

**FEASIBILITY STUDY
FOR
LAKE LEE DAM and
BIG WINDSOR INLET**

PREPARED FOR

**LARIMER and WELD IRRIGATION
106 ELM STREET
EATON, CO 80615**

FOR

**THE COLORADO WATER
CONSERVATION BOARD**

PROJECT NO. 03.043

JULY, 2004

SMITH GEOTECHNICAL



**1225 RED CEDAR CIRCLE
FORT COLLINS, CO 80524
(970) 490-2620**

FEASIBILITY STUDY

FOR

REHABILITATION
OF

LAKE LEE DAM AND BIG WINDSOR INLET STRUCTURES

OWNED BY

LARIMER & WELD IRRIGATION COMPANY
P.O. BOX 206
106 ELM STREET
Eaton, CO 80615

PREPARED BY

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FORT COLLINS, COLORADO 80524

Sponsored by the

Larimer & Weld Irrigation Company

in conjunction with the

Colorado Water Conservation Board

July 30, 2004
Project No. 03.043

Table of Contents

Project Sponsor	1
Project Service Area	1
Land Ownership	4
Water Rights	4
Need for the Project	5
Existing Facilities	5
Alternatives Evaluated	7
Alternative 1	7
Alternative 2	7
Alternative 3	10
Selected Alternative	11
Project Cost	11
Implementation Schedule	15
Fund Requirement Schedule	15
Financial Plan	16
Credit Worthiness	17
Alternative Financing Considerations	17
Opinion of Feasibility	19
Collateral	19
Social, Economic, and Physical Impacts	20
Permitting	20
Institutional Considerations	20

LIST OF APPENDICES

- Appendix A: Photographs
- Appendix B: Site Location Map
Structure Drawing
- Appendix C: Articles of Incorporation and Bylaws
- Appendix D: Financial Statements for 2003 and 2002
- Appendix E: CWCB Construction Loan Application
- Appendix F: Farmers Bank Letter

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**Feasibility Study
For the Rehabilitation of
Lake Lee Dam and Big Windsor Inlet Structures**

PROJECT SPONSOR

The **Larimer & Weld Irrigation Company** is a Colorado Mutual Ditch Company and a Non-profit Corporation. Articles of Incorporation and Bylaws for the company are included in Appendix C.

The company's facilities, built about the turn of the century, are located in Larimer and Weld Counties in Colorado. Their business office is located in Eaton, Colorado and their maintenance office is located in Fort Collins, Colorado. The system stretches from the Cache LaPoudre River diversion located in north Fort Collins to near Galeton, Colorado in Weld County. The company has direct flow water rights from their diversion in the Cache LaPoudre River and also is the carrier for reservoir water owned by their stockholders and the stockholders in several other ditch and reservoir companies. The companies which own stock in the Larimer & Weld and convey water through their system include the Divide Reservoir & Canal Company, the Windsor Reservoir & Canal Company, the Larimer & Weld Reservoir Company, and also those stockholders that own CBT water.

Their facilities consist of approximately 40 miles of supply ditch including many control structures, checks, and headgates. Figure 1 included herein is a map of the system which also shows the location of the check structures on the system.

The stockholders in the Company own water through their stock in the Larimer and Weld Irrigation Company, the Larimer and Weld Reservoir Company, the Windsor Reservoir and Canal Company, and also CBT water. The water for these companies is delivered through the Larimer & Weld System.

The Company was incorporated in March 1879. Due to the early date of conception, little information has been retained concerning the early development of the Company. The Company has been in operation continuously since its inception and has not changed from its original purpose.

PROJECT SERVICE AREA

The approximate service area boundaries are shown on the map in Figure 1. The service area of the Larimer & Weld Irrigation Company includes approximately 86,000 acres of which 55,000 acres is irrigated and planted in crops or pasture. Crops grown in the service area include corn, beets, pinto beans, wheat, barley, oats, alfalfa, grass hay, and some vegetable crops.

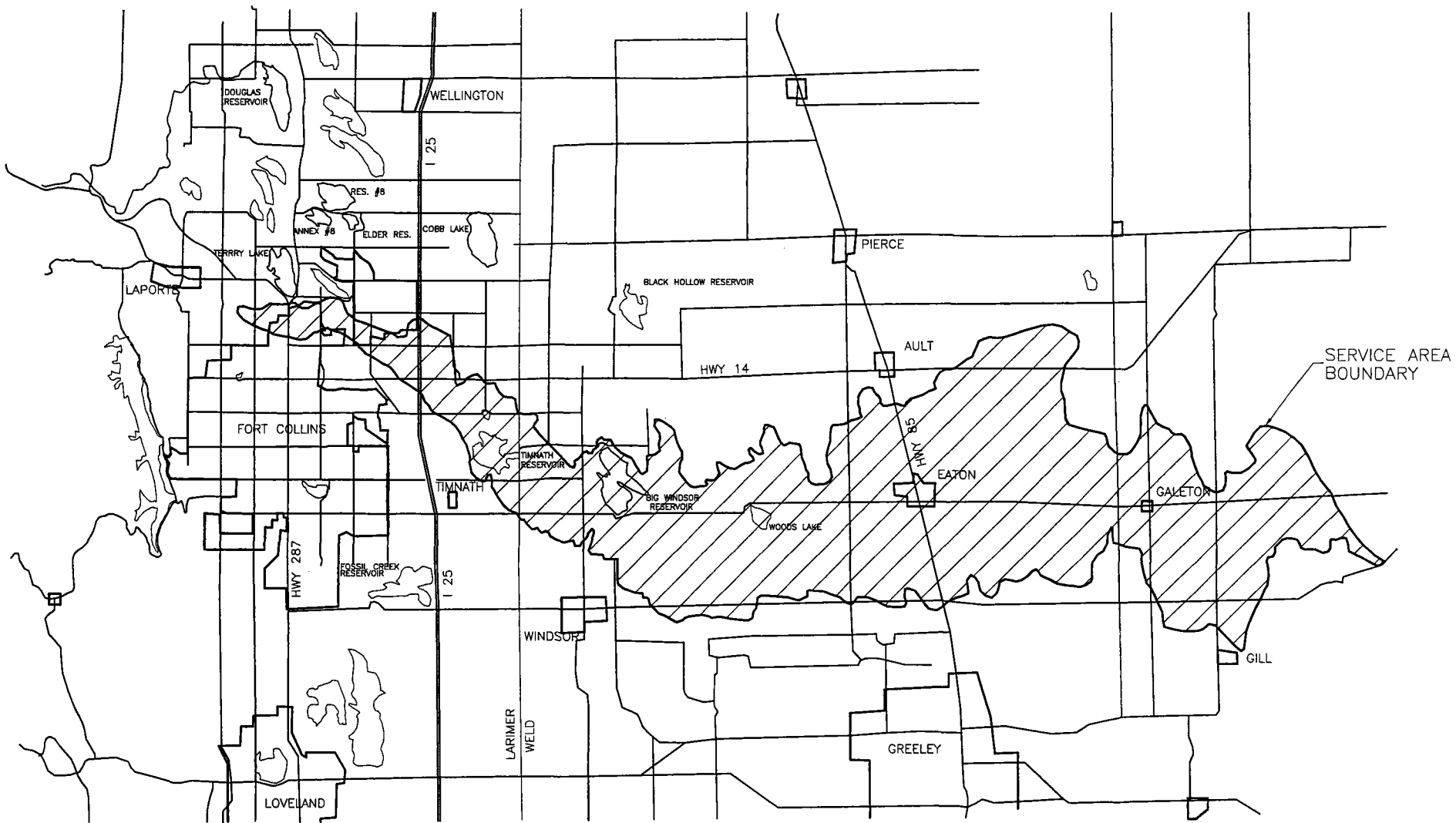


FIGURE 1

LARIMER AND WELD IRRIGATION COMPANY
SERVICE AREA



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The predominant soils in the service area are the Olney-Kim-Otero, Otero-Thedalund-Nelsen, and Nunn-Dacono-Altvan associations as listed in the Soil Survey of Larimer County and Weld County, Colorado, United States Department of Agriculture, September 1980. These soils are deep, level to moderately sloping, well drained sandy loams and loams formed in a mixed alluvium and eolian deposits. Following is a more complete description of the soils as taken from the soil survey.

Olney series:

The Olney series consists of deep, well drained soils that formed in alluvium. Olney soils are on plains. Slopes are 0 to 5 percent. Olney soils are similar to the the Fort Collins and Vona soils and are near the Kim, Nelson, Otero, and Thedalund soils. Fort Collins soils are less than 35 percent fine and coarser sand in the B horizon. Vona soils are less than 18 percent clay in the B horizon. Nelson and Thedalund soils have sandstone between 20 and 40 inches.

Crops yields per acre in this series are typically: 3.5 to 5.5 tons of hay; 20 to 24 tons of beets; 2400 to 2700 pounds of dry pinto beans; and, 80 to 180 bushels of corn.

Kim series:

The Kim series consists of deep, well drained soils that formed in mixed eolian deposits and parent sediment from a wide variety of bedrock. Kim soils are on plains and alluvial fans. Slopes are 0 to 9 percent. Kim soils are similar to the Colby, Otero, Shingle, and Thedalund soils and are near the Fort Collins and Olney soils. Colby soils are more silty in all horizons. Otero soils are less than 18 percent clay in the C horizon. Shingle and Thedalund soils have shale between 10 and 40 inches. Fort Collins and Olney soils have a B horizon. Typically these soils have free carbonates at the surface content of coarse fragments ranges to as much as 10 percent.

Crops yields per acre in this series are: 3 to 4 tons of hay; 20 tons of beets; and, 80 to 140 bushels of corn.

Otero series:

The Otero series consists of deep, well drained soils that formed in alluvium and eolian deposits. Otero soils are on plains and terraces. Slopes are 0 to 9 percent. Otero soils are similar to the Kim, Nelson, Tassel, and Thedalund soils and are near the Olney and Vona soils. Kim soils are more than 18 percent clay in the C horizon. Nelson, Tassel, and Thedalund soils have sandstone and shale between 10 and 40 inches. Olney and Vona soils have a B horizon. Typically these soils have free carbonates at the surface. Content of coarse fragments ranges from 0 to 10 percent.

Crops yields per acre in this series are: 3 to 5.5 tons of hay; 18 to 23 tons of beets; and, 80 to 170 bushels of corn.

Nunn series:

The Nunn series consists of deep, well drained soils that formed in mixed alluvium and eolian deposits. Nunn soils are on terraces, alluvial fans, and smooth plains. Slopes are 0 to 3 percent. Nunn soils are similar to the Altvan and Dacono soils and are near the Colombo, Fort Collins, Haverson, and Weld soils. Altvan and Dacono soils have a sand and gravel C horizon at a depth of 20 to 40 inches. Colombo and Haverson soils lack a B horizon. Fort Collins soils are less than 35 percent clay in the B horizon. Weld soils have an abrupt textural boundary between the A and B horizons.

Crops yields per acre in this series are typically: 3.5 to 5.5 tons of hay; 20 to 24 tons of beets; 2400 to 2700 pounds of dry pinto beans; and, 80 to 180 bushels of corn.

LAND OWNERSHIP

The land in the project service is primarily private farms, ranches, and some individual home sites. All of the agricultural land serviced by the Company is privately owned.

WATER RIGHTS

A consideration of water rights, and records of water diversion, provide the primary bases for determination of design discharges. The Larimer & Weld system holds some of the earlier rights on the Cache la Poudre River. A review of diversion records for the past ten years has shown that the canal regularly diverts direct river flows to the maximum decreed flow rate. Direct flow decrees associated with the Larimer & Weld diversion are as follows:

Order No.	Decreed Rate	Decree Date	Cumulative
10	3.00	1884	3.00
16	1.47	1884	4.47
21	16.67	1884	21.14
45	75.00	1884	96.14
73	54.33	1884	150.47
88	571.00	1884	721.47

The maximum cumulative decreed direct flow rate should be the minimum design capacity of any

structure that is located upstream of the service area of the canal. That design criterion is essential to avoid any indication of intent to abandon any part of any water right. Beyond the protection of direct flow rights, further design capacity considerations include possible additional flows from reservoir deliveries, upslope tailwater, precipitation runoff, and delivery scheduling allowances.

An additional factor that has an influence on required hydraulic capacity of the canal is the carrier function for water owned by shareholders. The most significant source of carried water is the Colorado-Big Thompson (C-BT) Project. Approximately 95 shares of C-BT water, which have typically accounted for 1/3 to 1/4 of annual deliveries; with daily carriage flow rates as high as 425 cfs in the past 10 years, are owned by ditch shareholders. Reservoir water from the big Windsor Reservoir (delivered by exchange) has typically run from 1/4 to 1/3 of the amount of C-BT water on an annual basis. Non-direct flows from nine other sources have also augmented flow in the canal at various times in the most recent 15 years of record examined incident to this report.

Total water delivered through the Larimer & Weld system average approximately 90,000 acre-feet per year.

NEED FOR THE PROJECT

The Larimer & Weld Ditch (Eaton Ditch) is typical of main supply canals used for irrigation in Colorado. The canal is checked at particular locations to raise the level of the water in the canal to allow discharge through headgates into lateral ditches or directly onto fields. Other control structures consist of dams and diversion structures that control the ditch and direct the flow to storage. Most of the check structures for the ditch have been replaced since 2001 with new concrete structures with automatically controlled Obermeyer gates. Only one check structure on the ditch, Finley Check, has not been replaced. This structure along with the Lake Lee Dam and Big Windsor Inlet are the structures being considered for replacement.

The structures in Eaton Ditch have been in service since near the start of canal operations in the late 1800's. Although various localized structural repairs or modifications had been done, no canal control structures had been totally replaced until recently when twelve new automated checks were constructed to replaced existing stoplog controlled structures. The new check structures have automated, air operated gates that have demonstrated a significant potential for canal operational improvements. In addition to the checks, the Lake Lee Dam and Big Windsor Inlet are concrete control and conveyance structures that are in disrepair and have about reach obsolescence. With failure of these two structures, the ditch company would have a difficult time operating the ditch and would lose water that is normally stored in Big Windsor Reservoir.

EXISTING FACILITIES

The structures considered for replacement by the Larimer & Weld Irrigation Company are listed in Table 1.

**TABLE 1
STRUCTURE SUMMARY**

Structure Name	Location	Gate Width	Gate Height
Finley Check	NE 1/4, Sec 34, T7N, R67W	25'	7'
Lake Lee Dam	NW 1/4, Sec 29, T7N, R67W	17'	6'
Big Windsor Inlet	NW 1/4, Sec 28, T7N, R67W	6'	6'
Big Windsor Check	NW 1/4, Sec 28, T7N, R67W	25'	6'

The Finley Check is similar to the other twelve check structures that have been replaced by the Company. This structure is located just downstream of Big Windsor Reservoir and is necessary to deliver water to share holders south of the ditch below Big Windsor. The existing structure is shown in photographs 1 and 2 in Appendix A of this report. This structure has no means to apply stop logs or other measures to temporarily check the ditch and is undermined at the base slab and on the left side walls. This structure would require major repairs and renovation to make it a useful structure. The location of the check is shown on Figure B1 in Appendix B.

The Lake Lee Dam impounds Lake Lee, as shown on Figure B1 in Appendix B, and is necessary to control flows in the ditch. This is the main regulating structure on the ditch with Lake Lee acting as an equalizer for the ditch. The Lake Lee Dam is a concrete structure approximately 60 feet in width, 60 feet in length and 15 feet in height. The existing structure is shown in photographs 3 and 4 in Appendix A. The structure has two 16 foot radial gates and has a bridge over the structure which carries the canal maintenance road and allows access to the gate operators and the ditch riders residence. The structure concrete is deteriorated with the base slab being in poor condition, the wall to slab joint being compromised with large chunks missing from erosion and freeze thaw action, and the slab is undermined in some areas. The radial gates and their sills are in poor condition and require regular maintenance to sustain operations.

Big Windsor Inlet is a diversion and conveyance structure that allows all or a portion of the flow in the ditch to be checked and diverted into Big Windsor Reservoir which impounds over 17,000 acre feet of water. The existing structure is approximately 250 feet in length, 50 feet in width, and consists of a inlet and drop structure with four 8 foot gates to divert water into Big Windsor. The existing structure is shown in photographs 5 and 6 in Appendix A.

The structure, in conjunction with a check in the ditch, diverts the water and drops it approximately 50 feet in elevation into the reservoir. The check structure associated with the inlet has significant deterioration of the concrete, is undermined, no longer has functioning stoplog guides, and is difficult to use as a check. The inlet structure and gates are in fair condition but the flume, drop structure, and outlet portions of the structure are in a very deteriorated condition.

The retaining walls on the conveyance flume are falling in and will have to undergo significant repaired if the structure is not replaced. The drop structure concrete and the outlet are deteriorated due to erosion of the concrete and lack of energy control.

ALTERNATIVES

Three alternatives have been considered for the structures covered in the NEEDS Section. They include: (1) Do nothing; (2) Repair existing structures; or (3) Replace all structures with new concrete structures. An assessment of each alternative follows.

