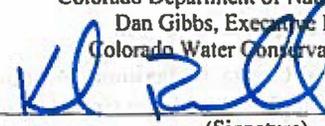


## LOAN CONTRACT AMENDMENT NO. 1

<b>State Agency</b> Department of Natural Resources Colorado Water Conservation Board (CWCB) 1313 Sherman St. Room 718 Denver, CO 80203	<b>Amendment No. 1 Contract Number</b> CMS 162080 CT2020-2335
<b>Borrower and Address</b> Lower Arkansas Water Management Association (LAWMA) 310 South 6 <sup>th</sup> Street, Lamar, CO 81052	<b>Original Contract Number</b> CMS 141200 CT2020-2335
<b>Current Contract Maximum Amount</b> \$3,556,598.35 (includes 1% origination fee)	<b>Contract Performance Beginning Date</b> 02/03/2020
<b>Reason for Modification</b> Decrease the total loan amount due to substantial completion of the Project and amend the legal description, of the pledged collateral as described in Exhibit 1 attached to the Original Deed of Trust, to the legal description stated in Exhibit 1a, attached to the Amendment to Deed of Trust (Appendix C), Loan Contract Amendment No. 1.	<b>Contract Performance End Date</b> 07/01/2020
<b>Project Name</b> West Farm Gravel Pit Storage Purchase	<b>Loan Contract Terms</b> 2.45% for 30 years <b>Loan Contract Repayment Schedule</b> Payment Initiation Date: 07/01/2020 Loan Maturity Date: 07/01/2050

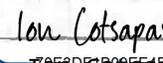
**THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT**

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

<p><b>Lower Arkansas Water Management Association (LAWMA)</b></p> <p style="text-align: center;"> (Signature)</p> <p>Name: Robert J. Wilger                  Title: Vice President                  Date: <u>7-28-20</u></p> <p><b>ATTEST:</b></p> <p style="text-align: center;"> (Signature)</p> <p>Name: Donald F. Higbee                  Title: Secretary/Treasurer                  Date: <u>7-28-20</u></p>	<p style="text-align: center;"><b>STATE OF COLORADO</b>                  Jared S. Polis, Governor                  Colorado Department of Natural Resources                  Dan Gibbs, Executive Director                  Colorado Water Conservation Board</p> <p style="text-align: center;"> (Signature)</p> <p>Name: Kirk Russell, P.E., Section Chief                  Date: <u>7/31/20</u></p>
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In accordance with §24-30-202 C.R.S., this Amendment is not valid until signed and dated below by the State Controller or an authorized delegate

**STATE CONTROLLER**  
**Robert Jaros, CPA, MBA, JD**  
DocuSigned by:

By:   
 Name: Ion Cotsapas  
 Title: DNR Contracts Director

Amendment Effective Date: August 4, 2020 | 12:22 PM PDT

**1. PARTIES**

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

**2. TERMINOLOGY**

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

**3. AMENDMENT EFFECTIVE DATE AND TERM**

A. Amendment Effective Date

This Amendment shall not be valid or enforceable until the Amendment Effective Date shown on the Signature and Cover Page for this Amendment. The State shall not be bound by any provision of this Amendment before that Amendment Effective Date.

The Parties’ respective performances under this Amendment and the changes to the Contract contained herein shall commence on the Amendment Effective Date shown on the Signature and Cover Page for this Amendment.

**4. PURPOSES**

The Borrower was approved for a CWCB loan contract, in July 2019, for the West Farm Gravel Pit Storage Purchase. CWCB approved a change to the legal description of the Pledged Property described in the Original Loan Contract, Exhibit 1, Appendix 6, *Deed of Trust* (“Original Deed of Trust”), to a more specific description of the Pledged Property stated in Exhibit 1a to the *Amendment to Deed of Trust* attached to this Amendment as Appendix C. The project was also completed and the parties agree to amend the contract to reduce the final loan amount. The amount of the current loan contract is decreased by \$74,351.65 from \$3,630,950.00 to \$3,556,598.35 in consideration of substantial completion of the project. The total loan amount is hereby modified accordingly.

