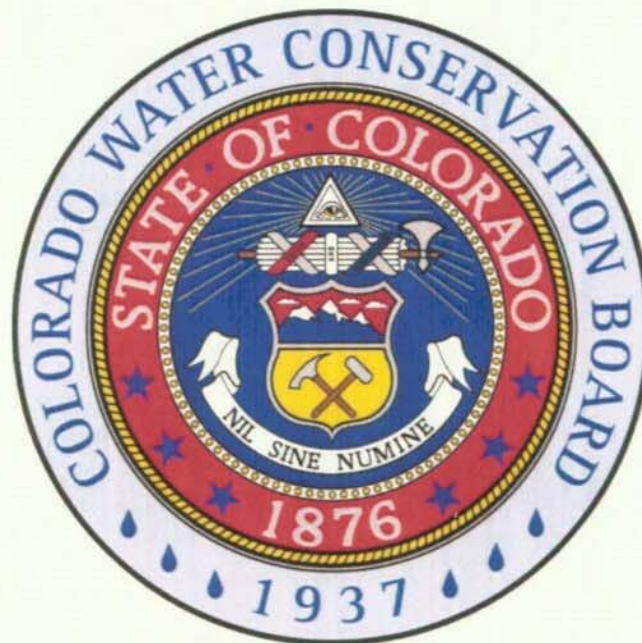


Colorado Water Conservation Board

CONSTRUCTION FUND
AND
SEVERANCE TAX TRUST FUND
PERPETUAL BASE ACCOUNT

SMALL PROJECT LOAN REPORT



Colorado Water Conservation Board
Department of Natural Resources

2004

PREFACE

Pursuant to Section 37-60-122(b) of the C.R.S. the Colorado Water Conservation Board (CWCB) is required to submit a report by January 15th of each year to the Colorado General Assembly describing the basis for all Construction Fund and Severance Tax Trust Fund Perpetual Base Account loans authorized by the CWCB under \$5,000,000. This report fulfills the CWCB reporting obligations for those small project loans for calendar year 2004.

The report includes a summary spreadsheet identifying each loan approval date, the project sponsor or borrower, the project name, the loan amount, and the name of the County and river basin where the project is located. There were 23 loan projects under \$5 million approved by the CWCB in calendar year 2004. The Board also approved loan amount increases to 3 previously approved projects. The total loan value of the 26 projects was almost \$13,000,000.

Also included in the report is a loan project data sheet for each project that includes a project description, project location map, and other pertinent loan and project information.

Colorado Water Conservation Board
 Small Project Loans - Severance Tax Trust Fund Perpetual Base Account
 For Calendar Year 2004

Item	Date Approved	Sponsor	Project	Amount Approved	County	Basin
1	03/17/04	Fulton Irrigation Ditch Company	Fulton Ditch Spillway Repair	\$ 171,700	Adams	South Platte
2	03/17/04	North Poudre Irrigation Company	Miner's Lake Reservoir #1 Rehabilitation	\$ 614,080	Larimer	South Platte
3	03/17/04	FL Gill H2O LLC	Recharge and Augmentation Project	\$ 115,898	Washington	South Platte
4	03/17/04	Terrace Irrigation Company	Terrace Reservoir Outlet Repairs	\$ 245,430	Conejos	Rio Grande
5	03/17/04	Union Ditch Company	UDC Recharge Project	\$ 312,595	Weld	South Platte
6	03/17/04	Orchard City Irrigation District	Dry Creek Transfer Ditch Rehabilitation	\$ 93,122	Delta	Gunnison
7	03/17/04	Upper Surface Creek Domestic Water Users As	Spaulding Peak Water Intake Project	\$ 163,802	Delta	Gunnison
8	05/25/04	Guenzi Farms	Groundwater Recharge Project	\$ 334,739	Logan	South Platte
9	05/25/04	3T Cattle Company	Water Rights Purchase	\$ 249,975	Morgan	South Platte
10	07/21/04	Smart Brothers Inc.	Smart Brothers Groundwater Recharge Project	\$ 242,248	Logan	South Platte
11	07/21/04	Town of Hillrose	Water Rights Purchase	\$ 69,311	Morgan	South Platte
12	07/21/04	Henry Bolen Ditch Company	Bolen Ditch Pipeline Project	\$ 520,150	Montezuma	Dolores & San Juan
13	07/21/04	Pinewood Springs Water District	Pinewood Springs Raw Water System Improvements	\$ 2,054,188	Larimer	South Platte
14	09/14/04	Mancos Valley Beaver Ditch Company	Beaver Ditch Pipeline Project	\$ 417,130	Montezuma	Dolores & San Juan
15	09/14/04	Lower Bauer West Lateral, Inc.	Lower Bauer Reservoir Outlet Pipeline	\$ 196,950	Montezuma	Dolores & San Juan
16	09/14/04	Young Creek Reservoir Company	Young Creek Reservoir Nos. 1 & 2 Rehabilitation	\$ 197,354	Delta	Gunnison
17	09/14/04	Bull Creek Reservoir Canal & Power Company	Bull Creek Reservoir Rehabilitation & Enlargement	\$ 599,940	Mesa	Colorado River
18	09/14/04	Larimer and Weld Irrigation Company	Larimer and Weld Ditch Rehabilitation	\$ 1,515,000	Weld	South Platte
19	11/17/04	Beaver Reservoir Company	Beaver Reservoir Liner Protection & Valve Replacement	\$ 129,785	Gunnison	Gunnison
20	11/17/04	Buffalo Farms Water Development, LLC	Groundwater Recharge Project	\$ 195,435	Logan	South Platte
21	11/17/04	Upper Arkansas Water Conservancy District	North Fork Reservoir Rehabilitation	\$ 3,009,800	Chaffee/Fremont/ Custer	Arkansas River

Total Small Project Loans Approved in 2004 From Severance Tax

\$ 11,448,631

Colorado Water Conservation Board
 Small Project Loans - Construction Fund
 For Calendar Year 2004

Item	Date Approved	Sponsor	Project	Amount Approved	County	Basin
1	01/27/04	Lower Platte and Beaver Canal Company	Lower Platte and Beaver Canal Co. Well Augmentation Project	\$ 313,605	Morgan	South Platte
2	01/27/04	East Fork Mutual Irrigation Company	East Fork Mutual Ditch Pipe and Slope Stabilization	\$ 259,860	Grand	Colorado River
3	05/25/04	Town of Kremmling	Increase to Raw Water Pumping Project	\$ 689,750	Grand	Colorado River
4	09/14/04	East Fork Mutual Irrigation Company	Increase to East Fork Mutual Ditch Pipe and Slope Stabilization	\$ 121,412	Grand	Colorado River
5	11/17/04	Pine River-Bayfield Ditch Company	Increase to Loan for Beaver Creek Siphon Rehabilitation	\$ 30,300	La Plata	San Juan River

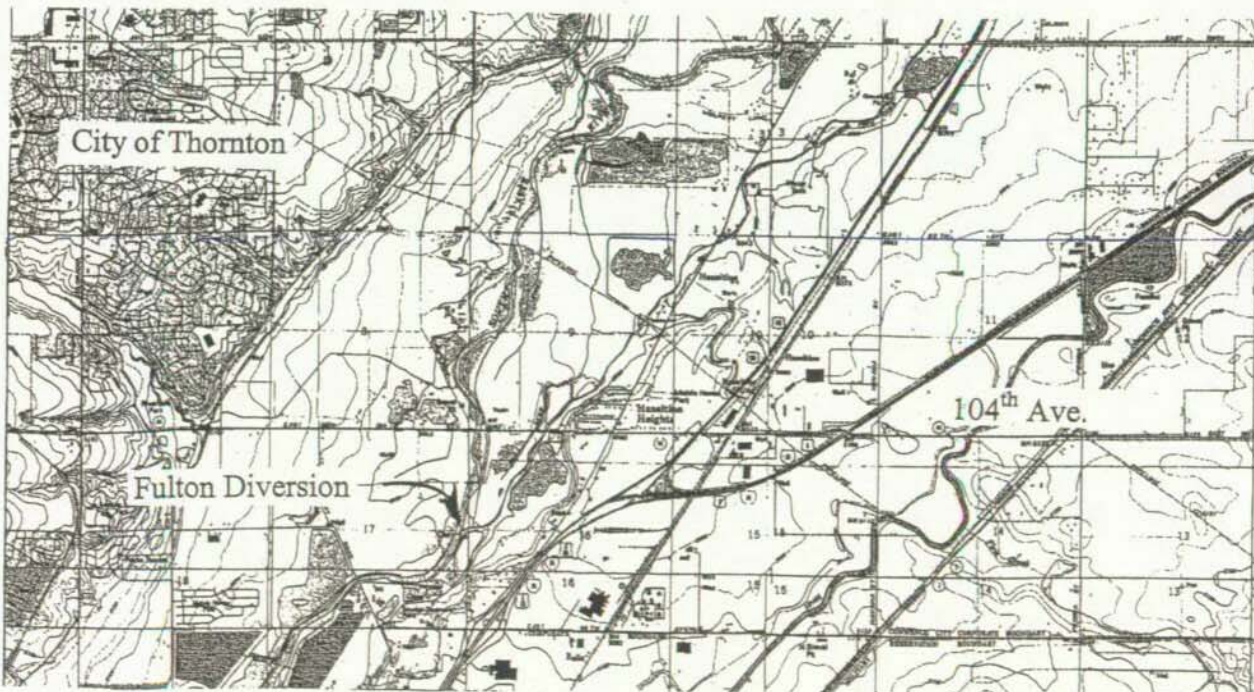
Total Small Project Loans Approved in 2004 From Construction Fund

\$ 1,414,927

Water Project Construction Loan Program-Project Data

Borrower: Fulton Irrigation Ditch Company	County: Adams
Project Name: Fulton Ditch Spillway Repair	Project Type: Diversion Rehabilitation
Drainage Basin: South Platte	Water Source: South Platte River
Total Project Cost: \$200,000	Funding Sources: Company and CWCB
Type of Borrower: Agricultural/Municipal	Interest Rate: 2.8%
CWCB Loan: \$170,000 (Includes Org. Fee)	Term: 20 years
Average Annual Volume of Water diverted: 30,666 AF	

The Fulton Irrigation Ditch Company (FIDC), located in Adams County, owns and operates the Fulton Irrigation Ditch to deliver direct flow irrigation water for the benefit of the 220 shareholders. Water is diverted from the South Platte River, located about 5 miles southwest from the City of Brighton, to a 37,628 acre service area. The FIDC is applying for a loan in the amount of \$170,000 to make repairs to their existing diversion structure. The estimated total cost of the project is \$200,000, which involves the placement of steel sheet piling upstream and downstream of the existing spillway structure, with a concrete pile cap, and the placement of pressurized grout in the existing stilling basin to fill any existing voids.

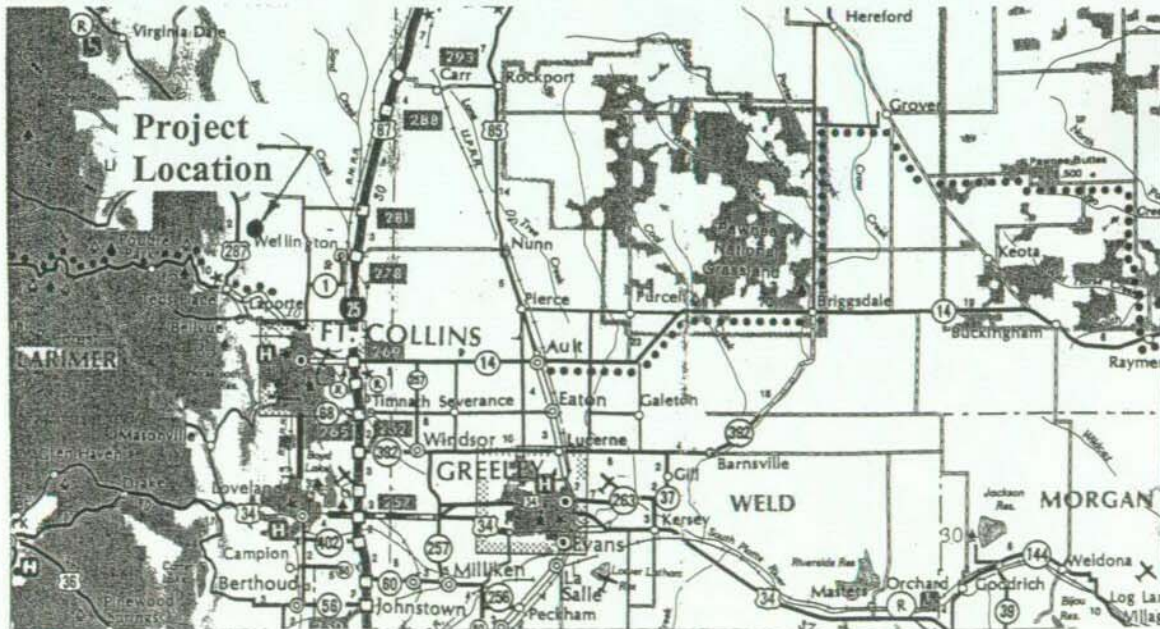


Location Map

Water Project Construction Loan Program - Project Data

Borrower: North Poudre Irrigation Co.	County: Larimer
Project Name: Res. No. 1 (Miner's Lake)	Project Type: Reservoir Rehabilitation
Drainage Basin: South Platte	Water Source: Cache La Poudre River
Total Project Cost: \$760,000	Funding Sources: CWCB, NPIC
Type of Borrower: Agric./Municipal (Medium)	Aver. Delivery: 417 acre-feet (added storage)
CWCB Construction Fund Loan: \$608,000	Interest Rate: 3.25% Term: 20 years

