	836,120
1999A – Left Hand Water District	5,407,268
2000A – Evergreen Metropolitan District	4,935,834
2000A – Fountain Valley Authority	6,714,524
2000A – Town of Limon	1,272,895
2000A – Pueblo Board of Waterworks	9,366,012
2000A – City of Westminster	12,961,778
2002A – Evergreen Metropolitan District	1,953,806
2002A – City of Grand Junction	3,555,747
2002A – City of Idaho Springs	2,240,700
2002A – City of La Junta	9,801,345
2003A – City of Longmont	14,998,044
2003A – Town of Lyons	4,915,599
2003A – Fountain Valley Authority	3,221,862
2003B – City of Florence	12,996,314

Total DWRF leveraged loans

164,090,528

Total Drinking Water Fund loans receivable

178,214,099

Total loans receivable

\$ 720,121,030

See accompanying independent auditors' report.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Schedule of Bonds Payable – By Issue

December 31, 2003

<u>Water Operations Fund</u>	<u>Original issue amount</u>	<u>Current amount outstanding</u>	<u>Interest rate</u>
Small Water Resources Program Revenue Bonds:			
1992 Series B	\$ 14,825,000	1,005,000	2.9% – 6.2%
1993 Series A	6,585,000	5,220,000	2.7% – 5.0%
1994 Series A	5,835,000	3,735,000	3.4% – 5.875%
1994 Series B	9,305,000	310,000	4.0% – 6.375%
1996 Series A	6,385,000	4,620,000	3.7% – 5.45%
1996 Series B	1,040,000	350,000	5.84% – 6.37%
1997 Series A	9,725,000	7,655,000	4.1% – 5.6%
1997 Series B	12,500,000	10,485,000	3.8% – 4.9%
1998 Series A	8,765,000	6,725,000	3.35% – 4.88%
1998 Series B	13,850,000	12,600,000	3.35% – 4.75%
2000 Series A	24,110,000	23,290,000	4.3% – 5.8%
2001 Series A	15,510,000	14,970,000	3.9% – 4.875%
2002 Series A	14,615,000	14,455,000	1.3% – 5.375%
2003 Series A	9,610,000	9,610,000	2.0% – 4.50%
Total Small Water Resources Revenue Bonds	<u>152,660,000</u>	<u>115,030,000</u>	

Due dates	Early redemption
Serial Bonds through 2006, term bonds subject to mandatory redemption 2007 – 2012. Avon Metropolitan District’s outstanding bonds in the amount of \$840,000 were defeased in 1996. Various bonds from 2003 to 2008 were defeased and all bonds after 2008 were defeased with the 1998B issue	2003 – 2004 at 100.75% of par, 2004 – 2005 at 100.5% of par, 2005 – 2006 at 100.25% of par, after 2006 at par
Serial Bonds through 2006, term bonds subject to mandatory redemption 2007 – 2010	After 2003 at par
Serial Bonds through 2003, term bonds subject to mandatory redemption 2004 – 2014	2003 – 2004 at 100.5% of par, after 2004 at par
Serial Bonds through 2009, term bonds subject to redemption 2010 – 2015. Upper Eagle Regional Water Authority’s outstanding bonds in the amount of \$2,000,000 were defeased in 1995. Bonds maturing after 2004 were defeased with the 1998B issue	After 2004 at par
Serial Bonds through 2010, term bonds subject to redemption 2011 – 2016	After 2006 at par
Taxable Serial bonds 2001 through 2006, term bonds subject to mandatory redemption 1996 – 2000	The bonds are not subject to early redemption
Serial Bonds through 2012, term bonds subject to mandatory redemption 2013 – 2017	2007 – 2008 at 101% of par, 2008 – 2009 at 100.5% of par, after 2009 at par
Serial Bonds through 2010, term bonds subject to mandatory redemption in 2011 and 2012	2008 – 2009 at 101%, after 2009 at par
Serial Bonds through 2013, term bonds subject to mandatory redemption in 2014 through 2018	2008 – 2009 at 101%, 2009 – 2010 at 100.5%, after 2010 at par
Serial Bonds through 2013, term bonds subject to mandatory redemption in 2014 and 2015	2008 – 2009 at 101%, 2009 – 2010 at 100.5%, after 2010 at par
Serial Bonds through 2017, term bonds subject to mandatory redemption in 2018 through 2020	2011 – 2020 at par
Serial Bonds through 2016, term bonds subject to mandatory redemption in 2017 through 2023	2012 – 2023 at par
Serial Bonds through 2023, term bonds subject to mandatory redemption in 2019 through 2020	2013 – 2022 at par
Serial Bonds through 2023	2014 – 2023 at par

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Schedule of Bonds Payable – By Issue

December 31, 2003

<u>Water Operations Fund</u>	<u>Original issue amount</u>	<u>Current amount outstanding</u>	<u>Interest rate</u>
Water Revenue Bonds Program:			
1998 Taxable Rio Blanco Water Conservancy District	\$ 3,140,000	2,375,000	6.0% – 7.125%
2003 Series A	13,800,000	13,800,000	2.0% – 4.125%
2003 Series B	3,960,000	3,960,000	2.0% – 2.125%
	<u>20,900,000</u>	<u>20,135,000</u>	
Total Water Revenue Bonds Program	<u>20,900,000</u>	<u>20,135,000</u>	
Total Water Operations Fund	<u>\$ 173,560,000</u>	<u>135,165,000</u>	
Water Pollution Control Revolving Fund			
Clean Water Revenue Bonds:			
Clean Water 1989 Series A (Denver Southeast Suburban Water and Sanitation District)	\$ 6,905,000	520,000	5.95% – 7.0%
Clean Water 1990 Series A (Town of Castle Rock)	3,890,000	225,000	6.25% – 7.4%
Clean Water 1991 Series A (City of Englewood – City of Littleton)	22,915,000	2,130,000	5.75% – 7.0%
Clean Water 1991 Series B (Metro Wastewater Reclamation District)	19,685,000	1,580,000	4.8% – 6.9%
Clean Water 1992 Series A (City of Fort Lupton, Frisco Sanitation District and Eagle River Water and Sanitation District)	15,200,000	785,000	4.15% – 6.25%
Clean Water 1992 Series B (City of Fort Collins and City of Longmont)	25,785,000	2,170,000	3.75% – 6.0%

Due dates	Early redemption
Serial Bonds through 2013	2009 – 2010 at 101%, after 2010 at par
Serial Bonds through 2024	2014 – 2024 at par
Serial Bonds through 2009	The bonds are not subject to early redemption
Serial Bonds through 2005, term bonds subject to mandatory redemption 2006 – 2011. \$4,130,000 of bonds maturing in 2000 and thereafter were refunded with the issuance of the 1996 Series A Wastewater Revolving Fund Refunding Revenue Bonds	After 2003 at par
Serial Bonds through 2006, term bonds subject to mandatory redemption 2007 – 2010. \$2,060,000 of bonds maturing in 2001 and thereafter were refunded with the issuance of the 1996 Series A Wastewater Revolving Fund Refunding Revenue Bonds	After 2003 at par
Serial Bonds through 2007, term bonds subject to mandatory redemption 2008 – 2012. \$11,985,000 of bonds maturing in 2002 and thereafter were refunded with the issuance of the 1996 Series A Wastewater Revolving Fund Refunding Revenue Bonds	After 2003 at par
Serial Bonds through 2006, term bonds subject to mandatory redemption 2007 – 2011. \$65,000 of bonds maturing in 1997 and \$9,660,000 of bonds maturing in 2002 and thereafter were refunded with the issuance of the 1996 Series A Wastewater Revolving Fund Refunding Revenue Bonds	After 2003 at par
Serial Bonds through 2004, term bonds subject to mandatory redemptions 2005 – 2007 and 2008 – 2013	2003 – 2004 at 100.5% of par, After 2004 at par
Serial Bonds through 2006, term bonds subject to mandatory redemptions 2007 – 2009 and 2010 – 2014	2003 – 2004 at 100.5% of par, After 2004 at par

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Schedule of Bonds Payable – By Issue

December 31, 2003

Water Pollution Control Revolving Fund	Original issue amount	Current amount outstanding	Interest rate
Clean Water 1994 Series A (City of Alamosa, City of Greeley, Town of Windsor, Parker Water and Sanitation District and Genesee Water and Sanitation District)	\$ 22,510,000	1,270,000	3.8% – 6.3%
Clean Water 1995 Series A (City of Fort Morgan, Eagle River Water and Sanitation District, City of Brighton, Winter Park Water and Sanitation District, City of Steamboat Springs and City of Craig)	24,525,000	2,620,000	4.1% – 5.85%
Clean Water 1996 Series A (Town of Crested Butte, Mt. Crested Butte Water and Sanitation District, Fountain Sanitation District and City of Idaho Springs)	6,710,000	4,940,000	4.25% – 5.9%
Clean Water 1997 Series A (City of Westminster, Breckenridge Sanitation District, Parker Water and Sanitation District, City of Sterling, Town of Carbondale, Town of Erie and Town of Eagle)	31,605,000	23,760,000	4.05% – 5.8%
Clean Water 1998 Series A (Eagle River Water and Sanitation District, City of Trinidad, City of Westminster, Buena Vista Sanitation District, City of Evans)	31,190,000	24,630,000	3.7% – 5.125%
Clean Water 1998 Series B (City of Colorado Springs)	20,810,000	18,260,000	3.7% – 5.375%
Clean Water 1999 Series A (City of Aurora, Fremont Sanitation District, Grand County Water and Sanitation District, Mt. Werner Water and Sanitation District City of Steamboat Springs)	39,220,000	29,220,000	4.25% – 5.25%
Clean Water 2000 Series A (Parker Water and Sanitation District, Summit County, Three Lakes Water and Sanitation District)	33,575,000	29,735,000	5.0% – 6.25%

Due dates	Early redemption
Serial Bonds through 2008, term bonds subject to mandatory redemptions 2009 – 2011 and 2012 – 2014	2003 – 2004 at 101% of par, after 2004 at par
Serial Bonds through 2009, term bonds subject to mandatory redemptions 2010 – 2012 and 2013 – 2015	2003 – 2004 at 102% of par, 2004 – 2005 at 101% of par, after 2005 at par
Serial Bonds 1998 through 2008, term bonds subject to mandatory redemptions 2009 – 2011 and 2012 – 2016	2006 – 2007 at 101% of par, 2007 – 2008 at 100.5% of par, after 2008 at par
Serial Bonds through 2011, term bonds subject to mandatory redemption 2012 – 2015 and 2016 – 2017	2007 – 2008 at 102% of par, 2008 – 2009 at 101% of par, after 2009 at par
Serial Bonds through 2012, term bonds subject to mandatory redemption 2013 – 2018	2009 at par
Serial Bonds through 2012, term bonds subject to mandatory redemption 2013 – 2016 and 2017 – 2019	2009 at par
Serial Bonds through 2014, term bonds subject to mandatory redemption 2015 – 2019. Mt. Werner Water and Sanitation District's outstanding bonds in the amount of \$2,700,000 were defeased in 2001.	2009 at par
Serial Bonds through 2013, term bonds subject to mandatory redemption in 2014 through 2020	2011 – 2020 at par

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Schedule of Bonds Payable – By Issue

December 31, 2003

Water Pollution Control Revolving Fund	Original issue amount	Current amount outstanding	Interest rate
Clean Water 2001 Series A (Cortez Sanitation District, City of Fort Collins, Fraser Sanitation District, City of Lafayette, Mt. Crested Butte Water and Sanitation District, Parker Water and Sanitation District, Plum Creek Wastewater Authority, City of Steamboat Springs)	\$ 69,710,000	64,835,000	4.0% – 5.625%
Clean Water 2002 Series A (Town of Berthoud, Blackhawk-Central City Water and Sanitation District, Mesa County, South Adams County Water and Sanitation District, Town of Wellington, Winter Park West Water and Sanitation District)	55,310,000	53,555,000	3.0% – 5.25%
Clean Water 2002 Series B (Denver SE Water and Sanitation District, Parker Water and Sanitation District, Plum Creek Wastewater Authority)	23,435,000	22,990,000	2.0% – 4.75%
Clean Water 2003 Series A (City of Pueblo, Colorado City Metropolitan District, Town of Milliken)	<u>14,750,000</u>	<u>14,750,000</u>	2.0% – 4.5%
Total WPCRF Clean Water Revenue Bonds payable	<u>467,730,000</u>	<u>297,975,000</u>	
Wastewater Revolving Fund Refunding Revenue Bonds 1996 Series A (Partial Refunding of the following Clean Water Bonds: 1989A, 1990A, 1991A and 1991B)	28,950,000	23,915,000	3.5% – 6.0%
Revenue Bonds 2001 Series A (Partial refunding of the following Clean Water Bonds: 1992A, 1992B, 1994A, 1995A)	<u>51,620,000</u>	<u>49,660,000</u>	3.0% – 5.25%
Total Water Pollution Control Revolving Fund	<u>\$ 548,300,000</u>	<u>371,550,000</u>	

Due dates	Early redemption
Serial Bonds through 2019, term bonds subject to mandatory redemption in 2020 through 2021	2012 – 2021 at par
Serial Bonds through 2021, term bonds subject to mandatory redemption in 2022 through 2024	2013 – 2021 at par
Serial Bonds through 2023, term bonds subject to mandatory redemption in 2024 through 2025	2013 – 2023 at par
Serial Bonds through 2024	2014 – 2024 at par
Serial Bonds 1997 through 2012	The Bonds are not subject to early redemption
Serial Bonds through 2015	The Bonds are not subject to early redemption

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Schedule of Bonds Payable – By Issue

December 31, 2003

<u>Drinking Water Revolving Fund</u>	<u>Original issue amount</u>	<u>Current amount outstanding</u>	<u>Interest rate</u>
Drinking Water Revenue Bonds Series 1997A (Arapahoe Estates Water District, City of Englewood, City of Fort Collins)	\$ 24,095,000	19,000,000	3.8% – 5.3%
Drinking Water Revenue Bonds Series 1998A (Town of Buena Vista, City of Fort Morgan)	15,205,000	12,655,000	3.85% – 5.0%
Drinking Water Revenue Bonds Series 1999A (City of Aurora, City of Fort Collins, City of Glenwood Springs, Grand County Water and Sanitation District No. 1, City of Greeley, Town of Julesburg, Left Hand Water District)	46,855,000	38,390,000	3.28% – 5.0%
Drinking Water Revenue Bonds Series 2000A (Evergreen Metropolitan District, Fountain Valley Authority, Town of Limon, Pueblo Board of Waterworks, City of Westminster)	36,110,000	32,780,000	4.8% – 5.75%
Drinking Water Revenue Bonds Series 2002A (Evergreen Metro. District, City of Grand Junction, City of Idaho Springs, City of La Junta)	16,320,000	16,135,000	3.0% – 5.125%
Drinking Water Revenue Bonds Series 2003A (City of Longmont, Town of Lyons, Fountain Valley Authority)	20,835,000	20,835,000	2.0% – 4.25%
Drinking Water Revenue Bonds Series 2003B (City of Florence)	11,695,000	11,695,000	3.25% – 4.75%
Total Drinking Water Revolving Fund	\$ <u>171,115,000</u>	<u>151,490,000</u>	

See accompanying independent auditors' report.

Due dates

Early redemption

Serial Bonds through 2011, term bonds subject to mandatory redemption 2012 – 2015 and 2016 – 2018

2008 – 2009 at 101% of par, after 2009 at par

Serial Bonds through 2004 and 2008 – 2010. Term bonds subject to mandatory redemption 2005 – 2007, 2011 – 2015 and 2016 – 2019

2008 – 2009 at 101% of par, after 2009 at par

Serial Bonds through 2017, term bonds subject to mandatory redemption 2018 – 2019

9/1/2009 – 8/31/2010 at 101% of par, 9/1/2010 – 8/31/2011 at 100.5% of par, 9/1/2011 and thereafter at par

Serial Bonds through 2017, term bonds subject to mandatory redemption in 2018 through 2022

2011 – 2022 at par

Serial Bonds through 2020, term bonds subject to mandatory redemption in 2021 through 2022

2013 – 2020 at par

Serial Bonds through 2024

2014 – 2024 at par

Serial Bonds through 2025

2014 – 2025 at par

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Schedule of Cash, Cash Equivalents, and Investments Held by Trustees – By Investment Type

December 31, 2003

	<u>Cash</u>	<u>Cash held by State Treasurer</u>	<u>Treasury Money Market Funds</u>	<u>COLOTRUST Local Government Investment Pool</u>	<u>US Treasury Notes – SLGS</u>	<u>US Treasury Bills, Notes, and Bonds (fair value)</u>	<u>Repurchase agreements</u>	<u>Total cash and investments by bond issue</u>
Water Operations Fund:								
Small Water Resources Projects Program Debt Service Reserve Fund	\$ —	—	—	2,138,966	—	—	6,361,034	8,500,000
Small Water Resources Projects Bonded Funds	123,224	—	—	10,320,499	—	—	1,500,000	11,943,723
Water Revenue Bonds Program	—	—	—	6,591,191	—	—	—	6,591,191
Animas-La Plata Account	—	5,655,368	—	—	—	—	—	5,655,368
Authority Operating	84,992	47,873,257	—	3,983,494	—	—	—	51,941,743
Subtotal – Water Operations Fund	208,216	53,528,625	—	23,034,150	—	—	7,861,034	84,632,025
Water Pollution Control Revolving Fund:								
Clean Water Revenue Bonds, 1989 Series A	—	—	—	1,020,391	2,095,400	—	—	3,115,791
Clean Water Revenue Bonds, 1990 Series A	—	—	—	501,127	648,500	237,800	—	1,387,427
Clean Water Revenue Bonds, 1991 Series A	—	—	—	609,718	6,112,600	2,771,246	447,728	9,541,292
Clean Water Revenue Bonds, 1991 Series B	—	—	—	1,010,647	4,858,600	2,428,733	—	8,297,980
Clean Water Revenue Bonds, 1992 Series A	—	—	—	287,829	1,229,600	1,673,646	—	3,191,075
Clean Water Revenue Bonds, 1992 Series B	—	—	—	2,329,408	4,902,200	2,999,798	—	10,231,406
Clean Water Revenue Bonds, 1994 Series A	—	—	—	318,061	—	—	4,708,730	5,026,791
Clean Water Revenue Bonds, 1995 Series A	—	—	—	1,443,481	—	—	5,522,963	6,966,444
Clean Water Revenue Bonds, 1996 Series A	—	—	—	308,150	—	—	1,640,349	1,948,499
Refunding Revenue Bonds, 1996 Series A	—	—	—	2,937	—	—	—	2,937
Clean Water Revenue Bonds, 1997 Series A	—	—	—	615,882	—	—	7,511,621	8,127,503
Clean Water Revenue Bonds, 1998 Series A	—	—	—	365,191	—	—	9,036,968	9,402,159
Clean Water Revenue Bonds, 1998 Series B	—	—	—	446,483	—	—	6,117,100	6,563,583
Clean Water Revenue Bonds, 1999 Series A	—	—	—	5,718,998	—	—	9,879,106	15,598,104
Clean Water Revenue Bonds, 2000 Series A	—	—	—	1,348,122	—	—	9,184,380	10,532,502
Clean Water Revenue Bonds, 2001 Series A	116,392	—	—	3,336,298	—	—	35,316,952	38,769,642
Refunding Revenue Bonds, 2001 Series A	—	—	—	318	—	—	—	318
Clean Water Revenue Bonds, 2002 Series A	33,686	—	—	888,496	—	—	41,948,564	42,870,746
Clean Water Revenue Bonds, 2002 Series B	—	—	—	9,014	—	—	21,500,465	21,509,479
Clean Water Revenue Bonds, 2003 Series A	—	—	—	113	—	—	15,258,476	15,258,589
WPCRF Loan Fund Escrow Accounts	620	—	—	—	2,265,134	—	—	2,265,754
Direct Loan Project Accounts	—	—	—	558,784	—	—	—	558,784
Direct Loan Surplus Matching Account	—	—	—	332,666	—	—	—	332,666
CWSRF Reloan Account	—	—	—	14,426,535	—	—	—	14,426,535
WPCRF Administrative Fee Account	—	—	—	824,663	—	—	—	824,663
Subtotal – Water Pollution Control Revolving Fund	150,698	—	—	36,703,312	22,112,034	10,111,223	168,073,402	237,150,669