**5. MODIFICATIONS**

The Contract is modified as follows:

- A. The Original Contract Maximum Amount shown on the Signature and Cover Page for this Amendment is hereby deleted and replaced with the Current Contract Maximum Amount of \$3,556,598.35. The loan terms shall remain at 2.45% for 30 years.
- B. Amendment to Promissory Note, Appendix A, in the revised loan amount and incorporated herein, shall replace and supersede the Original Promissory Note attached to the Original Loan Contract as Appendix 3.
- C. Amendment to Security Agreement, Appendix B, in the revised loan amount and incorporated herein, shall supplement and operate in conjunction with the Original Security Agreement, attached to the Original Loan Contract as Appendix 5.
- D. Exhibit 1a to the Amendment to Deed of Trust, Appendix C, with the revised legal description of the Pledged Property, shall replace and supersede the Exhibit 1 to the Original Deed of Trust. The Amendment to Deed of Trust, in the revised loan amount and incorporated herein, will otherwise supplement and operate in conjunction with the Original Deed of Trust, attached to the Original Loan Contract as Appendix 6. The CWCB shall record the Amendment to Deed of Trust (Appendix C) and Exhibit 1a in Bent and Prowers Counties.

**6. LIMITS OF EFFECT AND ORDER OF PRECEDENCE**

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

**Appendix A, Amendment No. 1 to Loan Contract CT2020-2335  
Amendment to Promissory Note**

Date:	<u>July 28</u> , 2020
Borrower:	Lower Arkansas Water Management Association
Total Loan Amount:	\$3,556,598.35
Interest Rate:	2.45% per annum
Term:	30 years or until loan is paid in full
Loan Contract No.:	CT2020-2335
Annual Loan Payment:	\$172,323.76
Payment Initiation Date:	July 1, 2020
Maturity Date:	July 1, 2050

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 Amendment to Promissory Note ("Note").

1. This Note, in the **revised loan amount of \$3,556,598.35**, shall replace and supersede the Original Promissory Note, attached as Appendix 3 to the Original Loan Contract, in the amount of \$3,630,950.00.
2. Principal and interest shall be payable in equal Annual Loan Payments as set forth above, with the first payment due and payable one year from the Payment Initiation Date, and annually thereafter. All principal, interest, and late charges, if any, then remaining unpaid shall be due and payable on or before the Maturity Date.
3. Payments shall be made to the Colorado Water Conservation Board at 1313 Sherman Street Room 718, Denver, Colorado 80203.
4. The CWCB may impose a late charge in the amount of 5% of the annual payment if the CWCB does not receive an Annual Loan Payment within sixty (60) calendar days of the due date. At the discretion of the CWCB, and if the Borrower requests in writing with sufficient justification, the late fee may be waived by the CWCB. CWCB will review the request from the Borrower, and may, in its sole discretion, choose to waive the late fee.
5. This Note may be prepaid in whole or in part at any time without premium or penalty. Any partial prepayment shall not postpone the due date of any subsequent payments or change the amount of such payments.
6. All payments received shall be applied first to late charges, if any, next to accrued interest and then to reduce the principal amount.
7. This Note is issued pursuant to the Loan Contract between the CWCB and the Borrower. The Loan Contract creates security interests in favor of the CWCB to secure the prompt payment of all amounts that may become due hereunder. Said security interests are evidenced by the Security Agreement and Deed of Trust, both dated December 5, 2019, and as both were amended of even date ("Security Instruments"), of even amount and cover the Pledged Revenue and the Pledged Property of the Borrower. The Loan Contract and Security Instruments grant additional rights to the CWCB, including the right to accelerate the maturity of this Note in certain events.

- 8. If any annual payment is not paid when due or any default under the Loan Contract or the Security Instruments securing this Note occurs, the CWCB may declare the entire outstanding principal balance of the Note, all accrued interest, and any outstanding late charges immediately due and payable, and the indebtedness shall bear interest at the rate of 7% per annum from the date of default. The CWCB shall give the Borrower written notice of any alleged default and an opportunity to cure within sixty (60) days of receipt of such notice before the Borrower shall be considered in default for purposes of this Promissory Note.
- 9. The Borrower agrees that if this Note or interest thereon is not paid when due or if suit is brought, then it shall pay all reasonable costs of collection, including reasonable attorney fees. In the event of any bankruptcy or similar proceedings, costs of collection shall include all costs and attorney fees incurred in connection with such proceedings, including the fees of counsel for attendance at meetings of creditors' committees or other committees.
- 10. This Note shall be governed in all respects by the laws of the State of Colorado.