NPIC is located in Larimer County and owns and operates Reservoir No. 1 (Miner's Lake). They own and operate 22 storage reservoirs and approximately 200 miles of ditches, with a service area in located in northeastern Larimer County. The total service area is approximately 42,000 acres of which NPIC provides irrigation water for approximately 28,000 acres, with an average annual delivery of 44,400 acre-feet. The reservoir has storage decrees dating from 1881 and 1888, allowing NPIC to store 674 acre-feet of water in the reservoir at full capacity. The dam was constructed in the 1880's. Currently the reservoir is under restriction from the State Engineer's Office (SEO) to 257 AF because of aging outlet works, inadequate spillway, and seepage at the toe of the dam. The existing dam is a Class 2 rated dam, with a length of 800 feet, a maximum height of 18 feet, a crest width of 14 feet, and an existing spillway width of 15 feet. The rehabilitation project involves re-grading the upstream face of the dam and adding riprap, re-grading and reinforcing the downstream face of the dam, adding a blanket and toe drains, enlarging the spillway to approximately 50 feet in length, replacement of the outlet works (24" diameter), removal of up to 75 acre-feet of silt to obtain full capacity, and reconstruction and automation of the inlet diversion structure above the reservoir on Park Creek.

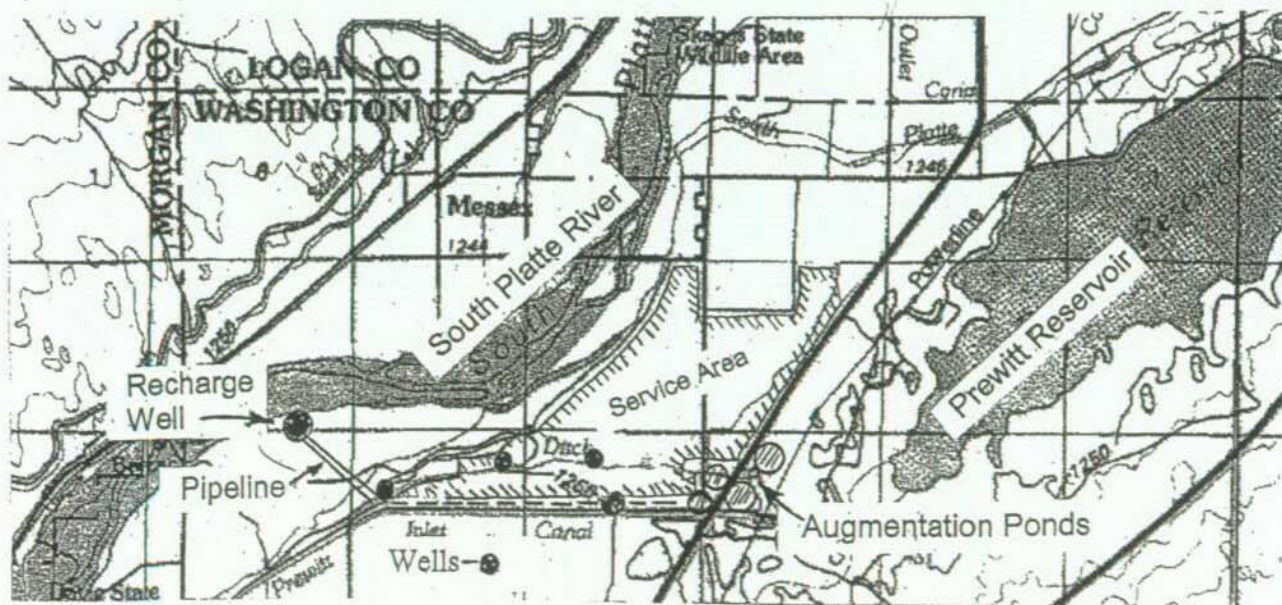


Location Map

Water Project Construction Loan Program-Project Data

Borrower: FL Gill H2O LLC	County: Washington
Project Name: Recharge and Augmentation Project	Project Type: Well Augmentation
Drainage Basin: South Platte River	Water Source: South Platte River
Total Project Cost: \$127,500	Funding Sources: CWCB and Company
Type of Borrower: Agricultural	Median Household Income: N/A
CWCB Loan: \$114,750	Interest Rate: 2.25% Term: 20 years
CWCB Grant: \$300	Average annual well diversions: 1,072 acre-feet

The FL Gill H2O LLC, located in Washington County, consists of the owners of 3 contiguous farms under the Johnson and Edwards Ditch, with a combined irrigated acreage of 910 acres. The project involves construction of 4 recharge ponds, drilling one recharge well, constructing a pipeline between the well and a private lateral, and purchasing a share of reservoir water. The project will generate augmentation credits to cover depletions for 4 irrigation wells used by the members of the Company. The project will be completed by spring 2005. Brent Nation, P.E., of Nation Engineering Services has completed the feasibility study. Proposed funding for the project consists of a \$114,750 Small Project Loan and a \$300 Feasibility Study Grant from the CWCB, and the remainder from the Company.

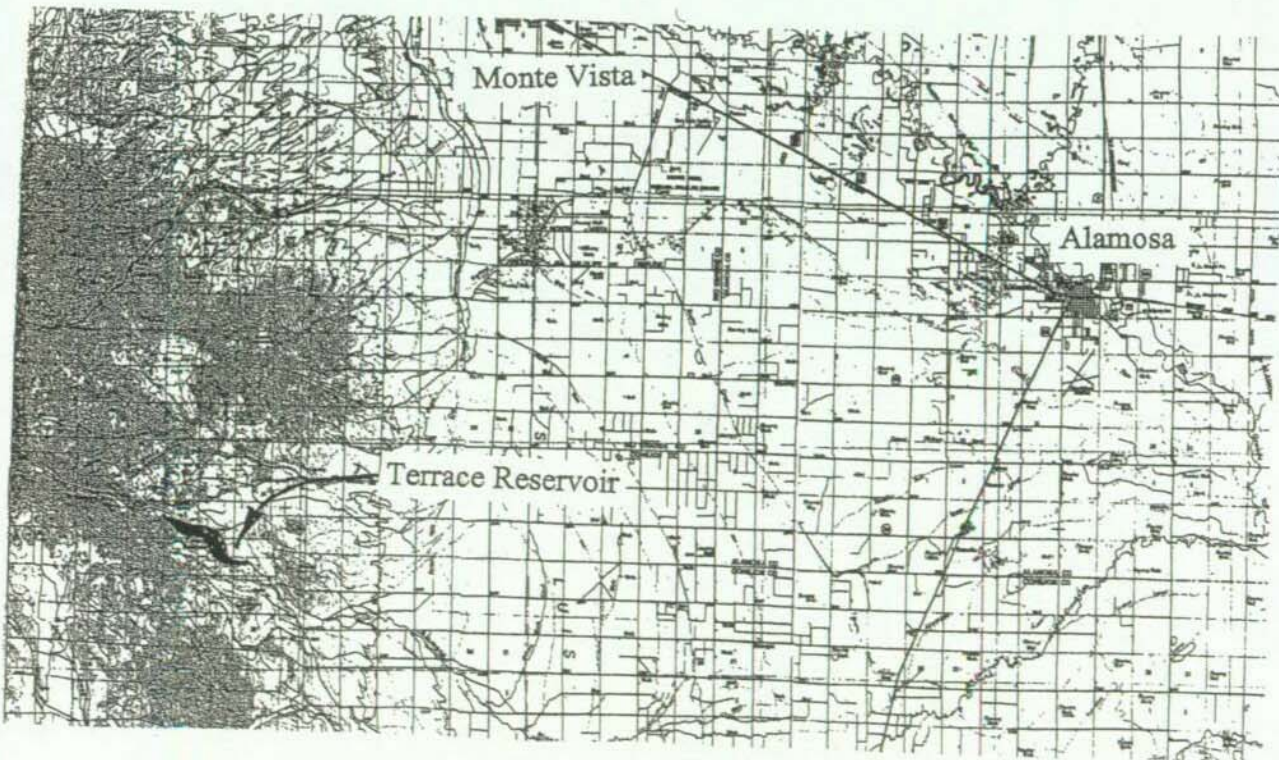


Location Map

Water Project Construction Loan Program-Project Data

Borrower: Terrace Irrigation Company	County: Conejos
Project Name: Terrace Reservoir Outlet Repairs	Project Type: Reservoir Rehabilitation
Drainage Basin: Rio Grande	Water Source: Alamosa River
Total Project Cost: \$270,000	Funding Sources: Company and CWCB
Type of Borrower: Agricultural	Interest Rate: 2.5
CWCB Loan: \$245,430 (Includes Org. Fee)	Term: 30 years
CWCB Grant: \$5,000	Average Annual Volume of Water diverted: 15,339 AF

The TIC, located in Conejos County, owns and operates the Terrace Reservoir to deliver direct flow irrigation water for the benefit of the 27 shareholders. Water is stored in Terrace Reservoir from flows from the Alamosa River and released downstream into the Alamosa River and diverted through Main Terrace Canal and the Alamosa Creek Canal. The project involves the construction of a cofferdam to allow access to the outlet works, the removal and replacement of the existing trash rack, debris and sediment removal within the outlet pipe, the repair of the existing double leaf 48-inch gate valve in the west outlet tunnel, and general maintenance to the downstream ring-jet valve.



Location Map

Water Project Construction Loan Program-Project Data

Borrower: Union Ditch Company (UDC)

County: Weld

Project Name: UDC Recharge Project

Project Type: Well Augmentation

Drainage Basin: South Platte

Water Source: South Platte River

Total Project Cost: \$344,000

Funding Sources: CWCB, UDC

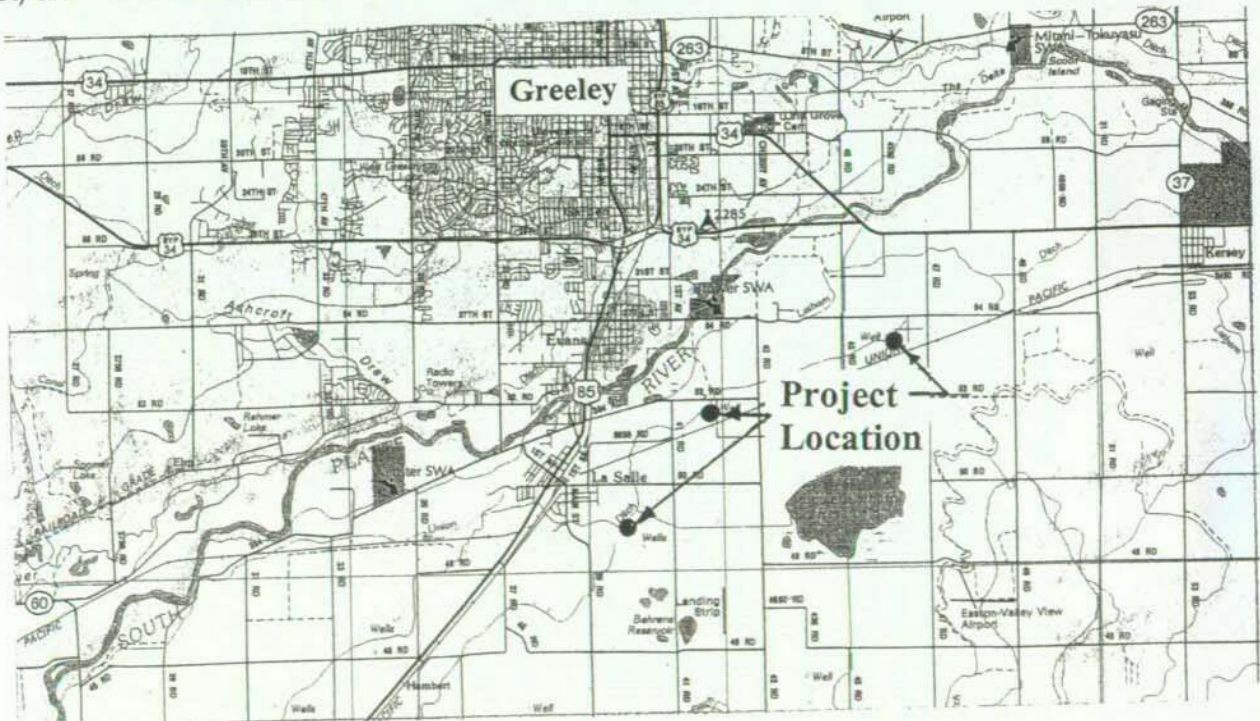
Type of Borrower: Agricultural

Aver. Delivery: 206 acre-feet (consump. use)

CWCB Construction Fund Loan: \$309,500

Interest Rate: 2.50% **Term:** 30 years

UDC operates the Union Ditch providing direct flow irrigation water to an area of 5,500-acres east of the Town of LaSalle and south of Greeley. Water is diverted from the South Platte River at a headgate east of the Town of Milliken. UDC operates approximately 15 miles of ditch and typically delivers about 29,000 acre-feet of irrigation water per year. UDC has filed an application for an Augmentation Plan to provide replacement water for 40 junior wells owned by shareholders, formerly serviced by GASP, to replace out-of-priority irrigation well depletions. As part of the Augmentation Plan UDC will need 50 AF of developed recharge storage capacity to offset the depletions. The project involves the development of three recharge structures, with the top priority site, the Mecure #1 Site (20 AF) developed initially in 2004, and the remaining two sites totaling 30 AF developed in 2005. Each pond would be filled by water that is diverted from the Union Ditch. The construction of each site will include pond excavation, flow measurement structures (flumes on feeder canals or meters for pumps), headgate structures for feeder canals, and monitoring and reporting measurement equipment (SCADA). The ponds will be relatively shallow in depth (< 10 feet) and will include an earthen embankment around the perimeter of the pond.