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Schedule of Cash, Cash Equivalents, and Investments Held by Trustees – By Investment Type

December 31, 2003

	<u>Cash</u>	<u>Cash held by State Treasurer</u>	<u>Treasury Money Market Funds</u>	<u>COLOTRUST Local Government Investment Pool</u>	<u>US Treasury Notes – SLGS</u>	<u>US Treasury Bills, Notes, and Bonds (fair value)</u>	<u>Repurchase agreements</u>	<u>Total cash and investments by bond issue</u>
Drinking Water Revolving Fund:								
Drinking Water Revenue Bonds, 1997 Series A	\$	—	—	903,144	—	—	7,383,460	8,286,604
Drinking Water Revenue Bonds, 1998 Series A		—	—	643,964	—	—	5,746,332	6,390,296
Drinking Water Revenue Bonds, 1999 Series A		—	—	2,708,852	—	—	13,981,500	16,690,352
Drinking Water Revenue Bonds, 2000 Series A		—	—	2,643,941	—	—	10,730,495	13,374,436
Drinking Water Revenue Bonds, 2002 Series A		—	—	190,371	—	—	10,313,623	10,503,994
Drinking Water Revenue Bonds, 2003 Series A		—	—	133	—	—	20,311,841	20,311,974
Drinking Water Revenue Bonds, 2003 Series B		—	—	176,204	—	—	12,821,500	12,997,704
State Direct Loan Project, Accounts		—	—	—	—	—	—	—
Federal Direct Loan Projects Pre-Construction Accounts		—	—	12,974	—	—	—	12,974
Federal Direct Loan Project, Accounts		—	—	2,973,846	—	—	—	2,973,846
Drinking Water Funding Account		8,509,479	—	—	—	—	—	8,509,479
State Direct Loan Surplus Matching Account		—	—	144,136	—	—	—	144,136
State Direct Loan Reloan Account		—	—	10	—	—	—	10
State Direct Loan Administrative Fee Account		—	—	20,910	—	—	—	20,910
Federal Direct Loan Surplus Matching Account		—	—	818,792	—	—	—	818,792
Leveraged Loan Surplus Matching		—	—	33	—	—	—	33
DWRP Reloan Account		—	—	4,045,104	—	—	—	4,045,104
DWRP Administrative Fee Account		—	—	2,010,334	—	—	—	2,010,334
Subtotal – Drinking Water Revolving Fund		8,509,479	—	17,292,748	—	—	81,288,751	107,090,978
Colorado Water Resources and Power Development Authority – total cash and investments	\$	358,914	—	77,030,210	22,112,034	10,111,223	257,223,187	428,873,672

See accompanying independent auditors' report.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Schedule of Cash, Cash Equivalents, and Investments Held by Trustees – By Account Type

December 31, 2003

	Rebate accounts	SWRP revenue or Debt service funds	Debt service reserve funds	Project accounts	DWRF and WPCRF matching accounts	Cost of issuance accounts	Other accounts	Total cash and investments by bond issue
Water Operations Fund:								
Small Water Resources Projects Program Debt Service Reserve Fund	\$ —	—	8,500,000	—	—	—	—	8,500,000
Small Water Resources Projects Bonded Funds	246,491	1,875,567	—	9,821,338	—	—	326	11,943,722
Water Revenue Bonds Program	—	1,674	600,000	5,989,517	—	—	—	6,591,191
Animas-La Plata Account	—	—	—	—	—	—	5,655,368	5,655,368
Authority Operating	—	—	—	—	—	—	51,941,744	51,941,744
Subtotal – Water Operations Fund	<u>246,491</u>	<u>1,877,241</u>	<u>9,100,000</u>	<u>15,810,855</u>	<u>—</u>	<u>—</u>	<u>57,597,438</u>	<u>84,632,025</u>
Water Pollution Control Revolving Fund:								
Clean Water Revenue Bonds, 1989 Series A	—	53	—	—	3,010,852	—	104,886	3,115,791
Clean Water Revenue Bonds, 1990 Series A	—	30	—	—	1,329,575	—	57,822	1,387,427
Clean Water Revenue Bonds, 1991 Series A	—	194	—	—	9,629,022	—	312,076	9,941,292
Clean Water Revenue Bonds, 1991 Series B	7,299	203	—	—	8,172,772	—	117,706	8,297,980
Clean Water Revenue Bonds, 1992 Series A	—	42	—	—	3,166,123	—	24,910	3,191,075
Clean Water Revenue Bonds, 1992 Series B	—	155	—	—	9,015,779	—	1,215,472	10,231,406
Clean Water Revenue Bonds, 1994 Series A	295,240	905	—	—	4,730,341	—	305	5,026,791
Clean Water Revenue Bonds, 1995 Series A	215,331	608	—	—	6,750,182	—	323	6,966,444
Clean Water Revenue Bonds, 1996 Series A	48,317	251	—	—	1,899,931	—	—	1,948,499
Refunding Revenue Bonds, 1996 Series A	1,244	—	—	—	—	—	1,693	2,937
Clean Water Revenue Bonds, 1997 Series A	151,376	201,419	—	—	7,774,708	—	—	8,127,503
Clean Water Revenue Bonds, 1998 Series A	88,898	131,522	—	—	9,181,739	—	—	9,402,159
Clean Water Revenue Bonds, 1998 Series B	69,476	304,942	—	—	6,189,165	—	—	6,563,583
Clean Water Revenue Bonds, 1999 Series A	964,959	10,926	—	3,200,890	11,421,329	—	—	15,598,104
Clean Water Revenue Bonds, 2000 Series A	898,546	—	—	—	9,633,193	—	763	10,532,502
Clean Water Revenue Bonds, 2001 Series A	815,434	192,500	—	11,590,529	26,171,179	—	—	38,769,642
Refunding Revenue Bonds, 2001 Series A	—	—	—	—	—	—	318	318
Clean Water Revenue Bonds, 2002 Series A	253,533	98,520	—	26,709,309	15,809,384	—	—	42,870,746
Clean Water Revenue Bonds, 2002 Series B	974	—	—	12,256,826	9,251,679	—	—	21,509,479
Clean Water Revenue Bonds, 2003 Series A	—	—	—	14,744,055	514,534	—	—	15,258,589
WPCRF Loan Fund Escrows	—	—	—	—	—	—	2,265,754	2,265,754
Direct Loan Project Accounts	—	—	—	558,784	—	—	—	558,784
Direct Loan Surplus Matching Account	—	—	—	—	—	—	332,666	332,666
CWSRF Reloan Account	—	—	—	—	—	—	14,426,535	14,426,535
WPCRF Administrative Fee Account	—	—	—	—	—	—	824,663	824,663
Subtotal – Water Pollution Control Revolving Fund	<u>3,810,627</u>	<u>942,270</u>	<u>—</u>	<u>69,060,393</u>	<u>143,651,487</u>	<u>—</u>	<u>19,685,892</u>	<u>237,150,669</u>

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Schedule of Cash, Cash Equivalents, and Investments Held by Trustees – By Account Type

December 31, 2003

	Rebate accounts	SWRP revenue or Debt service funds	Debt service reserve funds	Project accounts	DWRF and WPCRF matching accounts	Cost of issuance accounts	Other accounts	Total cash and investments by bond issue
Drinking Water Revolving Fund:								
Drinking Water Revenue Bonds, 1997 Series A	\$ 80,945	614,463	—	—	7,591,196	—	—	8,286,604
Drinking Water Revenue Bonds, 1998 Series A	23,112	452,801	—	23,360	5,891,023	—	—	6,390,296
Drinking Water Revenue Bonds, 1999 Series A	1,128,136	533,002	—	345,729	14,683,485	—	—	16,690,352
Drinking Water Revenue Bonds, 2000 Series A	741,311	490,522	—	691,209	11,451,394	—	—	13,374,436
Drinking Water Revenue Bonds, 2002 Series A	40,453	2,957	—	6,499,046	3,961,538	—	—	10,503,994
Drinking Water Revenue Bonds, 2003 Series A	13	—	—	18,298,623	2,013,337	—	1	20,311,974
Drinking Water Revenue Bonds, 2003 Series B	—	96,958	—	12,821,500	285	78,961	—	12,997,704
Federal Direct Loan Project Accounts	—	—	—	2,973,846	—	—	—	2,973,846
Federal Direct Loan Pre-Construction Accounts	—	—	—	12,974	—	—	—	12,974
Drinking Water Funding Account	—	—	—	—	—	—	8,509,479	8,509,479
State Direct Loan Surplus Matching Account	—	—	—	—	—	—	144,136	144,136
State Direct Loan Reloan Account	—	—	—	—	—	—	10	10
State Direct Loan Administrative Fee Account	—	—	—	—	—	—	20,910	20,910
Federal Direct Loan Surplus Matching Account	—	—	—	—	—	—	818,792	818,792
Leveraged Loan Surplus Matching	—	—	—	—	—	—	33	33
DWRF Reloan Account	—	—	—	—	—	—	4,045,104	4,045,104
DWRF Administrative Fee Account	—	—	—	—	—	—	2,010,334	2,010,334
Subtotal – Drinking Water Revolving Fund	<u>2,013,970</u>	<u>2,190,703</u>	<u>—</u>	<u>41,666,287</u>	<u>45,592,258</u>	<u>78,961</u>	<u>15,548,799</u>	<u>107,090,978</u>
Colorado Water Resources and Power Development Authority – total cash and investments	<u>\$ 6,071,088</u>	<u>5,010,214</u>	<u>9,100,000</u>	<u>126,537,535</u>	<u>189,243,745</u>	<u>78,961</u>	<u>92,832,129</u>	<u>428,873,672</u>

See accompanying independent auditors' report.

**REPORTS REQUIRED BY
OMB CIRCULAR A-133**



KPMG LLP
Suite 2700
707 Seventeenth Street
Denver, CO 80202

**Independent Auditors' Report on Compliance and on Internal
Control over Financial Reporting Based on an Audit of
Basic Financial Statements Performed in Accordance with
*Government Auditing Standards***

The Board of Directors
Colorado Water Resources and Power Development Authority:

We have audited the basic financial statements of the Colorado Water Resources and Power Development Authority (the Authority) as of and for the year ended December 31, 2003, and have issued our report thereon dated March 26, 2004. We conducted our audit in accordance with auditing standards generally accepted in United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the Authority's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provision of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the basic financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.



This report is intended solely for the information and use of the board of directors, management of the Authority, and the U.S. Environmental Protection Agency, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

Denver, Colorado
March 26, 2004



KPMG LLP
Suite 2700
707 Seventeenth Street
Denver, CO 80202

Independent Auditors' Report on Compliance with Requirements Applicable to the Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133

The Board of Directors
Colorado Water Resources and Power Development Authority:

Compliance

We have audited the compliance of the Colorado Water Resources and Power Development Authority (the Authority) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2003. The Authority's major federal program is identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the Authority's management. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; and OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Authority's compliance with those requirements.

In our opinion, the Authority complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2003.

Internal Control over Compliance

The management of the Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.



Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the board of directors, management of the Authority, and the U.S. Environmental Protection Agency, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

Denver, Colorado
March 26, 2004

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Schedule of Expenditures of Federal Awards

Year ended December 31, 2003

<u>Grantor program title</u>	<u>Federal CFDA number</u>	<u>Grant award</u>	<u>Accrued January 1, 2003</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Accrued December 31, 2003</u>
U.S. Environmental Protection Agency						
Title VI Water Pollution Control						
Revolving Fund:						
2000 Grant	66.458	\$ 10,735,659	\$ 81,020	5,041,705	4,960,685	—
2001 Grant	66.458	10,717,158	—	10,215,564	10,255,506	39,942
2002 Grant	66.458	10,663,884	—	—	—	—
2003 Grant	66.458	17,261,251	—	—	—	—
Total federal awards – WPCRF			81,020	15,257,269	15,216,191	39,942
Drinking Water Revolving Fund:						
1997 Grant	66.468	16,784,100	48,603	430,655	395,851	13,799
1998 Grant	66.468	9,581,800	11,915	12,494	579	—
1999 Grant	66.468	16,709,267	133,837	476,693	356,925	14,069
2000 Grant	66.468	10,437,200	68,935	1,032,819	1,009,594	45,710
2001 Grant	66.468	10,480,300	124,830	3,968,702	3,874,197	30,325
2002 Grant	66.468	13,323,000	—	1,345,205	1,345,205	—
2003 Grant	66.468	6,576,333	—	40,106	40,106	—
Total federal awards – DWRP			388,120	7,306,674	7,022,457	103,903
Total federal awards			\$ 469,140	22,563,943	22,238,648	143,845

See accompanying notes to schedule of expenditures of federal awards.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Notes to Schedule of Expenditures of Federal Awards

Year ended December 31, 2003

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Authority and is presented on the accrual basis of accounting. The information in the schedule is presented in accordance with the requirements of Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*.

(2) Subrecipients

86% of the Title VI Water Pollution Control Revolving Fund (WPCRF) and Drinking Water Revolving Fund (DWRF) grant expenditures were provided to subrecipients.

(3) Set Asides

For the year ended December 31, 2003, the following DWRF grant amounts were used for the set aside programs.

	Set aside amount
DWRF program year:	
1997	\$ 395,851
1998	579
1999	356,925
2000	1,009,594
2001	618,233
2002	359,323
2003	40,106
Total	\$ 2,780,611

(4) Transfers

During 2003, \$6,666,667 was transferred from the DWRF grant award to the WPCRF grant award to meet the loan demand in the WPCRF. This transfer reversed the equivalent transfer from the WPCRF grant award to the DWRF grant award in 1999.

(5) Noncash Activity

During 2003, the EPA provided in-kind services, valued at \$150,000 to the DWRF. The in-kind services pertained to capacity development set aside activity, and the value of the services was applied against the 2000 DWRF grant award.

**COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY**

Schedule of Findings and Questioned Costs

Year ended December 31, 2003

Part I – Summary of Auditors’ Results

Basic Financial Statements

Type of auditors’ report issued:

Unqualified

Internal control over financial reporting:

Material weakness(es) identified?

_____ yes √ no

Reportable condition(s) identified not considered to be material weaknesses?

_____ yes √ none reported

Noncompliance material to basic financial statements noted?

_____ yes √ no

Federal Awards

Internal control over major program:

Material weakness(es) identified?

_____ yes √ no

Reportable condition(s) identified not considered to be material weaknesses?

_____ yes √ none reported

Type of auditors’ report issued on compliance for major program:

Unqualified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section 510(a)?

_____ yes √ no

Identification of major program:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
66.468	Drinking Water Revolving Fund

Dollar threshold used to distinguish between Type A and Type B programs:

\$671,659

Auditee qualified as low-risk auditee?

 √ yes _____ no

Part II – Findings Related to Basic Financial Statements

None reported

Part III – Findings Related to Federal Awards

None reported

ATTACHMENT 3

CERTIFICATION LETTER

STATE OF COLORADO

Bill Owens, Governor
Douglas H. Benevento, Executive Director

Dedicated to protecting and improving the health and environment of the people of Colorado

4300 Cherry Creek Dr. S.
Denver, Colorado 80246-1530
Phone (303) 692-2000
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Located in Glendale, Colorado
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Laboratory Services Division
8100 Lowry Blvd.
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Colorado Department
of Public Health
and Environment

April 30, 2004

Brian Friel
Municipal Support Unit
U. S. EPA Region VIII
999 18th St., Suite 300
Denver, Colorado 80202-2466

Dear Mr. Friel:

The Water Quality Control Division (Division) is responsible for project reviews as well as the technical and administrative processes of the Water Pollution Control Revolving Fund. The Division hereby certifies that all applicable state and federal laws and regulations are being satisfied through established procedures.

The Division also certifies on behalf of the State that all operating agreement requirements referenced in the Annual Report dated April 30, 2004 are adhered to in a progressive a competent manner.

Sincerely,

Mark T. Pifher
Director
Water Quality Control Division

ATTACHMENT 4

2004 INTENDED USE PLAN

STATE OF COLORADO

FISCAL YEAR – 2004

**WATER POLLUTION CONTROL REVOLVING FUND
(WPCRF)**

INTENDED USE PLAN

REGULATION NO. 52

AMENDED: October 12, 1999

EFFECTIVE: November 30, 1999

EMERGENCY AMENDMENT: February 14, 2000

AMENDED: May 8, 2000

EFFECTIVE: June 30, 2000

AMENDED: November 7, 2000

EFFECTIVE: December 30, 2000

AMENDED: November 13, 2001

EFFECTIVE: December 30, 2001

AMENDED: November 12, 2002

EFFECTIVE: December 30, 2002

AMENDED: November 10, 2003

EFFECTIVE: December 30, 2003

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**WATER POLLUTION CONTROL REVOLVING FUND
INTENDED USE PLAN
REGULATION NO. 52
FY 2004**

52.1 INTRODUCTION

S.B. 88-50 amended Title 37 of Article 95, C.R.S. establishing a Water Pollution Control Revolving Fund (WPCRF) as an enduring and viable mechanism to fund water quality projects. The WPCRF shall be maintained and be available in perpetuity for providing financial assistance as authorized and defined by the Clean Water Act (federal Act).

Regulation No. 52, adopted by the Water Quality Control Commission (WQCC), is the WPCRF Intended Use Plan (IUP) that will serve as the planning document for January 1, 2004 through December 31, 2004 explaining how the state will use its appropriations for the WPCRF. The IUP identifies the specific projects and activities associated with the federal appropriation and other funds available to the WPCRF (e.g. state match, leveraged funds, and repayments). Funds allotted to the State for federal fiscal year (FFY) 2004 and the funds remaining from prior federal fiscal years capitalization grants are available to the WPCRF.

The WPCRF provides leveraged loans (over \$1 million) at an interest rate of 80% of the market rate of the clean water revenue bonds, rated "AAA." By December 31st each year the Colorado Water Resources and Power Development Authority's Board determines the interest rate for direct loans (\$1 million and below) that will be issued in the following year.

The agencies (hereinafter referred to as the State) having responsibility for administering the WPCRF include: the Colorado Department of Public Health and Environment, Water Quality Control Division ("WQCD"), the Colorado Water Resources and Power Development Authority ("Authority"), and the Colorado Department of Local Affairs, Division of Local Government ("DLG"). The State agrees to submit to EPA, as part of its annual application for a Capitalization Grant under Title VI of the federal Act, an IUP that meets the requirements of Section 606(c) of the federal Act and C.R.S. 37-95-107.6.

The requirements of the federal Act specify that the IUP include the following:

- ◆ A list of projects for construction of publicly owned treatment works and projects/activities eligible for assistance under sections 319 and 320 of the federal Act. This list must include the name of the community, permit number or other applicable enforceable requirement (if available), the type of financial assistance, and the projected amount of eligible assistance. (Permit numbers and other applicable enforceable requirements will be made available upon request).
- ◆ A description of the short and long-term goals of the State's WPCRF.
- ◆ Information on the types of activities, as opposed to project level details, to be supported by the WPCRF including the eligible cost categories, types of assistance to be provided

(e.g., loans, guarantees, insurance, etc.), terms of financial assistance, types of communities to be served by the fund, and administrative costs.

