



# COLORADO

## Colorado Water Conservation Board

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

November 16, 2020

Boulder and Left Hand Irrigation Company  
PO Box 119  
Longmont, CO 80502

Subject: Loan Contract No. C-150009  
Loan Compliance Confirmation

Attached for your records are the original documents relative to the agreement between the Boulder and Left Hand Irrigation Company, and the Colorado Water Conservation Board (CWCB), Loan Contract No. C-150009. The documents have been stamped "PAID IN FULL" denoting that the terms of the agreement have been satisfied in full by the Company.

Should you have any questions, please contact me at Telephone No. (303) 866-3441, ext 3245 or email at [lauren.miremont@state.co.us](mailto: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  
1313 Sherman Street, Room 718  
Denver, CO 80203

September 4, 2020

First National Bank of Longmont  
P.O. Box 1159 (401 Main Street)  
Longmont, CO 80502-1159

Subject: Release Deposit Account No. 182680

The Colorado Water Conservation Board, as the Secured Party, releases the assignment of deposit account 182680 as security for Loan Contract C150009. The Boulder & Left Hand Irrigation Company paid Loan C150009 in full on September 1, 2020.

See corresponding copy of Appendix 5 to Loan Contract C150009 for reference.

If you have any questions or concerns please contact me at [lauren.miremont@state.co.us](mailto:lauren.miremont@state.co.us) or 303-866-3441 x 3205.

Best,

Lauren Miremont, Finance Manager  
Finance Section

cc: CWCB Files



## **ASSIGNMENT OF DEPOSIT ACCOUNT AS SECURITY**

In consideration of and as security for a loan ("Loan") from the Colorado Water Conservation Board ("Secured Party") to the Boulder & Left Hand Irrigation Company ("Debtor") pursuant to Contract Encumbrance Number C150009, ("Loan Contract"), Debtor hereby assigns, transfers and grants to Secured Party a security interest in the funds contained in Deposit Account No. 182680 ("Account") at First National Bank of Longmont ("Bank"), hereinafter referred to as the Collateral. Debtor warrants that the Account has been established as a special deposit with the funds deposited therein to be used solely for repayment of the Loan to Secured Party.

The Collateral secures the payment and performance of all of Debtor's present and future, direct or indirect, absolute and contingent, express and implied, indebtedness, liabilities, obligations and covenants (cumulatively "Obligations") under the Loan Contract described above and any amendments thereto. This Assignment is made solely to secure performance of the Obligations and is made subject to the following terms, covenants and conditions:

1. This Assignment is effective upon signing and will remain in full force and effect until Secured Party specifically terminates the security interest in the Collateral in writing. Secured Party is not required to release this Assignment until the Loan is paid in full.
2. Neither the Debtor nor anyone else (except Secured Party) has any right to withdraw any funds from the Account until the Secured Party releases this Assignment in writing, except that, at Debtor's request, the Bank shall allow transfers of funds from the Account to the Secured Party.
3. Debtor shall be in default under the Loan Contract for purposes of this Assignment upon the occurrence of any of the following events or conditions: (a) failure or omission to make any payment under the Loan Contract when due; (b) default in the payment or performance of any obligation, covenant, agreement or liability contained or referred to in the Loan Contract; (c) the making of any levy, seizure, or attachment on the Collateral; (d) the Debtor becoming insolvent or unable to pay debts as they mature. Secured Party shall give the Debtor written notice of any alleged default and an opportunity to cure within thirty (30) days of receipt of such notice before Debtor shall be considered in default for purposes of this Assignment.
4. Upon or at any time after a default under the Loan Contract as described in Paragraph 3 above, Secured Party shall be entitled to notify the Bank to pay Secured Party the funds contained in the Account. Secured Party shall apply such moneys first to costs associated with collection, including, but not limited to, reasonable attorney's fees, next to late charges, if any, then to outstanding interest, and then to the principal sum of the Loan.
5. Debtor shall not sell, transfer, assign, give, or otherwise dispose of any of the Collateral or any interest therein as long as this Assignment is in effect.
6. The modification or waiver of any of Debtor's obligations or Secured Party's rights under this Assignment must be contained in a writing signed by Secured Party. A waiver on one occasion shall not constitute a waiver on any other occasion.
7. The rights and remedies of the Secured Party stated in this Assignment are in addition to any other rights the Secured Party may have under the Loan Contract or any law.
8. This Assignment shall be binding upon Debtor and its successors, assigns, trustees, and

receivers.

9. This Assignment shall be construed in accordance with the laws of the State of Colorado.
10. The Debtor and Secured Party specifically request the Bank to honor and accept this Assignment and its terms.

Executed this 31st day of March 2000.

Boulder & Left Hand Irrigation Company

SEAL

By Henry Laber Pres  
Henry Laber, President

Attest:

By Annette M. Laber  
Corporate Secretary

ACKNOWLEDGMENT BY BANK

By its officer's signature below, the First National Bank of Longmont ("Bank") acknowledges that it has received a copy of the foregoing Assignment and agrees that neither the Debtor nor anyone else (except Secured Party) has any right to withdraw any funds from the above-described Account listed above until the Secured Party releases this agreement in writing, except that, at the Debtor's request, the Bank shall allow transfers of funds from the Account to Secured Party. The Bank further agrees that, upon notice from Secured Party that the Debtor is in default under its Loan Contract with Secured Party and that Secured Party is exercising its right under the Assignment to withdraw funds contained in the Account, the Bank shall pay such funds directly to Secured Party until advised otherwise by both Secured Party and the Debtor. The Bank acknowledges that the Account is a special deposit and that the funds deposited therein are to be used solely for Debtor's repayment to the Secured Party of the Loan, and waives any right of setoff it may have in and to the Account.

First National Bank of Longmont  
P. O. Box 1159 (401 Main Street)  
Longmont, CO 80502-1159

By Larry Sieckmann *EUR*  
Printed Name & Title LARRY SIECKMANN  
Date 3-31-00

Attest:

By [Signature]  
Corporate Secretary *CASHIER*



CANCELLED  
RELEASED

OCT 28 2020

Boulder County  
Public Trustee



Boulder County Clerk, CO DT

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## Deed of Trust

**This indenture**, made this 1<sup>st</sup> day of February 2002, between the Boulder and Left Hand Irrigation Company, whose address is 8003 North 95th Street, Longmont, CO 80501, hereinafter referred to as GRANTOR, and the Public Trustee of the County of Boulder, State of Colorado, hereinafter referred to as PUBLIC TRUSTEE,

**Witnesseth, that whereas**, GRANTOR has executed a promissory note dated May 8, 2000, set forth in Contract No. C150009 dated May 8, 2002 and amended February 1, 2002 ("Contract") for a loan in the principal sum of \$100,000 to be repaid to the STATE OF COLORADO for the use and benefit of the Department of Natural Resources, Water Conservation Board, whose address is 1313 Sherman Street, Room 721, Denver, Colorado 80203, with interest thereon from the date of first disbursement of funds under the Contract at the effective interest rate of 3.75% per annum, payable in 20 annual installments, in accordance with the Promissory Note Provision of said Contract, or until loan is paid in full.

**And whereas**, the GRANTOR is desirous of securing payment of the principal and interest of said promissory note to the State of Colorado.

**Now, therefore**, the GRANTOR, in consideration of the premises and for the purpose aforesaid, does hereby grant, bargain, sell and convey unto the said PUBLIC TRUSTEE in trust forever, to wit: The Hayden Lake, more particularly described on Attachment 1, collectively or hereinafter referred to as the "Property."

**To have and to hold** the same, together with all and singular the privileges and appurtenances thereunto belonging: In Trust nevertheless, that in case of default in the payment of said note, or any part thereof, or in the payment of the interest thereon, according to the tenor and effect of said note or in the payment of any prior encumbrances, principal or interest, if any, or in case default shall be made in or in case of violation or breach of any of the terms, conditions, covenants or agreements contained in the Contract, the beneficiary hereunder may declare a violation of any of the covenants contained in the Contract and elect to advertise said Property for sale, and demand such sale by filing a notice of such election and demand for sale with the PUBLIC TRUSTEE. Upon receipt of such notice of election and demand for sale, the PUBLIC TRUSTEE shall cause a copy of the same to be recorded in the recorder's office of the county in which said Property is situated, it shall and may be lawful for the PUBLIC TRUSTEE to sell and dispose of the same (en masse or in separate parcels, as the said PUBLIC TRUSTEE may think best), and all the right, title and interest of the GRANTOR, its successors or assigns therein, at public auction at such time and at such location as shall be designated in the PUBLIC TRUSTEE's Notice of Sale, for the highest and best price the same will bring in cash, four weeks public notice having been previously given of the time and place of such sale, advertisement once each week for five consecutive weeks, in some newspaper of general circulation at that time published in said County of Boulder, a copy of which notice shall be mailed within ten days from the date of the first publication thereof to the GRANTOR at the address herein given and to such person or persons appearing to have acquired a subsequent record interest in said Property at the address given in the recorded instrument; where only the county and state is given as the address then such notice shall be mailed to

**Appendix 2 to Contract C150009 Amendment No. 1**

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the county seat, and to make and give to the purchaser of the Property at such sale, a certificate in writing describing the Property purchased, and the sum paid therefor, and the time when the purchaser (or other person entitled thereto) shall be entitled to the deed therefor, unless the same shall be redeemed as is provided by law; and said PUBLIC TRUSTEE shall, upon demand by the person holding the said certificate of purchase, when said demand is made, or upon demand by the person entitled to a deed to and for the Property purchased, at the time such

demand is made, the time for redemption having expired, make and execute to such person a deed to the Property purchased, which said deed shall be in the ordinary form of a conveyance, and shall be signed, acknowledged and delivered by the said PUBLIC TRUSTEE and shall convey and quitclaim to such person entitled to such deed, the Property purchased as aforesaid and all the right, title, interest, benefit and equity of redemption of the GRANTOR, its successors and assigns made therein, and shall recite the sum for which the said Property was sold and shall refer to the power of sale therein contained, and to the sale made by virtue thereof; and in case of an assignment of such certificate of purchase, or in case of the redemption of the Property, by a subsequent encumbrancer, such assignment or redemption shall also be referred to in such deed; but the notice of sale need not be set out in such deed and the PUBLIC TRUSTEE shall, out of the proceeds or avails of such sale, after first paying and retaining all fees, charges and costs of making said sale, pay to the beneficiary hereunder the principal and interest due on said note according to the tenor and effect thereof, and all moneys advanced by such beneficiary or legal holder of said note for insurance, taxes and assessments, with interest thereon at ten per cent per annum, rendering the surplus, if any, unto the GRANTOR, its legal representatives or assigns; which sale and said deed so made shall be a perpetual bar, both in law and equity, against the GRANTOR, its successors and assigns, and all other persons claiming the Property, or any part thereof, by, from, through or under the GRANTOR, or any of them. The holder of said note may purchase Property or any part thereof; and it shall not be obligatory upon the purchaser at any such sale to see to the application of the purchase money.

And the GRANTOR, for itself and its successors or assigns covenants and agrees to and with the PUBLIC TRUSTEE, that at the time of the unsealing of and delivery of these presents, it is well seized of the Property in fee simple, and has good right, full power and lawful authority to grant, bargain, sell and convey the same in the manner and form as aforesaid; hereby fully and absolutely waiving and releasing all rights and claims it may have in or to said Property as a Homestead Exemption, or other exemption, under and by virtue of any act of the General Assembly of the State of Colorado, or as any exemption under and by virtue of any act of the United States Congress, now existing or which may hereafter be passed in relation thereto and that the same is free and clear of all liens and encumbrances whatever, and the above bargained Property in the quiet and peaceable possession of the PUBLIC TRUSTEE, its successors and assigns, against all and every person or persons lawfully claiming or to claim the whole or any part thereof, the GRANTOR shall and will Warrant and Forever Defend.

