

**COLORADO WATER RESOURCES
&
POWER DEVELOPMENT AUTHORITY**

**PROJECT FINANCE COMMITTEE
MEETING AGENDA**

**January 23, 2025
Committee meeting at 1:00 p.m.**

Via Zoom Conference Call

Project Finance Committee Members: Bruce Whitehead (Chair), Chris Treese (ex-officio), Eric Wilkinson, Karen Wogsland, and Mike Fabbre

Authority Staff: Keith McLaughlin, Jim Griffiths, Wes Williams, Ian Loffert, Austin Reichel, Kevin Carpenter, and Giorgi Gazashvili

Others present: Mark Henderson, Alex Hawley, Aly Ulibarri, Margaret Talbott, Desi Santerre, Victor Chen, Peter Dieterich, and Monica Munoz-Revelo

AGENDA

1. DWRP Loan Applications:

- Town of Crawford (BIL) – Direct Loan Request – Gio (**Board Action – Staff Recommends Consent Agenda**)
- Pinewood Springs Water District (Base) – Direct Loan Request – Austin (**Board Action**)

Note: A Zoom conference call has been scheduled for **Thursday, 1:00 p.m. January 23, 2025**. The link to join via online is: <https://us06web.zoom.us/j/83797741369?pwd=HRptu7ea1myhzzVJaj7X4eaAJmbZzv.1>. If you prefer to dial in, the call-in number is: **1-669-900-6833**, and the Meeting ID is **837 9774 1369**. The passcode is: **810219**.



COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

The Amp - Suite 820, 1580 N. Logan Street, Denver, Colorado 80203-1939
303/830-1550 · Fax 303/832-8205 · info@cwrpda.com

MEMORANDUM

January 23, 2025

TO: Project Finance Committee and Karl Ohlsen

FROM: Jim Griffiths, Finance Director
Austin Reichel, Financial Analyst II
Giorgi Gazashvili, Financial Analyst II

RE: Review of the Town of Crawford and the Pinewood Springs Water District Drinking Water Revolving Fund ("DWRF")

The Division of Local Government has forwarded to the DWRF Committee its analyses of the above-listed projects. The DWRF Committee, composed of representatives from the Division of Local Government, the Water Quality Control Division, and the Authority, has reviewed the technical and financial aspects of the proposed projects and agreed to forward the requests to the Colorado Water Resources and Power Development Authority's ("Authority") Project Finance Committee with the following recommendations:

Town of Crawford

The Town of Crawford (the "Town"), located in Delta County, is seeking a Bipartisan Infrastructure Law ("BIL") General Supplemental Disadvantaged Communities ("DAC") direct loan through the DWRF loan program in the total amount of \$494,516, comprised of *\$318,673 in BIL Principal Forgiveness ("PF"), and *\$175,843 in BIL Loan. This project consists of construction of a new supplemental water storage tank. The Town's project was authorized by HJR 13-1007.

Recommendation

Based on the attached credit report, staff recommends that the Project Finance Committee forward to the Board a recommendation authorizing staff to begin negotiating a DWRF BIL General Supplemental DAC direct loan with the Town in the total amount of \$494,516, comprised of *\$318,673 in BIL PF, and *\$175,843 in BIL Loan. The loan will be for a term of 20 years, at an interest rate of 2.50%. The Board will consider this request on January 29, 2025.

Pinewood Springs Water District

The Pinewood Springs Water District (the "District"), located in Larimer County, is seeking a Base direct loan through the DWRF loan program in the amount of \$1,837,519. This project consists of making distribution system improvements, including valve/water main replacements, hydrants and valves for each section with pressure relief valves (PRVs), and upgraded service lines upstream of the meter for each service location. The project will also install tank mixers in order to reduce total trihalomethanes (TTHM) maximum contaminant level (MCL) and haloacetic acids (HAA5) MCLs. The District's project was authorized by SJR 10-004.

Recommendation

Based on the attached credit report, staff recommends that the Project Finance Committee forward to the Board a recommendation authorizing staff to begin negotiating a Base direct loan with the District in the amount of \$1,837,519. The loan will be for a term of up to 30 years, at an interest rate of 3.50%. The Board will consider this request on January 29, 2025.

* - Estimated PF and direct loan amounts through the BIL and/or Base programs. The exact amount may be different at the time of loan execution. While no significant differences are anticipated, any significant differences needed to comply with the proportional allocation requirements of the BIL will be discussed with the Finance Director and Executive Director to determine if additional Authority Board approval is needed.

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Attachments: Town of Crawford 2025 DWRF Credit Report
 Pinewood Springs Water District 2025 DWRF Credit Report

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DWRF LOAN CREDIT REPORT

Town of Crawford (“The Town”), Delta County

Recommendation:	APPROVAL
Loan Request:	\$494,516
Interest Rate & Term:	2.5%, 20 years
Annual Debt Service:	\$11,226
Pledge:	Water Revenue
Current Rate:	\$35.00
Estimated Rate Increase:	\$0.00

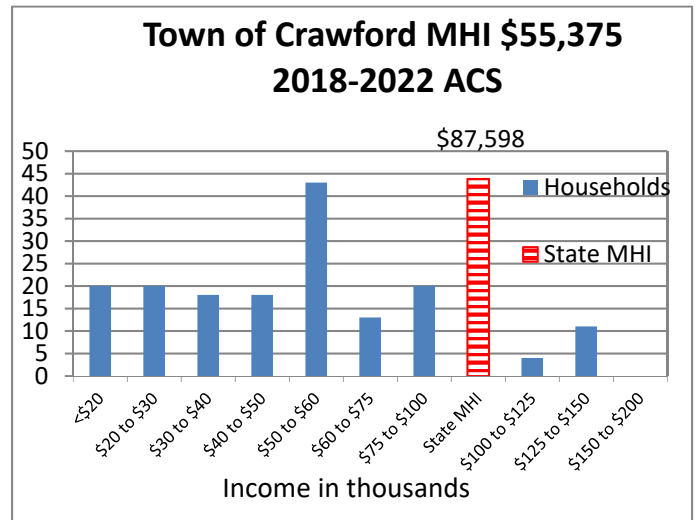
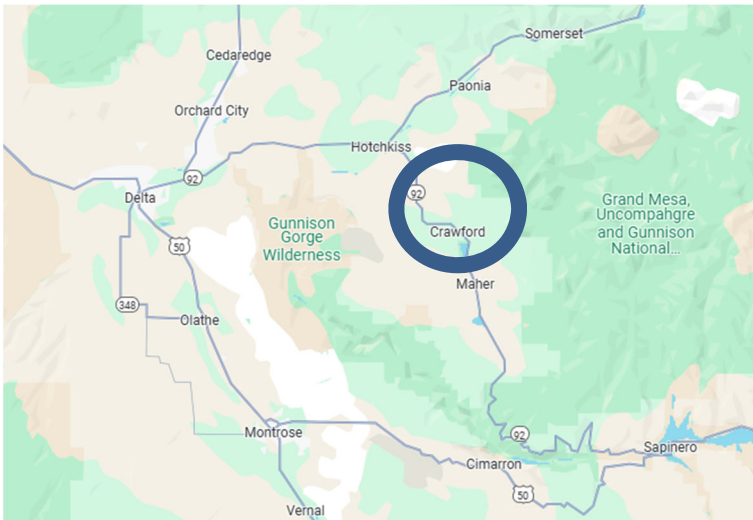
<u>Project Budget</u>	
DWRF BIL Loan:	\$175,843
DWRF BIL PF:	\$318,673
2023 EIAF Grant:	\$420,114
2023 Planning Grant:	\$10,000
2022 EIAF Planning Grant:	\$25,000
Water Fund Reserves:	\$32,555
Total:	\$982,185

PROJECT DESCRIPTION: This project includes the construction of a new supplemental water storage tank.