- ◆ Assurances and specific proposals on how the State intends to meet the requirements of the federal Act.
- ◆ The criteria and method established for the distribution of funds.

52.2 LIST OF WATER POLLUTION CONTROL REVOLVING FUND PROJECTS

Attached to the IUP as Appendix A is the 2004 WPCRF Project Eligibility List. The list shows the current construction needs for all identified eligible water quality projects including point source wastewater treatment, nonpoint source (NPS), ground water, and storm water. Appendix B summarizes the additions and deletions that were made from the 2003 WPCRF Project Eligibility List

Appendix C to the IUP is a table depicting projects that are likely to be funded with loans from the WPCRF during the remainder of calendar year 2003 and all of 2004. Projects shall conform to a State-approved plan, (for example, Water Quality Management Plan, NPS Management Plan, etc.) as updated from time to time, or they may not be considered for assistance through the WPCRF. The total estimated eligible cost for the 35 projects listed in Appendix C is \$273,270,000. If all of the projects listed apply for a WPCRF loan during 2004 and sufficient funds are not available the projects will be funded in a priority order as outlined in "52.6 Criteria and Methods For Distributing Funds."

Federal Crosscutting Authorities

Several leveraged loan projects listed on Appendix C will receive loan assistance equaling the Capitalization Grant. Communities receiving assistance from federal capitalization grant funds shall comply with all applicable federal requirements.

All direct loans, NPS loans and some leveraged loans (see note below) will receive assistance from re-loan funds. Communities receiving assistance from the re-loan funds need only comply with the federal environmental and anti-discrimination requirements.

NOTE: Project sponsors seeking leveraged loans from the WPCRF should notify the WQCD by letter or loan application expressing interest in using re-loan funds. Assistance from re-loan funds will be allocated on a first come, first served basis.

52.3 LONG TERM GOALS

The State continues to develop and maintain long term goals that will insure the integrity of the WPCRF:

1. Maintain the economic viability of the WPCRF while meeting current and projected water quality needs in the State of Colorado.

Ensure that the WPCRF remains viable and is self-perpetuating to meet the long-range water quality needs of the State.

2. Provide technical assistance to governmental agencies for facilitating effective planning, design, financing, and construction of facilities to meet water quality standards.

Focus will be on customer service while utilizing the team approach to create an atmosphere conducive to accomplishing the best viable project.

3. Maintain compliance with state and federal laws and the provisions of the State/EPA Operating Agreement.

52.4 SHORT TERM GOALS

In an effort to continually improve the WPCRF program, the State will pursue the following short term goals throughout the calendar year for 2004.

1. The Program will continue to provide funds (up to \$100,000 upon approval by the Authority Board) for planning and/or design grants for communities under 10,000 population, with a maximum grant per community of \$10,000. These are non-reimbursable grants, unless the entity is not borrowing funds from the WPCRF in which case the Authority Board retains the ability to review, and if appropriate, waive this requirement. These funds are provided from the Administrative Fee Account from income received after the Capitalization Grant period.
2. The State will prepare and submit a Capitalization Grant application based on the FFY 2004 allotment for the WPCRF by January 2004.
3. The State will initiate the process for identifying projects in the FY 2005-Intended Use Plan by March 2004.
4. The State will submit an Annual Report to EPA by April 30, 2004.
5. The State will continue coordination with all funding agencies for water quality projects identified in the 2004 IUP.
6. The Authority will leverage funds in the WPCRF to accommodate the amount of eligible costs projected for loans in 2004 as described in Appendix C.
7. The State will continue to actively pursue nonpoint source projects that are eligible for a loan from the WPCRF.
8. The WQCD will continue to make revisions to the Handbook of Procedures to conform to regulations/guidance and submit it to EPA for approval.
9. The State in partnership with the Authority will implement a shared Access database for tracking projects.

10. The State will begin efforts to repeal WPCRF IUP (Regulation #52) and amend the WPCRF Rules (Regulation #51) to allow for the WPCRF IUP to be approved by the WQCC in an Administrative Action Hearing, rather than a formal rulemaking hearing.

52.5 INFORMATION ON ACTIVITIES TO BE SUPPORTED

Financial Activities

As of May 31, 2003, the WPCRF administered 38 direct loans totaling \$19,246,589 and 67 leveraged loans totaling \$493,537,862. The total loan amount for the 105 loans is \$512,784,451.

The FFY 2003 capitalization grant was awarded on June 5, 2003. The EPA share was \$10,594,584 and the State Match was \$2,118,917 for a total of \$12,713,501. The State anticipates receiving a similar amount of grant funds to be allocated in 2004.

The total amount of federal Capitalization Grant awards through FFY2003 available for loans and program administration is \$177,063,737 (including the \$6.6 million transfer from the Drinking Water Revolving Fund). Of this amount, \$163,969,694 has been obligated through June 30, 2003 for loans (see Appendix C) and \$5,683,458 has been allocated for program administration.

Re-loan funds of approximately \$10,152,183 are expected to be available during the 2004 calendar year. Approximately \$20,000,000 of grant and re-loan funds will be available for loans in the year 2004. Because Colorado leverages the fund, the 2004 loan capacity of the WPCRF should be approximately \$71,000,000 (see Table I below).

Table I
Calculation of Loan Capacity for 2004

Capitalization grants through 2003 (includes DWRF transfer)	\$	177,063,737
Obligated for loans and admin through 6/30/03	<u>\$</u>	<u>163,969,694</u>
Remainder	\$	13,094,043
2004 Capitalization Grant		
0.8% of \$1.32 billion	\$	10,704,000
Less 5/6 4% Administrative Fee	<u>\$</u>	<u>353,152</u>
Total 2004 Grant	\$	10,350,848
Total Grant Funds Available	\$	23,444,891
Re-loan funds as of 6/30/03 (less Roxborough)	\$	326,339
plus: Deallocation on 9/02/03	<u>\$</u>	<u>9,825,844</u>
Total Re-Loan Funds Available	\$	10,152,183

Loan Capacity for 2004

Leveraged Loans from Grants X 2.3	\$ 53,923,249
Direct Loans from Re-Loan Funds	\$ 4,000,000
Leveraged Loans from Re-Loan Funds (total less direct loans) X 2.1	<u>\$ 12,919,584</u>

2004 WPCRF Loan Capacity \$ 70,842,834

The State intends to utilize the full administrative allocation (4%) of each grant to administer the WPCRF. With the award of the FFY 2003 Capitalization Grant, the State has allocated \$5,683,458 of grant funds to program administration. As of May 31, 2003, \$5,024,219 of this amount has been utilized.

The WPCRF charges a 0.8% administrative fee on all loans based on the original principal amount of the loan. (Only in the first year or two and in the last two or three years of leveraged loans is this fee less than 0.8%.) On direct loans, more of the fee is front-loaded because there are not enough interest charges on the backend to charge a full 0.8% on the original principal. Closing charges on direct loans were eliminated in 2000.

Table II identifies the revenues and expenses from the administrative fee account that are outside of the revolving loan fund. The values in this table may not reconcile differences between cash and accrual accounting methods. At the end of 2002, the State Match loan balance was at \$11.3 million. Also at the end of the year, the cash balance in the administrative fee account was approximately \$524,854.

**TABLE II
Water Pollution Control Revolving Fund**

Administrative Fee Account - Revenues and Expenses as of December 31, 2002

	Loan Fee Revenue	Cap Grant Administration	Administrative Expense	State Match Loan Repayment	Net Income
1988 to 1992	\$1,636,524	\$1,037,826	\$1,910,106	\$ -	\$764,244
1993	\$733,383	\$428,827	\$535,711	\$56,400	\$570,099
1994	\$943,434	\$467,037	\$673,447	\$105,000	\$632,024
1995	\$1,136,274	\$1,116,974	\$813,147	\$635,025	\$805,076
1996	\$1,211,368	\$251,614	\$1,010,151	\$722,635	(\$269,804)
1997	\$1,481,355	\$450,859	\$916,953	\$891,500	\$123,761
1998	\$1,905,633	\$ -	\$1,004,025	\$842,290	\$59,318
1999	\$2,378,314	\$263,900	\$1,082,722	\$725,000	\$834,492
2000	\$2,779,961	\$245,417	\$1,068,715	\$2,656,699	(\$700,036)
2001	\$3,073,559	\$421,955	\$1,199,441	\$2,000,000	(\$296,073)

2002	\$4,027,053	\$339,810	\$1,159,886	\$4,150,000	(\$943,023)
TOTAL	\$21,306,858	\$5,024,219	\$11,374,304	\$12,784,549	\$1,580,078

Additionally, administrative fee income will be used to fund a planning and/or design grants. (see Short Term Goals No. 1).

The proposed payment schedule using FFY-2004 WPCRF funds will be included in the application for the Capitalization Grant. The payment schedule identifies the anticipated amount of EPA Automated Clearinghouse (ACH) draws from the Capitalization Grant and State dollars to be deposited into the WPCRF.

A contractor (BBC Research and Consulting) was hired to perform a Minority Business Enterprise/Women Business Enterprise (MBE/WBE) study to determine the availability of MBE/WBE contractors for the Colorado WPCRF and DWRF programs. The results of the study helped established the MBE/WBE goals of 6.1% and 6.6%, respectively. These goals were incorporated into the FFY 03 Capitalization Grant.

General Activities

All funding agencies meet periodically to coordinate the financial needs of communities that have a water quality improvement project per the WPCRF Rules (Regulation No. 51). These projects are listed on the 2004 WPCRF Project Eligibility List (Appendix A).

The State will provide the necessary assurance and certifications as part of the Capitalization Grant Agreement and Operating Agreement between the State of Colorado and the EPA.

Transfer Activities

As authorized by Congress, up to 33% of the Drinking Water capitalization grants for FY1997 through FY2003 (total drinking water grants estimated at \$90.6 million), may be reserved from the Drinking Water Revolving Fund (DWRF) and transferred to the WPCRF.

The following table itemizes the amount of net SRF funds available for transfer between the two programs.

Year	Transaction	Banked Transfer Ceiling	Transferred from WPCRF - DWRF	Transferred from DWRF - WPCRF	WPCRF Funds Available for Transfer	DWRF Funds Available for Transfer
1997	CG Award	\$5.6	-----	-----	\$5.6*	\$5.6*
1998	CG Award	8.8	-----	-----	8.8	8.8
1999	CG Award	12.1	-----	-----	12.0	12.0
1999	Transfer	12.1	\$8.0	-----	4.1	20.1
2000	CG Award	15.6	-----	-----	7.6	23.6
2001	CG Award	19.1	-----	-----	11.1	27.1
2002	CG Award	23.6	-----	-----	15.6	31.6
2003	CG Award	28.0	-----	-----	20.0	36.0
2003	Transfer	28.0	-----	\$8.0	28.0	28.0

*Transfers could not occur until one year after the DWRF had been established.

The authorization to transfer funds between revolving funds expired on October 1, 2001. In 2001 Congress extended the transfer provision to September 30, 2002. In late 2002, Congress is expected to extend the transfer provision through September 30, 2003.

As described in the table above, in 1999 \$8,000,000 of grant funds and state match were transferred from the WPCRF to the DWRF. This transfer returned the \$8,000,000 to the WPCRF.

The total estimated eligible cost for the 28 projects listed in Appendix B of the 2003 WPCRF IUP was \$223,980,000. Due to the large number of projected loans for 2003 from the WPCRF and a small number of loans from the DWRF, the WQCD and the Authority met with a stakeholders group to evaluate the feasibility of transferring funds from the DWRF to the WPCRF. Based on the WQCC, the Board of Health, and the Governor's approvals, a transfer of approximately \$8 million dollars (including the state match) was made from the DWRF into the WPCRF in 2003. None of these funds will be used for administrative purposes.

Financial modeling, with a series of Federal funding and other program assumptions, shows the long term result of this transfer will be an additional average of \$1.75 million per year in WPCRF project disbursements over the next twenty years.

Cross-Collateralization Activities

Beginning in the calendar year commencing on January 1, 1999, the WPCRF, along with the DWRF, was able to cross-collateralize or pledge moneys on deposit in one fund to act as additional security for bonds secured by moneys on deposit in the other fund. This mechanism was utilized for both programs in 1999 and, as a result, the bond ratings for both programs were upgraded to "AAA" by all three bond rating agencies. This upgrade translates to lower interest rates and thereby more savings to the borrowers of both programs.

Public Review and Comment

The WQCD contacted governmental agencies on the State's 2004 WPCRF Project Eligibility List regarding their potential for funding under the WPCRF. The WQCC held a formal public hearing on October 8, 2003 at which time the State's FY 2004 WPCRF IUP (Regulation No. 52) was adopted. Each year, the IUP will be amended to include additional WPCRF projects and the State will seek further public review and comment.

52.6 CRITERIA AND METHODS FOR DISTRIBUTING FUNDS

The WPCRF Rules (Regulation No. 51) and the IUP (Regulation No. 52) which includes the Project Eligibility List (attached as Appendix A) and Projected Loans (attached as Appendix C), provide a clear, objective system for identifying projects that will improve or benefit water quality in our state. This system uses the following criteria:

1. The list shall include three categories:

Category 1 includes those projects that improve or benefit public health.

Category 2 includes those projects that will utilize proactive and long range planning of water quality approaches and/or pollution prevention methods.

Category 3 is the remainder of projects listed that will improve or benefit water quality.

2. A \$4 million set-aside will be reserved for small projects (under \$1 million); there will not be an application deadline for these loans. In September of each year, loan repayments are deposited into the fund. These deposits can be made for additional small system loans if the \$4 million set-aside is not adequate.
3. All leveraged loan projects must submit applications by February 1, 2004. (Depending upon demand and available loan capacity, a second application date may be set by the WQCD and the Authority for a fall bond issue.) If it is determined that the WPCRF lacks sufficient funds to cover loans for all eligible projects that are ready to proceed, Category 1 projects will be funded prior to Category 2 projects, which will be funded prior to Category 3 projects. Within each category, the following criteria will be used to further prioritize the projects:
 - a) Priority will be given to the project of any governmental agency that is under an enforcement action and/or compliance schedule relating to water quality standards as long as the enforcement action does not relate to administrative requirements of the program.
 - b) If there are more projects of governmental agencies under enforcement actions than there are funds available, higher priority will be given to those entities that have a greater financial need as determined by procedures and recommendations of the DLG.
3. The rationale for funding projects in an order other than that shown shall be due to one or more of the following three reasons:

- a) Governmental agencies do not wish to participate in the WPCRF;
- b) Governmental agencies are not ready to proceed with the project; or
- c) Governmental agencies do not have the financial capability to repay a loan.

The WPCRF criteria for the financial capability review of applicants are included in the State/EPA Operating Agreement.

52.10 STATEMENT OF BASIS, SPECIFIC STATUTORY AUTHORITY, AND PURPOSE (1989 REVISIONS)

The provisions of sections 25-8-202(1)(e) and (g); 25-8-308(1)(d); 37-95-107.6(4) C.R.S., provide the specific statutory authority for adoption of the attached regulatory amendments. The Commission also adopted, in compliance with sections 24-4-103(4) C.R.S., the following statement of basis and purpose.

BASIS AND PURPOSE:

The FY-90 Intended Use Plan establishes the goals for the Water Pollution Control Revolving Fund (WPCRF) program and includes as its attachments - the FY-90 WPCRF Project Priority List, the Project Eligibility List, and a project status of those that are expected to proceed.

On April 27, 1988, the Commission adopted regulations establishing a system for distributing monies from the WPCRF. Based upon those regulations as amended, the Commission adopts its priority list for FY-90 to include all projects that can reasonably be expected to receive funding. The Commission has applied the language of Section 5.2.5 of the WPCRF Rules in establishing the FY-90 priority list.

The "A" portion of the list includes projects that have an approved facility plan and are ready to proceed. The "B" portion of the list are projects that should be ready to proceed in FY-90 and the "D" portion are those that need to begin the planning process.

52.11 STATEMENT OF BASIS, SPECIFIC STATUTORY AUTHORITY, AND PURPOSE (1990 REVISIONS)

The provisions of sections 25-8-202(1)(e) and (g); 25-8-308(1)(d); 37-95-107.6(4) C.R.S., provide the specific statutory authority for adoption of the attached regulatory amendments. The Commission also adopted, in compliance with sections 24-4-103(4) C.R.S., the following statement of basis and purpose.

BASIS AND PURPOSE:

The FY-91 Intended Use Plan establishes the goals for the Water Pollution Control Revolving Fund (WPCRF) program and includes as its attachments - the FY-91 WPCRF Project Priority List, the Project Eligibility List, and a project status of those that are expected to proceed.

On April 27, 1988, the Commission adopted regulations establishing a system for distributing monies from the WPCRF. Based upon those regulations as amended, the Commission adopts its priority list for FY-91 to include all projects that can reasonably be expected to receive funding. The Commission has applied the language of Section 5.2.5 of the WPCRF Rules in establishing the FY-91 priority list. The Commission also adopts the additions and modifications to the FY91 Eligibility List to include projects from the priority list that are classified A and B and are ready to proceed with funding.

The "A" portion of the list includes projects that have an approved facility plan and are ready to proceed. The "B" portion of the list are projects that should be ready to proceed in FY-91 and the "D" portion are those that need to begin the planning process.

52.12 STATEMENT OF BASIS, SPECIFIC STATUTORY AUTHORITY, AND PURPOSE (1991 REVISIONS)

The provisions of sections 25-8-202(1)(e) and (g); 25-8-308(1)(d); 37-95-107.6(4) C.R.S., provide the specific statutory authority for adoption of the attached regulatory amendments. The Commission also adopted, in compliance with sections 24-4-103(4) C.R.S., the following statement of basis and purpose.

BASIS AND PURPOSE:

The Intended Use Plan (IUP) is presented to the Water Quality Control Commission each year for agency action and public comment. The plan describes the intent of the Water Pollution Control Revolving Fund (WPCRF) for providing financial assistance to governmental agencies.

Attached to the 1992 IUP as Appendix A is the statewide project priority list showing the current construction needs for point source wastewater treatment. Also attached as Appendix A-1 is the 1992 Eligibility List additions and modifications. The Eligibility List consists of projects from the priority list that have or will have approved facility plans during the 1992 funding year. Attachment B to the IUP is a chart depicting projects that are likely to be funded and their current status.

52.13 STATEMENT OF BASIS, SPECIFIC STATUTORY AUTHORITY, AND PURPOSE (1992 REVISIONS)

The provisions of sections 25-8-202(1)(e) and (g); 25-8-308(1)(d); 37-95-107.6(4) C.R.S., provide the specific statutory authority for adoption of the attached regulatory amendments. The Commission also adopted, in compliance with sections 24-4-103(4) C.R.S., the following statement of basis and purpose.

BASIS AND PURPOSE:

The Intended Use Plan (IUP) is presented to the Water Quality Control Commission each year for agency action and public comment. The plan describes the intent of the Water Pollution Control Revolving Fund (WPCRF) for providing financial assistance to governmental agencies.

In addition to revising dates in the body of the IUP, there are two significant changes. The change in Section C was necessitated by EPA to correctly state that the 1% setaside for 208 planning comes from our total allotment and not from the Capitalization Grant. Section E depicts the new point criteria for Water Conservation.