Lower Arkansas Water Management Association

Attest:

By Donald F. Higbee  
Signature

Name: Donald F. Higbee

Title: Secretary / Treasurer

Date 7-28-20

By Robert J. Wilger  
Signature

Name: Robert J. Wilger

Title: Vice President

Date 7-28-20

### Appendix B, Amendment No. 1 to Loan Contract CT2020-2335 Amendment to Security Agreement

Debtor: Lower Arkansas Water Management Association  
Secured Party: Colorado Water Conservation Board  
Revised Loan Amount: \$3,556,598.35  
Term: 30 years or until loan is paid in full  
Interest Rate: 2.45% per annum  
Loan Contract Number: CT2020-2335

1. The Parties have amended the Original Loan Contract and Promissory Note to decrease the total loan amount by \$74,351.65 from \$3,630,950.00 to \$3,556,598.35 and hereby amend the original Security Agreement, Appendix 5, to the Original Loan Contract to document the change.
2. The Parties expressly agree that this Amendment to Security Agreement is supplemental to the Security Agreement and all terms, conditions, and provisions thereof are to apply to this Amendment to Security Agreement as though they were expressly rewritten, incorporated, and included herein.

Lower Arkansas Water Management Association

Attest:

By

*Donald F. Higbee*  
Signature

Name: Donald F. Higbee

Title: Secretary / Treasurer

Date 7-28-20

By

*Robert J. Wilger*  
Signature

Name: Robert J. Wilger

Title: Vice President

Date 7-28-20

**Appendix C, Amendment No. 1 to Loan Contract CT2020-2335  
Amendment to Deed of Trust**

Date: July 28, 2020

Grantor (Borrower): Lower Arkansas Water Management Association

Beneficiary (Lender): Colorado Water Conservation Board

Lender Address: 1313 Sherman Street, Room 718, Denver,  
Colorado, 80203

Counties: Bent and Prowers

Total Loan Amount: \$3,556,598.35

Loan Contract Number: CT2020-2335

Recorded Original Deed of Trust Information:

- 1) Bent County Reception Number 20200111, Recording Date:02/10/2020, 5 pages
- 2) Prowers County Reception Number 550669, Recording Date:03/11/2020, 5 pages

Reasons for Amendment to Deed of Trust:

- 1) Reduce the Total Loan Amount by \$74,351.65 from \$3,630,950.00 to \$3,556,598.35.
- 2) Amend legal description, of the Pledged Property as described in Exhibit 1 attached to Original Deed of Trust, to legal description stated in Exhibit 1a attached to this Amendment to Deed of Trust

This Amendment to Original Deed of Trust is between the Grantor and the Public Trustees of Bent and Prowers Counties, State of Colorado.

The Original Deed of Trust was recorded in Bent and Prowers Counties to secure repayment of the indebtedness evidenced by the Loan Contract and Promissory Note between the Grantor and the Beneficiary.

Grantor and Beneficiary agreed to decrease the Total Loan Amount by \$74,351.65 from \$3,630,950.00 to \$3,556,598.35 in consideration of substantial completion of the project. Grantor and Beneficiary also have agreed to amend the Original Loan Contract and Deed of Trust to supersede and replace the legal description of the Pledged Property stated in Exhibit 1 attached to the Original Deed of Trust to the more specific legal description of the Pledged Property as described in Exhibit 1a.

