COOPER NORMAN

February 9, 2024

*Sent via Email*

Mayor Will Frohlich
City of Victor, Idaho
[address redacted] Suite 201
[address redacted]

Mayor August Christensen
City of Driggs, Idaho
[address redacted]
[address redacted]

Re: Amended and Restated Examination of Wastewater Treatment Facility Debt and Inter-City Agreement for Wastewater Treatment Services

Dear Mayors Frohlich and Christensen,

This amended and restated report is offered at the request of the City of Victor to provide additional details related to the allocation of the quarterly debt payments between the Wastewater Treatment Plant and the Trunk Line portions of the debt.

Cooper Norman has been engaged by the City of Driggs ("Driggs") and the City of Victor ("Victor") (collectively "the Cities") to review the compliance of the Inter-City Agreement for Wastewater Treatment Services between the City of Driggs and the City of Victor dated September 30, 2011. As well as the financial compliance related to the 2016 DEQ loan ("loan") for improvements to the wastewater treatment facility.

Cooper Norman has relied upon various documents and information produced by both Cities including, but not limited to, emails, letters, invoices, account ledgers, agreements, and audited financial statements. The opinions and recommendations expressed in this letter are based on knowledge, experience, education and training, as well as information gathered and provided as part of this engagement.

<u>General Background of the Current Matter</u>

Sometime prior to 2011, it was determined that the City of Driggs and the City of Victor needed to upgrade their individual sewer lines as well as make improvements to the combined wastewater treatment facility. Around 2011, Driggs and Victor both applied for loans to fund

these projects from the State of Idaho Department of Environmental Quality ("DEQ"). It is our understanding that the DEQ recommended that the municipalities combine their applications into a joint loan to upgrade the wastewater collection system.

On August 18, 2011, The State of Idaho Department of Environmental Quality accepted the bid for the improvements to the Sewer Transmission Line (Driggs SRF WW 1103) in the estimated amount of $1,141,417.00.[1] This was rolled into a larger loan from the DEQ the majority of which was for improvements and upgrades to the shared wastewater treatment facility in Driggs Idaho. The total estimated DEQ loan amount was $10,500,000. The City of Driggs was considered the official borrower, and all loan payments to DEQ would be handled through the City of Driggs.

An Inter-city Agreement between Victor and Driggs was agreed upon and signed on September 30, 2011, by the mayors and attorneys for each of the respective municipalities. This agreement discussed the shared expenses related to the wastewater treatment plant. This consisted of two shared expenses between the two municipalities. First, the debt financing associated with the wastewater treatment plant reconstruction loan from the DEQ, and Second, the ongoing operational expense of the wastewater treatment plant.

DEQ Loan Financing

As part of the Inter-City Agreement, Driggs agreed to bond and pay for all costs associated with the 2010-2011 reconstruction of the existing facility using the DEQ funds which would include a zero percent interest loan and an estimated debt forgiveness from the DEQ of approximately $2,500,000.[2]

It is our understanding that as part of the improvements and upgrades to the wastewater treatment facility, it was determined that some improvements to the trunk line associated with each of the cities were necessary. The agreement also states that the City of Driggs will provide the necessary funds for these upgrades through the DEQ Loan,[3] with the debt service of any such increase specifically attibutable to the Trunk Line to be bore by Victor and Driggs pro-rata.[4]

Construction of the wastewater treatment facility and related infrastructure was completed over the next several years. In June of 2015 Mayor Hyrum F. Johnson of the City of Driggs sent a letter to Mayor Zachary Smith of the City of Victor regarding the upcoming commencement of the debt service for the DEQ loan. Attached to this letter was a spreadsheet containing the estimated breakdown for total expenses on the project as well as an anticipated loan forgiveness amount from the DEQ. The letter states "Naturally, as the loan closes out, we will receive the final determination from the DEQ, and update our spreadsheet accordingly."[5]

In our review of the quarterly billings from City of Driggs to the City of Victor, it seems that the estimated quarterly payment amount outlined in the June 22, 2015 letter was the amount that

[1] DEQ Award letter dated August 18, 2011
[2] Inter-city Agreement for Wastewater Treatment Services, dated September 30, 2011, Section 1
[3] Inter-city Agreement for Wastewater Treatment Services, dated September 30, 2011, Section 2.A, Section 2.C
[4] Inter-city Agreement for Wastewater Treatment Services, dated September 30, 2011, Section 2.C
[5] Letter from City of Driggs to City of Victor regarding Teton Regional Wastewater Treatment Plant – DEQ loan forgiveness proceeds, dated June 22, 2015

has been billed to the City of Victor and an updated calculation has not been made once the final loan proceeds and loan forgiveness was determined. We have looked at the provided documentation and have determined that there are a few adjustments that would be warranted to the June 2015 estimated payment calculation.

The first adjustment is to the total loan amount. According to the DEQ Loan Ledger, construction and repairs continued through June of 2016 when the final draw against the DEQ loan was taken.[6] The total loan disbursements added up to $10,473,487.[7] This is a difference on the total loan amount of $26,513 lower than the estimate used in the City of Driggs letter.

The second adjustment is for the total loan forgiveness. The 2015 estimate calculated the loan forgiveness to be $2,527,640.[8] However, the actual amount of the loan that was forgiven was $2,521,251.[9] This is a difference of $6,389 less loan forgiveness from the DEQ. Therefore, the principal balance of the loan is $7,952,236 ($10,473,487-$2,521,251) which agrees to the promissory note received from the Idaho DEQ.[10]

The third adjustment is related to the allocation of Trunk Line improvement costs allocated to the City of Victor. The 2015 estimated breakdown provided by the City of Driggs allocates the total DEQ loan into two categories, costs related to the wastewater treatment plant, and costs related to the City of Victor for the improvements to the trunk line. After review of the inter-city agreement, discussions with Robert Heuseveldt, who we understand is an engineer with Sunrise Engineering and was involved on this project, and various other documents related to the project, it was determined that the value used in the 2015 estimated cost breakdown was overstated. The 2015 estimated cost according to the City of Driggs breakdown was $1,413,543.[11] However, the actual cost attributable to the trunk line improvements was determined to be $1,180,594.65[12] which is a difference of $232,947.90 less than what was used in the 2015 estimate letter from the City of Driggs.

The fourth adjustment also has to do with the trunk line improvement costs. As mentioned above, the inter-city agreement speaks to the trunk line improvements and that they were to be funded through the DEQ loan proceeds and each city was to bear its own portion of those costs pro-rata. The agreement also states that the pro-rata shall be determined by the Victor and Driggs users as set forth in Section 5 of the agreement. [13] Section 5 states.

> "The ratio of participation shall be based on the number of equivalent residential units each party has connected to the Trunk Line, which have contributed to the need for a larger line. If the parties hereto are not able to agree on the proportional ratios, an in stream flow calculation shall be taken

[6] City of Driggs DEQ Loan Ledger, printed October 12, 2022, page 3
[7] City of Driggs DEQ Loan Ledger, printed October 12, 2022, page 4
[8] Letter from City of Driggs to City of Victor regarding Teton Regional Wastewater Treatment Plant – DEQ loan forgiveness proceeds, dated June 22, 2015
[9] City of Driggs DEQ Loan Ledger, printed October 12, 2022, page 4
[10] Letter from Idaho Department of Environmental Quality to the City of Driggs, dated June 3, 2016
[11] Letter from City of Driggs to City of Victor regarding Teton Regional Wastewater Treatment Plant – DEQ loan forgiveness proceeds, dated June 22, 2015
[12] Contract change order for Victor Sewer Interceptor, dated August 16, 2012
Sunrise Engineering, Sewer Interceptor Construction Cost Allocation breakdown for Victor and Driggs, dated December 19, 2023
[13] Inter-city Agreement for Wastewater Treatment Services, dated September 30, 2011, Section 2.C

manually at the point the Trunk Line connects with the Driggs system, and the proportional ratios shall be based upon the actual flows, with the cost of such measurement being shared in the same proportions as are determined for the line increase."

Based on our review of the documents provided, the "equivalent residential units" for each party was not determined by the cities. Therefore, the trunk line improvement costs are to be allocated based on the proportional in stream flow calculation. This calculation was provided by the City of Driggs as part of the 2015 letter to the City of Victor. The estimated loan breakdown spreadsheet contained the 2014 Annual Flow share which was determined to be 55.9% attributed to the City of Driggs and 44.1% attributed to the City of Victor.[14] Therefore, according to the inter-city agreement, an adjustment for the allocation of the total trunk line expenses based on the 2014 flow rate noted above should be made.

Based on the four adjustments discussed above, we have recalculated the allocation of the DEQ loan, as shown in Table 1 below.