Attached to the 1993 IUP as Appendix A is the statewide project priority list showing the current construction needs for point source wastewater treatment. Also attached as Appendix A-1 is the 1993 Eligibility List additions and modifications. The Eligibility List consists of projects from the priority list that have or will have approved facility plans or feasibility studies during the 1993 funding year. Attachment B to the IUP is a chart depicting projects that are likely to be funded and their current status.

52.14 STATEMENT OF BASIS, SPECIFIC STATUTORY AUTHORITY, AND PURPOSE (1993 REVISIONS)

The provisions of sections 25-8-202(1)(e) and (g); 25-8-308(1)(d); 37-95-107.6(4) C.R.S., provide the specific statutory authority for adoption of the attached regulatory amendments. The Commission also adopted, in compliance with sections 24-4-103(4) C.R.S., the following statement of basis and purpose.

BASIS AND PURPOSE:

The Intended Use Plan (IUP) is presented to the Water Quality Control Commission each year for agency action and public comment. The plan describes the intent of the Water Pollution Control Revolving Fund (WPCRF) for providing financial assistance to governmental agencies.

Attached to the 1994 IUP as Appendix A is the statewide project priority list showing the current construction needs for point source wastewater treatment. Also attached as Appendix A-1 is the 1994 Eligibility List additions and modifications. The Eligibility List consists of projects from the priority list that have or will have approved facility plans or feasibility studies during the 1994 funding year. Attachment B to the IUP is a chart depicting projects that are likely to be funded and their current status.

52.15 STATEMENT OF BASIS, SPECIFIC STATUTORY AUTHORITY, AND PURPOSE (1993 REVISIONS)

The provisions of sections 25-8-202(1)(e) and (g); 25-8-308(1)(d); 37-95-107.6(4) C.R.S., provide the specific statutory authority for adoption of the attached regulatory amendments. The Commission also adopted, in compliance with sections 24-4-103(4) C.R.S., the following statement of basis and purpose.

BASIS AND PURPOSE:

The Colorado Project Eligibility List Fiscal Year 1994, Appendix A-1 (attached) was adopted by the Water Quality Control Commission October 4, 1993. The Eligibility List is a required component of the Intended Use Plan (IUP) and has been amended for the following reason:

The City of Fort Collins, Drake WWTP Project was listed on the FY 1993 Eligibility List. this project was included in the list of Deletion's from the FY 1994 Eligibility List because it was nearing construction completion. Since the City has been evaluating the option of utilizing the WPCRF for financing their metering program under the current project, the Commission has taken action to remove the City of Fort Collins from the Deletion list. This action will allow the City of remain on the FY 1994 Eligibility List and be eligible for additional funding.

The change did not cause adverse impacts to any community listed on the FY 1994 Eligibility List.

52.16 STATEMENT OF BASIS, SPECIFIC STATUTORY AUTHORITY, AND PURPOSE (1994 REVISIONS)

The provisions of sections 25-8-202(1)(e) and (g); 25-8-308(1)(d); 37-95-107.6(4) C.R.S., provide the specific statutory authority for adoption of the attached regulatory amendments. The Commission also adopted, in compliance with sections 24-4-103(4) C.R.S., the following statement of basis and purpose.

BASIS AND PURPOSE:

The Intended Use Plan (IUP) is presented to the Water Quality Control Commission each year for agency action and public comment. The plan describes the intent of the Water Pollution Control Revolving Fund (WPCRF) for providing financial assistance to governmental agencies.

Attached to the 1995 IUP as Appendix A is the statewide project priority list showing the current construction needs for point source wastewater treatment. Also attached as Appendix A-1 is the 1995 Eligibility List additions and modifications. The Eligibility List consists of projects from the priority list that have or will have approved facility plans or feasibility studies during the 1995 funding year. Attachment B to the IUP is a chart depicting projects that could be funded from the WPCRF and includes their target date for a binding commitment.

The Commission held a formal public meeting on October 11, 1994 to adopt the 1995 IUP. The Environmental Protection Agency recommended several changes to the IUP prior to its formal adoption. Because of the comments, the Commission continued the hearing to November 15th. The following changes were made in conjunction with EPA's comments: Appendix B was revised to indicate binding commitments for potential projects to be funded during 1995; the explanation of all the appendices was added to the body of the IUP; Goal #8 was corrected; the first paragraph of part C was revised to clarify the administrative funds as well as the set aside for planning; the last change was to include the actual date of the public hearing for EPA. These comments will be taken into consideration for the 1996 IUP.

The "Drake Facility" was added to the City of Fort Collins on the Eligibility list to clearly identify the project being funded.

52.17 STATEMENT OF BASIS, SPECIFIC STATUTORY AUTHORITY, AND PURPOSE (1995 REVISIONS)

The provisions of sections 25-8-202(1)(e) and (g); 25-8-308(1)(d); 37-95-107.6(4) C.R.S., provide the specific statutory authority for adoption of the attached regulatory amendments. The Commission also adopted, in compliance with sections 24-4-103(4) C.R.S., the following statement of basis and purpose.

BASIS AND PURPOSE:

The Intended Use Plan (IUP) is presented to the Water Quality Control Commission each year for agency action and public comment. The plan describes the intent of the Water Pollution Control Revolving Fund (WPCRF) for providing financial assistance to governmental agencies.

Attached to the 1996 IUP as Appendix A is the statewide project priority list showing the current construction needs for point source wastewater treatment. Also attached as Appendix A-1 is the 1996 Eligibility List additions and modifications. The Eligibility List consists of projects from the priority list that have or will have approved facility plans or feasibility studies during the 1996 funding year. Attachment B to the IUP is a chart depicting projects that are likely to be funded from the WPCRF and includes their target date for a binding commitment.

The Commission held a formal public meeting on October 10, 1995 to adopt the 1996 IUP; however, three communities requested that they be added to the IUP. The communities were Idaho Springs, Lochbuie and Superior. They were added along with the City of Rifle for final approval on November 13, 1995.

The Environmental Protection Agency recommended several changes to the 1995 IUP. These recommendations have been incorporated into the 1996 IUP. The most significant changes have been made to the "goals and objectives." The long and short term goals are now separate and have been revised to reflect the current WPCRF program needs.

52.18 STATEMENT OF BASIS, SPECIFIC STATUTORY AUTHORITY, AND PURPOSE (1996 REVISIONS)

The provisions of sections 25-8-202(1)(e) and (g); 25-8-308(1)(d); 37-95-107.6(4) C.R.S., provide the specific statutory authority for adoption of the attached regulatory amendments. The Commission also adopted, in compliance with sections 24-4-103(4) C.R.S., the following statement of basis and purpose.

BASIS AND PURPOSE:

The Intended Use Plan (IUP) is presented to the Water Quality Control Commission each year for agency action and public comment. The plan describes the intent of the Water Pollution Control Revolving Fund (WPCRF) for providing financial assistance to governmental agencies.

Attached to the 1997 IUP as Appendix A is the statewide project priority list showing the current construction needs for point source wastewater treatment. Also attached as Appendix A-1 is the 1997 Eligibility List additions and modifications. The Eligibility List consists of projects from the priority list that have or will have approved facility plans or feasibility studies during the 1997 funding year. Attachment B to the IUP is a chart depicting projects that are expected to be funded from the WPCRF and included their target date for a binding commitment.

The Commission held a formal public meeting on October 7, 1996 to adopt the 1997 IUP. However, the Town of Berthoud and the City of Thornton requested that they be added to the IUP and the name of the "Erie Water and Sanitation District" was changed to the "Town of Erir." These changes were made for final approval on January 13, 1997.

52.19 FINDINGS REGARDING BASIS FOR EMERGENCY RULE: JANUARY 13, 1997

The Commission held this emergency rulemaking hearing to add two communities to the Water Pollution Control Revolving Fund (WPCRF) fiscal year 1997 Intended Use Plan.

The Town of Cheraw maintains and operates a non-discharging lagoon system. The water levels have risen to a point of topping the embankment, creating a surface discharge without a permit. It could potentially flow into the lake causing a public health hazard. The Town will need to start construction as soon as possible estimating the cost to be \$200,000.

The City of Fruita is negotiating agreements with the Downer Subdivision and the J Road/Fruita Monument High School to provide wastewater treatment. These areas are on individual sewage disposal systems in high ground water, some are failing and some leech fields are reportedly in the flood plain of Little Salt Wash. The potential for public health concerns is high and the cost for constructing sewer lines to both areas is estimated at \$210,000.

The Commission finds that the immediate adoption of the revised 1997 Intended Use Plan is necessary for the preservation of public health, safety or welfare and that compliance with normal notice requirements would be contrary to the public interest. If the two communities are not added to the Intended Use Plan's priority and eligibility lists at this time, funding would not be available to correct the public health issues until the spring of 1998.

52.20 STATEMENT OF BASIS, SPECIFIC STATUTORY AUTHORITY, AND PURPOSE
(1996 REVISIONS)

The provisions of sections 25-8-202(1)(e) and (g); 25-8-308(1)(d); 37-95-107.6(4) C.R.S., provide the specific statutory authority for adoption of the attached regulatory amendments. The Commission also adopted, in compliance with sections 24-4-103(4) C.R.S., the following statement of basis and purpose.

BASIS AND PURPOSE:

The Commission held an emergency rulemaking hearing to add two communities to the Water Pollution Control Revolving Fund (WPCRF) fiscal year 1997 Intended Use Plan.

The Town of Cheraw maintains and operates a non-discharging lagoon system. The water levels have risen to a point of topping the embankment, creating a surface discharge without a permit. It could potentially flow into the lake causing a public health hazard. The Town will need to start construction as soon as possible estimating the cost to be \$200,000.

The City of Fruita is negotiating agreements with the Downer Subdivision and the J Road/Fruita Monument High School to provide wastewater treatment. These areas are on individual sewage disposal systems in high ground water, some are failing and some leech fields are reportedly in the flood plain of Little Salt Wash. The potential for public health concerns is high and the cost for constructing sewer lines to both areas is estimated at \$210,000.

The Commission found that the immediate adoption of the revised 1997 Intended Use Plan was necessary for the preservation of public health, safety or welfare and that compliance with normal

notice requirements would be contrary to the public interest. If the two communities are not added to the Intended Use Plan's priority and eligibility lists at this time, funding would not be available to correct the public health issues until the spring of 1998. :

A noticed rulemaking hearing was conducted on April 14, 1997 to finalize this emergency action.

52.21 STATEMENT OF BASIS. SPECIFIC STATUTORY AUTHORITY AND PURPOSE: JULY 1997 RULEMAKING

The provisions of sections 25-8-202 and 25-8-401, C.R.S., provide the specific statutory authority for adoption of the attached regulatory amendments. The Commission also adopted, in compliance with section 24-4-103(4) C.R.S., the following statement of basis and purpose.

BASIS AND PURPOSE

The Commission has adopted a revised numbering system for this regulation, as a part of an overall renumbering of all Water Quality Control Commission rules and regulations. The goals of the renumbering are: (1) to achieve a more logical organization and numbering of the regulations, with a system that provides flexibility for future modifications; and (2) to make the Commission's internal numbering system and that of the Colorado Code of Regulations (CCR) consistent. The CCR references for the regulations will also be revised as a result of this hearing.

52.22 STATEMENT OF BASIS SPECIFIC STATUTORY AUTHORITY. AND PURPOSE (1997 REVISIONS)

The provisions of sections 25-8-202(1)(e) and (g); 25-8-308(1)(d); 37-95-107.6(4) C.R.S., provide the specific statutory authority for adoption of the attached regulatory amendments. The Commission also adopted, in compliance with sections 24-4-103(4) C.R.S., the following statement of basis and purpose

BASIS AND PURPOSE:

The Intended Use Plan (IUP) is presented to the Water Quality Control Commission each year for agency action and public comment. The plan describes the intent of the Water Pollution Control Revolving Fund (WPCRF) for providing financial assistance to governmental agencies. This year, the IUP also describes the intent for providing hardship grants to eligible communities and how the program may utilize funds from the WPCRF to the Drinking Water Revolving Fund.

Attached to the 1998 IUP as Appendix A is the statewide project priority list showing the current construction needs for all eligible water quality projects including point source wastewater treatment, nonpoint source, ground water, storm water, etc. Also attached as Appendix A-1 is the 1998 Eligibility List additions and modifications. The Eligibility List consists of projects from the priority list that have or will have approved planning documents during the 1998 funding year. Attachment B to the IUP is a chart depicting projects that are expected to be funded from the WPCRF and includes their target date for a binding commitment. Attachment C is a list of projects that may be eligible for hardship grants.

The Commission held a formal public meeting on October 6, 1997 to adopt the 1998 IUP. There were no public comments received on the FY96 IUP which includes the new priority list for providing funds to expanded eligible projects. The Division requested that the Commission add Custer County/San Isabel to the project list during the approval process.

The Commission gave preliminary final approval to the revised version of the FY98 IUP which incorporates the addition of Custer County/San Isabel to the project list, the addition of Campo to Appendix C the completion of the public comment section, the addition of section numbers to the document and the addition of a key to the letters used in the status column of the lists earlier in the document

52.23 STATEMENT OF BASIS, SPECIFIC STATUTORY AUTHORITY, AND PURPOSE (1998 REVISIONS)

The provisions of sections 25-8-202(1)(e) and (g); 25-8-308(1)(d); 37-95-107.6(4) C.R.S., provide the specific statutory authority for adoption of the attached regulatory amendments. The Commission also adopted, in compliance with sections 24-4-103(4) C.R.S., the following statement of basis and purpose.

BASIS AND PURPOSE:

The Intended Use Plan (IUP) is presented to the Water Quality Control Commission each year for agency action and public comment. The plan describes the intent of the Water Pollution Control Revolving Fund (WPCRF) for providing financial assistance to governmental agencies. This year, the IUP also describes the intent to utilize funds from the WPCRF to the Drinking Water Revolving Fund.

Attached to the 1999 IUP as Appendix A is the statewide project list showing the current construction needs for all eligible water quality projects including point source wastewater treatment, nonpoint source, ground water, and storm water. Also attached as Appendix A-1 is the 1999 Eligibility List additions and modifications. The Eligibility List consists of projects from the priority list that have or will have approved planning documents during the 1999 funding year. Attachment B to the IUP is a chart depicting projects that are expected to be funded from the WPCRF and includes their target date for a binding commitment.

The Commission held a formal public meeting on October 13, 1996 to adopt the 1999 IUP. There were no public comments received on the FY99 IUP which includes the new priority list for providing funds to expanded eligible projects.

52.24 STATEMENT OF BASIS, SPECIFIC STATUTORY AUTHORITY, AND PURPOSE (1999 REVISIONS)

The provisions of sections 25-8-202(1)(e) and (g); 25-8-308(1)(d); 37-95-107.6(4) C.R.S., provide the specific statutory authority for adoption of the attached regulatory amendments. The Commission also adopted, in compliance with sections 24-4-103(4) C.R.S., the following statement of basis and purpose.

BASIS AND PURPOSE:

The Intended Use Plan (IUP) is presented to the Water Quality Control Commission each year for agency action and public comment. The IUP describes the intent of the Water Pollution Control Revolving Fund (WPCRF) for providing financial assistance to governmental agencies. This year, the IUP also describes all funds available for administration and loan commitments from the WPCRF. There is no request for transferring funds in this IUP and the cross-collateralization section describes the benefits to the program for using this mechanism allowed by EPA.

Attached to the 2000 IUP as Appendix A is the statewide project list showing the current construction needs for all eligible water quality projects including point source wastewater treatment, nonpoint source, ground water, and storm water. Also attached as Appendix A-1 is the 2000 Eligibility List additions and modifications. The Eligibility List consists of projects from the list that have or will have approved planning documents during the 2000 funding year. Attachment B to the IUP is a chart depicting projects that are expected to be funded from the WPCRF and includes their target date for a binding commitment.

The Commission held a formal public meeting on October 12, 1999 to adopt the 2000 IUP. There were no public comments received on the 2000 IUP which includes the project list for providing funds to expanded eligible projects.

52.25 FINDINGS AND STATEMENT OF BASIS FOR ADOPTION OF EMERGENCY REVISIONS TO REGULATION NO. 52, STATE OF COLORADO FISCAL YEAR B 2000- WATER POLLUTION CONTROL REVOLVING FUND (WPCRF) INTENDED USE PLAN (5 CCR 1002-52)

The Commission adopted revisions to Regulation No. 52, State of Colorado Fiscal Year B 2000 Water Pollution Control Revolving Fund (WPCRF) Intended Use Plan on February 14, 2000. These revisions placed the Town of Gypsum and the Three Lakes Water & Sanitation District on the Water Pollution Control Revolving Fund ("WPCRF") Eligibility List. The Commission adopted these revisions under the authority of § 24-4-103(6), C.R.S. (1999).

The Town of Gypsum is the subject of an enforcement order containing a construction completion deadline of December 31, 2000. The Town's wastewater treatment system experiences flows that require planning to upgrade and/or expand those treatment facilities. The Town needs funding that could be provided through the WPCRF in order to complete construction on a timely basis. Compliance with the procedures and notice requirements in ' 24-4-103, C.R.S. (1999) would interfere with obtaining funding so that the Town can complete its obligations under the enforcement order.

The Three Lakes Water and Sanitation District intends to upgrade its wastewater treatment system in order to attain water quality standards. The District's facility discharges to an unnamed tributary to Willow Creek, which is a segment listed under section 303(d) of the federal Clean Water Act. The Division is currently working on a Total Maximum Daily Load allocation on this segment. The allocation is scheduled for completion in June 2000. The District intends to meet the emerging limits for its facility by the end of the 2000 construction season. The District's project is on the WPCRF Project List and Fundable List for the year 2000. The project is not found on the Eligibility List due to a Division oversight in updating the status code to reflect the District's planning effort in progress. Compliance with the procedures and notice requirements in ' 24-4-103, C.R.S. (1999) would delay attainment of the water quality standards in a stream segment listed pursuant to ' 303(d) of the federal Clean Water Act.

The Commission finds that immediate adoption of these revisions is imperatively necessary to preserve the public health, safety and welfare and that compliance with the requirements of ' 24-4-103, C.R.S. (1999) would be contrary to the public interest.

52.26 STATEMENT OF BASIS, SPECIFIC STATUTORY AUTHORITY, AND PURPOSE (May, 2000 RULEMAKING)

The provisions of sections 25-8-202(1)(e) and (g); 25-8-308(1)(d); and 37-95-107.6(4) C.R.S., provide the specific statutory authority for adoption of the attached regulatory amendments. The Commission also adopted, in compliance with section 24-4-103(4) C.R.S., the following statement of basis and purpose.

BASIS AND PURPOSE:

The Commission held this rulemaking hearing to make permanent changes adopted in an Emergency Rulemaking Hearing that was held on February 14, 2000.

These changes placed the Town of Gypsum and the Three Lakes Water & Sanitation District on the Eligibility List for FY 2000. The rationale for adding these entities to the

list is discussed in the Findings and Statement of Basis for Adoption of Emergency Revision to Regulation No. 52, State of Colorado Fiscal Year - 2000 Water Pollution Control Revolving Fund (WPCRF) Intended Use Plan, section 52.25.

52.27 STATEMENT OF BASIS, SPECIFIC STATUTORY AUTHORITY, AND PURPOSE (2000 REVISIONS)

The provisions of sections 25-8-202(1)(e) and (g); 25-8-308(1)(d); 37-95-107.6(4) C.R.S., provide the specific statutory authority for adoption of the attached regulatory amendments. The Water Quality Control Commission (Commission) also adopted, in compliance with sections 24-4-103(4) C.R.S., the following statement of basis and purpose.