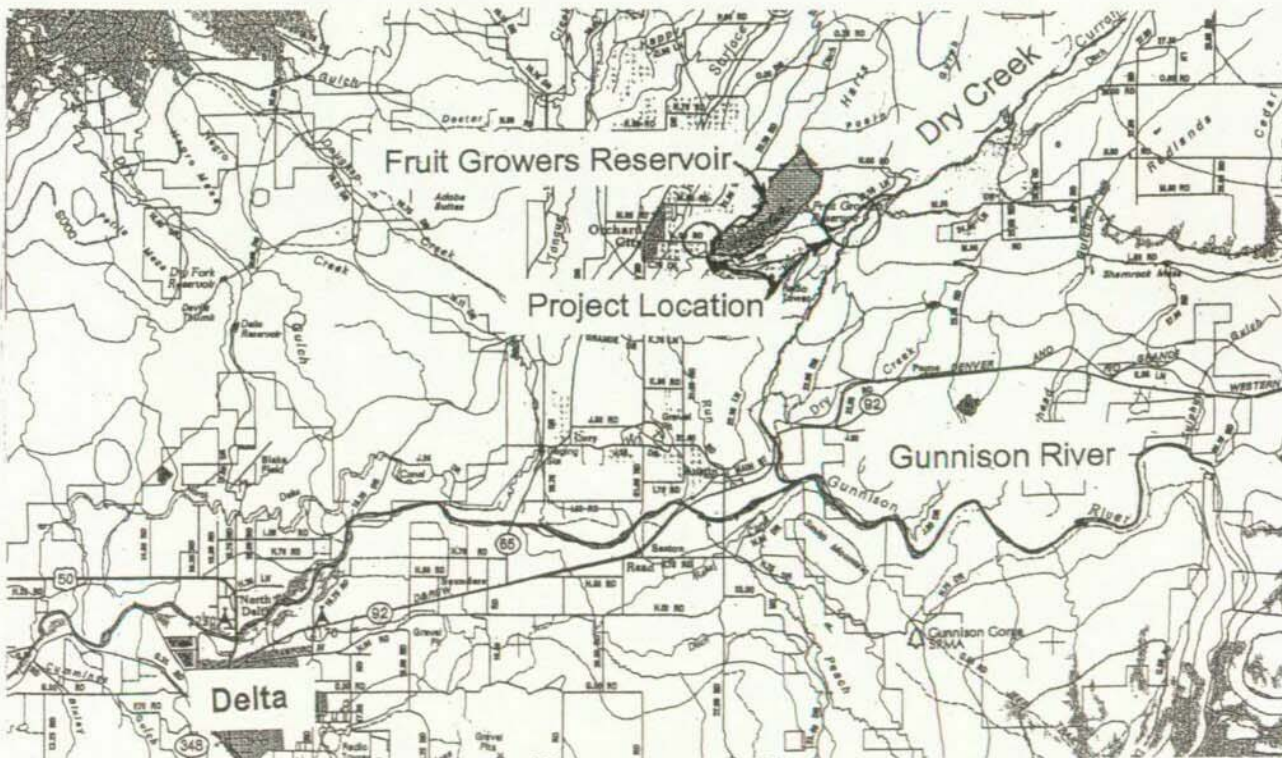


Location Map

Water Project Construction Loan Program-Project Data

Borrower: Orchard City Irrigation District	County: Delta
Project Name: Dry Creek Transfer Ditch	Project Type: Rehabilitation
Drainage Basin: Gunnison	Water Source: Dry Creek (AKA Currant Creek)
Total Project Cost: \$102,457	Funding Sources: District and CWCB
Type of Borrower: Agricultural	Interest Rate: 2.5%
CWCB Loan: \$92,200	Term: 30 years
CWCB Grant: N/A	Average Annual Volume of Water diverted: 2,000 AF

The Orchard City Irrigation District is located in Delta County, approximately 7 miles north east of Delta. The District operates the Dry Creek Transfer Ditch and the Fruitgrower's Reservoir to supply water to 403 district landowners for irrigation within the 2,730-acre service area. The District wants to rehabilitate the Dry Creek Transfer Ditch and the Circle Ditch Headgate. The project will be completed by March 2004. The average annual volume diverted is 2,000 acre-feet. The Orchard City Irrigation District is a Colorado Irrigation District formed in accordance with CRS 37-41-101. The District has completed the feasibility study, with engineering provided by the Natural Resources Conservation Service. Proposed funding for the project consists of a CWCB loan in amount of \$92,200 and the remainder from the District.



Location Map

Water Project Construction Loan Program – Project Data

Borrower: Upper Surface Creek Domestic Water Users Association

County: Delta

Project Name: Spaulding Peak Water Plant

Project Type: New Raw Water Intake/Pipeline

Drainage Basin: Gunnison

Water Source: Surface Creek

Total Project Cost: \$180,200

Funding Sources: CWCB, USCDWUA

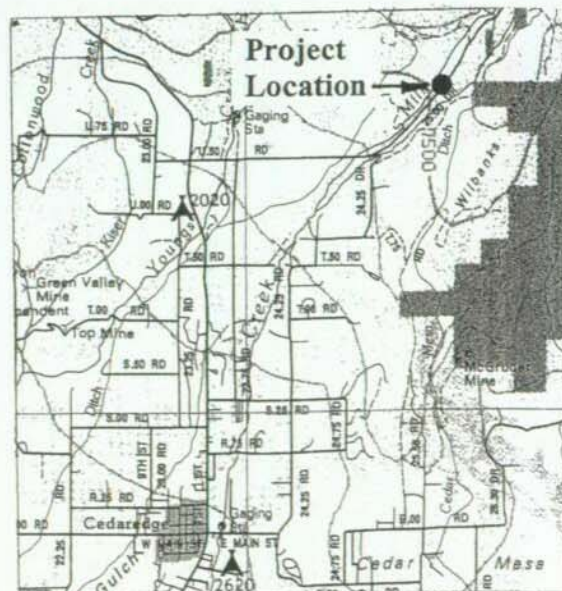
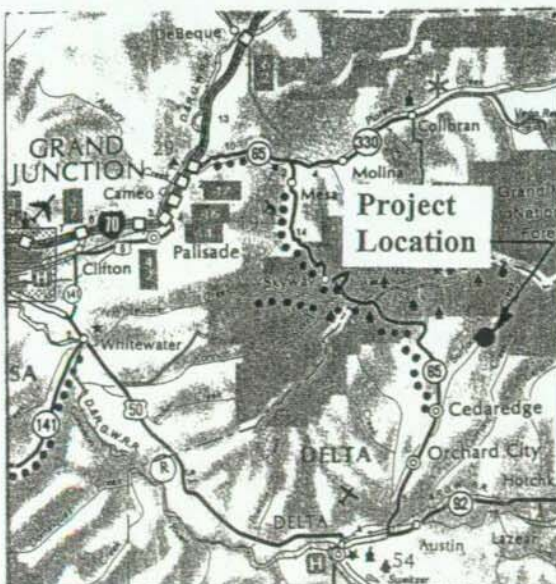
Type of Borrower: Municipal (Low-Income)

Aver. Delivery: 264 acre-feet

CWCB Small Project Loan: \$162,180

Interest Rate: 3.25% **Term:** 20 years

The USCDWUA is a rural domestic water provider serving a 40 square mile service area on the south side of Grand Mesa in Delta County, east of SH 65 and immediately adjacent to the Town of Cedaredge. They currently serve 770 water customers, and provide an average of 86 million gallons (264 acre-feet) of water per year. USCDWUA owns its raw water, but relies on the Town of Cedaredge for water treatment. Unable to acquire more plant capacity from the Town, USCDWUA will construct a new treatment plant and raw water collection system. The new raw water intake for the treatment plant would be located on Surface Creek, northeast of Cedaredge. The new 15" PVC raw water pipeline would extend southwest from the intake approximately 3000 feet to the new treatment plant. The estimated cost of the completed water treatment plant project, including the raw water portion, is \$1.32 million. The CWCB loan is for the raw water intake and delivery pipe only. The project involves construction of a rock diversion structure in Surface Creek, a concrete pipeline intake, followed by screening and sedimentation structures to provide settling time for the removal of sand, grit, and heavier silt. The raw water intake and approximately 2/3 of the pipeline will be located on easements that have been acquired and recorded. The remainder of the pipeline and the treatment plant itself will be located on property owned by USCDWUA.



Location Map

Water Project Construction Loan Program - Project Data

Borrower: Ken, Dave & John Guenzi	County: Logan
Project Name: Groundwater Recharge Project	Project Type: Well Augmentation
Drainage Basin: South Platte	Water Source: Wells
Total Project Cost: \$368,250	Funding Sources: CWCB, Guenzis
Type of Borrower: Agricultural	Aver. Delivery: 2000 acre-feet (consumptive)
CWCB Construction Fund Loan: \$331,425	Interest Rate: 2.5% Term: 30 years

Ken, Dave and John Guenzi own and operate a large group of farms in Logan County in NE Colorado, consisting of approximately 2600 acres of sprinkler and flood irrigated farm ground. Some of the ground is irrigated with direct flow water and some has reservoir water. All of the land is also irrigated with 31 tributary groundwater wells, with the majority of the land relying solely on the wells. Of the 31 wells 25 are operational at this time. Wells are currently augmented under the Logan Well Users (LWU) plan of operation, to replace depletions during times when there is a "call" on the river by a senior downstream water right. Their wells produce approximately 1510 acre-feet of summer-time depletions and approximately 960 acre-feet of winter-time depletions. The project will consist of purchasing a farm with existing recharge facilities that were previously fed only by the Pwnee Ditch. One new recharge well will be drilled and one existing well rehabilitated. The wells would pump up to a combined maximum rate of 12 cfs. This would produce up to 2000 acre-feet annually from the 2 wells. Approximately 2100 feet of 12" PVC and 4500 feet of 21" PVC piping will be installed. The CWCB loan will include only that portion of the farm purchase occupied by the existing recharge ponds (100 acres of pasture with 3 pond areas).



