



COLORADO

Colorado Water Conservation Board

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

November 9, 2021

St. Vrain and Left Hand Water Conservancy District
9595 Nelson Rd, Suite 203
Longmont, CO 80501

Subject: Loan Contract No. CT2016-2452
Loan Compliance Confirmation

Attached for your records are the original documents relative to the agreement between the St. Vrain and Left Hand Water Conservancy District, and the Colorado Water Conservation Board (CWCB), Loan Contract No. CT2016-2452. The documents have been stamped "PAID IN FULL" denoting that the District has satisfied the terms of the agreement in full.

Should you have any questions, please contact me at Telephone No. (303) 866-3441, ext 3205 or email at lauren.miremont@state.co.us. If we can be of any further assistance to you in the near future, please let us know.

Sincerely,

Lauren Miremont

Lauren Miremont, Finance Manager
Finance Section

Attachments

cc: CWCB Files





Deed of Trust

DATE: December 14, 2015
GRANTOR: St. Vrain and Left Hand Water Conservancy District, a Title 37 Water Conservancy District acting by and through its Water Activity Enterprise
BENEFICIARY: Colorado Water Conservation Board
COUNTY: Boulder
PRINCIPAL LOAN AMOUNT: \$4,545,000
CONTRACT NO.: CT2016-2452
TERMS OF REPAYMENT: 30 YEARS- no payments and zero interest for the first three years followed by 27 years of amortized payments at the interest rate of 3.20% per annum
COLLATERAL: An undivided one-hundred percent interest in 200 acre-foot units of Colorado-Big Thompson Project Water contractual rights. Contract ID: 3713 (47); 3712 (50); 3711 (5); 3710 (10); 1505 (10); 2997 (18); 3004 (15); 5298 (25); 5559 (10); 6662 (10) administered through the Northern Water Conservancy District.

This indenture is between the Grantor, and the Public Trustee of the above referenced COUNTY, State of Colorado ("PUBLIC TRUSTEE"),

FACTUAL RECITALS

1. The GRANTOR has executed a PROMISSORY NOTE of even date and amount, set forth in the LOAN CONTRACT, for a loan in the PRINCIPAL LOAN AMOUNT to be repaid to the BENEFICIARY, with TERMS OF REPAYMENT and in accordance with the PROMISSORY NOTE or until loan is paid in full.
2. The GRANTOR is desirous of securing payment of the PRINCIPAL LOAN AMOUNT and interest of said PROMISSORY NOTE to the BENEFICIARY.

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, the above described COLLATERAL.

To have and to hold the same, together with all appurtenances, in trust nevertheless, that in case of default in the payment of said PROMISSORY NOTE, or any part thereof, or the interest thereon, or in the performance of any covenants hereinafter set forth or in said PROMISSORY NOTE or LOAN CONTRACT, then upon the BENEFICIARY filing notice of election and demand for sale, said PUBLIC TRUSTEE, after advertising notice of said sale weekly for not less than four weeks in some newspaper of general circulation in said COUNTY, shall sell said COLLATERAL in the manner provided by law in effect at the time of filing said notice and demand, at public auction for cash, at any proper place designated in the notice of sale. Out of the proceeds of said sale, the PUBLIC TRUSTEE shall retain or pay first all fees, charges and costs and all moneys advanced for taxes, insurance and assessments, or on any prior encumbrance, with interest thereon and pay the principal and interest due on said PROMISSORY NOTE, rendering the overplus, if any, unto the GRANTOR; and after the expiration of the time of redemption, the PUBLIC TRUSTEE shall execute and deliver to the purchaser a deed to the COLLATERAL sold. The BENEFICIARY may purchase said COLLATERAL or any part thereof at such sale.

Appendix 5

The GRANTOR covenants that at the time of the delivery of these presents, it is well seized of the COLLATERAL in fee simple, and has full power and lawful authority to grant, bargain, sell and convey the same in the manner and form as aforesaid. The GRANTOR fully waives and releases all rights and claims it may have in or to said COLLATERAL as a Homestead Exemption or other exemption, now or hereafter provided by law. The GRANTOR further covenants that the COLLATERAL is free and clear of all liens and encumbrances whatever and that the GRANTOR shall warrant and forever defend the COLLATERAL 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.

Until payment in full of the indebtedness, the GRANTOR shall timely pay all taxes and assessments levied on the COLLATERAL; any and all amounts due on account of the principal and interest or other sums on any senior encumbrances, if any; and will keep the COLLATERAL insured in accordance with the requirements of the LOAN CONTRACT. In the event of the sale or transfer of the COLLATERAL, the BENEFICIARY, at its option, may declare the entire balance of the PROMISSORY NOTE immediately due and payable.