**Table 1 - Loan Recalculations**

| | | | Trunk Line | |
|---|---|---|---|---|
| | Total | WWTP | City of Driggs | City of Victor |
| DEQ Loan | $ 10,473,487.00 | $ 9,292,892.35 | $ 660,432.48 | $ 520,162.17 |
| % of loan by project | 100.0% | 88.7% | 6.3% | 5.0% |
| Share of Loan Foregivness Based on Net% | (2,521,251.00) | (2,237,050.00) | (158,983.92) | (125,217.07) |
| Net DEQ Loan after shared Loan Forgiveness | $ 7,952,236.00 | $ 7,055,842.35 | $ 501,448.56 | $ 394,945.10 |

The $7,055,842.35 allocated to the wastewater treatment plant also needs to be allocated between the two cities. This is allocated based on the 2014 flow share calculation shown in Table 2 below:

**Table 2 - Flow Share Percentage Calculation**

| | Total | Driggs | Victor |
|---|---|---|---|
| 2014 Annual Flow (in 1000) | 170,772 | 95,531 | 75,241 |
| **Flow Share Percentage** | **100.0%** | **55.9%** | **44.1%** |

Based on this ratio, the allocation of the wastewater treatment plant debt is calculated to be $3,947,085.03 allocated to the City of Driggs and $3,108,757.32 allocated to the City of Victor. This along with the cities respective portion of the trunk line expenses are shown in table 3 below:

[14] Letter from City of Driggs to City of Victor regarding Teton Regional Wastewater Treatment Plant – DEQ loan forgiveness proceeds, dated June 22, 2015

| Table 3 - Loan Payment Calculation (After Forgiveness) - Total | | | |
|---|---|---|---|
| | **Total** | **City of Driggs** | **City of Victor** |
| Loan Cost - WWTP | $ 7,055,842.35 | $ 3,947,085.03 | $ 3,108,757.32 |
| Loan Cost - Trunk Line | 896,393.65 | 501,448.56 | 394,945.10 |
| Total Loan | $ 7,952,236.00 | $ 4,448,533.59 | $ 3,503,702.41 |
| Length of Loan (Years) | 20 | 20 | 20 |
| **Annual Payment** | **$ 397,611.80** | **$ 222,426.68** | **$ 175,185.12** |
| **Quarterly Payment** | **$ 99,402.95** | **$ 55,606.67** | **$ 43,796.28** |

We have prepared a schedule of payments with the above adjustments incorporated for both cities. These schedules show the history of payments made through 2023 and the new quarterly payments for each city through the end of the term of the loan, see Schedules 1 & 2. Additional sub-schedules further breakout the total quarterly payments between Wastewater treatment plant debt and trunk line debt.

The allocation of the quarterly debt payment has been split pro-rata based on the total debt attributed to each city. For example, Schedule 1.1 shows the portion of the City of Victor's payments associated with the Wastewater Treatment Plant.[15] All payments were calculated as a percentage of the total debt as shown in Table 3 above. Schedule 1.2 shows the City of Victor's portion of the quarterly payment related to the trunk line. Schedule 2.1 and 2.2 contain a similar breakout of the quarterly payments for the City of Driggs.[16]

Operational Expenses of the Wastewater Treatment Plant

Section 8 of the Inter-City Agreement addresses the shared operational expenses on the wastewater treatment plant. It states Victor agrees to pay Driggs a fee for accepting, conveying, treating, and disposing of wastewater in the form of a regular fee for each one thousand (1,000) gallons of wastewater measured at the Major Collection Point. Said fee shall be the same amount that Driggs pays for each one thousand (1,000) gallons of wastewater. The fee should be paid on or before the 10th of every month and is to be based on actual costs incurred in running the facilities. The fee is to be established and approved by each municipality annually. [17]

It is our understanding that the actual operation and maintenance cost for running the wastewater treatment facility are calculated by the City of Driggs and billed to the City of Victor quarterly and are based on the 2014 flow rate ratio noted in Table 2 above. While this may not directly adhere to the terms as outlined in the Inter-City Agreement, we feel that this method of quarterly billings adequately and fairly captures the shared operational expenses of the wastewater treatment facility between the two cities.

[15] City of Victor Debt Allocation:
WWTP = 88.7% ($3,108,757.32 / $3,503,702.41)
Trunk line = 11.3% ($394,956.10 / $3,503,702.41)
[16] City of Driggs Debt Allocation:
WWTP = 88.7% ($3,947,085.03 / $4,448,533.59)
Trunk line = 11.3% ($501,448.56 / $4,448,533.59)
[17] Inter-city Agreement for Wastewater Treatment Services, dated September 30, 2011, Section 8.A

Recommendations

In our review of the Inter-City Agreement and how the cities have been operating thus far, we have noted a couple recommendations that we would suggest the cities implement going forward.

First recommendation - It is our understanding that the "Measuring Device" at the Major Collection Point that calculates the flow of Victor's wastewater through the trunk line has been inoperable for the past several years and all payment calculations have been made based on the 2014 flow calculation. It is our recommendation that the Measuring Device at the Major Collection Point be replaced or repaired so that it is operational again, and the flow ratio be calculated at least on an annual basis. This will allow for a more accurate calculation and split of the shared operational costs as each of the communities continues to grow and utilize the wastewater treatment plant.

Second Recommendation – We reviewed a sampling of the quarterly billings related to the operational expenses of the wastewater treatment facility. In our review of three quarterly billings (Q3 2022-Q1 2023) we were not able to reconcile all the billed amounts back to the submitted support for two of the three quarters. It is recommended that the quarterly billings be reconciled, and discrepancies be researched and resolved between the two cities on a quarterly basis.

Conclusion

Based on our review of the information provided to us, it is our opinion that the City of Victor has been overpaying on the debt related to the DEQ Loan for improvements made to the Wastewater Treatment Facility and trunk line upgrades. We have calculated what we believe the adjusted quarterly payments should be for each city going forward (see Schedules 1 & 2).

Additionally, it is also our opinion that while the two cities have slightly deviated from the terms outlined in the Inter-City Agreement for Wastewater Treatment Services, the cities are in compliance with the intent of the agreement as we understand it with respect to the shared operational expenses of the wastewater treatment facility.

Respectively submitted,

COOPER NORMAN



Jordan Graves, CPA, ABV, CFF

**City of Victor** **SCHEDULE 1**

**Quarterly Payments for Debt Service on DEQ Loan**

| City of Victor | | | | |
|---|---|---|---|---|
| **PMT #** | **Est. Date** | **Qtr** | **Payment Amount** | **Loan Balance** |
| | **Past Payments:**[1] | | | $ 3,503,702.41 |
| **1** | 09/30/16 | Q3-2016 | (51,412.00) | 3,452,290.41 |
| **2** | 12/31/16 | Q4-2016 | (51,412.00) | 3,400,878.41 |
| **3** | 03/31/17 | Q1-2017 | (51,412.00) | 3,349,466.41 |
| **4** | 06/30/17 | Q2-2017 | (51,412.00) | 3,298,054.41 |
| **5** | 09/30/17 | Q3-2017 | (51,412.00) | 3,246,642.41 |
| **6** | 12/31/17 | Q4-2017 | (51,412.00) | 3,195,230.41 |
| **7** | 03/31/18 | Q1-2018 | (51,412.00) | 3,143,818.41 |
| **8** | 06/30/18 | Q2-2018 | (51,412.00) | 3,092,406.41 |
| **9** | 09/30/18 | Q3-2018 | (51,412.00) | 3,040,994.41 |
| **10** | 12/31/18 | Q4-2018 | (51,412.00) | 2,989,582.41 |
| **11** | 03/31/19 | Q1-2019 | (51,412.00) | 2,938,170.41 |
| **12** | 06/30/19 | Q2-2019 | (51,412.00) | 2,886,758.41 |
| **13** | 09/30/19 | Q3-2019 | (51,412.00) | 2,835,346.41 |
| **14** | 12/31/19 | Q4-2019 | (51,412.00) | 2,783,934.41 |
| **15** | 03/31/20 | Q1-2020 | (51,412.00) | 2,732,522.41 |
| **16** | 06/30/20 | Q2-2020 | (51,412.00) | 2,681,110.41 |
| **17** | 09/30/20 | Q3-2020 | (51,412.00) | 2,629,698.41 |
| **18** | 12/31/20 | Q4-2020 | (51,412.00) | 2,578,286.41 |
| **19** | 03/31/21 | Q1-2021 | (51,412.00) | 2,526,874.41 |
| **20** | 06/30/21 | Q2-2021 | (51,412.00) | 2,475,462.41 |
| **21** | 09/30/21 | Q3-2021 | (51,412.00) | 2,424,050.41 |
| **22** | 12/31/21 | Q4-2021 | (51,412.00) | 2,372,638.41 |
| **23** | 03/31/22 | Q1-2022 | (51,412.00) | 2,321,226.41 |
| **24** | 06/30/22 | Q2-2022 | (51,412.00) | 2,269,814.41 |
| **25** | 09/30/22 | Q3-2022 | (51,412.00) | 2,218,402.41 |
| **26** | 12/31/22 | Q4-2022 | (51,412.00) | 2,166,990.41 |
| **27** | 03/31/23 | Q1-2023 | (51,412.00) | 2,115,578.41 |
| **28** | 06/30/23 | Q2-2023 | (51,412.00) | 2,064,166.41 |
| **29** | 09/30/23 | Q3-2023 | (51,412.00) | 2,012,754.41 |
| **30** | 12/31/23 | Q4-2023 | (51,412.00) | 1,961,342.41 |
| | **Future Payments:**[2] | | | |
| **31** | 03/31/24 | Q1-2024 | (39,226.85) | 1,922,115.56 |
| **32** | 06/30/24 | Q2-2024 | (39,226.85) | 1,882,888.72 |
| **33** | 09/30/24 | Q3-2024 | (39,226.85) | 1,843,661.87 |
| **34** | 12/31/24 | Q4-2024 | (39,226.85) | 1,804,435.02 |
| **35** | 03/31/25 | Q1-2025 | (39,226.85) | 1,765,208.17 |
| **36** | 06/30/25 | Q2-2025 | (39,226.85) | 1,725,981.32 |
| **37** | 09/30/25 | Q3-2025 | (39,226.85) | 1,686,754.47 |