COMMUNITY PROFILE:

Town of Crawford	2019	2020	2021	2022	2023	2024	Avg. Annual Change
Crawford Population	405	404	408	407	412		0.43%
Delta County Population	31,238	31,054	31,390	31,571	31,778		0.43%
Delta County Jobs	13,323	13,080	13,280	13,382	13,854		0.98%
Number of Water Taps		288	288	288	289	289	0.09%
Number of Sewer Taps		272	272	272	272	272	0.00%
Assessed Value (\$000)		2,673	2,717	2,730	2,710	3,000	2.93%
Actual Value (\$000)		25,888	26,253	27,275	27,456	32,383	5.76%

BORROWER BRIEF: The Town is situated on the south edge of the Western Slope’s North Fork Valley and is considered the gateway to the North Rim in Black Canyon of the Gunnison National Park, located 15 miles south of the Town. The Town is located approximately 70 miles southeast of the City of Grand Junction.



RECOMMENDATION: The Town serves a small, mountainous community in Delta County. This proposed loan is necessary to add a new water storage tank to the Town’s distribution system as the Town currently lacks adequate water storage and redundancy. Should the current water tank necessitate disconnection, the Town would be without water storage. The Town has no current debt, strong reserves, and is not projected to require a rate increase. We therefore recommend the DWRF Committee approve a \$175,843 disadvantaged community BIL direct loan, and \$318,673 in BIL principal forgiveness to the Town of Crawford.

PROJECT SUMMARY:

System summary: The Town serves a population of approximately 412 people via 289 billable taps. Wiley Springs is the sole source of water, and only disinfection is required for treatment. Groundwater from the springs is collected in an infiltration gallery that is then conveyed to a flow control structure that proportionally diverts water between the Town (75% of water) and the Crawford Mesa Water Association (25% of the water). The water distribution system is supplied entirely by gravity from the 250,000-gallon raw water storage tank, and separated into two separate pressure zones. The majority of the Town's original distribution and delivery systems have been replaced with high pressure PVC pipe (AWWA C900, or AWWA C950) or Ductile Iron Pipe. The Town's current finished water storage volume is 220,000-gallons, contained in a single above ground welded steel storage tank.

Reason/need: The Town does not have adequate water storage for fire flow, equalization, and emergencies; lacking 127,000 gallons to meet emergency fire flow and equalization volume. Additionally, Crawford lacks redundancy and if the main tank was required to be taken offline for repairs or improvements, the Town would be without water storage.

System Compliance: The Town is in compliance with the Colorado Primary Drinking Water Regulations, and the project is primarily intended to maintain compliance.

Project Delivery Method: Design/Bid/Build.

Contingency: 20% of total project cost included as contingency.

CURRENT INDICATORS:	2021	2022	2023	Weak	Average	Strong
Total Debt per Capita (\$):	0	0	0	>\$2,000	\$1,000 - 2,000	X <\$1,000
Total + New Debt/Capita (\$):			427	>\$2,000	\$1,000 - 2,000	X <\$1,000
Total Debt/Tap (\$):	0	0	0	>\$5,000	\$2,500-5,000	X <\$2,500
Total Debt + New Debt/Tap (\$):			608	>\$5,000	\$2,500-5,000	X <\$2,500
Current Water Debt/Tap (\$):	0	0	0	>\$2,000	\$1,000 - 2,000	X <\$1,000
Current Water + New Water Debt/Tap (\$):			608	>2,000	\$1,000 - 2,000	X <\$1,000
Total Debt/Assessed Value:	0.00%	0.00%	0.00%	>50%	25-50%	X <25%
Total Debt + New Water Debt/Assessed Value:			6.49%	>50%	25-50%	X <25%
Total Debt/Actual Value:	0.00%	0.00%	0.00%	>10%	5-10%	X <5%
Total Debt + New Water Debt/Actual Value:			0.64%	>10%	5-10%	X <5%
Curr. Water Debt + New Debt/Tap/MHI:			1.10%	>20%	10-20%	X <10%
Water Fund Current Ratio (CA/CL):	N/A	N/A	N/A	<100%	100-200%	X >200%
Water Fund Reserves/Current Expense:	239%	225%	201%	<50%	50-100%	X >100%
Water Operating Ratio (OR/OE):	114%	122%	128%	<100%	100-120%	X >120%
Coverage Ratio (TR-OE)/DS:	N/A	N/A	N/A	<110%	110-125%	X >125%
Coverage Ratio (TR-OE)/DS Excluding Tap Fees:	N/A	N/A	N/A	<110%	110-125%	X >125%
Coverage Ratio with New Loan:			337%	<110%	110-125%	X >125%
Coverage Ratio with New Loan Excluding Tap Fees:			293%	<110%	110-125%	X >125%
Current Annual Water Rates/MHI:			0.76%	>3.0%	1.5-3.0%	X <1.5%
Current Water Rates + New Water Debt Service/MHI:			0.83%	>3.0%	1.5-3.0%	X <1.5%
Operation and Maintenance Reserve:			201%	<25%	25-50%	X >50%
			Total:	0	0	21

FINANCIAL ANALYSIS: Of the twenty-one current indicators calculated, all 21 are rated strong. Overall, the indicators illustrate a smaller and financially efficient system that is in a solid position to take on the proposed debt. The strong indicators show that the Town has strong reserves on hand to fund operations, no existing debt, and the additional debt with the proposed loan is minimal, relative to the population size.

- The Town's audits reflect that revenues were not sufficient to cover expenses in 2020 and 2023. In 2023, the Town experienced abnormally high operating expenses in the water fund as a result of contracting engineering services to prepare for this and another project, and expenses are expected to normalize in future years. As a result, one-time expenses (project-related and reimbursed) of \$71,807 were excluded from the financial analysis.

- Based on 2023 financial information, coverage with the proposed loan is 337% with tap fee revenue and 293% without tap fee revenue. No additional annual revenue is projected to be needed to meet the SRF program’s 110% coverage requirement.
- Despite no projected rate increase, the Town is prepared to raise rates and has stated that it plans to raise rates by about \$9.00 in 2025 to ensure financial sustainability.
- The Town’s water fund maintains an operations and maintenance reserve of 201% based on their 2023 financials, and is considered strong. The Town’s reserves are sufficient to meet the reserve contribution listed in the project budget.

Additional Project Financing

The Town was awarded an EIAF grant request of \$420,114 in November 2023 as well as an EIAF Administrative Planning Grant for \$25,000 in April 2022. The Town has also pledged \$32,555 in its water fund reserves for this project.

DESCRIPTION OF THE LOAN:

An estimated \$175,843 loan with a twenty-year term with two payments annually at an interest rate of 2.50% will cost the Town approximately \$11,226 in debt service annually. The Town also qualifies for \$318,673 in BIL principal forgiveness.

Disadvantaged Community:

In order to qualify as a disadvantaged community (DAC), an applicant must meet one (1) of three (3) scenarios.

1. Meets benchmarks for P1, and either P2 or P3
2. Meets benchmarks for P1, not for P2 or P3, and meets two or more secondary factors
3. P1 is unreliable. Meets benchmarks for P2 and P3, and two or more secondary factors

	Benchmark		Borrower	Met?		Benchmark		Borrower	Met?
P1: MHI	\$70,078	>=	\$55,375	Yes	S1: County MHI	\$70,078	>=	\$56,349	Yes
P2: MHV	\$465,900	>=	\$180,900	Yes	S2: Ten Year % Change in Population	0.00%	>=	1.23%	No
P3: County Unemployment	5.38%	<=	3.67%	No	S3: Assessed Value per Housing unit	\$24,963	>=	\$13,755	Yes
County Job Loss	0.00%	>=	5.51%	No	S4b: Current and Projected. System Debt	0.30%	<	0.95%	Yes
					S4b: 80th Percentile	1.05%	<	0.95%	No
					S5b: Projected System Cost Per Tap to MHI	1.08%	<	0.97%	No
					S5b: 80th Percentile	1.63%	<	0.97%	No

Based on 2018-2022 American Community Survey data, the Town met the requirements of a DAC, qualifying under scenario #1.

