

Harvey Economics ♦ 469 South Cherry Street, Suite 100 ♦ Denver, Colorado 80246
tel. 720.889.2755 ♦ fax 720.889.2752 ♦ www.harveyeconomics.com ♦ he@harveyeconomics.com

Dear Clients, Colleagues and Friends,

As we wake up to a blue and cloudless Colorado sky this New Year, the folks at Harvey Economics (HE) see what many others do not: a bright future. Like you, we have noted the inescapable drumbeat of discord, fake this and that, and shrill righteousness from many quarters. While keeping track of current events, we perceive most of the noise as a distraction from more vital, hopeful developments. Despite some stumbling at the highest levels, the consensus around climate change is growing. As the essential prerequisite, the grass roots momentum to face this issue head-on is coalescing. Diverse stakeholders generally want to see economic progress that will not harm our natural resources, and they will support technologies and approaches that accomplish balance. Medicine, science and technology continue to advance, bringing efficiencies and improvements to quality of life that receive little notice in modern life.

To our economists' eye, we see the widely reported negative conditions not as a frozen-in-time phenomenon, but as a point on a dynamic continuum that moves to equilibrium. Once a problem is sufficiently recognized, there is a reaction, an effort to move in a more constructive direction. Economic forces drive toward an equilibrium, and most systems do as well. A motivated, informed society will seek an equilibrium where it can deliver a better life for its children.

A good measure of our hopefulness rests with the transition from an older generation to a talented, vibrant new generation of leaders among our clients and, indeed, within HE. In 2020, Susan Walker will complete her 15th year with us as a capable, knowledgeable leader in our economic consulting practice. HE clients quickly recognize the vision and leadership from Jessica Harvey, through the vibrancy and immersive effort she brings to her work. Jackie Sandoval and Cae Dornfeld continue to keep HE in ship shape. As further testament to a bright future, Kegan Reiswig has joined us, adding truly extraordinary economic modelling skills. The future of HE could not be in better hands.

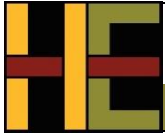
During 2019, HE worked on 25 different projects. A large portion of our work continues to be water related, estimating water needs and water supply project planning. We devoted a substantial portion of the year to water financing issues, funding new water projects, rate studies, and water value. HE provided litigation support on a number of projects. Geographically, our work took us to Wyoming, New Mexico, Arizona, and many places throughout Colorado.

A particularly interesting element of our 2019 work related to the long-term drought effects on the Colorado River Basin. Diminished storage in Lake Powell and Lake Mead have created a scurry of highly challenging water planning issues. On a micro level, HE is exploring conservation potential and the socioeconomic impacts of addressing this shortage for a rural water district in Central Colorado. HE hopes to contribute to the best possible solutions both in the micro and macro.

We at Harvey Economics have an optimistic outlook for our clients and our work. We respect our clients; the 2019 client list is attached to this letter. We have confidence in our objective, scientific approach to our assignments. We are optimistic about our ability to help our clients achieve their goals.

With very best wishes for 2020 and beyond,

Ed, Susan, Jess and Kegan



HARVEY ECONOMICS

469 SOUTH CHERRY STREET, SUITE 100 - DENVER, CO 80246

Clients 2019

174 Power Global Corporation

AECOM

Battelle Memorial Institute

Board of Commissioners of Converse County

City of Abilene Water Utilities

City of Farmington, NM

City of Fort Collins

City of Fountain Water Department

City of Manitou Springs

Colorado Open Lands

Colorado River Water Conservation District

Colorado Water Conservation Board

Converse County

Deep Rock Water

Denver Water

Eagle River Water and Sanitation District

Grand County Board of County Commissioners

Grand Mesa Metro District

HDR Engineering, Inc.

Highland Investments, LLLP

Larimer County Department of Natural Resources

Logan Simpson

Michael Baker International

Rio Blanco Water Conservancy District

Salt River Project

Security Water and Sanitation District

Sherman & Howard LLC

Stantec Consulting Services, Inc.

Upper Eagle River Regional Water Authority

Upper Gunnison River Water Conservancy District

Upper Trinity Regional Water District

U.S. Army Corps of Engineers

WEST, Inc.

Western Water Partnerships

W.W. Wheeler & Associates, Inc.

Winter Park Water and Sanitation District

Wyoming Water Development Commission