In case of default in any of said payments of the principal or interest, according to the terms of said PROMISSORY NOTE or LOAN CONTRACT, by the GRANTOR, its successors or assigns, then said principal sum hereby secured, and interest thereon, may at once, at the option of the BENEFICIARY, become due and payable, and the said COLLATERAL 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 PROMISSORY NOTE and LOAN 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.

Appendix 5

Executed the day and date first written above.

St. Vrain and Left Hand Water Conservancy
District, a Title 37 Water Conservancy District
acting by and through its Water Activity
Enterprise

By Dennis Yanchunas, President
Name, Title

ATTEST:

Date: 12/14/15

By William Haselbush
Name, Title

Date: 12/14/15

County of)
State of Colorado) SS
)

The foregoing instrument was acknowledged before me this 14th day of Dec 2015, by

William Haselbush (Name), Sec. (Title) and Dennis Yanchunas (Name), President (Title),

of St. Vrain and Left Hand Water Conservancy District.

Witness my hand and official seal.

Patricia S. Yanchunas
Notary Public

My commission expires 12/11/2016

(SEAL) PATRICIA S. YANCHUNAS
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 2004036138
COMMISSION EXPIRES 12/11/2016

(Colorado Water Conservation Board will record Amendment to Deed of Trust with the County)

Colorado Water Conservation Board

Finance Section

1313 Sherman St #718

Denver, CO

80203

Original Note and Deed of Trust Returned to:
WHEN RECORDED RETURN TO:
CWCB
1313 Sherman Street, Room 718
Denver, CO 80203
Prepared/Received by: Jessica Halvorsen

sent to
Recording
10/27/2021
COPY

REQUEST FOR FULL ☒ / PARTIAL ☐

RELEASE OF DEED OF TRUST AND RELEASE BY OWNER OF INDEBTEDNESS WITH PRODUCTION OF EVIDENCE
OF DEBT PURSUANT TO § 38-39-102 (1) (a), COLORADO REVISED STATUTES

October 5, 2021
St. Vrain and Left Hand Water Conservancy District, a Title 37 Water
Conservancy District acting by and through its Water Activity Enterprise
9595 Nelson Rd, Suite 203
Longmont, CO 80501
☐ Check here if current address is unknown
Colorado Water Conservation Board
December 14, 2015
January 28, 2016
03498123
County Rept. No. and/or Film No. and/or Book/Page No. and/or Torrens Reg. No.

Date
Original Grantor (Borrower)
Current Address of Original Grantor,
Assuming Party, or Current Owner
Original Beneficiary (Lender)
Date of Deed of Trust
Date of Recording and/or Re-Recording of Deed
of Trust
Recording Information

TO THE PUBLIC TRUSTEE OF

Boulder

COUNTY (The County of the Public Trustee who is the appropriate grantee to whom the above Deed of Trust should
grant an interest in the property described in the Deed of Trust.)

PLEASE EXECUTE AND RECORD A RELEASE OF THE DEED OF TRUST DESCRIBED ABOVE. The indebtedness secured
by the Deed of Trust has been fully or partially paid and/or the purpose of the Deed of Trust has been fully or partially satisfied in
regard to the property encumbered by the Deed of Trust as described therein as to a full release or, in the event of a partial release, only
that portion of the real property described as: **(IF NO LEGAL DESCRIPTION IS LISTED THIS WILL BE DEEMED A
FULL RELEASE)**

Full Release

State of Colorado, Colorado Water Conservation Board, 1313 Sherman Street, Ste. 718 Denver, CO 80203
Name and Address of Current Owner, Holder of the Indebtedness and Successor in Interest from the Department of Natural Resources, Secured by Deed of Trust

Kirk Russell, Finance Section Chief, CWCB, 1313 Sherman Street, Ste. 718 Denver, CO 80203

Name, Title and Address of Officer, Agent, or Attorney of Current Owner and Holder

[Signature] 10/12/21
Signature/Date

State of Colorado, County of Denver
The foregoing Request for Release was acknowledged before
me on October 12, 2021 (date) by*
Kirk Russell

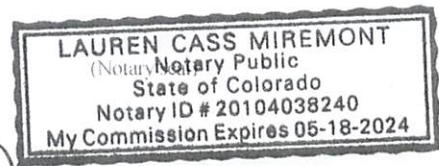
Finance Section Chief

May 18, 2024

Date Commission Expires

*If applicable, insert title of officer and name of current owner and holder

[Signature]
Notary Public



Witness my hand and official seal

RELEASE OF DEED OF TRUST

WHEREAS, the Grantor(s) named above, by Deed of Trust, granted certain real property described in the 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; and

WHEREAS, the indebtedness secured by the Deed of Trust has been fully or partially paid and/or the purpose of the Deed of Trust
has been fully or partially satisfied according to the written request of the current owner and holder of the indebtedness;

NOW THEREFORE, in consideration of the premises and the payment of the statutory sum, receipt of which is hereby
acknowledged, I, as the Public Trustee in the County named above, do hereby fully and absolutely release, cancel and forever discharge
the Deed of Trust or that portion of the real property described above in the Deed of Trust, together with all privileges and
appurtenances thereto belonging.

