



COLORADO

Colorado Water Conservation Board

Department of Natural Resources
1313 Sherman Street, Room 718
Denver, CO 80203
303-866-3441

August 5, 2020

Town of Firestone
151 Grant Ave.
Firestone, CO. 80520

Subject: Loan Contract No. CT2017-2880
Loan Compliance Confirmation

Attached for your records are the original documents relative to the agreement between the The Town of Firestone, and the Colorado Water Conservation Board (CWCB), Loan Contract No. CT2017-2880. The documents have been stamped "PAID IN FULL" denoting that the terms of the agreement have been satisfied in full by the Town.

Should you have any questions, please contact me at Telephone No. (303) 866-3441, ext 3245 or email at lauren.miremont@state.co.us. If we can be of any further assistance to you in the near future, please let us know.

Sincerely,

Lauren Miremont

Lauren Miremont
Finance Manager
Finance Section

Attachments

cc: CWCB Files





COLORADO
Colorado Water
Conservation Board
Department of Natural Resources

TIME FOR PERFORMANCE EXTENSION AGREEMENT

February 3, 2020

David B. Lindsay, PE
Town of Firestone
151 Grant Ave.
Firestone, CO 80520

Re: Storage Development and Water Rights Purchase,
CWCB Loan Contract Number CT2017-2880

Dear Mr. Lindsay:

This letter is in response to your request for a time extension for CWCB Loan Contract Number CT2017-2088. The initial time for performance, stated in Appendix 1, Section 11, of the original loan contract, of three years from the effective date of March 23, 2017, shall be amended to extend the time of performance. By signing below, the Town of Firestone and CWCB acknowledge that the time for performance shall be amended to a Project finish date of March 23, 2022.

Please sign and return this letter to Peg Mason, Contracts Manager at the address listed above. Once signed by our Section Chief, the extension is approved. I will then send a scanned copy back to you, at that time, for your records.

Town of Firestone

Julie Pasillas
Signature

Name: Julie Pasillas

Title: Director of Public Works

Date: 02/10/2020

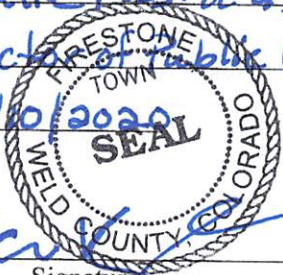
Attest:

Jessica Koenig
Signature

Name: Jessica Koenig

Title: Town Clerk

Date: 02/10/2020



State of Colorado
Department of Natural Resources

By: Kirk Russell
Kirk Russell, P.E., Section Chief
Finance Section
Colorado Water Conservation Board
Date: 2/19/20

IN WITNESS WHEREOF, the Parties hereto have executed this CONTRACT

* Persons signing for the BORROWER hereby swear and affirm that they are authorized to act on the BORROWER's behalf and acknowledge that the State is relying on their representations to that effect.

BORROWER: Town of Firestone, the Water
Activity Enterprise

STATE OF COLORADO
John W. Hickenlooper, Governor
Department of Natural Resources

BY: 
Signature

BY: 

NAME: Paul Sorenson

TITLE: Mayor

DATE: 3.8.17

Name: Kirk Russell, P.E., Section Chief
Finance Section
Colorado Water Conservation Board

DATE: 3/21/17

Attest

BY: 
Signature

NAME: Susan Medine

TITLE: Town Clerk

DATE: 3.8.17



ALL CONTRACTS MUST BE APPROVED BY THE STATE CONTROLLER

CRS 24-30-202 requires that the State Controller approve all State contracts. This CONTRACT is not valid and the loan funds under this CONTRACT are not available until the State Controller, or such assistant as he may delegate, has signed it.

STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

By 

Name Susan Borup

Title Controller

Effective Date 3/23/17

6. 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 thirty (30) days of receipt of such notice before the BORROWER shall be considered in default for purposes of this PROMISSORY NOTE.
7. The BORROWER 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.
8. This PROMISSORY NOTE shall be governed in all respects by the laws of the State of Colorado.
9. This PROMISSORY NOTE is authorized pursuant to and in accordance with the Constitution of the State of Colorado and all other laws of the State thereunto enabling. Specifically, but not by way of limitation, the LOAN CONTRACT and this PROMISSORY NOTE are authorized pursuant to and under the authority of Title 31, Article 35; Title 37, Article 45.1; and Title 11, Article 57, Part 2, C.R.S., and in full conformity therewith. Pursuant to Section 11-57-210, C.R.S., and Section 31-35-413, C.R.S., this recital shall be conclusive evidence of the validity and the regularity of the issuance of this PROMISSORY NOTE and the PROMISSORY NOTE shall be incontestable for any cause whatsoever after its delivery for value.

BORROWER: Town of Firestone, Acting by and through its Water Activity Enterprise

BY: Paul Sorenson
Signature

NAME: Paul Sorenson

TITLE: Mayor

DATE: 3.8.17

(SEAL)

Attest:



BY: [Signature]
Signature

NAME: Criss Medina

TITLE: Town Clerk

DATE: 3.8.17

Appendix 3

INTRODUCED, PASSED, ADOPTED AND ORDERED PUBLISHED in full in the Longmont Times-Call, a newspaper of general circulation in the Town of Firestone on January 11, 2017.

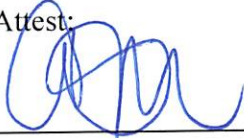


Mayor
Town of Firestone, Colorado



(SEAL)

Attest:



Town Clerk
Town of Firestone, Colorado

WITNESS my hand and the seal of said Town affixed this January 11, 2017.



A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke.

Town Clerk

furnished.

Upon such default and at any time thereafter, SECURED PARTY shall have the remedies of a secured party under Section 11-57-208, Colorado Revised Statutes as amended. SECURED PARTY may require the BORROWER to deliver or make the PLEDGED REVENUES available to SECURED PARTY at a place to be designated by SECURED PARTY, which is reasonably convenient to both parties. Expenses of retaking, holding, preparing for sale, selling or the like shall include SECURED PARTY'S reasonable attorney's fees and legal expenses.

The SECURED PARTY shall give the BORROWER written notice of any alleged default and an opportunity to cure within thirty (30) days of receipt of such notice before the BORROWER shall be considered in default for purposes of this SECURITY AGREEMENT. No default shall be waived by SECURED PARTY except in writing, and no waiver by SECURED PARTY of any default shall operate as a waiver of any other default or of the same default on a future occasion. The taking of this SECURITY AGREEMENT shall not waive or impair any other security SECURED PARTY may have or hereafter acquire for the payment of the above indebtedness, nor shall the taking of any such additional security waive or impair this SECURITY AGREEMENT; but SECURED PARTY shall retain its rights of set-off against the BORROWER. In the event court action is deemed necessary to enforce the terms and conditions set forth herein, said action shall only be brought in the District Court for the City and County of Denver, State of Colorado, and the BORROWER consents to venue and personal jurisdiction in said Court.

All rights of SECURED PARTY hereunder shall inure to the benefit of its successors and assigns; and all promises and duties of the BORROWER shall bind its successors or assigns.

7. This Security Agreement is authorized pursuant to and in accordance with the Constitution of the State of Colorado and all other laws of the State thereunto enabling. Specifically, but not by way of limitation, the Loan Contract, the Promissory Note and this Security Agreement are authorized pursuant to and under the authority of Title 31, Article 35; Title 37, Article 45.1; and Title 11, Article 57, Part 2, C.R.S., and in full conformity therewith. Pursuant to Section 11-57-210, C.R.S., and Section 31-35-413, C.R.S., this recital shall be conclusive evidence of the validity and the regularity of the issuance of this Security Agreement and the Security Agreement shall be incontestable for any cause whatsoever after its delivery for value.

BORROWER: Town of Firestone, Acting by and through its Water Activity Enterprise

(SEAL)

Attest:



BY:

Paul Soren
Signature

NAME:

Paul Soren

TITLE:

Mayor

DATE:

3-8-17

BY:

[Signature]

Signature

NAME:

Crisso Medina

TITLE:

Town Clerk

DATE:

3-8-17

BORROWER: TOWN OF FIRESTONE, ACTING
BY AND THROUGH THE WATER ACTIVITY
ENTERPRISE

BASE LOAN AMOUNT: \$9,900,990.00

LOAN ORIGATION FEE: \$99,010.00

TOTAL LOAN AMOUNT: \$10,000,000.00

AGENCY NAME: COLORADO WATER
CONSERVATION BOARD

CONTRACT TYPE: LOAN/PUBLIC

CWCB CMS: 95596/CORE: CT-2017-2880

LOAN CONTRACT

This contract ("CONTRACT" or "LOAN CONTRACT") is made between the State of Colorado for the use and benefit of The Department of Natural Resources, Colorado Water Conservation Board, 1313 Sherman Street, Denver, CO, 80203, ("CWCB" or "State"), and Town of Firestone, a statutory town in Weld County, acting by and through the Water Activity Enterprise, 151 Grant Ave., Firestone, Colorado 80520, ("BORROWER").

FACTUAL RECITALS

1. CWCB authority exists in the law, and funds have been budgeted, appropriated and otherwise made available and a sufficient unencumbered balance thereof remains available for encumbering and subsequent payment of this CONTRACT; and
2. Required approval, clearance, and coordination have been accomplished from and with appropriate agencies; and
3. On November 16, 2016 the CWCB approved a loan request from the BORROWER for the Storage Development and Water Rights Purchase ("PROJECT") to develop a non-potable water supply and associated water storage. The total estimated *Project Cost* is \$10,043,150.00. The total loan amount ("TOTAL LOAN AMOUNT") of **\$10,000,000.00** which includes a one percent (1%) loan origination fee of \$99,010.00 is payable over 20 years at an interest rate of 2.35%; and
4. The **PROJECT SUMMARY**, attached as **APPENDIX 1**, and incorporated herein contains BORROWER Information (Section 1), the PROJECT Description (Section 2), CWCB's authority for making this loan (Section 3), and CWCB Approval or Legislative Authorization (Section 4), identifying the amount of the loan and the terms of repayment. The PROJECT SUMMARY also contains sections on the BORROWER's existing debt, contract requirements, procedures, eligible expenses, disbursement schedule and time for performance.
5. The CWCB now desires, by this CONTRACT, to loan money to the BORROWER for this PROJECT upon mutually agreeable terms and conditions.