Location Map

Water Project Construction Loan Program - Project Data

Borrower: 3T Cattle Company

County: Morgan

Project Name: Well Augmentation

Project Type: Water Rights Purchase

Drainage Basin: South Platte

Water Source: Weldon Valley Ditch Shares

Total Project Cost: \$275,000

Funding Sources: CWCB, 3TCC

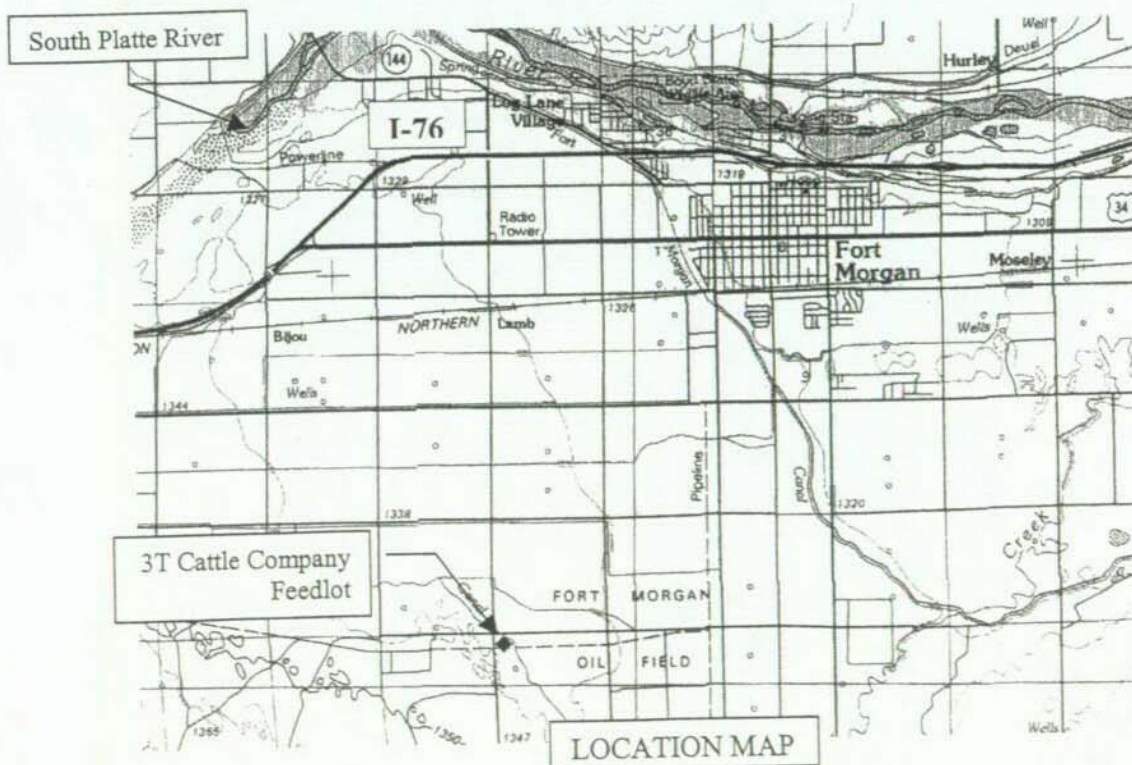
Type of Borrower: Agricultural

Aver. Delivery: 95 acre-feet (consumptive)

CWCB Construction Fund Loan: \$247,500

Interest Rate: 2.5% **Term:** 30 years

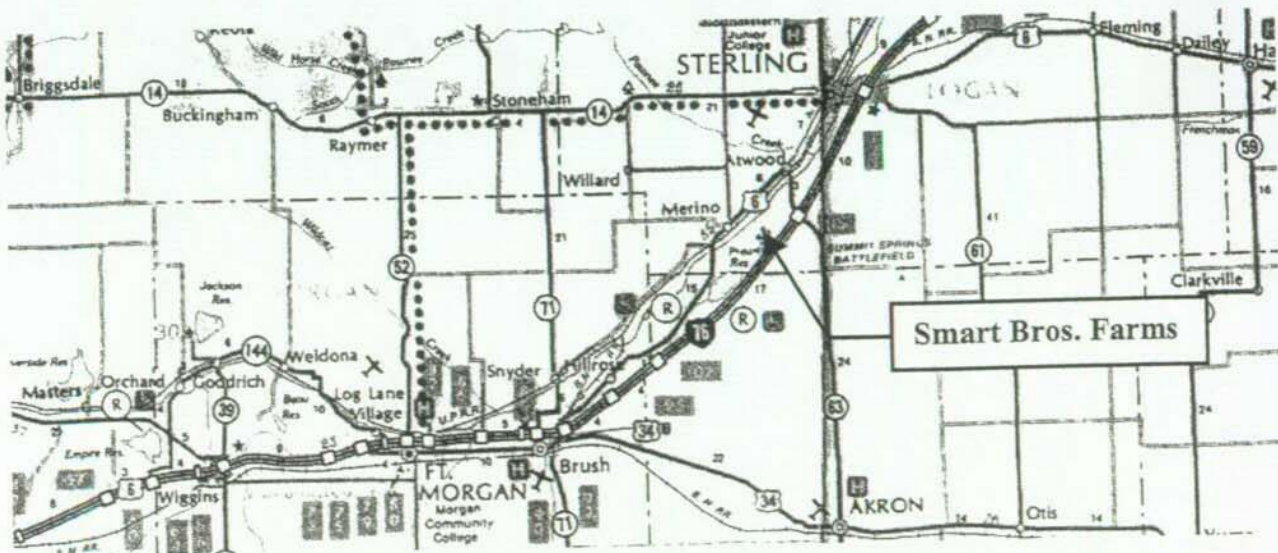
3T Cattle Company, Inc. (3TCC) operates a 10,000 head cattle feedlot 6 miles southwest of Fort Morgan. The water for the feedlot is supplied by one tributary groundwater well. The junior well is currently augmented under the Groundwater Appropriators of the South Platte (GASP) plan of operation, however, GASP will cease to cover the augmentation needs of this well on August 22, 2004. Consumptive use for 10,000 head of cattle will be approximately 90 to 112 acre-feet annually, based on daily consumptive water use for cattle calculated at 8 -10 gallons per animal. 3TCC is seeking CWCB funding to purchase 5 shares of Weldon Valley Ditch water for use for augmentation. 3TCC is considering several options for either submitting their own Substitute Water Supply Plan to the State, or joining an existing augmentation group plan such as Central Colorado Water Conservancy District or Orphan Wells of Wiggins, LLC. The total estimated consumptive use delivery of the water rights is 90 to 100 acre-feet, and the purchase price of the Weldon Valley shares is \$54,000 per share.



Water Project Construction Loan Program - Project Data

Borrower: Smart Bros. Inc. (SBI)	County: Logan
Project Name: Groundwater Recharge Project	Project Type: Well Augmentation
Drainage Basin: South Platte	Water Source: Recharge Well
Total Project Cost: \$266,500	Funding Sources: CWCB, SBI
Type of Borrower: Agricultural	Aver. Delivery: 1000 – 1500 acre-feet
CWCB Construction Fund Loan: \$239,850	Interest Rate: 2.5% Term: 30 years

SBI is a family owned and operated farming and custom cattle feeding operation located approximately 2 miles southwest of Atwood, consisting of approximately 1250 acres of sprinkler and flood irrigated farm ground and a 5000 head feedlot operation, with plans to expand to 8000 head. The SBI farm ground is irrigated with direct flow water, reservoir water and 9 tributary groundwater wells. The feedlot has water provided by 3 commercial wells. The 12 wells are currently augmented under the Logan Well Users (LWU) plan of operation, and produce approximately 1215 acre-feet of depletions per year. SBI has an existing recharge area that is fed through the terminal end of the South Platte Ditch. Icing of the ditch poses a significant problem during the winter, making running recharge water impossible at times. SBI wants to develop a more flexible recharge system that will generate more augmentation water to be used to offset the depletions caused by their 12 wells. They currently generate credits to offset their charges, but are short in dry years, and are vulnerable because of the ditch icing. The proposed project will add a recharge well at the river to pump to the recharge sites at a maximum of 7 cfs, 13,000 feet of 18" PVC pipe, and 3 new recharge areas. SBI would also tie 4 existing wells into the pipeline for supplying augmentation water directly back to the river. The SBI plan is to generate approximately 1000 - 1500 acre-feet of depletion credits.

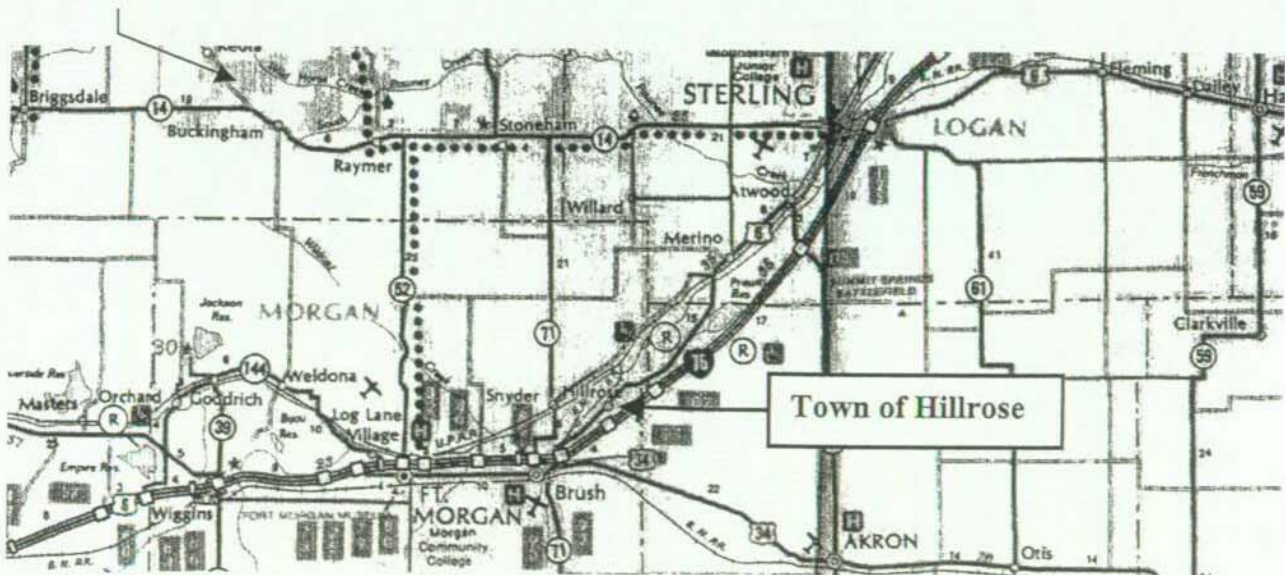


Location Map

Water Project Construction Loan Program - Project Data

Borrower: Town of Hillrose	County: Morgan
Project Name: Well Augmentation	Project Type: Water Rights Purchase
Drainage Basin: South Platte	Water Source: Jackson Reservoir Co. & Riverside Reservoir Co.
Total Project Cost: \$76,250	Funding Sources: CWCB, Town of Hillrose
Type of Borrower: Municipal - Low	Aver. Delivery: 18 acre-feet (consumptive)
CWCB Construction Fund Loan: \$68,625	Interest Rate: 3.5% Term: 30 years

The Town of Hillrose is located approximately 15 miles east of Fort Morgan, along SH 6. The current population is 270 residents and the Town currently serves water 112 taps, with the potential to serve 33 additional taps, if existing annexed lots are developed. Typical water usage averages 55 AF per year. In 2003, with restricted outside watering, the usage was 26 AF. The Town currently has one tributary groundwater well (Permit # 018543-F) to supply all of the water required for the town. The well is currently augmented under the Lower Platte and Beaver Canal Company (LP&B) plan of operations. The well is considered a junior well, and the depletions from pumping of the well must be replaced during times when there is a "call" on the river by a senior downstream water right. The Town needs to develop its own source of augmentation in order to protect the well from curtailment under the LP& B plan, and they will continue to be covered under the LP& B plan. The Town is proposing to purchase 2 shares of Jackson Reservoir and ¼ share of Riverside Reservoir for use as well augmentation water, that will provide the Town approximately 18 AF of consumptive use yield. The Town also owns 1 ½ shares of LP & B that provides about 4 AF of consumptive use. These two sources will very nearly cover the Town's dry-year (restricted outside watering) augmentation need scenario.