Alternative # 1

One course of action considered was the DO NOTHING ALTERNATIVE. This option is not viable for the system to continue to operate and is only valid if the irrigated land is to be taken out of production and the water stock liquidated. The portions of the system that have not been repaired are at an age (in excess of 100 years) and level of deterioration that they are becoming very difficult to operate. Replacement or repair of these structures must be pursued if the ditch company is to continue making water deliveries.

The option to “do nothing” does not mean spending no money on the system. The Company has been operating under the “do nothing” option for many years and the structures are at or beyond their effective life. The loss of effective use of the Lake Lee Dam and the Big Windsor Inlet would have severe consequences for the ditch company and its water users. A major problem at the Lake Lee Dam would at the minimum make the ditch difficult to operate as this structure control the ditch flows in combination with Lake Lee which acts as an equalizer. At the worst, a failure at the Lake Lee Dam would potentially cause a washout of the ditch which would cause downstream damage and stop all water deliveries throughout the system. Loss of use of the Big Windsor Inlet would jeopardize the storage of water in this reservoir as this is the only way the reservoir can be filled. Failure of this structure would curtail ditch deliveries until a temporary repair could be initiated. Our best guess is the system would be down at least a week with a failure. The Finley Check is not critical to the overall operation of the system and loss of this check could be overcome. However, use of the Finley check can not be maintained without significant repair to the structure and its foundation.

Alternative #2

The second alternative explored was to repair the three structures. To repair the Lake Lee Dam and the Big Windsor Inlet would require some demolition and replacement of existing concrete that has deteriorated. Both Lake Lee Dam and Finley Check may require some treatment of the foundation to repair the undermining and retard it from developing further. All the structures need energy management to retard further erosion of the base slabs and the channel downstream of the structures. The base slab for Lake Lee Dam and the Big Windsor Inlet would need to be repaired by covering with a new concrete slab. The conveyance flume at Big Windsor would have to be

partially demolished and new retaining walls constructed as the existing walls have tilted in so much they have essentially failed. The check structure at the Big Windsor Inlet would have to have the right wingwall stabilized and the stoplog supports would have to be demolished and replaced. The Finley Check would require stabilization of the wing walls and would require the addition of a gate and supports or stoplog guides to make it a viable check.

In addition to the repairs, the ditch company has a need to be able to measure the flow downstream of the Lake Lee Dam and also measure the inflow into Big Windsor Reservoir. So, in addition to the repair, a Parshall measuring flume is needed at each location and will be included in the cost of this option.

The estimated construction cost to repair the structures and add a Parshall flume at the Lake Lee Dam and Big Windsor Inlet is estimated to be \$ 471,100 as shown in Table 2. This cost is approximately 35% of the cost to replace all the structures with new concrete structures.

This alternative, although less expensive initially than the replacement alternative, has several disadvantages when compared to the third alternative. The structures will be patched and repaired, but will have a shorter life span than a new structure. We would estimate the structures would most likely be ready for complete replacement in approximately 25 to 30 years. The new structures would be expected to last on the order of 100 years with repair on the gates and controls required every 25 years. The repaired check structures would utilize the same method of checking the ditch by using stoplogs which is difficult and dangerous on this size of ditch. No improvements in operational efficiency can be achieved with the repaired alternative using stoplogs for the checks. The addition of gates to the old check structures is not feasible due to the condition of the structure walls and the lack of reinforcing steel in the walls and slab.

TABLE 2
OPINION OF COST
LARIMER & WELD IRRIGATION
Alternative No. 2 - Repair Structures

ITEM	DESCRIPTION	QUANTITY	UNITS	UNIT PRICE	AMOUNT
1.	Findley Check				
	a. Mobilization	1.00	L.S.	\$ 1,500	\$ 1,500
	b. Dewatering	10.00	Days	\$ 300	\$ 3,000
	c. Concrete Repair	20.00	C.Y.	\$ 650	\$ 13,000
	d. Riprap	300.00	TONS	\$ 22	\$ 6,600
	e. Excavation & Backfill	250.00	C.Y.	\$ 10	\$ 2,500
	f. Grout Slab Subgrade	30.00	C.Y.	\$ 350	\$ 10,500
				Subtotal	\$ 32,600
2	Lake Lee Dam				
	a. Mobilization	1.00	L.S.	\$ 1,650	\$ 1,650
	b. Dewatering	10.00	Days	\$ 500	\$ 5,000
	c. Concrete Repair	60.00	C.Y.	\$ 650	\$ 39,000
	d. Riprap	500.00	TONS	\$ 22	\$ 11,000
	e. Gate Repair	1.00	L.S.	\$ 10,000	\$ 10,000
	f. Replace Operators	1.00	L.S.	\$15,000	\$ 15,000
	g. Construct Parshall Flume				
	Concrete	125.00	C.Y.	\$ 450	\$ 56,250
	Dewatering	10.00	Days	\$ 300	\$ 3,000
	Backfill	500.00	C.Y.	\$ 28	\$ 14,000
	Subgrade Stabilization	100.00	C.Y.	\$ 25	\$ 2,500
				Subtotal	\$ 157,400
3	Big Windsor Inlet & Check				
	a. Mobilization	1.00	L.S.	\$ 5,000	\$ 5,000
	b. Dewatering	10.00	Days	\$ 300	\$ 3,000
	c. Concrete Repair	75.00	C.Y.	\$ 650	\$ 48,750
	d. Replace Flume Walls				
	Demolition	1.00	L.S.	\$ 8,000	\$ 8,000
	Concrete Walls	100.00	C.Y.	\$ 450	\$ 45,000
	d. Riprap	300.00	TONS	\$ 22	\$ 6,600
	e. Gate Repair	5.00	Ea	\$ 4,000	\$ 20,000
	f. Replace Check				
	Concrete	110.00	C.Y.	\$ 450	\$ 49,500
	Dewatering	10.00	Days	\$ 300	\$ 3,000
	Backfill	500.00	C.Y.	\$ 28	\$ 14,000
	Subgrade Stabilization	100.00	C.Y.	\$ 25	\$ 2,500
	g. Construct Parshall Flume				
	Concrete	125.00	C.Y.	\$ 450	\$ 56,250
	Dewatering	10.00	Days	\$ 300	\$ 3,000
	Backfill	500.00	C.Y.	\$ 28	\$ 14,000
	Subgrade Stabilization	100.00	C.Y.	\$ 25	\$ 2,500
				Subtotal	\$ 281,100
TOTAL					\$ 471,100

Alternative #3

This alternative consist of a total replacement of the existing structures with new concrete structures which incorporates energy management features to control downstream erosion; effective gates for the control of flows; and, measurement capabilities of the flows at Lake Lee Dam and at the Big Windsor Inlet. Obermeyer gates will be used at the Finley Check and at the Big Windsor Inlet check. The gates will not be automated, however, as are those previously installed on the system. The operation of these checks is such that a manual control system is sufficient. Both the Lake Lee Dam and at the Big Windsor Inlet structure gates will be replaced with gates that are also manually controlled.

The Finley Check and Big Windsor Inlet Check will have the same configuration as those previously constructed on the system as shown on Figure B2 in Appendix B of this report. Those checks have a critical-flow throat in a rectangular constricted section, with upstream stilling wells and air-operated Obermeyer gates to control the upstream water surface elevation. Gate operation will be manual with power supplied by an air storage tank and a portable air compressor. For hydraulic energy management, the downstream sections of the checks have a plunge pool stilling basin, with a solid end sill. Water exits the structures in a trapezoidal cross-section that approximates the downstream ditch cross-section, A downstream riprap apron of approximately 40 feet in length provides downstream erosion protection.

The Finley Check will be 25 feet in width based on the maximum flow rate of 1,000 cfs as requested by the Larimer and Weld Irrigation Company. The Big Windsor Inlet Check was also designed for a maximum flow rate of 1,000 cfs and will also be 25 feet in width.

The existing Lake Lee Dam, shown in photographs 3 and in Appendix A, will be completely removed and a new concrete structure which incorporates a Parshall flume to measure flows will be constructed. The new structure is anticipated to be 60 foot in width, 125 feet in length, and approximately 15 feet in depth. The structure will utilize two radial gates to control flows and will have an overflow spillway set at gage height 10 to pass storm flows. A 25 foot wide Parshall flume will be incorporated into the structure and will be capable of measuring flows up to 1200 cfs. A bridge structure will cross over the ditch at this location to allow access to the ditch riders house. The proposed details of the structure are shown on Figure B3 in Appendix B.

The Big Windsor Inlet and Check Structure will also be completely removed and replaced with a new concrete structure. The new structure is anticipated to be 40 foot in width, 220 feet in length, with the depth varying from 15 feet to 35 feet below grade. The new structure will include a check in the main ditch, as described previously, to divert water into the reservoir inlet structure. The inlet structure will consist of an inlet section containing four control gates; a converging section with a Parshall flume; a drop structure to affect the approximately 35 feet in elevation change from the ditch to the reservoir; and, an outlet to control the energy. The drop structure and outlet will be connected by approximately 115 feet of reinforced concrete pipe. The hydraulic design criteria for this structure is to have a capacity of 800 cfs from the ditch to the reservoir.

The cost of the structures outlined above are based on the quantities shown in Table 4, 5, and 6. The unit prices are based on past projects that are similar to these structures, the cost of materials as quoted by suppliers, and input from local contractors we have worked with on other ditch conveyance structures. A summary of the costs are shown in Table 3 and a complete breakdown of the costs and quantities are shown in Tables 4, 5, and 6.

Table 3 summarizes the anticipated construction costs and also the engineering cost and a factor of approximately 18% for contingencies.

**TABLE 3
OPINION OF COST**

Structure Name	Construction Cost	Engineering	Contingency	Estimated Total Cost
Finley Check	\$ 158,000	\$ 12,000	\$ 28,700	\$ 198,700
Lake Lee Dam	\$ 404,000	\$ 72,000	\$ 73,000	\$ 549,000
Big Windsor Inlet & Check	\$ 676,000	\$121,000	\$122,000	\$ 919,000
TOTAL	\$1,238,000	\$205,000	\$223,700	\$1,666,700

1. Costs noted are an *Opinion of the Cost* expected and are not intended to be construed as the exact cost of construction.

SELECTED ALTERNATIVE

The Larimer & Weld Irrigation Company has chosen Alternative 3 as the desired alternative. The Company does not feel the other two alternatives provide for an increase in the efficiency of their system as does Alternative 3. Alternative 3 allows them to operate to the maximum capacity of their system and allows for better measurement and control of the ditch flows. The new structures would be expected to require little maintenance over the life of the loan and would have a longer life span than the repaired structures outlined in Alternative 2.

PROJECT COST

The opinion of cost of construction of the checks is listed in the previous section in Table 3. Following is a summary of all project costs including engineering fees and contingencies.

<u>Item</u>	<u>Estimated Cost</u>
1. Construction Costs	\$ 1,238,000
2. Engineering Fees	\$ 205,000
3. Contingency	<u>\$ 223,700</u>
TOTAL	\$ 1,666,700

TABLE 4
OPINION OF COST
LARIMER & WELD IRRIGATION - FINLEY CHECK
Replace Structure

Item No.	Description	Qty	Units	Unit Price	Amount
1	Mobilization, Insurance, Bonds	1	L.S.	\$ 6,072	\$ 6,072
2	Dewatering	5	Days	\$ 300.00	\$ 1,500
3	Concrete Structures				
	Floor Slab	65	C.Y.	\$ 450.00	\$ 29,250
	Walls	60	C.Y.	\$ 500.00	\$ 30,000
	Filletts	10	C.Y.	\$ 350.00	\$ 3,500
4	Gates				
	Obermeyer Gates & Manual Operators -25' x 7'	1	L.S.	\$ 52,500.00	\$ 52,500
5	Earthwork				
	Excavation	200	C.Y.	\$ 6.00	\$ 1,200
	Imported Backfill	550	C.Y.	\$ 28.00	\$ 15,400
6	Cofferdam				
	Imported Material	200	C.Y.	\$ 16.00	\$ 3,200
	Placement & Removal	200	C.Y.	\$ 10.00	\$ 2,000
7	Riprap	500	TONS	\$ 22.00	\$ 11,000
	Riprap Bedding	125	TONS	\$ 18.00	\$ 2,250
TOTAL					\$ 157,872

TABLE 5
OPINION OF COST
LARIMER & WELD IRRIGATION - LAKE LEE DAM
Remove & Replace Structure

Item No.	Description	Qty	Units	Unit Price	Amount
1	Mobilization, Insurance, Bonds	1	L.S.	\$ 11,762	\$ 11,762
2	Dewatering	1	L.S.	\$ 15,000	\$ 15,000
3	Concrete Structures				
	Floor Slab	225	C.Y.	\$ 450	\$ 101,250
	Walls	125	C.Y.	\$ 500	\$ 62,500
	Filletts	35	C.Y.	\$ 350	\$ 12,250
	Energy Blocks	5	C.Y.	\$ 350	\$ 1,750
4	Bridge Deck				
	Concrete Deck	30	C.Y.	\$ 525	\$ 15,750
	Handrail	1	L.S.	\$ 10,000	\$ 10,000
5	Gates - 17' x 6'				
	Radial Gates & Manual Operators	2	L.S.	\$ 46,000	\$ 92,000
6	Demolition				
	Labor/Supervision	40	Hours	\$ 50	\$ 2,000
	Backhoe	40	Hours	\$ 135	\$ 5,400
	Pavement Breaker	32	Hours	\$ 150	\$ 4,800
	Loader	32	Hours	\$ 95	\$ 3,040
	Dump Truck	32	Hours	\$ 95	\$ 3,040
7	Excavation & Backfill				
	Excavation	750	C.Y.	\$ 8	\$ 6,000
	Backfill	1500	C.Y.	\$ 4	\$ 6,000
	Imported Backfill Material	750	C.Y.	\$ 16	\$ 12,000
	Subgrade Stabilization	250	C.Y.	\$ 25	\$ 6,250
8	Cofferdam				
	Imported Material	750	C.Y.	\$ 16	\$ 12,000
	Placement & Removal	750	C.Y.	\$ 10	\$ 7,500
9	Riprap	300	Tons	\$ 22	\$ 6,600
	Riprap Bedding	75	Tons	\$ 18	\$ 1,350
10	Seeding	1	Acres	\$ 2,000	\$ 2,000
11	Road Base	200	Tons	\$ 18	\$ 3,600
TOTAL					\$ 403,842

TABLE 6
OPINION OF COST
LARIMER & WELD IRRIGATION - BIG WINDSOR INLET & CHECK
Remove & Replace Structure

Item No.	Description	Qty	Units	Unit Price	Amount
1	Mobilization, Insurance, Bonds	1	L.S.	\$ 25,576	\$ 25,576
2	Dewatering	1	L.S.	\$ 20,000	\$ 20,000
3	Concrete Structures				
	Floor Slab	170	C.Y.	\$ 450	\$ 76,500
	Walls	180	C.Y.	\$ 500	\$ 90,000
	Energy Blocks	10	C.Y.	\$ 350	\$ 3,500
4	Check Structure				
	Floor Slab	85	C.Y.	\$ 450	\$ 38,250
	Walls	50	C.Y.	\$ 500	\$ 25,000
	Filletts	35	C.Y.	\$ 350	\$ 12,250
5	Gates				
	Slide Gates & Manual Operators	4	L.S.	\$ 16,000	\$ 64,000
	Obermeyer Gates & Manual Operators -25' x 6'	1	L.S.	\$ 45,000	\$ 45,000
6	96" Pipe				
	Supply	230	L.F.	\$ 295	\$ 67,850
	Install	230	L.F.	\$ 100	\$ 23,000
7	Demolition				
	Labor/Supervision	80	Hours	\$ 50	\$ 4,000
	Excavator	80	Hours	\$ 95	\$ 7,600
	Pavement Breaker	40	Hours	\$ 140	\$ 5,600
	Loader	80	Hours	\$ 90	\$ 7,200
	Dump Truck	40	Hours	\$ 50	\$ 2,000
8	Excavation & Backfill				
	Excavation	11000	C.Y.	\$ 6	\$ 66,000
	Backfill	12000	C.Y.	\$ 4	\$ 48,000
9	Cofferdam				
	Imported Material	350	C.Y.	\$ 16	\$ 5,600
	Placement & Removal	350	C.Y.	\$ 10	\$ 3,500
10	Riprap	700	TONS	\$ 22	\$ 15,400
	Riprap Bedding	175	TONS	\$ 18	\$ 3,150
11	Seeding	3	Acres	\$ 2,000	\$ 6,000
12	Road Base	630	Tons	\$ 18	\$ 11,333
TOTAL					\$ 676,309

The Larimer & Weld Irrigation Company is seeking funding through the Colorado Water Conservation Board "*Small Projects Fund*" to finance 90% of the project. The irrigation Company will fund the remaining amount through an increase in assessments and/or a short term loan through a private institution.

IMPLEMENTATION SCHEDULE

The following schedule is proposed for implementation of the project based on the two phases as outlined above.

<u>Task</u>	<u>Target Completion Date</u>
1. Feasibility Study	7/31/2004
2. Loan From CWCB	9/30/2004
3. Finley Check	
Design	10/1/2004
Start Construction	2/1/2005
Complete Construction	4/1/2005
4. Big Windsor Inlet & Check	
Design	4/1/2005
Start Construction	9/1/2005
Complete Construction	4/1/2006
5. Lake Lee Dam	
Design	4/1/2006
Start Construction	9/1/2006
Complete Construction	4/1/2007

FUND REQUIREMENT SCHEDULE

The expected fund requirement schedule for the project, with an estimated project total cost of approximately \$1,666,700, is shown in Table 7. This schedule is based on construction starting design in 2004 and finishing construction on the last structure in 2007.

