

ADDITIONAL BONDS CERTIFICATE

The undersigned hereby certifies pursuant to the Loan Agreement dated as of December 11, 2015 (the "Prior Parity Obligation"), between the Colorado Water Resources and Power Development Authority and the Genesee Water and Sanitation District, acting by and through the Genesee Water and Sanitation District Enterprise (the "Enterprise"), and in connection with the execution and delivery by the Enterprise of an Intergovernmental Loan Contract with the Colorado Water Conservation Board and a note to evidence the Enterprise's obligations under the Loan Contract (the "Proposed Parity Obligation"), that:

- 1) The undersigned is the District Manager of the Enterprise.
- 2) All capitalized terms used herein and not otherwise defined have the meanings ascribed to them in the Prior Parity Obligation.
- 3) Pursuant to the terms of the Prior Parity Obligation, the District may not issue any obligations payable out of, or secured by a lien or charge on the Pledged Property that is on a parity with the lien or charge of the Prior Parity Obligation, unless the Enterprise certifies to the Authority that Net Revenue for any 12 consecutive months out of the 18 months preceding the month in which such obligations are to be issued was at least equal to the sum of (a) 110% of the maximum annual debt service due in any year on (i) the Prior Parity Obligation and (ii) all other outstanding obligations of the Enterprise payable out of, or secured by a lien or charge on, the Pledged Property that is on a parity with the lien or charge of the Prior Parity Obligation on the Pledged Property, and (iii) such proposed obligations to be issued, and (b) the maximum annual debt service due in any one year on all obligations payable out of, or secured by a lien or charge on, the Pledged Property that is subordinate to the lien or charge of the Prior Parity Obligation on the Pledged Property.
- 4) Pursuant to the terms of the Prior Parity Obligation, in calculating revenue coverage for purposes of the issuance of additional parity or subordinate lien bonds, the Enterprise may adjust Net Revenue to reflect any rate increases adopted in connection with the issuance of additional obligations by adding to the actual Net Revenue for the period examined an estimated sum equal to 100% of the estimated increase in Net Revenue that would have been realized during such period had the adopted rate increase been in effect during all of such period.
- 5) The Net Revenue for 12 consecutive months out of the 18 month period immediately preceding the month in which the Proposed Parity Obligation is to be issued was \$451,412.00, as shown on **Exhibit A** hereto.
- 6) The maximum annual debt service of the Prior Parity Obligation and the Proposed Parity Obligation is \$293,985.30, as shown in **Exhibit A** hereto.
- 7) 110% of the amount described in paragraph 6 above is \$323,383.83, which is less than the amount described in paragraph 5 above.
- 8) All provisions of the Prior Parity Obligation required for the issuance of the Proposed Parity Obligation have been satisfied.

Dated: May 13, 2021.

GENESEE WATER AND SANITATION
DISTRICT, ACTING BY AND THROUGH THE
GENESEE WATER AND SANITATION
DISTRICT ENTERPRISE

By: 
Title: District Manager

[Signature page to Additional Bonds Certificate]

EXHIBIT A

Gross Revenue

2020 Capital Fee Collections	\$380,867
2020 Water and Sewer Charges	\$1,949,480
*Capital Replacement Fee Increase	\$103,476
*Water Service Fee and Usage Charge Increase	\$57,280
*Sewer Service Fee Increase	<u>\$38,880</u>
Total Gross Revenue	\$2,529,983

Gross Revenue	\$2,529,983.00
Operating and Maintenance Expenses	<u>\$2,078,571.00</u>
Net Revenue	\$451,412.00

Combined Maximum Annual Debt Service

CWRPDA Loan	\$125,000.00
CWCB Loan	<u>\$168,985.30</u>
Total	\$293,985.30

Coverage Percentage	153.55%
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*The capital replacement fee, water service fee and usage charge, and sewer service fee were increased effective December 26, 2020. Per the terms of the Prior Parity Obligation, 100% of the estimated increases in Net Revenue have been added to the 2020 Gross Revenue.