**City of Victor** **SCHEDULE 1**

**Quarterly Payments for Debt Service on DEQ Loan**

| City of Victor | | | | |
|---|---|---|---|---|
| **PMT #** | **Est. Date** | **Qtr** | **Payment Amount** | **Loan Balance** |
| **38** | 12/31/25 | Q4-2025 | (39,226.85) | 1,647,527.63 |
| **39** | 03/31/26 | Q1-2026 | (39,226.85) | 1,608,300.78 |
| **40** | 06/30/26 | Q2-2026 | (39,226.85) | 1,569,073.93 |
| **41** | 09/30/26 | Q3-2026 | (39,226.85) | 1,529,847.08 |
| **42** | 12/31/26 | Q4-2026 | (39,226.85) | 1,490,620.23 |
| **43** | 03/31/27 | Q1-2027 | (39,226.85) | 1,451,393.39 |
| **44** | 06/30/27 | Q2-2027 | (39,226.85) | 1,412,166.54 |
| **45** | 09/30/27 | Q3-2027 | (39,226.85) | 1,372,939.69 |
| **46** | 12/31/27 | Q4-2027 | (39,226.85) | 1,333,712.84 |
| **47** | 03/31/28 | Q1-2028 | (39,226.85) | 1,294,485.99 |
| **48** | 06/30/28 | Q2-2028 | (39,226.85) | 1,255,259.14 |
| **49** | 09/30/28 | Q3-2028 | (39,226.85) | 1,216,032.30 |
| **50** | 12/31/28 | Q4-2028 | (39,226.85) | 1,176,805.45 |
| **51** | 03/31/29 | Q1-2029 | (39,226.85) | 1,137,578.60 |
| **52** | 06/30/29 | Q2-2029 | (39,226.85) | 1,098,351.75 |
| **53** | 09/30/29 | Q3-2029 | (39,226.85) | 1,059,124.90 |
| **54** | 12/31/29 | Q4-2029 | (39,226.85) | 1,019,898.05 |
| **55** | 03/31/30 | Q1-2030 | (39,226.85) | 980,671.21 |
| **56** | 06/30/30 | Q2-2030 | (39,226.85) | 941,444.36 |
| **57** | 09/30/30 | Q3-2030 | (39,226.85) | 902,217.51 |
| **58** | 12/31/30 | Q4-2030 | (39,226.85) | 862,990.66 |
| **59** | 03/31/31 | Q1-2031 | (39,226.85) | 823,763.81 |
| **60** | 06/30/31 | Q2-2031 | (39,226.85) | 784,536.97 |
| **61** | 09/30/31 | Q3-2031 | (39,226.85) | 745,310.12 |
| **62** | 12/31/31 | Q4-2031 | (39,226.85) | 706,083.27 |
| **63** | 03/31/32 | Q1-2032 | (39,226.85) | 666,856.42 |
| **64** | 06/30/32 | Q2-2032 | (39,226.85) | 627,629.57 |
| **65** | 09/30/32 | Q3-2032 | (39,226.85) | 588,402.72 |
| **66** | 12/31/32 | Q4-2032 | (39,226.85) | 549,175.88 |
| **67** | 03/31/33 | Q1-2033 | (39,226.85) | 509,949.03 |
| **68** | 06/30/33 | Q2-2033 | (39,226.85) | 470,722.18 |
| **69** | 09/30/33 | Q3-2033 | (39,226.85) | 431,495.33 |
| **70** | 12/31/33 | Q4-2033 | (39,226.85) | 392,268.48 |
| **71** | 03/31/34 | Q1-2034 | (39,226.85) | 353,041.63 |
| **72** | 06/30/34 | Q2-2034 | (39,226.85) | 313,814.79 |
| **73** | 09/30/34 | Q3-2034 | (39,226.85) | 274,587.94 |
| **74** | 12/31/34 | Q4-2034 | (39,226.85) | 235,361.09 |
| **75** | 03/31/35 | Q1-2035 | (39,226.85) | 196,134.24 |
| **76** | 06/30/35 | Q2-2035 | (39,226.85) | 156,907.39 |

**City of Victor** **SCHEDULE 1**

**Quarterly Payments for Debt Service on DEQ Loan**

| City of Victor | | | | |
|---|---|---|---|---|
| **PMT #** | **Est. Date** | **Qtr** | **Payment Amount** | **Loan Balance** |
| | | | | |
| **77** | 09/30/35 | Q3-2035 | (39,226.85) | 117,680.54 |
| **78** | 12/31/35 | Q4-2035 | (39,226.85) | 78,453.70 |
| **79** | 03/31/36 | Q1-2036 | (39,226.85) | 39,226.85 |
| **80** | 06/30/36 | Q2-2036 | (39,226.85) | (0.00) |

[1] Past payment amount is taken from Quarterly Billing Statements (Q3-Q4 2022 and Q1 2023).

[2] Future Payments are calculated as follows:

| | | |
|---|---|---|
| Balance after December 2023 Payment | | 1,961,342.41 |
| Quarterly Payments Remaining | | 50 |
| New Quarterly Payment Amount | **$** | **39,226.85** |

**City of Victor** **SCHEDULE 1.1**

**Quarterly Payments for WWTP Debt Service on DEQ Loan**

| City of Victor | | | | |
|---|---|---|---|---|
| **PMT #** | **Est. Date** | **Qtr** | **Payment Amount** | **Loan Balance** |
| | **Past Payments:**[1] | | | $ 3,108,757.32 |
| **1** | 09/30/16 | Q3-2016 | (37,996.20) | 3,070,761.12 |
| **2** | 12/31/16 | Q4-2016 | (37,996.20) | 3,032,764.92 |
| **3** | 03/31/17 | Q1-2017 | (37,996.20) | 2,994,768.72 |
| **4** | 06/30/17 | Q2-2017 | (37,996.20) | 2,956,772.52 |
| **5** | 09/30/17 | Q3-2017 | (37,996.20) | 2,918,776.32 |
| **6** | 12/31/17 | Q4-2017 | (37,996.20) | 2,880,780.12 |
| **7** | 03/31/18 | Q1-2018 | (37,996.20) | 2,842,783.92 |
| **8** | 06/30/18 | Q2-2018 | (37,996.20) | 2,804,787.72 |
| **9** | 09/30/18 | Q3-2018 | (37,996.20) | 2,766,791.52 |
| **10** | 12/31/18 | Q4-2018 | (37,996.20) | 2,728,795.32 |
| **11** | 03/31/19 | Q1-2019 | (37,996.20) | 2,690,799.12 |
| **12** | 06/30/19 | Q2-2019 | (37,996.20) | 2,652,802.92 |
| **13** | 09/30/19 | Q3-2019 | (37,996.20) | 2,614,806.72 |
| **14** | 12/31/19 | Q4-2019 | (37,996.20) | 2,576,810.52 |
| **15** | 03/31/20 | Q1-2020 | (37,996.20) | 2,538,814.32 |
| **16** | 06/30/20 | Q2-2020 | (37,996.20) | 2,500,818.12 |
| **17** | 09/30/20 | Q3-2020 | (37,996.20) | 2,462,821.92 |
| **18** | 12/31/20 | Q4-2020 | (37,996.20) | 2,424,825.72 |
| **19** | 03/31/21 | Q1-2021 | (37,996.20) | 2,386,829.52 |
| **20** | 06/30/21 | Q2-2021 | (37,996.20) | 2,348,833.32 |
| **21** | 09/30/21 | Q3-2021 | (37,996.20) | 2,310,837.12 |
| **22** | 12/31/21 | Q4-2021 | (37,996.20) | 2,272,840.92 |
| **23** | 03/31/22 | Q1-2022 | (37,996.20) | 2,234,844.72 |
| **24** | 06/30/22 | Q2-2022 | (37,996.20) | 2,196,848.52 |
| **25** | 09/30/22 | Q3-2022 | (37,996.20) | 2,158,852.32 |
| **26** | 12/31/22 | Q4-2022 | (37,996.20) | 2,120,856.12 |
| **27** | 03/31/23 | Q1-2023 | (37,996.20) | 2,082,859.92 |
| **28** | 06/30/23 | Q2-2023 | (37,996.20) | 2,044,863.72 |
| **29** | 09/30/23 | Q3-2023 | (37,996.20) | 2,006,867.52 |
| **30** | 12/31/23 | Q4-2023 | (37,996.20) | 1,968,871.32 |
| | **Amount applied from Trunkline overpayment:**[2] | | (7,528.84) | 1,961,342.48 |
| | **Future Payments:**[3] | | | |
| **31** | 03/31/24 | Q1-2024 | (39,226.85) | 1,922,115.63 |
| **32** | 06/30/24 | Q2-2024 | (39,226.85) | 1,882,888.78 |
| **33** | 09/30/24 | Q3-2024 | (39,226.85) | 1,843,661.93 |
| **34** | 12/31/24 | Q4-2024 | (39,226.85) | 1,804,435.08 |