Until payment in full of the indebtedness, the GRANTOR shall timely pay all taxes and assessments levied on the Property; any and all amounts due on account of principal and interest or other sums on any senior encumbrances, if any; and will keep the Property insured in accordance with the requirements of the Contract. Should the GRANTOR fail to insure the Property in accordance with the Contract or to pay taxes or assessments as the same fall due, or to pay any amounts payable upon senior encumbrances, if any, the beneficiary may

1. The first step in the process of identifying a problem is to define the problem. This involves identifying the symptoms of the problem and determining the scope of the problem.

The purpose of this investigation was to determine the effect of the use of a computerized system on the accuracy of the data collected from a survey of the use of a computerized system. The study was conducted in a laboratory setting and involved the use of a computerized system to collect data from a survey of the use of a computerized system. The results of the study indicated that the use of a computerized system significantly improved the accuracy of the data collected from a survey of the use of a computerized system.

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make any such payments or procure any such insurance, and all monies so paid with interest thereon at the rate of ten percent (10%) per annum shall be added to and become a part of the indebtedness secured by this Deed of Trust and may be paid out of the proceeds of the sale of the Property if not paid by the GRANTOR. In addition, and at its option, the beneficiary may declare the indebtedness secured hereby and this Deed of Trust to be in default for failure to procure insurance or make any further payments required by this paragraph. In the event of the sale or transfer of the Property, the beneficiary at its option may declare the entire balance of the note immediately due and payable.

**And that in case of any default**, whereby the right of foreclosure occurs hereunder, the PUBLIC TRUSTEE, the State as holder of the note, or the holder of a certificate of purchase, shall at once become entitled to the possession, use and enjoyment of the Property aforesaid, and to the rents, issues and profits thereof, from the accruing of such right and during the pendency of foreclosure proceedings and the period of redemption, if any there be, and such possession shall at once be delivered to the PUBLIC TRUSTEE, the State as holder of the note, or the holder of said certificate of purchase on request, and on refusal, the delivery of the Property may be enforced by the PUBLIC TRUSTEE, the State as holder of the note, or the holder of said certificate of purchase by an appropriate civil suit or proceeding, and the PUBLIC TRUSTEE, or the holder of said note or certificate of purchase, or any thereof, shall be entitled to a Receiver for said Property, and of the rents, issues and profits thereof, after such default, including the time covered by foreclosure proceedings and the period of redemption, if any there be, and shall be entitled thereto as a matter of right without regard to the solvency or insolvency of the GRANTOR or of the then owner of said Property and without regard to the value thereof, and such Receiver may be appointed by any court of competent jurisdiction upon ex parte application and without notice - notice being hereby expressly waived - and all rents, issues and profits, income and revenue therefrom shall be applied by such Receiver to the payment of the indebtedness hereby secured, according to the law and the orders and directions of the court.

**And**, that in case of default in any of said payments of principal or interest, according to the tenor and effect of said promissory note or any part thereof, or of a breach or violation of any of the covenants or agreements contained herein and in the Contract, by the GRANTOR, its successors or assigns, then and in that case the whole of said principal sum hereby secured, and the interest thereon to the time of the sale, may at once, at the option of the legal holder thereof, become due and payable, and the said Property be sold in the manner and with the same effect as if said indebtedness had matured, and that if foreclosure be made by the PUBLIC TRUSTEE, an attorney's fee in a reasonable amount for services in the supervision of said foreclosure proceedings shall be allowed by the PUBLIC TRUSTEE as a part of the cost of foreclosure, and if foreclosure be made through the courts a reasonable attorney's fee shall be taxed by the court as a part of the cost of such foreclosure proceedings.

**It is further understood and agreed**, that if a release or a partial release of this Deed of Trust is required, the GRANTOR, its successors or assigns will pay the expense thereof; that all the covenants and agreements contained herein and in the Contract shall extend to and be binding upon the successors or assigns of the respective parties hereto; and that the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.





Executed the day and date first written above.

Boulder and Left Hand Irrigation Company

By Henry Laber  
Henry Laber, President



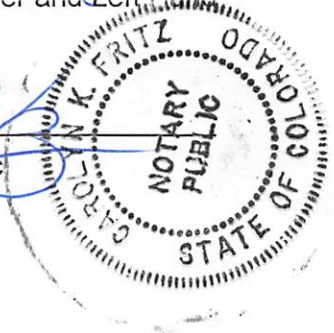
ATTEST  
By Annette Laber  
Annette Laber, Corporate Secretary

State of Colorado )

County of Denver ) SS.

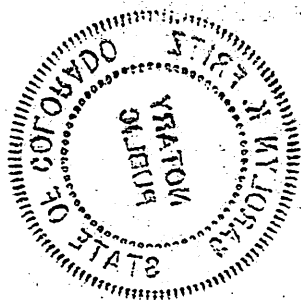
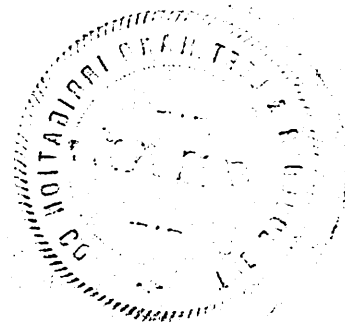
The foregoing instrument was acknowledged before me this 5<sup>th</sup> day of February 2002, by Henry Laber as President and Annette Laber as corporate secretary of the Boulder and Left Hand Irrigation Company. Witness my hand and official seal.

Carolyn K. Fritz  
Notary Public



My commission expires

11-4-2002







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RECORDER'S NOTE:  
PORTION OF RECORDED DOCUMENT  
MAY NOT REPRODUCE LEGIBLY.

PARCEL A:

THE SE 1/4 OF THE NW 1/4; THE SW 1/4 OF THE NW 1/4; THE N 1/2 OF THE NE 1/4 OF THE SW 1/4; SECTION 21, TOWNSHIP 1 NORTH, RANGE 70 WEST OF THE 6TH P.M., EXCEPT THOSE PORTIONS DESCRIBED IN THE FOLLOWING INSTRUMENTS:

- 1.) DEED RECORDED JULY 21, 1931 IN BOOK 584 AT PAGE 489, RECEPTION NO. 283541
- 2.) DEED RECORDED MARCH 3, 1971 IN FILM 724 AT RECEPTION NO. 968970
- 3.) DEED RECORDED APRIL 3, 1959 IN BOOK 1105 AT PAGE 353, RECEPTION NO. 629957
- 4.) DEED RECORDED MARCH 16, 1977 IN FILM 956 AT RECEPTION NO. 214697
- 5.) DEED RECORDED MARCH 16, 1977 IN FILM 956 AT RECEPTION NO. 214698
- 6.) DEED RECORDED MARCH 30, 1990 IN FILM 1620 AT RECEPTION NO. 01034789,

AND EXCEPT THAT PORTION LYING WITHIN STATE HIGHWAY 119; EXCEPT THAT PORTION LYING WITHIN THE RIGHT-OF-WAY FOR THE COLORADO & SOUTHERN RAILROAD; EXCEPT ANY PORTION LYING WITHIN PUBLIC ROADS,

COUNTY OF BOULDER,  
STATE OF COLORADO.

PARCEL B:

BEGINNING AT THE NORTHWEST CORNER OF THE SW 1/4 OF THE NE 1/4 OF SECTION 21, TOWNSHIP 1 NORTH, RANGE 70 WEST OF THE 6TH P.M., THENCE SOUTH ALONG THE WEST LINE OF SAID SW 1/4, 651.4 FEET; THENCE N 35°25' E, 470 FEET; THENCE N 8°00' E, 270 FEET MORE OR LESS, TO THE NORTH LINE OF SAID SW 1/4; THENCE WEST ALONG SAID NORTH LINE, 310.0 FEET TO THE POINT OF BEGINNING,

EXCEPT ANY PORTION LYING WITHIN PUBLIC ROADS,

COUNTY OF BOULDER,  
STATE OF COLORADO.

Attachment 1  
Description of Hayden Lake

THE COLORADO  
DEPARTMENT OF REVENUE  
DO NOT REPLY TO THIS  
MAIL

## STATE OF COLORADO

Colorado Water Conservation Board  
721 State Centennial Building  
1313 Sherman Street  
Denver, Colorado 80203

# Promissory Note

Date MAY 8, 2000

Date of Substantial Completion September 1, 2001

1. For Value Received, the Boulder & Left Hand Irrigation Company ("BORROWER") promises to pay the State of Colorado Water Conservation Board ("STATE"), the principal sum of \$100,000 plus interest at the rate of 3.75 percent per annum for a term of 20 years, pursuant to Loan Contract No. C150009 ("LOAN CONTRACT").
2. The first payment of \$7,196.21 shall be due one year from the date that the State determines that the project is substantially complete, and annually thereafter until the entire principal sum, all accrued interest, and all late charges, if any, shall have been paid in full.
3. Payments shall be made payable to the Colorado Water Conservation Board and mailed to 1313 Sherman Street, Room 721, Denver, Colorado 80203.
4. If the STATE does not receive the annual payment within 15 calendar days of the due date, the State may impose a late charge in the amount of 5% of the annual payment.
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 STATE and the BORROWER. The LOAN CONTRACT creates security interests in favor of the STATE to secure the prompt payment of all amounts that may become due hereunder. The security interests, evidenced by a Security Agreement, an Assignment of Deposit Account as Security, and a Deed of Trust cover certain revenues, accounts, real property and water rights of the BORROWER. The LOAN CONTRACT, Security Agreement and Deed of Trust and Assignment of Deposit Account as Security grant additional rights to the STATE, 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, the Security Agreement, Deed of Trust or Assignment of Deposit Account as Security securing this Note occurs, the STATE may declare the entire outstanding principal balance of the Note, all accrued interest, and any outstanding late charges immediately due and payable, without notice or demand, and the indebtedness shall bear interest at the rate of 7% per annum from the date of default. The STATE 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.
9. The BORROWER, any guarantor, and any other person who is now or may hereafter become primarily or secondarily liable for the payment of this Note or any portion thereof hereby agree that if this Note or interest thereon is not paid when due or 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.

(SEAL.)

BORROWER: Boulder & Left Hand Irrigation Company

By Henry Laber, President  
Henry Laber, President

Attest:

By Annette M. Laber  
Corporate Secretary

Appendix 2 to Loan Contract C150009



PAID IN FULL

Deputy Public Trustee of Boulder County

Dea. J. Kline

This note is no longer secured by a Deed of Trust  
recorded in Boulder County Colorado.  
Dated: 5-8-00 Recorded: 2-15-01  
Rec No. 2119174  
Deed of Trust fully released: 3-14-02  
At the request of State of Colorado



AGENCY NAME: Water Conservation Board
AGENCY NUMBER: PDA
ROUTING NUMBER: 02 PDA 00052

## CONTRACT AMENDMENT No. 1

**THIS AMENDMENT**, made this 1<sup>st</sup> day of February 2002, by and between the State of Colorado for the use and benefit of the Department of Natural Resources, Colorado Water Conservation Board, hereinafter referred to as the CWCB and/or STATE, and the Boulder and Left Hand Irrigation Company, hereinafter referred to as the BORROWER and/or CONTRACTOR.