THEREFORE, in consideration of the mutual and dependent covenants contained herein, the parties agree as follows:

A. DEFINITIONS

The following terms as used herein shall be construed and interpreted as follows:

- i. **BASE LOAN AMOUNT:** LOAN AMOUNT THAT DOES NOT INCLUDE THE ONE PERCENT (1%) LOAN ORIGATION FEE. THIS IS THE AMOUNT DISBURSED BY CWCB TO THE BORROWER.
- ii. **BORROWER:** AN ELIGIBLE ENTITY, AS SPECIFIED, WHO WILL BE RESPONSIBLE FOR THE REPAYMENT OF THE LOAN.
- iii. **LOAN DOCUMENTS:** INCLUDE ALL FORMAL LOAN CONTRACT DOCUMENTS INCLUDING BUT NOT LIMITED TO THE EXECUTED LOAN CONTRACT, ALL EXECUTED APPENDICES, AND ALL EXECUTED AMENDMENTS.
- iv. **LOAN ORIGATION FEE:** ONE (1%) OF THE BASE LOAN AMOUNT.
- v. **LOAN SECURITY:** PROPERTY OR OTHER ASSETS THAT THE BORROWER OFFERS TO SECURE THE LOAN.
- vi. **PLEDGED REVENUES:** THE PLEDGED REVENUES SHALL CONSIST SOLELY OF BORROWER'S WATER ACTIVITY ENTERPRISE REVENUES AS DEFINED IN THE ORDINANCE APPROVING THE LOAN CONTRACT AND SET FORTH IN THE PROMISSORY NOTE, APPENDIX 4 AND THE SECURITY AGREEMENT, APPENDIX 5.
- vii. **PROMISSORY NOTE:** THE DOCUMENT PROVIDING A WRITTEN AGREEMENT TO PAY THE TOTAL LOAN AMOUNT TO CWCB.
- viii. **SECURITY AGREEMENT:** THE DOCUMENT THAT PROVIDES A SECURITY INTEREST IN A SPECIFIED ASSET PLEDGED AS COLLATERAL.
- ix. **TOTAL LOAN AMOUNT:** BASE LOAN AMOUNT AND LOAN ORIGATION FEE OF ONE PERCENT (1%).

B. LOAN PROVISIONS

PAID IN FULL

1. **Loan Origination Fee.** The TOTAL LOAN AMOUNT shall include (1) the BASE LOAN AMOUNT loaned by the CWCB, to the BORROWER, for the PROJECT and (2) a LOAN ORIGATION FEE of one percent (1%) of the BASE LOAN AMOUNT.
2. **Amendments and Option Letters.** In the event that the BORROWER does not use the full amount authorized, the parties shall amend this CONTRACT or exercise an **OPTION LETTER** (attached as APPENDIX 2) to revise the TOTAL LOAN AMOUNT including an adjustment of the LOAN ORIGATION FEE to reflect 1% of the actual amount disbursed to the BORROWER. An amendment to this CONTRACT shall be executed for the following changes including, *but not limited to*, an increase in TOTAL LOAN AMOUNT, change in PLEDGED REVENUES and decrease in TOTAL LOAN AMOUNT with a change in the annual loan payment. Additionally, upon substantial completion of the PROJECT, the following applies:

- a. Upon substantial completion of the PROJECT with a resulting decrease in the TOTAL LOAN AMOUNT and the BORROWER requests a change in the annual loan payment; the PARTIES agree to amend this contract.
 - b. Upon substantial completion of the PROJECT with a resulting decrease in the TOTAL LOAN AMOUNT, but not a change in the annual payment, the STATE may exercise an option and shall provide written notice to the BORROWER in form substantially equivalent to APPENDIX 2. If exercised, the provisions of the OPTION LETTER and supporting documentation shall become part of and be incorporated into this CONTRACT for the total duration of this CONTRACT.
3. **Contract Amendment Service Fees.** Under certain circumstances, the BORROWER shall be assessed a service fee for amending the CONTRACT.
 - a. A service fee shall be imposed on the BORROWER for amendments processed for the benefit of the BORROWER and necessary for the BORROWER's course of business but not necessary for the CWCB, including, but not limited to, a change in the BORROWER's name, assignment of contract, substitution of PLEDGED REVENUES or property, loan payment deferrals in excess of 3 per loan, and loan consolidation. Amendments in the course of CWCB business, including but not limited to, loan payment deferrals (up to 3 per loan) and changes in terms of loan repayment will be processed at no additional charge to the BORROWER.
 - b. The amount charged shall be in accordance with the service fee rate structure set forth in the CWCB Loan Service Charge Policy in effect at the time the BORROWER shall request an amendment. The current service fee for an amendment is \$1,000.
 - c. The BORROWER shall remit the service fee to the CWCB prior to initiation of the amendment. Any service fee remitted to the CWCB cannot be refunded.
4. **Promissory Note Provisions.** The PROMISSORY NOTE shall identify the TOTAL LOAN AMOUNT. The CWCB agrees to loan to the BORROWER an amount not to exceed the TOTAL LOAN AMOUNT and the BORROWER agrees to repay the loan in accordance with the terms as set forth in the PROMISSORY NOTE, attached hereto as APPENDIX 3 and incorporated herein.
5. **Interest Prior to PROJECT Completion.** As the loan funds are disbursed by the CWCB to the BORROWER, interest shall accrue, on the disbursed funds, at the rate set by the CWCB for this loan. The CWCB shall calculate the amount of the interest that accrued prior to the PROJECT's substantial completion (as determined by the CWCB) and notify the BORROWER of such amount. The BORROWER shall repay that amount to the CWCB either (1) within ten (10) days from the date of notification from the CWCB, (2) at the CWCB's discretion, said interest shall be deducted from the final disbursement of loan funds that the CWCB makes to the BORROWER, or (3) at the CWCB's discretion, said interest shall be rolled into the TOTAL LOAN AMOUNT due.
6. **Return of Unused Loan Funds.** Any loan funds disbursed but not expended for the PROJECT in accordance with the terms of this CONTRACT shall be remitted to the CWCB within

30 calendar days from notification from the CWCB of either (1) completion of the PROJECT or (2) determination by the CWCB that the PROJECT will not be completed. Any such loan Funds so remitted to CWCB shall be applied to the principal payment of amounts due on the Loan.

7. **BORROWER'S Authority to Contract.** The BORROWER warrants that it has full power and authority to enter into this CONTRACT. The execution and delivery of this CONTRACT and the performance and observation of its terms, conditions and obligations have been duly authorized by all necessary actions of the BORROWER. The **BORROWER'S AUTHORIZING RESOLUTION(S) or ORDINANCE(S)** are attached as **APPENDIX 4** and incorporated herein.
8. **Opinion Letters.** Prior to the execution of this CONTRACT by the CWCB, the BORROWER shall submit to the CWCB a letter from its **bond counsel** stating as follows:
 - a. the CONTRACT has been duly executed by officers of the BORROWER who are duly elected or appointed and are authorized to execute the CONTRACT and to bind the BORROWER; and
 - b. the ORDINANCE of the BORROWER authorizing the execution and delivery of the CONTRACT was duly adopted by the governing bodies of the BORROWER; and
 - c. there are no provisions in the Colorado Constitution or any other state or applicable and binding local law that prevent this CONTRACT from binding the BORROWER; and
 - d. the CONTRACT will be valid and binding against the BORROWER if entered into by the CWCB subject to typical limitations related to bankruptcy, police power, and creditor's rights generally.
9. **Pledge of Revenues.** The Borrower irrevocably (but not exclusively) pledges to the CWCB, for the purpose of repaying the LOAN AMOUNT, the PLEDGED REVENUES, in such amount as is necessary to make each annual payment due under this LOAN CONTRACT. Such pledge of the PLEDGED REVENUES is on parity with the loans identified in SECTION 5 OF APPENDIX 1 (the "EXISTING PARITY LOANS") and any additional indebtedness that may be secured by the PLEDGED REVENUES in the future that is incurred in accordance with SECTION B.9.E. hereof, (the "ADDITIONAL PARITY INDEBTEDNESS," and together with the EXISTING PARITY LOANS, the "PARITY INDEBTEDNESS.")