**City of Victor** **SCHEDULE 1.1**

**Quarterly Payments for WWTP Debt Service on DEQ Loan**

| City of Victor | | | | |
|---|---|---|---|---|
| **PMT #** | **Est. Date** | **Qtr** | **Payment Amount** | **Loan Balance** |
| **35** | 03/31/25 | Q1-2025 | (39,226.85) | 1,765,208.23 |
| **36** | 06/30/25 | Q2-2025 | (39,226.85) | 1,725,981.38 |
| **37** | 09/30/25 | Q3-2025 | (39,226.85) | 1,686,754.53 |
| **38** | 12/31/25 | Q4-2025 | (39,226.85) | 1,647,527.68 |
| **39** | 03/31/26 | Q1-2026 | (39,226.85) | 1,608,300.84 |
| **40** | 06/30/26 | Q2-2026 | (39,226.85) | 1,569,073.99 |
| **41** | 09/30/26 | Q3-2026 | (39,226.85) | 1,529,847.14 |
| **42** | 12/31/26 | Q4-2026 | (39,226.85) | 1,490,620.29 |
| **43** | 03/31/27 | Q1-2027 | (39,226.85) | 1,451,393.44 |
| **44** | 06/30/27 | Q2-2027 | (39,226.85) | 1,412,166.59 |
| **45** | 09/30/27 | Q3-2027 | (39,226.85) | 1,372,939.74 |
| **46** | 12/31/27 | Q4-2027 | (39,226.85) | 1,333,712.89 |
| **47** | 03/31/28 | Q1-2028 | (39,226.85) | 1,294,486.04 |
| **48** | 06/30/28 | Q2-2028 | (39,226.85) | 1,255,259.19 |
| **49** | 09/30/28 | Q3-2028 | (39,226.85) | 1,216,032.34 |
| **50** | 12/31/28 | Q4-2028 | (39,226.85) | 1,176,805.49 |
| **51** | 03/31/29 | Q1-2029 | (39,226.85) | 1,137,578.64 |
| **52** | 06/30/29 | Q2-2029 | (39,226.85) | 1,098,351.79 |
| **53** | 09/30/29 | Q3-2029 | (39,226.85) | 1,059,124.94 |
| **54** | 12/31/29 | Q4-2029 | (39,226.85) | 1,019,898.09 |
| **55** | 03/31/30 | Q1-2030 | (39,226.85) | 980,671.24 |
| **56** | 06/30/30 | Q2-2030 | (39,226.85) | 941,444.39 |
| **57** | 09/30/30 | Q3-2030 | (39,226.85) | 902,217.54 |
| **58** | 12/31/30 | Q4-2030 | (39,226.85) | 862,990.69 |
| **59** | 03/31/31 | Q1-2031 | (39,226.85) | 823,763.84 |
| **60** | 06/30/31 | Q2-2031 | (39,226.85) | 784,536.99 |
| **61** | 09/30/31 | Q3-2031 | (39,226.85) | 745,310.14 |
| **62** | 12/31/31 | Q4-2031 | (39,226.85) | 706,083.29 |
| **63** | 03/31/32 | Q1-2032 | (39,226.85) | 666,856.44 |
| **64** | 06/30/32 | Q2-2032 | (39,226.85) | 627,629.59 |
| **65** | 09/30/32 | Q3-2032 | (39,226.85) | 588,402.74 |
| **66** | 12/31/32 | Q4-2032 | (39,226.85) | 549,175.89 |
| **67** | 03/31/33 | Q1-2033 | (39,226.85) | 509,949.05 |
| **68** | 06/30/33 | Q2-2033 | (39,226.85) | 470,722.20 |
| **69** | 09/30/33 | Q3-2033 | (39,226.85) | 431,495.35 |
| **70** | 12/31/33 | Q4-2033 | (39,226.85) | 392,268.50 |
| **71** | 03/31/34 | Q1-2034 | (39,226.85) | 353,041.65 |
| **72** | 06/30/34 | Q2-2034 | (39,226.85) | 313,814.80 |
| **73** | 09/30/34 | Q3-2034 | (39,226.85) | 274,587.95 |

**City of Victor** **SCHEDULE 1.1**

**Quarterly Payments for WWTP Debt Service on DEQ Loan**

| City of Victor | | | | |
|---|---|---|---|---|
| **PMT #** | **Est. Date** | **Qtr** | **Payment Amount** | **Loan Balance** |
| | | | | |
| **74** | 12/31/34 | Q4-2034 | (39,226.85) | 235,361.10 |
| **75** | 03/31/35 | Q1-2035 | (39,226.85) | 196,134.25 |
| **76** | 06/30/35 | Q2-2035 | (39,226.85) | 156,907.40 |
| **77** | 09/30/35 | Q3-2035 | (39,226.85) | 117,680.55 |
| **78** | 12/31/35 | Q4-2035 | (39,226.85) | 78,453.70 |
| **79** | 03/31/36 | Q1-2036 | (39,226.85) | 39,226.85 |
| **80** | 06/30/36 | Q2-2036 | (39,226.85) | (0.00) |

[1] Letter from City of Driggs to City of Victor regarding Teton Regional Wastewater Treatment Plant - DEQ loan forgiveness proceeds, dated June 22, 2015.

[2] Overpayment taken from Schedule 1.2.

[3] Future Payments are calculated as follows:

| | |
|---|---|
| Balance after December 2023 Payment | 1,961,342.48 |
| Quarterly Payments Remaining | 50.00 |
| New Quarterly Payment Amount | **$ 39,226.85** |