BASIS AND PURPOSE:

The Intended Use Plan (IUP) is presented to the Water Quality Control Commission each year for agency action and public comment. The IUP describes the intent of the Water Pollution Control Revolving Fund (WPCRF) for providing financial assistance to governmental agencies for water quality projects. The IUP also describes all funds available for program administration and loan commitments from the WPCRF. There is no request for transferring funds in this IUP, and the cross-collateralization section describes the benefits to the program of using that mechanism.

Attached to the 2001 IUP as Appendix A is the Project Eligibility List showing the current construction needs for all eligible water quality projects, including point source wastewater treatment, nonpoint source, ground water, and storm water. Attachment B to the IUP is a chart depicting projects that are expected to be funded from the WPCRF which includes their target date for a binding commitment.

The Commission held a formal public hearing on October 10 and 11, 2000 at which time the State's FY 2001 IUP (Regulation No. 52) was adopted. There were no comments at the public hearing. However, there were written comments received by the Commission that: (1) requested a small change to the information on projects listed on the Eligibility List; and (2) supported adopting the FY 2001 IUP.

52.28 STATEMENT OF BASIS, SPECIFIC STATUTORY AUTHORITY, AND PURPOSE (2001 REVISIONS)

The provisions of sections 25-8-202(1)(e) and (g); 25-8-308(1)(d); 37-95-107.6(4) C.R.S., provide the specific statutory authority for adoption of the attached regulatory amendments. The Water Quality Control Commission (Commission) also adopted, in compliance with sections 24-4-103(4) C.R.S., the following statement of basis and purpose.

BASIS AND PURPOSE:

The Intended Use Plan (IUP) is presented to the Water Quality Control Commission each year for agency action and public comment. The IUP describes the intent of the Water Pollution Control Revolving Fund (WPCRF) for providing financial assistance to governmental agencies for water quality projects. The IUP also describes all funds available for program administration and loan commitments from the WPCRF. There is no request for transferring funds in this IUP, and the cross-collateralization section describes the benefits to the program of using that mechanism.

Attached to the 2002 IUP as Appendix A is the Project Eligibility List showing the current construction needs for all identified eligible water quality projects, including point source wastewater treatment, nonpoint source, ground water, and storm water. Attachment B to the IUP is a chart depicting projects that are expected to receive funding from the WPCRF. Attachment B also includes a target date for the project's binding commitment.

The Commission held a formal public hearing on October 9, 2001 at which time the State's FY 2002 IUP (Regulation No. 52) was adopted. There were no comments at the public hearing.

52.29 STATEMENT OF BASIS, SPECIFIC STATUTORY AUTHORITY, AND PURPOSE (2002 REVISIONS)

The provisions of sections 25-8-202(1)(e) and (g); 25-8-308(1)(d); 37-95-107.6(4) C.R.S., provide the specific statutory authority for adoption of the attached regulatory amendments. The Water Quality Control Commission (Commission) also adopted, in compliance with sections 24-4-103(4) C.R.S., the following statement of basis and purpose.

BASIS AND PURPOSE:

The Intended Use Plan (IUP) is presented to the WQCC each year for agency action and public comment. The IUP describes the intent of the Water Pollution Control Revolving Fund (WPCRF) for providing financial assistance to governmental agencies for water quality projects. The IUP also describes all funds available for program administration and loan commitments from the WPCRF.

Attached to the 2003 IUP as Appendix A is the WPCRF 2003 Project Eligibility List showing the current construction needs for all identified eligible water quality projects, including point source wastewater treatment, nonpoint source, ground water, and storm water. Attachment B to the IUP is a chart depicting projects that are expected to receive funding from the WPCRF. Attachment B also includes a target date for the project's binding commitment.

Approximately \$223,980,000 in loans are expected to be provided to communities in 2003. Due to large number of projected loans the WQCD and the Authority is working with a stakeholders group to evaluate the feasibility of transferring funds from the Drinking Water Revolving fund to the WPCRF. Based on the outcome of the stakeholders meeting, the WQCC and the Board of Health's approval, a transfer of approximately \$8 million dollars (including the state match) will be made from the Drinking Water Revolving Fund into the WPCRF in 2003.

52.30 STATEMENT OF BASIS, SPECIFIC STATUTORY AUTHORITY, AND PURPOSE (October, 2003)

The provisions of sections 25-8-202(1)(e) and (g); 25-8-308(1)(d); 37-95-107.6(4) C.R.S., provide the specific statutory authority for adoption of the attached regulatory amendments. The Water Quality Control Commission (WQCC) also adopted, in compliance with sections 24-4-103(4) C.R.S., the following statement of basis and purpose.

BASIS AND PURPOSE:

The Intended Use Plan (IUP) is presented to the WQCC each year for agency action and public comment. The IUP describes the intent of the Water Pollution Control Revolving Fund (WPCRF) for providing financial assistance to governmental agencies for water quality projects. The IUP also describes all funds available for program administration and loan commitments from the WPCRF.

Attached to the 2004 IUP as Appendix A is the WPCRF 2004 Project Eligibility List showing the current construction needs for all identified eligible water quality projects, including point source

wastewater treatment, nonpoint source, ground water, and storm water. Attachment B to the IUP lists the additions and deletions made from the 2003 list. Attachment C summarizes the projects that are expected to receive funding from the WPCRF and the target date for loan closing.

Projects totaling approximately \$273,270,000 are expected to be considered in 2004. Due to large number of projected loans the agencies involved in the WPCRF worked with a stakeholders group to consider loan limits. In the past, the program has had sufficient loan capacity to fund all eligible requests. In 2004 it is expected that the WPCRF applications will exceed the projected 2004 loan capacity. Loan applications are currently submitted throughout the year making it difficult to apply our existing "Criteria and Methods for Distributing Funds" as described in the IUP and the WPCRF Rules (Regulation No. 51). The stakeholders group recommended implementing an application deadline (instead of loan limits) for all leveraged loans (projects over \$1 million.) This approach will allow staff to fairly and consistently apply the "Criteria and Methods for Distributing Funds." Therefore, the IUP has been revised to include an application deadline of February 1st and provide for a \$4 million set-aside for direct loans (under \$1 million.) Direct loans will not have an application deadline.

The revisions adopted include a new "short term goal" in section 52.4(10) regarding efforts to develop a potential new, non-rulemaking procedure for annual approval of the Water Pollution Control Revolving Fund Intended Use Plan. The Commission is concerned that any alternatives to the current process that may be considered provide an open and adequate opportunity for public participation and include final approval by the Commission.

The WQCC held a formal public hearing on October 8, 2003 at which time the State's FY 2004 IUP (Regulation No. 52) was adopted. There were no comments at the public hearing. However, there were written comments received by the Commission that: (1) made small changes to the information on the projects listed on the Eligibility List; (2) added language to the IUP regarding application deadlines and (3) supported adopting the FY 2004 IUP.

APPENDIX A

Appendix A
Water Pollution Control Revolving Fund
2004 Project Eligibility List

Project Number	Elig Cat	Entity	Municipality / Community	County	Description	Project Cost (\$)
040043W	2	Academy WSD	Colorado Springs	El Paso	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$75,000
030001W	2	Adams County	Brighton	Adams	Non-Point Source Project	\$1,000,000
030002W	2	Aguilar, Town Of	Aguilar	Las Animas	Improvement / Expansion of Wastewater Treatment Plant	\$500,000
030003W	2	Akron, Town Of	Akron	Washington	Improvement / Expansion of Wastewater Treatment Plant	\$3,200,000
030004W	1	Alamosa County / Mosca	Alamosa	Alamosa	New Wastewater Treatment Plant Or Connect to Existing Facility; Collection / Interceptor Construction / Rehabilitation; Eliminate ISDS	\$729,000
030005W	3	Alamosa, City Of	Alamosa	Alamosa	Stormwater Project	\$3,200,000
040001W	2	Alamosa, City Of	Alamosa	Alamosa	Collection / Interceptor Construction / Rehabilitation	\$355,000
030006W	3	Alma, Town Of	Alma	Park	Stormwater Project	\$1,002,000
040049W	2	Arapahoe County WWA	Englewood	Arapahoe	Improvement / Expansion of Wastewater Treatment Plant; Consolidation of Wastewater Treatment Facilities; Improvement / New Biosolids Handling Facility; Collection / Interceptor Construction / Rehabilitation; Reuse Facility	\$22,000,000
030009W	2	Aspen, City Of	Aspen	Pitkin	Collection / Interceptor Construction / Rehabilitation; Stormwater Project; Non-Point Source Project	\$10,000,000
030010W	2	Ault, Town Of	Ault	Weld	Improvement / Expansion of Wastewater Treatment Plant	\$1,000,000
030011W	2	Aurora, City of / Sand Creek	Aurora	Arapahoe	Reuse Facility	\$12,000,000
030012W	2	Avondale WSD	Avondale	Pueblo	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$275,000
030013W	2	Baca Grande WSD	Crestone	Saguache	Improvement / Expansion of Wastewater Treatment Plant Or Consolidation of Wastewater Treatment Facilities; Collection / Interceptor Construction / Rehabilitation	\$800,000
030016W	2	Basalt SD / Lazy Glen - Holland Hills	Basalt	Eagle	Consolidation of Wastewater Treatment Facilities Or New Wastewater Treatment System	\$750,000
040003W	3	Basalt, Town of	Basalt	Eagle	Stormwater Project	\$1,250,000
030017W	2	Bayfield SD	Bayfield	La Plata	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$300,000
030018W	2	Bear Creek WSD	Lakewood	Jefferson	Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$512,000
030019W	2	Bennett, Town Of	Bennett	Adams	Reuse Facility	\$25,000
030020W	1	Bent County / Hasty Water Co	Hasty	Bent	Collection / Interceptor Construction / Rehabilitation; New Wastewater Treatment Plant; Eliminate ISDS	\$500,000
030022W	1	Berkeley WSD	Denver	Adams	Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$1,440,000

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Project Number	Elig Cat	Entity	Municipality / Community	County	Description	Project Cost (\$)
030023W	2	Berthoud, Town Of	Berthoud	Larimer	Improvement / New Biosolids Handling Facility; Collection / Interceptor Construction / Rehabilitation; New Wastewater Treatment Plant; New Regional Facility	\$3,100,000
040004W	3	Berthoud, Town Of	Berthoud	Larimer	Stormwater Project	\$150,000
030025W	2	Boulder County / Canyon Parks	Boulder	Boulder	Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$500,000
030026W	2	Boulder County / Eldorado Springs	Boulder	Boulder	Collection / Interceptor Construction / Rehabilitation; New Wastewater Treatment Plant; Eliminate ISDS	\$2,000,000
030029W	2	Boulder, City Of	Boulder	Boulder	Non-Point Source Project	\$1,000,000
030030W	2	Box Elder WSD	Englewood	Arapahoe	Collection / Interceptor Construction / Rehabilitation; New Wastewater Treatment Plant	\$500,000
030031W	2	Boxelder SD	Fort Collins	Larimer	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$9,500,000
040005W	2	Breckenridge, Town of	Breckenridge	Summit	Stormwater Project; Non-Point Source Project; Joint Project with Summit County	\$5,000,000
030032W	2	Brighton, City of	Brighton	Adams	Improvement / Expansion of Wastewater Treatment Plant; Consolidation of Wastewater Treatment Facilities; Collection / Interceptor Construction / Rehabilitation	\$32,500,000
040006W	3	Brighton, City of	Brighton	Adams	Stormwater Project	\$800,000
040050W	2	Brighton, City of	Brighton	Adams	Non-Point Source Project	\$450,000
030033W	2	Bristol WSD	Bristol	Prowers	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$300,000
030034W	2	Brookside, Town Of	Brookside	Fremont	Collection / Interceptor Construction / Rehabilitation; New Wastewater Treatment Plant Or Connect to Existing Facility; Eliminate ISDS	\$750,000
030036W	2	Broomfield, City & County of	Broomfield	Broomfield	Stormwater Project; Non-Point Source Project	\$1,500,000
040007W	2	Broomfield, City & County of	Broomfield	Broomfield	Improvement / Expansion of Wastewater Treatment Plant; Reuse Facility	\$22,000,000
030037W	1	Brownsville WSD	Lafayette	Boulder	Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$4,000,000
040008W	2	Buena Vista SD	Buena Vista	Chaffee	Improvement / Expansion of Wastewater Treatment Plant; Improvements / New Biosolids Handling Facility	\$1,800,000
030039W	2	Burlington, City Of	Burlington	Kit Carson	Improvement / Expansion of Wastewater Treatment Plant	\$1,200,000
030040W	2	Calhan, Town Of	Calhan	El Paso	Improvement / Expansion of Wastewater Treatment Plant	\$400,000
030041W	3	Canon City, City of	Canon City	Fremont	Stormwater Project	\$700,000

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Project Number	Elig Cat	Entity	Municipality / Community	County	Description	Project Cost (\$)
040009W	3	Carbondale, Town Of	Carbondale	Garfield	Stormwater Project	\$2,500,000
040051W	2	Carbondale, Town Of	Carbondale	Garfield	Non-Point Source Project	\$250,000
030042W	2	Castle Rock, Town Of	Castle Rock	Douglas	Improvement / Expansion of Wastewater Treatment Plant; Consolidation of Wastewater Treatment Facilities; Collection / Interceptor Construction / Rehabilitation; Reuse Facility	\$6,600,000
030298W	3	Castle Rock, Town Of	Castle Rock	Douglas	Stormwater Project	\$400,000
030043W	1	Cedaredge, Town Of	Cedaredge	Delta	Improvement / Expansion of Wastewater Treatment Plant Or Consolidation of Wastewater Treatment Facilities	\$2,000,000
030044W	2	Center SD	Center	Saguache	Improvement / Expansion of Wastewater Treatment Plant	\$250,000
030047W	2	Cherokee MD	Colorado Springs	El Paso	Consolidation of Wastewater Treatment Facilities; Collection / Interceptor Construction / Rehabilitation	\$15,000,000
030048W	2	Cherry Creek Basin Water Quality Authority	Greenwood Village	Arapahoe	Stormwater Project; Non-Point Source Project	\$17,400,000
030049W	2	Cheyenne Wells SD	Cheyenne Wells	Cheyenne	Improvement / Expansion of Wastewater Treatment Plant	\$120,000
030051W	1	Clear Creek County / Arapahoe MHP	Empire	Clear Creek	Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$800,000
030052W	2	Clear Creek County / Floyd Hill	Idaho Springs	Clear Creek	New Wastewater Treatment Plant Or Connect to Existing Facility; Collection / Interceptor Construction / Rehabilitation; Eliminate ISDS	\$2,000,000
040010W	1	Clear Creek County / West Empire Area	Empire	Clear Creek	Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$750,000
030053W	2	Clifton SD #1	Clifton	Mesa	Collection / Interceptor Construction / Rehabilitation	\$1,200,000
040052W	1	Clifton SD #2	Clifton	Mesa	New Wastewater Treatment Plant Or Connect to Existing Facility	\$13,000,000
030054W	1	Coal Creek, Town Of	Coal Creek	Fremont	Collection / Interceptor Construction / Rehabilitation; New Wastewater Treatment Plant Or Connect to Existing Facility; Eliminate ISDS	\$3,500,000
030055W	2	Collbran, Town Of	Collbran	Mesa	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$1,500,000
030056W	2	Colorado Centre MD	Colorado Springs	El Paso	Consolidation of Wastewater Treatment Facilities; Collection / Interceptor Construction / Rehabilitation	\$5,500,000
030057W	2	Colorado City MD	Colorado City	Pueblo	Improvement / Expansion of Wastewater Treatment Plant	\$1,800,000
030058W	2	Colorado Springs, City Of	Colorado Springs	El Paso	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility; Collection / Interceptor Construction / Rehabilitation; Reuse Facility; New Wastewater Treatment Plant	\$133,000,000

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Project Number	Elig Cat	Entity	Municipality / Community	County	Description	Project Cost (\$)
030218W	2	Colorado Springs, City of / Pikes Peak Enterprise	Colorado Springs	El Paso	Non-Point Source Project	\$1,500,000
040011W	2	Copper Mountain Consolidated MD	Copper Mountain	Summit	Improvement / Expansion of Wastewater Treatment Plant	\$10,000,000
030061W	2	Cortez SD	Cortez	Montezuma	Improvement / Expansion of Wastewater Treatment Plant Or Consolidation of Wastewater Treatment Facilities; Collection / Interceptor Construction / Rehabilitation	\$10,200,000
030064W	2	Crawford, Town Of	Crawford	Delta	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$180,000
040012W	2	Crested Butte South MD	Crested Butte	Gunnison	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility; Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$1,600,000
030068W	2	Crowley, Town Of	Crowley	Crowley	Improvement / Expansion of Wastewater Treatment Plant	\$1,000,000
030070W	1	Custer County / San Isabel	San Isabel	Custer	Collection / Interceptor Construction / Rehabilitation; New Wastewater Treatment Plant; Eliminate ISDS	\$1,000,000
030071W	2	Custer County / Westcliffe	Westcliffe	Custer	Joint Sludge Disposal Facility	\$500,000
030072W	2	Deer Trail, Town Of	Deer Trail	Arapahoe	Improvement / Expansion of Wastewater Treatment Plant	\$1,300,000
030073W	3	Del Norte, Town Of	Del Norte	Rio Grande	Stormwater Project	\$3,000,000
030074W	2	Delta County / Redwood Arms Motel and TC	Delta	Delta	Collection / Interceptor Construction / Rehabilitation; New Wastewater Treatment Plant; Connect to Existing Facility	\$300,000
030075W	1	Delta, City Of	Delta	Delta	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$2,600,000
030076W	2	Denver SE Suburban WSD / Pinery	Parker	Douglas	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility; Collection / Interceptor Construction / Rehabilitation	\$13,000,000
030077W	2	Dinosaur, Town Of	Dinosaur	Moffat	Improvement / Expansion of Wastewater Treatment Plant	\$10,000
030078W	2	Dolores, Town Of	Dolores	Montezuma	Collection / Interceptor Construction / Rehabilitation	\$450,000
040013W	3	Dolores, Town Of	Dolores	Montezuma	Stormwater Project	\$50,000
040056W	2	Donala WSD	Colorado Springs	El Paso	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility	\$2,334,000
030080W	2	Douglas County / Louviers Mutual Service Co	Louviers	Douglas	Improvement / Expansion of Wastewater Treatment Plant	\$350,000
040014W	2	Durango West MD # 2	Durango	La Plata	Improvement / Expansion of Wastewater Treatment Plant	\$200,000
040015W	2	Durango, City of	Durango	La Plata	Improvement / New Biosolids Handling Facility	\$850,000
030081W	2	Eads, Town Of	Eads	Kiowa	Collection / Interceptor Construction / Rehabilitation	\$200,000
030082W	2	Eagle River WSD / Vail	Vail	Eagle	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$6,000,000