PAID IN FULL

 - a. **Segregation of Pledged Revenues.** The PLEDGED REVENUES shall be accounted for and maintained in an account separate from other BORROWER revenues at all times. The PLEDGED REVENUES shall be used first to pay debt service on the LOAN AMOUNT and all other PARITY INDEBTEDNESS on an equal basis and thereafter may be used for any and all other expenses.
 - b. **Establish Security Interest.** The BORROWER has duly executed a **SECURITY AGREEMENT**, attached hereto as **APPENDIX 5** and incorporated herein, to provide a security interest to the CWCB in the PLEDGED REVENUES. The lien of this LOAN CONTRACT on the PLEDGED REVENUES shall have priority over all other competing claims with respect to the PLEDGED REVENUES, except for the parity lien on the PLEDGED REVENUES of any PARITY INDEBTEDNESS.

c. **Rate Covenant.** Pursuant to its statutory authority and as permitted by law, the BORROWER shall take all necessary actions consistent therewith during the term of this CONTRACT to establish, levy and collect rates, charges, assessments, and fees as described in APPENDIX 4, in amounts sufficient to pay this loan as required by the terms of this CONTRACT and the PROMISSORY NOTE, to cover all expenditures for operation and maintenance and emergency repair services, and to maintain adequate debt service reserves, including obtaining voter approval, if necessary, of increases in the BORROWER'S rate schedule or taxes, if applicable.

d. **Debt Service Reserve Account or Fund.** To establish and maintain the debt service reserve account or fund, the BORROWER shall deposit an amount equal to one-tenth of an annual payment into its debt service reserve account or fund on the due date of its first annual loan payment and annually thereafter for the first ten years of repayment of this loan. In the event that the BORROWER applies funds from this account to repayment of the loan, the BORROWER shall replenish the account within ninety (90) days of withdrawal of the funds. The debt service reserve account or fund requirement is in effect until the loan is paid in full. This debt service reserve account shall be solely for the benefit of this Loan Contract and the repayment of the PROMISSORY NOTE.

e. **Additional Debts or Bonds.** The BORROWER shall not issue any indebtedness payable from the PLEDGED REVENUES and having a lien thereon which is superior to the lien of this loan. The BORROWER may issue parity debt only with the prior written approval of the CWCB, provided that:

- i. The BORROWER is currently and at the time of the issuance of the parity debt in substantial compliance with all of the obligations of this CONTRACT, including, but not limited to, being current on the annual payments due under this CONTRACT and in the accumulation of all amounts then required to be accumulated in the BORROWER'S debt service reserve fund;
- ii. The BORROWER provides to the CWCB a Parity Certificate from an independent certified public accountant certifying that, based on an analysis of the BORROWER'S revenues, for 12 consecutive months out of the 18 months immediately preceding the date of issuance of such parity debt, the BORROWER'S revenues are sufficient to pay its annual operating and maintenance expenses, annual debt service on all outstanding indebtedness having a lien on the pledged revenues, including this loan, the annual debt service on the proposed indebtedness to be issued, and all required deposits to any reserve funds required by this CONTRACT or by the lender(s) of any indebtedness having a lien on the pledged revenues. The analysis of revenues shall be based on the BORROWER'S current rate structure or the rate structure most recently adopted. No more than 10% of total revenues may originate from tap and/or connection fees;
- iii. The BORROWER acknowledges and understands that any request for approval of the issuance of additional debt must be reviewed and approved by the CWCB prior to the issuance of any additional debt.

- f. **Annual Statement of Debt Coverage.** Each year during the term of this CONTRACT, the BORROWER shall submit to the CWCB an annual audit report.
10. **Pledged Revenues During Loan Repayment.** The BORROWER shall not sell, convey, assign, grant, transfer, mortgage, pledge, encumber, or otherwise dispose of the PLEDGED REVENUES, as long as any of the principal, accrued interest, and late charges, if any, on this loan remain unpaid, without the prior written concurrence of the CWCB. The provisions of this Section 10 do not prohibit the Borrower from applying any PLEDGED REVENUES remaining in each year after the payment of the annual amounts due on the loan to any other legally permissible purpose, including, without limitation, paying for additional capital improvements or repairs.
11. **Release After Loan Is Repaid.** Upon complete repayment to the CWCB of the entire principal, all accrued interest, and late charges, if any, as specified in the PROMISSORY NOTE, the CWCB agrees to release and terminate any and all of the CWCB's right, title, and interest in and to the PLEDGED REVENUES.
12. **Warranties.**
- a. The BORROWER warrants that, by acceptance of the loan under this CONTRACT and by its representations herein, the BORROWER shall be estopped from asserting for any reason that it is not authorized or obligated to repay the loan to the CWCB as required by this CONTRACT.
 - b. The BORROWER warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the BORROWER, to solicit or secure this CONTRACT and has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee, any fee, commission, percentage, gift, or other consideration contingent upon or resulting from the award or the making of this CONTRACT.
 - c. The BORROWER warrants that the PLEDGED REVENUES and PLEDGED PROPERTY for this loan are not encumbered by any other deeds of trust or liens of any party other than the CWCB or in any other manner, except for the EXISTING PARITY LOANS which sets forth the position of the lien created by this CONTRACT in relation to any existing lien(s). Documentation establishing the relative priorities of said liens, if necessary, is attached to the PROJECT SUMMARY and incorporated herein.
13. **Remedies for Default.** Upon default in the payments to be made by the BORROWER under this CONTRACT, or default in the performance of any covenant or agreement contained herein, the CWCB, at its option, may:
- a. suspend this CONTRACT and withhold further loan disbursements pending corrective action by the BORROWER, and if the BORROWER does not cure the default as provided for below, permanently cease loan disbursements and deem the PROJECT substantially complete;

- b. declare the entire principal amount, accrued interest, and late charges, if any, then outstanding immediately due and payable;
- c. exercise its rights under any appendices to this CONTRACT, including, but not limited to, the PROMISSORY NOTE, SECURITY AGREEMENT, and/or any instrument securing pledged revenues and property; and
- d. take any other appropriate action.

The CWCB shall provide written notice to the BORROWER of any such default and shall give the BORROWER an opportunity to cure within thirty (30) days of receipt of such notice. All remedies described herein may be simultaneously or selectively and successively enforced. The CWCB may enforce the provisions of this CONTRACT at its option without regard to prior waivers of previous defaults by the BORROWER, through judicial proceedings to require specific performance of this CONTRACT, or by such other proceedings in law or equity as may be deemed necessary by the CWCB to ensure compliance with provisions of this CONTRACT and the laws and regulations under which this CONTRACT is executed. The CWCB's exercise of any or all of the remedies described herein shall not relieve the BORROWER of any of its duties and obligations under this CONTRACT.

- 14. **Operation of PROJECT.** The BORROWER shall, without expense or legal liability to the CWCB, manage, operate, and maintain the PROJECT continuously in an efficient and economical manner.
- 15. **BORROWER'S Liability Insurance.** Upon execution of this CONTRACT and continuing until complete repayment of the loan is made to the CWCB, the BORROWER shall maintain commercial general liability insurance, with a company that is satisfactory to the CWCB, with minimum limits of \$1,000,000 combined single limit for each occurrence and \$2,000,000 general aggregate, including products/completed operations and personal injury. All liability insurance requirements are subject to the Colorado Government Immunity Act, 24-10-101, C.R.S., et seq.
- 16. **Additional Contract Requirements.** Any additional contract requirements are set forth in, Section 7 of Appendix 1.

PAID IN FULL

C. PROJECT PROVISIONS

- 1. **Construction Fund Program Procedures.** During the completion of the PROJECT, the BORROWER shall adhere to the CWCB Construction Fund Program Procedures, set forth in Section 8 of Appendix 1.
- 2. **Eligible Expenses.** The PROJECT expenses for which the BORROWER is eligible for loan disbursements are set forth in Section 9 of Appendix 1.
- 3. **Loan Disbursements.** The CWCB shall disburse loan funds in accordance with the Disbursement Schedule, set forth in Section 10 of Appendix 1.
- 4. **Time for Performance.** The BORROWER recognizes that time is of the essence in the

performance of all of its obligations under this CONTRACT. Therefore, the BORROWER shall complete the PROJECT within the time specified in Time for Performance, set forth in Section 11 of Appendix 1.

5. **Indemnification by the Construction Firm.** The BORROWER shall require all Construction Firms and their subcontractors to indemnify the State and the BORROWER against all liability and loss, and against all claims and actions based upon or arising out of damage or injury, including death, to persons or property, caused by any acts or omissions of those parties or sustained in connection with the performance of any contract related to the PROJECT or by conditions created thereby, or based upon any violation of any statute, ordinance, or regulation, and the defense of any such claims or actions.
6. **Liability Insurance during Construction.** During construction of the PROJECT, the BORROWER shall require the construction contractor and any subcontractors to maintain the following insurance coverage, in the limits shown, during the term of their contracts and until the PROJECT is complete. CWCB may request proof of construction contractor's and subcontractor's insurance during the term of the PROJECT.
 - a. Commercial general liability insurance with minimum limits of \$1,000,000 combined single limit for each occurrence and \$2,000,000 general aggregate. This insurance coverage shall include products/completed operations and bodily injury/property damage.
 - b. Worker's compensation and employer's liability insurance in the required statutory amounts.
 - c. Automobile liability insurance that includes coverage for all owned, non-owned and hired vehicles with minimum limits of \$1,000,000 combined single limit for bodily injury and property damage.

D. GENERAL PROVISIONS

1. **Periodic Inspections.** Throughout the term of this CONTRACT, the BORROWER shall permit a designated representative of the CWCB to make periodic inspections of the PROJECT. Such inspections shall cover the condition of the PROJECT, operating records, maintenance records, and financial records. These inspections are solely for the purpose of verifying compliance with the terms and conditions of this CONTRACT and shall not be construed or interpreted as an approval of the actual design, construction or operation of any element of the PROJECT facilities.
2. **Applicable Laws.** The BORROWER shall strictly adhere to all applicable federal, state, and local laws and regulations that are in effect or may hereafter be established throughout the term of this CONTRACT.
3. **Designated Agent Of The CWCB.** The CWCB's employees are designated as the agents of the CWCB for the purpose of this CONTRACT.