**City of Victor** **SCHEDULE 1.2**

**DEQ Loan Payments for Trunkline Debt Service**

| City of Victor | | | | |
|---|---|---|---|---|
| **PMT #** | **Est. Date** | **Qtr** | **Payment Amount** | **Loan Balance** |
| | **Past Payments:**[1] | | | $ 394,945.10 |
| **1** | 09/30/16 | Q3-2016 | (5,795.27) | 389,149.82 |
| **2** | 12/31/16 | Q4-2016 | (5,795.27) | 383,354.55 |
| **3** | 03/31/17 | Q1-2017 | (5,795.27) | 377,559.27 |
| **4** | 06/30/17 | Q2-2017 | (5,795.27) | 371,764.00 |
| **5** | 09/30/17 | Q3-2017 | (5,795.27) | 365,968.72 |
| **6** | 12/31/17 | Q4-2017 | (5,795.27) | 360,173.45 |
| **7** | 03/31/18 | Q1-2018 | (5,795.27) | 354,378.17 |
| **8** | 06/30/18 | Q2-2018 | (5,795.27) | 348,582.90 |
| **9** | 09/30/18 | Q3-2018 | (5,795.27) | 342,787.62 |
| **10** | 12/31/18 | Q4-2018 | (5,795.27) | 336,992.35 |
| **11** | 03/31/19 | Q1-2019 | (5,795.27) | 331,197.08 |
| **12** | 06/30/19 | Q2-2019 | (5,795.27) | 325,401.80 |
| **13** | 09/30/19 | Q3-2019 | (5,795.27) | 319,606.53 |
| **14** | 12/31/19 | Q4-2019 | (5,795.27) | 313,811.25 |
| **15** | 03/31/20 | Q1-2020 | (5,795.27) | 308,015.98 |
| **16** | 06/30/20 | Q2-2020 | (5,795.27) | 302,220.70 |
| **17** | 09/30/20 | Q3-2020 | (5,795.27) | 296,425.43 |
| **18** | 12/31/20 | Q4-2020 | (5,795.27) | 290,630.15 |
| **19** | 03/31/21 | Q1-2021 | (5,795.27) | 284,834.88 |
| **20** | 06/30/21 | Q2-2021 | (5,795.27) | 279,039.61 |
| **21** | 09/30/21 | Q3-2021 | (5,795.27) | 273,244.33 |
| **22** | 12/31/21 | Q4-2021 | (5,795.27) | 267,449.06 |
| **23** | 03/31/22 | Q1-2022 | (5,795.27) | 261,653.78 |
| **24** | 06/30/22 | Q2-2022 | (5,795.27) | 255,858.51 |
| **25** | 09/30/22 | Q3-2022 | (5,795.27) | 250,063.23 |
| **26** | 12/31/22 | Q4-2022 | (5,795.27) | 244,267.96 |
| **27** | 03/31/23 | Q1-2023 | (5,795.27) | 238,472.68 |
| **28** | 06/30/23 | Q2-2023 | (5,795.27) | 232,677.41 |
| **29** | 09/30/23 | Q3-2023 | (5,795.27) | 226,882.13 |
| **30** | 12/31/23 | Q4-2023 | (5,795.27) | 221,086.86 |
| | **Future Payments:**[2] | | | |
| **31** | 03/31/24 | Q1-2024 | (4,421.74) | 216,665.12 |
| **32** | 06/30/24 | Q2-2024 | (4,421.74) | 212,243.39 |
| **33** | 09/30/24 | Q3-2024 | (4,421.74) | 207,821.65 |
| **34** | 12/31/24 | Q4-2024 | (4,421.74) | 203,399.91 |
| **35** | 03/31/25 | Q1-2025 | (4,421.74) | 198,978.17 |
| **36** | 06/30/25 | Q2-2025 | (4,421.74) | 194,556.44 |
| **37** | 09/30/25 | Q3-2025 | (4,421.74) | 190,134.70 |
| **38** | 12/31/25 | Q4-2025 | (4,421.74) | 185,712.96 |

**City of Victor** **SCHEDULE 1.2**

**DEQ Loan Payments for Trunkline Debt Service**

| City of Victor | | | | |
|---|---|---|---|---|
| **PMT #** | **Est. Date** | **Qtr** | **Payment Amount** | **Loan Balance** |
| **39** | 03/31/26 | Q1-2026 | (4,421.74) | 181,291.23 |
| **40** | 06/30/26 | Q2-2026 | (4,421.74) | 176,869.49 |
| **41** | 09/30/26 | Q3-2026 | (4,421.74) | 172,447.75 |
| **42** | 12/31/26 | Q4-2026 | (4,421.74) | 168,026.01 |
| **43** | 03/31/27 | Q1-2027 | (4,421.74) | 163,604.28 |
| **44** | 06/30/27 | Q2-2027 | (4,421.74) | 159,182.54 |
| **45** | 09/30/27 | Q3-2027 | (4,421.74) | 154,760.80 |
| **46** | 12/31/27 | Q4-2027 | (4,421.74) | 150,339.07 |
| **47** | 03/31/28 | Q1-2028 | (4,421.74) | 145,917.33 |
| **48** | 06/30/28 | Q2-2028 | (4,421.74) | 141,495.59 |
| **49** | 09/30/28 | Q3-2028 | (4,421.74) | 137,073.85 |
| **50** | 12/31/28 | Q4-2028 | (4,421.74) | 132,652.12 |
| **51** | 03/31/29 | Q1-2029 | (4,421.74) | 128,230.38 |
| **52** | 06/30/29 | Q2-2029 | (4,421.74) | 123,808.64 |
| **53** | 09/30/29 | Q3-2029 | (4,421.74) | 119,386.90 |
| **54** | 12/31/29 | Q4-2029 | (4,421.74) | 114,965.17 |
| **55** | 03/31/30 | Q1-2030 | (4,421.74) | 110,543.43 |
| **56** | 06/30/30 | Q2-2030 | (4,421.74) | 106,121.69 |
| **57** | 09/30/30 | Q3-2030 | (4,421.74) | 101,699.96 |
| **58** | 12/31/30 | Q4-2030 | (4,421.74) | 97,278.22 |
| **59** | 03/31/31 | Q1-2031 | (4,421.74) | 92,856.48 |
| **60** | 06/30/31 | Q2-2031 | (4,421.74) | 88,434.74 |
| **61** | 09/30/31 | Q3-2031 | (4,421.74) | 84,013.01 |
| **62** | 12/31/31 | Q4-2031 | (4,421.74) | 79,591.27 |
| **63** | 03/31/32 | Q1-2032 | (4,421.74) | 75,169.53 |
| **64** | 06/30/32 | Q2-2032 | (4,421.74) | 70,747.80 |
| **65** | 09/30/32 | Q3-2032 | (4,421.74) | 66,326.06 |
| **66** | 12/31/32 | Q4-2032 | (4,421.74) | 61,904.32 |
| **67** | 03/31/33 | Q1-2033 | (4,421.74) | 57,482.58 |
| **68** | 06/30/33 | Q2-2033 | (4,421.74) | 53,060.85 |
| **69** | 09/30/33 | Q3-2033 | (4,421.74) | 48,639.11 |
| **70** | 12/31/33 | Q4-2033 | (4,421.74) | 44,217.37 |
| **71** | 03/31/34 | Q1-2034 | (4,421.74) | 39,795.63 |
| **72** | 06/30/34 | Q2-2034 | (4,421.74) | 35,373.90 |
| **73** | 09/30/34 | Q3-2034 | (4,421.74) | 30,952.16 |
| **74** | 12/31/34 | Q4-2034 | (4,421.74) | 26,530.42 |
| **75** | 03/31/35 | Q1-2035 | (4,421.74) | 22,108.69 |
| **76** | 06/30/35 | Q2-2035 | (4,421.74) | 17,686.95 |
| **77** | 09/30/35 | Q3-2035 | (4,421.74) | 13,265.21 |
| **78** | 12/31/35 | Q4-2035 | (4,421.74) | 8,843.47 |

**City of Victor** **SCHEDULE 1.2**

**DEQ Loan Payments for Trunkline Debt Service**

| City of Victor | | | | |
|---|---|---|---|---|
| **PMT #** | **Est. Date** | **Qtr** | **Payment Amount** | **Loan Balance** |
| **79** | 03/31/36 | Q1-2036 | (4,421.74) | 4,421.74 |
| **80** | 06/30/36 | Q2-2036 | (4,421.74) | - |

[1] Past Payment amount is calculated as follows

| | |
|---|---|
| City of Victor Quarterly Payments | 51,412.00 |
| % of Debt related to Trunkline Loan (values from Table 3) | 11.27% |
| Past Payment amount | **$ 5,795.27** |

[2] Future Payments are calculated as follows:

| | |
|---|---|
| Balance after December 2023 Payment | 221,086.86 |
| Quarterly Payments Remaining | 50.00 |
| New Quarterly Payment Amount | **$ 4,421.74** |