Due to its projected rates to MHI and MHV not exceeding the 80th percentile, the Town qualifies as a Category 1 DAC, and will receive a 2.50% interest rate.

BIL Principal Forgiveness Eligibility:

In order to qualify for BIL principal forgiveness, a community must score three (3) points using the BIL Principal Forgiveness Eligibility Criteria outlined in the Intended Use Plans. The Town scores 7 points as shown below.

BIL PF DETERMINATION				
	Benchmark		Borrower	Points
1. Five Year % Change in Population	0.71%	>	0.43%	1
2a: County Job Loss	0.00%	>	5.51%	0
2b: County Unemployment	5.38%	<	3.67%	
3: Median Household Income, or MHI exceeds 125% of state MHI (-1 point)	\$87,598	>	\$55,375	1
	\$109,498	<		
4: Rates to MHI	0.81%	<	0.76%	0
5: Project addresses removal of lead or emerging contaminants	Yes		No	0
6: % Minority	40.00%	<	22.44%	0
7: % Households Housing Burdened	50.00%	<	48.82%	0
8: % Population under 200% Poverty Level	40.00%	<	46.41%	1
9: % Population under 200% Poverty Level + % Population over 65 years old	55.00%	<	68.20%	1
10: Meets DAC criteria	Yes		Yes	3
Total Points Scored:				7

The Town qualifies for BIL principal forgiveness and has expressed interest in receiving a proportional loan with principal forgiveness funding package. Using an estimated principal forgiveness award of 64.441%, the Town qualifies for approximately \$318,673 in principal forgiveness, leaving an estimated loan of \$175,843.

ECONOMIC ANALYSIS: The Town has a 2023 population estimated at 412 and has grown at an average annual rate of 0.43% since 2019. Delta County has also experienced an increase of 0.43% in population since 2019. The state population increased at an average annual rate estimated 0.61%.

The region's economy is dominated by government, retail, health services, construction and agriculture. Retirees make up a significant portion of the economy and the largest base industry is tourism. The Town's largest employers consist of Crawford State Park (25 employees), Delta County (25 employees), US Post Office (5 employees).

Two customers account for more than 3% utilization: Crawford State Park at 19.5% of total water usage/8.7% of system revenues, and Water Dispensary with 2.9% total water usage/6.2% total revenues.

ORGANIZATIONAL ANALYSIS:**Bond Rating**

The Town's debt has not been rated by Fitch, Moody's, or Standard & Poor's in the last five years.

Section 37-60-126(2) C.R.S. (Water Conservation Planning)

The Town does not sell more than 2,000 acre-feet of water per year.

Organizational Structure

Incorporated in 1913, Crawford is a statutory town governed by a mayor-board form of government. The Town provides services including water and wastewater services, and parks and recreation services. Approximately 1.5 full-time employees staff the water utility. The water utility is overseen by the Public Works Director, who reports to the Mayor and Town Board.

- The Town has generally been in compliance with Colorado statutory budgeting and auditing requirements for the past five years.
- The Town maintains general liability insurance coverage through the Colorado Intergovernmental Risk Sharing Agency (CIRSA).

- There are currently no pending lawsuits against the Town.
- There have been no recall elections in the last ten years.

Technical/Managerial/Financial (TMF)

The WQCD and DLG conducted a review of the Town's technical, managerial and financial capacity to operate the water system. The review resulted in no mandatory recommendations.

Capital Improvement Plan

As part of the application process, the Town submitted a capital improvement schedule through 2039, which anticipates capital outlay of \$975,000 (excluding water tank project) for various projects to be funded from water revenues, grants, loans, or reserves. These projects include: Pipe replacement, smart water meters, bulk water station, fire hydrant replacement and a chlorine water plant.

Intergovernmental

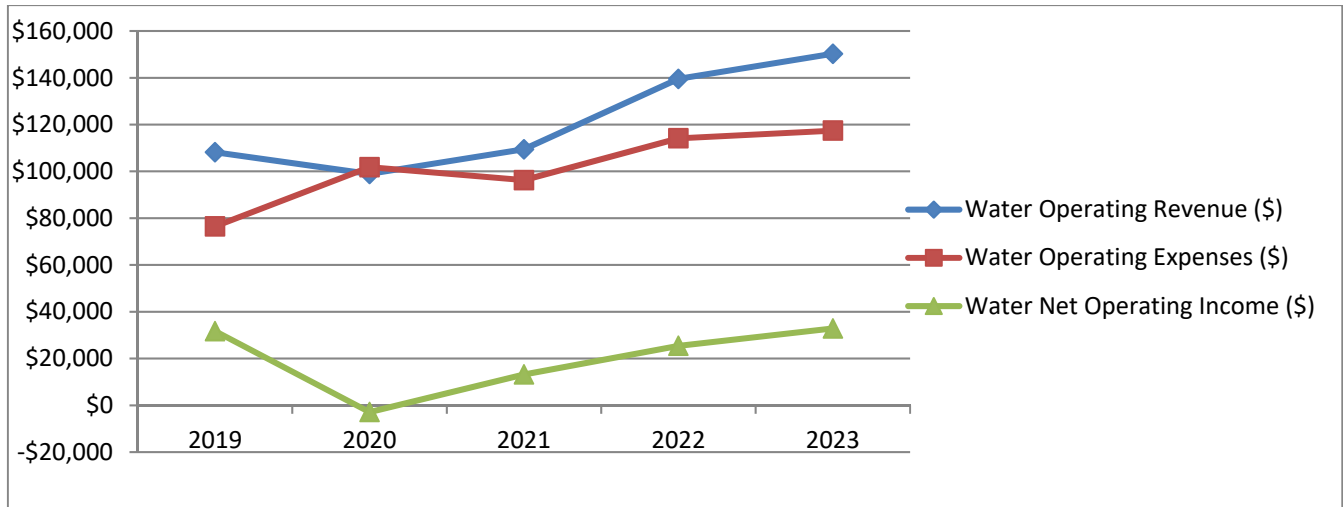
The Town maintains an IGA with Crawford Mesa Water Association (CWMA) to delegate the maintenance and upkeep of the Rock Spring Ditch (Wiley Spring) in the amount of 2.5 cubic feet per second of which Town of Crawford owns 75% and CWMA owns 25%. The Town and CWMA agree to share the maintenance, upkeep, expense and cost of the access road rental on the same ownership basis and further agree to consult with each other in regard to any improvements or voluntary costs that exceed \$4,000. Any disputes will be resolved by binding arbitration. While the Town was unable to produce a signed and executed copy of the IGA, both boards approved and operate under the aforementioned terms.

REVENUE ANALYSIS:

Water system operating revenues have generally increased annually over the past five years, except for a slight decline in 2020. The drop in operating revenue in 2020 was due to the Town instituting drought restrictions, which resulted in decreased consumption, as well as waiving late fees and offering bill forgiveness during the pandemic. The Town's water rates are comparatively low compared to the State median. However, they have generally remained sufficient to cover expenses. The \$6.10 increase in 2022 was just the third rate increase since 2007. Despite tap fees being collected only once over the previous five years, the Town is expecting some future growth and has received commitment for at least two taps in 2025.

Operating expenses have generally tracked closely with operating revenues but surpassed revenues in 2020. In 2020, the Town saw a significant rise in salaries and maintenance costs. With the exclusion of one-time expenses in 2023, expenses increased modestly and are expected to continue in a similar trajectory in future years.