NOW THEREFORE, the Beneficiary and Grantor agree that:

1. The Total Loan Amount is reduced by \$74,351.65 from \$3,630,950.00 to \$3,556,598.35.
2. Exhibit 1a to this Amendment to Deed of Trust, Appendix C, Amendment No. 1 to Contract Number CT2020-2335, shall supersede and replace the description of the Pledged Property in Exhibit 1 to the Original Deed of Trust. This Amendment to Deed of Trust *shall otherwise supplement and operate* in conjunction with the Deed of Trust attached to the Original Contract as Appendix 6, recorded in Bent and Prowers Counties, and incorporated herein by reference.
3. In the event of any conflict, inconsistency, variance, or contradiction between the provisions of this Amendment to Deed of Trust and any of the provisions of the Original Deed of Trust the provisions of this Amendment to Deed of Trust shall in all respects supersede, govern, and control.

- 4. Any provisions of the Original Deed of Trust not expressly modified herein remain in full force and effect.
- 5. Executed on the date first written above.

Grantor: Lower Arkansas Water Management Association

By Robert J. Wilger  
Signature

Name: Robert J. Wilger

Title: Vice President

Date: 7-28-20

ATTEST:

By Donald F. Higbee  
Signature

Name: Donald F. Higbee

Title: Secretary / Treasurer

Date: 7-28-20

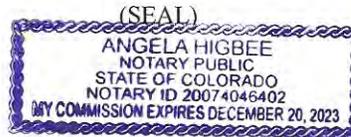
**NOTARY REQUIRED**

State of Colorado )  
County of Prowers ) ss.

The foregoing instrument was acknowledged before me on July 28<sup>th</sup>, 2020, by Robert J. Wilger as Vice President and Donald F. Higbee as Secretary / Treasurer of the Lower Arkansas Water Management Association. Witness my hand and official seal.

Angela Higbee  
Notary Public

My commission expires on 12-20-2023



STATE OF COLORADO  
Jared S. Polis, Governor  
Colorado Department of Natural Resources  
Dan Gibbs, Executive Director  
Colorado Water Conservation Board

Kirk Russell  
(Signature)

Name: Kirk Russell, P.E., Section Chief

Date: 7/31/20

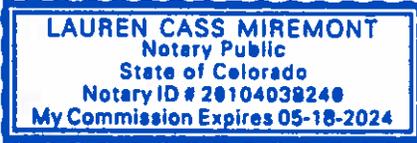
**NOTARY REQUIRED**

State of Colorado )  
County of Denver ) ss.

The foregoing instrument was acknowledged before me on July 31, 2020, by Kirk Russell as Section Chief of the Colorado Water Conservation Board. Witness my hand and official seal.

Lauren Cass Miremont  
Notary Public

My commission expires on May 18, 2024 (SEAL)



Colorado Water Conservation Board will record this Amendment to Deed of Trust in Bent and Prowers Counties.