(If applicable, use only: use appropriate label)



PAUL M. WEISSMANN 10/27/2021
Public Trustee
[Signature]
Deputy Public Trustee

(If applicable: Notary Seal)

PROMISSORY NOTE

Date: December 14, 2015

Borrower: St. Vrain and Left Hand Water Conservancy District, a Title 37 Water Conservancy District acting by and through its Water Activity Enterprise

Principal Amount: \$4,545,000.00

Interest Rate: zero interest for first three years, followed by 3.20% for remaining 27 years

Term of Repayment: 30 years - no payments for first three years followed by 27 years of amortized payments

Contract No.: CT2016-2452

Loan Payment: \$0 first three years of loan, followed by 27 remaining payments of \$253,918.00

Payment Initiation Date*: March 1, 2016

Maturity Date*: March 1, 2046

* Payment Initiation Date and Maturity Date fields are filled in after the contract has been executed.

1. FOR VALUE RECEIVED, the BORROWER promises to pay the Colorado Water Conservation Board ("CWCB"), the Principal Amount plus Interest for the Term of Repayment, pursuant to the LOAN CONTRACT and this PROMISSORY NOTE.
2. Principal and interest shall be payable in equal Loan Payments, with the first payment due and payable on the first of the month four (4) years from the Payment Initiation Date and annually thereafter. All principal, interest, and late charges, if any, then remaining unpaid shall be due and payable on or before the Maturity Date.
3. Payments shall be made to the Colorado Water Conservation Board at 1313 Sherman Street, Room 718, Denver, Colorado 80203.
4. The CWCB may impose a late charge in the amount of 5% of the annual payment if the CWCB does not receive the annual payment within 15 calendar days of the due date.
5. This PROMISSORY NOTE may be prepaid in whole or in part at any time without premium or penalty. Any partial prepayment shall not postpone the due date of any subsequent payments or change the amount of such payments.
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 PROMISSORY NOTE is issued pursuant to the LOAN CONTRACT between the CWCB and the BORROWER. The LOAN CONTRACT creates security interests in favor of the CWCB to secure the prompt payment of all amounts that may become due hereunder. Said security interests are evidenced by: a SECURITY AGREEMENT of even date and amount and cover

certain revenues, real property, water rights and/or accounts of the BORROWER. The LOAN CONTRACT and SECURITY AGREEMENT grant additional rights to the CWCB.

8. If any annual payment is not paid when due or any default under the LOAN CONTRACT or the Security Instruments securing this PROMISSORY NOTE occurs, the CWCB may declare the entire outstanding principal balance of the PROMISSORY NOTE, all accrued interest, and any outstanding late charges immediately due and payable, and the indebtedness shall bear interest at the rate of 7% per annum from the date of default. The CWCB shall give the BORROWER written notice of any alleged default and an opportunity to cure within thirty (30) days of receipt of such notice before the BORROWER shall be considered in default for purposes of this PROMISSORY NOTE.
9. The BORROWER and any co-signer or guarantor hereby agree that if this PROMISSORY NOTE or interest thereon is not paid when due or if suit is brought, then it shall pay all reasonable costs of collection, including reasonable attorney fees. In the event of any bankruptcy or similar proceedings, costs of collection shall include all costs and attorney fees incurred in connection with such proceedings, including the fees of counsel for attendance at meetings of creditors' committees or other committees.
10. This PROMISSORY NOTE shall be governed in all respects by the laws of the State of Colorado.

BORROWER: St. Vrain and Left Hand Water Conservancy District, a Title 37 Water Conservancy District acting by and through its Water Activity Enterprise

(SEAL)

Attest:

By Dennis Yanchunas
Signature

NAME: Dennis Yanchunas

TITLE: Board President

DATE: 12/14/15

By William Haselbush
Signature

NAME: William Haselbush

TITLE: Board Secretary

DATE: 12/14/15

PAID IN FULL

Original Note and Deed of Trust Returned to:

WHEN RECORDED RETURN TO:

CWCB

1313 Sherman Street, Room 718

Denver, CO 80203

Prepared/Received by: Jessica Halvorsen

Sent to
Recording
10/27/2021
COPY

REQUEST FOR FULL ☒ / PARTIAL ☐

RELEASE OF DEED OF TRUST AND RELEASE BY OWNER OF INDEBTEDNESS WITH PRODUCTION OF EVIDENCE
OF DEBT PURSUANT TO § 38-39-102 (1) (a), COLORADO REVISED STATUTES

October 5, 2021

Date

St. Vrain and Left Hand Water Conservancy District, acting by and through
its water activity enterprise

Original Grantor (Borrower)

9595 Nelson Rd, Suite 203

Current Address of Original Grantor,
Assuming Party, or Current Owner

Longmont, CO 80501

☐ Check here if current address is unknown

Colorado Water Conservation Board

Original Beneficiary (Lender)

February 11, 2019

Date of Deed of Trust

March 27, 2019

Date of Recording and/or Re-Recording of Deed
of Trust

03704328

Recording Information

County Rept. No. and/or Film No. and/or Book/Page No. and/or Torrens Reg. No.