TRENDS	2019	2020	2021	2022	2023	2024
Monthly Water Rate (\$)		28.50	28.50	35.00	35.00	35.00
Monthly Sewer Rate (\$)		29.10	29.10	38.00	38.00	38.00
Residential Water Tap Fee (\$)		2,500	3,500	5,000	5,000	5,000
Residential Sewer Tap Fee (\$)		2,500	3,500	5,000	5,000	5,000
Total Water Revenue (\$)	109,259	98,904	109,444	139,559	155,288	
Tap/Development Fees (\$)	0	0	0	0	5,000	
Water Operating Revenue (\$)	108,203	98,904	109,444	139,559	150,288	
Water Operating Expenses (\$)	76,500	101,779	96,251	114,123	117,418	
Water Net Operating Income (\$)	31,703	-2,875	13,193	25,436	32,870	
Total Debt (\$)	0	0	0	0	0	
Water Fund Reserves (\$)	220,125	217,250	230,442	256,378	236,131	
Ratios	2019	2020	2021	2022	2023	Average
Operating Revenue as % of Total Revenue	99%	100%	100%	100%	97%	99%
Operating Revenue as % of Expenses	141%	97%	114%	122%	128%	121%
Tap Fee Revenue as % of Total Revenue	0.00%	0.00%	0.00%	0.00%	3.22%	0.64%



Recent Rate Increases

The Town's most recent water rate increase of \$6.10 was implemented on July 1, 2022.

User Charges

The Town's current monthly water rate is estimated at \$35.00 compared to the 2022 estimated state median of \$59.19. The Town's average monthly water rate is based on a typical residential consumption of 4,600 gallons per month. Residential users pay a \$35.00 base rate (which includes a \$3.00 Capital Improvement Fee) for up to 6,000 gallons and an escalating volume charge ranging from \$1.00/1,000 gallons for consumption from 6,001 to 10,000 gallons to \$12.50/1,000 gallons above 75,001 gallons.

Commercial users inside the Town pay a \$38.00 base rate (including a \$3.00 Capital Improvement Fee) for up to 10,000 gallons and an escalating volume charge equal to residential rates for consumption from above 10,000 gallons. Crawford State Park currently pays the equivalent of two commercial water user accounts, and is charged on the same residential tiered rate scale after using more than 10,000 gallons per month.

Residents and commercial users outside the Town pay a \$38.00 base rate (including a \$3.00 Capital Improvement Fee) for up to 5,000 gallons and an escalating volume charge ranging from \$1.50/1,000 gallons for consumption from 5,001 to 10,000 gallons to \$15.00/1,000 gallons above 50,001 gallons. Users of the Town's water dispenser pay \$15.00/1,000 gallons with a prepaid card obtained through the Town.

The Town's current monthly sewer rate is \$38.00 for residents within the Town and \$47.00 for those outside the Town (including a \$3.00 Capital Improvement Fee). In comparison, the estimated state median for sewer rates in 2022 is \$41.23. The Town's sewer rates are flat and not metered. For commercial sewer users inside and outside the Town, the charges are determined based on the type of property served, with specific rates applied each month:

- Laundry business per machine: \$3.00 inside/\$4.00 outside
- Hotel or motel per room: \$8.00 inside/\$11.00 outside
- Bars and restaurants, service stations, car washes, churches and lodges, individual businesses or offices, and businesses in residential dwellings: \$41.00 inside/\$50.00 outside
- Schools: \$246.00
- Crawford State Park: \$600.00

Contributed Capital

Revenue from tap fees has ranged from \$0.00 to \$5,000 and has averaged 0.64% of total water revenue during the last five years. The Town’s most recent water tap fee rate increase occurred on July 1, 2022.

- Residential water tap fees are \$5,000 for ¾” connections inside the Town. The fee for 1” and larger connections, as well as commercial water taps, are at the discretion of the Public Works Director. There is currently a moratorium on water taps outside of the Town.
- Residential and commercial sewer tap fees are \$5,000 inside the Town and \$7,500 outside the Town.

Current System Utilization		
	Usage	Revenue
Residential	59%	76%
Non-residential (per EQR)	41%	24%

Current Fee Summary		
Tap size	Water user/tap fees	Sewer user/tap fees
¾”	\$35.00/\$5,000	\$38.00/\$5,000
¾”	\$38.00/\$7,500	\$41.00/\$5,000

DEBT as of December 31, 2023

The Town has no debt as of December 31, 2023.

LOAN COVENANTS: The Town will have to meet the Authority’s 110% rate covenant, 3 month operations and maintenance reserve fund covenant and the 110% additional bonds test (if applicable) on an annual basis.

The Town has no current debt with the Authority, including the SRF programs.

Prepared by: Peter Dieterich
Date: January 14, 2025

Project # 140531D-T Cost Categories: Planning and Design Only (non-construction): 20% Construction - Storage: 60% Other (Contingency): 20%
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January 17, 2025

DWRF Credit Report
Town of Crawford, Delta County, CO
Using most recent data available
(Census, audits, local records)

Estimated Population - 2023	412
Number of Water Taps/Customers - 2023	289
Total Assessed Valuation (in thousands) - 2023	\$2,710,000
Actual Value of All Real Property (in thousands) - 2023	\$27,456,000
Median Household Income (MHI) - 2023	\$55,375
Monthly Water Rate - 2023	\$35.00
Water Operating Revenue - 2023	\$150,288
Water Total Revenue - 2023 [May include non-operating revenue, such as contributed capital, tap & system development fees, interest income, S.O. tax and property tax. Excludes one-time capital grants.]	\$155,288
Water Tap and System Development Fee Revenue - 2023	\$5,000
Water Operating Expense - 2023	\$117,418
Water Current Expense - 2023	\$117,418
Water Debt - 2023	\$0
Total Debt - 2023	\$0
Water Fund Reserves - 2023	\$236,131
Water Debt Service - 2023	\$0
New Water Debt [Requested DWRF loan amount.]	\$175,843
Requested DWRF Loan Term	20
Requested DWRF Loan Interest Rate	2.50%
New Loan's Annual Water Debt Service (two payments annually)	\$11,226

Current Indicators (2023)				
Town of Crawford				
(Water)				
1	Total Debt	\$0 ÷	Population	412 = \$0
	New Debt	\$175,843 ÷	Population	412 = \$427
	Total Debt + New Debt	\$175,843 ÷	Population	412 = \$427
2	Total Debt	\$0 ÷	Number of Taps	289 = \$0
	New Debt	\$175,843 ÷	Number of Taps	289 = \$608
	Total Debt + New Debt	\$175,843 ÷	Number of Taps	289 = \$608
3	Total Debt	\$0 ÷	Assessed Value	\$2,710,000 = 0.00%
	New Debt	\$175,843 ÷	Assessed Value	\$2,710,000 = 6.49%
	Total Debt + New Debt	\$175,843 ÷	Assessed Value	\$2,710,000 = 6.49%
4	Total Debt	\$0 ÷	Actual Value	\$27,456,000 = 0.00%
	New Debt	\$175,843 ÷	Actual Value	\$27,456,000 = 0.64%
	Total Debt + New Debt	\$175,843 ÷	Actual Value	\$27,456,000 = 0.64%
5	Current Water Debt	\$0 ÷	Number of Taps	289 = \$0
	(Current Water Debt + New Water Debt) / Number of Taps	\$608 ÷	MHI	\$55,375 = 1.10%
6	Current Ratio (CA / CL)			
	Current Assets	\$236,131 ÷	Current Liabilities	\$0 = #DIV/0!
7	Reserve/Expense Ratio			
	Reserves	\$236,131 ÷	Current Expenses	\$117,418 = 201%
8	Operating Ratio (OR / OE)			
	Operating Revenues	\$150,288 ÷	Operating Expenses	\$117,418 = 128%
9	Coverage Ratio [(TR - OE) / DS]			
	Total Revenues	\$155,288 -		
	Minus Operating Expenses	\$117,418		
	=	\$37,870 ÷	Current Debt Service	\$0 = #DIV/0!
	Coverage Ratio Excluding Tap and			
10	Development Fee Revenue	\$37,870		
	Minus Tap and Development Fee Revenue	\$5,000		
	=	\$32,870 ÷	Current Debt Service	\$0 = #DIV/0!
11	Projected Coverage Ratio			
	Total Revenues	\$155,288		
	Minus Operating Expenses	\$117,418		
	=	\$37,870	Total Debt Service (with new loan)	\$11,226 = 337%
	Projected Coverage Excluding Tap and			
12	Development Fee Revenue	\$37,870		
	Minus Tap and Development Fee Revenue	\$5,000		
	=	\$32,870 ÷	Total Debt Service (with new loan)	\$11,226 = 293%
13	Current Debt Service	\$0 ÷	Number of Taps	289 = \$0.00
	Annual New Water Debt Service	\$11,226 ÷	Number of Taps	289 = \$38.85
14	2023 Annual Water Rate (Monthly Rate x 12)	\$420.00 ÷	MHI	\$55,375 = 0.76%
	2023 Annual Water Rate + New Annual Debt Service Per Tap	\$458.85 ÷	MHI	\$55,375 = 0.83%
15	Current 2023 Monthly User Charge			\$35.00
	(Debt Service on DWRP Loan / 2023 Taps / Month)			\$3.24
	Total			\$38.24
16	Operation and Maintenance Reserve			
	Reserves	\$236,131 ÷	Operating Expenses	\$117,418 = 201%