### Factual Recitals

- A. Authority exists in the law, and funds have been budgeted, appropriated, and otherwise made available and a sufficient unencumbered balance thereof remains available for payment under Contract Encumbrance Number C150009.
- B. Required approval, clearance, and coordination has been accomplished from and with appropriate agencies.
- C. The State and the Contractor entered into a contract dated May 8, 2000, Contract Encumbrance Number C150009, hereinafter referred to as the Original Contract and incorporated herein by reference, wherein the State agreed to loan money in the total amount of \$100,000 and the Contractor agreed to repay the loan in accordance with the terms of the Original Contract.
- D. The Contractor has submitted a request that the property originally pledged as collateral for the loan, Twin Lakes Dam and Reservoir, be released and substitute collateral be taken by the CWCB as security for the loan. The Contractor has arranged for the sale of its surface rights at Twin Lakes to Boulder County Parks and Open Space. The CWCB approved the loan with the requirement that the Contractor provide collateral in the form of "... real property of value equal to the loan amount." The Contractor has offered Hayden Lake property as substitute collateral. The CWCB has determined that the value of the Hayden Lake property exceeds the loan amount and therefore would satisfy the CWCB collateral requirements.
- E. The parties agree to amend the contract to substitute the collateral.

**PAID IN FULL**

**NOW THEREFORE**, it is hereby agreed that

1. Consideration for this Amendment to the Original Contract consists of the payments that shall be made pursuant to this Amendment and the Original Contract, as amended, and the promises and agreements herein set forth.
2. It is expressly agreed by the parties that this Amendment is supplemental to the Original Contract, as amended, and all terms, conditions, and provisions thereof, unless specifically modified herein, are to apply to this Amendment as though they were expressly rewritten, incorporated, and included herein.
3. It is agreed the Original Contract, as amended is and shall be modified, altered, and changed in the following respects only:

- a. Paragraph A.11 is modified by the addition of the following sentences:

The CWCB hereby agrees to provide a request for release of deed of trust and release, attached hereto as **Appendix 1** and incorporated herein to release to the Contractor the Twin Lakes Dam and Reservoir encumbered by the deed of trust dated May 8, 2000, in consideration of the Contractor providing the Hayden Lake as substitute collateral to assure repayment of the loan.

The substitute collateral for this loan, as evidenced by the Deed of Trust dated February 1, 2002, executed by the Contractor, attached as **Appendix 2** and incorporated herein, shall be an undivided one hundred percent (100%) interest in Hayden Lake, as more particularly described in the attached Deed of Trust, hereinafter referred to as "collateral."

4. Except for the SPECIAL PROVISIONS, in the event of any conflict, inconsistency, variance, or contradiction between the provisions of this Amendment and any of the provisions of the ORIGINAL CONTRACT, the provisions of this Amendment shall in all respects supersede, govern, and control. The SPECIAL PROVISIONS shall always be controlling over other provisions in the contract or amendments. The representations in the SPECIAL PROVISIONS concerning the absence of bribery or corrupt influences and personal interest of STATE employees are presently reaffirmed.
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.
6. This amendment shall not be deemed valid or effective until it shall have been approved by the controller of the State of Colorado or such assistant as he may designate.



THE PARTIES HERETO HAVE EXECUTED THIS CONTRACT

CONTRACTOR: Boulder and Left Hand  
irrigation Company

By Henry Laber  
Henry Laber, President

Federal ID Number: 84-0152875

( S E A L )

Attest

By Annette Laber  
Annette Laber, Corporate Secretary

State of Colorado  
Bill Owens, Governor

By Rod Kuharich  
For the Executive Director  
Department of Natural Resources  
Colorado Water Conservation Board  
Rod Kuharich, Director

Legal Review:  
KEN SALAZAR, ATTORNEY GENERAL

By [Signature]

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 until the State Controller, or such assistant as he may delegate, has signed it. The contractor is not authorized to begin performance until the contract is signed and dated below. If performance begins prior to the date below, the State of Colorado may not be obligated to pay for the goods and/or services provided.

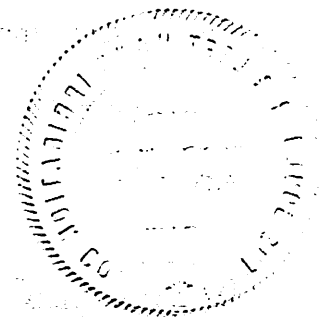
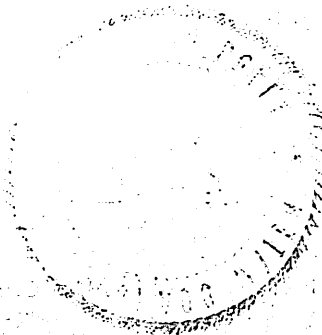
Arthur L. Barnhart, State Controller

By Jeanne Anderson

Effective Date 3/1/02

Revised: 12/1/01

**PAID IN FULL**







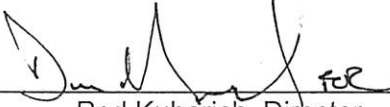
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Page: 1 of 1  
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## REQUEST FOR RELEASE OF DEED OF TRUST AND RELEASE

Date: January 28, 2002  
Grantor (Borrower): Boulder & Left Hand Irrigation Company  
Original Beneficiary: (Lender): State of Colorado for the use and benefit of the Department of Natural Resources, Water Conservation Board  
Date of Deed of Trust: May 8, 2000  
Recording Date of Deed of Trust: February 15, 2001  
County of Recording: Boulder County  
Reception No. 2119174, 3 pages

TO THE PUBLIC TRUSTEE OF BOULDER COUNTY: Please execute this release, as the Grantor and Lender have agreed to release this collateral and use substitute collateral in accordance with the Amendment No. 1 to Contract C150009 dated February 1, 2002.

Current Owner and Holder of the Evidence of Debt Served by Deed of Trust (Lender): State of Colorado for the use and benefit of the Department of Natural Resources, Water Conservation Board

By   
Rod Kuharich, Director

State of Colorado, City and County of Denver

The foregoing request for release was acknowledged before me on March 5 2002, by Rod Kuharich as Director of the Colorado Water Conservation Board. Witness My Hand and Seal.

Date Commission Expires 11-4-2002

Notary Public 



**LIVE NOTE**

## RELEASE OF DEED OF TRUST

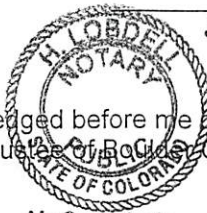
KNOW ALL PERSONS, that the above referenced Grantor, by Deed of Trust, conveyed certain real property described in said Deed of Trust, to the Public Trustee of the County, referenced above, in the State of Colorado to be held in trust to secure the payment of the indebtedness referred to therein.

NOW THEREFORE, at the written request to the legal holder of the said indebtedness, and in consideration of the premises and the agreement between the Grantee and the Lender to substitute collateral, I as the Public Trustee in the County first referenced above, do hereby remise, release and quitclaim unto the present owner or owners of said real property, and unto the heirs, successors and assigns of such owner or owners forever, all the right, title and interest which I have under and by virtue of the aforesaid Deed of Trust in the real estate described therein, to have and to hold the same, with all the privileges and appurtenances thereunto belonging forever, and further I do hereby fully and absolutely release, cancel and forever discharge said Deed of Trust.

State of Colorado  
County of Boulder  
Acknowledged before me on March 14,  
2002 by Lisa S. Dale as Deputy Public  
Trustee of Boulder County, Colorado.

  
Deputy Public Trustee

known before me on \_\_\_\_\_ 2002 by \_\_\_\_\_  
blic Trustee of Boulder County, Colorado. Witness My Hand and Seal.



Date Commission Expires \_\_\_\_\_

My Commission  
Expires 02/09/2003

 Notary Public

Original Note and Deed of Trust Returned to: To: CWCB

Attn: Jan Illian, Construction Fund Section  
1313 Sherman Street, Room 721  
Denver, CO 80203





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Boulder County Clerk, CO DT

## Deed of Trust

**This indenture**, made this 1<sup>st</sup> day of February 2002, between the Boulder and Left Hand Irrigation Company, whose address is 8003 North 95th Street, Longmont, CO 80501, hereinafter referred to as GRANTOR, and the Public Trustee of the County of Boulder, State of Colorado, hereinafter referred to as PUBLIC TRUSTEE,

**Witnesseth, that whereas**, GRANTOR has executed a promissory note dated May 8, 2000, set forth in Contract No. C150009 dated May 8, 2002 and amended February 1, 2002 ("Contract") for a loan in the principal sum of \$100,000 to be repaid to the STATE OF COLORADO for the use and benefit of the Department of Natural Resources, Water Conservation Board, whose address is 1313 Sherman Street, Room 721, Denver, Colorado 80203, with interest thereon from the date of first disbursement of funds under the Contract at the effective interest rate of 3.75% per annum, payable in 20 annual installments, in accordance with the Promissory Note Provision of said Contract, or until loan is paid in full.

**And whereas**, the GRANTOR is desirous of securing payment of the principal and interest of said promissory note to the State of Colorado.

**Now, therefore**, the GRANTOR, in consideration of the premises and for the purpose aforesaid, does hereby grant, bargain, sell and convey unto the said PUBLIC TRUSTEE in trust forever, to wit: The Hayden Lake, more particularly described on Attachment 1, collectively or hereinafter referred to as the "Property."

**To have and to hold** the same, together with all and singular the privileges and appurtenances thereunto belonging: In Trust nevertheless, that in case of default in the payment of said note, or any part thereof, or in the payment of the interest thereon, according to the tenor and effect of said note or in the payment of any prior encumbrances, principal or interest, if any, or in case default shall be made in or in case of violation or breach of any of the terms, conditions, covenants or agreements contained in the Contract, the beneficiary hereunder may declare a violation of any of the covenants contained in the Contract and elect to advertise said Property for sale, and demand such sale by filing a notice of such election and demand for sale with the PUBLIC TRUSTEE. Upon receipt of such notice of election and demand for sale, the PUBLIC TRUSTEE shall cause a copy of the same to be recorded in the recorder's office of the county in which said Property is situated, it shall and may be lawful for the PUBLIC TRUSTEE to sell and dispose of the same (en masse or in separate parcels, as the said PUBLIC TRUSTEE may think best), and all the right, title and interest of the GRANTOR, its successors or assigns therein, at public auction at such time and at such location as shall be designated in the PUBLIC TRUSTEE's Notice of Sale, for the highest and best price the same will bring in cash, four weeks public notice having been previously given of the time and place of such sale, advertisement once each week for five consecutive weeks, in some newspaper of general circulation at that time published in said County of Boulder, a copy of which notice shall be mailed within ten days from the date of the first publication thereof to the GRANTOR at the address herein given and to such person or persons appearing to have acquired a subsequent record interest in said Property at the address given in the recorded instrument; where only the county and state is given as the address then such notice shall be mailed to

**Appendix 2 to Contract C150009 Amendment No. 1**

Rob





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the county seat, and to make and give to the purchaser of the Property at such sale, a certificate in writing describing the Property purchased, and the sum paid therefor, and the time when the purchaser (or other person entitled thereto) shall be entitled to the deed therefor, unless the same shall be redeemed as is provided by law; and said PUBLIC TRUSTEE shall, upon demand by the person holding the said certificate of purchase, when said demand is made, or upon demand by the person entitled to a deed to and for the Property purchased, at the time such

demand is made, the time for redemption having expired, make and execute to such person a deed to the Property purchased, which said deed shall be in the ordinary form of a conveyance, and shall be signed, acknowledged and delivered by the said PUBLIC TRUSTEE and shall convey and quitclaim to such person entitled to such deed, the Property purchased as aforesaid and all the right, title, interest, benefit and equity of redemption of the GRANTOR, its successors and assigns made therein, and shall recite the sum for which the said Property was sold and shall refer to the power of sale therein contained, and to the sale made by virtue thereof; and in case of an assignment of such certificate of purchase, or in case of the redemption of the Property, by a subsequent encumbrancer, such assignment or redemption shall also be referred to in such deed; but the notice of sale need not be set out in such deed and the PUBLIC TRUSTEE shall, out of the proceeds or avails of such sale, after first paying and retaining all fees, charges and costs of making said sale, pay to the beneficiary hereunder the principal and interest due on said note according to the tenor and effect thereof, and all moneys advanced by such beneficiary or legal holder of said note for insurance, taxes and assessments, with interest thereon at ten per cent per annum, rendering the surplus, if any, unto the GRANTOR, its legal representatives or assigns; which sale and said deed so made shall be a perpetual bar, both in law and equity, against the GRANTOR, its successors and assigns, and all other persons claiming the Property, or any part thereof, by, from, through or under the GRANTOR, or any of them. The holder of said note may purchase Property or any part thereof; and it shall not be obligatory upon the purchaser at any such sale to see to the application of the purchase money.