**EXHIBIT 1a**

1. The easement interests created in favor of LOWER ARKANSAS WATER MANAGEMENT ASSOCIATION, a Colorado non-profit corporation (“LAWMA”), under that certain Easement Deed and Agreement between LAWMA and GP Aggregates, LLC, dated June 16, 2020, and recorded in the real property records of the Prowers County, Colorado on June 24, 2020 at Reception No. 551301 (the “Easement”), EXPRESSLY EXCLUDING any interest in or to the real property described in the Easement other than as specifically provided for under the Easement.
2. The following property situate, lying and being in the County of Prowers, State of Colorado:
  - a. The water right for 54 cfs decreed to the Manvil Ditch (a/k/a Manvel Canal) by the Bent County District Court on July 1, 1895, in the original adjudication proceeding in Water District No. 67 for irrigation purposes out of the Arkansas River with an appropriation date of October 14, 1890, representing Priority No. 15, located in Prowers County.
  - b. Any water stored in the Manvel Canal and Irrigation Company's Account in John Martin Reservoir arising under Article 11 of the 1980 Operating Plan for John Martin Reservoir, which plan was first adopted as a Resolution of the Arkansas River Compact Administration on April 24, 1980, and amended on May 10, 1984, and December 11, 1984, located in Prowers County.
3. The following property situate, lying and being in the County of Bent, State of Colorado:
  - a. 14.86 of the 16.6 cfs decreed to Priority No. 27 for irrigation purposes out of the Purgatoire or Las Animas River in the original adjudication for Water District No. 19 on August 10, 1903, with a May 31, 1866 appropriation date, which was originally decreed to the Sizer Ditch and was transferred to the Highland Canal by decree of the Bent County District Court dated November 11, 1910.
  - b. 6.62 cfs of the 7.4 cfs decreed to Priority No. 97 for irrigation purposes out of the Purgatoire or Las Animas River in the original adjudication for Water District No. 19 on August 10, 1903, with an April 1, 1884 appropriation date, which was originally decreed to the Sizer Ditch and was transferred to the Highland Canal by decree of the Bent County District Court dated November 11, 1910.
  - c. 34.47 cfs of the 38.5 cfs decreed to the Highland Canal, Priority No. 120, for irrigation purposes out of the Purgatoire or Las Animas River by the Bent County District Court on August 30, 1922, with a March 1, 1909 appropriation date representing Priority No. 120.
4. All of the Grantor's right, title and interest in and to the ditch of the X-Y Irrigating Ditch Company and all rights, privileges, and stock owned by Grantor in connection with said ditch, together with 67.0 of the 69.0 cubic feet of water per second of time decreed to the X-Y Irrigating Company's ditch out of the Arkansas River for irrigation purposes as Priority No. 11 in Colorado Water District 67 by decree of the District Court of Bent County dated July 1, 1895, with an appropriation date of July 22, 1889; and all of Grantor's right, title and interest, including contract rights to the X-Y & Graham account in John Martin Reservoir arising under the 1980 Operating Plan for John Martin Reservoir, which plan was adopted as a Resolution of the Arkansas River Compact Commission on April 24, 1980. Under the 1980 Operating Plan, the X-Y & Graham account is allotted 5.10% of the Colorado Water District 67 ditches' entitlement to conservation storage in the reservoir.

5. 120 shares of capital stock in the Fort Bent Ditch Company evidenced by Stock Certificate No. 1141.
6. All of Grantor's interest in the underground water rights awarded to Ranch Wells No. 13 (State Engineer's Number 5878) and No. 18 (State Engineer's Number 5883) by the Ruling of the Water Referee in Case No. W-2104, Water Division No. 2, together with all pumps, motors, and equipment used in connection with the aforementioned wells.
7. All other water and water rights appurtenant to the land known as the X-Y Ranch located in Sections 4 through 10, 14 through 17, 22 and 23, Township 23 South Range 43 West of the 6th P.M., EXCEPT Wells Nos. 1 through 12, and 14 through 17, all located in Section 16, Township 23 South, Range 43 west of the 6th P.M., and EXCEPT the Elbert S. Rule Seepage Ditch filed for record on April 3, 1933, at 3:15 p.m., recorded at File #74, accepted for filing in the office of the Colorado State Engineer on March 23, 1933, subject to water management association dues for the year 1996 and thereafter, if any.
8. An undivided one-hundred percent interest in:
  - a. 6.32 cfs of a total of 9 cfs decreed to the Keesee Ditch by the Bent County District Court on July 1, 1895 in the original adjudication proceedings in Water District No. 67 as Priority No. 1 with an appropriation date of March 13, 1871.
  - b. 3.16 cfs of a total of 4.5 cfs decreed to the Keesee Ditch by the Bent County District Court on July 1, 1895 in the original adjudication proceedings in Water District No. 67 as Priority No. 4 with an appropriation date of December 31, 1883.
  - c. 10.54 cfs of a total of 15 cfs decreed to the Keesee Ditch by the Bent County District Court on October 14, 1918 in a supplemental adjudication proceeding in Water District No. 67, with an appropriation date of September 3, 1893.
  - d. 70.25% of Grantor's right, title and interest, including contract rights, to the Keesee storage account in John Martin Reservoir arising under the 1980 Operating Plan for John Martin Reservoir, which plan was adopted as a Resolution of the Arkansas River Compact Commission on April 24, 1980 and amended on May 10, 1984 and December 11, 1984. Under the Operating Plan, the Keesee storage account is allotted 2.30% of the Colorado Water District No. 67 ditches' entitled to conservation storage in the reservoir.