4. **Assignment.** The BORROWER's rights and obligations, under this CONTRACT, are personal and may not be transferred, assigned without the prior, written consent of the State. Any attempt at assignment without such consent shall be void. All assignments approved by the BORROWER or the State are subject to all of the provisions hereof.
5. **Contract Relationship.** The Parties to this CONTRACT intend that the relationship between them under this CONTRACT is that of lender-borrower, not employer-employee. No agent, employee, or servant of the BORROWER shall be, or shall be deemed to be, an employee, agent, or servant of the CWCB. The BORROWER shall be solely and entirely responsible for its acts and the acts of its agents, employees, servants, engineering firms, construction firms, and subcontractors during the term of this CONTRACT.
6. **Integration of Terms.** This CONTRACT is intended as the complete integration of all understandings between the Parties. No prior or contemporaneous addition, deletion, or other amendment hereto shall have any force or affect whatsoever unless embodied herein in writing. No subsequent renewal, addition, deletion, or other amendment hereto shall have any force or effect unless embodied in a written contract executed and approved pursuant to State fiscal rules, unless expressly provided for herein.
7. **Controlling Terms.** The provisions of this CONTRACT shall govern the relationship of the Parties. In the event of conflicts or inconsistencies between the terms of this CONTRACT and conditions as set forth in any of the appendices, such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority: (1) Colorado Special Provisions, provided that the parties hereby agree that, for the purposes of such Special Provisions, the "Contractor" shall mean the "BORROWER", (2) the remainder of this CONTRACT, and (3) the Appendices.
8. **Casualty and Eminent Domain.** If, at any time during the term of this CONTRACT, (a) the PROJECT facilities, including buildings or any portion thereof, are damaged or destroyed, in whole or in part, by fire or other casualty, or (b) title to or use of the PROJECT facilities or any part thereof shall be taken under the exercise of the power of eminent domain, the BORROWER shall cause the net proceeds of any insurance claim or condemnation award to be applied to the prompt replacement, repair and restoration of the PROJECT facilities or any portion thereof, or to repayment of this loan. Any net proceeds remaining after such work has been completed or this loan has been repaid, shall be retained by the BORROWER. If the net insurance proceeds are insufficient to pay the full cost of the replacement, repair and restoration, the BORROWER shall complete the work and pay any cost in excess of the net proceeds. In the event the BORROWER chooses to apply the net proceeds of an insurance claim or a condemnation award to repayment of the loan, the BORROWER shall repay the full TOTAL LOAN AMOUNT outstanding regardless of the amount of such insurance proceeds or condemnation award.
9. **Captions.** The captions and headings in this CONTRACT are for convenience of reference only, and shall not be construed so as to define, or limit its provisions.
10. **CWCB's Approval.** This CONTRACT requires review and approval of plans, specifications, and various other technical and legal documents. The CWCB's review of these documents is only

for the purpose of verifying the BORROWER'S compliance with this CONTRACT and shall not be construed or interpreted as a technical review or approval of the actual design or construction of the PROJECT. Notwithstanding any consents or approvals given to the BORROWER by the CWCB on any such documents, the BORROWER and any of its consultants, by preparing any such documents, shall be solely responsible for the accuracy and completeness of any of said documents.

11. **Waiver.** Waiver of any breach under a term, provision, or requirement of this CONTRACT, or any right or remedy hereunder, whether explicitly or by lack of enforcement, shall not be construed as or deemed as a waiver of any subsequent breach of such term, provision or requirement, or of any other term, provision, or requirement.
12. **CORA Disclosure.** To the extent not prohibited by federal law, this CONTRACT and the performance measures and standards under CRS §24-103.5-101, if any, are subject to public release through the Colorado Open Records Act, CRS §24-72-101, et seq.
13. **Binding Effect.** All provisions herein contained, including the benefits and burdens, shall extend to and be binding upon the Parties' respective heirs, legal representatives, successors, and assigns.
14. **Entire Understanding.** This CONTRACT represents the complete integration of all understandings between the Parties and all prior representations and understandings, oral or written, are merged herein. Prior or contemporaneous additions, deletions, or other changes hereto shall not have any force or affect whatsoever, unless embodied herein.
15. **Severability.** Provided this CONTRACT can be executed and performance of the obligations of the Parties accomplished within its intent, the provisions hereof are severable and any provision that is declared invalid or becomes inoperable for any reason shall not affect the validity of any other provision hereof, provided that the Parties can continue to perform their obligations under this CONTRACT in accordance with its intent.
16. **Third Party Beneficiaries.** Enforcement of this CONTRACT and all rights and obligations hereunder are reserved solely to the Parties. Any services or benefits that third parties receive as a result of this CONTRACT are incidental to the CONTRACT, and do not create any rights for such third parties.
17. **Counterparts.** This CONTRACT may be executed in multiple identical original counterparts, all of which shall constitute one agreement.
18. **Indemnification.** To the extent authorized by law, the BORROWER shall indemnify, save, and hold harmless the State against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees incurred as a result of any act or omission by the BORROWER, or its employees, agents, subcontractors, or assignees pursuant to the terms of this contract.

No term or conditions of this contract shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions for the

parties, of the Colorado Governmental Immunity Act, Sections 24-10-101 et seq. C.R.S. or the Federal Tort Claims Act, 28 U.S.C. 2671 et seq. as applicable, as now or hereafter amended.

19. **Addresses for mailing.** All notices, correspondence, or other documents required by this CONTRACT shall be delivered or mailed to the addresses set forth in Section 1 (BORROWER Information) of Appendix 1, for the BORROWER, and to the address below for the CWCB:

Colorado Water Conservation Board
Attn: Finance Section
1313 Sherman Street, Room 718
Denver, CO 80203

[THE REST OF THIS PAGE INTENTIONALLY LEFT BLANK]

PAID IN FULL

Special Provisions

(The Special Provisions apply to all contracts except where noted in *italics*.)

1. **CONTROLLER'S APPROVAL.** CRS §24-30-202(1). This contract shall not be valid until it has been approved by the Colorado State Controller or designee.
2. **FUND AVAILABILITY.** CRS §24-30-202(5.5). Financial obligations of the State payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.
3. **GOVERNMENTAL IMMUNITY.** No term or condition of this contract shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, of the Colorado Governmental Immunity Act, CRS §24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. §§1346(b) and 2671 et seq., as applicable now or hereafter amended.
4. **INDEPENDENT CONTRACTOR.** Contractor shall perform its duties hereunder as an independent contractor and not as an employee. Neither Contractor nor any agent or employee of Contractor shall be deemed to be an agent or employee of the State. Contractor and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the State and the State shall not pay for or otherwise provide such coverage for Contractor or any of its agents or employees. Unemployment insurance benefits will be available to Contractor and its employees and agents only if such coverage is made available by Contractor or a third party. Contractor shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this contract. Contractor shall not have authorization, express or implied, to bind the State to any agreement, liability or understanding, except as expressly set forth herein. Contractor shall (a) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (b) provide proof thereof when requested by the State, and (c) be solely responsible for its acts and those of its employees and agents.
5. **COMPLIANCE WITH LAW.** Contractor shall strictly comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.
6. **CHOICE OF LAW.** Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this contract. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. Any provision incorporated herein by reference which purports to negate this or any other Special Provision in whole or in part shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision shall not invalidate the remainder of this contract, to the extent capable of execution.
7. **BINDING ARBITRATION PROHIBITED.** The State of Colorado does not agree to binding arbitration by any extra-judicial body or person. Any provision to the contrary in this contract or incorporated herein by reference shall be null and void.
8. **SOFTWARE PIRACY PROHIBITION.** Governor's Executive Order D 002 00. State or other public funds payable under this contract shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Contractor hereby certifies and warrants that, during the term of this contract and any extensions, Contractor has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the

State determines that Contractor is in violation of this provision, the State may exercise any remedy available at law or in equity or under this contract, including, without limitation, immediate termination of this contract and any remedy consistent with federal copyright laws or applicable licensing restrictions.

9. **EMPLOYEE FINANCIAL INTEREST/CONFLICT OF INTEREST.** CRS §§24-18-201 and 24-50-507. The signatories aver that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this contract. Contractor has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Contractor's services and Contractor shall not employ any person having such known interests.
10. **VENDOR OFFSET.** CRS §§24-30-202 (1) and 24-30-202.4. *[Not Applicable to intergovernmental agreements]* Subject to CRS §24-30-202.4 (3.5), the State Controller may withhold payment under the State's vendor offset intercept system for debts owed to State agencies for: (a) unpaid child support debts or child support arrearages; (b) unpaid balances of tax, accrued interest, or other charges specified in CRS §39-21-101, et seq.; (c) unpaid loans due to the Student Loan Division of the Department of Higher Education; (d) amounts required to be paid to the Unemployment Compensation Fund; and (e) other unpaid debts owing to the State as a result of final agency determination or judicial action.
11. **PUBLIC CONTRACTS FOR SERVICES.** CRS §8-17.5-101. *[Not Applicable to agreements relating to the offer, issuance, or sale of securities, investment advisory services or fund management services, sponsored projects, intergovernmental agreements, or information technology services or products and services]* Contractor certifies, warrants, and agrees that it does not knowingly employ or contract with an illegal alien who will perform work under this contract and will confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this contract, through participation in the E-Verify Program or the Department program established pursuant to CRS §8-17.5-102(5)(c), Contractor shall not knowingly employ or contract with an illegal alien to perform work under this contract or enter into a contract with a subcontractor that fails to certify to Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this contract. Contractor (a) shall not use E-Verify Program or Department program procedures to undertake pre-employment screening of job applicants while this contract is being performed, (b) shall notify the subcontractor and the contracting State agency within three days if Contractor has actual knowledge that a subcontractor is employing or contracting with an illegal alien for work under this contract, (c) shall terminate the subcontract if a subcontractor does not stop employing or contracting with the illegal alien within three days of receiving the notice, and (d) shall comply with reasonable requests made in the course of an investigation, undertaken pursuant to CRS §8-17.5-102(5), by the Colorado Department of Labor and Employment. If Contractor participates in the Department program, Contractor shall deliver to the contracting State agency, Institution of Higher Education or political subdivision a written notarized affirmation, affirming that Contractor has examined the legal work status of such employee, and shall comply with all of the other requirements of the Department program. If Contractor fails to comply with any requirement of this provision or CRS §8-17.5-101 et seq., the contracting State agency, institution of higher education or political subdivision may terminate this contract for breach and, if so terminated, Contractor shall be liable for damages.
12. **PUBLIC CONTRACTS WITH NATURAL PERSONS.** CRS §24-76.5-101. Contractor, if a natural person eighteen (18) years of age or older, hereby swears and affirms under penalty of perjury that he or she (a) is a citizen or otherwise lawfully present in the United States pursuant to federal law, (b) shall comply with the provisions of CRS §24-76.5-101 et seq., and (c) has produced one form of identification required by CRS §24-76.5-103 prior to the effective date of this contract.