**City of Driggs**

**SCHEDULE 2**

**Quarterly Payments for Debt Service on DEQ Loan**

| City of Driggs | | | | |
|---|---|---|---|---|
| **PMT #** | **Est. Date** | **Qtr** | **Payment Amount** | **Loan Balance** |
| | | | | |
| | **Past Payments:**[1] | | | $ 4,448,533.59 |
| **1** | 09/30/16 | Q3-2016 | (47,990.95) | 4,400,542.64 |
| **2** | 12/31/16 | Q4-2016 | (47,990.95) | 4,352,551.69 |
| **3** | 03/31/17 | Q1-2017 | (47,990.95) | 4,304,560.74 |
| **4** | 06/30/17 | Q2-2017 | (47,990.95) | 4,256,569.79 |
| **5** | 09/30/17 | Q3-2017 | (47,990.95) | 4,208,578.84 |
| **6** | 12/31/17 | Q4-2017 | (47,990.95) | 4,160,587.89 |
| **7** | 03/31/18 | Q1-2018 | (47,990.95) | 4,112,596.94 |
| **8** | 06/30/18 | Q2-2018 | (47,990.95) | 4,064,605.99 |
| **9** | 09/30/18 | Q3-2018 | (47,990.95) | 4,016,615.04 |
| **10** | 12/31/18 | Q4-2018 | (47,990.95) | 3,968,624.09 |
| **11** | 03/31/19 | Q1-2019 | (47,990.95) | 3,920,633.14 |
| **12** | 06/30/19 | Q2-2019 | (47,990.95) | 3,872,642.19 |
| **13** | 09/30/19 | Q3-2019 | (47,990.95) | 3,824,651.24 |
| **14** | 12/31/19 | Q4-2019 | (47,990.95) | 3,776,660.29 |
| **15** | 03/31/20 | Q1-2020 | (47,990.95) | 3,728,669.34 |
| **16** | 06/30/20 | Q2-2020 | (47,990.95) | 3,680,678.39 |
| **17** | 09/30/20 | Q3-2020 | (47,990.95) | 3,632,687.44 |
| **18** | 12/31/20 | Q4-2020 | (47,990.95) | 3,584,696.49 |
| **19** | 03/31/21 | Q1-2021 | (47,990.95) | 3,536,705.54 |
| **20** | 06/30/21 | Q2-2021 | (47,990.95) | 3,488,714.59 |
| **21** | 09/30/21 | Q3-2021 | (47,990.95) | 3,440,723.64 |
| **22** | 12/31/21 | Q4-2021 | (47,990.95) | 3,392,732.69 |
| **23** | 03/31/22 | Q1-2022 | (47,990.95) | 3,344,741.74 |
| **24** | 06/30/22 | Q2-2022 | (47,990.95) | 3,296,750.79 |
| **25** | 09/30/22 | Q3-2022 | (47,990.95) | 3,248,759.84 |
| **26** | 12/31/22 | Q4-2022 | (47,990.95) | 3,200,768.89 |
| **27** | 03/31/23 | Q1-2023 | (47,990.95) | 3,152,777.94 |
| **28** | 06/30/23 | Q2-2023 | (47,990.95) | 3,104,786.99 |
| **29** | 09/30/23 | Q3-2023 | (47,990.95) | 3,056,796.04 |
| **30** | 12/31/23 | Q4-2023 | (47,990.95) | 3,008,805.09 |
| | **Future Payments:**[2] | | | |
| **31** | 03/31/24 | Q1-2024 | (60,176.10) | 2,948,628.99 |
| **32** | 06/30/24 | Q2-2024 | (60,176.10) | 2,888,452.88 |
| **33** | 09/30/24 | Q3-2024 | (60,176.10) | 2,828,276.78 |
| **34** | 12/31/24 | Q4-2024 | (60,176.10) | 2,768,100.68 |
| **35** | 03/31/25 | Q1-2025 | (60,176.10) | 2,707,924.58 |
| **36** | 06/30/25 | Q2-2025 | (60,176.10) | 2,647,748.48 |
| **37** | 09/30/25 | Q3-2025 | (60,176.10) | 2,587,572.38 |

**City of Driggs**

**SCHEDULE 2**

**Quarterly Payments for Debt Service on DEQ Loan**

| City of Driggs | | | | |
|---|---|---|---|---|
| **PMT #** | **Est. Date** | **Qtr** | **Payment Amount** | **Loan Balance** |
| **38** | 12/31/25 | Q4-2025 | (60,176.10) | 2,527,396.27 |
| **39** | 03/31/26 | Q1-2026 | (60,176.10) | 2,467,220.17 |
| **40** | 06/30/26 | Q2-2026 | (60,176.10) | 2,407,044.07 |
| **41** | 09/30/26 | Q3-2026 | (60,176.10) | 2,346,867.97 |
| **42** | 12/31/26 | Q4-2026 | (60,176.10) | 2,286,691.87 |
| **43** | 03/31/27 | Q1-2027 | (60,176.10) | 2,226,515.76 |
| **44** | 06/30/27 | Q2-2027 | (60,176.10) | 2,166,339.66 |
| **45** | 09/30/27 | Q3-2027 | (60,176.10) | 2,106,163.56 |
| **46** | 12/31/27 | Q4-2027 | (60,176.10) | 2,045,987.46 |
| **47** | 03/31/28 | Q1-2028 | (60,176.10) | 1,985,811.36 |
| **48** | 06/30/28 | Q2-2028 | (60,176.10) | 1,925,635.26 |
| **49** | 09/30/28 | Q3-2028 | (60,176.10) | 1,865,459.15 |
| **50** | 12/31/28 | Q4-2028 | (60,176.10) | 1,805,283.05 |
| **51** | 03/31/29 | Q1-2029 | (60,176.10) | 1,745,106.95 |
| **52** | 06/30/29 | Q2-2029 | (60,176.10) | 1,684,930.85 |
| **53** | 09/30/29 | Q3-2029 | (60,176.10) | 1,624,754.75 |
| **54** | 12/31/29 | Q4-2029 | (60,176.10) | 1,564,578.65 |
| **55** | 03/31/30 | Q1-2030 | (60,176.10) | 1,504,402.54 |
| **56** | 06/30/30 | Q2-2030 | (60,176.10) | 1,444,226.44 |
| **57** | 09/30/30 | Q3-2030 | (60,176.10) | 1,384,050.34 |
| **58** | 12/31/30 | Q4-2030 | (60,176.10) | 1,323,874.24 |
| **59** | 03/31/31 | Q1-2031 | (60,176.10) | 1,263,698.14 |
| **60** | 06/30/31 | Q2-2031 | (60,176.10) | 1,203,522.03 |
| **61** | 09/30/31 | Q3-2031 | (60,176.10) | 1,143,345.93 |
| **62** | 12/31/31 | Q4-2031 | (60,176.10) | 1,083,169.83 |
| **63** | 03/31/32 | Q1-2032 | (60,176.10) | 1,022,993.73 |
| **64** | 06/30/32 | Q2-2032 | (60,176.10) | 962,817.63 |
| **65** | 09/30/32 | Q3-2032 | (60,176.10) | 902,641.53 |
| **66** | 12/31/32 | Q4-2032 | (60,176.10) | 842,465.42 |
| **67** | 03/31/33 | Q1-2033 | (60,176.10) | 782,289.32 |
| **68** | 06/30/33 | Q2-2033 | (60,176.10) | 722,113.22 |
| **69** | 09/30/33 | Q3-2033 | (60,176.10) | 661,937.12 |
| **70** | 12/31/33 | Q4-2033 | (60,176.10) | 601,761.02 |
| **71** | 03/31/34 | Q1-2034 | (60,176.10) | 541,584.92 |
| **72** | 06/30/34 | Q2-2034 | (60,176.10) | 481,408.81 |
| **73** | 09/30/34 | Q3-2034 | (60,176.10) | 421,232.71 |
| **74** | 12/31/34 | Q4-2034 | (60,176.10) | 361,056.61 |
| **75** | 03/31/35 | Q1-2035 | (60,176.10) | 300,880.51 |
| **76** | 06/30/35 | Q2-2035 | (60,176.10) | 240,704.41 |

**City of Driggs** **SCHEDULE 2**

**Quarterly Payments for Debt Service on DEQ Loan**

| City of Driggs | | | | |
|---|---|---|---|---|
| **PMT #** | **Est. Date** | **Qtr** | **Payment Amount** | **Loan Balance** |
| | | | | |
| **77** | 09/30/35 | Q3-2035 | (60,176.10) | 180,528.31 |
| **78** | 12/31/35 | Q4-2035 | (60,176.10) | 120,352.20 |
| **79** | 03/31/36 | Q1-2036 | (60,176.10) | 60,176.10 |
| **80** | 06/30/36 | Q2-2036 | (60,176.10) | 0.00 |

[1] Calculated based off of City of Driggs DEQ Loan Ledger, printed October 12, 2022.

Past payment amount was calculated as follows:

| | | |
|---|---|---|
| Semi-Annual Payment to DEQ | $ | 198,809.50 |
| Divide by 2 into Quarterly Payment | | 2 |
| Quarterly Payment | | 99,404.75 |
| Subtract: Quarterly Payment Received from City of Victor | | (51,412.00) |
| Driggs Quarterly Payment | **$** | **47,992.75** |

[2] Future Payments are Calculated as follows:

| | | |
|---|---|---|
| Balance after December 2023 Payment | $ | 3,008,805.09 |
| Quarterly Payments Remaining | | 50 |
| New Quarterly Payment Amount | **$** | **60,176.10** |