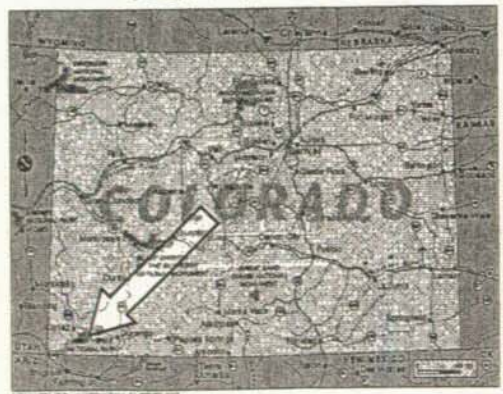
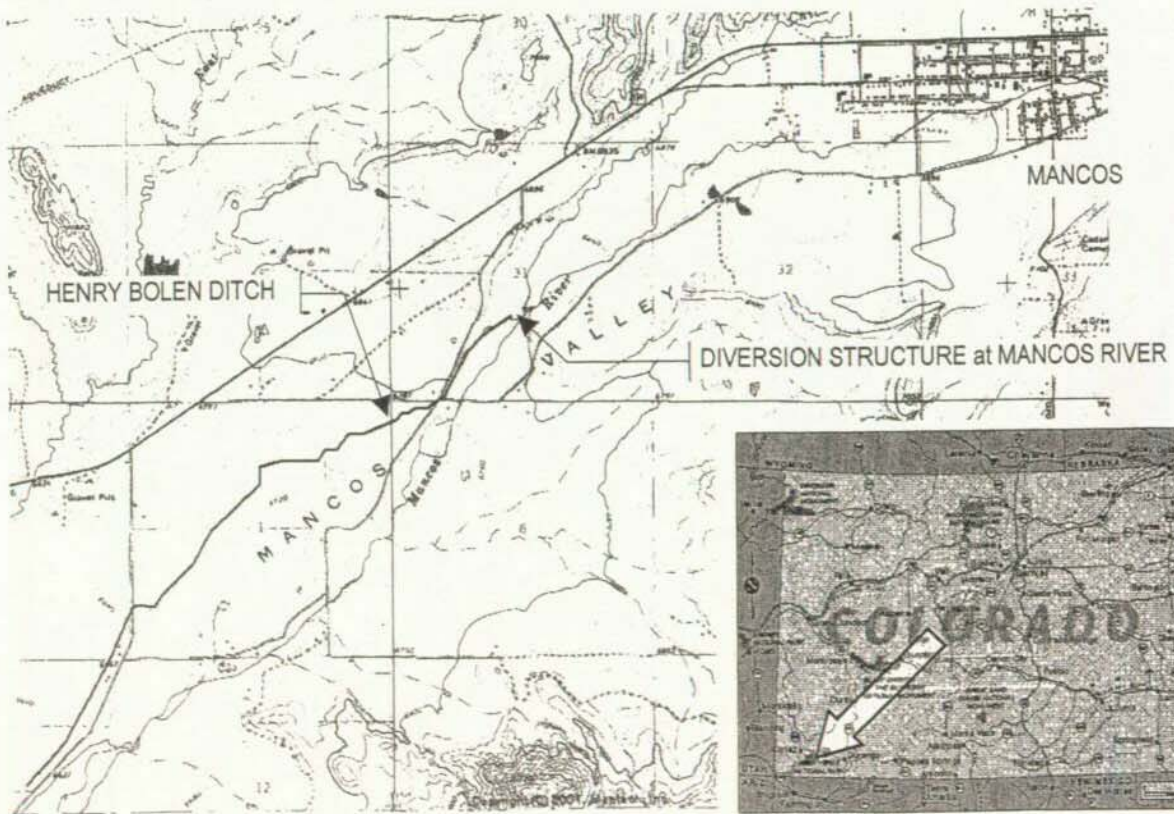


Location Map

Water Project Construction Loan Program - Project Data

Borrower: Henry Bolen Ditch Company **County:** Montezuma
Project Name: Henry Bolen Ditch Pipeline Proj. **Project Type:** Ditch Piping for Salinity Control
Drainage Basin: Mancos River **Water Source:** Mancos River
Total Project Cost: \$669,500 **Funding Sources:** NRCS, CWCB
Type of Borrower: Agricultural **Average Delivery:** 2505 acre-feet
Loan Amount: \$128,750 (Initial loan \$515,000) **Interest Rate:** 2.5% **Term:** 30 years

The Henry Bolen Ditch Company is a non-profit corporation registered in the State of Colorado in 2003. The Company manages the Henry Bolen Ditch for the seven members which own water rights and land served by the ditch. The diversion point is located southwest of the Town of Mancos. The ditch is approximately two and a half miles (13,000 feet) long and carries approximately 13 cfs. The proposed Ditch Pipeline Project will upgrade the ditch by installing 12,000 feet of ditch pipeline and 2,000 feet of lateral lines to reach member-owned lands. NRCS will provide planning, design and a field engineering services. Proposed funding consists of an initial loan from CWCB for \$515,000 that will be reduced by an NRCS CRB Salinity Control Program grant for \$386,250 following project completion. The remaining \$128,750 will become a 30-year CWCB Loan.



LOCATION MAP

Water Project Construction Loan Program – Project Data

Borrower: Pinewood Springs Water District
(PSWD)

County: Larimer

Project Name: Drought Mitigation Project

Project Type: New Reservoir/Pipe Line/Water
Rights Purchase

Drainage Basin: South Platte

Water Source: Little Thompson River, CBT

Total Project Cost: \$2,711,805

Funding Sources: CWCB, CWRPDA, PSWD

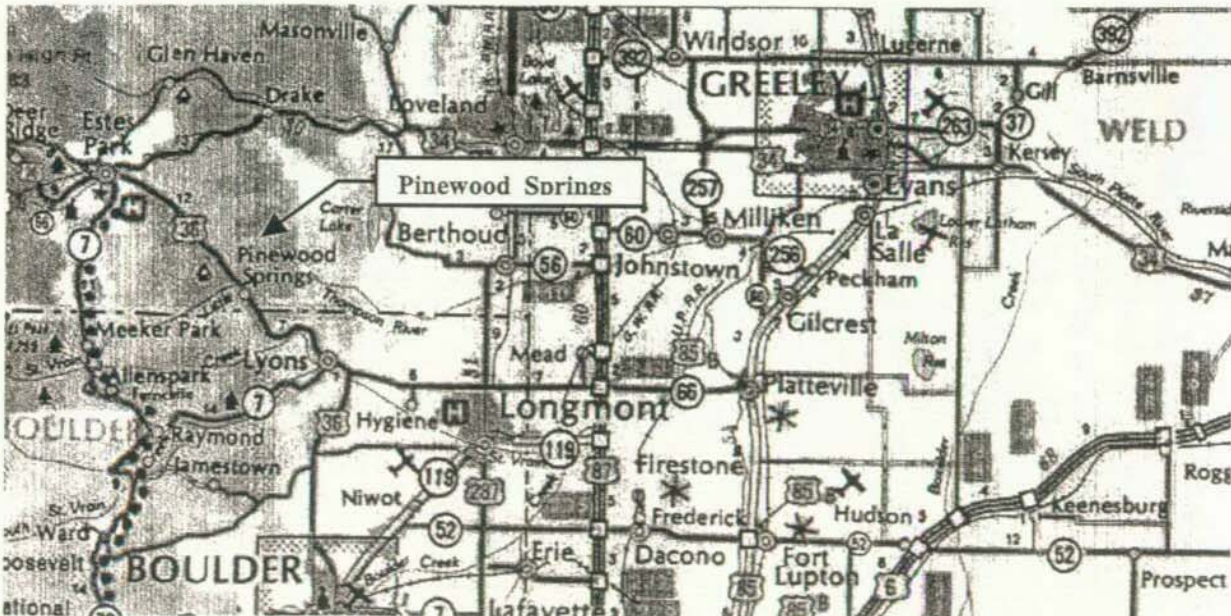
Type of Borrower: Municipal (Middle Income)

Aver. Delivery: 51 acre-feet

CWCB Loan: \$2,033,850

Interest Rate: 4.00% **Term:** 30 years

PSWD is located 11 miles east of Estes Park on US 36, and provides water to 268 taps with a projected total of 350 taps at build-out. They draw surface water from the Little Thompson River and treat it with an existing micro-filtration unit. PSWD has no raw water storage, and has been severely impacted by water shortage in the past several years, spending about \$180,000 to haul water purchased from the City of Longmont. They are in need of a reliable and continuous supply of raw water. Also, in 2002 the Big Elk fire consumed thousands of acres above upstream of PSWD on the Little Thompson River, resulting in a considerable amount of ash and other fire related debris. This has caused severe plugging of the infiltration gallery and contamination of the micro-filtration units. Subsequently, a number of planning studies have identified a several water needs. In summary, the proposed project will provide the following raw water components: construction of the 51 acre foot Crow Lane Reservoir #1 (35 foot high dam with outlet works and emergency spillway meeting State dam design requirements), a new pump station, about 5500 lf of 6" PVC draw and fill transmission piping, modifications to the infiltration gallery intake, as well as the purchase of as many as 90 CBT water shares to provide a reliable water source for the reservoir. In addition, with the assistance of a DWRP loan, PSWD will add an additional micro-filtration treatment unit and replace about 4000 lf of distribution piping, not part of the CWCB loan.



Location Map

CWCB Construction Loan Program Project Data Sheet

Borrower: Mancos Valley Beaver Ditch Co

County: Montezuma

Project Name: Beaver Ditch Pipeline Project

Project Type: Ditch Piping for Salinity Control

Drainage Basin: Mancos River

Water Source: Mancos River

Total Project Cost: \$536,900

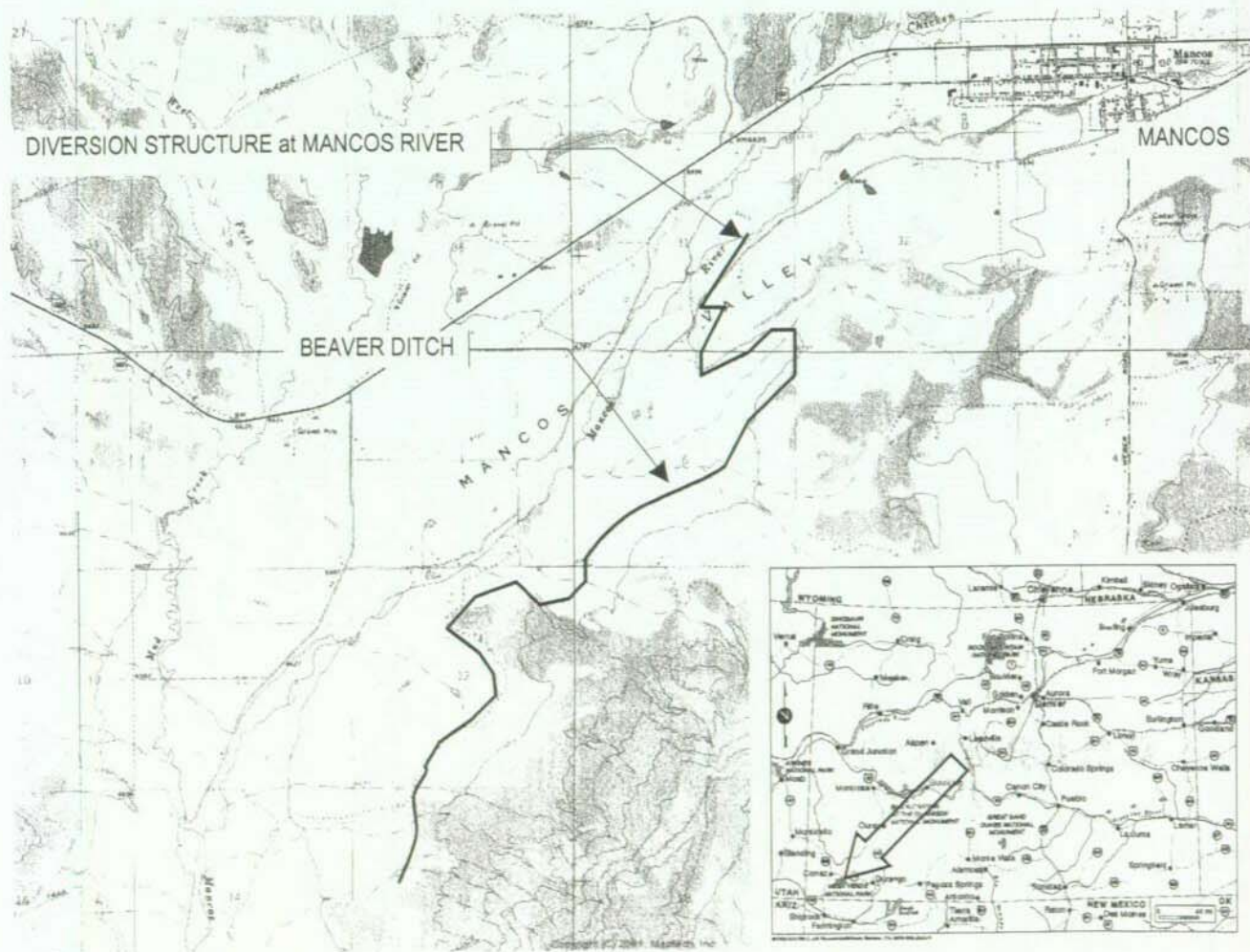
Funding Sources: NRCS, CWCB

Type of Borrower: Agricultural

Average Delivery: 1431 acre-feet

Loan Amount: \$103,000 (Initial loan \$413,000) **Interest Rate:** 2.5% **Term:** 30 years

The Mancos Valley Beaver Ditch Company is a non-profit corporation registered in the State of Colorado in 2003. The Company manages the Beaver Ditch for the four (4) members that own water rights and land served by the ditch. The diversion point is located southwest of the Town of Mancos. The ditch is approximately 4.6 miles (24,000 feet) long and carries approximately 10.5 cfs. The proposed ditch pipeline project will install new PVC piping from 18-inch to 10-inch pipe along with metered delivery points at member-owned lands. NRCS will provide planning, design and field engineering services. Proposed CWCB funding consists of an initial loan from CWCB for \$413,000 that will be reduced by an NRCS CRB Salinity Control Program grant for \$310,000 following project completion. The remaining \$103,000 will become a 30-year CWCB Loan.

