
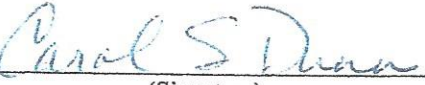
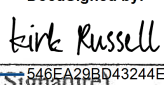


LOAN CONTRACT AMENDMENT NO. 2**SIGNATURE AND COVER PAGE (THREE SIGNED ORIGINALS REQUIRED)**

State Agency: Department of Natural Resources Department of Natural Resources Colorado Water Conservation Board (CWCB) 1313 Sherman St, Room 718 Denver, CO 80203	Amendment No. 2 Contract Number CMS 148622 CT2015-047 (C150364)
Borrower: Huerfano County Water Conservancy District 23512 US Hwy 160 Walsenburg, CO 81089	Original Contract Number CMS 62276 C150364 Amend No. 1 CMS 96829 CT2015-047
Current Contract Maximum Amount \$2,666,400.00 (includes 1% origination fee)	Contract Performance (Project) Beginning Date 01/10/2014
Reason for Modification Increase total loan amount by \$444,400.00 from \$2,222,000.00 to \$2,666,400.00.	Contract Performance (Project) End Date with Date Extension 12/31/2021 Loan Contract Terms 2.25% for 30 years Loan Contract Repayment Schedule Loan not in repayment at this time

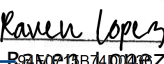
THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT

Each person signing this Amendment represents and warrants that he or she is duly authorized to execute this Amendment and to bind the Party authorizing his or her signature.

BORROWER Huerfano County Water Conservancy District  (Signature) Name: <u>Scott King</u> Title: <u>President</u> Date: <u>1/27/2020</u> ATTEST:  (Signature) Name: <u>Carol Dunn</u> Title: <u>Secretary</u> Date: <u>1/27/2020</u>	STATE OF COLORADO Jared S. Polis, Governor Colorado Department of Natural Resources Dan Gibbs, Executive Director Colorado Water Conservation Board DocuSigned by:  (Signature) Name: Kirk Russell, P.E., Section Chief CWCB Finance Section Date: <u>March 5, 2020 8:09 AM PST</u>
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In accordance with §24-30-202 C.R.S., this Amendment is not valid until signed and dated below by the State Controller or an authorized delegate

STATE CONTROLLER**Robert J. Lopez, CPA, MBA, JD**

By: 
 Name: Raven Lopez
 Title: Purchasing Agent

Effective Date: March 26, 2020 | 12:56 PM PDT

1. PARTIES

This Amendment (the "Amendment") to the Original Contract shown on the Signature and Cover Page for this Amendment (the "Contract") is entered into by and between the Borrower, and the State.

2. TERMINOLOGY

Except as specifically modified by this Amendment, all terms used in this Amendment that are defined in the Contract shall be construed and interpreted in accordance with the Contract.

3. AMENDMENT EFFECTIVE DATE AND TERM**A. Amendment Effective Date**

This Amendment Effective Date is the date that this Amendment is signed and dated by the State Controller or delegate. The State shall not be bound by any provision of this amendment before that Amendment Effective Date.

B. Amendment Term

The Parties' respective performances under this Amendment and the changes to the Loan Contract contained herein shall commence on the Amendment Effective Date and shall terminate on June 12, 2020.

4. PURPOSE

The purpose of the Project is to replace deletions from wells in unincorporated communities. The District utilized a Substitute Water Supply Plan and the Regional Rule 14 Replacement Plan to provide augmentation water. The Loan was in response to the urgent need for an augmentation plan.

The contract has been amended once, for a change to the location site within the scope of work.

The purpose of this Amendment is to increase total loan amount by \$444,400.00 from \$2,222,000.00 to \$2,666,400.00 and extend the Project end date to December 31, 2021. The Spring Creek fire contributed to unforeseeable delays and higher construction costs.

5. MODIFICATIONS

The Contract and all prior amendments thereto, if any, are modified as follows:

- A. The original loan contract amount is hereby deleted and replaced with the Current Contract Maximum Amount of \$2,666,400.00, shown on the Signature and Cover Page for this Amendment. (The loan terms shall remain 30 years at 2.25%).
- B. Amendment to Promissory Note, Appendix 2A, in the revised loan amount and incorporated herein, shall replace and supersede the Original Promissory Note attached to the Original Loan Contract as Appendix 2.
- C. Amendment to Security Agreement, 4A, in the revised loan amount and incorporated herein, shall supplement and operate in conjunction with the Original Security Agreement, attached to the Original Loan Contract as Appendix 4.

6. RESOLUTION

The Borrower has adopted a Board of Director's Resolution (Required) and a Shareholder's Resolution (if not required, must be stated in Borrower's bylaws), irrevocable for the term of this loan, authorizing the Borrower to enter into this contract amendment to borrow the additional loan amount, to establish and collect assessments sufficient to pay the annual loan payments, to pledge said assessments for repayment of the loan, and to execute documents necessary to convey a security interest in said assessments and collateral, if necessary, to the CWCB, and attached as Appendix 3A.

7. BOND COUNSEL OPINION LETTER

Prior to the execution of this Amendment by the CWCB, the Borrower shall submit to the CWCB a letter from its bond counsel stating that it is the bond counsel's opinion that (1) the person(s) signing for the Borrower was duly elected or appointed and has authority to sign such documents on behalf of the Borrower and to bind the Borrower; (2) the Borrower's governing body has validly adopted a resolution approving this Amendment; (3) there are no

provisions in the any state or local law that prevent this Amendment from binding the Borrower; and (4) this Amendment will be valid and binding against the Borrower if entered into by the CWCBC.