TO THE PUBLIC TRUSTEE OF

Boulder

COUNTY (The County of the Public Trustee who is the appropriate grantee to whom the above Deed of Trust should
grant an interest in the property described in the Deed of Trust.)

PLEASE EXECUTE AND RECORD A RELEASE OF THE DEED OF TRUST DESCRIBED ABOVE. The indebtedness secured
by the Deed of Trust has been fully or partially paid and/or the purpose of the Deed of Trust has been fully or partially satisfied in
regard to the property encumbered by the Deed of Trust as described therein as to a full release or, in the event of a partial release, only
that portion of the real property described as: **(IF NO LEGAL DESCRIPTION IS LISTED THIS WILL BE DEEMED A
FULL RELEASE)**

Full Release

State of Colorado, Colorado Water Conservation Board, 1313 Sherman Street, Ste. 718 Denver, CO 80203

Name and Address of Current Owner, Holder of the Indebtedness and Successor in Interest from the Department of Natural Resources, Secured by Deed of Trust

Kirk Russell, Finance Section Chief, CWCB, 1313 Sherman Street, Ste. 718 Denver, CO 80203

Name, Title and Address of Officer, Agent, or Attorney of Current Owner and Holder

Kirk Russell 10/12/21
Signature/Date

State of Colorado, County of Denver

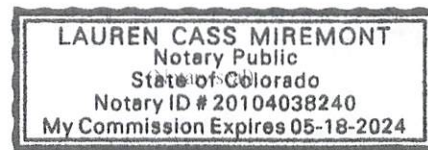
The foregoing Request for Release was acknowledged before
me on October 12, 2021 (date) by*

Kirk Russell

Finance Section Chief

May 18, 2024 Date Commission Expires

*If applicable, insert title of officer and name of current owner and holder



Lauren Cass Miremont
Notary Public

Witness my hand and official seal

RELEASE OF DEED OF TRUST

WHEREAS, the Grantor(s) named above, by Deed of Trust, granted certain real property described in the 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; and

WHEREAS, the indebtedness secured by the Deed of Trust has been fully or partially paid and/or the purpose of the Deed of Trust
has been fully or partially satisfied according to the written request of the current owner and holder of the indebtedness;

NOW THEREFORE, in consideration of the premises and the payment of the statutory sum, receipt of which is hereby
acknowledged, I, as the Public Trustee in the County named above, do hereby fully and absolutely release, cancel and forever discharge
the Deed of Trust or that portion of the real property described above in the Deed of Trust, together with all privileges and
appurtenances thereto belonging.

(Public Trustee only - use appropriate label)

NOTARIZED NOTE ENHANCED



PAUL M WEISSMANN 10/27/2021
Public Trustee

Paul M Weissmann
Deputy Public Trustee

(If applicable: Notary Seal)

(If applicable, Name and Address of Person Creating New Legal Description as Required by § 38-35-106.5, Colorado Revised Statutes.)

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Rev. 07/08

Appendix A, Amendment No. 1 to Loan Contract CT2016-2452
Amendment to Promissory Note

Date: February 11, 2019
Borrower: St. Vrain and Left Hand Water Conservancy District, acting by and through the water activity enterprise
Total Loan Amount: \$4,545,000.00
Interest Rate: Zero percent (0%) for five (5) years followed by twenty-seven (27) years at 3.20% interest per annum
Term of Repayment: 32 years or until loan is paid in full
Loan Contract No.: CT2016-2452
Annual Loan Payment: \$253,918.00
Payment Initiation Date: March 1, 2016
(Contract Execution Date) (to be filled in at Substantial Completion of Project)
Maturity Date: March 1, 2048
(to be filled in at Substantial Completion of Project)