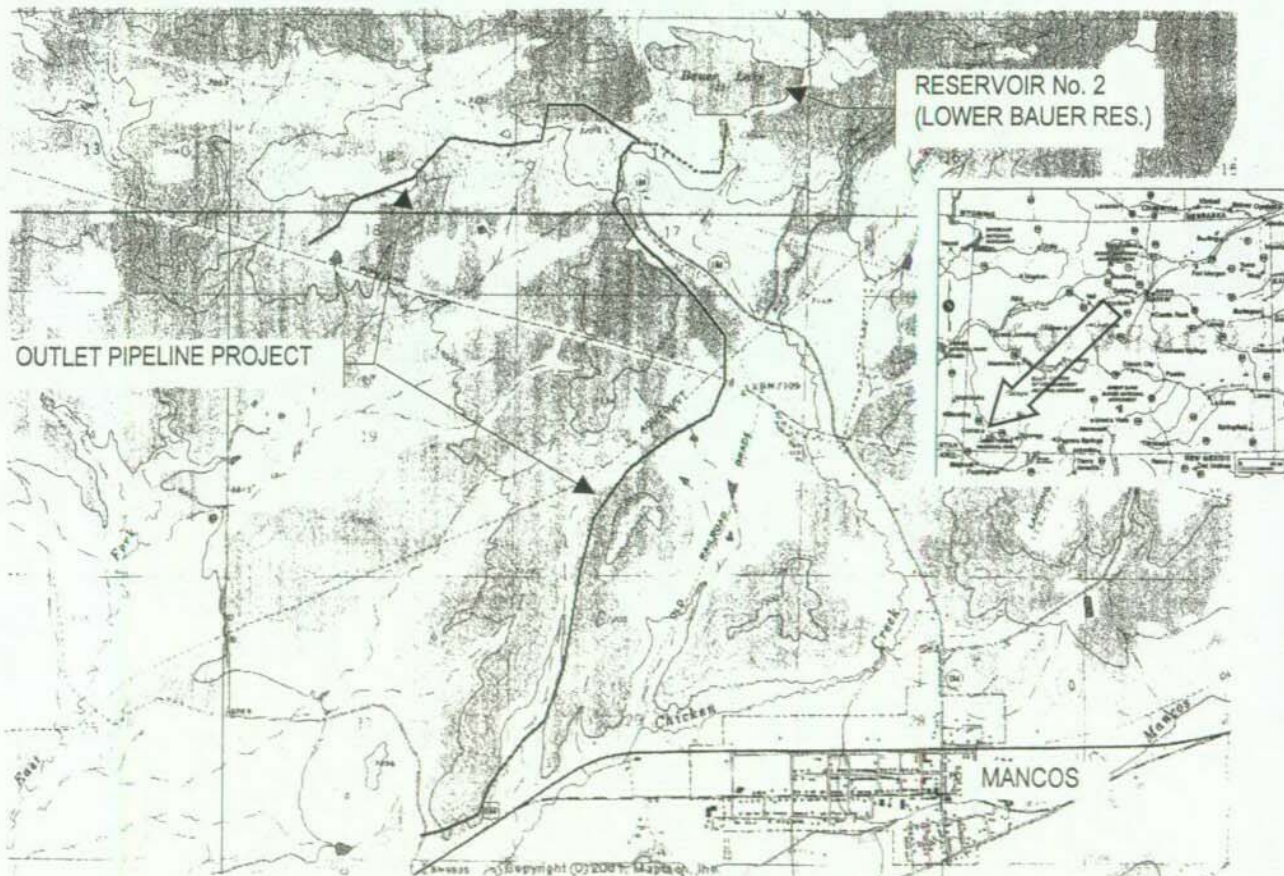


LOCATION MAP

Water Project Construction Loan Program-Project Data

Borrower: Lower Bauer West Lateral, Inc. **County:** Montezuma
Project Name: Lower Bauer Res. Outlet Pipeline **Project Type:** Ditch Piping for Salinity Control
Drainage Basin: Mancos River **Water Source:** Chicken Creek (Trib. Mancos R)
Total Project Cost: \$253,500 **Funding Sources:** NRCS, CWCB
Type of Borrower: Agricultural **Adjudicated Delivery:** 951 acre-feet
Loan Amount: \$48,750 (Initial loan \$195,000) **Interest Rate:** 2.5% **Term:** 30 years

The Lower Bauer West Lateral, Inc. (Company) is a non-profit corporation registered in the State of Colorado in 2004. The Company owns and operates the west outlet lateral from Reservoir No. 2. The Company is proposing to use NRCS assistance to install 15,500 feet of pipe to reduce water loss and produce working pressure for irrigation uses. Members of the Company own shares of water in the Bauer Lakes Water Company (BLWC). BLWC owns Res. No. 2, which delivers water to the Company at the measuring device near the outlet. This project will place new pipe in the existing ditch, which carries approximately 951 acre-feet of water to the 1200-acre service area. NRCS will provide design and fund 75 percent of the construction cost of the Project as part of the NRCS Salinity Control Project in the Mancos Valley. Funding for the Project consists of an initial loan from CWCB for \$195,000 that will be reduced to \$48,750 after construction is complete and NRCS provides a \$146,250 grant.



LOCATION MAP

Water Project Construction Loan Program - Project Data

Borrower: Young Creek Reservoir Company

County: Delta

Project Name: Young Creek Res. # 1-2

Project Type: Reservoir Rehabilitation

Drainage Basin: Gunnison

Water Source: Young Creek

Total Project Cost: \$217,125

Funding Sources: CWCB, Surface Creek Bank

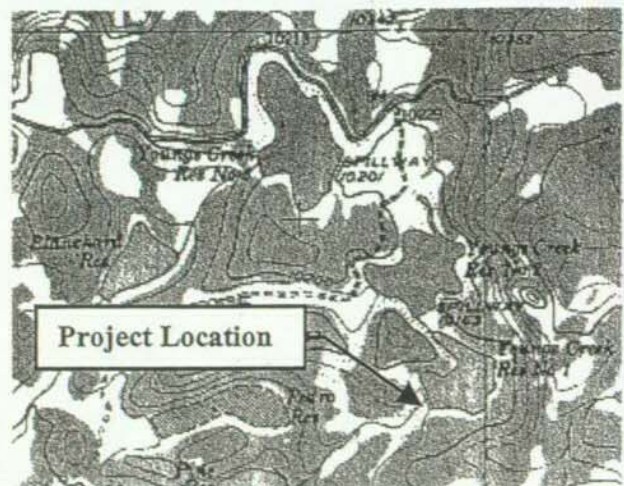
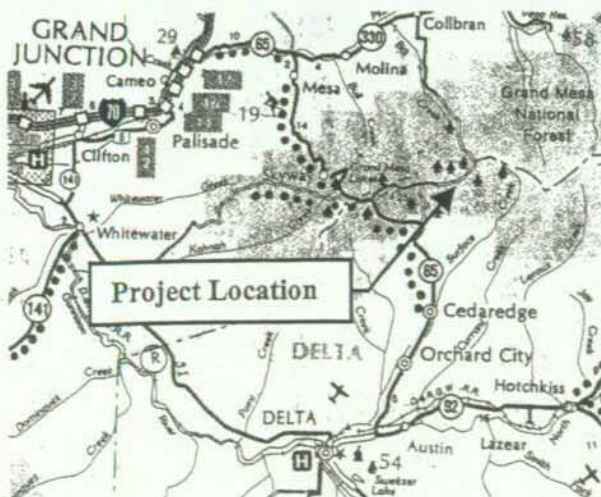
Type of Borrower: Agricultural

Aver. Delivery: 782 acre-feet (decreed capacity)

CWCB STTFPBA Fund Loan: \$195,400

Interest Rate: 2.50% **Term:** 30 years

YCRC provides irrigation water to a 400-acre service area in Delta County near the Town of Cedaredge. The YCRC owns & operates two reservoirs, the Reservoir #1-2 (a combined reservoir), and Reservoir #3, both located on Grand Mesa. Reservoir #1-2 has a decreed capacity of 782 acre feet, and is over 100 years old. The existing dam is a Class 2 dam, with a length of 505 feet, height of 46 feet, crest width of 15 feet, and spillway width of 25 feet. There is a history of seepage problems, and a recurring incidence of sinkholes in the area immediately upstream of the dam, along the left abutment. This has necessitated temporary sinkhole repairs on several occasions, as well as instituting a monitoring program to assess the performance of the dam. In 2001, a geotechnical investigation was completed and paired piezometers were placed within the embankment structure. Since the installation the reservoir has not filled due to the drought, and it has not been possible to evaluate dam performance over the past two years. Several time extensions for performance reporting have been granted by the SEO. YCRC wants to make the most critical repairs now to avoid potential loss of function of the reservoir and possible restriction. Currently, the dam is approved for conditional full storage, requiring continued efforts to address left abutment seepage. The proposed liner project will address the immediate sinkhole problem by installing a 60 mil HDPE (High Density Polyethylene) liner over an area about 200 feet long by 140 feet wide, covering a total of 3100 sq. yards, in the area of sinkhole occurrence. Future monitoring of the dam performance after the initial repair will allow YCRC to determine if additional repairs are necessary.

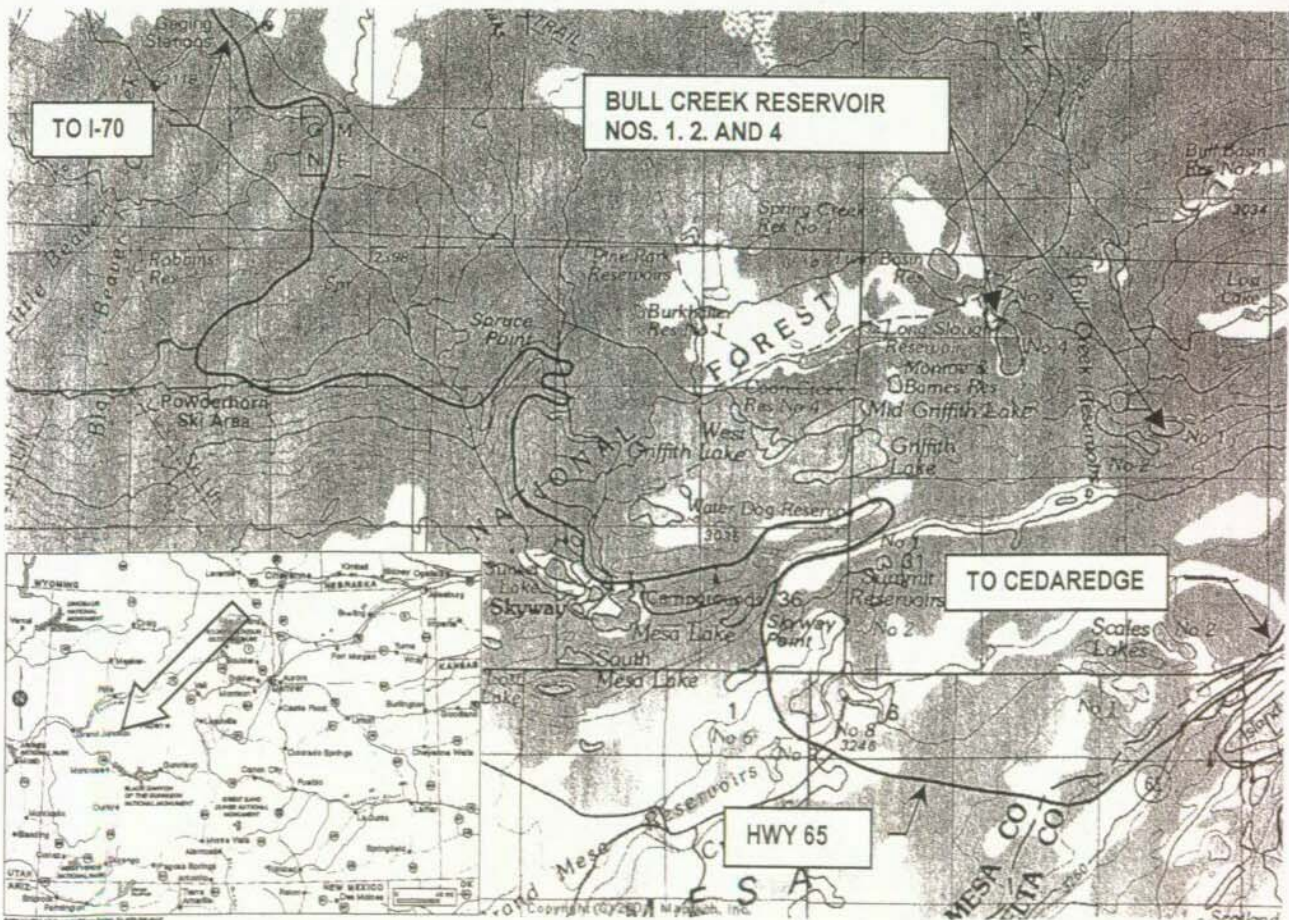


Location Map

**CWCB Construction Loan Program
PROJECT DATA SHEET**

Borrower: Bull Creek Res. Canal & Power Co.	County: Mesa
Project Name: Res. Rehabilitation/Enlargement	Project Type: Dam/Spillway Modifications
Drainage Basin: Colorado River	Water Source: Bull Creek
Total Project Cost: \$660,000	Funding Sources: CWCB & Company
Type of Borrower: Agricultural	Adjudicated Delivery: 850 acre-feet
Loan Amount: \$594,000	Interest Rate: 2.5% Term: 30 years

The Bull Creek Reservoir, Canal and Power Company is located in Mesa, Colorado, and has a service area of approximately 800 acres. The Company operates the Bull Creek Reservoirs that provide irrigation water to shareholders. The Company wants to repair Reservoir Nos. 1 & 2 and repair and enlarge No. 4 to remove the current restriction and provide additional storage necessary to store the Company's decreed rights. Currently the Company has a Stipulation and Agreement with the SEO that requires the Company to make modifications necessary to return the reservoir storage to the decreed amounts to avoid losing senior rights. The Project is located on the US Forest Service property and will require a Special Use Permit for access roadway work and dam construction. The reservoirs are remote and located at 10,000 feet elevation and will require special mobilization techniques. Winter weather begins in mid October therefore an aggressive construction schedule will be necessary.