The Fund Requirement Schedule shows the funds required by the Company and the CWCB to complete the project on the schedule shown. This schedule does not reflect the 1% loan origination fee to be paid to the CWCB or any payments on the project.

**TABLE 7
FUND REQUIREMENT SCHEDULE**

YEAR	LARIMER & WELD	CWCB LOAN
2004	\$ 600	\$ 5,400
2005	\$ 74,410	\$ 669,690
2006	\$ 69,700	\$ 627,300
2007	\$ 21,960	\$ 197,610

FINANCIAL PLAN

The Larimer & Weld Irrigation Company proposes to apply for a \$1,500,000 loan from the Colorado Water Conservation Board (CWCB) for 30 years at 2.5% interest. The remainder of the project cost, the 1% loan origination fee, the loan payments, and payments into the 10% reserve would be paid by an increase in assessments on the shares of stock.

Revenue for operations and payment of loans is derived from assessments on 1,419 shares of outstanding stock. Assessments are presented to stockholders and approved at the annual stockholders meeting held in January of each year. The 2001 assessment was \$150.00 per share and the 2002 assessment was raised to \$215 per share, due to the previous CWCB loan and check structure construction. The 2003 assessment was maintained at \$215 and the 2004 assessment was raised to \$230 per share.

The financial condition of the company is solid at the present time. The company has no debt, other than the \$1,000,000 CWCB loan, and no outstanding obligations other than those listed in the financial statement found in Appendix D. For fiscal 2003, the Company had total operating revenues of \$523,656.71; normal operational expenses of \$448,865.74; with an operating balance of \$70,513.31.

The Company assessments have been rising over the past few years, partly in anticipation of the repairs being made to the system. The assessments over the past six years are as follows.

YEAR	ASSESSMENTS
2004	\$ 230
2003	\$ 215
2002	\$ 215
2001	\$ 150
2000	\$ 150
1999	\$ 100

Table 8 shows the cash flow and annual financial schedule for the Company's operations which includes the existing \$1,000,000 CWCB loan and the proposed \$1,500,000 loan at 2.5% interest over a 30-year repayment period.

The analysis in Table 8, Column (8), includes payment of \$4,961 for the existing loan and \$7,167 for the proposed loan to a Project Reserve Fund over a ten year period to provide for one yearly payment in reserve. This payment will be placed in a "certificate of deposit" and we have assumed a rate of return of 2.5% interest on the certificate of deposit which is included in column (9) as income.

Funds required by the Company during construction are included in column (6) and includes the 1% loan origination fee in 2005. The yearly payment to the CWCB, starting in 2005 for the existing loan and 2008 for the proposed loan, is shown in Column (7). The total income and expenses are indicated in Columns (9) and (10) with the remaining amount or income minus expenses for each year shown in Column (11). The Cash Balance, Column (12), is the sum of column (11) for any year plus the Cash Balance from the previous year. The assessment levels were set to maintain a cash reserve of approximately \$70,000 to handle variations in the Company's normal operating expenses. This reserve is approximately equal to 15% of their normal O & M expenses and is close to the reserve usually carried by the Company.

As indicated in Table 8, the assessments are expected to increase to a high of \$290 per share which is \$60 higher than the current assessment level. Through most of the loan period the assessments will average about \$275 which is \$45 higher than the current levels.

Credit Worthiness. The Company currently has only the one outstanding loan from the CWCB. This loan is for \$1,000,000 with the first payment due in 2005, the final payment being in 2034, with a yearly payment of approximately \$49,611. The Company has a long term relationship with the Farmers Bank in Ault and has the ability to borrow money as required to conduct their normal business.

Alternative Financing Considerations. The Company has investigated alternative financing with the Farmers Bank located in Ault, Colorado. The bank has indicated they would consider a loan for the Company after review of their financial status. The loan would initially be a one year revolving line of credit, prime plus 1 ½ percent, floating, with an up front loan fee of ½ percent. This loan could be renewed as needed or converted to a permanent mortgage. Included in Appendix F is a letter from the bank stating their position.

TABLE 8
LARIMER & WELD IRRIGATION COMPANY
ANNUAL FINANCIAL SCHEDULE
ALTERNATIVE 3

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)		
YEAR	ASSESSMENT PER SHARE	REVENUE FROM ASSESSMENTS	ESTIMATED OTHER INCOME	COMPANY O&M EXPENSE	CWCB LOAN PYMT (Structures)	COMPANY PROJECT PAYMENT	CWCB LOAN PYMT (Checks)	CD PYMT	TOTAL INCOME	TOTAL EXPENSES	INCOME MINUS EXPENSE	CASH BALANCE	YEAR
2002												\$4,252	2002
2003	\$215	\$305,085	\$218,571	\$505,525					\$523,656	\$505,525	\$18,131	\$22,383	2003
2004	\$230	\$326,370	\$220,000	\$490,000		\$600			\$546,370	\$490,600	\$55,770	\$78,153	2004
2005	\$290	\$411,510	\$220,000	\$490,000		\$89,410	\$49,611	\$4,961	\$631,510	\$633,982	(\$2,472)	\$75,681	2005
2006	\$275	\$390,225	\$220,000	\$490,000		\$69,700	\$49,611	\$4,961	\$612,365	\$614,272	(\$1,907)	\$73,774	2006
2007	\$240	\$340,560	\$220,000	\$490,000		\$21,960	\$49,611	\$4,961	\$562,776	\$566,532	(\$3,756)	\$70,018	2007
2008	\$285	\$404,415	\$220,000	\$490,000	\$71,667		\$49,611	\$12,128	\$626,841	\$623,406	\$3,435	\$73,453	2008
2009	\$285	\$404,415	\$220,000	\$490,000	\$71,667		\$49,611	\$12,128	\$627,230	\$623,406	\$3,824	\$77,277	2009
2010	\$285	\$404,415	\$220,000	\$490,000	\$71,667		\$49,611	\$12,128	\$627,629	\$623,406	\$4,223	\$81,500	2010
2011	\$280	\$397,320	\$220,000	\$490,000	\$71,667		\$49,611	\$12,128	\$620,942	\$623,406	(\$2,463)	\$79,037	2011
2012	\$280	\$397,320	\$220,000	\$490,000	\$71,667		\$49,611	\$12,128	\$621,184	\$623,406	(\$2,222)	\$76,815	2012
2013	\$280	\$397,320	\$220,000	\$490,000	\$71,667		\$49,611	\$12,128	\$621,432	\$623,406	(\$1,974)	\$74,841	2013
2014	\$280	\$397,320	\$220,000	\$490,000	\$71,667		\$49,611	\$12,128	\$621,685	\$623,406	(\$1,720)	\$73,120	2014
2015	\$280	\$397,320	\$220,000	\$490,000	\$71,667		\$49,611	\$7,167	\$621,822	\$618,445	\$3,377	\$76,497	2015
2016	\$280	\$397,320	\$220,000	\$490,000	\$71,667		\$49,611	\$7,167	\$622,085	\$618,445	\$3,641	\$80,138	2016
2017	\$275	\$390,225	\$220,000	\$490,000	\$71,667		\$49,611	\$7,167	\$615,260	\$618,445	(\$3,184)	\$76,953	2017
2018	\$275	\$390,225	\$220,000	\$490,000	\$71,667		\$49,611		\$615,181	\$611,278	\$3,903	\$80,856	2018
2019	\$270	\$383,130	\$220,000	\$490,000	\$71,667		\$49,611		\$608,183	\$611,278	(\$3,095)	\$77,761	2019
2020	\$270	\$383,130	\$220,000	\$490,000	\$71,667		\$49,611		\$608,106	\$611,278	(\$3,172)	\$74,589	2020
2021	\$275	\$390,225	\$220,000	\$490,000	\$71,667		\$49,611		\$615,122	\$611,278	\$3,844	\$78,433	2021
2022	\$275	\$390,225	\$220,000	\$490,000	\$71,667		\$49,611		\$615,218	\$611,278	\$3,940	\$82,373	2022
2023	\$270	\$383,130	\$220,000	\$490,000	\$71,667		\$49,611		\$608,221	\$611,278	(\$3,057)	\$79,316	2023
2024	\$270	\$383,130	\$220,000	\$490,000	\$71,667		\$49,611		\$608,145	\$611,278	(\$3,133)	\$76,183	2024
2025	\$275	\$390,225	\$220,000	\$490,000	\$71,667		\$49,611		\$615,162	\$611,278	\$3,884	\$80,067	2025
2026	\$270	\$383,130	\$220,000	\$490,000	\$71,667		\$49,611		\$608,164	\$611,278	(\$3,114)	\$76,952	2026
2027	\$275	\$390,225	\$220,000	\$490,000	\$71,667		\$49,611		\$615,181	\$611,278	\$3,903	\$80,855	2027
2028	\$270	\$383,130	\$220,000	\$490,000	\$71,667		\$49,611		\$608,183	\$611,278	(\$3,095)	\$77,760	2028
2029	\$270	\$383,130	\$220,000	\$490,000	\$71,667		\$49,611		\$608,106	\$611,278	(\$3,172)	\$74,588	2029
2030	\$275	\$390,225	\$220,000	\$490,000	\$71,667		\$49,611		\$615,122	\$611,278	\$3,844	\$78,432	2030
2031	\$275	\$390,225	\$220,000	\$490,000	\$71,667		\$49,611		\$615,218	\$611,278	\$3,940	\$82,372	2031
2032	\$270	\$383,130	\$220,000	\$490,000	\$71,667		\$49,611		\$608,221	\$611,278	(\$3,057)	\$79,315	2032
2033	\$270	\$383,130	\$220,000	\$490,000	\$71,667		\$49,611		\$608,145	\$611,278	(\$3,133)	\$76,182	2033
2034	\$240	\$340,560	\$220,000	\$490,000	\$71,667				\$564,256	\$561,667	\$2,589	\$78,771	2034
2035	\$240	\$340,560	\$220,000	\$490,000	\$71,667				\$564,321	\$561,667	\$2,654	\$81,425	2035
2036	\$235	\$333,465	\$220,000	\$490,000	\$71,667				\$557,292	\$561,667	(\$4,375)	\$77,050	2036
2037	\$190	\$269,610	\$220,000	\$490,000					\$491,536	\$490,000	\$1,536	\$80,307	2037

O&M COST NOT INCREASED FOR INFLATION

OTHER INCOME CONSTANT - NOT ADJUSTED FOR INFLATION

INTEREST INCOME ON CERTIFICATE OF DEPOSIT AND ON CASH BALANCE = 2.5%

CD PAYMENT IS 10% OF CWCB PAYMENT FOR BOTH LOANS

FINAL PAYMENT IN COLUMN (5) AND (7) MADE WITH CERTIFICATE OF DEPOSIT = SUM OF COLUMN (8)

COLUMN (4) FOR 2003 INCLUDES EXTRAORDINARY EXPENSE FOR CHECK STRUCTURES

OPINION OF FEASIBILITY

There do not appear to be significant roadblocks which would keep the Larimer & Weld Irrigation Company from successfully completing this project. The project does raise the average assessment level by approximately \$55 per share of stock as indicated below. The benefit is the Company can more successfully manage the water throughout the system and ensure equitable water deliveries to all shareholders. An additional benefit is securing the safety of the system against failure of a structure which would stop all deliveries throughout the system. A failure at Lake Lee Dam or at the Big Windsor Inlet would stop all deliveries through the system and would require a large expenditure to repair and bring the system back online.

Following is a cost to benefit analysis of the project.

Total Project Cost including interest

\$71,667 x 30 years = \$2,150,000	CWCB Loan Payments
\$ 15,000	1% Loan Origination Fee
<u>\$ 166,000</u>	Company 10% Participation
Total \$2,331,000	

Total Cost per Share of Stock

$$\$2,331,000 \div 1,419 \approx \$1,642$$

Cost Per Share of Stock Per Year

$$\$1,642 \div 30 \text{ years} \approx \$55$$

Cost Per Acre-foot Of Water Delivered For An Average Year

$$\$2,331,000 \div (90,000 \text{ A-Ft} \times 30 \text{ yrs}) = \$0.86$$

Using a rental rate of \$20 per acre-foot for the water as the benefit and the total cost of the project per year as the cost, the benefit to cost for the project is:

$$\text{Benefit/Cost} = [\$20 \times 90,000 \text{ A-Ft} \div (\$2,331,000 \div 30)] \approx 23$$

COLLATERAL

The Larimer & Weld Irrigation Company can offer the following collateral for the CWCB loan.

1. The revenue from assessments as allowed by the Company By-Laws and Articles of Incorporation.
2. A certificate of deposit account in the amount of one annual payment to be held by the State Treasurer.
3. The project itself, and other Company facilities.

SOCIAL, ECONOMIC, AND PHYSICAL IMPACTS

The project will have no significant social impacts as none of the facilities are utilized for recreation. No additional recreation or other activities are created by the project.

The project will have a positive economic impact by assisting the Company to more efficiently provide irrigation water to over 55,000 acres of irrigated farm land.

The project will have no significant physical impacts except in the immediate vicinity of the construction. These impacts will be minor in nature and will affect only small areas of less than 1 acre per project location.

PERMITTING

The Company and the Engineer believe no Environmental Assessment (EA) or Environmental Impact Statement (EIS) will be required. All work is associated with agricultural projects and all work is confined to the existing ditch. The Corps of Engineers will be contacted concerning 404 permitting but anticipate the work falling under the Nation Wide Permits which will not require formal permitting.

INSTITUTIONAL CONSIDERATIONS

No institutional considerations exist other than the proposed loan from the CWCB.

