

**TOWN OF SILT
BOARD OF TRUSTEES WORK SESSION AGENDA
MONDAY, AUGUST 28, 2023
5:30 – 6:50 P.M.
MUNICIPAL COUNCIL CHAMBERS**

ESTIMATED TIME	AGENDA ITEM	PUBLIC HEARING or ACTION ITEM	STAFF PRESENTOR
	Agenda		
5:30			
	<ul style="list-style-type: none"> • River Run • Increasing interactions between the Board and the Commission • Multi-family parking requirements • On-street parking • Affordable Housing • Code adjustments related to affordable housing 	Discussion Items	
6:50	Adjournment		

**TOWN OF SILT
REGULAR BOARD OF TRUSTEES AGENDA
MONDAY, AUGUST 28, 2023 – 7:00 P.M.
MUNICIPAL COUNCIL CHAMBERS**

5:30 p.m. – Joint Board of Trustee & Planning Commission Work Session

ESTIMATED TIME	AGENDA ITEM	PUBLIC HEARING or ACTION ITEM	STAFF PRESENTOR
	Agenda		Tab A
7:00	Call to order		Mayor Richel
	Roll call		
	Pledge of Allegiance and Moment of Silence		
7:05	Public Comments - Persons desiring to make public comment on items not on the agenda shall activate the “raise hand” function in the meeting program. For persons who will participate in the meeting by telephone, they should send an email by 5:00 p.m. on the day of the meeting to sheila@townofsilt.org indicating their desire to make public comment. For those attending in person, a “Sign in Sheet” is available in the Council Chambers. Each speaker will limit comments to no more than three (3) minutes, with a total time of 30 minutes allotted to public comments, pursuant to Section 2.28.020 of the Silt Municipal Code		
7:20 5 min	Consent agenda – 1. Minutes of the August 14, 2023 Board of Trustees meeting 2. Reappointments of Planning & Zoning Commissioners	Action Item	Tab B Mayor Richel
	Conflicts of Interest		
7:25	Agenda Changes		
7:25 30 min	Buy Local / Discover Silt – Align Multimedia Marketing Plan Review	Info Item	Tab C Administrator Layman
7:55 60 min	Water Plant Update: Loan News, Rate Study, Construction Cost Trends, Timeline - Jim Mann, Toby Reid, Trey Fonner and Jeff Layman	Action Item	Tab D Administrator Layman
8:55 10 min	Resolution No. 22, Series 2023, A RESOLUTION OF THE BOARD OF TRUSTEES ACTING BY AND THROUGH ITS WATER AND WASTEWATER ACTIVITY ENTERPRISE APPROVING THE LOAN AGREEMENT BETWEEN THE COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY AND THE TOWN OF SILT, COLORADO, AND A GOVERNMENTAL AGENCY BOND TO EVIDENCE SUCH LOAN, FOR THE PURPOSE OF WATER UTILITY IMPROVEMENTS – Jeff Layman and Jim Mann	Action Item	Tab E Administrator Layman
9:05 5 min	July 2023 Financial Report	Info Item	Tab F Treasurer Tucker

9:10 5 min	Administrator and Staff Comments	Info Item	Tab G Administrator Layman
9:15 10 min	Updates from Board / Board Comments		
9:25 20 min	Executive Session – For discussion of a personnel matter under CRS Section 24-6-402(4)(f) – Town Administrator Jeff Layman performance evaluation		
9:45	Adjournment		
The next regularly scheduled meeting of the Silt Board of Trustees is Monday, September 11, 2023. Items on the agenda are approximate and intended as a guide for the Board of Trustees. “Estimated Time” is subject to change, as is the order of the agenda. For deadlines and information required to schedule an item on the agenda, please contact the Silt Town Clerk at 876-2353.			

**TOWN OF SILT
REGULAR BOARD OF TRUSTEES MEETING
AUGUST 14, 2023 – 7:00 P.M.**

The Silt Board of Trustees held their regular meeting on Monday, August 14, 2023. Mayor Pro-tem Hanrahan called the meeting to order at 7:04 p.m.

Roll call	Present	Mayor Pro-tem Derek Hanrahan
		Trustee Justin Brinthal
		Trustee Chris Classen
		Trustee Samuel Flores
		Trustee Andreia Poston
	Absent	Trustee Jerry Seifert
		Mayor Keith Richel

Also present were Town Administrator Jeff Layman, Town Clerk Sheila McIntyre, Town Treasurer Amie Tucker, Public Works Director Trey Fonner, Chief of Police Mike Kite and members of the public.

Pledge of Allegiance and Moment of Silence

Public Comments – There were no public comments.

Consent Agenda –

1. Minutes of the July 24, 2023 Board of Trustees meeting
2. **Resolution No. 19, Series 2023**, A RESOLUTION SUPPORTING THE GRANT APPLICATION FOR A GARFIELD COUNTY FEDERAL MINERAL LEASE DISTRICT GRANT IN THE AMOUNT OF \$25,000.00, FOR A TOTAL PROJECT COST OF \$56,559.00, IN ORDER TO OFFSET THE COSTS ASSOCIATED WITH THE PURCHASING OF A NEW PUBLIC WORKS VEHICLE FOR THE TOWN OF SILT, GARFIELD COUNTY, STATE OF COLORADO
3. **Resolution No. 20, Series 2023**, A RESOLUTION SUPPORTING THE GRANT APPLICATION FOR A GARFIELD COUNTY FEDERAL MINERAL LEASE DISTRICT GRANT IN THE AMOUNT OF \$183,748.60, FOR A TOTAL PROJECT COST OF \$262,498.00, IN ORDER TO OFFSET THE COSTS ASSOCIATED WITH THE REFURBISHMENT OF A 150,000 GALLN POTABLE WATER STORAGE TANK FOR THE TWOWN OF SILT, GARFIELD COUNTY, STATE OF COLORADO
4. **Resolution No. 21, Series 2023**, A RESOLUTION SUPPORTING THE EXECUTION OF THE INTERGOVERNMENTAL AGREEMENT IN REGARDS TO THE TRANSPORTATION ALTERNATIVES PROGRAM GRANT PROJECT NUMBER TAP M207-002 (25841) BETWEEN THE COLORADO DEPARTMENT OF TRANSPORTATION AND THE TOWN OF SILT, GARFIELD COUNTY, STATE OF COLORADO
5. Green Cross Silt – Renewal of Retail Marijuana license
6. Burning Mountain Pizza & Subs – Renewal of Hotel and Restaurant Liquor License

Public Works Director Fonner explained that there was a minor change to Resolution 20 in the amount to be awarded and that the revised copy was before the Board tonight for their review and approval.

Trustee Seifert made a motion to approve the consent agenda as presented including the revised Resolution No. 20. Trustee Brintnall seconded the motion, and the motion carried unanimously.

Conflicts of Interest – There were no conflicts of interest.

Agenda Changes – Chief Kite introduced the departments newest Police Officer Tarren Farnham. The Board welcomed Officer Farnham to the Silt Police Department.

Water Plant Update – Fall Timeline

Administrator Layman provided an update on the status of the water plant by going over the following information:

- That the Colorado Drinking Water Revolving Fund (DWRF) Loan Program has issued their Loan Credit Report, attached. The SRF Loan Committee will consider our application, filed in June, on August 23rd at a meeting in Steamboat Springs, and render a decision regarding the loan and principal forgiveness features that have been recommended by SRF staff. It will then be up to the Town to pass resolutions adopting a rate study, accepting the construction contract, retaining bond counsel and approving the loan agreement. We will schedule a meeting on August 28 to review current information. On September 11, we will present the final bit of information prior to the Board finalizing their decision to go forward.
- That the Town of Silt Board of Trustees, along with professional staff and engineers have spent since mid-2020 working to find the best path forward to provide Silt citizens with the pre-treatment option that it should have had since the beginning.
- The since 2022, Dewberry has led the Town in the process of preparing and applying for loans, grants and principal forgiveness (see attached DWRF program flier). Dewberry conducted a technical study of the Silt W/WW plants and produced master plans to be used specifically to develop short and long-term plans and costs for implementing improvements. This work was critical in order to complete the “Project Needs Assessment” (PNA) for the State of Colorado by their June 30, 2022 deadline. The PNA is required in order to be eligible for low interest loans and grants offered by the Federal government through the State.
- After the Town hired Garney Construction to serve as construction manager at risk (CMAR), the estimated cost was presented to the Board, along with anticipated revenues with which to pay for the project. The Town of Silt Board of Trustees approved the application for a \$28 MM loan from the DWRF on June 15, 2023. The next opportunity to apply for the loan will be in January 2024.
- Garney and Dewberry led a 90% design/engineering completion workshop on August 2. Garney will present a Guaranteed Maximum Price (GMP) to the Board of Trustees at its September 11 meeting. Attached you’ll find the “Invitation to Bid” posted by Garney to subcontractors.
- Timeline:
 - CDPHE Loan Committee Meeting August 23rd, 2023

- Brief Board on Rate Increase w/ cost trends based on 90% August 28th, 2023
- GMP Update Submittal September 8th, 2023
- Final Rate Increase/water plant decision September 11, 2023
- Begin contract process with Garney September 12, 2023
- Bond Sale October 9, 2023
- 100 Design Workshop November 9, 2023
- 100 Percent Design November 21, 2023

- Project Budget:

Total Project Budget:	\$28,000,000
Total Principal Forgiveness:	\$ 8,645,000
Total Grants:	\$ 750,000

Total Loan Request:	\$18,605,000
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Estimated Interest Rate (Leveraged):	3.5% on 15,605,000. 20 years
Interest Rate (Direct):	1% on 3,000,000. 20 years

Current Rate:	\$53.61 (W), \$71.56 (S)
Estimated Rate Increase:	\$61.17

There was brief discussion about continued distribution of information regarding the future increase in rates and that this would be on the next two agendas allowing the public two last chances to make comments. It was suggested to send info out to the HOA's to help get the word out as well.

Topics of discussion for work session between the Board of Trustees and the Planning Commission

Administrator Layman stated that the Board and Planning Commission would be meeting in a work session on August 28 and would like to know what topics might be of interest to place on the agenda. The Trustees commented about affordable housing, the zoning rules that could and/or should be updated in code to accommodate affordable housing and increasing the interactions and activity between the Board and the Commission.

Administrator and Staff Reports

Administrator Layman announced that Town Attorney Mike Sawyer is back in the office again. There was brief discussion regarding the following:

- Status of the potential annexation and development of Herons Nest
- Letter of Support for an EIAF Grant
- The Town would be closing on the lot in front of the Holiday Inn next week

Director Fonner stated that Tara Subdivision is scheduled to be milled and repaved starting next week. There was also discussion about the drainage on Ballard Avenue around the 1300 block.

Updates from Board / Board Comments

The Trustees invited the public to attend Silt Heyday and the next concert at the pavilion. They also welcomed the newest officer and thanked the police department for keeping the community safe. Public Works was thanked for the good job done on the new horseshoe pits and Director Fonner thanked those that donated materials and services: Casey Concrete, Canberra Concrete Pumping, Harrahs Concrete and Murr Welding. He added that signage would be put up once the fencing is completed around the pits recognizing all of those involved with making this project happen.

There was also brief discussion about the LED lights along Main Street, that the locates at 16th & Grand don't appear accurate, that the fire hydrants need to be painted and the weeds cleaned around them, a dead tree on the boulevard by the Post Office. Staff was thanked for filling potholes, the shelter that was built as Flying Eagle Park and for the new Shelter at Veteran's Park looks. The Trustees asked once again that people please slow down especially now that school is back in session. There was brief discussion about increasing the amounts of fines so that people understand the need to slow down.

Executive Session

Trustee Brintnall made a motion to go into executive session for discussion of a personnel matter under CRS Section 24-6-402(4)(f) – Jeff Layman Performance Evaluation. Trustee Classen seconded the motion, and the motion carried unanimously. The Board adjourned to executive session at 8:04 p.m. After a brief recess it was determined that the executive session would not be occurring tonight but would take place at a future meeting once the necessary materials have been distributed to the Board.

Adjournment

Trustee Seifert made a motion to adjourn. Trustee Brintnall seconded the motion, and the motion carried unanimously. Mayor Pro-tem Hanrahan adjourned the meeting at 8:19 p.m.