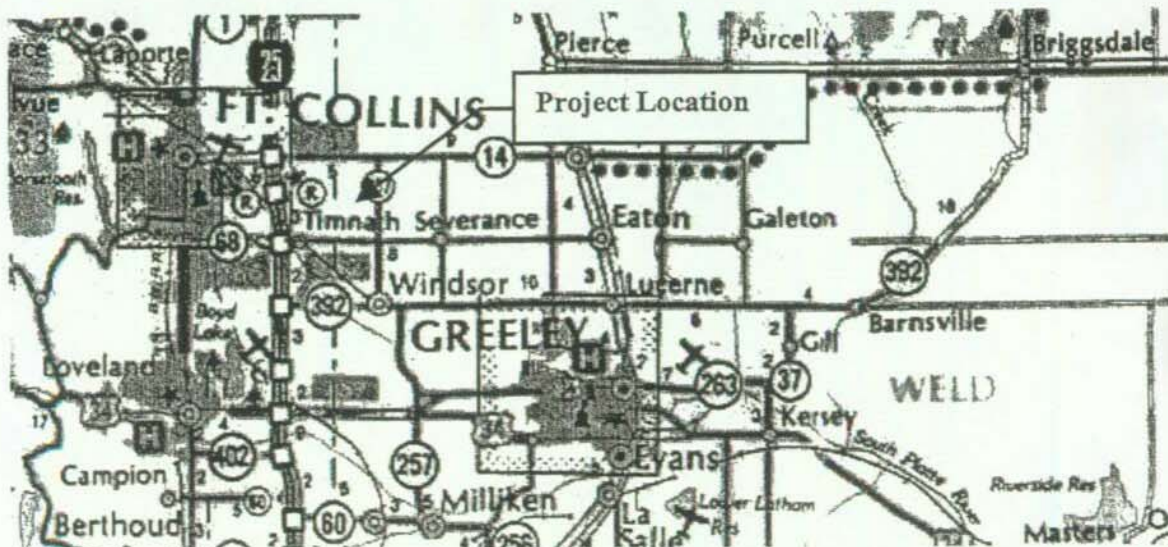


LOCATION MAP

Water Project Construction Loan Program - Project Data Sheet

Borrower: Larimer and Weld Irrigation Co. **County:** Weld
Project Name: Larimer and Weld Ditch (Eaton) **Project Type:** Rehabilitation/Replacement
Drainage Basin: South Platte **Water Source:** Cache la Poudre, CBT
Total Project Cost: \$1,666,700 **Funding Sources:** CWCB
Type of Borrower: Agricultural **Aver. Delivery:** 90,000 acre-feet
CWCB STTFPBA Loan: \$1,500,000 **Interest Rate:** 2.50% **Term:** 30 years

The Larimer and Weld Irrigation Company (LWIC) operates a system of approximately 40 miles of supply ditch, including control structures, checks and headgates. The LWIC service area extends from the Cache la Poudre diversion north of Fort Collins east to near the town of Galeton, encompassing approximately 86,000 acres, 55,000 acres of which are irrigated farm land. The Company has direct flow rights from their diversion in the Cache la Poudre River, and is also a carrier ditch for reservoir water owned by their stockholders and stockholders in several other ditch and reservoir companies, as well as CBT water owned by stockholders. Total water delivered through the Larimer & Weld system averages approximately 90,000 acre-feet per year. The LWIC is applying for a \$1,500,000 loan to rehabilitate several structures on the Larimer & Weld Ditch (Eaton Ditch), including replacing one equalizer check structure (Lake Lee Dam), replacing the Big Windsor Reservoir check and inlet structure, and replacing one check structure (Finley), located downstream of the existing structure. The Lake Lee Dam and the Big Windsor Inlet are concrete control and conveyance structures that are in disrepair and have reached obsolescence. With the failure of these two structures, LWIC would have a difficult time operating the ditch and would lose water that is normally stored in the reservoir. The Finley check structure has no means to apply stop logs or other measures to temporarily check the ditch and is undermined at the base slab and side walls.



Location Map

CWCB Construction Loan Program PROJECT DATA SHEET

Borrower: Beaver Reservoir Company

County: Gunnison

Project Name: Liner Protection and Valve Replacement

Drainage Basin: Gunnison

Project Type: Reservoir Rehabilitation

Water Source: Minnesota Creek

Total Project Cost: \$142,800

Funding Sources: CWCB & Company

Loan Amount: \$128,500

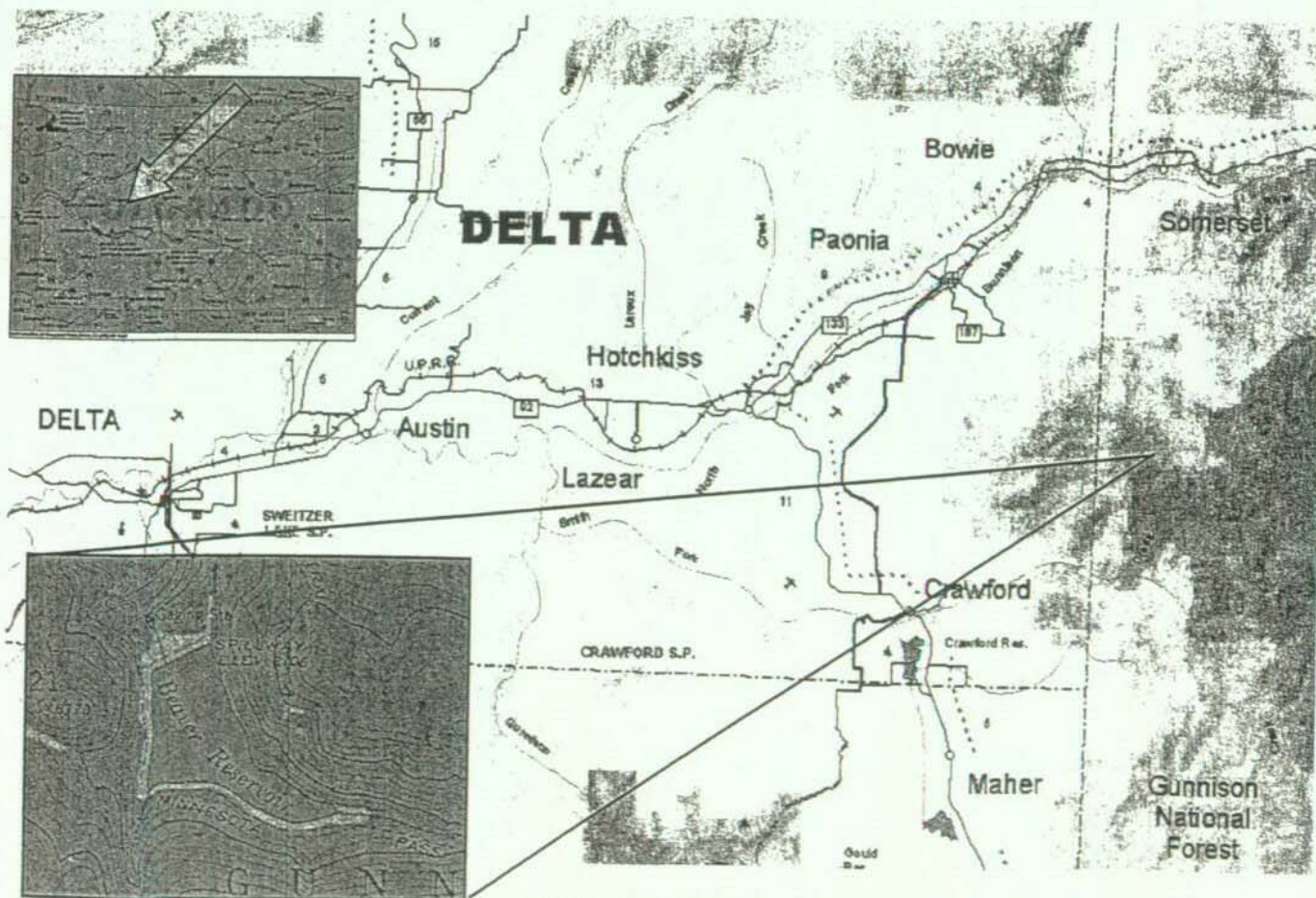
Current Reservoir Capacity: 1,620 acre-feet

Type of Borrower: Low Municipal/Agricultural

Interest Rate: 2.5%

Term: 30 years

The Beaver Reservoir is located in Gunnison County at an elevation of 8,100 feet. The dam is 113 feet tall and has a storage capacity of 1,620 acre-feet. A zoned earthfill dam impounds the reservoir across the East Fork of the Minnesota Creek. The reservoir is used to store and regulate the release of water for irrigation of about 3,400 acres of agricultural land. The Beaver Reservoir Company (BRC) is comprised of 1,600 shares. The shares are split as follows: Minnesota Canal and Res. Co. (900 shares), Turner Ditch Co. (400 shares) Lone Cabin Ditch and Res. Co. (300 shares). The reservoir was built in 1958 by the BRC. The BRC borrowed \$415,000 in 1995 to install the liner and remove a restriction placed on the reservoir by the SEO. The Project consists of stabilizing the reservoir liner, which was installed in 1995 and financed by CWCB. The Project will also include the replacement of the malfunctioning and unreliable hydraulic valve and gate on the intake end of the outlet structure.



LOCATION MAP

Water Project Construction Loan Program - Project Data

Borrower: Buffalo Farms Water Development, LLC (BFWD)

County: Logan

Project Name: Groundwater Recharge Project

Project Type: Well Augmentation

Drainage Basin: South Platte

Water Source: Recharge Well

Total Project Cost: \$215,000

Funding Sources: CWCB, BFWD

Type of Borrower: Agricultural

Aver. Delivery: 800 acre-feet (consump. use)

CWCB STTFPBA Fund Loan: \$193,500

Interest Rate: 2.25% **Term:** 20 years

BFWD is a recently formed entity consisting of neighboring farmers who own and operate contiguous farms in northeastern Colorado, southwest of Merino. There are three ownership groups, each having a 1/3 interest in the proposed recharge project. A 1/3 interest in the project will be held by D. Kevin Vollmer, a 1/3 interest by Michael Goss, and the remaining 1/3 interest held by 5 separate entities know collectively as the Merino Properties Group, represented by Mark A. Kross. Together they farm about 1000 acres of sprinkler and flood irrigated land. Some of the ground is irrigated with direct flow water and some has reservoir water. All of the ground is irrigated with 11 tributary groundwater wells, with some of the land relying solely on the wells. The water is typically used to irrigate corn, alfalfa, beans, and wheat. The 11 wells are currently augmented under the Logan Well Users (LWU) plan of operation, and produce approximately 800 acre-feet of depletions per year, with approximately 560 acre-feet of summer time depletions and approximately 240 acre-feet of winter time depletions. There is an existing recharge area on the property owned by the Merino Properties Group, constructed in Fall 2003, covering an area of 22 acres. The proposed project will add a recharge well at the river, 6000 lineal feet of pipe, and two new recharge areas located on land owned by Michael Goss. Four existing wells will be connected to the pipeline as augmentation wells to return water to the river when necessary.