2024 SRF Disadvantaged Community Criteria

Loan Terms

Amount of Loan:	\$ 494,516
Interest Rate:	3.25%
Term (years):	20
Annual Payment:	\$ 33,820

Applicant:	Town of Crawford	
Test Result	Y	Conditions met to be DAC
		Test 1: P1 & P2 or P3
		Test 2: P1, Not P2 or P3, & 2+ S1-S5
		Test 3: P1 ??, P2 & P3, & 2+ S1-S5

	Benchmark	Applicant	Result	Notes on Data Used
Current Population (2022)	<= 10,000	412	Y	
Population 5 years ago (2018)		405		
Population 10 years ago (2013)		407		

Primary Factors

P1	MHI (Place)	<= \$ 70,078	55,375	Y	
	Margin of Error (MOE)	±	12,571	OK	
	Reliability (CV)	<= 18.00%	13.80%	Y	
P2	MHV (Place)	<= \$ 465,900	180,900	Y	
	Margin of Error (MOE)	±	17,124		
	Reliability (CV)	<= 18.00%	5.57%	Y	
P3	24 Month Unemployment (County)	>= 5.38%	3.67%	N	
	or 10 Year % Chng. Jobs (County)	<= 0.00%	5.51%	N	
	Jobs (2022)		13,142		
	Jobs (2013)		12,456		

Priority Factor Count

2

Secondary Factors

S1	MHI (County)	<= \$ 70,078	56,349	Y	
	Margin of Error (MOE)	±	3,710		
	Reliability (CV)	<= 18.00%	4.00%	Y	
S2	10 Year % Chng. Population	<= 0.00%	1.23%	N	
S3	Assessed Value / Housing Unit	<= \$ 24,963	\$13,755	Y	
	Assessed Value		2,709,801		
	Total Housing Units		197		
S4	Current Debt / Tap / MHV	> 0.30%	0.00%	N	
W	Current + Projected Debt/Tap/MHV	> 0.30%	0.95%	Y	
	S4b 80th percentile	1.05%	0.95%	N	
S5	System Full Cost / Tap / MHI	> 1.23%	1.00%	N	
	Projected Rate @ 110% Coverage	> 1.08%	0.97%	N	
	S5b 80th percentile	1.63%	0.97%	N	

Secondary Factor Count

2

System Data for S4 and S5: To be completed by DLG

Taps or EQR's	289
Total Debt	0
Principal & Interest	0
Operating Expenses (including operating transfers out)	117,418
Depreciation	42,272

2025 IUP DWRP Priority Point Calculations

Entity Name:	Town of Crawford
Date of Scoring	1/20/2025
SRF Phase:	Loan App
DOLA Score:	75
DAC:	DAC

Benchmarks

\$87,598 2018-2022 State MHI estimate

		Points	Entity Value	
P1	MHI		\$55,375	63%
	<50% of state MHI	35		
	Between 51% and 80% of state MHI	20		
	Between 81% and 100% of state MHI	5		
	>100% state MHI	0		
S5a	User Fees (current water rate at 110%/tap/MHI)		1.00%	
	Rates are > 1.67%	45		
	Rates are between 1.23% and 1.67%	25		
	OR			
S5a	User Fees for a combined water & sewer fund			
	Rates are > 2.99%	45		
	Rates are between 2.14% and 2.99%	25		
S4a	Current water debt per tap compared to MHV		0.00%	
	Debt is > 0.70%	45		
	Debt is between 0.30% and 0.70%	25		
	OR			
S4a	Current water & sewer debt (for combined systems)			
	Debt is > 1.65%	45		
	Debt is between 0.67% and 1.65%	25		
	Population served		412	
	Less than 500	35		
	Between 500 and 1,000	25		
	Between 1,000 and 2,000	20		
	Between 2,000 and 5,000	15		
	Between 5,000 and 10,000	5		
	>10,000	0		
S3	Assessed Value/Household		13,755	
	AV per household is < \$11,959	35		
	AV per household is between \$11,959 and \$24,963	20		
	AV per household is between \$24,963 and \$43,240	10		
	AV per household is greater than \$43,240	0		



Principal Forgiveness and Priority Point Scoring

Applicant: Town of Crawford
DWRP or WPCRF: DWRP

Is applicant receiving funds from BASE program, BIL program, or BOTH? BIL Program

BIL Principal Forgiveness

Eligible for BIL principal forgiveness? Yes

Eligible BIL principal forgiveness percentage: 64.441%

Amount of principal forgiveness awarded (accounting for any applicable cap/max): \$318,673

Priority Point Scoring

Total WQCD Score:	35
DOLA Affordability Score:	75
Total Score:	110

DWRF LOAN CREDIT REPORT

Pinewood Springs Water District (“The District”), Larimer County

Recommendation:	CONDITIONAL APPROVAL	<u>Project Budget</u>	
Loan Request:	\$1,837,519	DWRF Loan:	\$1,837,519
Interest Rate & Term:	3.50%, 30 years	2024 EIAF:	\$1,000,000
Annual Debt Service:	\$99,422	Total:	\$2,837,519
Pledge:	Water revenue		
Current Rate:	\$142.99		
Estimated Rate Increase:	\$0.85		

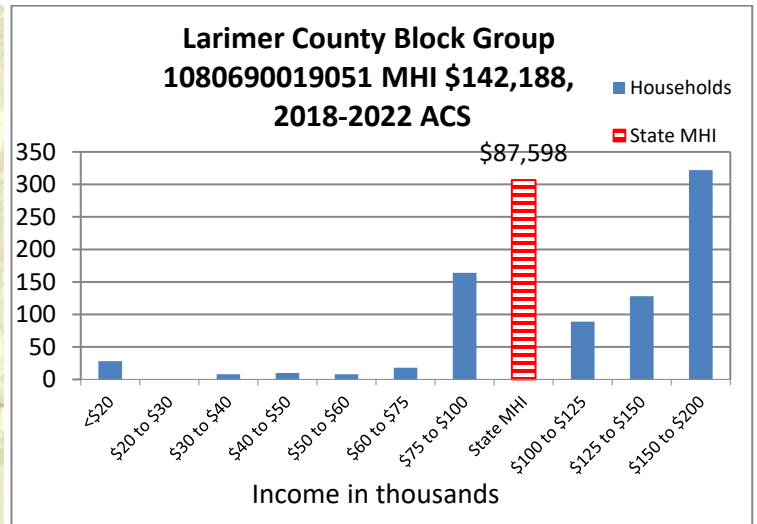
PROJECT DESCRIPTION: The District will be making distribution system improvements, including valve/water main replacements, hydrants and valves for each section with pressure relief valves (PRVs), and upgraded service lines upstream of the meter for each service location. The project will also install tank mixers in order to reduce total trihalomethanes (TTHM) maximum contaminant level (MCL) and haloacetic acids (HAA5) MCLs.