Respectfully submitted,

Sheila M. McIntyre
Town Clerk, CMC

Approved by the Board of Trustees

Derek Hanrahan
Mayor Pro-tem

**TOWN OF SILT
BOARD OF TRUSTEES REGULAR MEETING
July 12, 2021**

AGENDA ITEM SUMMARY

SUBJECT: Planning Commissioners re-appointments

PROCEDURE: (Public Hearing, Action item, Information Item) Action item

RECOMMENDATION: Staff asks that the board re-appoint the two current Commissioners for another four-year term

SUMMARY AND BACKGROUND OF SUBJECT MATTER: According to Silt Municipal Code Section 2.16.040, the terms of the Commissioners shall be four years. Two of the three current Commissioners whose terms expire this year have submitted an application to be re-appointed to their positions. If you should choose to re-appoint Lindsey Williams and Michael Bertaux, it would still leave one open position to fill. An application has been submitted and you will be interviewing a person for this vacancy at your September 11 meeting.

ORDINANCE FIRST READING DATE: N/A

ORDINANCE SECOND READING DATE: N/A

ORIGINATED BY:

PRESENTED BY: Jeff Layman

DOCUMENTS ATTACHED: Applications from Lindsey Williams and Michael Bertaux

TOWN ATTORNEY REVIEW ☐ YES ☒ NO **INITIALS** _____

SUBMITTED BY:

REVIEWED BY:

_____**Jeff Layman**_____
Jeff Layman, Town Administrator

_____**Sheila M. McIntyre**_____
Sheila M. McIntyre, Town Clerk



Application for Commission or Board Appointment

On which of the Commissions or Boards are you interested in serving on?

☒ Planning & Zoning Commission ☐ VALE Board ☐ Board of Trustees

Is this a reappointment request? _____ If yes, how long have you served? _____

NAME: Lindsey Williams

ADDRESS: 258 S Golden Dr

MAILING ADDRESS: 258 S. Golden Dr.

CONTACT PHONE: 303-522-3188 WORK PHONE: 970-947-5451

EMAIL ADDRESS: LSidener@gmail.com

HOW LONG HAVE YOU LIVED IN SILT? 6 years OCCUPATION: community outreach
Specialist at Holy Cross Energy

I hereby certify and affirm that all the information contained in this application is true, complete and correct. I understand that false or misleading statements or the omission of important information made on this application or any time during the process may disqualify me from serving for this position. I understand that the Board of Trustees must appoint members to all Boards and Commissions.

Lindsey K. Williams
Applicant's Signature

8/20/23
Date

1. Tell us briefly about yourself, why you are interested in being appointed and what experience or education would you bring to this Commission or Board?

I've lived in Silt for 6 years and have been on P&Z for the last 4. I've enjoyed my current role as Chair for the past year. I have an interest in making our community a great place to live for all. I have a Bachelors degree in journalism and my Masters in Public Health. My background is in philanthropy and distributing grant funding to health & community non-profits.

2. Why do you wish to be appointed/reappointed to this Commission or Board?

I've enjoyed my time on P&Z and giving back to our community this way. I appreciate finding solutions to tough problems and laying the groundwork for what Silt will be in the future.

3. Are you aware of the time commitment and do you have the personal time to devote to this Commission or Board?

Yes, I fit it into my current schedule.

4. The Board of Trustees strives to keep a balance of knowledge and new opinions and ideas on all boards. What makes you a good candidate for reappointment rather than bringing in a new person? (for those seeking reappointment only)

Having just lost Joelle Dorsey, most of P&Z is relatively new, I'm the second longest-tenured member now! P&Z is constantly evolving with fresh faces the past few years and it's been great to have that diversity of opinion on issues.

5. What other Boards have you served on?

I'm the President of RAMBO, the Rifle Area Mountain Biking organization and I sit on the Lova Trails board as their town of Silt liaison.

QUESTIONS FOR PLANNING & ZONING AND BOARD OF TRUSTEE CANDIDATES ONLY

6. If appointed, what would you like to accomplish on the Commission or Board while you're involved?

I have no personal agenda for sitting on P&Z - in general I'm here to support residents living the way they'd like to live, and providing guidance to town staff when disagreements occur.

7. What do you believe could be a concern or issue facing this Commission or Board?

Development in the face of limited resources.

8. What do you think the Town's responsibility is in overseeing and regulating residential and commercial development?

The Town has enormous responsibility when it comes to overseeing development and interpreting our Comprehensive Plan and the Municipal code to best balance development with limited resources.

Thank you for your interest and time commitment in serving your community.



Application for Commission or Board Appointment

On which of the Commissions or Boards are you interested in serving on?

☒ Planning & Zoning Commission ☐ VALE Board ☐ Board of Trustees

Is this a reappointment request? YES If yes, how long have you served? 1 YEAR

NAME: MICHAEL BERTAUX
ADDRESS: 675 No. 7th St., Silt, Colorado 81652
MAILING ADDRESS: SAME
CONTACT PHONE: 970 379 2806 WORK PHONE: N/A
EMAIL ADDRESS: MBERTAUX@COLORADO.NET
HOW LONG HAVE YOU LIVED IN SILT? 4 YRS OCCUPATION: RETIRED

I hereby certify and affirm that all the information contained in this application is true, complete and correct. I understand that false or misleading statements or the omission of important information made on this application or any time during the process may disqualify me from serving for this position. I understand that the Board of Trustees must appoint members to all Boards and Commissions.

Michael J. Bertaux
Applicant's Signature

August 2nd, 2023
Date

1. Tell us briefly about yourself, why you are interested in being appointed and what experience or education would you bring to this Commission or Board?

I'M RETIRED FROM WORKING IN THE SKI INDUSTRY FOR 40 YEARS. I OWN A CONDO IN THE SKYLINE SUBDIVISION. I HAVE ALWAYS SERVED MY COMMUNITY IN SOME WAY, WHETHER ON A BOARD, COMMITTEE, OR ON TOWN CLEAN UP DAY

2. Why do you wish to be appointed/reappointed to this Commission or Board?

I WANT SILT TO ENJOY RESPONSIBLE GROWTH

3. Are you aware of the time commitment and do you have the personal time to devote to this Commission or Board?

YES. TO DATE THERE HAVE BEEN NO REALLY LONG MEETINGS. THE TIME TO PREPARE FOR THE MEETINGS HAS NOT BEEN ANY BURDEN.

4. The Board of Trustees strives to keep a balance of knowledge and new opinions and ideas on all boards. What makes you a good candidate for reappointment rather than bringing in a new person? (for those seeking reappointment only)

I'M STILL LEARNING, AND WILL ALWAYS STRIVE TO BRING ABOUT CONSENSUS

5. What other Boards have you served on?

IN-SILT, NONE

QUESTIONS FOR PLANNING & ZONING AND BOARD OF TRUSTEE CANDIDATES ONLY

6. If appointed, what would you like to accomplish on the Commission or Board while you're involved?

REASONABLE GROWTH ACCORDING
TO THE TOWN STANDARDS AND CODES

7. What do you believe could be a concern or issue facing this Commission or Board?

H₂O + SEWER ISSUES REMAIN A CONCERN.
RETAIL DEVELOPMENT ON HWY. 6 SHOULD BE
PROMOTED

8. What do you think the Town's responsibility is in overseeing and regulating residential and commercial development?

OUR FIRST RESPONSIBILITY IS TO THE
CITIZENS, BUT ALSO TO THE DEVELOP-
MENT CODE OF THE TOWN

Thank you for your interest and time commitment in serving your community.

BOARD OF TRUSTEES REGULAR MEETING

November 14, 2022

AGENDA ITEM SUMMARY

SUBJECT: Align Multimedia Marketing Plan Review

PROCEDURE: Discussion Item

SUMMARY: Katie Mackley and Jason Van Houten will be on hand to announce the winner of the Silt photography contest and review with the Board the progress of the marketing plan implemented early this year.

BACKGROUND: In late 2022, the Town contracted with Align Multimedia to implement a marketing plan that emphasizes to Silt residents the importance of “shopping local” with Silt merchants for things offered in Town and utilizing on-line merchants for items not offered in Town rather than traveling to neighboring communities. It also touts Silt’s qualities to a regional audience.

At the same time, the Town terminated our relationship and attendant contribution to the Colorado River Valley Chamber of Commerce. The contract with Align is for \$24,000 for 2024.

As we have discussed with the Board, Town sales tax revenue experienced a nice bump during the pandemic due to more consumers staying at home and shopping online versus going to physical locations that may be located outside of city limits. The Town of Silt wishes to keep this momentum going and with Align, has developed a marketing campaign that not only promotes local businesses, but informs residents of the impact that online shopping has on the community.

The marketing plan is a longer-term, unified, multimedia marketing strategy for the Town of Silt that not only speaks to the local resident about the benefits of shopping local, but also to prospective visitors to Silt about all the Town has to offer.

Town staff, along with Trustee Derek Hanrahan, worked with Align Multimedia to develop the campaign and have monitored the progress.

RECOMMENDATION:

ORIGINATED BY: Jeff Layman

PRESENTED BY: Katie Mackley and Jason Van Houten, Align Multi Media

DOCUMENTS ATTACHED: Align Multi Media Material

SUBMITTED BY:

Jeff Layman
Jeff Layman, Town Administrator

REVIEWED BY:

Sheila M. McIntyre
Sheila M. McIntyre, Town Clerk

Town of Silt Marketing Report

August 28, 2023

Presented by:

Katie Mackley

Owner/COO

Align Multimedia

PO Box 229

Rifle, CO 81650

970-319-8901

Strategic Marketing Plan 2023

CAMPAIGN OVERVIEW

The 2023 campaign will focus on creating a multi-faceted user experience that establishes a marketing foundation for The Town of Silt that is rooted in data and analytics collection.

2023 OBJECTIVES

- Establish the marketing foundation for the Town of Silt
- Highlight why Silt is a great place to Live, Do Business, & Visit
- Market to two groups, 1) the out of market visitor and, 2) The local resident
- Bring awareness to the newly launched DiscoverSilt.com website
- Develop a consistent and engaging social media presence that highlights various aspects of town, from supporting local businesses to beautiful imagery of the area
- Create a year-long Shop Local campaign by featuring different businesses each month on DiscoverSilt.com, eNewsletters, social media posts, and paid ads throughout the year
- Build Town of Silt multimedia library by capturing video/drone/photo assets throughout the year to use in social media, website, general marketing
- Create a process for evaluating analytics and data to measure performance on website traffic, social media, and digital ad campaigns

2023 TACTICS AND TIMELINE, TO DATE

February 2023 - The DiscoverSiltColorado.com website is refreshed and launched improving the overall layout and aesthetics of the site, increasing speed and ensuring that the website is ADA compliant.

February 2023 - Discover Silt Facebook, Instagram and YouTube accounts are created.

March 2023: A "Shop Local" logo is created with QR code directing users to the "Shop Local" page on DiscoverSiltColorado.com. The logo is used to create stickers that are distributed at local businesses. The logo is also used on reusable shopping bags that will be distributed at town events.

April 2023: The Discover Silt brochure is completed.

May/June 2023: A "Shop Local" video is created featuring The Whimsical Wagon. The video is posted to the "Shop Local" page on the website and shared on social media platforms.

June/July 2023: In conjunction with the Post Independent, the Silt photo contest is launched. The contest is advertised through print and digital ads in the Post Independent and Citizen Telegram and through Discover Silt social media. Silt businesses The Whimsical Wagon, Wild Coffee and The Dusty Wagon Carwash contribute to the prize pack - Many thanks to them! Entries are submitted through the Discover Silt website.

DATA AND ANALYTICS FOR PHOTO CONTEST

Submit phase: June 27 - July 23

Vote phase: July 26 - Aug 6

Contest engagement / email

- 47 photo entries
- Over 200 votes cast
- 65 of 179 participants opted in to the Discover Silt email list
- 55 current subscribers direct from website with 5 during contest period
- 120 total subscribers to Discover Silt Email list

Social info

- Social followers has grown by 20 over the contest period
- Social reach from posts was 4,275 people over the contest period

GA data for contest period June 27 - Aug 6 (41 days)

- 421 users (up 10% from 41 days prior)
- 792 page views (up 8.8% from 41 days prior)

NEXT STEPS

August 2023: Events Page is created for DiscoverSiltColorado.com

September 2023: Using the subscriber email database generated by the photo contest and website, the first Discover Silt newsletter will be created featuring autumn events, activities and recreational opportunities.

September 2023: The second “Shop Local” video will be produced featuring Wild Roots.

October 2023: The third “Shop Local” video will be produced.

November/December 2023: The fourth “Shop Local” video will be produced.

December 2023: The second Discover Silt newsletter will be created featuring winter events, activities and recreational opportunities.

Begin educational / persuasive campaign around the effects on sales tax through the Shop Local campaign

Integrate subscriber list growth tactics with existing Town of Silt staff and resources at events and other public-facing touch points.