**City of Driggs** **SCHEDULE 2.1**

**DEQ Loan Payments for WWTP Debt Service**

| City of Driggs | | | | |
|---|---|---|---|---|
| **PMT #** | **Est. Date** | **Qtr** | **Payment Amount** | **Loan Balance** |
| | **Past Payments:**[1] | | | $ 3,947,085.03 |
| **1** | 09/30/16 | Q3-2016 | (42,581.30) | 3,904,503.73 |
| **2** | 12/31/16 | Q4-2016 | (42,581.30) | 3,861,922.42 |
| **3** | 03/31/17 | Q1-2017 | (42,581.30) | 3,819,341.12 |
| **4** | 06/30/17 | Q2-2017 | (42,581.30) | 3,776,759.81 |
| **5** | 09/30/17 | Q3-2017 | (42,581.30) | 3,734,178.51 |
| **6** | 12/31/17 | Q4-2017 | (42,581.30) | 3,691,597.21 |
| **7** | 03/31/18 | Q1-2018 | (42,581.30) | 3,649,015.90 |
| **8** | 06/30/18 | Q2-2018 | (42,581.30) | 3,606,434.60 |
| **9** | 09/30/18 | Q3-2018 | (42,581.30) | 3,563,853.29 |
| **10** | 12/31/18 | Q4-2018 | (42,581.30) | 3,521,271.99 |
| **11** | 03/31/19 | Q1-2019 | (42,581.30) | 3,478,690.69 |
| **12** | 06/30/19 | Q2-2019 | (42,581.30) | 3,436,109.38 |
| **13** | 09/30/19 | Q3-2019 | (42,581.30) | 3,393,528.08 |
| **14** | 12/31/19 | Q4-2019 | (42,581.30) | 3,350,946.78 |
| **15** | 03/31/20 | Q1-2020 | (42,581.30) | 3,308,365.47 |
| **16** | 06/30/20 | Q2-2020 | (42,581.30) | 3,265,784.17 |
| **17** | 09/30/20 | Q3-2020 | (42,581.30) | 3,223,202.86 |
| **18** | 12/31/20 | Q4-2020 | (42,581.30) | 3,180,621.56 |
| **19** | 03/31/21 | Q1-2021 | (42,581.30) | 3,138,040.26 |
| **20** | 06/30/21 | Q2-2021 | (42,581.30) | 3,095,458.95 |
| **21** | 09/30/21 | Q3-2021 | (42,581.30) | 3,052,877.65 |
| **22** | 12/31/21 | Q4-2021 | (42,581.30) | 3,010,296.35 |
| **23** | 03/31/22 | Q1-2022 | (42,581.30) | 2,967,715.04 |
| **24** | 06/30/22 | Q2-2022 | (42,581.30) | 2,925,133.74 |
| **25** | 09/30/22 | Q3-2022 | (42,581.30) | 2,882,552.43 |
| **26** | 12/31/22 | Q4-2022 | (42,581.30) | 2,839,971.13 |
| **27** | 03/31/23 | Q1-2023 | (42,581.30) | 2,797,389.83 |
| **28** | 06/30/23 | Q2-2023 | (42,581.30) | 2,754,808.52 |
| **29** | 09/30/23 | Q3-2023 | (42,581.30) | 2,712,227.22 |
| **30** | 12/31/23 | Q4-2023 | (42,581.30) | 2,669,645.91 |
| | **Future Payments:**[2] | | | |
| **31** | 03/31/24 | Q1-2024 | (53,392.92) | 2,616,253.00 |
| **32** | 06/30/24 | Q2-2024 | (53,392.92) | 2,562,860.08 |
| **33** | 09/30/24 | Q3-2024 | (53,392.92) | 2,509,467.16 |
| **34** | 12/31/24 | Q4-2024 | (53,392.92) | 2,456,074.24 |
| **35** | 03/31/25 | Q1-2025 | (53,392.92) | 2,402,681.32 |
| **36** | 06/30/25 | Q2-2025 | (53,392.92) | 2,349,288.40 |
| **37** | 09/30/25 | Q3-2025 | (53,392.92) | 2,295,895.49 |

**City of Driggs** **SCHEDULE 2.1**

**DEQ Loan Payments for WWTP Debt Service**

| City of Driggs | | | | |
|---|---|---|---|---|
| **PMT #** | **Est. Date** | **Qtr** | **Payment Amount** | **Loan Balance** |
| **38** | 12/31/25 | Q4-2025 | (53,392.92) | 2,242,502.57 |
| **39** | 03/31/26 | Q1-2026 | (53,392.92) | 2,189,109.65 |
| **40** | 06/30/26 | Q2-2026 | (53,392.92) | 2,135,716.73 |
| **41** | 09/30/26 | Q3-2026 | (53,392.92) | 2,082,323.81 |
| **42** | 12/31/26 | Q4-2026 | (53,392.92) | 2,028,930.89 |
| **43** | 03/31/27 | Q1-2027 | (53,392.92) | 1,975,537.98 |
| **44** | 06/30/27 | Q2-2027 | (53,392.92) | 1,922,145.06 |
| **45** | 09/30/27 | Q3-2027 | (53,392.92) | 1,868,752.14 |
| **46** | 12/31/27 | Q4-2027 | (53,392.92) | 1,815,359.22 |
| **47** | 03/31/28 | Q1-2028 | (53,392.92) | 1,761,966.30 |
| **48** | 06/30/28 | Q2-2028 | (53,392.92) | 1,708,573.39 |
| **49** | 09/30/28 | Q3-2028 | (53,392.92) | 1,655,180.47 |
| **50** | 12/31/28 | Q4-2028 | (53,392.92) | 1,601,787.55 |
| **51** | 03/31/29 | Q1-2029 | (53,392.92) | 1,548,394.63 |
| **52** | 06/30/29 | Q2-2029 | (53,392.92) | 1,495,001.71 |
| **53** | 09/30/29 | Q3-2029 | (53,392.92) | 1,441,608.79 |
| **54** | 12/31/29 | Q4-2029 | (53,392.92) | 1,388,215.88 |
| **55** | 03/31/30 | Q1-2030 | (53,392.92) | 1,334,822.96 |
| **56** | 06/30/30 | Q2-2030 | (53,392.92) | 1,281,430.04 |
| **57** | 09/30/30 | Q3-2030 | (53,392.92) | 1,228,037.12 |
| **58** | 12/31/30 | Q4-2030 | (53,392.92) | 1,174,644.20 |
| **59** | 03/31/31 | Q1-2031 | (53,392.92) | 1,121,251.28 |
| **60** | 06/30/31 | Q2-2031 | (53,392.92) | 1,067,858.37 |
| **61** | 09/30/31 | Q3-2031 | (53,392.92) | 1,014,465.45 |
| **62** | 12/31/31 | Q4-2031 | (53,392.92) | 961,072.53 |
| **63** | 03/31/32 | Q1-2032 | (53,392.92) | 907,679.61 |
| **64** | 06/30/32 | Q2-2032 | (53,392.92) | 854,286.69 |
| **65** | 09/30/32 | Q3-2032 | (53,392.92) | 800,893.77 |
| **66** | 12/31/32 | Q4-2032 | (53,392.92) | 747,500.86 |
| **67** | 03/31/33 | Q1-2033 | (53,392.92) | 694,107.94 |
| **68** | 06/30/33 | Q2-2033 | (53,392.92) | 640,715.02 |
| **69** | 09/30/33 | Q3-2033 | (53,392.92) | 587,322.10 |
| **70** | 12/31/33 | Q4-2033 | (53,392.92) | 533,929.18 |
| **71** | 03/31/34 | Q1-2034 | (53,392.92) | 480,536.26 |
| **72** | 06/30/34 | Q2-2034 | (53,392.92) | 427,143.35 |
| **73** | 09/30/34 | Q3-2034 | (53,392.92) | 373,750.43 |
| **74** | 12/31/34 | Q4-2034 | (53,392.92) | 320,357.51 |
| **75** | 03/31/35 | Q1-2035 | (53,392.92) | 266,964.59 |
| **76** | 06/30/35 | Q2-2035 | (53,392.92) | 213,571.67 |

**City of Driggs** **SCHEDULE 2.1**

**DEQ Loan Payments for WWTP Debt Service**

| City of Driggs | | | | |
|---|---|---|---|---|
| **PMT #** | **Est. Date** | **Qtr** | **Payment Amount** | **Loan Balance** |
| | | | | |
| **77** | 09/30/35 | Q3-2035 | (53,392.92) | 160,178.75 |
| **78** | 12/31/35 | Q4-2035 | (53,392.92) | 106,785.84 |
| **79** | 03/31/36 | Q1-2036 | (53,392.92) | 53,392.92 |
| **80** | 06/30/36 | Q2-2036 | (53,392.92) | (0.00) |

[1] Past Payment amount is calculated as follows

| | | |
|---|---|---|
| City of Victor Quarterly Payments | | 47,990.95 |
| % of Debt related to WWTP Loan (values from Table 3) | | 88.73% |
| Past Payment amount | **$** | **42,581.30** |

[2] Future Payments are Calculated as follows:

| | | |
|---|---|---|
| Balance after December 2023 Payment | $ | 2,669,645.91 |
| Quarterly Payments Remaining | | 50 |
| New Quarterly Payment Amount | **$** | **53,392.92** |