APPENDIX A
Photographs



Photo 1 - Finley Check



Photo 2 - Finley Check



Photo 3 - Lake Lee Dam - Downstream



Photo 4 - Lake Lee Dam - Upstream



Photo 5 - Big Windsor Diversion - Inlet Gates

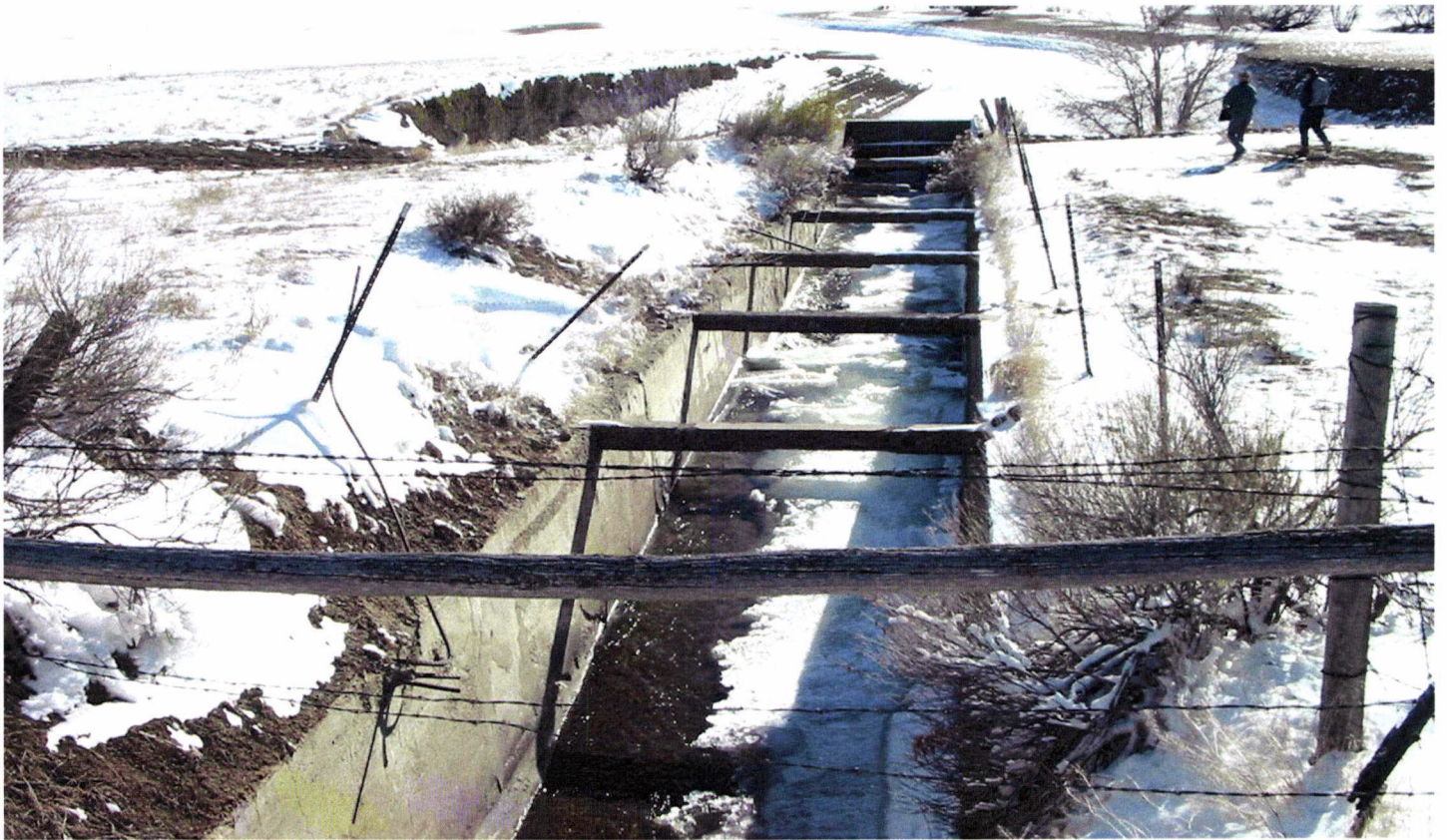
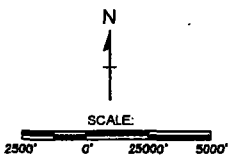
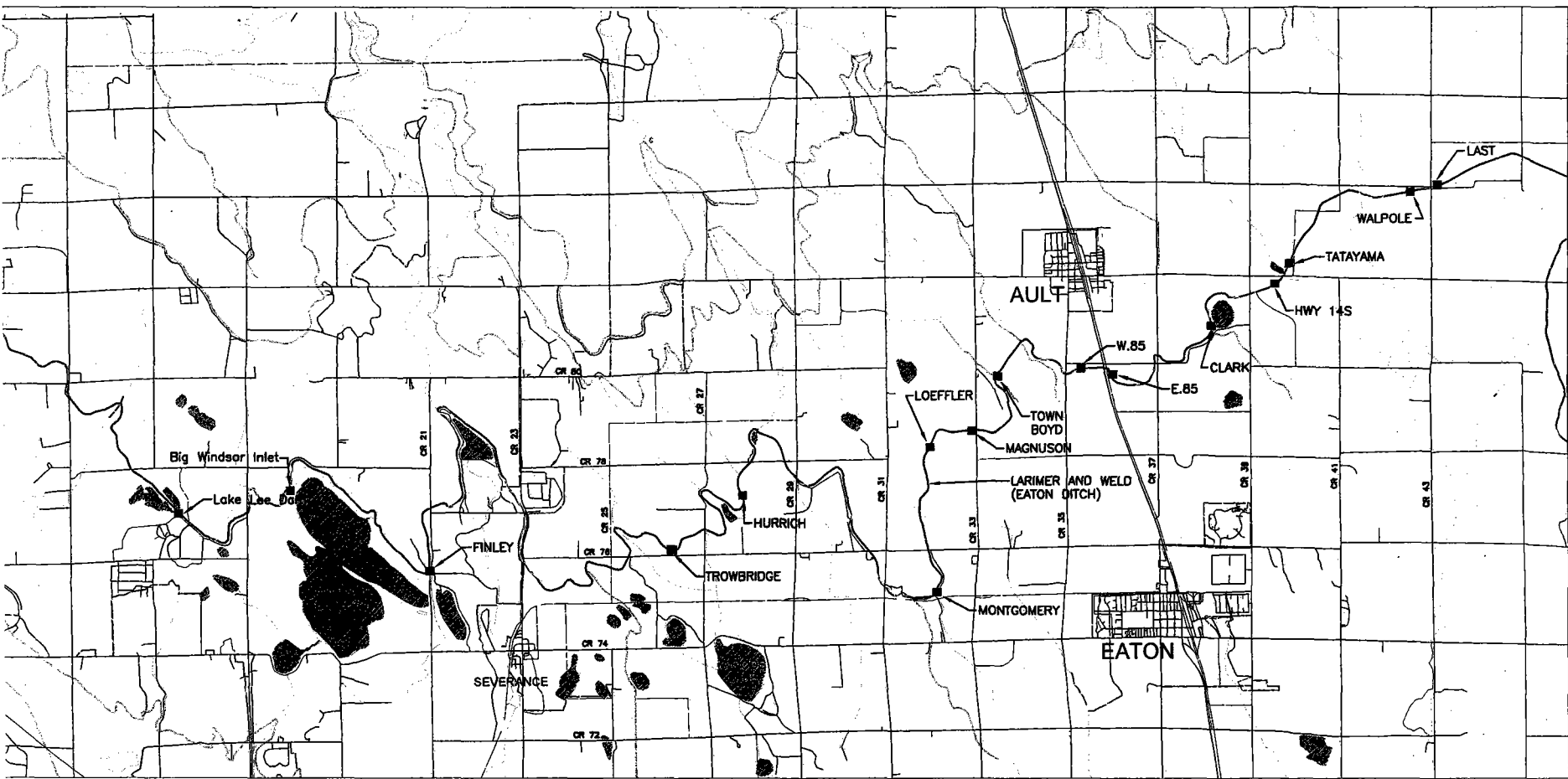
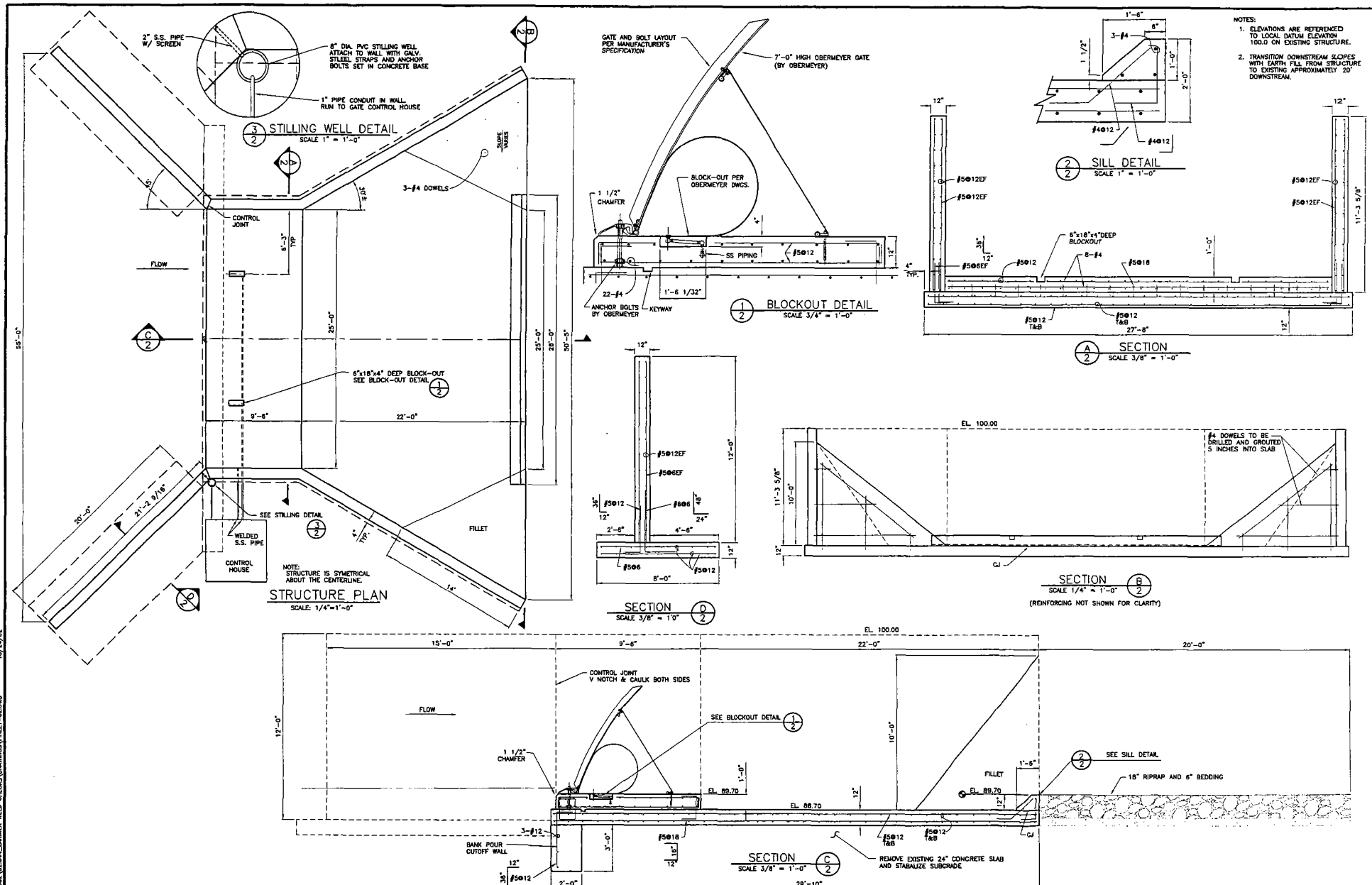


Photo 6 - Big Windsor Diversion - Downstream Flume

APPENDIX B
Site Location Map
Structure Drawing



LEGEND:
 ■ STRUCTURE LOCATION



10/24/02
N:\PROJECTS\2002\02-044_LAMMER_WELD_CHECKS\DRAWINGS\FINLEY-02.DWG

NO.	DATE	EXTENSIONS	BY

DRAWN	KEY	DESIGNED	IN	DATE
				7-02

SCALE	AS NOTED	APPROVED	CHK & DES	DATE

PROJ. NO. 02-044

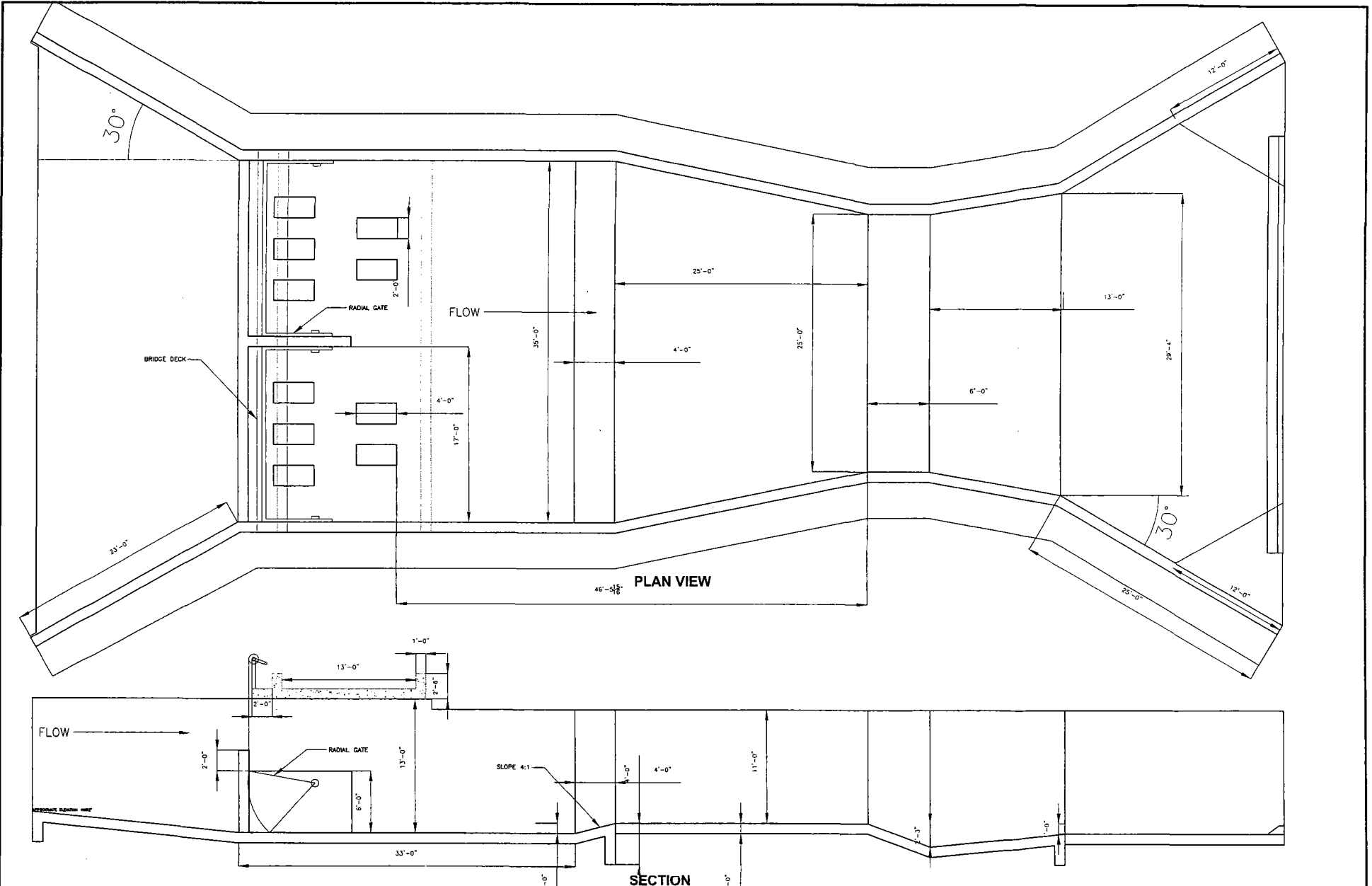
SG Smith Geotechnical/Engineering Consultants
1225 Red Cedar Circle
Fort Collins, Colorado 80524
(970) 490-2620

FINLEY CHECK

FIGURE B2

07/10/03

HA PROJECTS 2003\03-CAS\LAKE LEE & WELD STRUCTURES\DRAWINGS\LEE LAK DAM.DWG



NO.	DATE	REVISIONS	BY

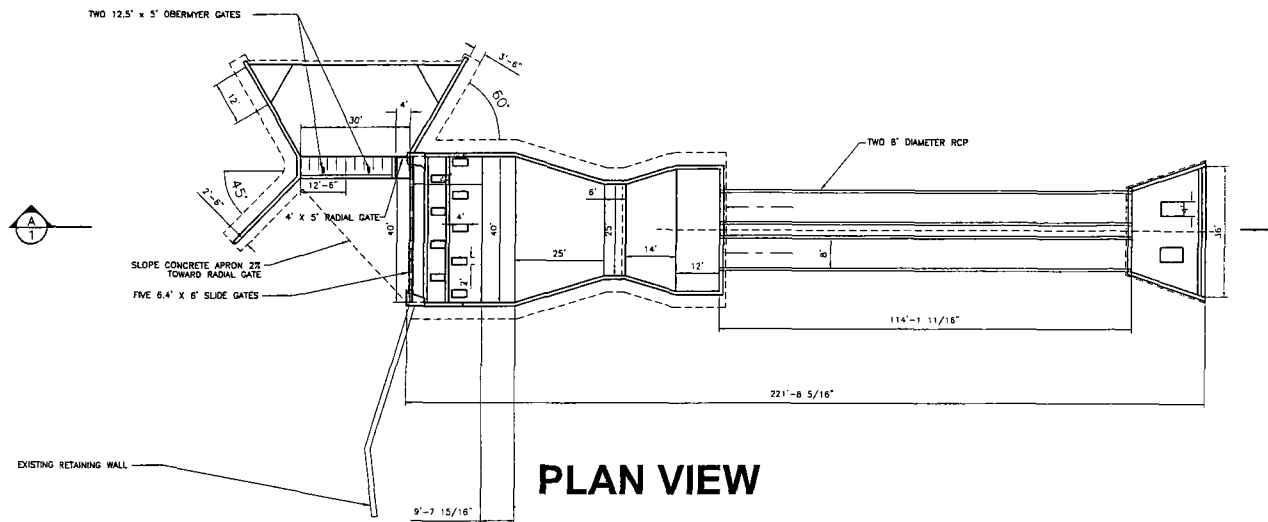
DRAWN	KRW	DESIGNED	BB	DATE	FEB 2002
SCALE	1"=8'	CHECKED	MS		
		APPROVED	DHS	PROJ. NO.	02.043



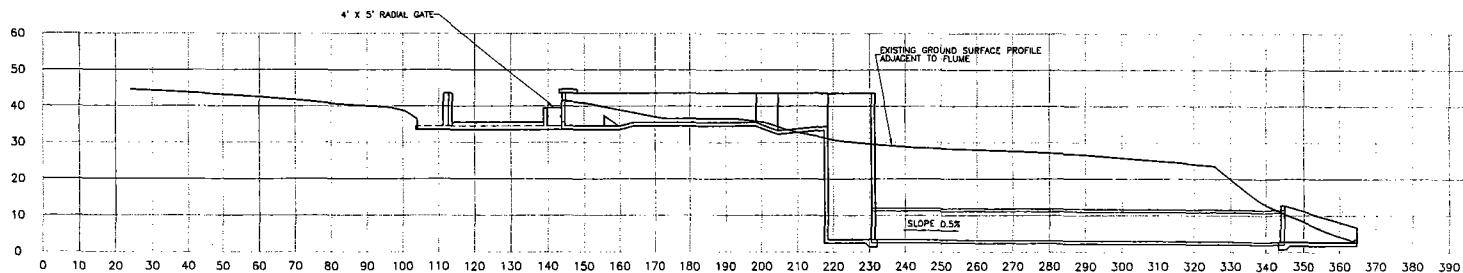
Smith Geotechnical/Engineering Consultants
 1225 Red Cedar Circle
 Fort Collins, Colorado 80524
 (970) 490-2620

LAKE LEE DAM

FIGURE B3



PLAN VIEW



SECTION A-1

H:\PROJECTS\2003\03-04\WINDSOR & WELD STRUCTURES\DRAWINGS\BIG WINDSOR INLET.DWG 07/10/03

NO.	DATE	REVISIONS	BY

DRAWN **KRW** DESIGNED **BB** DATE **FEB. 2002**
 CHECKED **RLT** APPROVED **BHS**
 SCALE 1/16"=1' PROJ. NO. **03.043**



Smith Geotechnical/Engineering Consultants
 1225 Red Cedar Circle
 Fort Collins, Colorado 80524
 (970) 490-2820

BIG WINDSOR INLET

FIGURE B4

APPENDIX C
Articles of Incorporation
By-Laws

Organized
1879

Articles of Incorporation

The Larimer and Weld Irrigation Company

This is to Certify, That we, the undersigned, have this day associated ourselves together, and do hereby associate ourselves together, for the purpose of forming a body corporate under the laws of the State of Colorado and do hereby declare:

First-----That the corporate name of the said company is hereby declared to be The Larimer and Weld Irrigation Company.