COMMUNITY PROFILE:

Pinewood Springs Water District

	2019	2020	2021	2022	2023	2024	Avg. Annual Change
District Population		753	753	755	755	755	0.08%
Larimer County Population	356,800	359,943	362,791	367,702	370,639		0.96%
Larimer County Jobs	214,527	206,609	215,416	222,719	226,506		1.37%
Number of Water Taps		301	301	302	302	302	0.08%
Assessed Value (\$000)		10,039	10,046	11,178	10,922	15,160	10.85%
Actual Value (\$000)		132,848	132,853	147,977	148,532	216,654	13.01%

BORROWER BRIEF: The District serves an unincorporated community in Larimer County and is located between the Town of Lyons and Town of Estes Park on US-36.



RECOMMENDATION: The District serves an unincorporated rural mountain community in Larimer County. This proposed loan is necessary to repair the District’s distribution system and improve treatment processes to come back into compliance with TTHM and HAA5 MCLs. The District’s rates are already high, but only a marginal additional rate increase is necessary to meet loan coverage requirements. Additionally, the District plans to pass a resolution enacting the \$0.85 increase at a board meeting on January 22, 2025. We therefore recommend the DWRF Committee approve a \$1,837,519 direct loan to the Pinewood Springs Water District on the condition that rates are increased to meet loan coverage ratio requirements.

PROJECT SUMMARY:

System summary: The District is located in Larimer County, Colorado. The water system consists of approximately 302 taps and serves approximately 755 customers. The District receives raw water from the Little Thompson River and a raw water reservoir. The water is treated in a pipeline and clearwell where chlorine is added then it is pumped into the distribution system and out to the consumers.

Reason/need: There is an increasing number of main breaks which pose a potential threat to water quality and the replacement of pipes can help decrease that risk. Replacing sections of water main will allow for a decrease in loss of treated water, resulting in lower run times at the filtration plant and reduce the number of leaks. Water quality will be improved in these areas and will allow for more consistent system pressures in and outside the given areas decreasing the potential for backflow contamination throughout the system. The replacement of sections of main will also prevent frequent and recurring leaks. The project will also address exceedances of total trihalomethanes (TTHM) maximum contaminant level (MCL) and haloacetic acids (HAA5) MCL.

System Compliance: The District PWSID C00135610 received Enforcement Order No. DW.08.24.135610 issued on August 6, 2024, to address exceedances of total trihalomethanes (TTHM) maximum contaminant level (MCL) and haloacetic acids (HAA5) MCL. The District is required to submit an implementation schedule by February 6, 2025 which will include a construction completion schedule. The project is intended to return the system to compliance.

Project Delivery Method: Design/Bid/Build.

Contingency: Contingency Allocated for the Project: 9% of total project cost included as contingency. Contingency Allocated for the Construction: 15.6 % of the construction cost as contingency.

CURRENT INDICATORS:	2021	2022	2023	Weak	Average	Strong
Total Debt per Capita (\$):	3,055	2,870	2,686	X >\$2,000	\$1,000 - 2,000	<\$1,000
Total + New Debt/Capita (\$):			5,120	X >\$2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Tap (\$):	7,642	7,174	6,715	X >\$5,000	\$2,500 - 5,000	<\$2,500
Total Debt + New Debt/Tap (\$):			12,800	X >\$5,000	\$2,500 - 5,000	<\$2,500
Current Water Debt/Tap (\$):	7,642	7,174	6,715	X >\$2,000	\$1,000 - 2,000	<\$1,000
Current Water + New Water Debt/Tap (\$):			12,800	X >2,000	\$1,000 - 2,000	<\$1,000
Total Debt/Assessed Value:	23%	19%	19%	>50%	25-50%	X <25%
Total Debt + New Water Debt/Assessed Value:			35%	>50%	X 25-50%	<25%
Total Debt/Actual Value:	1.73%	1.46%	1.37%	>10%	5-10%	X <5%
Total Debt + New Water Debt/Actual Value:			2.60%	>10%	5-10%	X <5%
Curr. Water Debt + New Debt/Tap/MHI:			9.00%	>20%	10-20%	X <10%
Water Fund Current Ratio (CA/CL):	167%	154%	165%	<100%	X 100-200%	>200%
Water Fund Reserves/Current Expense:	47%	28%	46%	X <50%	50-100%	>100%
Water Operating Ratio (OR/OE):	90%	112%	103%	<100%	X 100-120%	>120%
Coverage Ratio (TR-OE)/DS:	92%	133%	124%	<110%	X 110-125%	>125%
Coverage Ratio (TR-OE)/DS Excluding Tap Fees:	92%	133%	124%	<110%	X 110-125%	>125%
Coverage Ratio with New Loan:			86%	X <110%	110-125%	>125%
Coverage Ratio with New Loan Excluding Tap Fees:			86%	X <110%	110-125%	>125%
Current Annual Water Rates/MHI:			1.03%	>3.0%	1.5-3.0%	X <1.5%
Current Water Rates + New Water Debt Service/MHI:			1.26%	>3.0%	1.5-3.0%	X <1.5%
Operation and Maintenance Reserve:			71%	<25%	25-50%	X >50%
Total:				9	5	7

FINANCIAL ANALYSIS: Of the twenty-one current indicators calculated, seven are rated strong, five are average, and nine are considered weak. Overall, the indicators illustrate that the proposed loan will somewhat burden the District. The strong indicators show affordable rates compared to MHI and strong operations and maintenance reserves. The weak indicators reflect relatively high debt burden compared to the size of the customer base and the need to raise rates for this project.

- The District's operating revenue is generally sufficient to cover operating expenses. The five-year average operating ratio was 104%. In 2021, the operating ratio was negative because the District refurbished their storage tank that year.
- Based on 2023 financial information, coverage with the proposed loan is 86%. Additional annual revenue of about \$77,969, or \$21.51 per tap per month, would increase the coverage ratio to 110%.
- The District increased rates in 2024 and 2025 by a total of \$20.66. The remaining required rate increase is \$0.85.

- The District repaid a loan in 2024, but the pledge was property tax revenue, so there is not an impact on the rate increase calculations.

Additional Project Financing

The District was awarded a \$1,000,000 DOLA EIAF grant on November 14, 2024.

DESCRIPTION OF THE LOAN:

An estimated \$1,837,519 loan with a thirty-year term with two payments annually at an interest rate of 3.50% will cost the District approximately \$99,422 in debt service annually.

ECONOMIC ANALYSIS: Based on the State Demographer's estimate of 2.5 persons per tap, the District has a 2024 population estimated at 755 and has grown at an average annual rate of 0.08% since 2020. Larimer County has experienced an increase of 0.96% in population between 2019 and 2023. The state population increased at an average annual rate estimated 0.61%.

The County's largest job sectors are government, retail, professional, science and technology services, health services, and accommodation and food services. Correspondingly County's economy is dominated by the following industries: regional services, government, retirees, tourism, and manufacturing.

The area's largest employers consist of the University of Colorado Boulder with 4,000 employees, IBM with 3,000 employees, Seagate Technology with 1,400 employees, Longs Peak Hospital with 400 employees, and Cernex (manufacturer) with 100 employees.