And the GRANTOR, for itself and its successors or assigns covenants and agrees to and with the PUBLIC TRUSTEE, that at the time of the unsealing of and delivery of these presents, it is well seized of the Property in fee simple, and has good right, full power and lawful authority to grant, bargain, sell and convey the same in the manner and form as aforesaid; hereby fully and absolutely waiving and releasing all rights and claims it may have in or to said Property as a Homestead Exemption, or other exemption, under and by virtue of any act of the General Assembly of the State of Colorado, or as any exemption under and by virtue of any act of the United States Congress, now existing or which may hereafter be passed in relation thereto and that the same is free and clear of all liens and encumbrances whatever, and the above bargained Property in the quiet and peaceable possession of the PUBLIC TRUSTEE, its successors and assigns, against all and every person or persons lawfully claiming or to claim the whole or any part thereof, the GRANTOR shall and will Warrant and Forever Defend.

Until payment in full of the indebtedness, the GRANTOR shall timely pay all taxes and assessments levied on the Property; any and all amounts due on account of principal and interest or other sums on any senior encumbrances, if any; and will keep the Property insured in accordance with the requirements of the Contract. Should the GRANTOR fail to insure the Property in accordance with the Contract or to pay taxes or assessments as the same fall due, or to pay any amounts payable upon senior encumbrances, if any, the beneficiary may





make any such payments or procure any such insurance, and all monies so paid with interest thereon at the rate of ten percent (10%) per annum shall be added to and become a part of the indebtedness secured by this Deed of Trust and may be paid out of the proceeds of the sale of the Property if not paid by the GRANTOR. In addition, and at its option, the beneficiary may declare the indebtedness secured hereby and this Deed of Trust to be in default for failure to procure insurance or make any further payments required by this paragraph. In the event of the sale or transfer of the Property, the beneficiary at its option may declare the entire balance of the note immediately due and payable.

**And that in case of any default**, whereby the right of foreclosure occurs hereunder, the PUBLIC TRUSTEE, the State as holder of the note, or the holder of a certificate of purchase, shall at once become entitled to the possession, use and enjoyment of the Property aforesaid, and to the rents, issues and profits thereof, from the accruing of such right and during the pendency of foreclosure proceedings and the period of redemption, if any there be, and such possession shall at once be delivered to the PUBLIC TRUSTEE, the State as holder of the note, or the holder of said certificate of purchase on request, and on refusal, the delivery of the Property may be enforced by the PUBLIC TRUSTEE, the State as holder of the note, or the holder of said certificate of purchase by an appropriate civil suit or proceeding, and the PUBLIC TRUSTEE, or the holder of said note or certificate of purchase, or any thereof, shall be entitled to a Receiver for said Property, and of the rents, issues and profits thereof, after such default, including the time covered by foreclosure proceedings and the period of redemption, if any there be, and shall be entitled thereto as a matter of right without regard to the solvency or insolvency of the GRANTOR or of the then owner of said Property and without regard to the value thereof, and such Receiver may be appointed by any court of competent jurisdiction upon ex parte application and without notice - notice being hereby expressly waived - and all rents, issues and profits, income and revenue therefrom shall be applied by such Receiver to the payment of the indebtedness hereby secured, according to the law and the orders and directions of the court.

**And**, that in case of default in any of said payments of principal or interest, according to the tenor and effect of said promissory note or any part thereof, or of a breach or violation of any of the covenants or agreements contained herein and in the Contract, by the GRANTOR, its successors or assigns, then and in that case the whole of said principal sum hereby secured, and the interest thereon to the time of the sale, may at once, at the option of the legal holder thereof, become due and payable, and the said Property be sold in the manner and with the same effect as if said indebtedness had matured, and that if foreclosure be made by the PUBLIC TRUSTEE, an attorney's fee in a reasonable amount for services in the supervision of said foreclosure proceedings shall be allowed by the PUBLIC TRUSTEE as a part of the cost of foreclosure, and if foreclosure be made through the courts a reasonable attorney's fee shall be taxed by the court as a part of the cost of such foreclosure proceedings.

**It is further understood and agreed**, that if a release or a partial release of this Deed of Trust is required, the GRANTOR, its successors or assigns will pay the expense thereof; that all the covenants and agreements contained herein and in the Contract shall extend to and be binding upon the successors or assigns of the respective parties hereto; and that the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.



Executed the day and date first written above.

Boulder and Left Hand Irrigation Company

By Henry Laber  
 Henry Laber, President

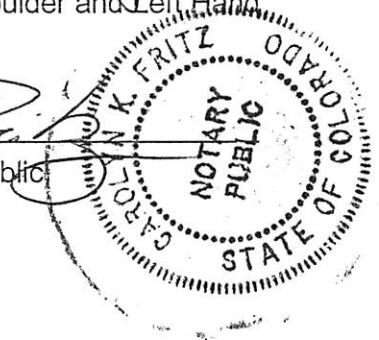


By Annette Laber  
 Annette Laber, Corporate Secretary

State of Colorado )  
 ) SS.  
 County of Denver )

The foregoing instrument was acknowledged before me this 5<sup>th</sup> day of February 2002, by Henry Laber as President and Annette Laber as corporate secretary of the Boulder and Left Hand Irrigation Company. Witness my hand and official seal.

Carolyn K. Fritz  
 Notary Public



My commission expires

11-4-2002

**PAID IN FULL**





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RECORDER'S NOTE:  
PORTION OF RECORDED DOCUMENT  
MAY NOT REPRODUCE LEGIBLY.

PARCEL A:

THE SE 1/4 OF THE NW 1/4; THE SW 1/4 OF THE NW 1/4; THE N 1/2 OF THE NE 1/4 OF THE SW 1/4; SECTION 21, TOWNSHIP 1 NORTH, RANGE 70 WEST OF THE 6TH P.M., EXCEPT THOSE PORTIONS DESCRIBED IN THE FOLLOWING INSTRUMENTS:

- 1.) DEED RECORDED JULY 21, 1931 IN BOOK 584 AT PAGE 489, RECEPTION NO. 283541
- 2.) DEED RECORDED MARCH 3, 1971 IN FILM 724 AT RECEPTION NO. 968970
- 3.) DEED RECORDED APRIL 3, 1959 IN BOOK 1105 AT PAGE 353, RECEPTION NO. 629957
- 4.) DEED RECORDED MARCH 16, 1977 IN FILM 956 AT RECEPTION NO. 214697
- 5.) DEED RECORDED MARCH 16, 1977 IN FILM 956 AT RECEPTION NO. 214698
- 6.) DEED RECORDED MARCH 30, 1990 IN FILM 1620 AT RECEPTION NO. 01034789,

AND EXCEPT THAT PORTION LYING WITHIN STATE HIGHWAY 119; EXCEPT THAT PORTION LYING WITHIN THE RIGHT-OF-WAY FOR THE COLORADO & SOUTHERN RAILROAD; EXCEPT ANY PORTION LYING WITHIN PUBLIC ROADS,

COUNTY OF BOULDER,  
STATE OF COLORADO.

PARCEL B:

BEGINNING AT THE NORTHWEST CORNER OF THE SW 1/4 OF THE NE 1/4 OF SECTION 21, TOWNSHIP 1 NORTH, RANGE 70 WEST OF THE 6TH P.M., THENCE SOUTH ALONG THE WEST LINE OF SAID SW 1/4, 651.4 FEET; THENCE N 35°25' E, 470 FEET; THENCE N 8°00' E, 270 FEET MORE OR LESS, TO THE NORTH LINE OF SAID SW 1/4; THENCE WEST ALONG SAID NORTH LINE, 310.0 FEET TO THE POINT OF BEGINNING,

EXCEPT ANY PORTION LYING WITHIN PUBLIC ROADS,

COUNTY OF BOULDER,  
STATE OF COLORADO.

**PAID IN FULL**

Attachment 1  
Description of Hayden Lake

AGENCY NAME: Water Conservation Board
AGENCY NUMBER: PDA
ROUTING NUMBER: 00019

**\$100,000**

## LOAN CONTRACT

THIS CONTRACT, made this 8th day of MAY, 2000, by and between the State of Colorado for the use and benefit of the Department of Natural Resources, Colorado Water Conservation Board, hereinafter referred to as the CWCB and/or STATE, and the Boulder & Left Hand Irrigation Company, hereinafter referred to as the BORROWER and/or CONTRACTOR.

### FACTUAL RECITALS

1. Authority exists in the law, and funds have been budgeted, appropriated and otherwise made available and a sufficient unencumbered balance thereof remains available for payment in Fund Number 424, Organization YYYY, Appropriation SPL, GBL B009, Program WTRC, Object Code 5881, Reporting Category: 0009, Contract Encumbrance Number C150009.
2. Required approval, clearance, and coordination have been accomplished from and with appropriate agencies.
3. Pursuant to the provisions of §§ 37-60-119 and 37-60-120, C.R.S. (1999) the STATE is authorized to loan money for the construction of water projects for the benefit of the people of the STATE, provided that the borrower assures repayment of that money.
4. Section 37-60-122.7, C.R.S. (1999) authorizes the STATE to make loans of up to \$100,000 from the Small Project Loan Account of the Construction Fund without prior approval from the General Assembly if the STATE determines that delay would result in undue hardship on the borrower.
5. The BORROWER is a duly constituted Colorado ditch and reservoir company formed pursuant to §§ 7-42-101 et seq. and 7-40-101 et seq., C.R.S., located in Boulder County, State of Colorado.
6. The BORROWER has applied to the STATE for a loan to be used for rehabilitation of the outlet works and construction of a spillway for BORROWER'S Twin Lakes Dam, hereinafter referred to as PROJECT, at a cost of \$140,500.
7. The STATE has reviewed a feasibility report compiled by Mike Ballantine, P.E. of Rocky Mountain Consultants, which is incorporated herein by reference, and, based upon this feasibility report, the STATE determined the PROJECT to be technically and financially feasible.
8. This loan qualifies as a Small Project Loan under § 37-60-122.7, C.R.S. (1999), because the amount of the loan does not exceed \$100,000 and the BORROWER will suffer undue hardship if the PROJECT is not completed because, without completion of the PROJECT, failure of the outlet would prevent use of the water in the reservoir for irrigation in the coming season.
9. At its November 22-23, 1999 meeting, the CWCB found that delay in completing the PROJECT would



cause undue hardship to the BORROWER and approved a loan to the BORROWER in an amount up to \$100,000, hereinafter referred to as the AUTHORIZED LOAN AMOUNT, not to exceed 75% of the cost of the PROJECT, at an interest rate of 3.75% per annum for a duration of 20 years.