**City of Driggs** **SCHEDULE 2.2**

**DEQ Loan Payments for Trunkline Debt Service**

| City of Driggs | | | | |
|---|---|---|---|---|
| **PMT #** | **Est. Date** | **Qtr** | **Payment Amount** | **Loan Balance** |
| | | | | |
| | **Past Payments:**[1] | | | $ 501,448.56 |
| **1** | 09/30/16 | Q3-2016 | (5,409.65) | 496,038.91 |
| **2** | 12/31/16 | Q4-2016 | (5,409.65) | 490,629.27 |
| **3** | 03/31/17 | Q1-2017 | (5,409.65) | 485,219.62 |
| **4** | 06/30/17 | Q2-2017 | (5,409.65) | 479,809.97 |
| **5** | 09/30/17 | Q3-2017 | (5,409.65) | 474,400.33 |
| **6** | 12/31/17 | Q4-2017 | (5,409.65) | 468,990.68 |
| **7** | 03/31/18 | Q1-2018 | (5,409.65) | 463,581.03 |
| **8** | 06/30/18 | Q2-2018 | (5,409.65) | 458,171.39 |
| **9** | 09/30/18 | Q3-2018 | (5,409.65) | 452,761.74 |
| **10** | 12/31/18 | Q4-2018 | (5,409.65) | 447,352.10 |
| **11** | 03/31/19 | Q1-2019 | (5,409.65) | 441,942.45 |
| **12** | 06/30/19 | Q2-2019 | (5,409.65) | 436,532.80 |
| **13** | 09/30/19 | Q3-2019 | (5,409.65) | 431,123.16 |
| **14** | 12/31/19 | Q4-2019 | (5,409.65) | 425,713.51 |
| **15** | 03/31/20 | Q1-2020 | (5,409.65) | 420,303.87 |
| **16** | 06/30/20 | Q2-2020 | (5,409.65) | 414,894.22 |
| **17** | 09/30/20 | Q3-2020 | (5,409.65) | 409,484.57 |
| **18** | 12/31/20 | Q4-2020 | (5,409.65) | 404,074.93 |
| **19** | 03/31/21 | Q1-2021 | (5,409.65) | 398,665.28 |
| **20** | 06/30/21 | Q2-2021 | (5,409.65) | 393,255.63 |
| **21** | 09/30/21 | Q3-2021 | (5,409.65) | 387,845.99 |
| **22** | 12/31/21 | Q4-2021 | (5,409.65) | 382,436.34 |
| **23** | 03/31/22 | Q1-2022 | (5,409.65) | 377,026.70 |
| **24** | 06/30/22 | Q2-2022 | (5,409.65) | 371,617.05 |
| **25** | 09/30/22 | Q3-2022 | (5,409.65) | 366,207.40 |
| **26** | 12/31/22 | Q4-2022 | (5,409.65) | 360,797.76 |
| **27** | 03/31/23 | Q1-2023 | (5,409.65) | 355,388.11 |
| **28** | 06/30/23 | Q2-2023 | (5,409.65) | 349,978.47 |
| **29** | 09/30/23 | Q3-2023 | (5,409.65) | 344,568.82 |
| **30** | 12/31/23 | Q4-2023 | (5,409.65) | 339,159.17 |
| | **Future Payments:**[2] | | | |
| **31** | 03/31/24 | Q1-2024 | (6,783.18) | 332,375.99 |
| **32** | 06/30/24 | Q2-2024 | (6,783.18) | 325,592.81 |
| **33** | 09/30/24 | Q3-2024 | (6,783.18) | 318,809.62 |
| **34** | 12/31/24 | Q4-2024 | (6,783.18) | 312,026.44 |
| **35** | 03/31/25 | Q1-2025 | (6,783.18) | 305,243.26 |
| **36** | 06/30/25 | Q2-2025 | (6,783.18) | 298,460.07 |
| **37** | 09/30/25 | Q3-2025 | (6,783.18) | 291,676.89 |

**City of Driggs** **SCHEDULE 2.2**

**DEQ Loan Payments for Trunkline Debt Service**

| City of Driggs | | | | |
|---|---|---|---|---|
| **PMT #** | **Est. Date** | **Qtr** | **Payment Amount** | **Loan Balance** |
| **38** | 12/31/25 | Q4-2025 | (6,783.18) | 284,893.71 |
| **39** | 03/31/26 | Q1-2026 | (6,783.18) | 278,110.52 |
| **40** | 06/30/26 | Q2-2026 | (6,783.18) | 271,327.34 |
| **41** | 09/30/26 | Q3-2026 | (6,783.18) | 264,544.15 |
| **42** | 12/31/26 | Q4-2026 | (6,783.18) | 257,760.97 |
| **43** | 03/31/27 | Q1-2027 | (6,783.18) | 250,977.79 |
| **44** | 06/30/27 | Q2-2027 | (6,783.18) | 244,194.60 |
| **45** | 09/30/27 | Q3-2027 | (6,783.18) | 237,411.42 |
| **46** | 12/31/27 | Q4-2027 | (6,783.18) | 230,628.24 |
| **47** | 03/31/28 | Q1-2028 | (6,783.18) | 223,845.05 |
| **48** | 06/30/28 | Q2-2028 | (6,783.18) | 217,061.87 |
| **49** | 09/30/28 | Q3-2028 | (6,783.18) | 210,278.69 |
| **50** | 12/31/28 | Q4-2028 | (6,783.18) | 203,495.50 |
| **51** | 03/31/29 | Q1-2029 | (6,783.18) | 196,712.32 |
| **52** | 06/30/29 | Q2-2029 | (6,783.18) | 189,929.14 |
| **53** | 09/30/29 | Q3-2029 | (6,783.18) | 183,145.95 |
| **54** | 12/31/29 | Q4-2029 | (6,783.18) | 176,362.77 |
| **55** | 03/31/30 | Q1-2030 | (6,783.18) | 169,579.59 |
| **56** | 06/30/30 | Q2-2030 | (6,783.18) | 162,796.40 |
| **57** | 09/30/30 | Q3-2030 | (6,783.18) | 156,013.22 |
| **58** | 12/31/30 | Q4-2030 | (6,783.18) | 149,230.04 |
| **59** | 03/31/31 | Q1-2031 | (6,783.18) | 142,446.85 |
| **60** | 06/30/31 | Q2-2031 | (6,783.18) | 135,663.67 |
| **61** | 09/30/31 | Q3-2031 | (6,783.18) | 128,880.49 |
| **62** | 12/31/31 | Q4-2031 | (6,783.18) | 122,097.30 |
| **63** | 03/31/32 | Q1-2032 | (6,783.18) | 115,314.12 |
| **64** | 06/30/32 | Q2-2032 | (6,783.18) | 108,530.94 |
| **65** | 09/30/32 | Q3-2032 | (6,783.18) | 101,747.75 |
| **66** | 12/31/32 | Q4-2032 | (6,783.18) | 94,964.57 |
| **67** | 03/31/33 | Q1-2033 | (6,783.18) | 88,181.38 |
| **68** | 06/30/33 | Q2-2033 | (6,783.18) | 81,398.20 |
| **69** | 09/30/33 | Q3-2033 | (6,783.18) | 74,615.02 |
| **70** | 12/31/33 | Q4-2033 | (6,783.18) | 67,831.83 |
| **71** | 03/31/34 | Q1-2034 | (6,783.18) | 61,048.65 |
| **72** | 06/30/34 | Q2-2034 | (6,783.18) | 54,265.47 |
| **73** | 09/30/34 | Q3-2034 | (6,783.18) | 47,482.28 |
| **74** | 12/31/34 | Q4-2034 | (6,783.18) | 40,699.10 |
| **75** | 03/31/35 | Q1-2035 | (6,783.18) | 33,915.92 |
| **76** | 06/30/35 | Q2-2035 | (6,783.18) | 27,132.73 |

**City of Driggs** **SCHEDULE 2.2**

**DEQ Loan Payments for Trunkline Debt Service**

| City of Driggs | | | | |
|---|---|---|---|---|
| **PMT #** | **Est. Date** | **Qtr** | **Payment Amount** | **Loan Balance** |
| | | | | |
| **77** | 09/30/35 | Q3-2035 | (6,783.18) | 20,349.55 |
| **78** | 12/31/35 | Q4-2035 | (6,783.18) | 13,566.37 |
| **79** | 03/31/36 | Q1-2036 | (6,783.18) | 6,783.18 |
| **80** | 06/30/36 | Q2-2036 | (6,783.18) | 0.00 |

[1] Past Payment amount is calculated as follows

| | | |
|---|---|---|
| City of Victor Quarterly Payments | | 47,990.95 |
| % of Debt related to WWTP Loan (values from Table 3) | | 11.27% |
| Past Payment amount | **$** | **5,409.65** |

[2] Future Payments are Calculated as follows:

| | | |
|---|---|---|
| Balance after December 2023 Payment | $ | 339,159.17 |
| Quarterly Payments Remaining | | 50 |
| New Quarterly Payment Amount | **$** | **6,783.18** |