BOARD OF TRUSTEES REGULAR MEETING

August 28, 2023

AGENDA ITEM SUMMARY

SUBJECT: Water Plant Update: Loan News, Rate Study, Construction Cost Trends, Timeline

PROCEDURE: Discussion Item

SUMMARY: The purpose of this item is to update the Board on the progress toward building and financing the improvements at the Silt Water Treatment Plant (WTP). The State Revolving Fund (SRF) Loan Committee will consider our application, filed in June, on August 23rd at a meeting in Steamboat Springs, and render a decision regarding the loan and principal forgiveness features that have been recommended by SRF staff. Town Administrator Jeff Layman will attend the meeting in-person and members of our team Jim Mann, Sam Franzen and Toby Reid will appear virtually. We will report the results of this decision at our August 28 meeting.

BACKGROUND: The Town of Silt Board of Trustees, along with professional staff and engineers have spent since mid-2020 working to find the best path forward to provide Silt citizens with the pre-treatment option for the WTP.

Since 2022, Dewberry has led the Town in the process of preparing and applying for loans, grants and principal forgiveness. Dewberry conducted a technical study of the Silt W/WW plants and produced master plans to be used specifically to develop short and long-term plans and costs for implementing improvements. This work was critical in order to complete the “Project Needs Assessment” (PNA) for the State of Colorado by their June 30, 2022 deadline. The PNA is required in order to be eligible for low interest loans and grants offered by the Federal government through the State.

The Town hired Garney Construction to serve as construction manager at risk (CMAR). Their 60% construction estimate was presented to the Board and required revenues to pay for the Water Treatment Plant replacement on June 15th, 2023. The Town of Silt Board of Trustees approved the application for a \$28 MM loan from the Colorado Water Resources and Power Development Authority’s (CWRPDA) Drinking Water Revolving Loan Fund (DWRF) at this meeting. The next opportunity to apply for the loan will be in January 2024.

Garney and Dewberry led a 90% design/engineering completion workshop on August 2. Garney will present a Guaranteed Maximum Price (GMP) to the Board of Trustees at its September 11 meeting.

ADDITIONAL: If the Board of Trustees approves the moving forward with the project and the loan and loan forgiveness package from the CWRPDA Board and, the Town will be required to pass resolutions that:

- Adopt a rate study.
- Accept the construction contract.
- Retaining bond counsel.
- Approve the loan agreement.
- Other requirements as necessary.

On September 11, we will present these resolutions and final information prior to the Board being presented with the opportunity to vote to move forward with the project.

On August 28, the Silt WTP team will present the following updates:

Presenter	Update
Jeff Layman	Status of Loan Application
Toby Reid	Latest Rate Study & Estimate of Average monthly Water Rates
Jim Mann	Construction cost Trends
Jeff Layman	Timeline
Jeff Layman	Schedule
Jim Mann	Budget Review

TIMELINE:

- Submit Draft Rate Study to SRF Week of August 21st, 2023
- CDPHE Loan Committee Meeting August 23rd, 2023
- Brief Board on Rate Increase w/ cost trends August 28th, 2023
- GMP Update Submittal September 8th, 2023
- Final Rate Increase/Water Plant Decision September 11, 2023
- Begin Contract Process with Garney September 12, 2023
- Last Date to Reduce Loan September 29, 2023
- Preliminary Official Statement October 6, 2023
- Bond Sale Early to mid-November 2023
- Funds Available Mid to late November 2023
- 100 Design Workshop November 9, 2023
- 100 Percent Design November 21, 2023
- Early Procurement After first NTP/Fall 2023
- Mobilization/Construction Second NTP/First Quarter 2024

PROJECT BUDGET*:

Total Project Budget: \$28,000,000
 Total Principal Forgiveness: \$8,645,000
 Total Grants: \$ 750,000

Total Loan Request: \$18,605,000

Estimated Interest Rate (Leveraged): 3.5% on 15,605,000. 20 years
 Interest Rate (Direct): 1% on 3,000,000. 20 years

Current Rate: \$53.61 (W), \$71.56 (S)

Estimated Rate Increase: \$61.17

Outstanding Grant Requests

\$1,000,000 - DOLA EIAF Grant

\$2,053,000 - Earmark from Senator Bennet/Senator Hickenlooper

\$1,750,000 - Earmark from Congresswoman Boebert for Water Plant Renovations

\$4,800,000

Scenarios for Additional Water Plant Funding (if awarded):

1. The DOLA grant funding can be used to reduce the principal by \$1 million dollars under the three-million-dollar float allowance.
2. The CDS funding from Senator Bennet and Senator Hickenlooper \$2 million can be used to reduce the loan through the float allowance.
3. The CDS funding from Congresswoman Boebert can be used for projects removed from the Water Plant Project such as:
 - a. Water Tank – Estimated Expense: \$
 - b. XXXX
 - c. XXXX

RECOMMENDATION: Review the attached DWRP Loan Credit Report, rate study information consider the presentations given on August 14, 28 and September 11 in preparation for a final decision on the matter on September 11.

ORIGINATED BY:

Jeff Layman

PRESENTED BY:

Jeff Layman//Jim Mann/Toby Reid

TOWN ATTORNEY REVIEW: / / Yes /X / No

DOCUMENTS ATTACHED:

1. Latest Rate Study

SUBMITTED BY:

REVIEWED BY:

Jeff Layman
Jeff Layman, Town Administrator

Sheila M. McIntyre
Sheila M. McIntyre, Town Clerk

Silt Water Treatment Plant

Drinking Water Revolving Fund Loan Application-Rate Setting

August 28, 2023

Silt Water Treatment Plant

- Total Project: \$28.627 MM
 - WTP Construction \$25.627 MM
 - Design, Engineering, Const. Mgmt\$ 2.400 MM
- Funding will be achieved through:
 - Colorado Drinking Water Revolving Fund Loan (application due on June 15)
 - Anticipated Loan forgiveness of up to \$7 M amount to be confirmed after application on August 23, 2023.
 - \$1,645,000 Emerging Contaminants Funding confirmed after August 23, 2023.
 - Current grants total \$750,000
 - Total Expected Grant Funding/Forgivable Loans: \$9,395,000
 - ***Additional grants are uncertain with a Long Leadtime***

Anticipated Borrowing

- 60% CMAR Number - \$25.627 MM
- 90% CMAR Number anticipated in September
- Anticipate \$9.395 MM Principal Forgiveness
- Bipartisan Infrastructure Law
- Disadvantaged Community Designation
- Emerging Containments

	2023 Water Projects Leveraged Loan	2023 Water Projects Direct Loan
CIP Projects¹		
WTP Project (Garney 60%)	22,627,000	3,000,000
Design, Engineering & Construction Mgmt	2,400,000	
Bipartisan Infrastructure Law PF	(5,000,000)	
Disadvantaged Community PF	(2,000,000)	
Emerging Contaminants Grant	(1,645,000)	
Disadvantage Community Design Grant	(300,000)	
Other Grants	(450,000)	
Congressionally Directed Spending	0	
Subtotal Project Costs	15,632,000	3,000,000
Less Other Available Revenues		
Cash Available		
Premium (Estimate)	(1,400,000)	
Net Borrowing Requirement	14,232,000	3,000,000
Estimated Issuance Expenses	231,030	0
Subtotal Issuance Expenses	231,030	0
TOTAL TO BE FINANCED	14,463,030	3,000,000
Rounding	1,970	0
NET BOND SIZE*	14,465,000	3,000,000

Impact to Average User

June Estimate	August Proposed
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\$114.27	
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	\$105.77
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Proposed New Rate Structure

EQR Factor	1	Average User		3,795		
				Current		Proposed
Base	0	2,000		52.65	52.65	95.00
Tier 1	2,001	6,000		1.00	1.80	6.00
Tier 2	6,001	10,000		2.00		6.75
Tier 3	10,001	14,000		3.34		7.50
Tier 4	14,001	18,000		4.66		8.25
Tier 5	18,001			6.66		9.00
Average User Monthly Impact				54.42		105.77
Proposed Monthly Impact						51.35
Percentage Increase						94%

Continue with bonding process

Use of Reserves/Cash on Hand

- Town cash reserves
- \$750,000 that will not be needed due to grant for boring project
- Ask for "wrap around" debt

Reducing the borrowing by \$750,000 and wrapping the debt would reduce the proposed rates by approximately \$1.00 off base rate



Decision Points



COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

The Amp - Suite 820, 1580 N Logan Street, Denver, Colorado 80203-1942
303/830-1550 • Fax 303/832-8205 • info@cwrpda.com

MEMORANDUM

August 23, 2023

TO: Board of Directors and Karl Ohlsen

FROM: Jim Griffiths, Finance Director

RE: Options When Congressionally Directed Spending (“CDS”) Is Part of the Funding Drinking Water Revolving Fund (“DWRP”) Water Pollution Control Revolving Fund (“WPCRF”) Bipartisan Infrastructure Law (“BIL”)

At the August 16, 2023, Project Finance Committee (“PFC”) meeting, committee members discussed CDS grants in the context of the Town of Silt’s DWRP funding package. If approved, the Town intends to move forward with the DWRP funding package shown in the credit report. In addition, and separately, the Town applied for CDS grant funding. If the CDS grant is awarded then the Town may consider reducing DWRP direct loan funding by the grant amount or may apply the grant to a separate project.

PFC members voiced the following questions and concerns:

- Can CDS grants be used to pre-pay all or portions of our DWRP loans after the funds have been drawn for construction?
- Can CDS grants awarded prior to the Town drawing our direct loans funds be used to replace all or a portion of our loan and principal forgiveness funding?
- Can the Authority Board use funding policy to protect DWRP and WPCRF capitalization grants? Can policy include excluding CDS grants on DWRP and WPCRF funded projects?
- PFC members acknowledged the broad nature of these concerns beyond the Town of Silt.

Option #1 – add prepayment restriction language to our BIL and Base direct loans.

Pro	Con
There is precedent - Denver Water BIL Lead Loan included prepayment language such that any prepayment in the first 7-years would include interest due through year seven.	No need to add prepayment language for all direct loans (BIL and Base) as CDS grants <u>cannot</u> be used to pay the principal and interest of a DWRP or WPCRF loan (per U.S. EPA Region VIII).
Ensures that you earn a certain amount of interest on all direct loans.	Prepayment in the first ten years is uncommon. Prepayments add to our loan capacity and WPCRF needs additional funding.

Staff Recommendation on Option #1: CDS grants cannot be used to prepay WPCRF and DWRP loans. Therefore, prepayment restrictions should be made on a case-by-case basis.

Option #2 – Allow CDS grants to replace direct loans (BIL and Base). If a direct loan includes principal forgiveness (“PF”) then replacement will be in proportion to how we provided the funds. Replacement is generally only applicable to undrawn funds.

Pro	Con
We are protected by existing policy. As long as the funds are undrawn then a proportional reduction would occur. CDS grants cannot be used to pay the principal and interest on a DWRF or WPCRF loan that has been drawn and is amortizing (per EPA).	CDS grants cannot be used to pay the principal and interest on a DWRF or WPCRF loan (per EPA). So, the reduction would need to occur before the funds are fully drawn.
Proportional replacement is a compromise. If our direct loan does not contain PF (and is undrawn) then just principal would be reduced thus adding to our capacity to lend to other projects.	A proportional reduction benefits the borrower more than the Authority as they are gaining grant funds in this reduction process. They are reducing a 50%/50% loan/PF with 100% CDS grant.
CDS grant rules do not allow certain construction delivery methods such as Construction Manager at Risk (CMAR). Therefore, borrowers will not seek CDS grants on many DWRF & WPCRF projects minimizing this issue.	CDS grants have different rules and may not combine well with other funding. This is a con for many borrowers who need to utilize all available sources of funding.

Staff Recommendation on Option #2: Proportional reduction is already policy and would be applied to CDS grants if used to reduce undrawn loan/PF funds. And CDS grants may not combine well with other funds. Therefore, staff recommends no action or change at this time.

Option #3 – If CDS grants of any amount are awarded on a project, then no DWRF or WPCRF funds can be provided on the same project. This option would send a strong message to community leaders and elected officials in Colorado.

Pro	Con
Such a policy will elicit an immediate reaction by community leaders and elected officials.	The immediate reaction may not be favorable to the Authority and our long-term mission.
Such a policy will cause small borrowers that don’t have access to capital markets or other funding to forgo CDS grants (because they need SRF funds).	The larger Cities may have better odds at getting CDS grants and utilize the capital markets to issue bonds for additional funding.

Staff Recommendation on Option #3: This style of policy is risky and may bring considerable political scrutiny to the Authority’s operations. And it may not have the desired effect of restoring capitalization grants. Therefore, staff recommends against using this option.

BOARD OF TRUSTEES REGULAR MEETING

August 28, 2023

AGENDA ITEM SUMMARY

SUBJECT: Silt Water Treatment Plant: \$300,000 Design and Engineering Loan/Loan Forgiveness Resolution

PROCEDURE: Action Item

SUMMARY: The resolution attached approves a \$300,000 principal forgiveness loan to the Town of Silt for the purposes of paying for design and engineering costs for the construction of the Silt Water Treatment Plant. The loan will be forgiven at 100% and the Town will have no repayment obligations.