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

1. This Amendment to Promissory Note *shall replace and supersede* the Original Promissory Note, attached as Appendix 2 to the Original Loan Contract and incorporated by reference.
2. Principal and interest shall be payable in equal Loan Payments, with the first payment due and payable on March 1, 2022 and annually thereafter. All principal, interest, and late charges, if any, then remaining unpaid shall be due and payable on or before the Maturity Date.
3. Payments shall be made to the Colorado Water Conservation Board at 1313 Sherman Street Room 718, Denver, Colorado 80203.
4. The CWCB may impose a late charge in the amount of 5% of the annual payment if the CWCB does not receive the annual payment within sixty (60) calendar days of the due date.
5. This Note may be prepaid in whole or in part at any time without premium or penalty. Any partial prepayment shall not postpone the due date of any subsequent payments or change the amount of such payments.
6. All payments received shall be applied first to late charges, if any, next to accrued interest and then to reduce the principal amount.
7. This Note is issued pursuant to the Loan Contract between the CWCB and the Borrower. The Loan Contract creates security interests in favor of the CWCB to secure the prompt payment of all amounts that may become due hereunder. Said security interests are evidenced by a Security Agreement and Deed of Trust ("Security Instruments") of even date and amount and cover certain revenues, real property, water rights and/or accounts of the Borrower. The Loan Contract and Security Instruments grant additional rights to the CWCB, including the right to accelerate the maturity of this Note in certain events.

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

St. Vrain and Left Hand Water Conservancy
District, acting by and through the water activity
enterprise

Attest:

By 
Signature
Name Dennis Yanchunas
Title President

Date 2-11-19

By 
Signature

Name Sean Cronin
Title Executive Director
Date 2-11-19

PAID IN FULL

LOAN CONTRACT AMENDMENT NO. 1

THREE (3) SIGNATURE PAGES (COVER PAGE) WITH ORIGINAL SIGNATURES ARE REQUIRED

<u>State Agency</u> Department of Natural Resources Colorado Water Conservation Board (CWCB) 1313 Sherman St, Room 718 Denver, CO 80203	<u>Amendment No. 1 Contract Number</u> CMS 127464 CT2016-2452
<u>Borrower and Address</u> St. Vrain and Left Hand Water Conservancy District acting by and through the water activity enterprise 9595 Nelson Rd., Suite 203 Longmont, CO 80501	<u>Original Contract Number</u> CMS 71730 CT2016-2452
<u>Current Contract Maximum Amount</u> \$4,545,000.00 (includes CWCB 1% loan origination fee)	<u>Contract Performance (Project) Beginning Date</u> 1/19/2016
<u>Project Name</u> Emergency Rock'n WP Ranch Lake No. 4 Repair	<u>Contract Performance (Project) End Date</u> March 1, 2021
<u>Reason for Modification</u> Change loan term from existing three (3) years to five (5) years at 0% interest followed by 27 years at blended interest of 3.20%. Revise current contract condition.	<u>Loan Contract Terms</u> 0% for five (5) years followed by twenty-seven (27) years at 3.20% <u>Loan Contract Repayment Schedule</u> Loan not in repayment at this time

THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT

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

<p>St. Vrain and Left Hand Water Conservancy District Acting by and through the water activity enterprise</p> <p>By: <u>[Signature]</u> (Signature) Name: <u>Sean Cronin</u> Title: <u>Executive Director</u> Date: <u>2-11-19</u></p> <p><u>ATTEST:</u> <u>[Signature]</u> (Signature) Name: <u>Dennis Janchunas</u> Title: <u>President</u> Date: <u>2-11-19</u></p>	<p>STATE OF COLORADO John W. Hickenlooper, Governor Colorado Department of Natural Resources Colorado Water Conservation Board (CWCB)</p> <p>By: <u>[Signature]</u> (Signature) Name: <u>Kirk Russell, P.E., Section Chief</u> CWCB Finance Section Date: <u>2/21/19</u></p>
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In accordance with §24-30-202 C.R.S., this Amendment is not valid until signed and dated below by the State Controller or an authorized delegate

STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

By: [Signature]
Name: Robert Mitchell
Title: Purchasing Agent
Colorado Department of Natural Resources


Amendment Effective Date: 2-21-2019

Appendix B, Amendment No.1 to Loan Contract CT2016-2452
Amendment to Security Agreement

Debtor: St. Vrain and Left Hand Water Conservancy District, acting by
and through the water activity enterprise
Secured Party: Colorado Water Conservation Board
Loan Amount: \$4,545,000.00
Term of Repayment: 32 years or until loan is paid in full
Interest Rate: Zero percent (0%) for five (5) years followed by twenty-seven
(27) years at 3.20% interest per annum
Loan Contract Number: CT2016-2452

1. The Parties have amended the Original Loan Contract and Promissory Note to change the loan term from the existing three (3) years to five (5) year at 0% interest followed by twenty-seven (27) years at a blended interest of 3.20%. and hereby amend the original Security Agreement to document the change.
2. The Parties expressly agree that this Amendment to Security Agreement is supplemental to the Security Agreement and all terms, conditions, and provisions thereof, unless specifically modified below, are to apply to this Amendment to Security Agreement as though they were expressly rewritten, incorporated, and included herein.
3. Collateral for the loan remains the same.