Second----That the objects and purposes for which said company is organized and created, are to acquire and become the owners of all the right, title and interest in and to the ditch known and styled as "The Irrigation Canal No. 10, of Larimer County", and also to enlarge and extend the same so that the same may be made a wider and longer ditch or canal, to be constructed by this company, and that the purposes for which said canal is to be built, widened and extended, are for the purpose of irrigation, transportation of passengers and merchandise in and over the same, and supplying water for domestic, milling, irrigation and agricultural purposes; and also to purchase the ditch now in process of construction, called and known as the "Larimer and Weld Irrigating Canal," together with all the rights, privileges and franchises appertaining or belonging thereto.

Third-----The stream from which the water is to be taken for the purposes aforesaid, is the Cache a la Poudre River, and the point of commencement and the general course of the canal proposed to be built by the said Larimer and Weld Irrigation Company, is as follows, to wit: Beginning at a point on the north side of the said Cache a la Poudre River, where the water from the said river flows into the south of said "Irrigating Canal No. 34, in Township No. 8 north, of range No. 69 West. Then following the course of said Irrigating Ditch No. 10, to the section line between sections No. 35 and 36 in Township No. 8 north of range No. 69 West. Thence in an easterly direction through the southwest quarter of Section No. 31, in T. No. 8 North of range No. 68 West. Thence through the South half of T. No. 7 North of range No. 67 West. Thence through Township No. 7 North of range No. 68 West. Thence across The Denver Pacific railway track in the North half of Section No. 24, in Township No. 7 North of range No. 66 West. Thence in a northeasterly direction to the southeast quarter of section No. 3, thence in a southeasterly direction to the northeast one-fourth of Section No. 25. Township No. 7 North of range 65 West. Thence as nearly in an easterly direction as the contour of the ground will permit through Township No. 7 North of range No. 64 west, and Township No. 7 North of range No. 63 West, to Crow Creek, a tributary of the Platte River.

Fourth----Also to acquire by purchase, donation, or otherwise, such lands as may at any time be deemed necessary or expedient by said Company, for the extension or for the enlargement of the capacity of said canal, so as to effect more completely the objects and purposes of said company: to construct reservoirs for holding and storing water; to build lakes, ponds, and lateral ditches for all purposes for which water may be used as aforesaid; to issue water rights to owners or occupants of adjacent lands on such terms and conditions as may be prescribed by the trustees, or a majority of them, of said company; to erect, maintain and keep in repair, a fence or other inclosure for the purpose of inclosing the land irrigable under said canal.

Fifth----To sell and supply on such terms and conditions as the board of trustees, or a majority of them, may prescribe water from said canal or from any of the lakes, ponds, reservoirs and lateral ditches appertaining thereto, for any purpose for which water may be used as aforesaid.

Sixth----That the capital stock of said company is hereby declared to be Two Hundred Thousand Dollars, and shall be divided into two thousand shares of one hundred dollars each.

(amended Dec. 4, 1937)

Seventh---Said company shall exist for the term of twenty years, unless sooner dissolved according to law.

(amended Dec. 4, 1937)

Eighth----The affairs, business and management of the said Company, and the use and control of said property and its franchises, shall be under the control and management of five trustees, and James Duff, Joseph Hyde Sparks, Benjamin H. Eaton, Thomas P. Dunbar, and Aaron J. Eaton, are hereby selected to act as said trustees, and to have full power as aforesaid, for the first year of the existence of said Company, and until their successors are duly elected and qualified.

Ninth----The trustees of said Company shall have full power to make such prudential by-laws as they may deem proper and necessary for the management and control of the affairs, business, concerns, and property, of the said Company, not inconsistent with the laws of this State.

Tenth----The principal place of business is hereby declared to be the City of Denver, in the County of Arapahoe and State of Colorado, and the principal office of said Company shall be and is hereby located at said City of Denver, and branch or subsidiary offices shall be and are hereby established at the town of Greeley, in Weld County and at the Town of Collins in the County of Larimer.

(amended June 12, 1893)

Eleventh---The principal operations of said Company shall be carried on in the counties of Larimer and Weld, in the State of Colorado.

In Witness Whereof, We have hereunto set our hands and seals this tenth day of March, A. D. 1879.

James Duff (seal)
Joseph Hyde Sparks (seal)
Benjamin H. Eaton (seal)
Thomas P. Dunbar (seal)
Aaron J. Eaton (seal)

Notarized on the 10th day of March, A. D. 1879
by Walter P. Miller

(seal)

Notarized on the 11th day of March, A. D. 1879
by Eph. Love

(seal)

Amendments
to Certificate of Incorporation

1 "BE IT RESOLVED, that Article "Seventh" of the certificate on incorporation of our said company be amended, in so far as relates to the term of its corporate existence to read as follows: Our said corporation, The Larimer and Weld Irrigation Company shall and is to have perpetual existence."

2 "BE IT RESOLVED, that Article "Sixth" of the certificate on incorporation of our said company be amended to read as follows: That the capital stock of said company is hereby fixed at and declared to be one hundred forty-one thousand nine hundred dollars (\$141,900) and shall be divided into one thousand four hundred nineteen (1419) shares of par value of one hundred dollars (\$100.00) each."

3 "BE IT RESOLVED, that Article "Tenth" of the certificate of incorporation of our said company be amended to read as follows: The Principal place of business is hereby declared to be the town of Eaton, in the County of Weld and State of Colorado, and the principal office of said Company shall be and is located at said town of Eaton."

BY-LAWS

of

The Larimer and Weld Irrigation Company

Article I

The officers shall consist of a President, ^{VICE PRES-} Secretary, and Treasurer, and the Trustees shall elect from their own members the President, and appoint a Secretary and Treasurer.

Article II

Section 1 ~~The election of Trustees shall be held on the first Monday of May in each year. Each share of stock shall be entitled to one vote. The Trustees elected shall serve for the term of one year from the first day of the next month following their election, and until their successors are elected and qualified.~~ ^{of 1st Mon in May}

Section 2 In event of a vacancy in the office of Trustee, it shall be the duty of the remaining Trustees, or a majority of them, at their next meeting, to fill such vacancy.

Section 3 In case of the death, resignation, absence or disability of the President to act, the Board of Trustees, at any regular or duly called special meeting, may appoint one of their member as President pro tem, who shall, during such vacancy or disability act as President, and shall, during such time, possess and exercise all the powers and functions of the President.

Article III

President

Section 1 The President shall preside at all meetings of the Trustees or Stockholders. He shall sign, as President, all certificates of stock, and all contracts and other instruments in writing, which have been approved by the Board of Trustees. He shall draw all checks and warrants upon the Treasurer. He shall have a deliberative and the casting vote at all the meetings of the Stockholders or Trustees. He shall call special meetings of the Stockholders or Trustees at his discretion. He shall supervise all the officers and employees of the Company, see that their duties are properly discharged, and report to the Board of Trustees any negligence or misconduct of any officer or employee.

Section 2 Treasurer

It shall be the duty of the Treasurer to keep safely all moneys belonging to the Company, and disburse the same under the direction of the Board of Trustees on warrant signed by the President and Secretary. At the close of each fiscal year he shall submit to the

Board of Trustees a complete statement of his accounts for the past year, with the proper vouchers, for their information, and at such other times as the Board of Trustees may designate or require. He shall make no payments except on a check or warrant drawn by the President and countersigned by the Secretary. He shall discharge such other duties pertaining to his office as shall be prescribed by the Board of Trustees.

Section 3 Secretary

It shall be the duty of the Secretary to keep a record of the meetings of the Board of Trustees, and of the Stockholders. He shall keep the book of blank certificates of stock, fill up and countersign all the certificates issued, and make the corresponding entries on the margin of said book on such issue. He shall keep a stock ledger in due form, showing the number of shares issued to and transferred by any stockholder, and the date of said issue and transfer; he shall have charge of the corporate seal, affix the same to all instruments requiring a seal; he shall keep, in the manner prescribed by the Board of Trustees, all the accounts of the Company, in books to be provided for that purpose; he shall discharge such other duties as pertain to his office, and as shall be prescribed by the Board of Trustees.

Section 4 Board of Trustees

The Board of Trustees shall have the power

1st To call meetings of the stockholders when they deem it necessary, giving not less than ten days notice thereof in the manner hereinafter provided, and they shall call meetings of the stockholders at any time, upon a written request of persons representing one-third of the capital stock;

2nd To appoint and remove at pleasure all employees and agents of the Company, prescribe their duties, fix their compensation, and require from them security for the faithful performance of their duties;

3rd To make rules and regulations not inconsistent with the laws of the State of Colorado, or the Act of Incorporation or the By-Laws of the Company, for the guidance of the officers and management of the affairs of the Company;

4th To incur such indebtedness as they deem necessary to carry out the objects of the Company, and to authorize the execution by the President and Secretary of any note or obligation for such indebtedness.

Section 5

It shall be the duty of the Board of Trustees

1st To cause to be kept a complete record of all their meetings and acts, and also of the proceedings of the Stockholders meetings, present a full statement at

the regular annual meeting of the Stockholders showing generally the condition of its affairs;

2nd To cause to be issued to the Stockholders, in proportion to their several interests, certificates of stock, not to exceed in the aggregate the capital stock of the Company.

Article IV

The fiscal year shall commence on the second Tuesday ^{1st day of Mar.} of April of each year.

Article V

The members of the Board of Trustees shall receive no compensation for their services as such, but shall be allowed their reasonable traveling expenses when actually engaged in the business of the Company, to be audited and allowed as in case of other demands against the Company. The President, Secretary and Superintendent shall receive such compensation for their services as the Board of Trustees shall determine.

Article VI

No contract by any officer of the Company shall be valid without the previous authorization or subsequent ratification of the Board of Trustees.

Article VII

Section 1 The regular annual meeting of the Stockholders shall be held on the first ~~Monday in May~~, ^{Saturday in May} at the office of the Company in the City ~~of Denver~~. ^{of Denver} A representation of a majority of the capital stock shall be necessary for the transaction of business at all meetings of stockholders. At all meetings of the company each stockholder shall be entitled to as many votes as he holds shares of stock, and representation by proxy duly appointed shall be allowed, such proxy to be filed with the Secretary of the Company at least one day before such meeting.

(amended)

Section 2 The ~~regular quarterly~~ ^{MONTHLY} meetings of the Board of Trustees shall be held on the ~~first Mondays~~ ^{Friday following} in ~~May, August, November and February~~ in each year, and special meetings of the Board may be called by the President whenever he may deem it expedient or necessary. A majority of the Board of Trustees shall constitute a quorum for the transaction of business.

Section 3 All meetings of the stockholders shall be called by giving personal notice to them, ^{by mail} or by notice published at least once a week for three weeks in a weekly newspaper published and printed in ~~Denver, Greeley, and Fort Collins~~ ^{Denver, Greeley, and Fort Collins} respectively.

(repealed)

Section 4 All elections shall be by ballot.

Article VIII

Certificates of stock shall be of such form and device as the Board of Trustees may direct, and such certificates shall be signed by the President and Secretary, and each certificate on its face its number, the date of its issue, and the number of shares for which, and the person or persons to whom it is issued. Several certificates may be issued to the same person or persons, provided that in the aggregate they do not exceed the number of shares belonging to such person or persons. The certificate book shall contain a margin on which shall be entered the number, date, number of shares, and the name or names of the person or persons expressed in the corresponding certificates.

Article IX

Section 1 Shares of the Company may be transferred at any time by the holders thereof, or by attorney legally constituted, or by their legal representatives. The transfer shall be made by endorsement on the certificate of stock and surrender of the same, provided, that such transfer shall not be valid, except between the parties thereto, until the same shall have been voted in the proper form on the books of the company. The surrendered certificates shall be cancelled before a new certificate in lieu thereof shall be issued.

Section 2 The receiver of any certificate of stock shall be required to sign the by-laws of the company, and no transfer of any share of stock shall be valid when the holder of such is indebted to the company on any account whatever, without the consent of the Board of Trustees.

Article X

Any Stockholder failing to pay any assessment duly levied by the Board of Trustees, or by the Stockholders at a meeting called for that purpose, shall be subject to the provisions for the collection of assessments provided by law. Notice of the levying of assessments shall be given in conformity with the statute in such case made and provided.

Article XI

The books and papers in the office of the Secretary and Treasurer shall at all times in business hours be open to the inspection of any Stockholder of the Company.

Article XII

These by-laws may be altered or amended at any annual meeting of the Company, or at any special meeting called for that purpose, by a vote of two-thirds of stock represented, provided a notice of such intended alteration or amendment be given in the call for such special meeting.

Minutes of a meeting of the Trustees of The Larimer and Weld Irrigation Company held at the Company's office in Denver the 5th day of May, 1879

The following resolution was submitted by J. H. Sparks, seconded by B. H. Eaton and supported by T. B. Dunbar, and adopted viz:

Whereas, under and by virtue of a certain contract made and entered into by and between Benjamin H. Eaton of the County of Weld and State of Colorado, party of the first part, and James Duff of the County of arapahoe and the State of Colorado, pary of the second part, the said Duff did dig, build and construct a certain ditch or canal known as the Larimer and Weld Irrigation Company's Canal, and has up to the date hereof constructed about twenty-three (23) miles in length thereof; and

Whereas, the said Duff also procured the purchase and conveyance of certain irrigation rights formerly owned by Larimer County Ditch No. 10, and caused a conveyance thereof to be make to said Larimer and Weld Irrigation Company; and

Whereas, this Company desires to purchase of and from the said Duff the ditch constructed as aforesaid, together with all his rights and privileges in and to the same; and

Whereas, the said Duff has agreed to accept of and from this Company in payment of all his right, title and interest in and to said constructed ditch as aforesaid, and for the advances by him heretofore make in the purchase of said Larimer County Ditch No. 10 the sum of one hundred thousand dollars (\$100,000).

Therefore, be it Resolved, by this Company, that the Secretary issue to the said Duff and his assigns one thousand shares of the capital stock of this Company, the same to be fully paid up and unassessable, upon the execution and delivery, by the said Duff, of a proper deed or instrument in writing conveying to this Company all the right, title and interest of the said Duff as aforesaid

On motion the Treasurer and Secretary were instructed to purchase such books as may be necessary for the proper record of the Company's business, and the President was authorized to daopt such forms of certificates of stock and of contracts for water rights as he may deem advisable.

It was resolved that for the present no stock shall be issued other than one share each to each of the Trustees, and such as above authorized to be issued in payment of the property purchased by the Company; but the President is hereby authorized to dispose of water, either by lease for one year at the rate of twelve

dollars and fifty cents per ten cubic inches, or in perpetuity water rights entitling the purchaser to ten inches for One hundred dollars each, such water rights to be exchangeable for stock in the Company at the option of the Company, one share of stock for every water right.

It was resolved that all contracts for the supply of water shall specifically state the land upon which said water is to be applied, and the holder of such lease or water right shall not be allowed to apply the water to any other land than that specified in his contract.

Amendments

to

By-Laws of

The Lorimer and Weld Irrigation Company

Resolved 1st That Section of I of Article II of the By-Laws of this Company be repealed, and that the following shall stand in lieu thereof, viz:

Article II Section 1 The election of Trustees shall be held on the first Monday in May in each year; providing that if for any cause said meeting is not held on said day in any year, it shall be lawful for the Stockholders to meet and elect said trustees and transact such other business as may come before them on any subsequent day. The trustees and officers of this Company duly elected shall continue to hold their offices and exercise their powers and duties until their successors are elected.

Resolved 2nd That Section 1 of Article VII of this Company's By-Laws be repealed and that the following shall stand in lieu thereof viz:

Article VII Section 1 The regular annual meeting of the Stockholders shall be held on the first Monday in May in each year, at the office of the Company in the City of Denver; providing if for any cause said is not held on said day in any year it may be held on any subsequent day. A representation of a majority of the capital stock shall be necessary for the transaction of business at all meetings of stockholders. Each share of stock shall be entitled to one vote, and representation by proxy shall be allowed.

(repealed)

Resolved that Section No. 1 of Article VII of this Company's By-Laws be repealed and that the following shall stand in place thereof:

Article VII Section I The regular annual meeting of the stockholders shall be held on the first Monday in May, in each year at the office of the Company in the Town of Eaton; providing if for any cause said meeting is not held on said day in any year it may be held on any subsequent day. A representation of a majority of the capital stock shall be necessary for the transaction of business at all meetings of the stockholders. Each share of stock shall be entitled to one vote, and representation by proxy shall be allowed.