BACKGROUND: Earlier this year, the Colorado Water Resources and Power Development Authority (CWRPDA), upon the recommendation of their staff at the Department of Local Affairs (DOLA) and the Colorado Department of Public Health and Environment (CDPHE), approved the designation of Silt as a “disadvantaged community”. This designation carried with it additional “principal forgiveness” to be applied to the leveraged water treatment plant loan and a \$300,000 loan with “principal forgiveness” of the entire amount.

RECOMMENDATION: Staff recommends approval of the resolution

ORIGINATED BY: Jeff Layman

PRESENTED BY: Jeff Layman

TOWN ATTORNEY REVIEW: / ☒ / Yes / / No

DOCUMENTS ATTACHED: 1. Resolution approving full forgiveness loan

SUBMITTED BY:

Jeff Layman
Jeff Layman, Town Administrator

REVIEWED BY:

Sheila M. McIntyre
Sheila M. McIntyre, Town Clerk

**TOWN OF SILT
RESOLUTION NO. 22
SERIES OF 2023**

A RESOLUTION OF THE BOARD OF TRUSTEES ACTING BY AND THROUGH ITS WATER AND WASTEWATER ACTIVITY ENTERPRISE APPROVING THE LOAN AGREEMENT BETWEEN THE COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY AND THE TOWN OF SILT, COLORADO, AND A GOVERNMENTAL AGENCY BOND TO EVIDENCE SUCH LOAN, FOR THE PURPOSE OF WATER UTILITY IMPROVEMENTS

WHEREAS, The Town of Silt (the "Town"), has the authority to enter into contracts for any lawful municipal purpose pursuant to C.R.S. § 31-15-101; and

WHEREAS, the Board of Trustees of the Town (the "Board") is the governing body of the Town and is acting herein on behalf of the Town's Water and Wastewater Activity Enterprise (the "Enterprise"); and

WHEREAS, The Town has applied for funding from the Colorado Water Resources and Power Development Authority (the "CWRPDA") for a Drinking Water Revolving Fund Design and Engineering Loan Agreement prepared by the CWRPDA for the purposes of providing Town funds for water utility improvements in the amount of \$300,000; and

WHEREAS, the Board has determined that it is in the best interests of the Town to make certain capital expenditures consisting of upgrading the Town's Water Treatment Plant with a new water treatment facility and storage tank (the "Project"); and

WHEREAS, to finance the Project, the Town has applied for a Principal Forgiveness Loan (the "Loan"), in the amount of \$300,000, from the CWRPDA, which is a body corporate and political subdivision of the State of Colorado; and

WHEREAS, the Board has been presented with the Loan Agreement and Governmental Agency Bond ("Bond") needed to finalize the Loan; and

WHEREAS, upon closing of the Loan, CWRPDA shall forgive 100% of the principal amount of the Loan and then Town shall have no repayment obligation under the Loan; and

WHEREAS, the Bond does not constitute a debt or an indebtedness to the Town within the meaning of any constitutional or statutory limitation or provision, and shall not be considered or held to be a general obligation of the Town; and

WHEREAS, the Enterprise received less than ten percent (10%) of its annual revenues in 2022 from State and local grants, which excepts the Enterprise from the provisions of the Article X, Section 20 of the Colorado Constitution; and

WHEREAS the Board desires to approve the forms of the Financing Documents and authorize the execution thereof.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF SILT, COLORADO, ACTING BY AND THROUGH ITS WATER AND WASTEWATER ACTIVITY ENTERPRISE, THAT:

Section 1. Approval of Loan Agreement and Authorization of Bond. The Loan Agreement between the CWRPDA and the Town, a copy of which is attached hereto and incorporated herein as **Exhibit A**, is hereby approved and adopted, and the Mayor is authorized to execute the same on behalf of the Town.

Section 2. Bond. The Bond shall be in an aggregate principal amount of \$300,000 and shall be 100% forgiven by CWRPDA upon closing of the Loan. The Town shall have no repayment obligations as set forth in the Loan Agreement.

Section 3. Disposition and Investment of Loan Proceeds. The proceeds of the Loan shall be applied only to pay for design and engineering costs for the Project, to the extent permitted pursuant to the terms of the Loan Agreement.

Section 4. Authorized Officers. Pursuant to Exhibit B of the Loan Agreement, the Public Works Director and the Treasurer of the Town are hereby designated as the Authorized Officers (as defined in the Loan Agreement) for the purpose of performing any act or executing any document relating to the Loan, including the requisition of funds as set forth in the Loan Agreement, and to execute all documents and certificates necessary or desirable to effectuate the issuance of the Bond and the financing contemplated by this Resolution.

Section 5. Ratification of Prior Actions. All actions heretofore taken by the officers and employees of the Town and members of the Board, not inconsistent with the provisions of this Resolution, relating to the Loan, Loan Agreement and issuance of the Bond, or actions to be taken in respect thereof, are hereby authorized, ratified approved and confirmed.

Section 9. This Resolution shall take effect immediately upon its passage.

INTRODUCED, READ AND APPROVED at a regular meeting of the Board of Trustees of the Town of Silt, Colorado held on the 28th day of August, 2023.

ATTEST:

TOWN OF SILT, ACTING BY
AND THROUGH THE
ENTERPRISE

Town Clerk Sheila M. McIntyre, CMC

Mayor Keith B. Richel

DRINKING WATER REVOLVING FUND

LOAN AGREEMENT

BETWEEN

**COLORADO WATER RESOURCES AND POWER
DEVELOPMENT AUTHORITY**

AND

**TOWN OF SILT, COLORADO, ACTING BY AND THROUGH ITS WATER
AND WASTEWATER ACTIVITY ENTERPRISE**

DATED

DRINKING WATER REVOLVING FUND DESIGN AND ENGINEERING LOAN
AGREEMENT

THIS LOAN AGREEMENT is made and entered into as of this ____ day of _____ 2023 by and between **COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY** (the "Authority"), a body corporate and political subdivision of the State of Colorado, and the **TOWN OF SILT, COLORADO, ACTING BY AND THROUGH ITS WATER AND WASTEWATER ACTIVITY ENTERPRISE** (the "Governmental Agency").

WITNESSETH THAT:

WHEREAS, the United States of America, pursuant to the federal Safe Drinking Water Act of 1996, assists state and local participation in the financing of the costs of drinking water system projects and said federal Drinking Water Act requires each state to establish a drinking water revolving fund to be administered by an instrumentality of the State.

WHEREAS, the Authority was created to initiate, acquire, construct, maintain, repair, and operate or cause to be operated certain water resource projects, and to finance the cost thereof;

WHEREAS, Section 37-95-107.8, Colorado Revised Statutes, has created a Drinking Water Revolving Fund to be administered by the Authority;

WHEREAS, the Governmental Agency has completed the necessary steps to finance all or a portion of the cost of certain design and engineering expenses;

WHEREAS, the Colorado Legislature has approved a Project Eligibility List that includes the water resource project proposed by the Governmental Agency to be financed hereunder;

WHEREAS, the Governmental Agency has made timely submission of a Project Needs Assessment to the Authority for financing under the Drinking Water Revolving Fund to finance a portion of the design and engineering cost of a certain water resource project, and the SRF committee has reviewed the Governmental Agency's Project Needs Assessment and recommended funding from available funds in the Drinking Water Revolving Fund in an amount not to exceed the amount of the loan commitment set forth in Exhibit B hereto to finance 80% of the design and engineering costs of the project, provided the remaining 20% of the design and engineering costs are paid by the Governmental Agency. However, these 20% matching funds shall be reimbursed if the Governmental Agency executes a loan under the Drinking Water Revolving Fund to complete the Project for which the design and engineering costs were paid;

WHEREAS, the Governmental Agency will issue its bond to the Authority to evidence said loan and its obligations hereunder to the Authority;

NOW THEREFORE, for and in consideration of the award of the loan by the Authority, the Governmental Agency agrees to perform its obligations under this Loan Agreement in accordance with the conditions, covenants and procedures set forth herein and attached hereto as a part hereof, as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01. Definitions. The following terms as used in this Loan Agreement shall, unless the context clearly requires otherwise, have the following meanings:

"Act" means the "Colorado Water Resources and Power Development Authority Act," being Section 37-95-101 et seq. of the Colorado Revised Statutes, as the same may from time to time be amended and supplemented.

"Authority" means the Colorado Water Resources and Power Development Authority, a body corporate and political subdivision of the State of Colorado duly created and validly existing under and by virtue of the Act.

"Authorized Officer" means, in the case of the Governmental Agency, the person whose name is set forth in Paragraph (7) of Exhibit B hereto or such other person or persons authorized pursuant to a resolution or ordinance of the governing body of the Governmental Agency to act as an Authorized Officer of the Governmental Agency to perform any act or execute any document relating to the Loan, the Governmental Agency Bond, or this Loan Agreement, whose name is furnished in writing to the Authority.

"Commencement Date" means the date of commencement of the term of this Loan Agreement, as set forth in Paragraph (1) of Exhibit B attached hereto and made a part hereof.

"Cost" means those costs that are eligible to be funded and that are reasonable, necessary and allocable to the Project and are associated with the Project Needs Assessment.

"Event of Default" means any occurrence or event specified in Section 5.01 hereof.

"Federal Capitalization Agreement" means the instrument or agreement established or entered into by the United States of America Environmental Protection Agency with the Authority to make capitalization grant payments pursuant to the Safe Drinking Water Act, as amended (42 U.S.C. Section 300f et seq.)

"Governmental Agency" means the entity that is a party to and is described in the first paragraph of this Loan Agreement, and its successors and assigns.

"Governmental Agency Bond" means the bond executed and delivered by the Governmental Agency to the Authority to evidence the Loan and its obligations to the Authority pursuant to the Loan, the form of which is attached hereto as Exhibit D and made a part hereof.

"Loan" means the loan made by the Authority to the Governmental Agency to finance or refinance a portion of the design and engineering Cost of the Project pursuant to this Loan Agreement. For all purposes of this Loan Agreement, the principal amount of the Loan at any time shall be the amount of the Loan Commitment set forth in Paragraph (4) of Exhibit B attached hereto and made a part of this Loan Agreement.

"Loan Agreement" means this Loan Agreement, including the Exhibits attached hereto, as it may be supplemented, modified, or amended from time to time in accordance with the terms hereof.

"Loan Closing" means the date upon which the Loan herein shall be closed, as set forth in Section 3.06.

"Loan Term" means the term of this Loan Agreement provided in Paragraph (5) of Exhibit B attached hereto and made a part hereof.

"Principal Forgiveness" means forgiveness upon Loan Closing of the Governmental Agency's obligation to repay 100% of the principal amount of the Loan, to be effectuated as provided in paragraph (6) of Exhibit B, attached hereto and made a part hereof.

"Project" means the project of the Governmental Agency described in Paragraph (1) of Exhibit A attached hereto and made a part hereof, all or a portion of the design and engineering Cost of which is financed or refinanced by the Authority through the making of the Loan under this Loan Agreement.

"Project Loan Account" means the Project Loan Account established within the Drinking Water Revolving Fund.

Except where the context otherwise requires, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations, corporations, agencies and districts. Words importing one gender shall include the other gender.

ARTICLE II

REPRESENTATIONS AND COVENANTS OF GOVERNMENTAL AGENCY

SECTION 2.01. Representations of Governmental Agency. The Governmental Agency represents for the benefit of the Authority:

(a) Organization and Authority.

(i) The Governmental Agency is a governmental agency as defined in the Act and as described in the first paragraph of this Loan Agreement.

(ii) The Governmental Agency has full legal right and authority to execute and deliver this Loan Agreement; to execute, issue, and deliver the Governmental Agency Bond; and to carry out and consummate all transactions contemplated by this Loan Agreement and the Governmental Agency Bond. The Project is on the drinking water project eligibility list approved by the General Assembly of the State of Colorado pursuant to the Act and is a project that the Governmental Agency may undertake pursuant to Colorado law, and for which the Governmental Agency is authorized by law to borrow money.

(iii) The proceedings of the Governmental Agency's governing members and voters, if a referendum is necessary, approving this Loan Agreement and the Governmental Agency Bond, and authorizing their execution, issuance, and delivery on behalf of the Governmental Agency, and authorizing the Governmental Agency to undertake and complete the Project, or to cause the same to be undertaken and completed, have been duly and lawfully adopted and approved in accordance with the laws of Colorado, and such proceedings were duly approved and published, if necessary, in accordance with applicable Colorado law, at a meeting or meetings that were duly called pursuant to necessary public notice and held in accordance with applicable Colorado law, and at which quorums were present and acting throughout.