ORGANIZATIONAL ANALYSIS:

Bond Rating

The District's debt has not been rated by Fitch, Moody's, or Standard & Poor's in the last five years.

Section 37-60-126(2) C.R.S. (Water Conservation Planning)

The District does not sell more than 2,000 acre-feet of water per year.

Organizational Structure

The District is a Title 32 Article 1 special district governed by a five-member board of directors form of government and was organized in 1978. The District provides water service. The District employs one full and one part time employee. The water utility is overseen by the contracted operator in responsible charge, who reports to the District board.

- The District has generally been in compliance with Colorado statutory budgeting and auditing requirements for the past five years.
- The District maintains general liability insurance coverage through the Colorado Special Districts Property and Liability Pool.
- There are currently no pending lawsuits against the District.
- There have been no recall elections in the last ten years.

Technical/Managerial/Financial (TMF)

The WQCD and DLG conducted a review of the District's technical, managerial, and financial capacity to operate the water system. The review resulted in the following mandatory recommendations:

- Financial Criterion #F-2: The District should be prepared to raise rates as needed to meet loan requirements.

Capital Improvement Plan

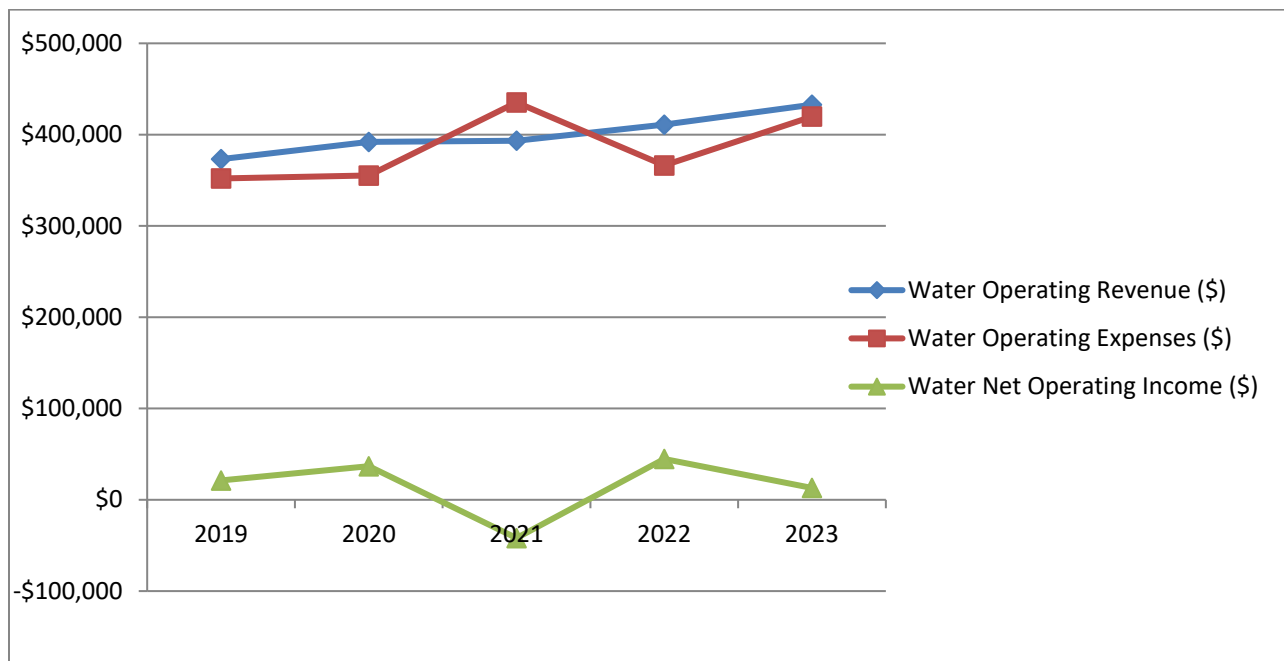
As part of the application process, the District submitted a capital improvement schedule through 2030, which anticipates capital outlay of \$10,779,984 for various water system projects to be funded from grants and loans.

REVENUE ANALYSIS:

The District is 99% built out with only one remaining available lot, which there are no development plans for. The District collects property tax to repay 2004, 2005, and 2006 loans. There is no additional mill levy for operating costs. Operating expenses were high in 2021 due to a storage tank refurbishment. In 2023, the District incurred high operating expenses due to the leaky distribution system issues that this project will resolve. The District utilized reserves in 2021-2023 for the storage tank refurbishment, other repairs, and costs related to this project.

TRENDS	2019	2020	2021	2022	2023	2024	2025
Monthly Water Rate (\$)	99.00	102.83	106.66	113.00	122.33	129.66	142.99
Residential Water Tap Fee (\$)	39,691	42,671	45,831	49,178	52,725	56,603	60,717
Mill Levy	29.171	22.753	22.736	20.435	20.912		
Total Water Revenue (\$)	671,770	641,248	640,648	664,261	697,376		
Tap/Development Fees (\$)	0	0	0	0	0		
Property Tax Revenue (\$)	240,088	223,845	228,852	228,576	228,411		
S.O. Tax Revenue (\$)	25,759	20,778	17,521	17,493	16,454		
Water Operating Revenue (\$)	373,168	391,999	393,338	410,966	432,769		
Water Operating Expenses (\$)	351,995	355,211	435,257	366,249	419,751		
Water Net Operating Income (\$)	21,173	36,788	-41,919	44,717	13,018		
Water Debt (\$)	2,552,603	2,428,717	2,300,110	2,166,598	2,027,996		
Total Debt (\$)	2,552,603	2,428,717	2,300,110	2,166,598	2,027,996		
Water Debt Service (\$)	223,845	223,845	223,845	223,846	223,845		
Water Debt Service/Tap/Month (\$)		61.97	61.97	137.90	61.77		
Water Fund Reserves (\$)	462,423	499,484	306,494	242,655	295,977		

Ratios	2019	2020	2021	2022	2023	Average
Operating Revenue as % of Total Revenue	56%	61%	61%	62%	62%	60%
Operating Revenue as % of Expenses	106%	110%	90%	112%	103%	104%
Tap Fee Revenue as % of Total Revenue	0%	0%	0%	0%	0%	0%



Recent Rate Increases

The District's most recent rate increase of \$13.33 was implemented on January 1, 2025.

User Charges

The District's current monthly water rate is estimated at \$142.99 compared to the 2022 estimated state median of \$59.19. The District's average monthly water rate is based on a typical residential consumption of 2,666 gallons per month. The District uses an EQR system.

Customers pay:

- A \$71 base rate plus a \$48 system improvement fee per EQR and a volume charge of \$9.00 per 1,000 gallons up to 3,000 gallons,
- \$19 per 1,000 gallons from 3,001 to 6,000 gallons, and
- \$90 per 1,000 gallons for use over 6,001 gallons.

Contributed Capital

The District has not collected any tap fee revenue in the past five years. The District’s most recent water tap fee rate increase occurred in 2025.

- Water tap fees are \$60,717 per EQR.

Current System Utilization		
	Usage	Revenue
Residential	82.2%	82.2%
Non-residential (per EQR)	18.8%	18.8%

Current Fee Summary	
Tap size	Water user/tap fees
¾”	\$142.99/\$60,717
¾”	\$142.99/\$60,717

DEBT as of December 31, 2023

Executed	Lender	Term End	Pledge	Outstanding	Interest Rate	Annual payment
2004	CWRPDA- DWRF	2024	GO	\$8,396	3.5%	\$8,617
2005	CWCB	2040	GO	\$1,894,666	4.0%	\$162,600
2006	CWRPDA- DWRF	2026	GO	\$124,934	3.5%	\$52,628

LOAN COVENANTS: The District will have to meet the Authority’s 110% rate covenant, 3 month operations and maintenance reserve fund covenant and the 110% additional bonds test (if applicable) on an annual basis.