Resolved that Section 3 of Article VII of this Company's By-Laws be repealed and that the following shall stand in place thereof:

Article VII Section 3 All meetings of the stockholders of this Company shall be called by giving personal notice to them ^{or} by notice published at least once a week for three successive weeks in a weekly newspaper published and printed in Eaton and Fort Collins respectively.

CERTIFICATE OF AMENDMENT
OF
ARTICLES OF INCORPORATION
OF

THE Larimer and Weld Irrigation Company

Know all Men by These Presents,

That we, W. H. Brown
President, and Mrs M. G. Morrison Secretary, of
The Larimer and Weld Irrigation Company

a corporation duly organized under and by virtue of the laws of the State of Colorado in that case made and provided, do hereby make this our certificate in

and in accordance with the said laws of the State of Colorado we make the following statements:

FIRST—That the holders of more than one-third of the capital stock of the
The Larimer and Weld Irrigation Company

subscribed, issued and credited to the holders thereof, and outstanding as shown by the books of the Corporation, did, on the 5th day of November A. D. 1918, in writing, request the President of the said Corporation to call a meeting of the stockholders for the purpose of considering a certain proposed amendment to the Articles of Incorporation of the said Corporation, setting forth in said written request the substance of said proposed amendment.

SECOND—That at a meeting of the Board of Directors of the said Corporation, called by the President in pursuance of such request, and held at the office of said Corporation, in the City of Eaton County of Weld, in the State of Colorado, on the 7th day of December A. D. 1918, the President presented such request to said Board, and, thereupon the following resolution was read and adopted:

That this company is operated, not for pecuniary profit, but for the mutual benefit of stockholders only.

RESOLVED—That a special meeting of the stockholders of this Corporation be and is hereby called to be held at the office of this Corporation in the City of Eaton County of Weld, State of Colorado, for the purpose and object of considering a certain proposed amendment to the Articles of Incorporation of The Larimer and Weld Irrigation Company

in manner and form as follows, to wit:

RESOLVED—That Section Seven of Article Seven of the Articles of Incorporation of the said Corporation be amended to read as follows: Said Company shall exist for the term of twenty years, unless sooner dissolved according to law; and that this company is operated, not for any pecuniary profit what so ever, but for the mutual benefit of the stock holders only.

RESOLVED—That due notice of said meeting be given, as required by law, by the Secretary.

THIRD—That thirty (30) days' notice of the said special meeting was given to each stockholder by delivering to each personally, or by depositing in the Post Office a notice, properly addressed, stating the time and object of the meeting, which said notice was signed by the President and Secretary of said Corporation; and that notice of said meeting was duly published ten (10) days prior to said meeting, in the Eaton Herald, a newspaper published in said City of Eaton, Colo., being the place in which the principal office of the Corporation is kept; a copy of which published notice clipped from said newspaper is pasted hereto and follows this paragraph.

FOURTH—That the said special meeting of the stockholders of the said Corporation, thus duly called, was held at the Corporation's office in the City of Eaton County of Held, and State of Colorado, on the 7th day of February, A. D. 1919.

FIFTH—That at the said special meeting of the stockholders of the said Corporation, votes representing more than two-thirds of all the stock of the said Corporation, then subscribed and in good faith outstanding, were cast in favor of the adoption of the proposed amendment, and the same was declared duly adopted.

SIXTH—That the President and Secretary of the said Corporation were, at said special meeting, duly authorized and directed to make, verify and file such certificate as might be necessary or required by law to carry into effect the change adopted by the Corporation by amendment to its Articles of Incorporation.

In Witness Whereof, we, the President and Secretary of the said Corporation, have hereunto set our hands and seals, this 8th day of March, A. D. 1919 and have caused the seal of our said Corporation to be affixed hereunto.

W. W. Brown
President. 

Attest:

Mrs. M. A. Morrison
Secretary. 

STATE OF COLORADO,

County of _____

} ss.

Before me, _____, a Notary Public in and for said
County and State, personally appeared _____ President, and
_____ Secretary, of the _____

_____ personally known to me to be the persons whose
names are subscribed to the foregoing certificate of amendment to the Articles of Incorporation of
said Corporation, who each, being first duly sworn, depose and say upon their oaths each for himself
and not one for the other, that they are the President and Secretary, respectively, of the said The

_____ and that the facts thus set forth in said certificate
are true to the best of their knowledge and belief, and that they as such President and Secretary,
respectively, of the said Corporation, made, signed and executed the said certificate for the uses and
purposes therein mentioned.

President.

Secretary.

Subscribed and sworn to before me this _____ day of _____
A. D. 19 _____

My Commission expires _____ A. D. 19 _____

Notary Public.

No. _____

CERTIFICATE OF AMENDMENT
OF
ARTICLES OF INCORPORATION
OF

*The University Field Service
Company of Colorado*

Adopted *March 7* 191*0*

CERTIFICATE OF AMENDMENT
TO
CERTIFICATE OF INCORPORATION
OF

THE LARIMER AND WELD IRRIGATION COMPANY.

a Colorado Corporation not for pecuniary profit

KNOW ALL MEN BY THESE PRESENTS, That we,

J. M. COLLINS

, President, and

DARLE WOOD

, Secretary of

The Larimer and Weld Irrigation Company
not for pecuniary profit

a corporation duly organized and existing under and by virtue of the laws of the State of Colorado, do hereby make this certificate in accordance with the laws of the State of Colorado, and state, to-wit:

FIRST. That at a special meeting of the stockholders of

Insert the word, general or special

The Larimer and Weld Irrigation Company

duly and regularly called as provided by the by-laws of said corporation and in accordance with the statutes of the State of Colorado and held at Eaton, Weld County, Colorado on the 4th day of December, A. D. 1957, the following resolution was presented and regularly adopted by an affirmative vote of not less than two-thirds* of the outstanding capital stock of said corporation entitled to vote, in accordance with the statute of the State of Colorado so made and provided, ~~thereby amending Article~~

~~of the Certificate of Incorporation to read as follows, to-wit:~~

"SEVENTH, The Larimer and Weld Irrigation Company, being a domestic corporation (not for pecuniary profit,) has issued 1419 shares of its capital stock and said 1419 shares of stock represent the entire capital of said company outstanding or to be issued, NOW THEREFORE, BE IT RESOLVED, that the authorized capital stock of said corporation be decreased to the actual amount thereof outstanding, and that the Certificate of incorporation of our said company and especially article "SIXTH" thereof be amended to read as follows:

'Sixth: That the capital stock of said company is hereby fixed at and declared to be one hundred forty-one thousand nine hundred dollars (\$141,900) and shall be divided into one thousand four hundred nineteen (1419) shares of par value of one hundred dollars (\$100.00) each.'

thereby amending Article SIXTH of the Certificate of Incorporation as amended to read as follows, to wit:

'Sixth: That the capital stock of said company is hereby fixed at and declared to be one hundred forty-one thousand nine hundred dollars (\$141,900) and shall be divided into one thousand four hundred (1419) shares of par value of one hundred dollars (\$100.00) each.

and the following Resolution was also presented and regularly adopted by an affirmative vote of not less than two thirds of the outstanding capital stock

*Where amendment affects preferred stock see Section 16, Chap. 70, S. L. 1931.
NOTE: Where amendment reduces the capital stock see Section 15, Chap. 70, S. L. 1931.

of said corporation so entitled to vote,

"BE IT RESOLVED, that Article "S^{ev}enth" of the certificate of incorporation of our said company be amended in so far as relates to the term of its corporate existence to read as follows: "Our said corporation, The Larimer and Weld Irrigation Company shall and is to have perpetual existence."

thereby amending Article Seventh of the Certificate of Incorporation to read as follows:

"Our Said corporation, The Larimer and Weld Irrigation Company, shall and is to have perpetual existence."

SECOND. That the president and secretary of the said corporation were, at said stockholders' meeting, duly authorized and directed to make, and file such certificate, as provided by law, setting forth such amendment or amendments to the certificate of incorporation as adopted by the stockholders of said corporation.

IN WITNESS WHEREOF, We, the president and secretary of said corporation, have hereunto set our hands this 14th day of December, A. D. 1937, and have caused the seal of the said corporation to be affixed hereunto.

CORPORATE
SEAL

J. M. Collins
President.

ATTEST:

Darle Wood
Secretary.

STATE OF COLORADO,
County of Weld } ss.

Before me, Lulu Leadbetter, a Notary Public in and for the said County and State, personally appeared J. M. Collins

who being first duly sworn upon his oath deposes and says: that he is the President of The Larimer and Weld Irrigation Company

a Colorado corporation; that he has read the foregoing certificate of amendment by him subscribed, and that the facts therein set forth are true to the best of his knowledge and belief.

J. M. Collins
President.

Subscribed and sworn to before me this 14th day of December, A. D. 1937.

By commission expires My Commission Expires Oct. 14, 1940

Lulu Leadbetter
Notary Public.

CERTIFICATE OF AMENDMENT
TO
Certificate of Incorporation
OF

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DOMESTIC

Form #2

CERTIFICATE OF AMENDMENT
TO
CERTIFICATE OF INCORPORATION
OF

THE LARIMER AND WELD IRRIGATION COMPANY

KNOW ALL MEN BY THESE PRESENTS, That we, J. E. Collins
Paris Wood, President, and
The Larimer and Weld Irrigation Company, Secretary of

a corporation duly organized and existing under and by virtue of the laws of the State of Colorado,
do hereby make this certificate in accordance with the laws of the State of Colorado, and state,
to-wit:

FIRST. That at a special meeting of the stockholders of
Insert the word, general or special
The Larimer and Weld Irrigation Company

duly and regularly called as provided by the by-laws of said corporation and in accordance with the
statutes of the State of Colorado and held at the office of the company at Eaton, Colo.
on the second day of December, A. D. 19 44,

the following resolution was presented and regularly adopted by an affirmative vote of not less
than two-thirds* of the outstanding capital stock of said corporation entitled to vote, in accordance
with the statutes of the State of Colorado so made and provided, ^{Section 5 of} thereby amending Article
Fifth ^{expunging 5-4-5} of the Certificate of Incorporation ^{to read as follows:} as it heretofore read and substituting a new Section 5 in lieu
thereof, all as shown by said Resolution which reads as follows, to wit:

WHEREAS, an examination of the articles of Incorporation of our said Com-
pany shows under paragraph numbered "Fifth", as an object or power of our
Company,

"Fifth" - To sell and supply on such terms and conditions
as the board of trustees, or a majority of them, may pre-
scribe water from said canal or from any of the lakes, ponds,
reservoirs and lateral ditches appertaining thereto, for any
purpose for which water may be used as aforesaid," and

WHEREAS, said Company has not now and never has had any water to sell or
dispose of, except for distribution to and for the benefit of its stockholders,
and is strictly a mutual ditch company, not for pecuniary profit, and all water
available to it is owned by its stockholders and all of its shares are outstand-
ing and said paragraph "Fifth" is obsolete and contradictory, NOW, WHEREFORE,

BE IT RESOLVED, that the certificate of incorporation of our said Company
should be amended by striking out and expunging said paragraph "Fifth" therefrom,
and

WHEREAS, the statutes of Colorado provide that the certificates of incor-
poration shall state whether or not cumulative voting shall be allowed in the

*Where amendment affects preferred stock see Section 16, Chap. 76, S. L. 1931.
NOTE: Where amendment reduces the capital stock see Section 15, Chap. 76, S. L. 1931.

election of directors or trustees of corporations, and the certificate of incorporation of our Company fails so to state, NOW, THEREFORE,

BE IT FURTHER RESOLVED that the certificate of incorporation of our said Company be amended to include a provision to be numbered "Fifth", as follows:

"Fifth -- Cumulative voting at stockholders meetings shall be allowed in the election of directors of our said Company."

SECOND. That the president and secretary of the said corporation were, at said stockholders' meeting, duly authorized and directed to make, and file such certificate, as provided by law, setting forth such amendment or amendments to the certificate of incorporation as adopted by the stockholders of said corporation.

IN WITNESS WHEREOF, We, the president and secretary of said corporation, have hereunto set our hands this 7th day of May, A. D. 1945, and have caused the seal of the said corporation to be affixed hereunto.

CORPORATE
SEAL

J. M. Collins
President.

ATTEST:

Darley Wood
Secretary.

STATE OF COLORADO,

County of _____ } ss.

Before me, _____, a Notary Public in and for the said County and State, personally appeared J. M. Collins who being first duly sworn upon his oath deposes and says: that he is the President of The Larimer and Weld Irrigation Company

a Colorado corporation; that he has read the foregoing certificate of amendment by him subscribed, and that the facts therein set forth are true to the best of his knowledge and belief.

J. M. Collins
President.

Subscribed and sworn to before me this 7th day of May, A. D. 1945.

My commission expires 11, County of _____, October 14, 1945

Lula Landetta
Notary Public.

CERTIFICATE OF AMENDMENT

TO

Certificate of Incorporation

OF

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DOMESTIC

BY-LAWS
OF
THE WINDSOR RESERVOIR & CANAL COMPANY

ARTICLE I

1.1. Name. The name of the Corporation is The Windsor Reservoir & Canal Company, sometimes referred to as the "Corporation."

1.2. Registered Office and Registered Agent. The address of the registered office of the Corporation is 106 Elm, Eaton, Colorado, 80615. The name of the registered agent at that address is Donn Engel.

1.3. Seal. The seal of the Corporation shall be as impressed hereon:

ARTICLE II - CAPITAL STOCK

2.1. Amount. The aggregate number of shares of capital stock that the Corporation is authorized to issue is One Thousand (1,000) shares of common stock ("Shares") with par value of One Hundred Dollars (\$100).

2.2. Consideration for Shares. The capital stock, including both authorized but previously unissued shares as well as treasury shares, may be issued for such consideration as shall be fixed from time to time by the Board of Directors (the "Board").

2.3. Payment for Shares. The consideration for the issuance of shares may be paid, in whole or in part, in money, in other property, tangible or intangible, or in labor or services actually performed for the Corporation, according to the laws of the State of Colorado. In the absence of fraud in the transaction, the judgment of the Board as to the value of the consideration received for shares shall be conclusive. No certificate shall be issued for any share until such share is fully paid.

2.4. Certificate Representing Shares. Each holder of shares shall be entitled to a certificate signed by the President or a Vice President and the Secretary of the Corporation, certifying the number of Shares owned by him. This certificate shall comply with the laws of Colorado on the date of its issuance.

2.5. Transfer of Stock. Shares shall be transferable only on the books of the Corporation upon surrender of the certificate or certificates representing the Shares, properly endorsed. The Corporation may charge a reasonable transfer fee and all costs incurred in any transfer.

ARTICLE III - MEETINGS OF SHAREHOLDERS

3.1. Place of Meetings. Meetings of the Shareholders of the Corporation shall be held at the registered office of the Corporation, or at such other place as the Board shall determine.

3.2. Annual Meetings. The annual meeting of the Shareholders shall be held at 10:00 a.m. on the first Tuesday in February of each year. If that day is a legal holiday, then the meeting shall be held

the same day of the following week that is not a legal holiday. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the Corporate Charter.

3.3. Special Meetings. Special meetings of the shareholders may be called by the President, the Board, or the holders of not less than ten percent (10%) of all Shares entitled to vote at the meeting.

3.4. Notice of Meeting - Waiver. Notice of all meetings of Shareholders of the Corporation, both regular and special, shall be given in accordance with C.R.S. Section 7-4-112, Repl. Vol. 1986, unless waived by compliance with C.R.S. Section 7-4-119 and 122, Repl. Vol. 1986.

3.5. Voting Rights. Every shareholder shall be entitled to one (1) vote for each Share standing in his name on the books of the Corporation. Cumulative voting shall not be allowed.

3.6. Quorum. Twenty Five percent (25%) of the authorized and outstanding shares entitled to vote thereat, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders. The shareholders present at a duly organized meeting may continue to do business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum. If a quorum shall not be represented at any meeting of the Shareholders, such meeting may be adjourned for a period not to exceed sixty (60) days at any one adjournment.

3.7. Proxies and Designated Representatives. A shareholder may vote either in person or by proxy. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy. At or before each meeting, all shareholders

who will be represented at a meeting, such as partnerships and corporations, must designate in writing to the Corporation that shareholder's agent for voting at shareholder meetings.

ARTICLE IV - BOARD OF DIRECTORS

4.1. Number and Qualifications. The duties and affairs of the Corporation shall be managed by a Board of not less than three (3) nor more than five (5) Directors. The shareholders, by their own vote, shall determine the number of directors each year at the annual meeting of the shareholders. Directors need not be residents of the State of Colorado but must be Shareholders of the Corporation.

4.2. Election. The initial Board shall hold office until the first annual meeting of shareholders and until their successors shall have been elected and qualified. At the first annual meeting of shareholders, and at each annual meeting thereafter, the shareholders shall elect Directors to hold office until the next succeeding annual meeting of shareholders. Each Director shall hold office for the term of which he is elected and until his successor shall be elected and qualified.

4.3. Vacancies. Any vacancy occurring in the Board may be filled by the affirmative vote of a majority of the remaining Directors though less than a quorum. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. However, a Director elected to fill a vacancy based upon an increase in the number of Directors shall serve only until the next annual meeting.