(iv) This Loan Agreement has been, and the Governmental Agency Bond when delivered at the Loan Closing will have been, duly authorized, executed, and delivered by an Authorized Officer of the Governmental Agency; and, assuming that the Authority has all the requisite power and authority to authorize, execute, and deliver, and has duly authorized, executed, and delivered, this Loan Agreement, this Loan Agreement constitutes, and the Governmental Agency Bond when delivered to the Authority will constitute, the legal, valid, and binding obligations of the Governmental Agency in accordance with their respective terms; and the information contained under "Description of the Loan" on Exhibit B attached hereto and made a part hereof is true and accurate in all material respects.

(b) Full Disclosure.

There is no fact that the Governmental Agency has not disclosed to the Authority in writing on the Governmental Agency's Project Needs Assessment or otherwise that materially adversely affects the properties, activities, prospects, or condition (financial or otherwise) of the Governmental Agency, or the ability of the Governmental Agency otherwise to observe and perform its duties, covenants, obligations, and agreements under this Loan Agreement and the Governmental Agency Bond.

(c) Pending Litigation.

Except as disclosed to the Authority in writing, there are no proceedings pending, or, to the knowledge of the Governmental Agency threatened, against or affecting the Governmental Agency, in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would materially adversely affect the properties, activities, prospects, or condition (financial or otherwise) of the Governmental Agency or the ability of the Governmental Agency otherwise to observe and perform its duties, covenants, obligations, and agreements under this Loan Agreement and the Governmental Agency Bond.

(d) Compliance with Existing Laws and Agreements.

The authorization, execution, and delivery of this Loan Agreement and the Governmental Agency Bond by the Governmental Agency, the observance and performance by the Governmental Agency of its duties, covenants, obligations, and agreements thereunder, and the consummation of the transactions provided for in this Loan Agreement and in the Governmental Agency Bond; the compliance by the Governmental Agency with the provisions of this Loan Agreement and the Governmental Agency Bond; and the undertaking and completion of the Project; will not result in any breach of any of the terms, conditions, or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge, or encumbrance upon, any property or assets of the Governmental Agency pursuant to any existing ordinance or resolution, trust agreement, indenture, mortgage, deed of trust, loan agreement, or other instrument (other than the lien and charge of this Loan Agreement and the Governmental Agency Bond) to which the Governmental Agency is a party or by which the Governmental Agency, or any of the property or assets of the Governmental Agency may be bound, and such action will not result in any violation of the provisions of the charter or other document pursuant to which the Governmental Agency was established, or of any laws, ordinances, resolutions, governmental rules, regulations, or court orders to which the Governmental Agency, or the properties or operations of the Governmental Agency are subject.

(e) No Defaults.

No event has occurred and no condition exists that, upon authorization, execution, and delivery of this Loan Agreement and the Governmental Agency Bond, or receipt of the amount of the Loan, would constitute an Event of Default hereunder. The Governmental Agency is not in violation of, and has not received notice of any claimed violation of, any term of any agreement or other instrument to which it is a party, or by which it, may be bound, which violation would materially adversely affect the properties, activities, prospects, or condition (financial or otherwise) of the Governmental Agency or the ability of the Governmental Agency otherwise to observe and perform its duties, covenants, obligations, and agreements under this Loan Agreement and the Governmental Agency Bond.

(f) Governmental Consent.

The Governmental Agency has obtained all approvals required to date by any governmental body or officer for the making, observance, and performance by the Governmental Agency of its duties, covenants, obligations, and agreements under this Loan Agreement and the Governmental Agency Bond, or for the undertaking or completion of the Project and the financing or refinancing thereof; and the Governmental Agency has complied with all applicable provisions of law requiring any notification, declaration, filing, or registration with any governmental body or officer in connection with the making, observance, and performance by the Governmental Agency of its duties, covenants, obligations, and agreements under this Loan Agreement and the Governmental Agency Bond, or with the undertaking or completion of the Project and the financing or refinancing thereof. No consent, approval, or authorization of, or filing, registration, or qualification with, any governmental body or officer that has not been obtained is required on the part of the Governmental Agency as a condition to the authorization, execution, and delivery of this Loan Agreement and the Governmental Agency Bond, the undertaking or completion of the Project or the consummation of any transaction herein contemplated.

(g) Compliance with Law.

The Governmental Agency:

(i) is in compliance with all laws, ordinances, governmental rules, and regulations to which it is subject, the failure to comply with which would materially adversely affect the ability of the Governmental Agency to conduct its activities or to undertake or complete the Project, or the condition (financial or otherwise) of the Governmental Agency or the System; and

(h) Use of Proceeds.

The Governmental Agency will apply the proceeds of the Loan from the Authority as described in Exhibit B attached hereto and made a part hereof (i) to finance all or a portion of the Cost; and (ii) where applicable, to reimburse the Governmental Agency for a portion of the Cost, which portion was paid or incurred in anticipation of reimbursement by the Authority.

SECTION 2.02. Particular Covenants of the Governmental Agency.

(a) Reimbursement for Ineligible Costs.

The Governmental Agency shall promptly reimburse the Authority for any portion of the Loan that is determined not to be a Cost of the Project and that would not be eligible for funding from draws under the Drinking Water Revolving Fund. Such reimbursement shall be promptly repaid to the Authority upon written request of the Authority.

(b) No Lobbying.

No portion of the Loan shall be used for lobbying or propaganda as prohibited by 18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74.

(c) Records; Accounts.

During the Loan Term, the Governmental Agency shall keep accurate records and accounts, separate and distinct from its other records and accounts (the "General Records"). Such Records shall be maintained in accordance with generally accepted accounting principles, and Records and General Records shall be made available for inspection by the Authority at any reasonable time.

(d) Notice of Material Adverse Change.

During the Loan Term, (i) the Governmental Agency shall promptly notify the Authority of any material adverse change in the activities, prospects, or condition (financial or otherwise) of the Governmental Agency relating to its System, or its ability to observe and perform its duties, covenants, obligations, and agreements under this Loan Agreement; (ii) the Governmental Agency shall promptly notify the Authority of any material adverse change in the activities, prospects, or condition (financial or otherwise) of the Governmental Agency relating to its ability to observe and perform its duties, covenants, obligations, and agreements under this Loan Agreement and the Governmental Agency Bond.

(e) Hiring Requirements.

The Governmental Agency agrees to comply with all applicable state laws regarding hiring requirements.

(f) Continuing Representations.

The representations of the Governmental Agency contained herein shall be true at the time of the execution of this Loan Agreement and the Governmental Agency covenants not to take any action that would cause them not to be true at all times during the Loan Term.

(g) Capacity Development.

The Governmental Agency covenants to maintain its technical, financial, and managerial capability to ensure compliance with the requirements of the Safe Drinking Water Act of 1996 under Section 1452(a)(3)(A)(i).

(h) Additional Covenants and Requirements.

Additional covenants and requirements are included on Exhibit F attached hereto and made a part hereof. The Governmental Agency agrees to observe and comply with each such additional covenant and requirement included on Exhibit F.

ARTICLE III

LOAN TO GOVERNMENTAL AGENCY; AMOUNTS PAYABLE; GENERAL AGREEMENTS

SECTION 3.01. The Loan. The Authority hereby agrees to loan and disburse to the Governmental Agency in accordance with Section 3.02 hereof, and the Governmental Agency agrees to borrow and accept from the Authority, the Loan in the principal amount equal to the Loan Commitment set forth in Paragraph (4) of Exhibit B attached hereto and made a part hereof as such Loan Commitment may be revised to reflect a reduction in the Cost of the Project prior to the Project Completion; provided, however, that the Authority shall be under no obligation to make the Loan if (i) the Governmental Agency does not deliver its Governmental Agency Bond to the Authority on the Loan Closing, or (ii) an Event of Default has occurred and is continuing under this Loan Agreement. The Governmental Agency shall use the proceeds of the Loan strictly in accordance with Section 2.01(h) hereof.

SECTION 3.02. Disbursement of the Loan. The Authority has created in the Drinking Water Revolving Fund a Project Loan Account from which 80% of the design and engineering Costs of the Project shall be paid. Amounts shall be transferred into the Project Loan Account and disbursed to the Governmental Agency upon receipt of a “Request for Reimbursement”, as described below, executed by an Authorized Officer, and approved by the Authority and the State Department of Public Health and Environment; provided that the Disbursement of the Loan may be withheld if the Governmental Agency is not complying with any of the covenants and conditions in the Loan Agreement. To receive reimbursement under this agreement, the Governmental Agency shall submit a signed “Request for Reimbursement” and all applicable invoices and receipts for payments made by the Governmental Agency. The acceptable form for a “Request for Reimbursement” is included hereto as **Exhibit G**. Upon receipt of the “Request for Reimbursement” and the required invoices and receipts, the Authority will reimburse the Governmental Agency an amount equal to 80% of the total invoices provided with the “Request for Reimbursement”; the remaining 20% paid by the Governmental Agency and not reimbursed by the Authority shall be the Governmental Agency’s matching funds. The 20% matching funds shall be reimbursed if the Governmental Agency executes a loan under the Drinking Water Revolving Fund to complete the Project for which the design and engineering costs were paid.

SECTION 3.03. Governmental Agency Bond. The Governmental Agency shall execute and issue the Governmental Agency Bond to the Authority to evidence the Loan and its obligations to the Authority pursuant to the Loan.

SECTION 3.04. Loan Repayment – Principal Forgiveness. This Loan is issued as a 100% Principal Forgiveness Loan pursuant to the current Capitalization Grant, and the principal

amount of the Loan shall be forgiven, as set forth in Paragraph (6) of Exhibit B attached hereto and made a part hereof.

SECTION 3.05. Disclaimer of Warranties and Indemnification. The Governmental Agency acknowledges and agrees that (i) the Authority makes no warranty or representation, either express or implied as to the value, design, condition, merchantability, or fitness for particular purpose, or fitness for any use, of the Project or any portions thereof, or any other warranty or representation with respect thereto; (ii) in no event shall the Authority or its agents be liable or responsible for any direct, incidental, indirect, special, or consequential damages in connection with or arising out of this Loan Agreement, or the Project, or the existence, furnishing, functioning, or use of the Project, or any item or products or services provided for in this Loan Agreement; and (iii) to the extent authorized by law, the Governmental Agency shall indemnify, save, and hold harmless the Authority against any and all claims, damages, liability, and court awards, including costs, expenses, and attorney fees incurred as a result of any act or omission by the Governmental Agency, or its employees, agents, or subcontractors pursuant to the terms of this Loan Agreement, provided, however, that the provisions of this clause (iii) are not intended to and shall not be construed as a waiver of any defense or limitation on damages provided for under and pursuant to the Colorado Governmental Immunity Act (Section 24-10-101, et seq. C.R.S.), or under the laws of the United States or the State of Colorado.

SECTION 3.06. Loan Closing. The Loan shall be closed and become effective as follows:

(a) The Governmental Agency will deliver each of the following items to the Authority:

- (i) executed counterparts of this Loan Agreement;
- (ii) the executed Governmental Agency Bond in the form attached hereto as Exhibit D.
- (iii) copies of the resolutions or ordinances of the governing body of the Governmental Agency authorizing the execution and delivery of this Loan Agreement and the Governmental Agency Bond, certified by an Authorized Officer of the Governmental Agency;
- (iv) an opinion of the Governmental Agency's counsel substantially in the form set forth in Exhibit E-1 hereto (such opinion or portions of such opinion may be given by one or more counsel); provided, however, that the Authority may in its discretion permit variances in such opinion from the form or substance of such Exhibit E-1 if such variances are not to the material detriment of the interests of the Authority; and
- (v) such other certificates, documents, opinions and information as the Authority may require.

(b) Upon receipt of the foregoing documents, the Authority shall obligate the amount of the Loan Commitment set forth in Paragraph (4) of Exhibit B, and make the amount of the Loan available for the Project in accordance with the terms of this Loan Agreement.

ARTICLE IV

ASSIGNMENT

SECTION 4.01. Assignment by Governmental Agency. Neither this Loan Agreement nor the Governmental Agency Bond may be assigned or delegated by the Governmental Agency for any reason, unless the following conditions shall be satisfied: (i) the Authority shall have approved said assignment in writing; (ii) the assignee shall be a governmental agency as defined by the Act, and the assignee shall have expressly assumed in writing the full and faithful observance and performance of the Governmental Agency's duties, covenants, agreements, and obligations under the Loan Agreement; (iii) immediately after such assignment, the assignee shall not be in default in the performance or observance of any duties, covenants, obligations, or agreements of the Governmental Agency under the Loan Agreement; and (iv) the Authority shall receive an opinion of counsel to the effect that such assignment will not violate the provisions of any agreement entered into by the Authority with, or condition of any grant received by the Authority from, the United States of America relating to the Federal Capitalization Agreement or any capitalization grant received by the Authority or the State under the Safe Drinking Water Act.