[END OF SPECIAL PROVISIONS]

SPs Effective 1/1/09

COPY

CMS 95596
CORE CT2017-2880

IN WITNESS WHEREOF, the Parties hereto have executed this CONTRACT

* Persons signing for the BORROWER hereby swear and affirm that they are authorized to act on the BORROWER's behalf and acknowledge that the State is relying on their representations to that effect.

BORROWER: Town of Firestone, the Water
Activity Enterprise

STATE OF COLORADO
John W. Hickenlooper, Governor
Department of Natural Resources

BY: Paul Sorenson
Signature

BY: Kirk Russell

NAME: Paul Sorenson

TITLE: Mayor

DATE: 3.8.17

Name: Kirk Russell, P.E., Section Chief
Finance Section
Colorado Water Conservation Board

DATE: 3/21/17

Attest

BY: [Signature]
Signature

NAME: Cristina Medina

TITLE: Town Clerk

DATE: 3.8.17



ALL CONTRACTS MUST BE APPROVED BY THE STATE CONTROLLER

CRS 24-30-202 requires that the State Controller approve all State contracts. This CONTRACT is not valid and the loan funds under this CONTRACT are not available until the State Controller, or such assistant as he may delegate, has signed it.

STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

By: Susan Borup

Name Susan Borup

Title Controller

Effective Date 3/23/17

PAID IN FULL

**PROJECT SUMMARY – TOWN OF FIRESTONE,
ACTING BY AND THROUGH THE WATER ACTIVITY ENTERPRISE
LOAN CONTRACT NO. CT2017-2880**

SECTION 1 – BORROWER INFORMATION

NAME: TOWN OF FIRESTONE, ACTING BY AND THROUGH THE WATER
ACTIVITY ENTERPRISE

TYPE OF ENTITY: WATER ACTIVITY ENTERPRISE

ADDRESS: 151 Grant Ave., Firestone, Colorado 80520

CONTACT: JULIE PASILLAS

PHONE NUMBER: 303-833-3291 X258

E-MAIL ADDRESS: JPasillas@firestoneco.gov

SECTION 2 – PROJECT DESCRIPTION

- A. Description of PROJECT: The BORROWER applied to the CWCB for a loan to be used for the Storage Development and Water Rights Purchase (PROJECT), located in Weld County, at a total estimated project cost of \$10,043,150.00. The purpose of the PROJECT is to develop a non-potable water supply and associated water storage.
- B. Description of Feasibility Study: The CWCB has reviewed a feasibility study report, on the PROJECT, dated October, 2016 titled "*CWCB Feasibility Study for Town of Firestone Carbon Valley Resource Pit*" which was prepared by Steve Nguyen, P.E. of Clear Water Solutions, and is incorporated herein by this reference. Based upon the feasibility report, the CWCB determined the PROJECT to be technically and financially feasible.

SECTION 3 – CWCB'S AUTHORITY

Construction Fund: This loan is made pursuant to the provisions of §§ 37-60-119 and 37-60-120, C.R.S., which authorizes the CWCB to loan money for water projects from the CWCB Construction Fund for the benefit of the people of the state, provided that the BORROWER assures repayment of that money.

Section 37-60-122(1)(b) C.R.S., authorizes the CWCB to make loans of up to \$10,000,000 from the CWCB's Construction Fund without prior approval from the General Assembly.

SECTION 4 – BOARD APPROVAL

At its November 16, 2016 meeting the CWCB approved a Project Loan from the Construction Fund, to the BORROWER, in an amount up to \$9,900,990.00 for PROJECT Costs. CWCB's LOAN ORIGINATION FEE of 1% in the amount of \$99,010.00, in accordance with CWCB Policy No. 16, added to the BASE LOAN AMOUNT results in a TOTAL LOAN AMOUNT of \$10,000,000.00 at an interest rate of 2.35% per annum for a repayment term of 20 years.

SECTION 5 – SCHEDULE OF EXISTING DEBT

As of the date of the CWCB loan approval, the BORROWER has no other debt, backed by the loan security, described in Section 6 below, exists.

SECTION 6 – LOAN SECURITY

The SECURITY for this loan, as evidenced by the executed SECURITY AGREEMENT (APPENDIX 5) and incorporated herein, shall be: (i) an irrevocable (but not exclusive) pledge to the CWCB of the PLEDGED REVENUES in such amount as is necessary to make each annual payment due under this LOAN CONTRACT, on a parity with all PARITY INDEBTEDNESS; (ii) a rate covenant; and (iii) annual financial reporting in accordance with CWCB Policy No. 5.

SECTION 7 – ADDITIONAL CONDITIONS & CONTRACT REQUIREMENTS

None.

SECTION 8 –

“CONSTRUCTION FUND PROGRAM” PROCEDURES FOR *WATER RIGHTS PURCHASE*

- A. The BORROWER must submit a written appraisal or opinion of value from a qualified water rights appraiser supporting the purchase price prior to disbursement of loan funds.
- B. The BORROWER shall pay all of the expenses related to the PROJECT when such bills are due.

and

“CONSTRUCTION FUND PROGRAM” PROCEDURES FOR *PROJECT*

- A. The BORROWER shall employ an engineer, registered in the State of Colorado to prepare plans and specifications for the PROJECT.
- B. Engineering contracts and the plans and specifications must be submitted to the CWCB staff for verification of compliance with the terms of this CONTRACT when available prior to bidding. Any modifications, to the plans and specifications that effect changes to the construction costs must be approved in writing by CWCB.
- C. For plans and specifications for all jurisdictional dams and reservoirs, as defined by § 37-87-105 C.R.S., the BORROWER shall provide a letter of approval from the State Engineer's Office prior to construction.
- D. The BORROWER shall notify CWCB of the bid opening date, time and location. CWCB staff may elect to attend the bid opening.
- E. CWCB must approve the award of the construction contract.
- F. The BORROWER shall contract for the construction of the work with responsible and capable Construction Firms, selected by the BORROWER and found acceptable by the CWCB staff.
- G. The BORROWER must provide a copy of the following construction contract documents: executed contractor's proposal, executed construction contract, executed performance bond, executed payment bond, executed notice of award, proposed notice to proceed, sample change order, and sample field order, as well as the advertisement for bid. After the CWCB staff verifies that these documents comply with the terms of this CONTRACT, the BORROWER may issue the notice to proceed to the Construction Firms.

- H. The BORROWER shall conduct a pre-construction conference at which time the CWCB staff shall have the opportunity to review and approve the construction schedule.
- I. If the CWCB staff determines that the PROJECT requires a resident inspector during construction, the BORROWER shall employ an inspector who has been approved by the CWCB staff.
- J. The BORROWER shall construct the PROJECT in accordance with the approved plans and specifications.
- K. Upon completion of the PROJECT construction, the BORROWER shall provide as-built drawings of the PROJECT to the CWCB staff, or, if required by § 37-87-105, C.R.S., the BORROWER shall provide the as-built drawings to the State Engineer's Office for approval and filing.
- L. Upon completion of the PROJECT construction, the BORROWER shall arrange a final inspection for the CWCB staff.
- M. The BORROWER shall pay all of the expenses related to the PROJECT when such bills are due.

SECTION 9 –

ELIGIBLE EXPENSES FOR *WATER RIGHTS PURCHASE*

- A. Engineering associated with the feasibility report prepared as a requirement for this loan and associated with evaluating the suitability of the water rights for purchase by the BORROWER.
- B. Interest during completion of the PROJECT pursuant to Paragraph A.5 herein.
- C. Legal services for reviewing engineering services contracts and this CONTRACT.
- D. Purchase of the water rights.

and

ELIGIBLE EXPENSES FOR *PROJECT*

PAID IN FULL

The following items are eligible for loan disbursements:

- A. Preparing final designs and specifications for the PROJECT.
- B. Preparing bid and construction contract documents.
- C. Preparing environmental assessment or environmental impact statements, and otherwise complying with the Federal National Environmental Policy Act.
- D. Complying with all federal, state, and local regulatory requirements, including the obtaining of all required permits.
- E. Fish and wildlife mitigation measures required by federal, state, or local laws and regulations.
- F. Actual construction as called for in the design documents and in change orders approved by the CWCB and the BORROWER.
- G. Engineering services for construction management, including design and construction management for CWCB approved change orders.
- H. Interest during completion of the PROJECT pursuant to Paragraph A.5 of the CONTRACT.
- I. Legal services for reviewing engineering services contracts, reviewing this CONTRACT, reviewing construction contract documents, and for complying with all federal, state, and local regulatory requirements.

- J. PROJECT-related expenses incurred prior to the Effective Date of this CONTRACT in accordance with the approval of this loan.

SECTION 10 – DISBURSEMENT SCHEDULE

For project expenses: The BORROWER shall prepare a periodic progress report that sets forth a statement of the PROJECT costs expended for that period and shall forward said statement to the CWCB. After receipt of the periodic progress report from the BORROWER, and review and acceptance of the items therein as eligible expenses, as described above, the CWCB will pay to the BORROWER the amount set forth in the report or such portion as has been approved by the CWCB. Such payment shall be made within thirty (30) days from the CWCB's approval of each progress report.

and

For a water rights purchase: the BORROWER shall prepare a written request for funds that shall describe the upcoming closing on water rights purchase including, but not limited to, the name of the seller, cost, closing date, and appraisal value and support documentation in the form of copies of the sales agreement and the appraisal pursuant to Section 8(a) above. After receipt of the written request from the BORROWER, and review and acceptance of the items therein as eligible expenses as described above, the CWCB will pay to the BORROWER the amount set forth in the request or such portion that has been approved by the CWCB. Such payment shall be made within thirty (30) days from the CWCB's approval of each request.

SECTION 11 – TIME FOR PERFORMANCE

PROJECT TO BEGIN: Upon Effective Date of this CONTRACT (the date this CONTRACT is signed by the State Controller or his designee).

PROJECT TO END: Three (3) years from the Effective Date of this CONTRACT.