St. Vrain and Left Hand Water Conservancy District
acting by and through the water activity enterprise

By  Executive Director
Signature/Title

ATTEST:

By 
Signature/Title President

Date 2-11-19

Date 2-11-19

SECURITY AGREEMENT

DATE: December 14, 2015

DEBTOR: St. Vrain and Left Hand Water Conservancy District, acting by and through its Water Activity Enterprise

SECURED PARTY: Colorado Water Conservation Board

PROMISSORY NOTE: \$4,545,000

TERMS OF REPAYMENT: 30 years - no payments and zero interest for the first three years followed by 27 years of amortized payments at the interest rate of 3.20% per annum

CONTRACT NO.: CT2016-2452

COLLATERAL: Pledge of water activity enterprise revenues as described in Pledged of Revenues provisions of the Loan Contract and Debtor's Resolution adopted December 14, 2015.

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

DEBTOR EXPRESSLY WARRANTS AND COVENANTS:

1. That except for the security interest granted hereby and any other security interests described in Section 5 of the Loan Contract Project Summary, DEBTOR is 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 any time 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. 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.
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.

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 any of the following events or conditions:

- a. default in the payment or performance of any obligation contained herein or in the

Appendix 4

PROMISSORY NOTE or Loan CONTRACT;

- b. dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency law of, by or against DEBTOR; or
- c. 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.

UPON SUCH DEFAULT and at any time thereafter, SECURED PARTY shall have the remedies of a secured party under Section 11-57-208, Colorado Revised Statutes, as amended. SECURED PARTY may require 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.

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 SECURED PARTY may have or hereafter acquire for the payment of the above indebtedness, nor shall the taking of any such additional security waive or impair this SECURITY AGREEMENT; but SECURED PARTY shall retain its rights of set-off against DEBTOR. 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.

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 successors or assigns.

DEBTOR: St. Vrain and Left Hand Water
Conservancy District, a Title 37 Water
Conservancy District, acting by and through its
Water Activity Enterprise

By Dennis Yanchunas
Signature

Attest:

PAID IN FULL

By William Haselbush
Signature

NAME: William Haselbush

TITLE: Board Secretary

DATE: 12/14/15

NAME: Dennis Yanchunas

TITLE: Board President

DATE: 12/14/15

Appendix 4

**RESOLUTION 2015-02 OF THE BOARD OF DIRECTORS
OF ST. VRAIN AND LEFT HAND WATER CONSERVANCY DISTRICT,
ACTING BY AND THROUGH ITS WATER ACTIVITY ENTERPRISE**

The Board of Directors of the St. Vrain and Left Hand Water Conservancy District (District), acting by and through its Water Activity Enterprise, at a meeting held on December 14, 2015, at the District's office in Longmont, Colorado, adopted the following resolutions concerning a secured loan (Loan) from the State of Colorado Water Conservation Board (CWCB), for the purpose of the Emergency Rock'n WP Ranch Lake No. 4 Repair Project (Project) in the amount of \$4,545,000 or such actual amount, more or less, as may be needed by the District and available from the CWCB including the CWCB loan origination fee of 1% of the loan amount.

At said meeting, the Board charged that these resolutions are irrevocable during the term of the Loan and, pursuant to the District's bylaws, authorized the District's President and Secretary, RESOLVED as follows:

1. to enter into and comply with the terms of a contract with the CWCB for a loan in the amount of \$4,545,000, or such actual amount, more or less, as needed to finance the Project's costs, including the CWCB loan origination fee of 1% (Loan Contract); and
2. to levy and collect Water Activity Enterprise fees in an amount sufficient to pay the annual amounts due under the Loan Contract, and to pledge said revenues, excluding such revenue required for the Water Activity Enterprise's operations (Pledged Revenues) and the District's right to receive the Pledged Revenues for repayment of the loan; and
3. to place the Pledged Revenues in a special account separate and apart from other District revenues; and
4. to make the annual payments required by the Promissory Note (Appendix 2 to the Loan Contract) and to make annual deposits to a debt service reserve fund; and
5. to pledge the Water Activity Enterprise fees revenues backed by a rate covenant evidenced by annual financial reporting and C-BT units valued at a minimum of 110% of the Loan amount, as Collateral for the Loan, and
6. to execute all documents as required by the Loan Contract, including, but not limited to, a Promissory Note, a Security Agreement (Appendix 4 to the Loan Contract), and a Deed of Trust (Appendix 5 to the Loan Contract); and
7. 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 SECRETARY, HEREBY CERTIFY THAT THE FOREGOING ARE TRUE AND CORRECT COPIES OF RESOLUTIONS DULY ADOPTED AT A MEETING OF THE DISTRICT'S BOARD OF DIRECTORS DULY CALLED AND HELD AS ABOVE RECITED, PURSUANT TO THE DISTRICT'S BYLAWS, AND THAT SAID RESOLUTIONS HAVE NOT BEEN AMENDED OR RESCINDED.