No assignment or delegation shall relieve the Governmental Agency from primary liability for any of its obligations under this Loan Agreement and in the event of such assignment, the Governmental Agency shall continue to remain primarily liable for the performance and observance of its obligations to be performed and observed under this Loan Agreement.

ARTICLE V

DEFAULTS AND REMEDIES

SECTION 5.01. Event of Default. If any of the following events occur, it is hereby defined as and declared to be and to constitute an "Event of Default":

(a) failure by the Governmental Agency to observe and perform any duty, covenant, obligation or agreement on its part to be observed or performed under this Loan Agreement and the Governmental Agency Bond, which failure shall continue for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the Governmental Agency; provided, however, that if the failure stated in such notice is correctable, but cannot be corrected within the applicable period, the Authority may consent to an extension of such time if corrective action is instituted by the Governmental Agency within the applicable period and diligently pursued until the Event of Default is corrected;

(b) any representation made by or on behalf of the Governmental Agency contained in this Loan Agreement, or in any instrument furnished in compliance with or with reference to this Loan Agreement or the Loan, is false or misleading in any material respect; or

(c) (i) a petition is filed by or against the Governmental Agency under any federal or state bankruptcy or insolvency law, or other similar law in effect on the date of this Loan Agreement or thereafter enacted, unless in the case of any such petition filed against the Governmental Agency such petition shall be dismissed within thirty (30) days after such filing, and such dismissal shall be final and not subject to appeal; or (ii) the Governmental Agency shall become insolvent, or bankrupt or make an assignment for the benefit of its creditors; or (iii) a custodian (including, without limitation, a receiver, liquidator, or trustee of the Governmental Agency or any of its property) shall be appointed by court order, or take possession of the Governmental Agency, or its property or assets, if such order remains in effect, or such possession continues, for more than thirty (30) days.

SECTION 5.02. Notice of Default. The Governmental Agency shall give the Authority prompt telephonic notice of the occurrence of any Event of Default referred to in Section 5.01 at such time as any senior administrative or financial officer of the Governmental Agency becomes aware of the existence thereof. Any telephonic notice pursuant to this Section 5.02 shall be confirmed by the Governmental Agency in writing as soon as practicable.

SECTION 5.03. Remedies on Default. Whenever an Event of Default referred to in Section 5.01 hereof shall have occurred and be continuing, the Authority shall have the right to withhold disbursement of Loan funds remaining, and take such other action at law or in equity as may appear necessary to enforce the performance and observance of any duty, covenant, obligation, or agreement of the Governmental Agency hereunder, including, without limitation, appointment ex parte of a receiver of the System.

SECTION 5.04. Attorney's Fees and Other Expenses. In the Event of Default, the Governmental Agency shall on demand pay to the Authority the reasonable fees and expenses of attorneys, and other reasonable expenses (including, without limitation, the reasonably allocated costs of in-house counsel and legal staff) incurred by the Authority in the enforcement of the performance or observation of the duties, covenants, obligations, or agreements of the Governmental Agency.

SECTION 5.05. No Remedy Exclusive; Waiver; Notice. No remedy herein conferred upon or reserved to the Authority is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement, or now or hereafter existing at law or in equity. No delay or omission to exercise any right, remedy, or power accruing upon any Event of Default shall impair any such right, remedy, or power, or shall be construed to be a waiver thereof, but any such right, remedy, or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be required in this Article V.

SECTION 5.06. Default by the Authority. In the event of any default by the Authority under any covenant, agreement, or obligation of this Loan Agreement, the Governmental Agency's remedy for such default shall be limited to injunction, special action, action for specific performance, or any other available equitable remedy, designed to enforce the performance or observance of any duty, covenant, obligation, or agreement of the Authority hereunder, as may be necessary or appropriate. The Authority shall on demand pay to the Governmental Agency

the reasonable fees and expenses of attorneys, and other reasonable expenses, in the enforcement of such performance or observation.

ARTICLE VI

MISCELLANEOUS

SECTION 6.01. Notices. All notices, certificates, or other communications hereunder shall be sufficiently given and shall be deemed given when hand-delivered or mailed by registered or certified mail, postage prepaid, to the Governmental Agency at the address specified on Exhibit B attached hereto and made a part hereof, and to the Authority, at the following address:

Colorado Water Resources and Power
Development Authority
1580 N. Logan Street, Suite 820
Denver, Colorado 80203-1939
Attention: Executive Director

Such address may be changed by notice in writing.

SECTION 6.02. Binding Effect. This Loan Agreement shall inure to the benefit of, and shall be binding upon, the Authority and the Governmental Agency, and their respective successors and assigns.

SECTION 6.03. Severability. In the event any provision of this Loan Agreement shall be held illegal, invalid, or unenforceable by any court of competent jurisdiction, such holding shall not invalidate, render unenforceable, or otherwise affect, any other provision hereof.

SECTION 6.04. Amendments, Supplements and Modifications. This Loan Agreement may not be amended, supplemented, or modified without the prior written consent of the Authority and the Governmental Agency.

SECTION 6.05. Execution in Counterparts. This Loan Agreement may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 6.06. Applicable Law and Venue. This Loan Agreement shall be governed by and construed in accordance with the laws of the State of Colorado, including the Act. Venue for any action seeking to interpret or enforce the provisions of this Loan Agreement shall be in the Denver District Court.

SECTION 6.07. Consents and Approvals. Whenever the written consent or approval of the Authority shall be required under the provisions of this Loan Agreement, such consent or approval may only be given by the Authority unless otherwise provided by law, or by rules, regulations or resolutions of the Authority.

SECTION 6.08. Captions. The captions or headings in this Loan Agreement are for convenience only and shall not in any way define, limit, or describe, the scope or intent of any provisions or sections of this Loan Agreement.

SECTION 6.09. Further Assurances. The Governmental Agency shall, at the request of the Authority, authorize, execute, acknowledge, and deliver, such further resolutions, conveyances, transfers, assurances, financing statements, and other instruments, as may be necessary or desirable for better assuring, conveying, granting, assigning, and confirming, the rights and agreements, granted or intended to be granted, by this Loan Agreement and the Governmental Agency Bond.

SECTION 6.10. Recitals. This Loan Agreement is authorized pursuant to and in accordance with the Constitution of the State of Colorado and all other laws of the State of Colorado thereunto enabling. Specifically, but not by way of limitation, this Loan Agreement is authorized by the Governmental Agency pursuant to Title 37, Article 45.1 C.R.S., Title 32, Article 1, C.R.S. and Title 11, Article 57, Part 2, C.R.S and shall so recite in the Governmental Agency Bond. Such recitals shall conclusively impart full compliance with all provisions and limitations of such laws and shall be conclusive evidence of the validity and regularity of the issuance of the Governmental Agency Bond, and the Governmental Agency Bond delivered by the Governmental Agency to the Authority containing such recital shall be incontestable for any cause whatsoever after its delivery for value.

IN WITNESS WHEREOF, the Authority and the Governmental Agency have caused this Loan Agreement to be executed, sealed and delivered, as of the Commencement Date set forth on Exhibit B hereto.

**COLORADO WATER RESOURCES AND
POWER DEVELOPMENT AUTHORITY**

(SEAL)

By: _____
Executive Director

ATTEST:

By: _____
Assistant Secretary

**TOWN OF SILT, COLORADO, ACTING BY
AND THROUGH ITS WATER AND
WASTEWATER ACTIVITY ENTERPRISE**

(SEAL)

By: _____
Mayor

ATTEST:

By: _____
Town Clerk

IN WITNESS WHEREOF, the Authority and the Governmental Agency have caused this Loan Agreement to be executed, sealed and delivered, as of the Commencement Date set forth on Exhibit B hereto.

**COLORADO WATER RESOURCES AND
POWER DEVELOPMENT AUTHORITY**

(SEAL)

By: _____
Executive Director

ATTEST:

By: _____
Assistant Secretary

**TOWN OF SILT, COLORADO, ACTING BY
AND THROUGH ITS WATER AND
WASTEWATER ACTIVITY ENTERPRISE**

(SEAL)

By: _____
Mayor

ATTEST:

By: _____
Town Clerk

EXHIBIT A

DESCRIPTION OF THE PROJECT

(1) Description of the Project

The project consists of upgrading the existing WTP with a coagulation/flocculation/sedimentation system with ballasted flocculation followed by mixed media filtration with green sand, UV disinfection, chlorine disinfection, distribution pumping, and a new finished water storage tank.

EXHIBIT B

DESCRIPTION OF THE LOAN

(1) Commencement Date:

(2) Name and Address of Governmental Agency:

Town of Silt, Colorado, Acting By and Through Its Water and Wastewater Activity Enterprise, 231 N 7th Street; P.O. Box 70, Silt, CO 81652- 8730.

(3) Estimated Design and Engineering Cost of the Project: \$300,000.00

(4) Maximum Principal Amount of Loan Commitment: \$300,000.00

(5) Loan Term: The Loan Term shall be from the date of Loan Execution until the date when the Water Quality Control Division of the Colorado Department of Health and Environment issues certification that all required documents have been submitted and the Governmental Agency has met all Project and Loan requirements but shall not exceed 18 months from the Execution Date.

(6) Principal Forgiveness: At Loan Closing, the Authority shall forgive 100% of the principal amount of the Loan.

(7) Authorized Officers: **Trey Fonner, Public Works Director; Amie Tucker, Town Treasurer, 970-876-2353.**

(8) Estimated Project Completion Date: Estimated Design Completion November 2023, Estimated Construction Completion August 2025.

(9) Execution Date:

EXHIBIT C

LOAN REPAYMENT SCHEDULE – NOT APPLICABLE

EXHIBIT D

GOVERNMENTAL AGENCY BOND

FOR VALUE RECEIVED, the undersigned **TOWN OF SILT, COLORADO, ACTING BY AND THROUGH ITS WATER AND WASTEWATER ACTIVITY ENTERPRISE** (the "Governmental Agency"), hereby evidences the issuance of a loan from the **COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY** (the "Authority") in the principal amount of Three Hundred Thousand and 00/100 Dollars (\$300,000.00), or such lesser amount as shall be loaned to the Governmental Agency pursuant to the Loan Agreement dated as of _____, 2023, by and between the Authority and the Governmental Agency (the "Loan Agreement"), and the obligations of the Governmental Agency under and pursuant to the Loan Agreement.

This Governmental Agency Bond is issued pursuant to the Loan Agreement and is subject to Principal Forgiveness as set forth in the Loan Agreement and issued in consideration of the loan made thereunder (the "Loan"). All of the definitions, terms, conditions, and provisions of the Loan Agreement are, by this reference thereto, incorporated herein as a part of this Governmental Agency Bond.

Pursuant to the Loan Agreement, disbursements to the Governmental Agency shall be made in accordance with written instructions upon the receipt by the Authority of requisitions from the Governmental Agency executed and delivered in accordance with the requirements set forth in Section 3.02 of the Loan Agreement.

This Governmental Agency Bond is entitled to the benefits, and is subject to the conditions, of the Loan Agreement.

This Governmental Agency Bond does not constitute a debt or an indebtedness of the Governmental Agency within the meaning of any constitutional or statutory limitation or provision, and shall not be considered or held to be a general obligation of the Governmental Agency.

If an "Event of Default" as defined in Section 5.01 of the Loan Agreement occurs, the remedies on default set forth in Section 5.03 of the Loan Agreement shall be available to enforce the obligations of the Governmental Agency that are evidenced by this Governmental Agency Bond.

This Governmental Agency Bond is issued under the authority of and in full conformity with the Constitution and laws of the State of Colorado, including without limitation, Article X, Section 20 of the Constitution, Title 31, Article 35, Part 4, C.R.S.; Title 37, Article 45.1; certain provisions of Title 11, Article 57, Part 2, C.R.S. (the “Supplemental Public Securities Act”), and pursuant to the Loan Agreement. Pursuant to §11-57-210, of the Supplemental Public Securities Act, this recital is conclusive evidence of the validity and regularity of the issuance of the Governmental Agency Bond after its delivery for value. Pursuant to §31-35-413, C.R.S., this recital conclusively imparts full compliance with all the provisions of said statutes, and this Governmental Agency Bond issued containing such recital is incontestable for any cause whatsoever after its delivery for value.

IN WITNESS WHEREOF, the Governmental Agency has caused this Governmental Agency Bond to be duly executed, sealed and delivered, as of this ____ day of _____ 2023.