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Project Number	Elig Cat	Entity	Municipality / Community	County	Description	Project Cost (\$)
030083W	2	Eagle, Town Of	Eagle	Eagle	Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$1,500,000
030084W	3	East Cherry Creek Valley WSD	Aurora	Arapahoe	Stormwater Project	\$500,000
040016W	2	East Cherry Creek Valley WSD	Aurora	Arapahoe	Collection / Interceptor Construction / Rehabilitation	\$500,000
040046W	2	Eastern Adams County MD	Strasburg	Adams	Consolidation of Wastewater Treatment Facilities; Collection / Interceptor Construction / Rehabilitation; Reuse Facility	\$1,500,000
040017W	2	Eaton, Town of	Eaton	Weld	Improvement / Expansion of Wastewater Treatment Plant	\$5,000,000
030085W	2	Edgewater, City Of	Edgewater	Jefferson	Collection / Interceptor Construction / Rehabilitation	\$300,000
030086W	1	Elbert WSD	Elbert	Elbert	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility	\$450,000
030087W	1	Empire, Town Of	Empire	Clear Creek	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$1,200,000
030088W	2	Erie, Town Of	Erie	Weld	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility; Collection / Interceptor Construction / Rehabilitation	\$18,750,000
030090W	2	Estes Park SD	Estes Park	Larimer	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$1,000,000
030091W	2	Evans, City Of	Evans	Weld	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility	\$3,500,000
040018W	3	Evans, City Of	Evans	Weld	Stormwater Project	\$1,000,000
040053W	2	Evans, City Of	Evans	Weld	Non-Point Source Project	\$500,000
030093W	2	Evergreen MD	Evergreen	Jefferson	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility	\$1,561,000
030297W	1	Fairway Pines SD	Montrose	Montrose	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$64,500
030094W	2	Fleming, Town Of	Fleming	Logan	Improvement / Expansion of Wastewater Treatment Plant	\$60,000
030095W	3	Florence, City Of	Florence	Fremont	Stormwater Project; Non-Point Source Project	\$9,400,000
030096W	2	Florissant WSD	Florissant	Teller	Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$150,000
030097W	2	Forest Lakes MD	Bayfield	La Plata	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$250,000
040057W	2	Forest Lakes MD	Colorado Springs	El Paso	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility	\$1,026,000

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Project Number	Elig Cat	Entity	Municipality / Community	County	Description	Project Cost (\$)
030099W	2	Fort Collins, City Of	Fort Collins	Larimer	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility	\$17,400,000
030101W	2	Fort Lupton, City Of	Fort Lupton	Weld	Reuse Facility	\$1,000,000
030102W	3	Fort Lupton, City Of	Fort Lupton	Weld	Stormwater Project	\$8,400,000
030103W	3	Fowler, Town Of	Fowler	Otero	Stormwater Project	\$100,000
030104W	1	Fowler, Town of / Westcamp Unincorporated Area	Fowler	Otero	Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$200,000
030105W	2	Franktown Business Area MD	Franktown	Douglas	Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$1,500,000
030301W	1	Fraser SD	Fraser	Grand	Consolidation of Wastewater Treatment Facilities	\$900,000
030108W	2	Frisco SD	Frisco	Summit	Collection / Interceptor Construction / Rehabilitation; Eliminate ISDS	\$500,000
030110W	2	Galeton WSD	Galeton	Weld	Improvement / Expansion of Wastewater Treatment Plant	\$200,000
030111W	1	Garden Valley WSD	Colorado Springs	El Paso	Improvement / Expansion of Wastewater Treatment Plant Or Consolidation of Wastewater Treatment Facilities; Collection / Interceptor Construction / Rehabilitation	\$650,000
030112W	2	Genesee WSD	Golden	Jefferson	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$570,000
030113W	1	Genoa, Town Of	Genoa	Lincoln	Improvement / Expansion of Wastewater Treatment Plant	\$500,000
030114W	2	Georgetown, Town Of	Georgetown	Clear Creek	Collection / Interceptor Construction / Rehabilitation; New Wastewater Treatment Plant; Or Improvement / Expansion of Wastewater Treatment Plant	\$4,000,000
030115W	2	Gilcrest, Town Of	Gilcrest	Weld	Improvement / Expansion of Wastewater Treatment Plant	\$60,000
030116W	3	Gilcrest, Town Of	Gilcrest	Weld	Stormwater Project	\$8,000,000
030117W	3	Gilpin County School District RE-1		Gilpin	Stormwater Project	\$75,000
040019W	2	Glendale, City of	Glendale	Arapahoe	Collection / Interceptor Construction / Rehabilitation; Consolidation of Wastewater Treatment Facilities And Demolition of Existing Facility	\$8,000,000
040044W	3	Glendale, City of	Glendale	Arapahoe	Stormwater Project	\$1,000,000
030118W	2	Glenwood Springs, City Of	Glenwood Springs	Garfield	Consolidation of Wastewater Treatment Facilities Or New Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility; Collection / Interceptor Construction / Rehabilitation; New Regional Facility	\$25,500,000
040020W	3	Glenwood Springs, City Of	Glenwood Springs	Garfield	Stormwater Project	\$3,000,000
030119W	3	Golden, City Of	Golden	Jefferson	Stormwater Project	\$70,000
040021W	2	Golden, City Of	Golden	Jefferson	Collection / Interceptor Construction / Rehabilitation	\$500,000
040022W	2	Granby SD	Granby	Grand	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility	\$4,100,000

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Project Number	Elig Cat	Entity	Municipality / Community	County	Description	Project Cost (\$)
030122W	2	Grand County / Shadow Mountain Lake	Shadow Mountain Lake	Grand	Non-Point Source; Dredging or other alternative for sediment load at Shadow Mountain	\$350,000
030121W	2	Grand County WSD #1	Winter Park	Grand	Consolidation of Wastewater Treatment Facilities; Collection / Interceptor Construction / Rehabilitation	\$500,000
030123W	3	Grand Junction, City Of	Grand Junction	Mesa	Stormwater Project	\$5,346,000
030124W	2	Grand Junction, City Of	Grand Junction	Mesa	Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$3,918,789
030125W	1	Grand Junction, City Of	Grand Junction	Mesa	Rehab/replace combined sewer overflow (CSO)	\$9,872,208
040023W	3	Grand Lake, Town of	Grand Lake	Grand	Stormwater Project	\$350,000
030127W	2	Grover, Town Of	Grover	Weld	Improvement / Expansion of Wastewater Treatment Plant	\$20,000
030128W	2	Gunnison County	Gunnison	Gunnison	Non-Point Source Project	\$1,000,000
030130W	1	Gunnison County	Gunnison	Gunnison	Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$4,500,000
030131W	1	Gunnison County / Somerset Domestic WD	Somerset	Gunnison	New Wastewater Treatment Plant Or Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$1,075,000
030133W	2	Haxtun, Town Of	Haxtun	Phillips	Improvement / Expansion of Wastewater Treatment Plant	\$150,000
030134W	2	Hayden, Town Of	Hayden	Routt	Collection / Interceptor Construction / Rehabilitation	\$200,000
040024W	2	Highland Lakes WD	Divide	Teller	Collection / Interceptor Construction / Rehabilitation; New Wastewater Treatment Plant; Eliminate ISDS	\$2,525,000
030135W	2	Hi-Land Acres WSD	Brighton	Adams	Improvement / Expansion of Wastewater Treatment Plant	\$91,000
030136W	2	Hillrose, Town Of	Hillrose	Morgan	Improvement / Expansion of Wastewater Treatment Plant	\$183,512
040025W	2	Holyoke, City of	Holyoke	Phillips	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$550,000
030138W	2	Hot Sulphur Springs, Town Of	Hot Sulphur Springs	Grand	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$600,000
030139W	2	Hudson, Town Of	Hudson	Weld	Improvement / Expansion of Wastewater Treatment Plant; Or Consolidation of Wastewater Treatment Facilities; Collection / Interceptor Construction / Rehabilitation	\$940,000
030140W	1	Huerfano County / N Walsenburg	Walsenburg	Huerfano	Improvement / Expansion of Wastewater Treatment Plant Or New Wastewater Treatment Plant	\$500,000
030141W	3	Idaho Springs, City Of	Idaho Springs	Clear Creek	Stormwater Project	\$500,000
030142W	2	Idaho Springs, City Of	Idaho Springs	Clear Creek	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$1,000,000
040055W	1	Idalia SD	Idalia	Yuma	Improvement / Expansion of Wastewater Treatment Plant	\$250,000
040026W	2	Keenesburg, Town of	Keenesburg	Weld	Improvement / Expansion of Wastewater Treatment Plant; Reuse Facility	\$1,150,000

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2004 Project Eligibility List

Project Number	Elig Cat	Entity	Municipality / Community	County	Description	Project Cost (\$)
030146W	2	Kersey, Town Of	Kersey	Weld	Improvement / Expansion of Wastewater Treatment Plant Or New Wastewater Treatment Plant	\$2,500,000
030147W	2	Kiowa, Town Of	Kiowa	Elbert	Improvement / Expansion of Wastewater Treatment Plant	\$817,000
030148W	2	Kit Carson, Town Of	Kit Carson	Cheyenne	Improvement / Expansion of Wastewater Treatment Plant	\$250,000
040027W	2	Kittredge SWD	Kittredge	Jefferson	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility; Collection / Interceptor Construction / Rehabilitation; Eliminate ISDS	\$650,000
030149W	2	Kremmling SD	Kremmling	Grand	Improvement / Expansion of Wastewater Treatment Plant	\$3,300,000
030150W	2	La Jara, Town Of	La Jara	Conejos	Collection / Interceptor Construction / Rehabilitation	\$400,000
030151W	2	La Junta, City Of	La Junta	Otero	Collection / Interceptor Construction / Rehabilitation	\$2,923,000
030162W	2	La Salle, Town Of	La Salle	Weld	Improvement / Expansion of Wastewater Treatment Plant	\$400,000
030152W	2	Lafayette, City Of	Lafayette	Boulder	Improvement / Expansion of Wastewater Treatment Plant	\$8,000,000
030153W	2	Lake City, Town Of	Lake City	Hinsdale	Collection / Interceptor Construction / Rehabilitation	\$245,000
030154W	1	Lake County	Leadville	Lake	Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility	\$500,000
040028W	3	Lake County	Leadville	Lake	Stormwater Project	\$2,100,000
040054W	2	Lake County	Leadville	Lake	Non-Point Source Project	\$150,000
030155W	2	Lake Eldora WSD	Nederland	Boulder	Improvement / Expansion of Wastewater Treatment Plant	\$500,000
030156W	2	Lakehurst WSD	Littleton	Jefferson	Collection / Interceptor Construction / Rehabilitation	\$1,500,000
030157W	3	Lamar, City Of	Lamar	Prowers	Stormwater Project	\$2,300,000
030158W	2	Lamar, City Of	Lamar	Prowers	Improvement / Expansion of Wastewater Treatment Plant	\$800,000
030159W	2	Larimer County	Fort Collins	Larimer	Non-Point Source Project	\$1,000,000
040029W	1	Larimer County / Carter Lake Heights PID	Berthoud	Larimer	Collection / Interceptor Construction / Rehabilitation; New Wastewater Treatment Plant; Eliminate ISDS	\$750,000
030160W	2	Larkspur, Town Of	Larkspur	Douglas	Consolidation of Wastewater Treatment Facilities	\$800,000
030161W	2	Las Animas, City Of	Las Animas	Bent	Collection / Interceptor Construction / Rehabilitation	\$1,470,000
030163W	2	Leadville SD	Leadville	Lake	Collection / Interceptor Construction / Rehabilitation	\$600,000
030164W	2	Left Hand WSD	Boulder	Boulder	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$750,000
030165W	2	Limon, Town Of	Limon	Lincoln	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$400,000
030166W	1	Lincoln County / Karval Water Users	Karval	Lincoln	Improvement / Expansion of Wastewater Treatment Plant Or New Wastewater Treatment Plant Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$300,000
030167W	2	Littleton / Englewood	Englewood	Arapahoe	Improvement / Expansion of Wastewater Treatment Plant	\$110,000,000
030168W	2	Lochbuie, Town Of	Lochbuie	Weld	Improvement / Expansion of Wastewater Treatment Plant	\$8,000,000

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Project Number	Elig Cat	Entity	Municipality / Community	County	Description	Project Cost (\$)
030170W	2	Logan County / Kidz Ark	Sterling	Logan	Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$93,500
030171W	2	Loma Linda SD	Durango	La Plata	Consolidation of Wastewater Treatment Facilities; Collection / Interceptor Construction / Rehabilitation	\$50,000
030173W	2	Loveland, City Of	Loveland	Larimer	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$21,000,000
040030W	3	Loveland, City Of	Loveland	Larimer	Stormwater Project	\$50,000
030174W	2	Lyons, Town Of	Lyons	Boulder	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$296,000
030175W	2	Mack SD	Grand Junction	Mesa	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$650,000
030176W	2	Manassa, Town Of	Manassa	Conejos	Improvement / Expansion of Wastewater Treatment Plant	\$500,000
030178W	2	Mancos, Town Of	Mancos	Montezuma	Collection / Interceptor Construction / Rehabilitation	\$500,000
040031W	3	Mancos, Town Of	Mancos	Montezuma	Stormwater Project	\$200,000
030179W	2	Marble, Town Of	Marble	Gunnison	Collection / Interceptor Construction / Rehabilitation; New Wastewater Treatment Plant; Eliminate ISDS	\$350,000
030181W	2	Merino, Town Of	Merino	Logan	New Wastewater Treatment Plant	\$500,000
040047W	2	Mesa Cortina WSD	Breckenridge	Summit	Collection / Interceptor Construction / Rehabilitation	\$500,000
040032W	2	Mesa County Public Works	Grand Junction	Mesa	Eliminate ISDS	\$1,500,000
030183W	2	Mesa WSD	Mesa	Mesa	Improvement / Expansion of Wastewater Treatment Plant Or New Wastewater Treatment Plant	\$300,000
030186W	2	Milliken, Town Of	Milliken	Weld	Collection / Interceptor Construction / Rehabilitation; New Wastewater Treatment Plant	\$5,800,000
030187W	1	Moffat, Town Of	Moffat	Saguache	New Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation; Eliminate ISDS	\$500,000
030188W	2	Monte Vista, City Of	Monte Vista	Rio Grande	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$1,500,000
030189W	1	Montezuma, Town Of	Montezuma	Summit	New Wastewater Treatment Plant	\$1,000,000
030190W	2	Morrison Creek MD	Oak Creek	Routt	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility; Collection / Interceptor Construction / Rehabilitation	\$500,000
030191W	2	Morrison, Town Of	Morrison	Jefferson	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility	\$50,000
030192W	2	Mount Crested Butte WSD	Mt Crested Butte	Gunnison	Improvement / Expansion of Wastewater Treatment Plant	\$5,250,000
040033W	2	Mountain WSD	Conifer	Jefferson	Improvement / Expansion of Wastewater Treatment Plant	\$500,000
030195W	2	Nederland, Town Of	Nederland	Boulder	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$1,000,000

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Project Number	Elig Cat	Entity	Municipality / Community	County	Description	Project Cost (\$)
030196W	2	North La Junta SD	La Junta	Otero	New Wastewater Treatment Plant Or Connect to Existing Facility; Eliminate ISDS	\$420,000
030197W	2	North Lamar SD	Lamar	Prowers	Improvement / Expansion of Wastewater Treatment Plant	\$480,000
040034W	2	Northglenn, City of	Northglenn	Adams	New Wastewater Treatment Plant	\$14,000,000
030198W	2	Nucla SD	Nucla	Montrose	Collection / Interceptor Construction / Rehabilitation	\$441,066
030199W	2	Nunn, Town Of	Nunn	Weld	New Wastewater Treatment Plant; Eliminate ISDS	\$500,000
030200W	2	Oak Creek, Town Of	Oak Creek	Routt	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$845,000
030201W	1	Olathe, Town Of	Olathe	Montrose	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$4,821,000
030202W	2	Olney Springs, Town of	Olney Springs	Crowley	Improvement / Expansion of Wastewater Treatment Plant	\$1,000,000
030203W	1	Orchard City, Town Of	Orchard City	Delta	New Wastewater Treatment Plant Or Consolidation of Wastewater Treatment Facilities; Collection / Interceptor Construction / Rehabilitation; Eliminate ISDS	\$4,000,000
030204W	2	Ordway, Town Of	Ordway	Crowley	Collection / Interceptor Construction / Rehabilitation	\$1,400,000
030206W	2	Otis, Town Of	Otis	Washington	Improvement / Expansion of Wastewater Treatment Plant	\$200,000
030207W	2	Ouray, City Of	Ouray	Ouray	Improvement / Expansion of Wastewater Treatment Plant	\$100,000
030208W	2	Ovid, Town Of	Ovid	Sedgwick	Improvement / Expansion of Wastewater Treatment Plant	\$115,000
030209W	2	Pagosa Area WSD	Pagosa Springs	Archuleta	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation; Reuse Facility	\$6,131,419
030210W	2	Pagosa Springs, Town Of / GID	Pagosa Springs	Archuleta	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$1,300,000
040035W	2	Palmer Lake SD	Palmer Lake	El Paso	Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$2,000,000
030212W	2	Parachute, Town Of	Parachute	Garfield	Consolidation of Wastewater Treatment Facilities Or New Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$2,000,000
030213W	1	Park County / Moore Dale	Bailey (Un-Incorporated)	Park	Connect to Existing Facility Or New Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation; Eliminate ISDS	\$200,000
030214W	2	Parker WSD	Parker	Douglas	Collection / Interceptor Construction / Rehabilitation; New Wastewater Treatment Plant	\$14,000,000
030215W	2	Perry Park WSD	Larkspur	Douglas	Consolidation of Wastewater Treatment Facilities	\$3,800,000
030216W	2	Phillips County / Amherst Unincorporated Area	Holyoke	Phillips	Collection / Interceptor Construction / Rehabilitation; New Wastewater Treatment Plant; Eliminate ISDS	\$2,000,000

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Project Number	Elig Cat	Entity	Municipality / Community	County	Description	Project Cost (\$)
030219W	2	Platteville, Town Of	Platteville	Weld	New Wastewater Treatment Plant Or Improvement / Expansion of Wastewater Treatment Plant	\$5,500,000
030221W	2	Plum Creek WWA	Castle Rock	Douglas	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility; Reuse Facility	\$23,000,000
030223W	2	Powderhorn MD #1	Mesa	Mesa	New Wastewater Treatment Plant Or Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility; Collection / Interceptor Construction / Rehabilitation; Reuse Facility	\$5,000,000
030225W	2	Pueblo, City Of	Pueblo	Pueblo	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$5,000,000
030226W	2	Rangely, Town Of	Rangely	Rio Blanco	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$800,000
030228W	2	Red Cliff, Town Of	Red Cliff	Eagle	Improvement / Expansion of Wastewater Treatment Plant Or New Wastewater Treatment Plant	\$425,000
030229W	1	Redstone WSD	Redstone	Pitkin	New Wastewater Treatment Plant	\$1,500,000
030230W	1	Rico, Town Of	Rico	Dolores	Collection / Interceptor Construction / Rehabilitation; New Wastewater Treatment Plant; Eliminate ISDS	\$5,200,000
030231W	2	Rifle, City Of	Rifle	Garfield	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$11,500,000
030233W	2	Rockvale, Town Of	Rockvale	Fremont	Collection / Interceptor Construction / Rehabilitation; New Wastewater Treatment Plant Or Connect to Existing Facility; Eliminate ISDS	\$1,000,000
030234W	2	Rocky Ford, City Of	Rocky Ford	Otero	Improvement / Expansion of Wastewater Treatment Plant	\$630,000
030235W	1	Romeo, Town Of	Romeo	Conejos	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$350,000
030236W	2	Round Mountain WSD	Westcliffe	Custer	Joint Septage Disposal Facility	\$200,000
030237W	1	Routt County / Hahn's Peak	Hahn's Peak	Routt	New Wastewater Treatment Plant Or Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$1,500,000
030238W	2	Roxborough Park MD	Littleton	Douglas	Consolidation of Wastewater Treatment Facilities; Collection / Interceptor Construction / Rehabilitation	\$16,500,000
030239W	2	Rye, Town Of	Rye	Pueblo	Consolidation of Wastewater Treatment Facilities; Collection / Interceptor Construction / Rehabilitation	\$750,000