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PAID IN FULL

SAMPLE OPTION LETTER

(TO BE SIGNED, IF APPLICABLE, UPON SUBSTANTIAL COMPELTION OF PROJECT)

Date:	Original Contract #: CT	Option Letter #	CMS Routing #
-------	-------------------------	-----------------	---------------

1) **OPTIONS:**

a. Decrease contract value (herein referred to as ("Total Loan Amount").

2) **REQUIRED PROVISION.** All Option Letters shall contain the appropriate provisions set forth below:

For use with all Options 1a:

1. The amount of the current Loan Contract Amount is decreased by (\$ amount of change) to a new Total Loan Amount of (\$ New Total Amount), in consideration of Substantial Completion of the Project. The Total Loan Amount is hereby modified accordingly. The revised Total Loan Amount including all previous amendments, option letters, etc. is (Insert New \$ Amt).
2. This change does not include a change to the annual payment and interest rate.
3. This Option Letter and supporting documentation shall become part of and be incorporated into this Contract for the total duration of this Contract.
4. This Option Letter shall include the written Notice of Project Substantial Completion.

3) **Effective Date.** The effective date of this Option Letter is upon approval of the State Controller or Delegate.

<p style="text-align: center;">STATE OF COLORADO John W. Hickenlooper, Governor Department of Natural Resources Colorado Water Conservation Board</p> <p>By: _____</p> <p>Title: _____</p> <p>Date: _____</p>

PAID IN FULL

ALL CONTRACTS REQUIRE APPROVAL BY THE STATE CONTROLLER

CRS §24-30-202 requires the State Controller to approve all State contracts. This Option Letter is not valid until signed and dated below by the State Controller or delegate. Contractor is not authorized to begin performance until such time. If Contractor begins performing prior thereto, the State of Colorado is not obligated to pay Contractor for such performance or for any goods and/or services provided hereunder.

STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

By: _____

Name: _____

Title: _____

Date: _____

PROMISSORY NOTE

DATE: March 8, 2017

BORROWER: Town of Firestone, Acting by and through the Water Activity Enterprise

TOTAL LOAN AMOUNT: \$10,000,000.00

INTEREST RATE: 2.35% per annum

TERM OF REPAYMENT: 20 years

LOAN CONTRACT NUMBER: CT2017-2880

ANNUAL LOAN PAYMENT: \$632,417.38

PAYMENT INITIATION DATE*: _____
(to be filled in at Substantial Completion of Project)

MATURITY DATE*: _____
(to be filled in at Substantial Completion of Project)

* Payment Initiation Date and Maturity Date fields are filled in *after* the project has been substantially completed.

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. Principal and interest shall be payable in annual equal payments as set forth in "Annual Loan Payment" above, with the first payment due and payable one year from the Payment Initiation Date (the date the CWCB determines that the project is substantially complete), 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.
2. Payments shall be made to the Colorado Water Conservation Board at 1313 Sherman Street, Room 718, Denver, Colorado 80203.
3. 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 15 calendar days of the due date.
4. This PROMISSORY 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.
5. All payments received shall be applied first to late charges, if any, next to accrued interest and then to reduce the principal amount.
6. This PROMISSORY 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 the SECURITY AGREEMENT ("SECURITY INSTRUMENT") of even date and amount herewith and cover the PLEDGED REVENUES. The LOAN CONTRACT and SECURITY INSTRUMENTS grant additional rights to the CWCB, including the right to accelerate the maturity of this

COPY

6. 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 thirty (30) days of receipt of such notice before the BORROWER shall be considered in default for purposes of this PROMISSORY NOTE.
7. The BORROWER 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.
8. This PROMISSORY NOTE shall be governed in all respects by the laws of the State of Colorado.
9. This PROMISSORY NOTE is authorized pursuant to and in accordance with the Constitution of the State of Colorado and all other laws of the State thereunto enabling. Specifically, but not by way of limitation, the LOAN CONTRACT and this PROMISSORY NOTE are authorized pursuant to and under the authority of Title 31, Article 35; Title 37, Article 45.1; and Title 11, Article 57, Part 2, C.R.S., and in full conformity therewith. Pursuant to Section 11-57-210, C.R.S., and Section 31-35-413, C.R.S., this recital shall be conclusive evidence of the validity and the regularity of the issuance of this PROMISSORY NOTE and the PROMISSORY NOTE shall be incontestable for any cause whatsoever after its delivery for value.

BORROWER: Town of Firestone, Acting by and through its Water Activity Enterprise

BY: Paul Soren
Signature

NAME: Paul Sorenson

TITLE: Mayor

DATE: 3.8.17

(SEAL)

Attest:



BY: [Signature]
Signature

NAME: Crissie Medina

TITLE: Town Clerk

DATE: 3.8.17

PAID IN FULL

ORDINANCE NO. 902

AN ORDINANCE OF THE BOARD OF TRUSTEES OF THE TOWN OF FIRESTONE, COLORADO, ACTING BY AND THROUGH THE TOWN OF FIRESTONE WATER ACTIVITY ENTERPRISE, APPROVING A LOAN FROM THE COLORADO WATER CONSERVATION BOARD; AUTHORIZING THE FORM AND EXECUTION OF THE LOAN CONTRACT, PROMISSORY NOTES TO EVIDENCE SUCH LOAN, AND SECURITY AGREEMENT IN CONNECTION THEREWITH; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATED THERETO AND PRESCRIBING OTHER DETAILS IN CONNECTION THEREWITH.

WHEREAS, the Town of Firestone, Colorado (the "Town"), is a legal and regularly created, established, organized and existing municipal corporation under the Constitution and laws of the State of Colorado; and

WHEREAS, the members of the Board of Trustees of the Town (the "Board") have been duly elected and qualified; and

WHEREAS, the Town has heretofore determined and undertaken to operate, and maintain its water facilities as a public utility and income-producing project (the "System") and accounts for the financial operations of the System in the Town's Water Activity Enterprise Fund; and

WHEREAS, the Town has determined that the System is an enterprise within the meaning of Article X, Section 20 of the Colorado Constitution; and

WHEREAS, the Board in its enterprise capacity has the authority to issue notes or other obligations payable from the revenues derived or to be derived from the function, service, benefits, or facility or the combined functions, services, benefits, or facilities of the enterprise or from any other available funds of the enterprise pursuant to C.R.S. §37-45.1-105(2); and

WHEREAS, the Board has heretofore determined that the interest of the Town and the public interest and necessity demand and require the acquisition, construction, and completion of assets for and improvements to the System, including design, engineering, legal, financing and administrative costs relating thereto, and any other costs incidental thereto (the "Project"); and

WHEREAS, the cost of the Project to the Town is estimated at \$10,043,150 including design, engineering, legal, financing and administrative costs relating thereto, and any other costs

incidental thereto; and

WHEREAS, the Board has determined that in order to finance the Project, it is necessary and advisable and in the best interests of the Town to enter into a loan contract (the "Loan Contract") and a security agreement (the "Security Agreement") with the Colorado Water Conservation Board ("CWCB"), a body corporate and political subdivision of the State of Colorado, pursuant to which the CWCB will loan the Town \$10,000,000 pursuant to the Loan Contract to finance the Project; and

WHEREAS, the Town's repayment obligations under the Loan Contract shall be evidenced by a promissory note (the "Promissory Note") to be executed and delivered by the Town to the CWCB; and

WHEREAS, the Promissory Note, the Loan Contract and the Security Agreement (collectively, the "Financing Documents") may be approved by the Board acting in its enterprise capacity without an election pursuant to C.R.S. §§ 37-45.1-104 to 106; and

WHEREAS, the Financing Documents shall be revenue obligations of the Town, payable from the Pledged Revenues (as defined in the Financing Documents and herein); and

WHEREAS, there have been presented to the Board the forms of the Financing Documents; and

WHEREAS, the Board desires to approve the forms of the Financing Documents and authorize the execution thereof.

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF FIRESTONE, COLORADO:

PAID IN FULL

Section 1. Approvals, Authorizations, and Amendments. The forms of the Financing Documents presented at this meeting are incorporated herein by reference and are hereby approved. The Town shall enter into and perform its obligations under the Financing Documents in the forms of such documents, with such changes as are not inconsistent herewith and as are hereafter approved by the Mayor of the Town (the "Mayor"). The Mayor and Town Clerk of the Town (the "Clerk") are hereby authorized and directed to execute the Financing Documents and to affix the seal of the Town thereto, and further to execute and authenticate such other documents or certificates as are deemed necessary or desirable in connection therewith. The Financing Documents shall be executed in substantially the forms approved at this meeting.

The execution of any instrument or certificate or other document in connection with the matters referred to herein by the Mayor and Clerk or by other appropriate officers of the Town, shall be conclusive evidence of the approval by the Town of such instrument.

Section 2. Election to Apply Supplemental Act. Section 11-57-204 of the Supplemental Public Securities Act, constituting Title 11, Article 57, Part 2, C.R.S. (the "Supplemental Act") provides that a public entity, including the Town, may elect in an act of issuance to apply all or any of the provisions of the Supplemental Act. The Board hereby elects to apply all of the Supplemental Act to the Financing Documents.

Section 3. Delegation.

(a) Pursuant to Section 11-57-205 of the Supplemental Act, the Board hereby delegates to the Mayor or Mayor Pro Tem the authority to make the following determinations relating to and contained in the Financing Documents, subject to the restrictions contained in paragraph (b) of this Section 3:

- (i) The interest rate on the Loan;
- (ii) The principal amount of the Loan;
- (iii) The amount of principal of the Loan maturing in any given year and the final maturity of the Loan;

- (iv) The dates on which the principal of and interest on the Loan is paid;

and

- (v) The existence and amount of a reserve fund for the Loan, if any.

(b) The delegation in paragraph (a) of this Section 3 shall be subject to the following parameters and restrictions:

- (i) the interest rate on the Loan shall not exceed 2.35%;
- (ii) the aggregate principal amount of the Loan shall not exceed \$10,000,000; and

- (iii) the final maturity of the Loan shall not be any later than 20 years from the loan contract start date.