(SEAL)

**TOWN OF SILT, COLORADO, ACTING
BY AND THROUGH ITS WATER AND
WASTEWATER ACTIVITY ENTERPRISE**

ATTEST:

By: _____
Mayor

By: _____
Town Clerk

EXHIBIT E-1

OPINION OF GOVERNMENTAL AGENCY COUNSEL

[LETTERHEAD OF COUNSEL TO GOVERNMENTAL AGENCY]

[DATED : Closing Date]

Colorado Water Resources and
Power Development Authority

Ladies and Gentlemen:

[insert "I am an attorney" or "We are attorneys"] admitted to practice in the State of Colorado and [insert "I" or "we"] have acted as counsel to **TOWN OF SILT, COLORADO, ACTING BY AND THROUGH ITS WATER AND WASTEWATER ACTIVITY ENTERPRISE** (the "Governmental Agency"), of the State of Colorado, which has entered into a Loan Agreement (as hereinafter defined) with the **COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY** (the "Authority"), and have acted as such in connection with the authorization, execution and delivery by the Governmental Agency of its Loan Agreement and Governmental Agency Bond (as hereinafter defined).

In so acting [insert "I" or "we"] have examined the Constitution and laws of the State of Colorado and the [charter/by-laws/proceedings relating to organization] of the Governmental Agency. [insert "I" or "We"] have also examined originals, or copies certified or otherwise identified to [insert "my" or "our"] satisfaction, of the following:

(a) the Loan Agreement, dated as of _____ (the "Loan Agreement") by and between the Authority and the Governmental Agency;

(b) the proceedings of the governing body of the Governmental Agency relating to the approval of the Loan Agreement and the execution, issuance and delivery thereof on behalf of the Governmental Agency, and the authorization of the undertaking and completion of the Project (as defined in the Loan Agreement);

(c) the Governmental Agency Bond, dated as of _____ (the "Governmental Agency Bond") issued by the Governmental Agency to the Authority to evidence the Loan(as defined in the Loan Agreement);

(d) the proceedings of the governing body of the Governmental Agency relating to the issuance of the Governmental Agency Bond and the execution, issuance and delivery thereof to the Authority (the Loan Agreement and the Governmental Agency Bond are referred to herein collectively as the "Loan Documents");

(e) all outstanding instruments relating to the bonds, notes or other indebtedness of or relating to the Governmental Agency.

[insert "I" or "We"] have also examined and relied upon originals, or copies certified or otherwise authenticated to [insert "my" or "our"] satisfaction, of such other records, documents, certificates and other instruments, and made such investigation of law as in [insert "my" or "our"] judgment [insert "I" or "we"] have deemed necessary or appropriate to enable [insert "me" or "us"] to render the opinions expressed below.

Based upon the foregoing, [insert "I am" or "we are"] of the opinion that:

(1) The Governmental Agency is a "governmental agency" within the meaning of the Authority's enabling legislation and is a Town of the State of Colorado with the full legal right and authority to execute the Loan Documents.

(2) The Governmental Agency has the full legal right and authority to carry on the business of the System (as defined in the Loan Agreement) as currently being conducted and as proposed to be conducted, and to undertake and complete the Project.

(3) The proceedings of the Governmental Agency's governing body authorizing the Governmental Agency to undertake and complete the Project were duly and lawfully adopted and approved in accordance with Town of Silt, Resolution 29, Series of 2001, applicable Colorado law at meetings duly called pursuant to necessary public notice and held in accordance with applicable Colorado law at which quorums were present and acting throughout and were published in accordance with applicable Colorado law.

(4) The proceedings of the Governmental Agency's governing body approving the Loan Documents and authorizing their execution, issuance and delivery on behalf of the Governmental Agency have been duly and lawfully adopted and approved in accordance with [the applicable resolution] applicable Colorado law, at meetings duly called pursuant to necessary public notice and held in accordance with applicable Colorado law, and at which quorums were present and acting throughout and were published in accordance with applicable Colorado law.

(5) To the best of [insert "my" or "our"] knowledge, after such investigation as [insert "I" or "we"] have deemed appropriate, the authorization, execution and delivery of the Loan Documents by the Governmental Agency, the observation and performance by the Governmental Agency of its duties, covenants, obligations and agreements thereunder and the consummation of the transactions contemplated therein and the undertaking and completion of the Project do not and will not contravene any existing law or any existing order, injunction, judgment, decree, rule or regulation of any court or governmental or administrative agency, authority or person having jurisdiction over the Governmental Agency or its property or assets or result in a breach or violation of any of the terms and provisions of, or constitute a default under, any existing bond resolution, trust agreement, indenture, mortgage, deed of trust, ordinance, order, or other agreement to which the Governmental Agency is a party or by which it, the System, or its property or assets is bound.

(6) To the best of [insert "my" or "our"] knowledge, after such investigation as [insert "I" or "we"] have deemed appropriate, all approvals, consents or authorizations of, or registrations of or filings with, any governmental or public agency, authority or person required to date on the part of the Governmental Agency in connection with the authorization, execution, delivery and performance of the Loan Documents and the undertaking and completion of the Project, other than licenses and permits relating to the construction and acquisition of the Project which [insert "I" or "we"] expect the Governmental Agency to receive in the ordinary course of business, have been obtained or made.

(7) To the best of [insert "my" or "our"] knowledge, after such investigation as [insert "I" or "we"] have deemed appropriate, there is no litigation or other proceeding pending or threatened in any court or other tribunal of competent jurisdiction (either State or Federal) questioning the creation, organization or existence of the Governmental Agency or of the validity, legality or enforceability of the Loan Documents or the undertaking or completion of the Project, except as disclosed in writing to the Authority, which if adversely determined, could (i) materially adversely affect (a) the financial position of the Governmental Agency, (b) the ability of the Governmental Agency to perform its obligations under the Loan Documents, (c) the security for the Loan Documents, or (d) the transactions contemplated by the Loan Documents or (ii) impair the ability of the Governmental Agency to maintain and operate the System.

This opinion is rendered on the basis of Federal law and the laws of the State of Colorado as enacted and construed on the date hereof. [insert "I" or "We"] express no opinion as to any matter not set forth in the numbered paragraphs herein.

[insert "I" or "We"] hereby authorize Carlson, Hammond, & Paddock, L.L.C., General Counsel to the Authority, to rely on this opinion as if [insert "I" or "we"] had addressed this opinion to them in addition to you.

Very truly yours,

EXHIBIT F

ADDITIONAL COVENANTS AND REQUIREMENTS

(1) Cost Overruns. Any cost overruns associated with the Project will be the responsibility of the Governmental Agency and any additional costs to defend against contract claims will not be reimbursed through this or any future funding.

(2) Audit Requirements. For each year in which the Governmental Agency requests a disbursement from the Project Loan Subaccount, the Governmental Agency shall conduct its annual audit in accordance with the federal Single Audit Act, 31 U.S.C. 7501 et seq.

(3) Federal and State Law. The Governmental Agency will comply with the requirements of all federal and state laws applicable to the Loan and the Project.

EXHIBIT G
DWRF D&E Form of Requisition

TOWN OF SILT, COLORADO, ACTING BY AND THROUGH ITS WATER AND WASTEWATER ACTIVITY ENTERPRISE (the “Governmental Agency”)

Please submit to the following addresses:

Submit Online To:

https://ceos.colorado.gov/CO/CEOS/Public/Client/CO_CIMPLE/Shared/Pages/Main/Login.aspx

If there are any questions or technical issues, please submit your backup document via one of the methods below.

Email To: cdphe_grantsandloans@state.co.us (preferred backup method)

Or Mail To: Colorado Department of Public Health and Environment
Grants and Loans Unit WQCD-OA-B2
Attn: Project Manager
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530

Or Fax To: 303-782-0390 (Call CDPHE Project Manager to confirm delivery)

Cc: CDPHE Project Manager

Cc: E-mail requisition form (Exhibit G) to the Colorado Water Resources and Power Development Authority at requisitions@cwrpda.com

This requisition is made in accordance with Section 3.02 of the Loan Agreement executed by the Colorado Water Resources and Power Development Authority on _____, 2023. Terms defined in the Loan Agreement and not otherwise defined herein shall have the same meanings when used herein.

The Governmental Agency hereby states as follows:

1. This is Requisition No.: _____.
2. D&E Loan amount: _____.
3. Previous amount paid: _____.
4. Total invoice(s) amount: _____.
5. 80% of requested invoice amount (Line 4 x 0.8): _____.
(* Enter full amount if entity has a fully executed SRF loan for project construction.)
6. D&E Loan balance (Line 2 less line 3 and line 5): _____.
7. Max project draw before loan execution (Line 2 x 0.8): _____.
(20% of project funds must be withheld until loan execution.)
8. The person, firm or corporation to whom the amount requisitioned is due, or to whom a reimbursable and advance has been made, is _____.
9. The payee of the requisitioned amount is _____.
10. The manner of payment to the payee is to be wire transferred to:

Bank:
ABA No.:
Account No.:
Account Name:
Contact:

11. Attached hereto is the appropriate documentation demonstrating that the amount requisitioned hereunder is currently due or has been advanced by the Governmental Agency.
12. The amount hereby requisitioned is a proper Cost of the Project to be paid only from amounts deposited in the Project Account established for the Governmental Agency in the **Drinking Water Revolving Fund**.
13. On the date hereof, there does not exist any Event of Default under the Loan Agreement nor any condition which, with the passage of time or the giving of notice, or both, would constitute an Event of Default thereunder.
14. Estimate of total project completion percentage: _____ %
15. **The undersigned is an Authorized Officer of the Governmental Agency duly authorized in the Loan Agreement to submit the Requisition.**
16. The Governmental Agency reaffirms that all representations made by it in the Loan Agreement are true and accurate as of the date of this requisition, and that it shall continue to observe and perform all of its duties, covenants, obligations and agreements thereunder, at all times during the entire term of said Loan Agreement.

Dated: _____.

**TOWN OF SILT, COLORADO,
ACTING BY AND THROUGH ITS WATER AND WASTEWATER ACTIVITY
ENTERPRISE**

By: _____.

Title: _____ & Authorized Officer

Print Name: _____

You should receive all payments no later than 10 working days after receipt of requisition unless otherwise notified.

The undersigned approves the disbursement of the requisitioned amount from the Project Loan Account established in the **Drinking Water Revolving Fund** Project Account.

COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY

By: _____
Finance Director

Dated: _____

For Colorado Department of Public Health and Environment, Water Quality Control Division purposes only:

Payment approved by_____

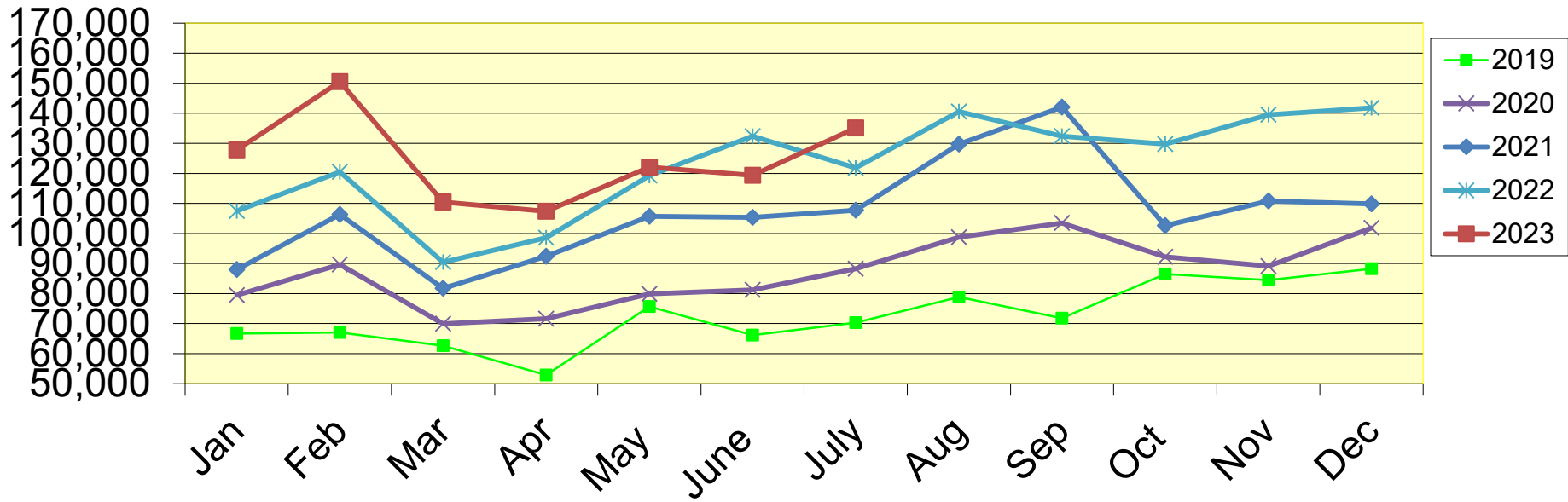
Dated:_____

Town of Silt

Month Town Received Funds

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total	increase/ decrease %
2019	66,667	67,063	62,651	52,890	75,666	66,144	70,293	78,867	71,805	86,548	84,521	88,243	871,358	6.59
2020	79,495	89,702	69,937	71,613	79,900	81,218	88,277	98,766	103,464	92,270	89,183	101,808	1,045,633	20
2021	87,992	106,303	81,733	92,390	105,699	105,337	107,768	129,723	142,057	102,590	110,788	109,873	1,282,253	22.63
2022	107,452	120,470	90,424	98,562	119,243	132,384	121,773	140,529	132,355	129,730	139,522	141,817	1,474,261	14.9
2023	127,798	150,495	110,482	107,367	122,093	119,347	135,129						872,711	10.4

Sales Tax Collected 2019-2023



Y-T-D	Total
461,374	2019 871,358
560,142	2020 1,045,633
687,222	2021 1,282,253
790,308	2022 1,474,261
872,711	2023 872,711

*** \$81,291 from October 2020 tax was remitted by mistake. This amount was deducted from the remittance for the month of January 2021. I have posted numbers in those respective months that reflect the actual/real revenues for comparison purposes.