The District has met the Loan Covenants on its DWRF Direct Loan dated 2004 (paid in full in December of 2024) and DWRF Direct Loan dated 2006 with the Authority. The District has also had no debt service payment issues.

Prepared by: Desi Santerre
Date: January 14, 2025

Project #142171D-Q Cost Categories: Planning and Design Only (non-construction) - 10% Construction - Transmission and distribution - 90%

Date 14-Jan-25 DWRF Credit Report Pinewood Springs Water District, Larimer County, CO Using most recent data available (Census, audits, local records)	
Estimated Population - 2023	755
Number of Water Taps/Customers - 2023	302
Total Assessed Valuation (in thousands) - 2023	\$10,922,000
Actual Value of All Real Property (in thousands) - 2023	\$148,532,000
Median Household Income (MHI) - 2023	\$142,188
Monthly Water Rate - 2023	\$122.33
Water Operating Revenue - 2023	\$432,769
Water Total Revenue - 2023 [May include non-operating revenue, such as contributed capital, tap & system development fees, interest income, S.O. tax and property tax. Excludes one-time capital grants.]	\$697,376
Water Tap and System Development Fee Revenue - 2023	\$0
Water Operating Expense - 2023	\$419,751
Water Current Expense - 2023	\$643,596
Water Debt - 2023	\$2,027,996
Total Debt - 2023	\$2,027,996
Water Fund Reserves - 2023	\$295,977
Water Debt Service - 2023	\$223,845
New Water Debt [Requested DWRF loan amount.]	\$1,837,519
Requested DWRF Loan Term	30
Requested DWRF Loan Interest Rate	3.50%
New Loan's Annual Water Debt Service (two payments annually)	\$99,422

Current Indicators (2023)				
Pinewood Springs Water District				
(Water)				
1	Total Debt	\$2,027,996	÷ Population	755 = \$2,686
	New Debt	\$1,837,519	÷ Population	755 = \$2,434
	Total Debt + New Debt	\$3,865,515	÷ Population	755 = \$5,120
2	Total Debt	\$2,027,996	÷ Number of Taps	302 = \$6,715
	New Debt	\$1,837,519	÷ Number of Taps	302 = \$6,085
	Total Debt + New Debt	\$3,865,515	÷ Number of Taps	302 = \$12,800
3	Total Debt	\$2,027,996	÷ Assessed Value	\$10,922,000 = 18.57%
	New Debt	\$1,837,519	÷ Assessed Value	\$10,922,000 = 16.82%
	Total Debt + New Debt	\$3,865,515	÷ Assessed Value	\$10,922,000 = 35.39%
4	Total Debt	\$2,027,996	÷ Actual Value	\$148,532,000 = 1.37%
	New Debt	\$1,837,519	÷ Actual Value	\$148,532,000 = 1.24%
	Total Debt + New Debt	\$3,865,515	÷ Actual Value	\$148,532,000 = 2.60%
5	Current Water Debt	\$2,027,996	÷ Number of Taps	302 = \$6,715
	(Current Water Debt + New Water Debt) / Number of Taps	\$12,800	÷ MHI	\$142,188 = 9.00%
6	Current Ratio (CA / CL)			
	Current Assets	\$751,903	÷ Current Liabilities	\$455,926 = 165%
7	Reserve/Expense Ratio			
	Reserves	\$295,977	÷ Current Expenses	\$643,596 = 46%
8	Operating Ratio (OR / OE)			
	Operating Revenues	\$432,769	÷ Operating Expenses	\$419,751 = 103%
9	Coverage Ratio [(TR - OE) / DS]			
	Total Revenues	\$697,376	-	
	Minus Operating Expenses	<u>\$419,751</u>		
	=	\$277,625	÷ Current Debt Service	\$223,845 = 124%
	Coverage Ratio Excluding Tap and			
10	Development Fee Revenue	\$277,625		
	Minus Tap and Development Fee Revenue	\$0		
	=	\$277,625	÷ Current Debt Service	\$223,845 = 124%
11	Projected Coverage Ratio			
	Total Revenues	\$697,376		
	Minus Operating Expenses	<u>\$419,751</u>		
	=	\$277,625	Total Debt Service (with new loan)	\$323,267 = 86%
	Projected Coverage Excluding Tap and			
12	Development Fee Revenue	\$277,625		
	Minus Tap and Development Fee Revenue	\$0		
	=	\$277,625	Total Debt Service (with new loan)	\$323,267 = 86%
13	Current Debt Service	\$223,845	÷ Number of Taps	302 = \$741.21
	Annual New Water Debt Service	\$99,422	÷ Number of Taps	302 = \$329.21
14	2023 Annual Water Rate (Monthly Rate x 12)	\$1,467.94	÷ MHI	\$142,188 = 1.03%
	2023 Annual Water Rate + New Annual Debt Service Per Tap	\$1,797.15	÷ MHI	\$142,188 = 1.26%
15	Current 2023 Monthly User Charge			\$122.33
	(Debt Service on DWRP Loan / 2023 Taps / Month)			<u>\$27.43</u>
	Total			\$149.76
16	Operation and Maintenance Reserve			
	Reserves	\$295,977	÷ Operating Expenses	\$419,751 = 71%



Principal Forgiveness and Priority Point Scoring

Applicant: Pinewood Springs Water District
 DWRP or WPCRFP: DWRP

Is applicant receiving funds from BASE program, BIL program, or BOTH? Base

BIL Principal Forgiveness

Eligible for BIL principal forgiveness? no

Eligible BIL principal forgiveness percentage:

Amount of principal forgiveness awarded (accounting for any applicable cap/max):

Base DWRP Principal Forgiveness Scoring

DWRP

Water Quality & Public Health + CPDWR Compliance:	75
DOLA Affordability Score:	95
Total Score	170

Eligible as a base program DAC? no

Eligible base program DWRP principal forgiveness percentage:

Amount of principal forgiveness awarded (accounting for any applicable cap/max):

Priority Point Scoring

Total WQCD Score:	110
DOLA Affordability Score:	95
Total Score:	205

2025 IUP DWRP Priority Point Calculations

Entity Name:	Pinewood Springs WD
Date of Scoring	12/12/2024
SRF Phase:	Loan app
DOLA Score:	95
DAC:	Not DAC

Benchmarks

\$87,598 2018-2022 State MHI estimate

		Points	Entity Value	
P1	MHI		\$142,188	162%
	<50% of state MHI	35		
	Between 51% and 80% of state MHI	20		
	Between 81% and 100% of state MHI	5		
	>100% state MHI	0 x		
S5a	User Fees (current water rate at 110%/tap/MHI)		1.44%	
	Rates are > 1.67%	45		
	Rates are between 1.23% and 1.67%	25 x		
	OR			
S5a	User Fees for a combined water & sewer fund			
	Rates are > 2.99%	45		
	Rates are between 2.14% and 2.99%	25		
S4a	Current water debt per tap compared to MHV		1.37%	
	Debt is > 0.70%	45 x		
	Debt is between 0.30% and 0.70%	25		
	OR			
S4a	Current water & sewer debt (for combined systems)			
	Debt is > 1.65%	45		
	Debt is between 0.67% and 1.65%	25		
	Population served		755	
	Less than 500	35		
	Between 500 and 1,000	25 x		
	Between 1,000 and 2,000	20		
	Between 2,000 and 5,000	15		
	Between 5,000 and 10,000	5		
	>10,000	0		
S3	Assessed Value/Household		53,439	
	AV per household is < \$11,959	35		
	AV per household is between \$11,959 and \$24,963	20		
	AV per household is between \$24,963 and \$43,240	10		
	AV per household is greater than \$43,240	0 x		