10. The STATE 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. The BORROWER agrees as follows:

1. **Construction Fund Program Procedures.** The following items are procedures the BORROWER shall follow during the construction phase of the PROJECT.
  - a. The BORROWER shall employ an engineer, registered in the State of Colorado, hereinafter referred to as the CONSULTANT, to prepare plans and specifications for the PROJECT.
  - b. The agreement between the BORROWER and the CONSULTANT and the plans and specifications must be submitted to the CWCB staff for verification of compliance with the terms of this contract prior to bid opening. Any modifications to the plans and specifications must be approved in writing by the CWCB staff.
  - c. For plans and specifications for all jurisdictional dams and reservoirs, as defined by § 37-87-105 C.R.S. (1999), the BORROWER shall provide a letter of approval from the State Engineer's Office prior to construction.
  - d. CWCB staff must be present at bid opening and must approve the award of the construction contract.
  - e. The BORROWER shall contract for the construction of the work with responsible and capable firms, hereinafter referred to as CONSTRUCTION FIRMS, which CONSTRUCTION FIRMS shall be selected by the BORROWER and found acceptable by the CWCB staff before work under this contract begins.
  - f. The BORROWER must provide a copy of the executed construction contract documents consisting of the advertisement for bid, contractor's proposal, construction contract, bid bond, performance bond, payment bond, notice of award, notice to proceed, sample change order, and sample field order. 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.
  - g. 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.
  - h. 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.
  - i. The BORROWER shall construct the PROJECT in accordance with the approved plans and specifications.
  - j. Upon completion of the PROJECT construction, the BORROWER shall provide as-built drawings of the PROJECT to the CWCB staff, and, if required by § 37-87-105, C.R.S. (1999), the BORROWER shall provide the same drawings to the State Engineer's Office for approval and filing.



k. Upon completion of the PROJECT construction, the BORROWER shall arrange a final inspection for the CWCB staff, CONSTRUCTION FIRM, and the CONSULTANT.

2. **Time For PROJECT Completion.** 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 two (2) years from the date of this contract. The time for completion of the PROJECT may be extended subject to the approval of the STATE. The BORROWER must provide, in writing, documented justification for any request for extension sixty (60) days prior to the end of the period for completion. The STATE will provide to the BORROWER within 30 days following receipt of the BORROWER'S request, a letter of approval or denial of the request for extension of time for completion.

3. **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.

4. **Liability Insurance During Construction.** The BORROWER shall require the CONSTRUCTION FIRM and its subcontractors to maintain, during the term of their contracts for construction of the PROJECT, the following insurance with a company that is satisfactory to the STATE:

- a. Worker's compensation and employer's liability insurance in the required statutory amounts.
- b. Automobile liability insurance which 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.
- c. 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 personal injury.
- d. Builder's risk insurance for construction in progress for all perils of loss including fire, wind, hail, vandalism, and flood in an amount equal to the completed value of the PROJECT.

Said general liability insurance shall name the BORROWER and the STATE as additional insured. An additional insured endorsement and a current copy of a certificate of said liability insurance must be provided to the STATE prior to commencement of construction and maintained until construction is complete. No payments shall be made to the BORROWER unless all insurance certificates are current. The BORROWER shall file notices of renewals of said policies with the STATE as renewals occur.

During the time of construction, the STATE reserves the right to increase the above amount of insurance so that said amounts at a minimum correspond to the amount established by the Colorado Governmental Immunity Act, now and as hereafter amended.

5. **BORROWER'S Indemnification Of The STATE.** The BORROWER shall, without expense or legal liability to the STATE, manage, operate, and maintain the PROJECT continuously in an efficient and economical manner. The BORROWER agrees to indemnify and hold the STATE harmless from any liability incurred by the STATE as a result of the STATE'S interest in the PROJECT facilities and any other property identified in the Collateral Provisions of this contract.



6. **BORROWER'S Liability Insurance.** Upon execution of this contract and continuing until complete repayment of the loan is made to the STATE, the BORROWER shall maintain commercial general liability insurance with a company that is satisfactory to the STATE covering the management, operation, and maintenance of the PROJECT 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.

Said general liability insurance shall name the STATE as additional insured. The BORROWER shall provide the STATE with an ACORD form 27 evidencing said insurance and an additional insured endorsement, and shall provide the STATE with documentation of renewals of said insurance. The STATE will not disburse any loan funds without evidence of said insurance coverage. Throughout the life of this contract, the STATE reserves the right to increase the above amount of insurance so that said amounts at a minimum correspond to the amount established by the Colorado Governmental Immunity Act, now and as hereafter amended.

7. **BORROWER'S Authority To Contract.** The BORROWER shall, pursuant to its statutory authority, articles of incorporation and by-laws, have its stockholders and board of directors adopt resolutions, irrevocable during the life of this loan, authorizing the President and Secretary, on behalf of the BORROWER, to do the following:

- a. To enter into and comply with the terms of this contract and the promissory note, and
- b. To levy assessments in an amount sufficient to pay the annual amounts due under this contract, and to pledge assessment revenues and the BORROWER's right to receive said revenues for repayment of the loan, and
- c. To place the assessment revenues pledged to make annual loan payments in a special account separate and apart from other BORROWER revenues in accordance with the Pledge of Property Provisions of this contract and
- d. To make annual payments in accordance with the promissory note, and
- e. To make annual deposits to a debt service reserve fund in accordance with the Pledge of Property Provisions of this contract, and
- f. To execute a deed of trust to convey a security interest to the STATE in the property described in the Collateral Provisions herein, and
- g. To execute a Security Agreement and an Assignment of Deposit Account as Security to secure the revenues pledged herein in accordance with the Pledge of Property Provisions of this contract.

Said resolutions are attached hereto as **Appendix 1** and incorporated herein.

8. **Attorney's Opinion Letter.** Prior to the execution of this contract by the STATE, the BORROWER shall submit to the STATE a letter from its attorney stating that it is the attorney's opinion that the person signing for the BORROWER was duly elected or appointed and has authority to sign such documents on behalf of the BORROWER and to bind the BORROWER; that the BORROWER's shareholders and board of directors have validly adopted resolutions approving this contract; that there are no provisions in the BORROWER's articles of incorporation or by-laws or any state or local law that prevent this contract from binding the BORROWER; and that the contract will be valid and binding against the BORROWER if entered into by the STATE.



9. **Promissory Note Provisions.** The Promissory Note setting forth the terms of repayment and evidencing this loan in the amount of up to \$100,000 at an interest rate of 3.75% per annum for a term of 20 years is attached as **Appendix 2** and incorporated herein.

- a. **Interest During Construction.** As the loan funds are disbursed by the STATE to the BORROWER during construction, interest shall accrue at the rate of 3.75%. The STATE shall calculate the amount of the interest accrued during construction and the BORROWER shall repay that amount to the STATE either within ten (10) days after the date the STATE determines that the PROJECT has been substantially completed, or, at the STATE'S discretion, said interest shall be deducted from the final disbursement of loan funds that the STATE makes to the BORROWER.
- b. **Final loan amount.** In the event that the final loan amount is at least 90% of the AUTHORIZED LOAN AMOUNT, the STATE shall apply the remaining loan amount to reduce the final loan amount and the annual loan payment as shown in the Promissory Note shall remain the same. If the remaining loan funds is less than 90% of the AUTHORIZED LOAN AMOUNT, the STATE may apply the remaining loan amount to reduce the final loan amount with the BORROWER'S consent, or the STATE and the BORROWER shall execute a REVISION LETTER attached hereto as Appendix 3 and incorporated herein, which will establish the final loan amount and shall amend or replace the loan documents that reflect the final loan amount, including the Promissory Note, Security Agreement, Deed of Trust, and Assignment of Deposit Account as Security.

10. **Warranties.**

- a. The BORROWER warrants that, by acceptance of the loan money pursuant to the terms of this contract and by the BORROWER'S representation herein, the BORROWER shall be estopped from asserting for any reason that it is not authorized or obligated to repay the loan money to the STATE as required by this contract.
- b. 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.
- c. 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.
- d. The BORROWER warrants that the property identified in the Collateral Provisions of this contract is not encumbered by any other deeds of trust to or liens of any party other than the STATE or in any other manner.

11. **Collateral.** Part of the security provided for this loan, as evidenced by the executed Deed of Trust attached as **Appendix 3** and incorporated herein, shall be an undivided one hundred percent (100%) interest in the BORROWER'S Twin Lakes Dam and Reservoir, as more particularly described in the attached Deed of Trust, hereinafter referred to as "collateral."

12. **Pledge Of Property.** The BORROWER hereby irrevocably pledges to the STATE for purposes of repayment of this loan revenues from assessments levied for that purpose as authorized by the BORROWER'S resolution and all of the BORROWER'S rights to receive said assessment revenues from its members (hereinafter collectively referred to as the "pledged property"). Furthermore, BORROWER agrees that:



- a. **Revenues For This Loan Are To Be Kept Separate.** The BORROWER hereby agrees to set aside and keep the pledged revenues in an account separate from other BORROWER revenues, and warrants that it shall not use the pledged revenues for any other purpose.
- b. **Establish Security Interest.** The BORROWER agrees that, in order to provide a security interest for the STATE in the pledged property so that the STATE shall have priority over all other competing claims for said property, it shall execute a Security Agreement, attached hereto as **Appendix 4** incorporated herein, and an Assignment of Deposit Account as Security, attached as **Appendix 5** and incorporated herein, prior to the disbursement of any loan funds. The BORROWER acknowledges that the STATE shall perfect its security interest in the BORROWER's right to receive assessment revenues by filing a UCC-1 Form with the Colorado Secretary of State.
- c. **Assessments For Repayment Of The Loan.** Pursuant to its statutory authority, articles of incorporation and by-laws, and as authorized by its resolution, the BORROWER shall take all necessary actions consistent therewith to levy assessments sufficient to pay this loan as required by the terms of this contract and the promissory note. In the event the assessments levied by the BORROWER become insufficient to assure such repayment to the STATE, the BORROWER shall immediately take all necessary action consistent with its statutory authority, its articles of incorporation, bylaws and resolution, including, but not limited to, levying additional assessments to raise sufficient revenue to assure repayment of the loan to the STATE.
- d. **Assessments For Operations, Maintenance And Reserves.** Pursuant to its statutory authority, articles of incorporation, by-laws, and resolutions, the BORROWER shall levy assessments from time to time as necessary to provide sufficient funds for adequate operation and maintenance, emergency repair services, obsolescence reserves and debt service reserves. BORROWER shall deposit an amount equal to one-tenth of an annual payment into its debt service reserve fund one year from the first loan disbursement, and annually thereafter for the first ten years of this loan.
13. **Change of Use of Water Shares During Term of Contract.** The BORROWER agrees to notify the STATE of any change of the use of the water rights represented by its shares from irrigation to municipal or commercial use, at which time the STATE shall adjust the interest rate on that portion of the outstanding loan amount corresponding to the percentage of shares for which the use has been changed to the CWCB's municipal or commercial rate in effect at the time of the change of use of the water rights. The parties shall execute a contract amendment to effect said change in interest rate.
14. **Collateral During Repayment.** The BORROWER shall not sell, convey, assign, grant, transfer, mortgage, pledge, encumber, or otherwise dispose of the property provided as security for this loan, so long as any of the principal, all accrued interest, and late charges, if any, on this loan remain unpaid, without the prior written concurrence of the STATE. In the event of any such sale, transfer or encumbrance without the STATE's written concurrence, the STATE may at any time thereafter declare all outstanding principal and interest on this loan immediately due and payable.
15. **Remedies For Default.** Upon default in the payments herein set forth to be made by the BORROWER, or default in the performance of any covenant or agreement contained herein, the STATE, at its option, may:
- a. declare the entire principal amount and accrued interest then outstanding immediately due and payable;



- b. incur and pay reasonable expenses for repair, maintenance, and operation of the PROJECT facilities herein described and such expenses as may be necessary to cure the cause of default, and add the amount of such expenditures to the principal of the loan amount;
- c. exercise its rights under the Promissory Note, Security Agreement, Assignment Of Deposit Account As Security, and Deed Of Trust,
- d. take any other appropriate action.

