



## Dallas Creek Water Company, Inc.

334 South 5<sup>th</sup> Street Montrose, CO 81401

Phone 970-240-8123 Fax 970-249-9040

[administrator@dallascreekwater.com](mailto:administrator@dallascreekwater.com)

July 5, 2019

Dear Dallas Creek Water Customer,

This memorandum is an update on our ultimate required costs for tying DCWC pipelines into Tri-County Water Company pipelines on Log Hill Mesa. We will begin with a brief reiteration of what was requested by you and the joint efforts of resolve by Dallas Creek Water Company (DCWC) and Tri-County Water Conservancy District (TCW). The efforts of the two entities over the course of the last two years has resulted in what we believe to be a very successful means of funding the project. We will provide you with the total projected costs associated with the project, commitments by all entities and proposed solution to the amount that is the DCWC customer responsibility.

This memo will serve as a selection of 3 options of how we pay our share. We thank you in advance for your enclosed response so we can move toward construction of the pipeline and other required upgrades to our project.

First of all, the letters of support sent to us from the Ouray County Commissioners, Log Hill Village Homeowner Association, Fairway Pines Owners Association in addition to other support groups and individuals requesting our water lines be tied together were in large part the success of three grants we are happy to say were approved. This result gives both entities a backup emergency water supply in the event of need specifically, drought, wildfire or any other hazmat situation which could possibly happen.

### Breakdown of Numbers/Contributions

**Total Project Costs:** \$550,000.00

**Grant Funding:**

Colorado Water Conservation Board (Round Table)	\$25,000.00
Colorado Water Conservation Board (State Level)	\$50,000.00
WaterSmart, Bureau of Reclamation	\$106,000.00

**Cash Contributions:**

TCW Contribution	\$286,500.00
DCWC Customer Contribution	\$82,500.00

We believe the above numbers are of the greatest benefit to the Dallas Creek Water Company customer. From the start, several of our customers were the ones most concerned about the need for the backup water supply. DCWC has supported this as well. DCWC was supported by PUC staff to move forward toward a possible solution by way of request from you, our customer.

Our thanks to TCW staff (Mike Berry and Kathleen Margetts) for all their work, connections and professional guidance that made this possible.

We have discussed the following proposed methods of payment with PUC staff and would appreciate your marking an X in the space for which payment method best fits your choice.

- 1) Pay a total one-time charge of \$189.22
- 2) Pay 12 monthly installments for a total of \$16.50
- 3) Pay 36 monthly installments for a total of \$5.90

The above numbers have been preliminarily quoted at 7% interest. In order for us to lock in the rate, we will need to know your choice as soon as possible so that we can move forward on a solid bank commitment. We also need the commitment to satisfy the requirement for grant funding.

In the event you elect to pay monthly or pay in full, we plan for payments to begin with the regular billing in the month of October 2019.

If you have any additional questions, please feel free to call the office 970-240-8123.

Thank You,

  
Jim Willey  
President  
Dallas Creek Water Company, Inc

  
Pam Mencimer  
Administrator  
Dallas Creek Water Company, Inc

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**Please return to DCWC as soon as possible**

Name: \_\_\_\_\_  
Service Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_ Phone #: \_\_\_\_\_  
Email Address: \_\_\_\_\_

I authorize Dallas Creek Water Company to bill my account according to the choice indicated below.

- 1) Pay a total one-time charge of \$189.22
- 2) Pay 12 monthly installments for a total of \$16.50
- 3) Pay 36 monthly installments for a total of \$5.90