GIVEN UNDER OUR HANDS AND THE SEAL OF THE DISTRICT THE 14th DAY OF DECEMBER, 2015.

(SEAL)

ATTEST:

By William H. Hesthus
Signature of Secretary

DATE: 12/14/15

By Dennis Yanchunas
Signature

NAME: Dennis Yanchunas

TITLE: President

DATE: 12/14/15



**Appendix C, Amendment No.1 to Loan Contract CT2016-2452
Amendment to Deed of Trust**

Date: February 11, 2019
Grantor (Borrower): St. Vrain and Left Hand Water Conservancy District, acting by and through the water activity enterprise
Beneficiary (Lender): Colorado Water Conservation Board
Lender Address: 1313 Sherman Street, Room 718, Denver, Colorado, 80203
Date of Original Deed of Trust: December 14, 2015
Recorded Date of Original Deed of Trust: January 28, 2016
County of Recording ("County"): Boulder
Deed of Trust Recording Information: Reception Number 03498123 (3 pages)
Loan Contract Number: CT2016-2452
Promissory Note: \$4,545,000.00, Zero percent (0%) for five (5) years followed by twenty-seven (27) years at 3.20% interest, Annual Loan Payment is \$253,918.00
Pledged Property: No change to property pledged per original Deed of Trust

This Amendment to Original Deed of Trust is between the Grantor and the Public Trustee of the County, State of Colorado.

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

Grantor and Beneficiary have agreed to amend the Original Loan Contract and Promissory Note to change the loan term from the existing three (3) years to five (5) year at 0% interest followed by twenty-seven (27) years at a blended interest of 3.20% and hereby amend the original Deed of Trust to document the change.

NOW THEREFORE, the CWCB and Grantor agree that:

1. This Amendment to Deed of Trust, Appendix C to Amendment No. 1, Contract Number CT2016-2452 *shall supplement and operate* in conjunction with the Deed of Trust attached to the Original Contract as Appendix 5, recorded in Boulder County, dated January 28, 2016, Reception Number 03498123, three pages and incorporated herein by reference.
2. The Grantor has executed an amended Promissory Note, in the amount of \$4,545,000.00 to secure the repayment of the indebtedness, evidenced by Loan Contract Number CT2016-2452, Amendment No. 1, to be repaid to the State of Colorado for the use and benefit of the Department of Natural Resources, Colorado Water Conservation Board ("CWCB") the beneficiary herein, whose address is 1313 Sherman Street, Room 718, Denver, CO 80203, payable in annual installments, in accordance with said Promissory Note, or until the loan is paid in full.
3. In the event of any conflict, inconsistency, variance, or contradiction between the provisions of this amendment and any of the provisions of the Original Deed of Trust the provisions of this amendment shall in all respects supersede, govern, and control.
4. Any provisions of the Original Deed of Trust not expressly modified herein remain in full force and effect.

5. Executed on the date first written above.

Grantor: St. Vrain and Left Hand Water Conservancy District
acting by and through the water activity enterprise

By [Signature]
Signature

Name Sean Cronin
Title Executive Director
Date 2-11-19

ATTEST:

By [Signature]
Signature
Name Dennis Yanchunas
Title President
Date 2-11-19

NOTARY REQUIRED

State of Colorado)
County of Boulder) ss.

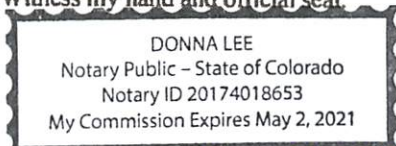
The foregoing instrument was acknowledged before me on February 11, 2019, by

Dennis Yanchunas (Name) as President (Title)

and

Sean Cronin (Name) as Executive Dir (Title)

of the St. Vrain and Left Hand Water Conservancy District, acting by and through the water activity enterprise. Witness my hand and official seal.



My commission expires on May 21-2021

Notary Public

(SEAL)

(Colorado Water Conservation Board will record Amendment to Deed of Trust with the County.)