4.4. Place of Meetings. Meetings of the Board may be held either within or without Colorado, at such place as is designated in the notice or waiver of notice thereof.

4.5. Annual Meeting. The Board shall meet each year immediately after the annual meeting of shareholders. At this meeting, the Board shall elect officers and consider any other business that may be properly brought before the meeting. No notice of any kind to either old or new members of the Board for such annual meeting shall be necessary.

4.6. Other Meetings. Other meetings of the Board may be held upon notice by letter, telegram, cable, or radiogram, delivered for transmission not later than during the seventh day immediately preceding the date for such meeting, or by word of mouth, telephone, or radiophone received not later than during the third day immediately preceding the day for such meeting. These meetings may be called by the President or Secretary of the Corporation, at any place within or without Colorado. Notice of any meeting of the Board may be waived in writing signed by the person or persons entitled to such notice. However, a Director may attend a meeting for the express and announced purpose of objecting to the transaction of any business, because such meeting is not lawfully convened. Neither the business to be transacted at, nor the purpose of, any meeting of the Board need be specified in the notice or waiver of notice of such meeting.

The Directors shall meet monthly, except for the month of February, on the Friday following the first Wednesday of each month at the offices of the Corporation at 10:15 a.m., unless otherwise notified.

4.7. Quorum. A majority of the number of Directors fixed by these By-Laws shall constitute a quorum for the transaction of business. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board.

4.8. Loans. The Board shall have the following power with respect to the lending of funds:

4.8.1. Generally. To lend money for any of the purposes set forth in the Articles of Incorporation; to invest the funds of the Corporation from time to time; and to take and hold real and personal property as security for the payment of funds so loaned or invested.

4.8.2. To Employees. To lend money to and otherwise assist its employees.

4.9. Removal. Any Director may be removed from office, either with or without cause, at any time. Another person may be elected to that place to serve for the remainder of that term. This election may be made at any special meeting of shareholders called for this purpose, by vote of a majority of all of the Shares outstanding and entitled to vote. Vacancies not filled by shareholders at such a meeting may be filled by the Directors as provided above.

4.10. Executive Committee. The Board shall have the authority by resolution adopted by a majority of the whole Board to designate two or more of their number as an Executive Committee in the manner provided by C.R.S. Section 7-5-107, Repl. Vol. 1986.

ARTICLE V - OFFICERS

5.1. Officers. The officers of the Corporation shall consist of a President, Secretary, Treasurer, and as many Vice Presidents and such other officers and assistant officers and agents as may be

deemed necessary by the Board. Any two or more offices may be held by the same person, except the offices of President and Secretary or Assistant Secretary shall not be held by the same person. The office of President shall not be held by the same person that is Secretary or Assistant Secretary. Officers need not be Directors.

5.2. Vacancies. Whenever any vacancy occurs in any office by death, resignation, increase in the number of offices of the Corporation, or otherwise, that vacancy shall be filled by the Board. The officer so selected shall hold office until his successor is chosen and qualified.

5.3. President. The President shall be the Executive Officer of the Corporation and shall exercise detailed supervision over the business of the Corporation and over its several officers, subject, however, to the control of the Board. The President shall preside at all meetings of shareholders and Directors and discharge all the duties which devolve upon a presiding officer. The President shall have full authority to execute proxies in behalf of the Corporation, and to vote stock owned by it in any other corporation. The President may also execute, with the Secretary, powers of attorney appointing other corporations, partnerships, or individuals the agent or agents of the Corporation, all subject to the provisions of the laws of Colorado then in effect and the Articles of Incorporation of this Corporation and these By-Laws. In general, the President shall perform all duties as from time to time may be assigned to him by the Board.

5.4. Vice President. The Vice President shall perform all duties incumbent upon the President during the absence or disability of the President, and shall perform such other duties as these By-Laws may require or the Board may prescribe.

5.5. Secretary. The Secretary shall attend all meetings of the Shareholders and of the Board, and shall keep, or cause to be kept in a book provided for the purpose, a true and complete record of the proceedings of such meetings, and shall perform a like duty for all standing committees appointed by the Board, when required. He shall attend to the giving and serving of all notices of the Corporation, and shall perform such other duties as these By-Laws may require or the Board may prescribe.

5.6. Treasurer. The Treasurer shall keep correct and complete records of account, showing accurately at all times the financial condition of the Corporation. He shall be the legal custodian of all money, notes, securities and other valuables which may from time to time come into the possession of the Corporation. He shall immediately deposit all funds of the Corporation coming into his hands in a reliable bank or other depository to be designated by the Board, and shall keep such bank account in the name of the Corporation. He shall furnish at meetings of the Board, or whenever requested, a statement of the financial condition of the Corporation, and shall perform such other duties as these By-Laws may require or the Board may prescribe. The Treasurer may be required to furnish bond in such amount as shall be determined by the Board of Directors.

5.7. Delegation of Authority. In case of the absence of any officer of the Corporation, or for any other reason that the Board may deem sufficient, the Board may delegate the powers and duties of an officer to any other officer or to any director or employee of the Corporation, for the time being.

5.8. Other Officers. The Board may appoint other officers as it may deem necessary for the proper management of the Corporation.

5.9. Removal. Any officer may be removed by the Board with or without cause and without prejudice to contract rights, if any. Election or appointment of an officer to office shall not, of itself, create contract rights.

5.10. Assistant Officers. Any assistant officer shall have all the responsibility and authority hereby vested in the office itself. The signature of an assistant officer to any corporate document of corporate undertaking shall be considered as binding as that of the officer itself.

ARTICLE VI - MISCELLANEOUS

6.1. Fiscal Year. The Corporation shall operate on a fiscal year from November 1 through October 31 of each year.

6.3. Amendments. The Board may alter, amend, repeal or add to any and all provisions of these By-Laws.

6.4. Signature of a Director or Shareholder. The signature of a director or officer of the Corporation appearing on any document or memorandum of meetings or other corporate activity shall be a full and complete waiver of any notice that may have been given or in any way required to have been given of the meeting or activity with which the document or memorandum deals; and the truth or validity of that which is set forth in the document or memorandum shall be conclusively presumed.

CERTIFICATE

I, the undersigned, duly elected Secretary of The Windsor Reservoir & Canal Company, certify that the foregoing are the By-Laws of the Corporation, as adopted by the Board of Directors on the day of April 6, 1990, at a duly constituted meeting thereof.

WITNESS MY HAND this 6 day of April, 1990.

Norm E. Engel
Secretary

CONSENT CERTIFICATE

The undersigned hereby certifies as follows:

1. They are all of the members of the Board of Directors of Windsor Reservoir and Canal Company, a Colorado non-profit corporation (the "Corporation").
2. The following resolutions are consented to by the undersigned as such Directors as and for their unanimous act and the act of the Corporation, in accordance with the provisions of the Colorado Non-Profit Corporation Act, as amended:

RESOLUTION TO AMEND THE BYLAWS

RESOLVED, that upon consideration of the matter and after full discussion, the Board of Directors of the Corporation has determined that it is in the best interest of the Corporation to amend Article IV of the Bylaws of the Corporation in order to provide for the election of five members of the Board of Directors who shall, after the effective date of this resolution and after following an initial "phase-in" period, serve staggered terms with each such term to be three years in duration; and

FURTHER RESOLVED, that the Board of Directors shall designate, at its annual meeting to be held at the end of 1992, which seats on the Board of Directors shall be filled by Directors serving three (3), two (2) or one (1) year terms during the initial "phase-in" period; and

FURTHER RESOLVED, that Article IV, Section 4.2 of the Bylaws of the Corporation shall be amended to read as follows:

4.2 Election. Members of the Board shall hold office during the term for which they are elected or until their successors shall have been elected and qualified. There shall be an initial "phase-in" period during which the following shall occur: at the first annual meeting of shareholders following the adoption of this Section 4.2, the shareholders shall elect two (2) Directors to hold office for concurrent three (3) year terms or until their successors shall be elected at the annual meeting which shall occur in the year of the third anniversary of the election of such Directors; two (2) Directors to hold office for concurrent two (2) year terms or until their successors shall be elected at the annual meeting which shall occur in the year of the second anniversary of the election of such Directors; and one (1) Director to hold office for a one (1) year term or until his successor shall be elected at the annual meeting which shall occur in the year of the first anniversary of the election of such Director.

Following the initial "phase-in" period, the term of office of each Director shall be three (3) years and the elections for such Directors shall be staggered in the following manner: two (2) Directors shall be elected to concurrent three year terms in the first year; two (2) Directors shall be elected to concurrent three year terms in the second year; and one (1) Director shall be elected to a three year term in the third year. No more than two (2) Directors shall be replaced in any single year unless a vacancy shall occur through the death, resignation or removal from office of any Director.

FURTHER RESOLVED, that a copy of the foregoing resolution shall be inserted into the minute book of the Corporation; and

FURTHER RESOLVED, that the Board of Directors and the officers of the Corporation are hereby authorized to take such actions and to execute such further documents as may be necessary to carry out the foregoing resolutions.

3. This Certificate shall be deemed to be fully executed and delivered when each of the undersigned has executed at least one counterpart, but not necessarily the same counterpart, hereof.

4. The undersigned have executed this Certificate as of MARCH 6, 1992.

E. B. Gustafson
Director

Harry Anderson
Director

Charles C. Cazan
Director

Perry Haythorn
Director

James R. Koehler
Director

ARTICLE IV - BOARD OF DIRECTORS

4.2 Election. Members of the Board shall hold office during the term for which they are elected or until their successors shall have been elected and qualified. There shall be an initial "phase-in" period during which the following shall occur: at the first annual meeting of shareholders following the adoption of this Section 4.2, the shareholders shall elect two (2) Directors to hold office for concurrent three (3) year terms or until their successors shall be elected at the annual meeting which shall occur in the year of the third anniversary of the election of such Directors; two (2) Directors to hold office for concurrent two (2) year terms or until their successors shall be elected at the annual meeting which shall occur in the year of the second anniversary of the election of such Directors; and one (1) Director to hold office for a one (1) year term or until his successor shall be elected at the annual meeting which shall occur in the year of the first anniversary of the election of such Director.

Following the initial "phase-in" period, the term of office of each Director shall be three (3) years and the elections for such Directors shall be staggered in the following manner: two (2) Directors shall be elected to concurrent three year terms in the first year; two (2) Directors shall be elected to concurrent three year terms in the second year; and one (1) Director shall be elected to a three year term in the third year. No more than two (2) Directors shall be replaced in any single year unless a vacancy shall occur through the death, resignation or removal from office of any Director.

APPENDIX D
Financial Statements for 2003 and 2002

Schulz and Leonard, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors
The Larimer and Weld Irrigation Company
106 Elm Street
Eaton, CO 80615

We have reviewed the accompanying statement of cash receipts and disbursements of The Larimer and Weld Irrigation Company (a corporation) for the year ended October 31, 2003, in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in this financial statement is the representation of the management of The Larimer and Weld Irrigation Company.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statement in order for it to be in conformity with the cash receipts and disbursements basis of accounting, as described in Note 1.

Schulz and Leonard, P.C.

Schulz and Leonard, P.C.
November 13, 2003

THE LARIMER AND WELD IRRIGATION COMPANY
Statement of Cash Receipts and Disbursements
For the Year Ended October 31, 2003

CASH IN BANK, Centennial Bank, October 31, 2002		\$ 4,252.61
OPERATING RECEIPTS		
Assessments on 1,419 shares@ \$215.00	\$305,085.00	
Assessments on 4 shares @ \$2.50	<u>10.00</u>	
Total Assessments Billed	305,095.00	
Less current year delinquencies	(3,664.04)	
Plus prior years delinquencies collected	<u>2,465.00</u>	
Total Assesments Collected		\$303,895.96
River Water Running Charges		
Running charges, current	41,260.00	
Less current year delinquencies	<u>(3,479.50)</u>	
Total River Water Running Charges		37,780.50
Horsetooth Water (Colorado Big Thompson)		
Carrying and transfer charges, current	6,571.76	
Less current year delinquencies	<u>(72.00)</u>	
Total Horsetooth Water		6,499.76
Terry Lake carrying charges, current		26,784.00
Windsor Reservoir and Canal Company		
Carrying charges, current		57,387.00
Rental Water Receipts		62,581.25
Transferred Water		
Carrying and transfer charges		3,244.29
OTHER RECEIPTS:		
New stock certificates fees	2,300.00	
Interest income	10.69	
Right of way fees	2,000.00	
Repair and maintenance expense collected from others	2,556.59	
Federal income tax refund	18,559.53	
Miscellaneous income	<u>57.14</u>	
Total Other Receipts		<u>25,483.95</u>
Total Operating Receipts		<u>523,656.71</u>

See Accompanying Notes and Accountants' Report.

THE LARIMER AND WELD IRRIGATION COMPANY
Statement of Cash Receipts and Disbursements
For the Year Ended October 31, 2003

TOTAL BEGINNING BALANCE AND OPERATING RECEIPTS	\$527,909.32	
OPERATING DISBURSEMENTS		
Labor	\$42,748.79	
President's salary	6,000.00	
Superintendent's salary	22,486.28	
Secretary's salary	21,780.88	
Directors' fees	6,100.00	
Ditch riders' salaries	75,845.82	
Dues & subscriptions	719.50	
Employee health insurance	12,774.42	
Repairs and supplies, ditch	10,093.79	
Repairs and supplies, house	2,312.80	
Repairs and supplies, other	37,529.84	
Telephone	11,911.28	
Legal	47,248.91	
Accounting	1,350.00	
Utilities	5,309.58	
Gas, oil and grease	21,938.85	
Domestic water	1,715.14	
Office rent and supplies	10,702.94	
Insurance and bonds	21,914.00	
Payroll taxes	13,357.45	
Taxes and licenses	494.41	
Rental water costs	73,525.00	
Interest expense and loan fee	9,124.40	
Miscellaneous expense	411.93	
Total Operating Disbursements	457,396.01	
OPERATING BALANCE		\$ 70,513.31

See Accompanying Notes and Accountants' Report.

THE LARIMER AND WELD IRRIGATION COMPANY
Statement of Cash Receipts and Disbursements
For the Year Ended October 31, 2003

OPERATING BALANCE, CARRIED FORWARD		\$ 70,513.31
EQUIPMENT BOUGHT AND SOLD		
Purchase of hammer	(1,000.00)	
Purchase of Ford pickup	(13,891.50)	
Purchase of furnace	(4,797.00)	
Construction of checks	<u>(477,306.55)</u>	
Total Equipment Bought and Sold		(496,995.05)
LOANS		
Loan from Windsor Reservoir and Canal Company	54,000.00	
Repayment of Windsor Reservoir and Canal Company loan	(54,000.00)	
Loan from Farmers Bank	145,000.00	
Repayments of Farmers Bank	(480,000.00)	
Loan from Colorado Water Conservation Board	<u>783,865.74</u>	
Total Loans		<u>448,865.74</u>
CASH IN BANK, Centennial Bank, October 31 ,2003		<u>\$ 22,384.00</u>

See Accompanying Notes and Accountants' Report.

THE LARIMER AND WELD IRRIGATION COMPANY
Notes to the Statement of Cash Receipts and Disbursements
For the Year Ended October 31, 2003

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations. The Larimer and Weld Irrigation Company is a mutual irrigation company that delivers water to stockholders (members) and lateral ditch companies. Members are assessed fees for the usage of water. Members also are charged for river running charges. The Larimer and Weld Irrigation Company also charges fees for carrying water to non-members.

Cash Accounting. The Larimer and Weld Irrigation Company, a mutual irrigation company, recognizes all revenue and expense on the cash basis of accounting. Consequently, revenues are recognized when received rather than when earned, and expenses and purchases of assets are recognized when paid rather than when the obligations are incurred. Current year assessments delinquent at year end are not included in current year revenues; likewise, prior year delinquencies collected in the current year are recognized as revenue in the current year. Current year expenses unpaid at year end are not included in current year expenses; likewise, prior year expenses paid in the current year are shown as expenses of the current year. This method differs from generally accepted accounting principles which requires revenues to be recognized when earned and expenses to be recognized when the obligations are incurred.

Capital Improvements. Expenditures for capital improvements are recorded at cost. Depreciation for financial statement purposes is not computed as it is a nonmonetary transaction.

NOTE 2: INCOME TAXES

The Larimer and Weld Irrigation Company is a mutual irrigation company and is exempt from income tax under Internal Revenue Code Section 501 (c) (12) in any year when 85% or more of its income consists of amounts collected from members for the sole purpose of meeting losses and expenses. The Larimer and Weld Irrigation Company has not met the "85% of income from members" requirements for a number of years and is subject to normal corporate income taxes.

See Accompanying Accountants' Report.

THE LARIMER AND WELD IRRIGATION COMPANY
Notes to the Statement of Cash Receipts and Disbursements
For the Year Ended October 31, 2003

NOTE 3: CONCENTRATIONS OF RISK

The Larimer and Weld Irrigation Company borrowed funds from the Colorado Water Conservation Board for the installation of needed checks that will make the delivery of water more efficient and effective. For the fiscal year end October 31, 2003, the Larimer and Weld Irrigation Company borrowed \$783,865.74. The installation of the checks should be completed in the first quarter of 2004. Payment of the loan to Colorado Water Conservation Board will begin when the installations are done. At October 31, 2003, the amount of accrued interest is \$17,513.46. The term of the note is 30 years at 2.75% interest rate.