Section 4. Conclusive Recital. Pursuant to Section 11-57-210 of the Supplemental Act, the Promissory Note and Security Agreement shall contain a recital that each is issued pursuant to certain provisions of the Supplemental Act. Such recital shall be conclusive

evidence of the validity and the regularity of the issuance of the Promissory Note and Security Agreement after its delivery for value.

Section 5. Pledge of Revenues. The creation, perfection, enforcement, and priority of the pledge of revenues to secure or pay the Financing Documents provided herein shall be governed by Section 11-57-208 of the Supplemental Act and this Ordinance. The amounts pledged to the payment of the Financing Documents shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge shall have the priority described in the Loan Contract. The lien of such pledge shall be valid, binding, and enforceable as against all persons having claims of any kind in tort, contract, or otherwise against the Town irrespective of whether such persons have notice of such liens.

For purposes of this Ordinance and the Loan Contract, "Pledged Revenue" shall mean the Net Revenue of the Town. "Net Revenue" shall mean the Gross Revenue less the Operation and Maintenance Expenses plus all proceeds of insurance in excess of or not applied to the repair and replacement of the System, and the proceeds or any sale, conveyance, or exchange of the System in excess of that applied to replace the System sold or exchanged.

"Gross Revenue" means all fees (including but not limited to user fees and plant investment fees), charges and revenues directly or indirectly derived by the Town for the services furnished by, or use of, the System, or any part thereof, including all income attributable to any future dispositions of property or rights related contracts, settlements, or judgments held or obtained in connection with the System or its operations; provided however, that there shall be excluded from Gross Revenue (a) moneys borrowed and used for providing Capital Improvements, (b) any money and securities, and investment income therefrom, in any refunding fund, escrow account, or similar account pledged to the payment of any bonds or other obligations for the purpose of defeasing the same, and (c) any moneys received as grants or appropriations from the United States, the State of Colorado, or other sources, the use of which is limited or restricted by the grantor or donor to the provision of Capital Improvements or for other purposes resulting in the general unavailability thereof, except to the extent any such moneys shall be received as payments for the use of the System, services rendered thereby, the availability of any such service, or the disposal of any commodities therefrom.

"Operation and Maintenance Expenses" means all reasonable and necessary current expenses of the Town, paid or accrued, for operating, maintaining, and repairing the System,

including without limitation legal and overhead expenses of the Town directly related to the administration of the System; provided however, that there shall be excluded from Operation and Maintenance Expenses any allowance or transfers for depreciation, payments in lieu of taxes or franchise fees, legal liabilities not based on contract, expenses incurred in connection with Capital Improvements, payments due in connection with any bonds or other obligations issued to provide Capital Improvements, and charges for accumulation of reserves.

“System” means the municipal water system consisting of all properties, real, personal, mixed or otherwise, now owned or hereafter acquired by the Town, through purchase, construction and otherwise, and used in connection with such system of the Town, and in any way pertaining thereto, whether or not located within or without or both within and without the boundaries of the Town; and such defined term includes any other utility or other income-producing facilities added to the System and to which the lien and pledge herein provided are extended by ordinance adopted by the Board or the qualified electors of the Town.

Section 6. Limitation of Actions. Pursuant to Section 11-57-212 of the Supplemental Act, no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the Financing Documents shall be commenced more than thirty days after the issuance of the Promissory Note.

Section 7. Limited Obligation: Special Obligation. The Financing Documents are payable solely from the Pledged Revenue and the Financing Documents do not constitute a debt within the meaning of any constitutional or statutory limitation or provision.

Section 8. No Recourse against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Act, if a member of the Board, or any officer or agent of the Town acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the principal of or interest on the Promissory Note. Such recourse shall not be available either directly or indirectly through the Board or the Town, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the Promissory Note and as a part of the consideration of its sale or purchase, CWCB specifically waives any such recourse.

Section 9. Disposition and Investment of Proceeds of the Loan Contract. The proceeds of the Loan Contract shall be applied only to pay the costs and expenses of acquiring, constructing and equipping the Project, including costs related thereto and reimbursement to the

Town for capital expenditures heretofore incurred and paid from Town funds in anticipation of the incurrence of long-term financing therefor, and all other costs and expenses incident thereto, including without limitation the costs of obtaining the Loan Contract. The CWCB shall not be responsible for the application or disposal by the Town or any of its officers of the funds derived from the Loan Contract.

Section 10. Estimated Life of Improvements. It is hereby determined that the estimated life of the Project to be financed with the proceeds of the Loan Contract is not less than the final maturity of the Loan.

Section 11. Issuance of Additional Debts or Bonds. The Town will not issue any indebtedness payable from the Pledged Revenue and having a lien thereon which is superior to the lien created by the Financing Documents. The Town will issue parity debt only with the prior written approval of CWCB, provided that:

(a) the Town is at the time approval is requested from CWCB and at the time of the issuance of the parity debt in substantial compliance with all of the obligations of the Loan Contract, including, but not limited to, being current on the annual payments due under the Loan Contracts and in the accumulation of all amounts then required to be accumulated in the Town's debt service reserve account or fund; and

(b) the Town provides to the CWCB a Parity Certificate from an independent certified public accountant certifying that, based on an analysis of the Town's revenues, for 12 consecutive months out of the 18 months immediately preceding the date of issuance of such parity debt, the Town's revenues are sufficient to pay its annual Operation and Maintenance Expenses, annual debt service on all outstanding indebtedness having a lien on the Pledged Revenue, including the Loan Contract, the annual debt service on the proposed indebtedness to be issued, and all required deposits to any reserve funds required by the Loan Contract or by the lender(s) of any indebtedness having a lien on the Pledged Revenue. No more than 10% of total revenues may originate from tap and/or connection fees.

Section 12. Direction to Take Authorizing Action. The appropriate officers of the Town and members of the Board are hereby authorized and directed to take all other actions necessary or appropriate to effectuate the provisions of this Ordinance, including but not limited to such certificates and affidavits as may reasonably be required by CWCB.

Section 13. Ratification and Approval of Prior Actions. All actions heretofore taken by the officers of the Town and members of the Board, not inconsistent with the provisions of this Ordinance, relating to the Financing Documents, or actions to be taken in respect thereof, are hereby authorized, ratified, approved, and confirmed.

Section 14. Repealer. All acts, orders, ordinances, or resolutions, or parts thereof, in conflict herewith are hereby repealed to the extent of such conflict.

Section 15. Severability. Should any one or more sections or provisions of this Ordinance be judicially determined invalid or unenforceable, such determination shall not affect, impair, or invalidate the remaining provisions hereof, the intention being that the various provisions hereof are severable.

Section 16. Inconsistencies. In the event of any inconsistencies between this Ordinance and the Loan Contract, this Ordinance is controlling.

Section 17. Ordinance Irrepealable. After the Promissory Note issued, this Ordinance shall constitute an irrevocable contract between the Town and the CWCB, and shall be and remain irrepealable until the Promissory Note and the interest thereon shall have been fully paid, satisfied, and discharged. No provisions of any constitution, statute, ordinance, resolution or other measure enacted after the issuance of the Promissory Note shall in any manner be construed as impairing the obligations of the Town to keep and perform the covenants contained in this Ordinance.

Section 18. Recording and Authentication. Immediately on its passage this Ordinance shall be recorded in a book kept for that purpose, authenticated by the signatures of the Mayor and clerk, and shall be published in accordance with law.

Section 19. Effective Date. This Ordinance shall be in full force and effect thirty (30) days after publication following final adoption.

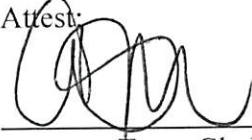
INTRODUCED, PASSED, ADOPTED AND ORDERED PUBLISHED in full in the Longmont Times-Call, a newspaper of general circulation in the Town of Firestone on January 11, 2017.



Mayor
Town of Firestone, Colorado

(SEAL)

Attest:



Town Clerk
Town of Firestone, Colorado



PAID IN FULL

STATE OF COLORADO)
)
COUNTY OF WELD) SS.
)
TOWN OF FIRESTONE)

I, Carissa Medina, the Town Clerk of the Town of Firestone, Colorado, do hereby certify:

1. That the foregoing pages are a true, correct and complete copy of the Ordinance adopted by the Board of Trustees constituting the governing board of the Town of Firestone (the "Board of Trustees"), by vote had and taken at an open, regular meeting of the Board of Trustees held at the Firestone Town Hall, 151 Grant Avenue, Firestone, Colorado, on January 11, 2017, convening at the hour of 7:00 p.m. as recorded in the regular book of official records of the proceedings of said Town of Firestone kept in my office.

2. That the Ordinance was read by title, duly moved and seconded and the Ordinance was approved by an affirmative vote of the Board of Trustees, as follows:

Name	“Yes”	“No”	Absent
Paul Sorensen, Mayor	—	—	
Bobbi Sindelar, Mayor Pro-tem	✓		
John Damsma	✓		
George Heath	✓		
Samantha Meiring			✓
Drew Peterson			✓
Douglas Sharp	✓		

3. The members of the Board of Trustees were present at the meeting and voted on the passage of such Ordinance as set forth above.

4. There are no bylaws, rules or regulations of the Board of Trustees which might prohibit the adoption of said Ordinance.

5. The Ordinance was published in full in the Longmont Times -Call, a newspaper of general circulation in the Town, on January 15, 2017, and the affidavit of publication is attached hereto as Exhibit A.

8. Notice of the meeting of January 11, 2017, in the forms attached hereto as Exhibit B was posted at the Firestone Town Hall, 151 Grant Avenue, Firestone, Colorado, not less than 24 hours prior to the meeting in accordance with law.

COPY

WITNESS my hand and the seal of said Town affixed this January 11, 2017.