8. LIMITS OF EFFECT AND ORDER OF PRECEDENCE

This Amendment is incorporated by reference into the Contract, and the Contract and all prior amendments or other modifications to the Contract, if any, remain in full force and effect except as specifically modified in this Amendment. Except for the Special Provisions contained in the Contract, in the event of any conflict, inconsistency, variance, or contradiction between the provisions of this Amendment and any of the provisions of the Contract or any prior modification to the Contract, the provisions of this Amendment shall in all respects supersede, govern, and control. The provisions of this Amendment shall only supersede, govern, and control over the Special Provisions contained in the Contract to the extent that this Amendment specifically modifies those Special Provisions.

**Appendix 2A, Amendment No. 2 to Loan Contract CT2015-047
Amendment to Promissory Note**

Date: January 27, 2020
Borrower: Huerfano County Water Conservancy District
Total Loan Amount: \$2,666,400.00
Interest Rate: 2.25% per annum
Term of Repayment: 30 years or until loan is paid in full
Loan Contract No.: CT2015-047
Annual Loan Payment: \$123,185.93
Payment Initiation Date:

(to be filled in at Substantial Completion of Project)

Maturity Date:

(to be filled in at Substantial Completion of Project)

For Value Received, the Borrower promises to pay the Colorado Water Conservation Board ("CWCB"), the Principal Amount plus Interest for the Term of Repayment, pursuant to the Loan Contract and this promissory note.

1. This Amendment to Promissory Note, in the **revised loan amount of \$2,666,400.00** shall replace and supersede the Original Promissory Note, attached as Appendix 2 to the Original Loan Contract, in the amount of \$2,222,000.00, and incorporated by reference.
2. Principal and interest shall be payable in equal Loan Payments, with the first payment due and payable one year from Payment Initiation Date, and annually thereafter. All principal, interest, and late charges, if any, then remaining unpaid shall be due and payable on or before the Maturity Date.
3. Payments shall be made to the Colorado Water Conservation Board at 1313 Sherman Street Room 718, Denver, Colorado 80203.
4. The CWCB may impose a late charge in the amount of 5% of the annual payment if the CWCB does not receive the annual payment within sixty (60) calendar days of the due date.
5. This Note may be prepaid in whole or in part at any time without premium or penalty. Any partial prepayment shall not postpone the due date of any subsequent payments or change the amount of such payments.
6. All payments received shall be applied first to late charges, if any, next to accrued interest and then to reduce the principal amount.
7. This Note is issued pursuant to the Loan Contract between the CWCB and the Borrower. The Loan Contract creates security interests in favor of the CWCB to secure the prompt payment of all amounts that may become due hereunder. Said security interests are evidenced by a Security Agreement ("Security Instrument") of even date and amount and cover certain revenues of the Borrower. The Loan Contract and Security Instruments grant additional rights to the CWCB, including the right to accelerate the maturity of this Note in certain events.
8. If any annual payment is not paid when due or any default under the Loan Contract or the Security Instruments securing this Note occurs, the CWCB may declare the entire outstanding principal balance

of the Note, all accrued interest, and any outstanding late charges immediately due and payable, and the indebtedness shall bear interest at the rate of 7% per annum from the date of default. The CWCB shall give the Borrower written notice of any alleged default and an opportunity to cure within sixty (60) days of receipt of such notice before the Borrower shall be considered in default for purposes of this Promissory Note.

9. The Borrower and any co-signer or guarantor hereby agree that if this Note or interest thereon is not paid when due or if suit is brought, then it shall pay all reasonable costs of collection, including reasonable attorney fees. In the event of any bankruptcy or similar proceedings, costs of collection shall include all costs and attorney fees incurred in connection with such proceedings, including the fees of counsel for attendance at meetings of creditors' committees or other committees.
10. This Note shall be governed in all respects by the laws of the State of Colorado.

Huerfano County Water Conservancy District

Attest:

By

Name Carol S Dunn

Title

Date

1/27/2020

By

[Signature]
Signature

Name

Title

Date

Scott King
President
1/27/2020

Appendix 3A

RESOLUTION

2020-01-1

APPROVING AMENDMENT TO LOAN

BE IT RESOLVED that the Board of Directors of Huerfano County Water Conservancy District has validly adopted Amendment number 2 to Colorado Water Conservation Board loan contract CMS 148622, CT2015-047 (C150364); original contract number was CMS 62276 dated 01/10/2014.

This amendment brings the total loan amount to \$2,666,400.00 and extends the contract and project performance deadline to 12/31/2021.

The meeting took place on January 27, 2020 at the Walsenburg Housing Authority, 220 Russell Avenue, Walsenburg, CO.

ADOPTED this 27th day of January, A.D. 2020.

Signed: _____

Scott King, President

Attest: _____

Carol Dunn, Secretary

**Appendix 4A, Amendment No.1 to Loan Contract CT2015-047
Amendment to Security Agreement**

Debtor: Huerfano County Water Conservancy District
Secured Party: Colorado Water Conservation Board
Revised Loan Amount: \$2,666,400.00
Term of Repayment: 30 years or until loan is paid in full
Interest Rate: 2.25% per annum
Loan Contract Number: CT2015-047

1. The Parties have amended the Original Loan Contract and Promissory Note to increase the total loan amount by \$444,400.00 from \$2,222,000.00 to \$2,666,400.00 and hereby amend the original Security Agreement to document the change.
2. The Parties expressly agree that this Amendment to Security Agreement is supplemental to the Security Agreement and all terms, conditions, and provisions thereof, unless specifically modified below, are to apply to this Amendment to Security Agreement as though they were expressly rewritten, incorporated, and included herein.
3. Collateral for the loan remains the same.

Huerfano County Water Conservancy District

Attest:

By Carol S Dunn

Name Carol Dunn

Title Secretary

Date 1/27/2020

By 
Signature

Name Scott King

Title President

Date 1/27/2020