See Accompanying Accountants' Report.

JAMES W. STOCKOVER
Certified Public Accountant
P.O. Box 291
Fort Collins, Colorado 80522
970/482-3727

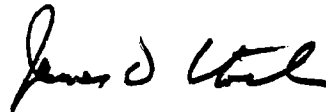
The Board of Directors
The Larimer and Weld Irrigation Company
Eaton, Colorado

I have reviewed the accompanying statement of cash receipts and disbursements of The Larimer and Weld Irrigation Company (a corporation) for the year ended October 31, 2002, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in this financial statement is the representation of the management of The Larimer and Weld Irrigation Company.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based on my review, I am not aware of any material modifications that should be made to the accompanying statement of cash receipts and disbursements in order for it to be in conformity with the cash basis of accounting, as described in Note 1a.

November 18, 2002



THE LARIMER AND WELD IRRIGATION COMPANY
Notes To Financial Statement
For the Year Ended October 31, 2002

Note 1: Summary of Significant Accounting Policies

a. Cash Accounting

The Larimer and Weld Irrigation Company, a mutual irrigation company, recognizes all revenue and expense on the cash basis of accounting. Consequently, revenues are recognized when received rather than when earned, and expenses and purchases of assets are recognized when paid rather than when the obligations are incurred. Current year assessments delinquent at year end are not included in current year revenues; likewise, prior year delinquencies collected in the current year are recognized as revenue in the current year. Current year expenses unpaid at year end are not included in current year expenses; likewise, prior year expenses paid in the current year are shown as expenses of the current year. This method differs from generally accepted accounting principles which requires revenues to be recognized when earned and expenses to be recognized when the obligations are incurred.

b. Capital Improvements

Expenditures for capital improvements are recorded at cost. Depreciation for financial statement purposes is not computed as it is a nonmonetary transaction.

Note 2: Income Taxes

The Larimer and Weld Irrigation Company is a mutual irrigation company and is exempt from income tax under Internal Revenue Code Section 501(c)(12) in any year when 85% or more of its income consists of amounts collected from members for the sole purpose of meeting losses and expenses. The Larimer and Weld Irrigation Company has not met the "85% of income from members" requirement for a number of years and is subject to normal corporate income taxes.

See accompanying accountant's report.

THE LARIMER AND WELD IRRIGATION COMPANY
Statement of Cash Receipts and Disbursements
For the Year Ended October 31, 2002

Cash in Bank, Centennial Bank, October 31, 2001		\$ 20,634.37
Operating Receipts		
Assessments on 1,419 shares @ \$215.00	\$305,085.00	
Assessments on 4 shares @ \$2.50	<u>10.00</u>	
	305,095.00	
Less current year delinquencies	<u>(3,133.00)</u>	
	301,962.00	
Prior years delinquencies collected	<u>1,510.00</u>	\$303,472.00
River Water Running Charges		
Running charges, current	.00	
Prior years delinquencies collected	<u>2,199.50</u>	2,199.50
Horsetooth Water (Colorado Big Thompson)		
Carrying and transfer charges, current	12,383.80	
Less current year delinquencies	<u>(70.20)</u>	
	12,313.60	
Prior years delinquencies collected	<u>115.50</u>	12,429.10
Terry Lake		
Carrying charges, prior year	25,110.00	
Carrying charges, current	<u>12,276.00</u>	37,386.00
Windsor Reservoir and Canal Company		
Carrying charges, current		15,867.00
Rental Water Receipts		141,022.00
Transferred Water		
Carrying and transfer charges		2,103.70
Other Receipts		
New stock certificates fees	3,900.00	
Interest income	66.97	
Right of way fees	10,000.00	
Repair and maintenance expense collected from others	<u>13,851.12</u>	<u>27,818.09</u>
		<u>542,297.39</u>
Total Beginning Balance and Operating Receipts, Carried Forward		\$562,931.76

See accompanying notes and accountant's report.

THE LARIMER AND WELD IRRIGATION COMPANY
Statement of Cash Receipts and Disbursements
For the Year Ended October 31, 2002

Total Beginning Balance and Operating Receipts, Brought Forward		\$562,931.76
Operating Disbursements		
Labor	\$ 39,206.29	
President's salary	5,200.00	
Superintendent's salary	21,302.94	
Secretary's salary	21,347.54	
Directors' fees	5,475.00	
Ditch riders' salaries	70,200.06	
Employee health insurance	5,809.40	
Repairs and supplies, ditch	13,198.34	
Repairs and supplies, house	1,998.31	
Repairs and supplies, other	41,360.92	
Weed control	2,038.03	
Telephone	12,617.43	
Legal	16,916.83	
Accounting	1,100.00	
Utilities	5,083.48	
Gas, oil and grease	15,761.61	
Domestic water	2,336.94	
Office rent and supplies	6,880.11	
Insurance and bonds	14,173.00	
Payroll taxes	12,402.07	
Income taxes	27,172.08	
Rental water costs	139,787.00	
Interest expense and loan fee	6,020.54	
Miscellaneous expense	<u>613.98</u>	
Operating Balance		488,001.90
		74,929.86
Equipment Bought and Sold		
Purchase of copier (1/2)	(1,500.00)	
Purchase of loader (1/2)	(1,864.55)	
Purchase of excavator (1/2)	(22,766.62)	
Purchase of tractor (1/2)	(4,925.75)	
Purchase of headgates	(7,764.42)	
Construction of checks	<u>(366,855.91)</u>	(405,677.25)
Loans		
Loan from Windsor Reservoir and Canal Company	400,000.00	
Repayment of Windsor Reservoir and Canal Company loan	(400,000.00)	
Loan from Farmers Bank	<u>335,000.00</u>	<u>335,000.00</u>
Cash in Bank, Centennial Bank, October 31, 2002		<u>\$ 4,252.61</u>

See accompanying notes and accountant's report.

APPENDIX E
CWCB Construction Loan Application

**Colorado Water Conservation Board
CONSTRUCTION FUND LOAN APPLICATION**

Instructions: This application form should be typed, or printed neatly with black ink. You may attach additional sheets as necessary to fully answer any question, or to provide additional information which you feel would be helpful in evaluating this application. If you have difficulty with any part of the application, please contact the Colorado Water Conservation Board office for assistance, at (303) 866-3441.

Generally, the applicant is also the prospective owner and sponsor of the proposed project. If this is not the case, please contact the CWCB staff before completing this application.

Part A. - Description of the Applicant (Project Sponsor or Owner):

1. Name of applicant(s): Larimer & Weld Irrigation Company
Don Engel (Secretary Treasurer - Primary Contact for Company)
Mailing address: P.O. Box 206, 106 Elm Street, Eaton, CO 80615

Telephone number: Business 970-454-3377
Fax 970-454-0154
Federal ID Number 84-0248330 e-mail Address: None

2. Person to contact regarding this application, if different from above:
Name: Barry Anderson
Position/title: President
Telephone number: Business 970-391-8533
Home 970-391-8533

3. Type of organization (Ditch Company, Irrigation District, Municipality, Private Owner, etc.):
Ditch Company

4. Is the organization incorporated in the State of Colorado? YES X NO
(If "YES", please include a copy of the articles of incorporation, and the Bylaws with this application form.) **See attached.**

5. Please provide a brief description of the owner's existing water supply facilities and describe any existing operational or maintenance problems. (Attach separate sheets and a map, if needed.):
Facilities include 26 miles of irrigation supply ditch, control and check structures, and headgates. System supplies irrigation water to approximately 86,000 acres of farm and pasture land. See attached map for service area.

6. For existing facilities indicate: (A) the number of shareholders 350,

(B) the number of shares of stock 1,419.

Part B. - Description of the Project

1. Name of the project or facility: Rehabilitation of Larimer & Weld Irrigation Check and Control Structures.

2. What is the purpose of this loan application? Check one.

 New Project

 X Rehabilitation or replacement of existing facility

 Enlargement of existing facility

 Emergency Repair

 Other (describe) : _____

3. If the project is for rehabilitation of an existing reservoir, is the reservoir currently under a storage restriction order from the State Engineer? YES NO

4. General location of the project. (Please include county, and approximate distance and direction from nearest town, as well as legal description, if known):

Project is at several locations along the Larimer & Weld Ditch (Eaton Ditch) located in Larimer and Weld Counties. Ditch starts in north Fort Collins and ends near Galeton, Colorado. See attached map.

5. Please provide a brief narrative description of the proposed project including purpose, need, facilities, types of water uses to be served and service area. (Attach separate sheet, if needed.):

The project is to replace a check dam (Lake Lee Dam); an inlet structure for Big Windsor Reservoir; and, construct a new check downstream of the existing Finley Check structure.

Water Rights: 721.47

Average water diverted per year: 90,000 acre-feet

6. Will the acquisition of additional water rights be necessary?

YES NO X If "YES", please explain: _____

7. Please list the names and addresses of any technical or legal consultants retained to represent the applicant or to conduct investigations for the proposed project:

<u>NAME</u>	<u>ADDRESS and PHONE</u>
Engineer Smith Geotechnical	1225 Red Cedar Circle, Suite H Fort Collins, CO 80524 Phone: 970-490-2620 Fax: 970-490-2851
Legal Counsel Mayo Sommermeyer	P.O. Box 1578 Fort Collins, CO 80522 Phone 970-498-9900 Fax: 970-498-9966

8. List any feasibility studies or other investigations which have been completed or are now in progress for the proposed project. (Please submit one copy of each completed study with this application):
In Progress - To be completed by August 1, 2004
9. What is the estimated cost of the project? Please include estimated Engineering costs, and estimated Construction costs, if known:
 Estimated Engineering Costs: \$ 205,000
 Estimated Construction Costs: \$1,423,700 (Including 15% Contingency)
 Estimated Total Costs: \$1,628,700
10. What loan amount and terms are you requesting?:
 Requested Loan Amount: \$1,500,000
 Term (length) of loan: 30 years
 Interest Rate: 2.5 %

Part C. - Project Sponsor Financial Information

Because the CWCB Construction Fund is a revolving fund, it is important that the project sponsor have the financial capacity to repay any loans made by the CWCB. The following information is requested to assist the CWCB in a preliminary assessment of the applicant's financial capacity. It is also requested that the project sponsor submit with this application copies of the two most recent annual reports, financial statements, corporate reports or other current documentation of financial condition and operations.

1. List any existing liability or indebtedness which exceeds one-thousand dollars. For example, bank loans, government agency loans, bond issues, accounts payable, etc. Include names and addresses of lenders, amounts, due dates and maturity dates.

<u>Lender</u> <u>Name/Address</u>	<u>Total</u> <u>Amount</u>	<u>Due</u> <u>Dates</u>	<u>Maturity</u> <u>Date</u>
<u>Colorado Water Conservation Board</u>	<u>\$1,000,000</u>		

2. Are any of the above liabilities now in default, or been in default at any time in the past?
YES ___ NO X If "YES", please give detailed explanation: _____

3. Please provide a summary of all revenues received during the last two fiscal years by category (such as service charges, tap fees, assessments, etc.):

See attached financial statements for 2002 and 2003

4. Please provide a brief narrative description of potential sources of funding (in addition to the CWCB) which have been explored or which will be explored for the proposed project (Examples would be Banks, U.S. Farmer's Home Administration, Colorado Water Resources and Power Development Authority, etc.)

Loan from a commercial bank. See attached letter.

5. What collateral will you be offering for this loan?:

Revenue from assessments and the physical project.

The above statements are true, to the best of my knowledge:

Signature of Applicant:  Barry Anderson

Title: President

Date: July 28, 2004

APPENDIX F
Farmers Bank Letter



July 27, 2004

Mr. Donn Engel
Larimer & Weld Irrigation Company
106 Elm Street
Eaton, CO 80615

Re: \$1,500,000 loan request

Dear Donn,

The Bank would look favorable on arranging a line of credit for the ditch company to facilitate the replacement of checks over the next year. In order to formalize the request the Bank would need financial information on the ditch company along with organizational information. The terms of a one year revolving line would be: price, prime plus 1 ½ floating (today 5.75%), with an upfront loan fee of ½%, secured by assets owned by the ditch company. The loan could be renewed as needed and or converted to a permanent mortgage.

Should you have any questions concerning this letter, please feel free to call me.

Sincerely,

A handwritten signature in cursive script that reads "F. J. Bauer".

F. J. Bauer
President



September 21, 2004
Project No. 03.043

Mr. Bruce Johnson, P.E.
Colorado Water Conservation Board
1580 Logan, Suite 750
Denver, CO 80203

Subject: Larimer & Weld Irrigation
Revised Feasibility Study

Dear Mr. Johnson:

Enclosed are two copies of the revised pages for the LARIMER & WELD FEASIBILITY STUDY. Revisions were made to pages 11, 15, 16, and Table 8. Column (6) in Table 8 was revised to reflect the Fund Requirement for the ditch company as shown in Table 7.

If you have any questions or need any additional information, please feel free to call me.

Thank you,
SMITH GEOTECHNICAL

A handwritten signature in black ink, appearing to read 'Duane H. Smith', with a long horizontal flourish extending to the right.

Duane H. Smith, P.E.

Enclosure

cc: Barry Anderson, Larimer & Weld

Johnson, Bruce

From: Duane Smith [ds@smithgeotech.com]
Sent: Wednesday, August 18, 2004 9:42 AM
To: Johnson, Bruce
Subject: RE: Larimer & Weld Irrigation Co.

Bruce,

In the past we have often rounded up slightly rather than ask for an odd number amount. We can either reduce the amount requested as you noted or slightly increase the contingency to provide a total that matches with the \$1.5M if you like. The loan would be expected to be 90% of the actual cost so it is not problem which ever way you want to handle this.

Duane

-----Original Message-----

From: Johnson, Bruce [mailto:Bruce.Johnson@dwr.state.co.us]
Sent: Thursday, August 12, 2004 9:34 AM
To: Duane Smith
Subject: Larimer & Weld Irrigation Co.

Duane,

One thing I noticed on the feasibility study. The loan request amount is \$1,500,000 which is 92% of the total. Since we are limited to 90% I will use a loan amount of \$1,465,830. Does that pose any problem for the Company? I am assuming not, but let me know. I will be back on Tues. At some point we will need to revise part of the feasibility study to reflect a new loan amount. Thanks.

Bruce

Johnson, Bruce

From: Linda J. Bassi [linda.bassi@state.co.us]
Sent: Thursday, August 01, 2002 4:34 PM
To: bruce.johnson@state.co.us
Subject: Re: July Board Meeting - Larimer and Weld Irrigation Co. (Agenda Item 19a)

I think this covers it.

If the collateral for the short term line of credit loan is the same as or overlaps with the collateral for this loan, the CWCB must be able to obtain a parity lien on that collateral with the lender of the short term loan.

>>> "Johnson, Bruce" <bruce.johnson@state.co.us> 08/01/02 03:01PM >>>
Hi Linda,

Can you give me the language that you used to amend the staff recommendation at the Board meeting? It pertained to the parity issue on the short-term line-of-credit loan. Do you still have it? If not, I could listen to the tapes. Thanks.

Bruce



July 30, 2004
Project No. 03.043

Mr. Bruce Johnson, P.E.
Colorado Water Conservation Board
1580 Logan, Suite 750
Denver, CO 80203

Subject: Larimer & Weld Irrigation
Feasibility Study

Dear Mr. Johnson:

The Larimer & Weld Irrigation Company is hereby transmitting a "LOAN APPLICATION" and two (2) copies of the FEASIBILITY STUDY for the replacement three structures on their ditch. With this transmittal, the Larimer & Weld Irrigation Company is requesting financing of the project for \$1,500,000 through the "Small Projects" fund.

If you have any questions or need any additional information, please feel free to call myself or Mr. Don Engel (970-454-3377) of the irrigation company.

Thank you,
SMITH GEOTECHNICAL

A handwritten signature in black ink, appearing to read 'Duane H. Smith', is written over a large, light-colored oval shape.

Duane H. Smith, P.E.

Enclosure

cc: Barry Anderson, Larimer & Weld



RECEIVED

MAY 31 2002

Colorado Water Conservation Board

May 21, 2002
Project No. 02.007

Mr. John VanSciver, P.E.
Colorado Water Conservation Board
1313 Sherman Street, Room 721
Denver, CO 80203

Subject: Larimer & Weld Irrigation
Feasibility Study

Dear Mr. VanSciver:

The Larimer & Weld Irrigation Company has previously submitted a "LOAN APPLICATION" for the replacement of eleven check structures on their system. We are hereby transmitting one (1) copy of the FEASIBILITY STUDY for the project. With the transmittal of this study and the Loan Application previously submitted, the Larimer & Weld Irrigation Company is requesting financing of the project for \$1,000,000 through the "Small Projects" fund.

If you have any questions or need any additional information, please feel free to call myself or Mr. Don Engel (970-454-3377) of the irrigation company.

Thank you,
SMITH GEOTECHNICAL

A handwritten signature in black ink, appearing to read 'Duane H. Smith', is written over the typed name.

Duane H. Smith, P.E.

Enclosure

cc: Barry Anderson, Lar. & Weld