All remedies described herein may be simultaneously or selectively and successively enforced. The provisions of this contract may be enforced by the STATE 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 STATE to ensure compliance with provisions of this contract and the laws and regulations under which this contract is executed. The STATE'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.

- 16. **Progress Reports.** The BORROWER shall, with the assistance of the CONSULTANT, prepare a periodic progress report which contains a statement of the PROJECT costs expended for that period and shall forward said statement to the STATE.
- 17. **Periodic Inspections.** Throughout the term of this contract, the BORROWER shall permit a designated representative of the STATE to make periodic inspections of the PROJECT. Such inspections are solely for the purpose of verifying compliance with the terms and conditions of this contract. Furthermore, such inspections shall cover the condition of the PROJECT, operating records, maintenance records, and financial records, and shall not be construed nor interpreted as an approval of the actual design and/or construction of any element of the PROJECT facilities.
- 18. **Adhere To 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.
- 19. **No Discrimination Of Services.** The services of said PROJECT shall be made available within its capacity and in accordance with all pertinent statutes, rules and regulations, and operational guidelines without discrimination as to race, color, religion, or national origin, in accordance with a schedule of such charges formally adopted by the BORROWER, as may be modified from time to time.

B. The STATE agrees as follows:

- 1. **Agreement To Loan Money.** The STATE agrees to loan to the BORROWER an amount not to exceed that specified in the Promissory Note Provisions of this contract.
- 2. **Disbursements.** After receipt of the periodic progress report from the BORROWER, and review and acceptance of the items therein as eligible expenses as described below, the STATE will pay to the BORROWER the amount set forth in the report or such portion that has been approved by the STATE. Such payment shall be made within thirty (30) days from the STATE'S approval of each progress report.
- 3. **Release After Loan Is Repaid.** Upon complete repayment to the STATE of the entire principal, all accrued interest, and late charges, if any, as specified in the promissory note, the STATE agrees to execute a release of deed of trust to convey to the BORROWER all of the STATE'S right, title, and interest in and to the property described in the deed of trust, and to file a UCC-3 form with the



Secretary of State to terminate all of the STATE'S rights in and to the revenues pledged to repay this loan.

C. The STATE and the BORROWER mutually agree as follows:

1. **Designated Agent Of The STATE.** The CWCB, which includes its agents and employees, is hereby designated as the agent of the STATE for the purpose of this contract.
2. **Contract Is Not Assignable.** This contract is not assignable by the BORROWER except with the prior written approval of the STATE.
3. **Contract Relationship.** The parties to this contract intend that the relationship between them contemplated by 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 STATE. 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 performance of this contract.
4. **Complete Integration Of All Understandings.** This agreement 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 effect whatsoever unless embodied herein in writing. No subsequent novation, 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, with the exception of the Revision Letter as described in the Changes Provision of this contract, unless expressly provided for herein.
5. **In Event Of A Conflict.** In the event of conflict between the terms of this contract and conditions as set forth in any of the appendices, the provisions of this contract shall control.
6. **Eligible Expenses.** PROJECT costs eligible for financing by the STATE shall be limited to the cost of:
  - 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 STATE, the BORROWER, the CONSULTANT and the CONSTRUCTION FIRM.
  - g. Engineering services for construction management, including design and construction management for STATE-approved change orders.
  - h. 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.
7. **STATE May Release Contract.** In its sole discretion, the STATE may at any time give any consent, deferment, subordination, release, satisfaction, or termination of any or all of the BORROWER'S



obligations under this contract, with valuable consideration, upon such terms and conditions as the STATE may determine to be advisable to further the purposes of this contract or to protect the STATE'S financial interest therein, and consistent with both the statutory purposes of this contract and the limitations of the statutory authority under which it is made.

8. **Casualty And Eminent Domain.** If, at any time, during the term of this contract, (a) the BORROWER'S 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 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 Borrower opts to repay the loan, Borrower shall remain responsible for the full loan amount outstanding regardless of the amount of such insurance proceeds or condemnation award.
9. **Captions.** The captions and headings contained in this contract are for convenience and reference only and shall not be construed so as to define or limit the terms or provisions contracted herein.
10. **STATE'S Approval.** This contract requires review and approval of plans, specifications, and various other technical and legal documents. The STATE'S review of these documents is only for the purpose of verifying 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 rehabilitation. Notwithstanding any consents or approvals given to the BORROWER by the STATE on any such documents, BORROWER and its CONSULTANT, by preparing any such documents, shall be solely responsible for the accuracy and completeness of any of said documents.
11. **Waiver.** The waiver of any breach of a term of this contract shall not be construed as a waiver of any other term, or of any subsequent breach of the same term.
12. **Addresses for mailing.** All notices, correspondence, or other documents required by this contract shall be delivered or mailed to the following addresses:

For the STATE:

Colorado Water Conservation Board  
Attn: Construction Fund Section  
1313 Sherman Street, Room 721  
Denver, CO 80203

For the BORROWER:

Boulder & Left Hand Irrigation Company  
Attn: President  
8003 North 95th Street  
Longmont, CO 80501

**D. SPECIAL PROVISIONS (6/97 version).** State Fiscal Rule 3-1 requires the inclusion of these Special Provisions in every STATE contract, including grants.

#### **Controller's Approval**

1. This contract shall not be deemed valid until it shall have been approved by the Controller of the State of Colorado or such assistant as he may designate. This provision is applicable to any contract involving the payment of money by the STATE.

#### **FUND AVAILABILITY**

2. Financial obligations of the State of Colorado payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.



## BOND REQUIREMENT

3. If this contract involves the payment of more than fifty thousand dollars for the construction, erection, repair, maintenance, or improvement of any building, road, bridge, viaduct, tunnel, excavation or other public work for this STATE, the CONTRACTOR shall, before entering upon the performance of any such work included in this contract, duly execute and deliver to the STATE official who will sign the contract, a good and sufficient bond or other acceptable surety to be approved by said official in a penal sum not less than one-half of the total amount payable by the terms of this contract. Such bond shall be duly executed by a qualified corporate surety conditioned upon the faithful performance of the contract and in addition, shall provide that if the CONTRACTOR or his subcontractors fail to duly pay for any labor, materials, team hire, sustenance, provisions, provendor or other supplies used or consumed by such CONTRACTOR or his subcontractor in performance of the work contracted to be done or fails to pay any person who supplies rental machinery, tools, or equipment in the prosecution of the work the surety will pay the same in an amount not exceeding the sum specified in the bond, together with interest at the rate of eight per cent per annum. Unless such bond is executed, delivered and filed, no claim in favor of the CONTRACTOR arising under such contract shall be audited, allowed or paid. A certified or cashier's check or a bank money order payable to the Treasurer of the State of Colorado may be accepted in lieu of a bond. This provision is in compliance with C.R.S. 38-26-106.

## INDEMNIFICATION

4. To the extent authorized by law, the CONTRACTOR shall indemnify, save, and hold harmless the STATE, its employees and agents, 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 CONTRACTOR, or its employees, agents, subcontractors, or assignees pursuant to the terms of this contract.

## DISCRIMINATION AND AFFIRMATIVE ACTION

5. The CONTRACTOR agrees to comply with the letter and spirit of the Colorado Antidiscrimination Act of 1957, as amended, and other applicable law respecting discrimination and unfair employment practices (C.R.S. 24-34-402), and as required by Executive Order, Equal Opportunity and Affirmative Action, dated April 16, 1975. *Pursuant thereto, the following provisions shall be contained in all STATE contracts or sub-contracts.*

During the performance of this contract, the CONTRACTOR agrees as follows:

- a. The CONTRACTOR will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, martial status, religion, ancestry, mental or physical handicap, or age. The CONTRACTOR will take affirmative action to insure that applicants are employed, and that employees are treated during employment, without regard to the above mentioned characteristics. Such action shall include, but not be limited to the following: employment upgrading, demotion, or transfer, recruitment or recruitment advertisings; lay-offs or terminations; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth provisions of this non-discrimination clause.
- b. The CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, national origin, sex, martial status, religion, ancestry, mental or physical handicap, or age.
- c. The CONTRACTOR will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, notice to be provided by the contracting officer, advising the labor union or workers' representative of the CONTRACTOR's commitment under the Executive Order, Equal Opportunity and Affirmative Action, dated April 16, 1975, and of the rules, regulations, and relevant Orders of the Governor.
- d. The CONTRACTOR and labor unions will furnish all information and reports required by Executive Order, Equal Opportunity and Affirmative Action of April 16, 1975, and by the rules, regulations and Orders of the Governor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the office of the Governor or his designee for purposes of investigation to



ascertain compliance with such rules, regulations and orders.

- e. A labor organization will not exclude any individual otherwise qualified from full membership rights in such labor organization, or expel any such individual from membership in such labor organization or discriminate against any of its members in the full enjoyment of work opportunity because of race, creed, color, sex, national origin, or ancestry.
- f. A labor organization, or the employees or members thereof will not aid, abet, incite, compel or coerce the doing of any act defined in this contract to be discriminatory or obstruct or prevent any person from complying with the provisions of this contract or any order issued thereunder; or attempt, either directly or indirectly, to commit any act defined in this contract to be discriminatory.
- g. In the event of the CONTRACTOR'S non-compliance with the non-discrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the CONTRACTOR may be declared ineligible for further STATE contracts in accordance with procedures, authorized in Executive Order, Equal Opportunity and Affirmative Action of April 16, 1975 and the rules, regulations, or orders promulgated in accordance therewith, and such other sanctions as may be imposed and remedies as may be invoked as provided in Executive Order, Equal Opportunity and Affirmative Action of April 16, 1975, or by rules, regulations, or orders promulgated in accordance therewith, or as otherwise provided by law.
- h. The CONTRACTOR will include the provisions of paragraphs (a) through (h) in every sub-contract and subcontractor purchase order unless exempted by rules, regulations, or orders issued pursuant to Executive Order, Equal Opportunity and Affirmative Action of April 16, 1975, so that such provisions will be binding upon each subcontractor or vendor. The CONTRACTOR will take such action with respect to any sub-contracting or purchase order as the contracting agency may direct, as a means of enforcing such provisions, including sanctions for non-compliance; provided, however, that in the event the CONTRACTOR becomes involved in, or is threatened with, litigation, with the subcontractor or vendor as a result of such direction by the contracting agency, the CONTRACTOR may request the State of Colorado to enter into such litigation to protect the interest of the State of Colorado.

#### COLORADO LABOR PREFERENCE

- 6. a. Provisions of C.R.S. 8-17-101 & 102 for preference of Colorado labor are applicable to this contract if public works within the State are undertaken hereunder and are financed in whole or in part by State funds.
- b. When construction contract for a public project is to be awarded to a bidder, a resident bidder shall be allowed a preference against a non-resident bidder from a state or foreign country equal to the preference given or required by the state or foreign country in which the non-resident bidder is a resident. If it is determined by the officer responsible for awarding the bid that compliance with this subsection .06 may cause denial of federal funds which would otherwise be available or would otherwise be inconsistent with requirements of federal law, this subsection shall be suspended, but only to the extent necessary to prevent denial of the moneys or to eliminate the inconsistency with federal requirements (C.R.S. 8-19-101 and 102).