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Project Number	Elig Cat	Entity	Municipality / Community	County	Description	Project Cost (\$)
030240W	2	Saguache, Town Of	Saguache	Saguache	Collection / Interceptor Construction / Rehabilitation	\$3,000,000
030241W	2	Salida, City Of	Salida	Chaffee	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility	\$1,360,000
030242W	2	San Luis WSD	San Luis	Costilla	Collection / Interceptor Construction / Rehabilitation	\$100,000
030243W	1	San Miguel County / Placerville	Telluride	San Miguel	Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$3,385,475
030245W	2	Sedgwick, Town Of	Sedgwick	Sedgwick	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$68,000
040036W	3	Sedgwick, Town Of	Sedgwick	Sedgwick	Stormwater Project	\$26,000
030246W	2	Seibert, Town Of	Seibert	Kit Carson	Improvement / Expansion of Wastewater Treatment Plant	\$50,000
030247W	2	Severance, Town Of	Severance	Weld	Consolidation of Wastewater Treatment Facilities Or Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$1,000,000
030248W	2	Silt, Town Of	Silt	Garfield	Improvement / Expansion of Wastewater Treatment Plant Or New Wastewater Treatment Plant	\$5,000,000
030251W	2	South Adams County WSD	Commerce City	Adams	Improvement / Expansion of Wastewater Treatment Plant; Consolidation of Wastewater Treatment Facilities; Collection / Interceptor Construction / Rehabilitation	\$12,000,000
030252W	2	South Durango SD	Durango	La Plata	Collection / Interceptor Construction / Rehabilitation; New Wastewater Treatment Plant	\$1,800,000
040045W	2	Southwest Metro WSD	Littleton	Jefferson	Collection / Interceptor Construction / Rehabilitation	\$2,500,000
030255W	2	Springfield, Town Of	Springfield	Baca	Improvement / Expansion of Wastewater Treatment Plant	\$100,000
030256W	2	St Charles Mesa SD	Pueblo	Pueblo	New Wastewater Treatment Plant Or Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$3,000,000
030257W	2	St Vrain SD	Longmont	Weld	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$5,500,000
030258W	1	Starkville, Town Of	Starkville	Las Animas	Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$300,000
030259W	2	Steamboat Lakes WSD	Clark	Routt	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation; Meters	\$1,350,000
030261W	2	Strasburg SWD	Strasburg	Adams	Consolidation of Wastewater Treatment Facilities	\$200,000
030262W	2	Stratton, Town Of	Stratton	Kit Carson	Improvement / Expansion of Wastewater Treatment Plant	\$1,000,000
030263W	2	Sugar City, Town Of	Sugar City	Crowley	Improvement / Expansion of Wastewater Treatment Plant	\$100,000
030265W	2	Summit County	Breckenridge	Summit	Non-Point Source Project; Joint Project with Town of Breckenridge	\$15,800,000
030267W	2	Swink, Town Of	Swink	Otero	Improvement / Expansion of Wastewater Treatment Plant	\$200,000

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Project Number	Elig Cat	Entity	Municipality / Community	County	Description	Project Cost (\$)
040038W	3	Tabernash Meadows WSD	Tabernash	Grand	Non-Point Source Project	\$200,000
030269W	1	Tabernash Meadows WSD / Alpine Park	Tabernash	Grand	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$2,500,000
030272W	2	Timbers WSD	Steamboat Springs	Routt	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$30,000
030273W	1	Timnath, Town Of	Timnath	Larimer	Collection / Interceptor Construction / Rehabilitation; New Regional Facility; Eliminate ISDS	\$1,000,000
030274W	2	Triple Creek SD	Allenspark	Boulder	New Wastewater Treatment Plant	\$100,000
040058W	2	Triview MD	Monument	El Paso	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility	\$2,640,000
030275W	2	Vilas, Town Of	Vilas	Baca	Improvement / Expansion of Wastewater Treatment Plant	\$382,200
030277W	2	Walsenburg, City Of	Walsenburg	Huerfano	Improvement / Expansion of Wastewater Treatment Plant	\$2,450,000
040048W	2	Walsh, Town of	Walsh	Baca	Improvement / Expansion of Wastewater Treatment Plant	\$300,000
030279W	2	Weld County / Wattenburg Improvement Association	Wattenburg	Weld	New Wastewater Treatment Facility and Infrastructure; Collection / Interceptor Construction / Rehabilitation; Eliminate ISDS	\$500,000
040039W	2	Weld County Tri-Area SD	Frederick	Weld	Improvement / Expansion of Wastewater Treatment Plant	\$8,000,000
040040W	3	Weld County Tri-Area SD	Frederick	Weld	Stormwater Project	\$2,000,000
030280W	2	Wellington, Town Of	Wellington	Larimer	Improvement / Expansion of Wastewater Treatment Plant	\$4,826,280
040041W	2	West Glenwood SD	Glenwood Springs	Garfield	Consolidation of Wastewater Treatment Facilities Or Improvement / Expansion of Wastewater Treatment Plant	\$1,500,000
030283W	2	Westminster, City Of	Westminster	Adams, Jefferson	Improvement / Expansion of Wastewater Treatment Plant	\$10,000,000
030284W	2	Westminster, City Of	Westminster	Adams, Jefferson	Non-Point Source Project	\$5,000,000
030285W	1	Westwood Lakes WD	Woodland Park	Teller	New Wastewater Treatment Plant Or Connect to Existing Facility; Collection / Interceptor Construction / Rehabilitation; Eliminate ISDS	\$3,000,000
030286W	2	Widefield WSD	Colorado Springs	El Paso	Improvement / New Biosolids Handling Facility; Reuse Facility	\$3,500,000
030287W	2	Wiggins, Town Of	Wiggins	Morgan	Improvement / Expansion of Wastewater Treatment Plant	\$500,000
030288W	2	Wiley SD	Wiley	Prowers	Improvement / Expansion of Wastewater Treatment Plant	\$500,000
030289W	2	Williamsburg, Town Of	Williamsburg	Fremont	Collection / Interceptor Construction / Rehabilitation; New Wastewater Treatment Plant Or Connect to Existing Facility; Eliminate ISDS	\$3,000,000
030292W	2	Winter Park West WSD	Winter Park	Grand	Consolidation of Wastewater Treatment Facilities	\$9,000,000

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Project Number	Elig Cat	Entity	Municipality / Community	County	Description	Project Cost (\$)
030293W	2	Winter Park WSD	Winter Park	Grand	Improvement / Expansion of Wastewater Treatment Plant	\$2,500,000
030294W	2	Woodland Park, City Of	Woodland Park	Teller	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility	\$3,250,000
030295W	2	Wray, City Of	Wray	Yuma	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation; Eliminate ISDS	\$4,200,000
030296W	2	Yuma, City Of	Yuma	Yuma	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility; Collection / Interceptor Construction / Rehabilitation; Reuse Facility	\$4,145,000
040042W	3	Yuma, City Of	Yuma	Yuma	Stormwater Project	\$475,000
					Total	\$1,049,205,949

APPENDIX B

Appendix B
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Additions From The 2003 Project Eligibility List

Project Number	Elig Cat	Entity	Municipality / Community	County	Description	Project Cost (\$)
040043W	2	Academy WSD	Colorado Springs	El Paso	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$75,000
040001W	2	Alamosa, City Of	Alamosa	Alamosa	Collection / Interceptor Construction / Rehabilitation	\$355,000
040049W	2	Arapahoe County WWA	Englewood	Arapahoe	Improvement / Expansion of Wastewater Treatment Plant; Consolidation of Wastewater Treatment Facilities; Improvement / New Biosolids Handling Facility; Collection / Interceptor Construction / Rehabilitation; Reuse Facility	\$22,000,000
040003W	3	Basalt, Town of	Basalt	Eagle	Stormwater Project	\$1,250,000
040004W	3	Berthoud, Town Of	Berthoud	Larimer	Stormwater Project	\$150,000
040005W	2	Breckenridge, Town of	Breckenridge	Summit	Stormwater Project; Non-Point Source Project; Joint Project with Summit County	\$5,000,000
040006W	3	Brighton, City of	Brighton	Adams	Stormwater Project	\$800,000
040050W	2	Brighton, City of	Brighton	Adams	Non-Point Source Project	\$450,000
040007W	2	Broomfield, City & County of	Broomfield	Broomfield	Improvement / Expansion of Wastewater Treatment Plant; Reuse Facility	\$22,000,000
040008W	2	Buena Vista SD	Buena Vista	Chaffee	Improvement / Expansion of Wastewater Treatment Plant; Improvements / New Biosolids Handling Facility	\$1,800,000
040009W	3	Carbondale, Town of	Carbondale	Garfield	Stormwater Project	\$2,500,000
040051W	2	Carbondale, Town of	Carbondale	Garfield	Non-Point Source Project	\$250,000
040010W	1	Clear Creek County / West Empire Area	Empire	Clear Creek	Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$750,000
040052W	1	Clifton SD #2	Clifton	Mesa	New Wastewater Treatment Plant Or Connect to Existing Facility	\$13,000,000
040011W	2	Copper Mountain Consolidated MD	Copper Mountain	Summit	Improvement / Expansion of Wastewater Treatment Plant	\$10,000,000
040012W	2	Crested Butte South MD	Crested Butte	Gunnison	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility; Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$1,600,000
040013W	3	Dolores, Town Of	Dolores	Montezuma	Stormwater Project	\$50,000
040056W	2	Donala WSD	Colorado Springs	El Paso	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility	\$2,334,000
040014W	2	Durango West MD # 2	Durango	La Plata	Improvement / Expansion of Wastewater Treatment Plant	\$200,000
040015W	2	Durango, City of	Durango	La Plata	Improvement / New Biosolids Handling Facility	\$850,000
040016W	2	East Cherry Creek Valley WSD	Aurora	Arapahoe	Collection / Interceptor Construction / Rehabilitation	\$500,000
040046W	2	Eastern Adams County MD	Strasburg	Adams	Consolidation of Wastewater Treatment Facilities; Collection / Interceptor Construction / Rehabilitation; Reuse Facility	\$1,500,000
040017W	2	Eaton, Town of	Eaton	Weld	Improvement / Expansion of Wastewater Treatment Plant	\$5,000,000

Appendix B
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Additions From The 2003 Project Eligibility List

Project Number	Elig Cat	Entity	Municipality / Community	County	Description	Project Cost (\$)
040018W	3	Evans, City Of	Evans	Weld	Stormwater Project	\$1,000,000
040053W	2	Evans, City Of	Evans	Weld	Non-Point Source Project	\$500,000
040057W	2	Forest Lakes MD	Colorado Springs	El Paso	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility	\$1,026,000
040019W	2	Glendale, City of	Glendale	Arapahoe	Collection / Interceptor Construction / Rehabilitation; Consolidation of Wastewater Treatment Facilities And Demolition of Existing Facility	\$8,000,000
040044W	3	Glendale, City of	Glendale	Arapahoe	Stormwater Project	\$1,000,000
040020W	3	Glenwood Springs, City Of	Glenwood Springs	Garfield	Stormwater Project	\$3,000,000
040021W	2	Golden, City Of	Golden	Jefferson	Collection / Interceptor Construction / Rehabilitation	\$500,000
040022W	2	Granby SD	Granby	Grand	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility	\$4,100,000
040023W	3	Grand Lake, Town of	Grand Lake	Grand	Stormwater Project	\$350,000
040024W	2	Highland Lakes WD	Divide	Teller	Collection / Interceptor Construction / Rehabilitation; New Wastewater Treatment Plant; Eliminate ISDS	\$2,525,000
040025W	2	Holyoke, City of	Holyoke	Phillips	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$550,000
040055W	1	Idalia SD	Idalia	Yuma	Improvement / Expansion of Wastewater Treatment Plant	\$250,000
040026W	2	Keenesburg, Town of	Keenesburg	Weld	Improvement / Expansion of Wastewater Treatment Plant; Reuse Facility	\$1,150,000
040027W	2	Kittredge SWD	Kittredge	Jefferson	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility; Collection / Interceptor Construction / Rehabilitation; Eliminate ISDS	\$650,000
040028W	3	Lake County	Leadville	Lake	Stormwater Project	\$2,100,000
040054W	2	Lake County	Leadville	Lake	Non-Point Source Project	\$150,000
040029W	1	Larimer County / Carter Lake Heights PID	Berthoud	Larimer	Collection / Interceptor Construction / Rehabilitation; New Wastewater Treatment Plant; Eliminate ISDS	\$750,000
040030W	3	Loveland, City Of	Loveland	Larimer	Stormwater Project	\$50,000
040031W	3	Mancos, Town Of	Mancos	Montezuma	Stormwater Project	\$200,000
040047W	2	Mesa Cortina WSD	Breckenridge	Summit	Collection / Interceptor Construction / Rehabilitation	\$500,000
040032W	2	Mesa County Public Works	Grand Junction	Mesa	Eliminate ISDS	\$1,500,000
040033W	2	Mountain WSD	Conifer	Jefferson	Improvement / Expansion of Wastewater Treatment Plant	\$500,000
040034W	2	Northglenn, City of	Northglenn	Adams	New Wastewater Treatment Plant	\$14,000,000
040035W	2	Palmer Lake SD	Palmer Lake	El Paso	Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$2,000,000
040036W	3	Sedgwick, Town Of	Sedgwick	Sedgwick	Stormwater Project	\$26,000
040045W	2	Southwest Metro WSD	Littleton	Jefferson	Collection / Interceptor Construction / Rehabilitation	\$2,500,000

Appendix B
Water Pollution Control Revolving Fund
Additions From The 2003 Project Eligibility List

Project Number	Elig Cat	Entity	Municipality / Community	County	Description	Project Cost (\$)
040038W	3	Tabernash Meadows WSD	Tabernash	Grand	Stormwater Project; Non-Point Source Project	\$200,000
040058W	2	Triview MD	Monument	El Paso	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility	\$2,640,000
040048W	2	Walsh, Town of	Walsh	Baca	Improvement / Expansion of Wastewater Treatment Plant	\$300,000
040039W	2	Weld County Tri-Area SD	Frederick	Weld	Improvement / Expansion of Wastewater Treatment Plant	\$8,000,000
040040W	3	Weld County Tri-Area SD	Frederick	Weld	Stormwater Project	\$2,000,000
040041W	2	West Glenwood SD	Glenwood Springs	Garfield	Consolidation of Wastewater Treatment Facilities Or Improvement / Expansion of Wastewater Treatment Plant	\$1,500,000
040042W	3	Yuma, City Of	Yuma	Yuma	Stormwater Project	\$475,000
					Total Additions	\$156,406,000

APPENDIX C

**Appendix C
Projected WPCRF Loans for 2004**

Project Number	Elig Cat	Entity	County	Description	Binding Amout	Binding Date	Federal Fiscal Year
030005W	3	Alamosa, City Of	Alamosa	Stormwater Project	\$3,200,000	6/04	FY01
040001W	2	Alamosa, City Of	Alamosa	Collection / Interceptor Construction / Rehabilitation	\$355,000	12/04	reloan
040049W	2	Arapahoe County WWA	Arapahoe	Improvement / Expansion of Wastewater Treatment Plant; Consolidation of Wastewater Treatment Facilities; Improvement / New Biosolids Handling Facility; Collection / Interceptor Construction / Rehabilitation; Reuse Facility	\$22,000,000	6/04	FY01
030037W	1	Brownsville WSD	Boulder	Collection / Interceptor Construction / Rehabilitation; Connect to Existing Facility; Eliminate ISDS	\$2,400,000	6/04	FY01
030042W	2	Castle Rock, Town Of	Douglas	Improvement / Expansion of Wastewater Treatment Plant; Consolidation of Wastewater Treatment Facilities; Collection / Interceptor Construction / Rehabilitation; Reuse Facility	\$6,600,000	6/04	FY01
030298W	3	Castle Rock, Town Of	Douglas	Stormwater Project	\$400,000	12/04	
030044W	2	Center SD	Saguache	Improvement / Expansion of Wastewater Treatment Plant	\$250,000	12/04	
030048W	3	Cherry Creek Basin Water Quality Authority	Arapahoe	Stormwater Project; Non-Point Source Project	\$1,000,000	12/04	reloan
030053W	2	Clifton SD #1	Mesa	Collection / Interceptor Construction / Rehabilitation	\$1,200,000	6/04	FY01
030218W	3	Colorado Springs, City of / Pikes Peak Enterprise	El Paso	Non-Point Source Project	\$1,000,000	6/04	reloan
040011W	2	Copper Mountain Consolidated MD	Summit	Improvement / Expansion of Wastewater Treatment Plant	\$10,000,000	6/04	FY01
030082W	2	Eagle River WSD / Vail	Eagle	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$6,000,000	6/04	FY02
040017W	2	Eaton, Town of	Weld	Improvement / Expansion of Wastewater Treatment Plant	\$5,000,000	6/04	
030088W	2	Erie, Town Of	Weld	Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility; Collection / Interceptor Construction / Rehabilitation	\$18,750,000	6/04	FY01
040018W	3	Evans, City Of	Weld	Stormwater Project; Non-Point Source Project	\$1,500,000	6/04	FY02
030111W	1	Garden Valley WSD	El Paso	Improvement / Expansion of Wastewater Treatment Plant Or Consolidation of Wastewater Treatment Facilities; Collection / Interceptor Construction / Rehabilitation	\$650,000	11/03	reloan

**Appendix C
Projected WPCRF Loans for 2004**

Project Number	Elig Cat	Entity	County	Description	Binding Amout	Binding Date	Federal Fiscal Year
040019W	2	Glendale, City of	Arapahoe	Collection / Interceptor Construction / Rehabilitation; Consolidation of Wastewater Treatment Facilities And Demolition of Existing Facility	\$8,000,000	6/04	FY02
030167W	2	Littleton / Englewood	Arapahoe	Improvement / Expansion of Wastewater Treatment Plant	\$110,000,000	6/04	FY02 / 03
040030W	3	Loveland, City Of	Larimer	Stormwater Project	\$50,000	12/04	
030178W	2	Mancos, Town Of	Montezuma	Collection / Interceptor Construction / Rehabilitation	\$500,000	12/04	
030196W	2	North La Junta SD	Otero	New Wastewater Treatment Plant Or Connect to Existing Facility; Eliminate ISDS	\$420,000	12/04	
030200W	2	Oak Creek, Town Of	Routt	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$845,000	12/04	
030203W	1	Orchard City, Town Of	Delta	New Wastewater Treatment Plant Or Consolidation of Wastewater Treatment Facilities; Collection / Interceptor Construction / Rehabilitation; Eliminate ISDS	\$4,000,000	6/04	FY04
030219W	2	Platteville, Town Of	Weld	New Wastewater Treatment Plant Or Improvement / Expansion of Wastewater Treatment Plant	\$5,500,000	6/04	FY04
030223W	2	Powderhorn MD #1	Mesa	New Wastewater Treatment Plant Or Improvement / Expansion of Wastewater Treatment Plant; Improvement / New Biosolids Handling Facility; Collection / Interceptor Construction / Rehabilitation; Reuse Facility	\$5,000,000	6/04	FY04
030229W	2	Redstone WSD	Pitkin	New Wastewater Treatment Plant	\$1,500,000	6/04	reloan
030231W	2	Rifle, City Of	Garfield	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$11,500,000	6/04	FY04
030238W	2	Roxborough Park MD	Douglas	Consolidation of Wastewater Treatment Facilities; Collection / Interceptor Construction / Rehabilitation	\$16,500,000	6/04	reloan
030247W	2	Severance, Town Of	Weld	Consolidation of Wastewater Treatment Facilities Or Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation	\$1,000,000	8/04	reloan
030261W	2	Strasburg SWD	Adams	Consolidation of Wastewater Treatment Facilities	\$200,000	12/04	
030265W	3	Summit County	Summit	Non-Point Source Project	\$15,800,000	6/04	FY04
030277W	2	Walsenburg, City Of	Huerfano	Improvement / Expansion of Wastewater Treatment Plant	\$2,450,000	6/04	FY04