Town Clerk

PAID IN FULL

EXHIBIT A

AFFIDAVIT OF PUBLICATION

(Published January 5, 2017)

PAID IN FULL

TIMES-CALL

EXHIBIT B

(Attach Notice of the Meeting of January 11, 2017)

PAID IN FULL



Town of Firestone, Colorado

Regular Meeting Agenda

Board of Trustees

151 Grant Avenue,
Firestone, CO 80520

Wednesday, January 11, 2017
7:00 PM

1. Call to Order & Roll Call
2. Pledge of Allegiance
3. Approval of Agenda
4. Public Comment * (maximum time permitted for all Public Comment is 30 minutes)
5. Consent Agenda
 - a. Approval of December 14, 2016 Minutes
Attachments: [5.a. - TB 12-14-2016 \(a\).pdf](#)
 - b. Approval of January 11, 2017 Accounts Payable
Attachments: [5.b. - AP Detail 01-11-2017 CHECKS.pdf](#)
 [5.b. - AP Detail 01-11-2017 ELECTRONIC.pdf](#)
 [5.b. - AP Summary 01-11-2017.pdf](#)
 - c. Resolution No. 17-01. A Resolution Designating the Place for Posting of Notices of Meetings of the Board of Trustees for the Town of Firestone, Colorado
Attachments: [5.c. - TB Res 17-01 - Posting Places 2017 \(BOT\).pdf](#)
 - d. Northern Integrated Supply Project (NISP) Thirteenth Interim Agreement
Attachments: [5.d. - 2017 AIM NISP Thirteenth Interim Agreement.pdf](#)
6. Presentations

PAID IN FULL

- a. Overview of Firestone Water Rates by Steve Nguyen with Clear Water Solutions, Inc.

Attachments: [6.a. - Firestone 2016 Rate Study Update 1-11-17.pdf](#)

- b. Overview of Communities that Care Program by Weld County Health Representative Shaley Maher

Attachments: [6.b. - CTC Board of Trustees.pdf](#)

[6.b. - CTC Carbon Valley handout 2016.pdf](#)

[6.b. - Roles -Key Leader & Comm Board.pdf](#)

- c. Proclamation Declaring January 22-28, 2017 as Firestone School Choice Week

Attachments: [6.c. - Firestone School Choice Week Proclamation.pdf](#)

7. Action Items

- a. Rocky Mountain Ham Radio, Inc. License Agreement

Resolution No. _____, a Resolution Approving a License Agreement with Rocky Mountain Ham Radio, Inc. for the Placement of a Twenty-Eight Foot Tower and Radio Transmission Facility on Town Owned Property

Attachments: [7.a. - Rocky Mountain Ham Radio License AIM \(12-13-16 redline\).pdf](#)

- b. Ordinance Approving Colorado Water Conservation Board Loan

Ordinance No. _____, an Ordinance of the Board of Trustees of the Town of Firestone Water Activity Enterprise, Approving a Loan from the Colorado Water Conservation Board; Authorizing the Form and Execution of the Loan Contract, Promissory Notes to Evidence Such Loan, and Security Agreement in Connection Therewith; Authorizing the Execution and Delivery of Documents Related Thereto and Prescribing Other Details In Connection Therewith

Attachments: [7.b. - CWCB Loan Ordinance - AIM.pdf](#)

- c. First Amendment to the Purchase, Sale, and Exchange Agreement between LG Everist and the Town of Firestone

Attachments: [7.c. - First Amendment to Purchase Sale and Exchange Agreement between LG](#)

- d. Bond Counsel Engagement Letter - CWCB Water Enterprise Loan Agreement

Attachments: [7.d. - CWCB Bond Counsel AIM.pdf](#)

PAID IN FULL

e. Resolution for Conditional Acceptance of Right-of-Way Donation – Frontier Street

Resolution No. _____, a Resolution Accepting Subject to the Satisfaction of Conditions Precedent, a Special Warranty Deed for a Strip of Land Located in Section 19, Township 2 North Range 67 West of the 6th P.M. and Generally Identified as Frontier Street Right-of-Way

Attachments: 7.e. - Frontier ROW Donation AIM.pdf

8. Discussion

a. Discussion/Direction – 2017 Jackson Avenue Waterline Design Contract and 2017 Jackson Avenue Street Replacement Design Contract

Attachments: 8.a. - 2017 Jackson Ave Waterline and Street Replacement Design Contract - A
 8.a. - Professional Engineering Services Agreement - 2017 Street Replacement
 8.a. - Professional Engineering Services Agreement - 2017 Waterline Replacement

b. Discussion/Direction – Public Safety Facility – Next Steps

c. Future Agenda Items

9. Public Comment * (maximum time permitted for all Public Comment is 30 minutes)

10. Reports

a. Staff

b. Mayor

c. Trustees

11. Adjournment

PAID IN FULL

SECURITY AGREEMENT

DATE: MARCH 8, 2017

BORROWER: TOWN OF FIRESTONE, ACTING BY AND THROUGH THE WATER ACTIVITY ENTERPRISE

SECURED PARTY: COLORADO WATER CONSERVATION BOARD

PROMISSORY NOTE: \$10,000,000.00

TERMS OF REPAYMENT: 2.35% INTEREST FOR 20 YEARS

LOAN CONTRACT NUMBER: CT2017-2880

PLEDGED REVENUES: All revenues derived from Water Activity Enterprise revenues and all of DEBTOR'S right to receive said revenues to repay the loan as described in PLEDGED REVENUES provisions of the LOAN CONTRACT and DEBTOR'S ORDINANCE adopted January 11, 2017.

To secure payment of the loan evidenced by the PROMISSORY NOTE payable in accordance with the TERMS OF REPAYMENT, or until all principal, interest, and late charges, if any, are paid in full, the BORROWER grants to SECURED PARTY a security interest in the above described PLEDGED REVENUES.

BORROWER EXPRESSLY WARRANTS AND COVENANTS:

1. That except for the security interest granted hereby and any other security interests described in Section 5 of the LOAN CONTRACT, PROJECT SUMMARY, the BORROWER is the owner of the PLEDGED REVENUES free from any adverse lien, security interest or encumbrances; and that the BORROWER will defend the PLEDGED REVENUES against all claims and demands of all persons at any time claiming the same or any interest therein.
2. That the execution and delivery of this agreement by the BORROWER will not violate any law or agreement governing the BORROWER or to which the BORROWER is a party.
3. To not permit or allow any adverse lien, security interest or encumbrance whatsoever upon the PLEDGED REVENUES and not to permit the same to be attached or replevined.
4. That by its acceptance of the loan money pursuant to the terms of the CONTRACT and by its representations herein, the BORROWER shall be estopped from asserting for any reason that it is not authorized to grant a security interest in the PLEDGED REVENUES pursuant to the terms of this agreement.
5. To pay all taxes and assessments of every nature that may be levied or assessed against the PLEDGED REVENUES.
6. That the BORROWER'S articles of incorporation and by-laws do not prohibit any term or condition of this agreement.

UNTIL DEFAULT BORROWER may have possession of the PLEDGED REVENUES, provided that BORROWER keeps the PLEDGED REVENUES in an account separate from other revenues of BORROWER and does not use PLEDGED REVENUES for any purpose not permitted by the CONTRACT. Upon default, SECURED PARTY shall have the immediate right to the possession of the PLEDGED REVENUES.

BORROWER SHALL BE IN DEFAULT under this agreement upon any of the following events or conditions:

- a. default in the payment or performance of any obligation contained herein or in the PROMISSORY NOTE or LOAN CONTRACT;
- b. dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency law of, by or against the BORROWER; or
- c. the making or furnishing of any warranty, representation or statement to SECURED PARTY by or on behalf of the BORROWER which proves to have been false in any material respect when made or

furnished.

Upon such default and at any time thereafter, SECURED PARTY shall have the remedies of a secured party under Section 11-57-208, Colorado Revised Statutes as amended. SECURED PARTY may require the BORROWER to deliver or make the PLEDGED REVENUES available to SECURED PARTY at a place to be designated by SECURED PARTY, which is reasonably convenient to both parties. Expenses of retaking, holding, preparing for sale, selling or the like shall include SECURED PARTY's reasonable attorney's fees and legal expenses.

The SECURED PARTY shall give the BORROWER written notice of any alleged default and an opportunity to cure within thirty (30) days of receipt of such notice before the BORROWER shall be considered in default for purposes of this SECURITY AGREEMENT. No default shall be waived by SECURED PARTY except in writing, and no waiver by SECURED PARTY of any default shall operate as a waiver of any other default or of the same default on a future occasion. The taking of this SECURITY AGREEMENT shall not waive or impair any other security SECURED PARTY may have or hereafter acquire for the payment of the above indebtedness, nor shall the taking of any such additional security waive or impair this SECURITY AGREEMENT; but SECURED PARTY shall retain its rights of set-off against the BORROWER. In the event court action is deemed necessary to enforce the terms and conditions set forth herein, said action shall only be brought in the District Court for the City and County of Denver, State of Colorado, and the BORROWER consents to venue and personal jurisdiction in said Court.

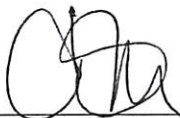
All rights of SECURED PARTY hereunder shall inure to the benefit of its successors and assigns; and all promises and duties of the BORROWER shall bind its successors or assigns.

7. This Security Agreement is authorized pursuant to and in accordance with the Constitution of the State of Colorado and all other laws of the State thereunto enabling. Specifically, but not by way of limitation, the Loan Contract, the Promissory Note and this Security Agreement are authorized pursuant to and under the authority of Title 31, Article 35; Title 37, Article 45.1; and Title 11, Article 57, Part 2, C.R.S., and in full conformity therewith. Pursuant to Section 11-57-210, C.R.S., and Section 31-35-413, C.R.S., this recital shall be conclusive evidence of the validity and the regularity of the issuance of this Security Agreement and the Security Agreement shall be incontestable for any cause whatsoever after its delivery for value.

(SEAL)

Attest:



BY:  _____
Signature

NAME: Caissa Medina
TITLE: Town Clerk
DATE: 3.8.17

BORROWER: Town of Firestone, Acting by and through its Water Activity Enterprise

BY:  _____
Signature

NAME: Paul Sorenson

TITLE: Mayor

DATE: 3.8.17

PAID IN FULL