#### GENERAL

- 7. The laws of the State of Colorado and rules and regulations adopted pursuant thereto shall be applied in the interpretation, execution, and enforcement of this contract. Any provision of this contract whether or not incorporated herein by reference which provides for arbitration by any extra-judicial body or person or which is otherwise in conflict with said laws, rules, and regulations shall be considered null and void. Nothing contained in any provision incorporated herein by reference which purports to negate this or any other special provision in whole or in part shall be valid or enforceable or available in any action at law whether by way of complaint, defence or otherwise. Any provision rendered null and void by the operation of this provision will not invalidate the remainder of this contract to the extent that the contract is capable of execution.
- 8. At all times during the performance of this contract, the CONTRACTOR shall strictly adhere to all applicable federal and state laws, rules, and regulations that have been or may hereafter be established.

9. Pursuant to CRS 24-30-202.4 (as amended), the state controller may withhold debts owed to state agencies under the vendor offset intercept system for: (a) unpaid child support debt or child support arrearages; (b) unpaid balance of tax, accrued interest, or other charges specified in Article 22, Title 39, CRS; (c) unpaid loans due to the student loan division of the department of higher education; (d) owed amounts required to be paid to the unemployment compensation fund; and (e) other unpaid debts owing to the state or any agency thereof, the amount of which is found to be owing as a result of final agency determination or reduced to judgment as certified by the controller.
10. The signatories aver that they are familiar with C.R.S. 18-8-301, et seq., (Bribery and Corrupt Influences) and 18-8-401, et seq., (Abuse of Public Office), and that no violation of such provisions is present.
11. The signatories aver that to their knowledge, no state employee has any personal or beneficial interest whatsoever in the service or property described herein.

IN WITNESS WHEREOF, the parties hereto have executed this contract on the day first above written.

CONTRACTOR: Boulder & Left Hand Irrigation Company

By Henry Laber, Pres  
Henry Laber, President

Federal ID Number: 84-0152875

State of Colorado  
Bill Owens, Governor

By Peter H. Evans  
For the Executive Director  
Department of Natural Resources  
COLORADO WATER CONSERVATION BOARD  
Peter H. Evans, Director

Attest (Seal)

By Annette M Laber  
Corporate Secretary

#### APPROVALS

ATTORNEY GENERAL

By Robert Hoff

STATE CONTROLLER **ARTHUR L. BARNHART**

By Robert J. Barnhart

**PAID IN FULL**



**RESOLUTIONS OF THE STOCKHOLDERS  
OF THE BOULDER & LEFT HAND IRRIGATION COMPANY**

The Stockholders of the Boulder & Left Hand Company (Company), at a Stockholders' meeting held February 26, 2000, at Longmont, Colorado, adopted the following resolutions concerning a loan in the amount of up to \$100,000, not to exceed 75% of actual project costs, from the State of Colorado Water Conservation Board (State), for the purpose of rehabilitation of the Company's outlet structure and spillway on the Twin Lakes Reservoir.

At said meeting, the Stockholders charged that these resolutions are irrevocable during the term of the loan and, pursuant to the Company's bylaws, authorized the Board of Directors and officers as follows:

1. RESOLVED, to enter into and comply with the terms of a contract with the Colorado Water Conservation Board for a loan in the amount of up to \$100,000, and
2. RESOLVED, to levy and collect assessments from the stockholders in an amount sufficient to pay the annual amounts due under the Loan Contract, and to pledge assessment revenues and the Company's right to receive said revenues for repayment of the loan, and
3. RESOLVED, to place said pledged revenues in a special account separate and apart from other COMPANY revenues, and
4. RESOLVED, to make the annual payments required by the promissory note and to make annual deposits to a debt service reserve fund, and
5. RESOLVED, to pledge certain property of the Company as collateral for the loan and execute documents necessary to convey a security interest in said property to the CWCB, and
6. RESOLVED, to execute all documents as required by the loan contract, including, but not limited to, a Security Agreement, Assignment Of Deposit Account As Security, and a Promissory Note, and
7. RESOLVED, to take such other actions and to execute such other documents as may be necessary to consummate and implement the loan.

**CERTIFICATION**

THE UNDERSIGNED, THE PRESIDENT AND THE CORPORATE SECRETARY, RESPECTIVELY, HEREBY CERTIFY THAT THE FOREGOING ARE TRUE AND CORRECT COPIES OF RESOLUTIONS DULY ADOPTED AT A MEETING OF THE COMPANY'S BOARD OF DIRECTORS DULY CALLED AND HELD AS ABOVE RECITED, PURSUANT TO THE COMPANY'S BYLAWS AND THAT SAID RESOLUTIONS HAVE NOT BEEN AMENDED OR RESCINDED.

GIVEN UNDER OUR HANDS AND THE SEAL OF THE COMPANY THE 26th DAY OF FEBRUARY 2000

By Henry Laber Pres  
Henry Laber, President

(SEAL)

ATTEST:

By Annette Laber  
Annette Laber, Corporate Secretary

1. The first step is to identify the problem or question that needs to be answered. This involves understanding the context and the specific information required.

1. The first of these is the fact that the Commission has not yet received any information from the Government of the Republic of China (Taiwan) regarding the situation in the Republic of China (Taiwan) since the end of the Second World War. This is a serious omission, as the Commission is required to provide a comprehensive report on the situation in the Republic of China (Taiwan) to the United Nations. The Commission is therefore unable to provide a complete and accurate report on the situation in the Republic of China (Taiwan) to the United Nations.

10. The following table shows the number of people who have been convicted of a crime in the United States since 1970, by race and sex. The data are from the U.S. Department of Justice, Bureau of the Census, and the U.S. Department of Education, Office of Education Statistics.

1. The first step in the process is to identify the problem or issue that needs to be addressed. This involves gathering information and understanding the context of the problem.

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1. The first step in the process is to identify the problem or issue that needs to be addressed. This involves gathering information and understanding the context of the problem.

[illegible]

Mr. R. L. ... (Name) ... (Address) ... (City) ... (State) ... (Zip) ...

1. I have not been able to find any other references to the "Mystery of the Cross" in the literature of the period.

The above information was obtained from a review of the files of the FBI, New York Office, dated [redacted] 1968.

[REDACTED]

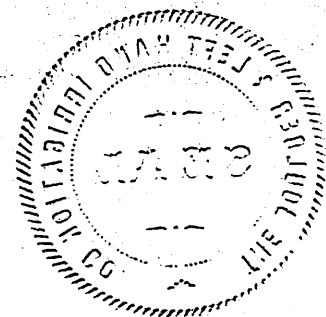
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**RESOLUTIONS OF THE BOARD OF DIRECTORS  
OF THE BOULDER & LEFT HAND IRRIGATION COMPANY**

The Board of Directors of the Boulder & Left Hand Irrigation Company (Company), at a meeting held February 26, 2000, at Longmont, Colorado, adopted the following resolutions concerning a loan in the amount of up to \$100,000, not to exceed 75% of actual construction costs, from the State of Colorado Water Conservation Board (CWCB), for the purpose of rehabilitation of the Company's outlet structure and spillway on the Twin Lakes Reservoir.

At said meeting, the Board charged that these resolutions are irrevocable during the term of the loan and, pursuant to the Company's bylaws, authorized the President and Corporate Secretary as follows.

1. RESOLVED, to enter into and comply with the terms of a contract with the Colorado Water Conservation Board for a loan in the amount of up to \$100,000, and
2. RESOLVED, to levy and collect assessments from the stockholders in an amount sufficient to pay the annual amounts due under the Loan Contract, and to pledge assessment revenues and the Company's right to receive said revenues for repayment of the loan, and
3. RESOLVED, to place said pledged revenues in a special account separate and apart from other COMPANY revenues, and
4. RESOLVED, to make the annual payments required by the promissory note and to make annual deposits to a debt service reserve fund, and
5. RESOLVED, to pledge certain property of the Company as collateral for the loan and execute documents necessary to convey a security interest in said property to the CWCB, and
6. RESOLVED, to execute all documents as required by the loan contract, including, but not limited to, a Security Agreement, Assignment Of Deposit Account As Security, and a Promissory Note, and
7. RESOLVED, to take such other actions and to execute such other documents as may be necessary to consummate and implement the loan.

CERTIFICATION

THE UNDERSIGNED, THE PRESIDENT AND THE CORPORATE SECRETARY, RESPECTIVELY, HEREBY CERTIFY THAT THE FOREGOING ARE TRUE AND CORRECT COPIES OF RESOLUTIONS DULY ADOPTED AT A MEETING OF THE COMPANY'S BOARD OF DIRECTORS DULY CALLED AND HELD AS ABOVE RECITED, PURSUANT TO THE COMPANY'S BYLAWS, AND THAT SAID RESOLUTIONS HAVE NOT BEEN AMENDED OR RESCINDED.

GIVEN UNDER OUR HANDS AND THE SEAL OF THE COMPANY THE 26<sup>TH</sup> DAY OF FEBRUARY 2000

By Henry Laber Pres  
Henry Laber, President

(SEAL)

ATTEST:

By Annette Laber  
Annette Laber, Corporate Secretary





CANCELLED  
RELEASED

MAR 14 2002

Boulder County  
Public Trustee  
LIVE NOTE



Boulder County Clerk, CO DT

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## Deed of Trust

This indenture, made this 8<sup>th</sup> day of MAY 2000, between the Boulder & Left Hand Irrigation Company, whose address is 8003 North 95th Street, Longmont, CO 80501, hereinafter referred to as GRANTOR, and the Public Trustee of the County of Boulder, State of Colorado, hereinafter referred to as PUBLIC TRUSTEE,

Witnesseth, that whereas, GRANTOR has executed a promissory note, set forth in Contract No. C150009 ("Contract") for a loan in the principal sum of \$100,000 to be repaid to the STATE OF COLORADO for the use and benefit of the Department of Natural Resources, Water Conservation Board, whose address is 1313 Sherman Street, Room 721, Denver, Colorado 80203, with interest thereon from the date of first disbursement of funds under the Contract at the effective interest rate of 3.75% per annum, payable in 20 annual installments, in accordance with the Promissory Note Provision of said Contract, or until loan is paid in full.

And whereas, the GRANTOR is desirous of securing payment of the principal and interest of said promissory note to the State of Colorado.

Now, therefore, the GRANTOR, in consideration of the premises and for the purpose aforesaid, does hereby grant, bargain, sell and convey unto the said PUBLIC TRUSTEE in trust forever, to wit: The Twin Lakes Dam and Reservoir, more particularly described as follows: East Half of the SW Quarter and NW Quarter of SE Quarter, Section 11, Township 1 North, Range 70 West 6<sup>th</sup> P.M., (collectively or hereinafter referred to as the "Property").