**Appendix C
Projected WPCRF Loans for 2004**

Project Number	Elig Cat	Entity	County	Description	Binding Amout	Binding Date	Federal Fiscal Year
030279W	2	Weld County / Wattenburg Improvement Association	Weld	New Wastewater Treatment Facility and Infrastructure; Collection / Interceptor Construction / Rehabilitation; Eliminate ISDS	\$500,000	12/04	
030284W	3	Westminster, City Of	Adams, Jefferson	Non-Point Source Project	\$5,000,000	6/04	FY04
030295W	2	Wray, City Of	Yuma	Improvement / Expansion of Wastewater Treatment Plant; Collection / Interceptor Construction / Rehabilitation; Eliminate ISDS	\$4,200,000	6/04	FY04
				TOTAL ESTIMATED BINDING AMOUNT	\$273,270,000		

APPENDIX D

Appendix D

WATER POLLUTION CONTROL REVOLVING FUND (WPCRF)
Loan Summary Report as of May 31, 2003

LEVERAGED LOANS									
Number of Bonds Issued (excluding refundings):		18							
Number of Leveraged Loans Executed:		67							
Bond Issue	BORROWER	LOAN DATE	ORIGINAL LOAN AMOUNT	LOAN TERM	EFFECTIVE INTEREST RATE	FEDERAL GRANT AMOUNT	STATE MATCH PROVIDED	Code	CWSRF RELOAN FUNDS USED FOR NEW LOANS
1989A	Denver SE Suburban W&S District	12/01/89	\$6,905,000.00	22 YEARS	4.634%	\$3,073,381.70	\$634,118.30	D	\$0.00
1990A	Castle Rock, Town of	06/15/90	4,319,911.00	20 YEARS	5.202%	2,147,505.40	429,910.53	D	0.00
1991A	Englewood, City of	11/15/90	12,750,000.00	22 YEARS	4.642%	6,464,024.04	1,292,811.89	D	0.00
1991A	Littleton (Revenue), City of	11/15/90	5,000,694.16	22 YEARS	4.642%	2,535,263.31	507,055.44	D	0.00
1991A	Littleton (Gen. Oblig.), City of	11/15/90	7,750,000.00	22 YEARS	4.642%	3,929,112.65	785,826.83	D	0.00
1991B	Metro WW Reclamation District	05/01/91	21,910,000.00	20 YEARS	4.576%	11,125,000.00	2,225,000.00	D	0.00
1992A	Fort Lupton, City of	06/15/92	4,200,000.00	21 YEARS	5.174%	1,151,100.00	230,220.00	B	0.00
1992A	Frisco Sanitation District	06/15/92	4,500,000.00	20 YEARS	5.174%	1,455,800.00	291,160.00	B	0.00
1992A	Eagle River W&S District	06/15/92	7,368,840.00	21 YEARS	5.174%	1,737,300.00	347,460.00	B	0.00
1992B	Fort Collins, City of	07/15/92	24,540,580.00	23 YEARS	4.045%	9,548,700.00	1,909,740.00	B	0.00
1992B	Longmont, City of	07/15/92	3,500,000.00	20 YEARS	3.965%	1,729,200.00	345,840.00	B	0.00
1994A	Alamosa, City of	08/01/94	3,197,216.00	15 YEARS	3.768%	1,336,080.00	267,216.00	B	0.00
1994A	Genesee W&S District	08/01/94	1,498,151.50	20 YEARS	4.863%	465,757.00	93,152.00	B	0.00
1994A	Greeley, City of	08/01/94	13,457,960.00	20 YEARS	4.973%	3,664,800.00	732,960.00	B	0.00
1994A	Parker W&S District	08/01/94	1,781,883.00	20 YEARS	4.892%	584,415.00	116,883.00	B	0.00
1994A	Windsor, Town of	08/01/94	3,998,852.50	15 YEARS	4.621%	1,069,263.00	213,852.00	B	0.00
1995A	Brighton, City of	05/01/95	5,080,483.75	20 YEARS	4.578%	1,277,418.75	255,483.75	B	0.00
1995A	Craig, City of	05/01/95	1,096,820.00	20 YEARS	4.578%	359,100.00	71,820.00	B	0.00
1995A	Fort Morgan, City of	05/01/95	9,146,685.00	20 YEARS	4.587%	2,708,425.00	541,685.00	B	0.00
1995A	Steamboat Springs, City of	05/01/95	1,563,550.00	20 YEARS	4.576%	492,750.00	98,550.00	B	0.00
1995A	Eagle River W&S District	05/01/95	6,099,183.00	20 YEARS	4.583%	1,920,915.00	384,183.00	B	0.00
1995A	Winter Park W&S District	05/01/95	3,050,000.00	20 YEARS	4.590%	799,250.00	160,000.00	B	0.00
1996A	Crested Butte, Town of	06/01/96	2,499,120.00	20 YEARS	4.727%	795,600.00	159,120.00	B	0.00
1996A	Mt. Crested Butte W&S District	06/01/96	1,399,080.00	19 YEARS	4.740%	445,400.00	89,080.00	B	0.00
1996A	Fountain Sanitation District	06/01/96	1,716,099.00	19 YEARS	4.711%	505,495.00	101,099.00	B	0.00
1996A	Idaho Springs, City of	06/01/96	1,541,237.00	20 YEARS	4.742%	481,185.00	96,237.00	B	0.00
1997A	Breckenridge Sanitation District	05/01/97	8,093,616.90	20 YEARS	4.534%	2,618,084.00	523,616.90	B	0.00
1997A	Carbondale, Town of	05/01/97	2,327,490.20	10 YEARS	4.216%	662,451.00	132,490.20	B	0.00
1997A	Eagle, Town of	05/01/97	\$2,345,204.20	20 YEARS	4.533%	\$801,021.00	\$160,204.20	B	0.00
1997A	Erie, Town of	05/01/97	1,821,690.20	20 YEARS	4.539%	583,451.00	116,690.20	B	0.00
1997A	Parker W&S District	05/01/97	3,271,642.30	20 YEARS	4.543%	1,033,211.00	206,642.30	B	0.00

Appendix D

WATER POLLUTION CONTROL REVOLVING FUND (WPCRF)

Loan Summary Report as of May 31, 2003

LEVERAGED LOANS (cont'd)

Bond Issue	BORROWER	LOAN DATE	ORIGINAL LOAN AMOUNT	LOAN TERM	EFFECTIVE INTEREST RATE	FEDERAL GRANT AMOUNT	STATE MATCH PROVIDED	Code	CWSRF RELOAN FUNDS USED FOR NEW LOANS
1997A	Sterling, City of	05/01/97	2,499,524.10	19 YEARS	4.534%	822,620.00	164,524.10	B	0.00
1997A	Westminster, City of	05/01/97	13,246,525.00	20 YEARS	4.543%	3,482,625.00	696,525.00	B	0.00
1998A	Buena Vista Sanitation District	04/01/98	3,896,505.00	19 YEARS	3.960%	1,257,525.00	251,505.00	B	0.00
1998A	Eagle River W&S District	04/01/98	17,685,395.60	18 YEARS	3.940%	6,176,978.00	1,235,395.60	B	0.00
1998A	Evans, City of	04/01/98	1,141,616.60	20 YEARS	4.030%	433,083.00	86,616.60	B	0.00
1998A	Trinidad, City of	04/01/98	6,670,909.00	20 YEARS	3.990%	2,129,545.00	425,909.00	B	0.00
1998A	Westminster, City of	04/01/98	4,085,697.00	19 YEARS	3.980%	1,453,485.00	290,697.00	B	0.00
1998B	Colorado Springs, City of	04/01/98	22,204,270.00	21 YEARS	4.060%	6,971,350.00	1,394,270.00	B	0.00
1999A	Aurora, City of	07/01/99	24,124,365.80	15 YEARS	4.040%	8,571,829.00	1,714,365.80	B	0.00
1999A	Fremont Sanitation District	07/01/99	8,094,567.60	20 YEARS	4.200%	2,772,838.00	554,567.60	B	0.00
1999A	Grand County W&S District	07/01/99	3,999,978.00	19 YEARS	4.170%	1,424,890.00	284,978.00	B	0.00
1999A	Mt. Werner W&S District	07/01/99	0.00	20 YEARS	4.200%	0.00	219,627.20	B	0.00
1999A	Steamboat Springs, City of	07/01/99	2,935,636.00	20 YEARS	4.200%	978,180.00	195,636.00	B	0.00
2000A	Parker W&S District	05/15/00	12,063,546.00	20 YEARS	4.650%	3,392,730.00	678,546.00	B	0.00
2000A	Summit County	05/15/00	17,086,830.00	20 YEARS	4.660%	5,184,150.00	1,036,830.00	B	0.00
2000A	Three Lakes W&S District	05/15/00	6,498,576.00	19 YEARS	4.640%	1,792,880.00	358,576.00	B	0.00
2001A	Cortez Sanitation District	05/01/01	9,775,000.00	20 YEARS	3.990%	0.00	0.00	F	3,284,400.00
2001A	Ft. Collins, City of	05/01/01	9,845,000.00	21 YEARS	4.020%	0.00	0.00	F	4,331,800.00
2001A	Fraser Sanitation District	05/01/01	2,445,000.00	20 YEARS	3.990%	0.00	0.00	F	1,006,122.00
2001A	LaFayette, City of	05/01/01	7,861,138.80	21 YEARS	4.040%	2,730,694.00	546,138.80	B	0.00
2001A	Mt. Crested Butte W&S District	05/01/01	5,161,580.60	21 YEARS	4.020%	1,882,903.00	376,580.60	B	0.00
2001A	Parker W&S District	05/01/01	4,913,424.00	21 YEARS	4.010%	1,667,120.00	333,424.00	B	0.00
2001A	Plum Creek Wastewater Authority	05/01/01	25,525,000.00	21 YEARS	4.020%	0.00	0.00	F	8,742,316.00
2001A	Steamboat Springs, City of	05/01/01	5,895,654.40	21 YEARS	4.010%	2,278,272.00	455,654.40	B	0.00
2002A	Berthoud, Town of	05/01/02	6,325,000.00	22 YEARS	3.850%	0.00	0.00	F	2,400,340.00
2002A	Black Hawk Central City Sanitation District	05/01/02	24,107,369.40	21 YEARS	3.710%	7,811,847.00	1,562,369.40	B	0.00
2002A	Mesa County / City of Grand Junction	05/01/02	13,490,000.00	23 YEARS	3.620%	0.00	0.00	F	5,884,338.00
2002A	South Adams W&S District	05/01/02	6,270,000.00	21 YEARS	3.790%	0.00	0.00	F	2,871,660.00
2002A	Wellington, Town of	05/01/02	4,826,280.60	21 YEARS	3.710%	1,856,403.00	371,280.60	B	0.00
2002A	Winter Park West W&SD	05/01/02	2,406,249.20	20 YEARS	3.680%	906,246.00	181,249.20	B	0.00
2002B	Denver SE W&SD	10/01/02	7,045,000.00	21 YEARS	3.210%	0.00	0.00	F	3,434,443.00
2002B	Parker W&S District	10/01/02	14,112,800.00	23 YEARS	3.620%	5,564,000.00	1,112,800.00	B	0.00
2002B	Plum Creek Wastewater Authority	10/01/02	3,390,000.00	21 YEARS	3.220%	0.00	0.00	F	1,582,118.00
2003A	Colorado City Metro Dist	05/01/03	1,878,537.60	22 YEARS	3.260%	842,688.00	168,537.60	B	0.00
2003A	Milliken, Town of	05/01/03	5,897,275.80	22 YEARS	3.280%	2,511,379.00	502,275.80	B	0.00
2003A	Pueblo, City of	05/01/03	8,402,620.20	22 YEARS	3.250%	3,788,101.00	757,620.20	B	0.00
TOTAL LEVERAGED LOANS			\$493,537,862.01			\$146,184,819.85	\$29,476,607.04		\$33,537,537.00

Appendix D

WATER POLLUTION CONTROL REVOLVING FUND (WPCRF)
Loan Summary Report as of May 31, 2003

DIRECT LOANS									
Number of Direct Loans Executed:		41							
Year of Loan	BORROWER	LOAN DATE	ORIGINAL LOAN AMOUNT	LOAN TERM	EFFECTIVE INTEREST RATE	FEDERAL GRANT AMOUNT	STATE MATCH PROVIDED	Code	CWSRF RELOAN FUNDS USED FOR NEW LOANS
1989	Mountain Range Shadows	12/01/89	\$1,721,489.01	21 YEARS	3.150%	\$1,207,770.00	\$241,554.37	D	\$0.00
1990	Mountain W&S District	04/17/90	200,000.00	20 YEARS	1.431%	166,666.68	33,333.32	A	0.00
1990	Wellington, Town of	06/01/90	375,000.00	20 YEARS	1.431%	312,500.00	62,499.90	A	0.00
1991	Durango West Metro. District #2	07/29/91	500,000.00	20 YEARS	4.500%	416,658.00	83,342.10	B, C	0.00
1992	Nucla Sanitation District	05/11/92	180,000.00	20 YEARS	1.500%	149,999.00	30,001.48	A	0.00
1992	Divide W&S District	07/15/92	69,000.00	9 YEARS	4.500%	57,500.00	11,500.00	C	0.00
1992	Ouray, City of	09/17/92	800,000.00	20 YEARS	4.500%	666,667.00	133,333.33	C	0.00
1992	Montrose County	10/30/92	257,919.26	20 YEARS	4.500%	214,932.00	42,967.17	C	0.00
1994	Fort Lupton, City of	01/12/94	200,000.00	20 YEARS	5.170%	166,666.00	33,334.00	B	0.00
1994	St. Mary's Glacier W&S District	07/15/94	150,000.00	20 YEARS	4.500%	125,000.00	25,000.00	B, E	0.00
1994	Roxborough Park Metro. District	11/18/94	600,000.00	20 YEARS	4.500%	500,000.00	100,000.00	B	0.00
1995	Parker W&S District	03/16/95	500,000.00	5 YEARS	4.890%	416,667.00	83,333.00	B	0.00
1995	Fruita, City of	04/27/95	155,435.23	20 YEARS	4.500%	129,530.00	25,905.23	B	0.00
1995	Log Lane Village, Town of	06/01/95	250,000.00	21 YEARS	4.500%	208,333.00	41,667.00	B	0.00
1996	Lyons, Town of	10/07/96	506,311.19	20 YEARS	4.500%	421,925.00	84,386.19	B	0.00
1996	Ordway, Town of	10/15/96	350,000.00	20 YEARS	4.500%	291,666.00	58,334.00	B, E	0.00
1996	Broomfield, City of	12/05/96	2,514,119.34	20 YEARS	4.710%	2,095,099.00	419,020.34	B	0.00
1997	Vona, Town of	01/29/97	85,000.00	20 YEARS	4.500%	70,833.00	14,167.00	B	0.00
1997	Manzanola, Town of	06/01/97	80,360.00	20 YEARS	4.500%	66,966.00	13,394.00	B	0.00
1997	Pagosa Springs (DL #1)	06/03/97	640,000.00	19 YEARS	4.500%	533,333.00	106,667.00	B	0.00
1997	Erie, Town of	10/08/97	500,000.00	20 YEARS	4.500%	416,666.00	83,334.00	B, E	0.00
1997	Holyoke, City of	12/01/97	489,700.00	20 YEARS	4.500%	408,083.00	81,617.00	B	0.00
1998	Byers W&S District	08/28/98	435,000.00	20 YEARS	4.500%	362,500.00	72,500.00	B, E	0.00
1998	Las Animas, City of	11/12/98	1,070,000.00	20 YEARS	4.500%	891,666.00	178,334.00	B	0.00
1998	Evans, City of	11/16/98	396,249.40 *	20 YEARS	4.500%	330,207.00	66,042.40	B, E	0.00
1998	East Alamosa, W&S District	12/02/98	180,000.00	20 YEARS	4.500%	150,000.00	30,000.00	B	0.00
1999	New Castle, Town of	01/01/99	917,076.00	20 YEARS	4.500%	415,233.00	83,046.62	B / F	418,796.38
1999	Left Hand W&S District (DL#1)	03/05/99	126,300.00	19 YEARS	4.500%	105,250.00	21,050.00	B	0.00
1999	Monte Vista, Town of	09/01/99	968,000.00	20 YEARS	4.500%	806,667.00	161,333.00	B	0.00
1999	La Junta, City of	10/15/99	\$358,400.00	20 YEARS	4.500%	\$0.00	\$0.00	F	\$358,400.00
1999	Kersey, Town of	12/29/99	163,000.00	20 YEARS	4.500%	0.00	0.00	F	163,000.00
2000	Columbine W&S District	03/31/00	424,229.57 *	15 YEARS	4.500%	0.00	0.00	F	424,229.57
2000	Left Hand W&S District (DL#2)	09/20/00	84,000.00	20 YEARS	4.500%	0.00	0.00	F	84,000.00

**WATER POLLUTION CONTROL REVOLVING FUND (WPCRF)
Loan Summary Report as of May 31, 2003**

DIRECT LOANS (Cont'd)									
Year of Loan	BORROWER	LOAN DATE	ORIGINAL LOAN AMOUNT	LOAN TERM	EFFECTIVE INTEREST RATE	FEDERAL GRANT AMOUNT	STATE MATCH PROVIDED		CWSRF RELOAN FUNDS USED FOR NEW LOANS
2000	Springfield, Town of	11/01/00	200,000.00 *	20 YEARS	4.000%	0.00	0.00	F	200,000.00
2001	Niwot Sanitation District	02/16/01	1,000,000.00	20 YEARS	4.000%	0.00	0.00	F	1,000,000.00
2001	Baca Grande W&SD	12/20/01	800,000.00	20 YEARS	4.000%	0.00	0.00	F	800,000.00
2002	Julesburg, Town of	05/15/02	800,000.00	20 YEARS	4.000%	0.00	0.00	F	800,000.00
2002	Pagosa Springs (DL#2)	07/15/02	200,000.00	20 YEARS	4.000%	0.00	0.00	F	200,000.00
TOTAL DIRECT LOANS			\$19,246,589.00			\$12,104,982.68	\$2,420,996.45		\$4,448,425.95
TOTAL AMOUNT OF WPCRF LOANS EXECUTED:			\$512,784,451.01			\$158,289,802.53	\$31,897,603.49		\$37,985,962.95

* Reflects amount of loan after amendment. See WPCRF records for further information.

(a) Mt Werner original loan amount was \$3,034,627.20. The loan was defeased in total on 04/02/01 per borrower request. No EPA funds were drawn, but the state match, funded at bond closing, was transferred to the CWSRF Reloan Account upon defeasance (state match funds remained in the Clean Water program).

Summary of Sources of State Match Provided:	
A - Loan Recipient	\$125,835
B - Authority	\$23,973,087
C - WPCRF Administrative Fee Account	\$206,211
D - Revenue Bonds	\$6,116,277
E - Direct Loan Pre-Construction Account Interest Income	\$47,759
Total	\$30,469,170
F - No State Match Required (LOANS Financed with CWSRF Reloan Funds)	\$37,985,963