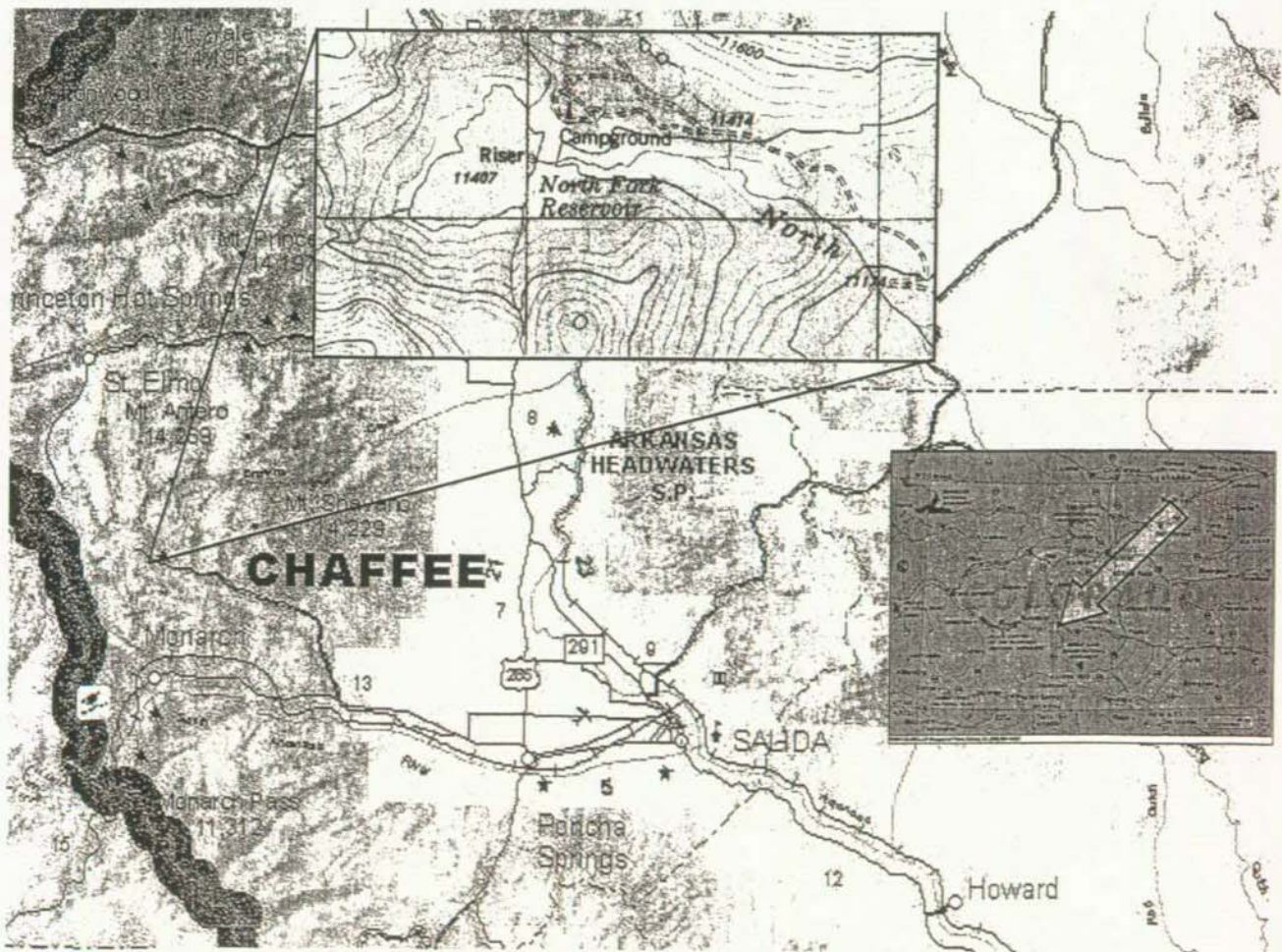


Location Map

CWCB Construction Loan Program PROJECT DATA SHEET

Borrower: Upper Arkansas Water Conservancy District	County: Chaffee/Fremont/Custer
Project Name: North Fork Reservoir Rehab/Expansion	Drainage Basin: Arkansas River
Project Type: Dam and Spillway Modifications	Water Source: N. Fork of S. Arkansas
Total Project Cost: \$3,309,850	Funding Sources: CWCB & Company
Loan Amount: \$2,980,000	Current Reservoir Storage: 500 acre-feet
Type of Borrower: Low Municipal/Agricultural	Interest Rate: 3.0% Term: 30 years

The Upper Arkansas Water Conservancy District is located in Salida, Colorado, and serves to protect and develop water supplies in Chaffee, Western Fremont and Custer Counties. The District has operated the North Fork Reservoir since 1979 for domestic, municipal, industrial, recreational and augmentation purposes. The reservoir is at elevation 11,400 feet and is located 10 miles from Maysville on the North Fork of the South Arkansas River. The District plans to repair the outlet gate, improve the access for construction, increase the spillway capacity, mitigate seepage along the right abutment, and raise the dam height by 15 feet. This will increase the capacity of the reservoir from 595 AF to 1095 AF. The enlargement will also require the relocation of portions of a campground. The reservoir is located on Forest Service property and currently has a Special Use Permit authorizing the repair work. The enlargement work will require a NEPA study prior to Forest Service permitting.

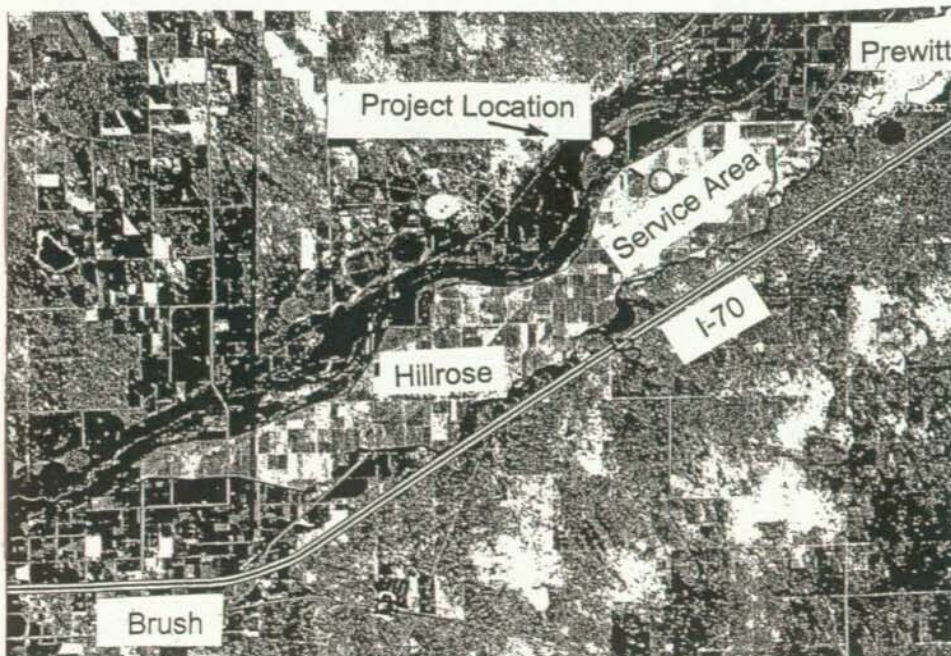


LOCATION MAP

Water Project Construction Loan Program-Project Data

Borrower: Lower Platte and Beaver Canal Co.	County: Morgan
Project Name: Well augmentation project	Project Type: Well Augmentation
Drainage Basin: South Platte	Water Source: South Platte
Total Project Cost: \$345,000	Funding Sources: CWCB, Company
Type of Borrower: Agricultural	Median Household Income: N/A
CWCB Loan: \$310,500	Interest Rate: 2.5% Term: 30 years
CWCB Grant: \$5,000	Average annual diversions: 36,980 acre-feet

The Lower Platte and Beaver Canal Company operates the Canal for the benefit of its 90 shareholders by providing direct flow irrigation water to a 15,000-acre service area. The diversion and headgate are located on the South Platte River, about 4 miles east of Fort Morgan. There are 101 irrigation wells under the Lower Platte and Beaver system. The Company wishes to cover the depletions of these wells by constructing a recharge well, a connecting pipeline, and a number of recharge sites. Average annual canal diversions are 36,980 acre-feet. The Lower Platte and Beaver Canal Company is a mutual ditch company and a nonprofit corporation registered in the State of Colorado. Brent Nation, P.E. has completed the feasibility study. Proposed funding for the project consists of a \$310,500 Small Project Loan and a \$5,000 grant from the CWCB, and the remainder from the Company.

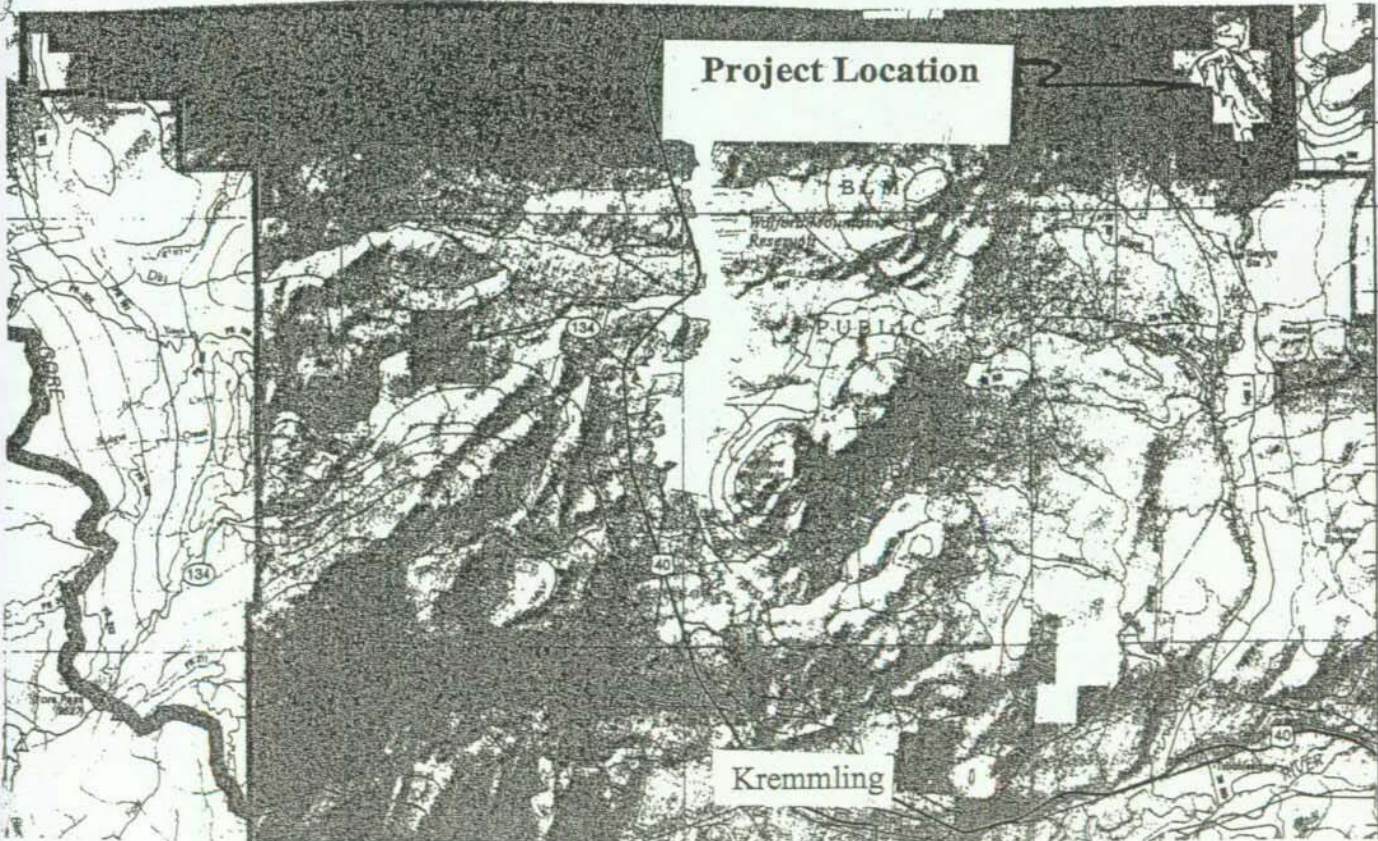


Location Map

Water Project Construction Loan Program-Project Data

Borrower: East Fork Mutual Irrigation Company **County:** Grand
Project Name: Pipe and Slope Stabilization **Project Type:** System Rehabilitation
Drainage Basin: Colorado **Water Source:** E. Fork Troublesome Crk.
Total Project Cost: \$343,049 **Funding Sources:** Company and CWCB
Type of Borrower: Agricultural **Interest Rate:** 2.5%
CWCB Loan: \$259,860 (Includes Org. Fee) **Term:** 30 years
CWCB Grant: \$5,000 **Average Annual Volume of Water diverted:** 8,000 AF

The EFMIC, located in Grand County, owns and operates the East Fork Ditch to deliver direct flow irrigation water for the benefit of the 7 shareholders. Water is diverted from the East Fork of Troublesome Creek, located about 10 miles northeast from the Town of Kremmling, through a 13-mile ditch system to the 4,000-acre service area. The East Fork Mutual Irrigation Company (EFMIC) is applying for a loan in the amount of \$257,287 to make repairs to their existing ditch system. The estimated total cost of the project is \$343,049, which includes pipe installation, pipe joint rehabilitation, slope stabilization, and concrete headwalls.



Location Map