To have and to hold the same, together with all and singular the privileges and appurtenances thereunto belonging: In Trust nevertheless, that in case of default in the payment of said note, or any part thereof, or in the payment of the interest thereon, according to the tenor and effect of said note or in the payment of any prior encumbrances, principal or interest, if any, or in case default shall be made in or in case of violation or breach of any of the terms, conditions, covenants or agreements contained in the Contract, the beneficiary hereunder may declare a violation of any of the covenants contained in the Contract and elect to advertise said Property for sale, and demand such sale by filing a notice of such election and demand for sale with the PUBLIC TRUSTEE. Upon receipt of such notice of election and demand for sale, the PUBLIC TRUSTEE shall cause a copy of the same to be recorded in the recorder's office of the county in which said Property is situated, it shall and may be lawful for the PUBLIC TRUSTEE to sell and dispose of the same (en masse or in separate parcels, as the said PUBLIC TRUSTEE may think best), and all the right, title and interest of the GRANTOR, its successors or assigns therein, at public auction at such time and at such location as shall be designated in the PUBLIC TRUSTEE's Notice of Sale, for the highest and best price the same will bring in cash, four weeks public notice having been previously given of the time and place of such sale, advertisement once each week for five consecutive weeks, in some newspaper of general circulation at that time published in said County of Boulder, a copy of which notice shall be mailed within ten days from the date of the first publication thereof to the GRANTOR at the address herein given and to such person or persons appearing to have acquired a subsequent record interest in said Property at the address given in the recorded instrument; where only the county and state is given as the address then such notice shall be mailed to the county seat, and to make and give to the purchaser of the Property at such sale, a certificate in writing describing the Property purchased, and the sum paid therefor, and the time when the purchaser (or other person entitled thereto) shall be entitled to the deed therefor, unless the same shall be redeemed as is provided by law; and said PUBLIC TRUSTEE shall, upon demand by the person holding the said certificate of purchase, when said demand is made, or upon demand by the person entitled to a deed to and for the Property purchased, at the time such

Appendix 3 to Loan Contract C150009





Boulder County Clerk, CO DT

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demand is made, the time for redemption having expired, make and execute to such person a deed to the Property purchased, which said deed shall be in the ordinary form of a conveyance, and shall be signed, acknowledged and delivered by the said PUBLIC TRUSTEE and shall convey and quitclaim to such person entitled to such deed, the Property purchased as aforesaid and all the right, title, interest, benefit and equity of redemption of the GRANTOR, its successors and assigns made therein, and shall recite the sum for which the said Property was sold and shall refer to the power of sale therein contained, and to the sale made by virtue thereof; and in case of an assignment of such certificate of purchase, or in case of the redemption of the Property, by a subsequent encumbrancer, such assignment or redemption shall also be referred to in such deed; but the notice of sale need not be set out in such deed and the PUBLIC TRUSTEE shall, out of the proceeds or avails of such sale, after first paying and retaining all fees, charges and costs of making said sale, pay to the beneficiary hereunder the principal and interest due on said note according to the tenor and effect thereof, and all moneys advanced by such beneficiary or legal holder of said note for insurance, taxes and assessments, with interest thereon at ten per cent per annum, rendering the surplus, if any, unto the GRANTOR, its legal representatives or assigns; which sale and said deed so made shall be a perpetual bar, both in law and equity, against the GRANTOR, its successors and assigns, and all other persons claiming the Property, or any part thereof, by, from, through or under the GRANTOR, or any of them. The holder of said note may purchase Property or any part thereof; and it shall not be obligatory upon the purchaser at any such sale to see to the application of the purchase money.

And the GRANTOR, for itself and its successors or assigns covenants and agrees to and with the PUBLIC TRUSTEE, that at the time of the unsealing of and delivery of these presents, it is well seized of the Property in fee simple, and has good right, full power and lawful authority to grant, bargain, sell and convey the same in the manner and form as aforesaid; hereby fully and absolutely waiving and releasing all rights and claims it may have in or to said Property as a Homestead Exemption, or other exemption, under and by virtue of any act of the General Assembly of the State of Colorado, or as any exemption under and by virtue of any act of the United States Congress, now existing or which may hereafter be passed in relation thereto and that the same is free and clear of all liens and encumbrances whatever, and the above bargained Property in the quiet and peaceable possession of the PUBLIC TRUSTEE, its successors and assigns, against all and every person or persons lawfully claiming or to claim the whole or any part thereof, the GRANTOR shall and will Warrant and Forever Defend.

Until payment in full of the indebtedness, the GRANTOR shall timely pay all taxes and assessments levied on the Property; any and all amounts due on account of principal and interest or other sums on any senior encumbrances, if any; and will keep the Property insured in accordance with the requirements of the Contract. Should the GRANTOR fail to insure the Property in accordance with the Contract or to pay taxes or assessments as the same fall due, or to pay any amounts payable upon senior encumbrances, if any, the beneficiary may make any such payments or procure any such insurance, and all monies so paid with interest thereon at the rate of ten percent (10%) per annum shall be added to and become a part of the indebtedness secured by this Deed of Trust and may be paid out of the proceeds of the sale of the Property if not paid by the GRANTOR. In addition, and at its option, the beneficiary may declare the indebtedness secured hereby and this Deed of Trust to be in default for failure to procure insurance or make any further payments required by this paragraph. In the event of the sale or transfer of the Property, the beneficiary at its option may declare the entire balance of the note immediately due and payable.

**And that in case of any default**, whereby the right of foreclosure occurs hereunder, the PUBLIC TRUSTEE, the State as holder of the note, or the holder of a certificate of purchase, shall at once become entitled to the possession, use and enjoyment of the Property aforesaid, and to the rents, issues and profits thereof, from the accruing of such right and during the pendency of foreclosure proceedings and the period of redemption, if any there be, and such possession shall at once be delivered to the PUBLIC TRUSTEE, the State as holder of the note, or the holder of said certificate of purchase on request, and on refusal, the delivery of the Property may be enforced by the PUBLIC TRUSTEE, the State as holder of the note, or the holder of said certificate of purchase by an appropriate civil suit or proceeding, and the PUBLIC TRUSTEE, or the holder of said note or certificate of purchase, or any thereof, shall be entitled to a Receiver for said Property, and of the rents, issues and profits thereof, after such default, including the time covered by foreclosure proceedings and the period of redemption, if any there be, and shall be entitled thereto as a matter of right without regard to the solvency or insolvency of the GRANTOR or of





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the then owner of said Property and without regard to the value thereof, and such Receiver may be appointed by any court of competent jurisdiction upon ex parte application and without notice - notice being hereby expressly waived - and all rents, issues and profits, income and revenue therefrom shall be applied by such Receiver to the payment of the indebtedness hereby secured, according to the law and the orders and directions of the court.

And, that in case of default in any of said payments of principal or interest, according to the tenor and effect of said promissory note or any part thereof, or of a breach or violation of any of the covenants or agreements contained herein and in the Contract, by the GRANTOR, its successors or assigns, then and in that case the whole of said principal sum hereby secured, and the interest thereon to the time of the sale, may at once, at the option of the legal holder thereof, become due and payable, and the said Property be sold in the manner and with the same effect as if said indebtedness had matured, and that if foreclosure be made by the PUBLIC TRUSTEE, an attorney's fee in a reasonable amount for services in the supervision of said foreclosure proceedings shall be allowed by the PUBLIC TRUSTEE as a part of the cost of foreclosure, and if foreclosure be made through the courts a reasonable attorney's fee shall be taxed by the court as a part of the cost of such foreclosure proceedings.

It is further understood and agreed, that if a release or a partial release of this Deed of Trust is required, the GRANTOR, its successors or assigns will pay the expense thereof; that all the covenants and agreements contained herein and in the Contract shall extend to and be binding upon the successors or assigns of the respective parties hereto; and that the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

Executed the day and date first written above.

Boulder & Left Hand Irrigation Company

By Henry Labor, Pres  
Henry Labor, President



**PAID IN FULL**

State of Colorado )  
County of Boulder ) SS.

The foregoing instrument was acknowledged before me this 31st day of MARCH 2000, by Henry Labor as President and ANNETTE M. LABOR as corporate secretary of the Boulder and Left Hand Irrigation Company. Witness my hand and official seal.

Dianne M. Jones  
Notary Public

My commission expires

Aug. 20, 2000





## SECURITY AGREEMENT

DEBTOR: Boulder & Left Hand Irrigation Company  
8003 North 95<sup>th</sup> Street  
Longmont, CO 80501  
FEDERAL TAX NUMBER: 84-0152875  
COUNTY: Boulder (CODE: 07)  
SECURED PARTY: State of Colorado -Colorado Water Conservation Board  
1313 Sherman Street, Room 721  
Denver, CO 80203  
COLLATERAL: Contract Rights (Code: 030)

DEBTOR, for consideration, hereby grants to SECURED PARTY a security interest in the following property and any and all additions, accessions and substitutions thereto or therefor, hereinafter called the COLLATERAL: All revenues derived from assessments on stock and all of DEBTOR'S right to received said assessment revenues to repay the indebtedness on the amount loaned to debtor by secured party, as described in Pledge of Property provisions in Contract No. C150009 (CONTRACT).

To secure payment of the indebtedness evidenced by certain Promissory Note Provisions of CONTRACT between the above named parties herewith, payable to the SECURED PARTY, the loan amount of \$100,000 for a period of 20 years in accordance with said Promissory Note or until all principal and interest are paid in full.

### DEBTOR EXPRESSLY WARRANTS AND COVENANTS:

1. That except for the security interest granted hereby, DEBTOR is, or to the extent that this agreement states that the COLLATERAL is to be acquired after the date hereof, will be, the owner of the COLLATERAL free from any adverse lien, security interest or encumbrances; and that DEBTOR will defend the COLLATERAL against all claims and demands of all persons at anytime claiming the same or any interest therein.
2. That the execution and delivery of this agreement by DEBTOR will not violate any law or agreement governing DEBTOR or to which DEBTOR is a party.
3. That, if DEBTOR is a corporation, its certificate and articles of incorporation and by-laws do not prohibit any term or condition of this agreement.
4. That by its acceptance of the loan money pursuant to the terms of the CONTRACT and by its representations herein, DEBTOR shall be estopped from asserting for any reason that it is not authorized to grant a security interest in the COLLATERAL pursuant to the terms of this agreement.
5. To pay all taxes and assessments of every nature which may be levied or assessed against the COLLATERAL.
6. To not permit or allow any adverse lien, security interest or encumbrance whatsoever upon the COLLATERAL and not to permit the same to be attached or replevined.
7. That the DEBTOR will not use the COLLATERAL in violation of any applicable statutes, regulations, ordinances, articles of incorporation or by-laws.

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



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

- a. default in the payment or performance of any obligation, covenant or liability contained or referred to herein or in any note evidencing the same;
- b. the making or furnishing of any warranty, representation or statement to SECURED PARTY by or on behalf of DEBTOR which proves to have been false in any material respect when made or furnished;
- c. loss, theft, damage, destruction, sale or encumbrance to or of any of the COLLATERAL, or the making of any levy seizure or attachment thereof or thereon;
- d. 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 DEBTOR or any guarantor or surety for DEBTOR.

UPON SUCH DEFAULT and at any time thereafter, or if it deems itself insecure, SECURED PARTY may declare all Obligations secured hereby immediately due and payable and shall have the remedies of a secured party under Article 9 of the Colorado Uniform Commercial Code. SECURED PARTY may require DEBTOR to deliver or make the COLLATERAL 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. 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 DEBTOR consents to venue and personal jurisdiction in said Court.

The SECURED PARTY shall give the DEBTOR written notice of any alleged default and an opportunity to cure within thirty (30) days of receipt of such notice before the DEBTOR 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 said 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 said SECURED PARTY shall retain its rights of set-off against DEBTOR.

All rights of SECURED PARTY hereunder shall inure to the benefit of its successors and assigns; and all promises and duties of DEBTOR shall bind its heirs, executors or administrators or its successors or assigns. If there be more than one DEBTOR, their liabilities hereunder shall be joint and several.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2000.

SEAL

DEBTOR:

By

Henry Laber, Pres  
Henry Laber, President

ATTEST:

By

Annette M. Laber  
Corporate Secretary