Town of Silt Monthly Financial / Cash Flow Report

July 2023 (58% of the Year has elapsed)

Fund	YTD Revenues	Budgeted Revenues	%	YTD Expenses	Budgeted Expenses	%	Revenues over/under Expenses	Current Fund Balance
General Fund	2,959,545	4,156,951	71.2%	2,079,775	5,343,470	38.9%	879,770	5,944,825
Conservation Trust Fund	32,230	45,100	71.5%	24,844	30,000	82.8%	7,386	122,563
Water & Wastewater Fund	1,745,753	4,412,700	39.6%	2,183,429	5,155,653	42.4%	-437,676	2,226,000
Irrigation Fund	162,687	322,000	50.5%	193,717	413,376	46.9%	-31,030	386,622
Victim Assistance Fund	6,326	11,000	57.5%	10,000	15,300	65.4%	-3,674	34,614
Beautification Fund	84,176	170,040	49.5%	81,965	312,000	26.3%	2,211	201,924
Park Impact Fund	7,193	66,560	10.8%	159,868	160,000	99.9%	-152,675	7,352
Construction Impact Fund	14,477	35,500	40.8%	116,887	118,000	99.1%	-102,410	26,039
Silt Housing Authority	142,641	290,000	49.2%	117,048	307,257	38.1%	25,593	256,101
Economic Devel. Revolving	21,709	18,000	120.6%	0	16,235	0.0%	21,709	70,462
Total	5,176,737	9,527,851		4,967,533	11,871,291		209,204	9,276,502

	YTD Revenue	% of Budget
Sales Tax	872,709	67.2%
Use Tax	279,363	69.8%

	YTD Revenue	% of Budget
Trash Service Fees	275,017	61.1%
Water Service Fees	601,967	60.2%
Wastewater Service Fees	761,034	59.5%
Irrigation Fees	154,847	58.9%

Town of Silt Finance Report

Month: JuLY 2023 (58% of year has elapsed)

General Fund

Revenue	\$ 2,959,545	71.2%
Expenditures	\$ 2,079,775	38.9%

General Fund Revenue

Sales Tax:	\$ 872,709	67.2%
Use Tax:	\$ 279,363	69.8%

Funds Report

Water/Wastewater:

Revenue	\$ 1,745,753	39.6%
Expense	\$ 2,183,429	42.4%

Irrigation:

Revenue	\$ 162,687	50.5%
Expense	\$ 193,717	46.9%

Silt Housing Authority:

Revenue	\$ 142,641	49.2%
Expense	\$ 117,048	38.1%

Investments

Cash:	8,805,639
Checking:	427,422 ANB
Money Market:	1,610,562 ANB
CSafe 01	527,768 CSafe
CSafe 02	4,641,998 CSafe
Csafe 03	624,047 CSafe
ColoTrust Gen Fund	37,686 ColoTrust
ColoTrust W/WW	847,724 ColoTrust
ColoTrust Housing	123,913 ColoTrust
Utilities Cash Clearing:	(5,489)
Court Cash Clearing	(3,300)
Returned Check Clearing:	308
W/WW Reserved Cash:	(27,000)



August 13, 2023

News You Can Use

Silt Heyday Next Saturday; Celebrates 40 Years of the Silt Historical Park



53 rd ANNUAL SILT HEYDAY "CHEERS TO 40 YEARS" August 19, 2023 at Veteran's Park 500 Home Avenue	
Pancake Breakfast with "Colorado Curry's"	7:00 a.m. – 9:30 a.m.
Flag raising and National Anthem	8:00 a.m.
Food, Arts & Crafts Booths	9:00 a.m. – 5:00 p.m.
Heyday Parade	10:00 a.m.
Anvil Points Quilt Show – Historical Park	11:00 a.m.
Beer Booth	11:00 a.m. – 9:00 p.m.
Horseshoe Tournament – Stoney Ridge Pits	11:00 a.m.
Vintage Base Ball Game – Roy Moore Field	1:00 p.m.
"Feeding Giants"	1:00 p.m. – 4:00 p.m.
Cornhole Tournament (sponsored by Rifle Rec)	2:00 p.m.
Watermelon Seed Spitting Contest	3:30 p.m.
Pie Eating Contest	4:30 p.m.
Jalapeno Eating Contest	5:00 p.m.
"Louie & the Lizards"	6:00 p.m. – 9:00 p.m.
Colorado River Fire Rescue "Touch a Truck" Open House MORE INFORMATION GO TO THE TOWN OF SILT WEBSITE AT: WWW.townofsilt.org OR EMAIL US AT: siltheyday21@gmail.com	



Join the FUN & support local vendors!!

Wednesday's From July 12 - August 30

4:30 p.m. - 7:30 p.m.

Located at Veteran's Park (500 Home Ave.)



Music At The Market

Veteran's Park - 500 Home Avenue, Silt
Wednesdays from 4:30 - 7:30

July 12th - Joey Ball

July 19th - ZINZIN

July 26th - Tim & Melissa

August 2nd - Oran Mor

August 9th - Hannah Haupt

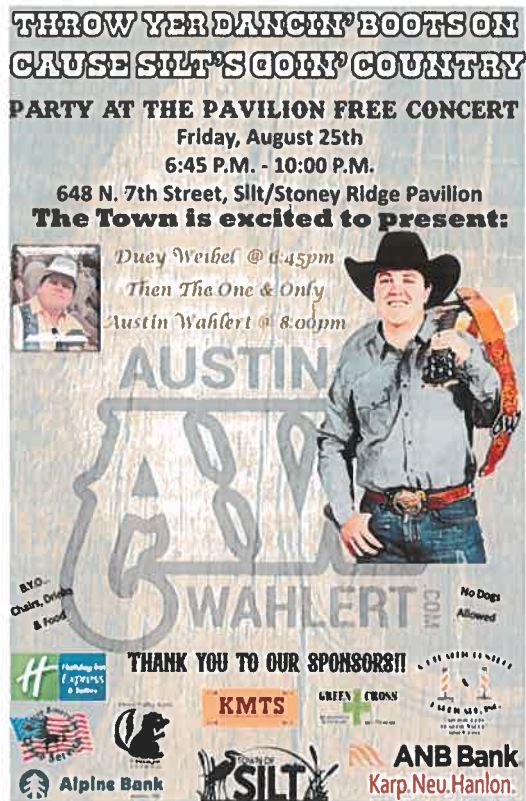
August 16th - Stone Kitchen

August 23rd- Jeff Wold

August 30th- Colorado Curry Duo

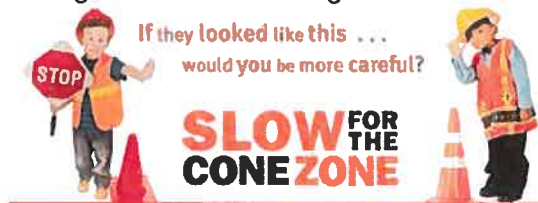


Last 2023 "Party at the Pavilion" Features Austin Wahlert on August 25



Tara Subdivision Paving to Begin August 21

Tara Subdivision road work will begin the week of August 21st. During this time the existing asphalt will be removed on Cottonwood, and Birch. Subgrade will and made ready for new asphalt. Then new asphalt placed.



milled and Dogwood be evaluated will be

During this time no on street parking will be allowed on the above-mentioned streets. Access to driveways will be limited during working hours but all attempts will be made to have access by days end. The Town thanks you for your patience as we complete this project.

The Town will distribute "door hangers" in the neighborhood next week describing the project. Any questions can be directed to Town Hall at 970-876-2353 Ext. 106 or at trey@townofsilt.org.



August 18, 2023

News You Can Use

Silt Heyday Tomorrow, Saturday!



53rd ANNUAL SILT HEYDAY "CHEERS TO 40 YEARS" August 19, 2023 at Veteran's Park 500 Home Avenue	
Pancake Breakfast with "Colorado Curry's"	7:00 a.m. – 9:30 a.m.
Flag raising and National Anthem	8:00 a.m.
Food, Arts & Crafts Booths	9:00 a.m. – 5:00 p.m.
Heyday Parade	10:00 a.m.
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Colorado River Fire Rescue "Touch a Truck" Open House MORE INFORMATION GO TO THE TOWN OF SILT WEBSITE AT: www.townofsilt.org OR EMAIL US AT: siltheyday21@gmail.com	

Tara Paving Starts Monday!



Tara Subdivision road work will begin the week of August 21st. During this time the existing asphalt will be milled and removed on Cottonwood, Dogwood and Birch. Subgrade will be evaluated and made ready for new asphalt. Then new asphalt will be placed.

During this time no on street parking will be allowed on the above-mentioned streets. Access to driveways will be limited during working hours but all attempts will be made to have access by days end. The Town thanks you for your patience as we complete this project.

The Town will distribute "door hangers" in the neighborhood next week describing the project. Any questions can be directed to Town Hall at 970-876-2353 Ext. 106 or at trey@townofsilt.org.

Silt Water Treatment Plant to be Discussed at Board of Trustees Meeting on Monday, August 28

Trustees to Discuss Rates, Loans and Grants



Water rates will be the topic of conversation between Trustees at the Monday August 28 Board Meeting beginning at 7 PM. The Board will also discuss the \$28 M loan application the Town made in June to the State Revolving Fund (SRF) to rebuild its water treatment facility, and grants and offsets it has received since.

The plant has exceed its expected useful life and does not have the capacity to serve the growing community.

The loan will be considered on August 23 by the Colorado Water Resources and Power Development Authority, one arm of the SRF. The Colorado Department of Local Affairs (DOLA) and the Colorado Department of Health and Environment (CDPHE) are the other two agencies involved.

It has been recommended by the SRF staff that the SRF Board approve the \$28 M loan to the Town of Silt. It has further recommended that the Town receive some \$8 M in loan forgiveness. The Town has also received other grants, reducing the actual loan amount to under \$19 M.

Staff continues to work on an equitable water rate schedule and will present their work again to the Board on August 28 at their regular Board meeting.

More information can be found at www.townofsilt.org on the home page, lower left-hand corner under the button titled "Water Treatment Plant Planning Documents and Information".

The meeting on Monday, August 28 will begin at 7 PM at Silt Town Hall.

Only TWO More Silt Farmer's Markets!



Music At The Market

Veteran's Park-- 500 Home Avenue, Silt
Wednesdays from 4:30 - 7:30

- July 12th - Joey Ball
- July 19th - ZINZIN
- July 26th - Tim & Melissa
- August 2nd - Oran Mor
- August 9th - Hannah Haupt
- August 16th - Stone Kitchen
- August 23rd- Jeff Wold
- August 30th- Colorado Curry Duo

Silt's Party at the Pavilion Presents: Austin Wahlert Next Friday Night!

**THROW YER DANCIN' BOOTS ON
CAUSE SILT'S GOTT'N COUNTRY**
PARTY AT THE PAVILION FREE CONCERT
Friday, August 25th
6:45 P.M. - 10:00 P.M.
648 N. 7th Street, Silt/Stoney Ridge Pavilion
The Town is excited to present:

Dusty Wolden @ 6:45pm
Then The One & Only
Austin Wahlert @ 8:00pm

AUSTIN WAHLERT

THANK YOU TO OUR SPONSORS!!

Alpine Bank, KMTS, ANB Bank, Karp, New Nation, Silt