Peg Mason
Colorado Water Conservation Board
1313 Sherman St. Room 718
Denver, CO 80203



December 21, 2015

Colorado Water Conservation Board
Attn: Peg Mason, Contracts Manager
Finance & Administration Section
1580 Logan Street, Suite 600
Denver, CO 80203

VIA E-MAIL: peg.mason@state.co.us
ORIGINAL VIA U.S. MAIL

Jeffrey J. Kahn
John Wade Gaddis
Bradley A. Hall
Steven P. Jeffers
Anton V. Dworak
Adele L. Reester
Catherine A. Tallerico
Scott E. Holwick
Cameron A. Grant
Matthew Machado

Re: *St. Vrain and Left Hand Water Conservancy District, acting by and through its Water Activity Enterprise – Emergency Repair Project for Rock'n WP Ranch Lake No. 4; CWCB Loan Contract CMS No. 71730*

Dear Peg:

This firm represents the St. Vrain and Left Hand Water Conservancy District ("District"), which is acting by and through its Water Activity Enterprise for the CWCB Loan Contract, CMS No. 71730 for the Rock'n WP Ranch Lake No. 4 Emergency Repair Project ("Loan Contract"). I am providing this letter as the attorney for the District to meet the requirement of ¶ 7 of the Loan Contract. Based upon my review of the District's records, organizational decree, amended and restated bylaws ("bylaws"), and applicable statutes, it is my opinion that:

1. The Loan Contract has been duly executed by officers of the District who have been duly elected to their respective positions and who are authorized to execute the Loan Contract and to bind the District in this transaction.
2. The resolutions of the District authorizing the execution and delivery of the Loan Contract were duly adopted by the District's Board of Directors.
3. There are no provisions in the District's bylaws or in any state or local laws that prevent the Loan Contract from binding the District.
4. If entered into by the CWCB, the Loan Contract will be valid and binding against the District.
5. The District was formed and is operated as a water authority pursuant to the provisions of C.R.S., 37-45.1-101 and is a government-owned business authorized to issue its own revenue bonds and receiving fewer than 10% of annual revenue in grants from all Colorado state and local governments

Madoline Wallace-Gross
Chad A. Kupper
Blair M. Dickhoner
Elizabeth M. Joyce

SPECIAL COUNSEL
Wallace H. Grant
Suzan D. Fritchel
Eve I. Canfield

SENIOR COUNSEL
Richard N. Lyons, II

Daniel F. Bernard
(1942-2011)

LYONS GADDIS KAHN HALL JEFFERS DWORAK & GRANT, PC

515 Kimbark Street 2nd Floor PO Box 978 Longmont, CO 80502-0978
Longmont 303 776 9900 | Louisville 720 726 3670 | Web www.lgkhlaw.com



LYONS GADDIS
ATTORNEYS & COUNSELORS

Colorado Water Conservation Board
December 21, 2015
Page 2

combined within the meaning of Article X, Section 20 of the Colorado Constitution.

This opinion may be relied upon by the CWCB in its loan approval process, but it is given solely in conjunction with such approval and is not to be used by any third party for any other purpose.

Sincerely yours,

**LYONS GADDIS KAHN HALL
JEFFERS DWORAK & GRANT, PC**

By 
Scott E. Holwick
sholwick@lgkhlaw.com

cc: Sean Cronin, Executive Director, St. Vrain and Left Hand Water Conservancy District



COLORADO

Colorado Water
Conservation Board

Department of Natural Resources

1313 Sherman Street, Room 718
Denver, CO 80203

TIME FOR PERFORMANCE EXTENSION AGREEMENT

November 6, 2018

Saint Vrain and Left Hand Water Conservancy Dist.

Attn: Sean Cronin, Executive Director

9595 Nelson Rd, Suite 203

Longmont, Colorado 80501

Re: Emergency Rock'n WP Ranch Lake No. 4 Repair Project- Contract No. CT2016-2452

Dear Mr. Cronin:

This letter is in response to your request for a time extension, for CWCB Loan Contract Number CT2016-2452, due to design delays and owner coordination. You have requested that the end date of January 19, 2019, for the Project Performance, as stated in Appendix 1, Section 11, of the Loan Contract, be extended to a final end date of March 1, 2019 to match the end of the 0% interest period as described in the Promissory Note (Appendix 2 of the Loan Contract).

By signing below, Saint Vrain and Left Hand Water Conservancy District and CWCB acknowledge that the time for performance shall be amended to a Project end date of March 1, 2019.

Please sign and return this letter to Peg Mason, Contracts Manager at the address listed above.

Saint Vrain and Left Hand Water
Conservancy District

Signature

Name: Sean Cronin
Title: Executive Director
Date: 11/6/18

Attest:

Signature

Name: Terry Lance
Title: Office Manager 11/6/18

State of Colorado, Department of Natural
Resources, Colorado Water Conservation Board

Date: 11/6/18

By:
Kirk Russell, P.E., Section Chief
Finance Section

Date: 11/6/18



ST. VRAIN AND LEFT HAND WATER CONSERVANCY DISTRICT

9595 Nelson Road, Suite 203 • Longmont, CO 80501 • 303-772-4060 • www.svlhwcd.org

November 6, 2018

Colorado Water Conservation Board
Finance Section
Attn: Jonathan Hernandez, P.E.
1313 Sherman St., Room 718
Denver, CO 80203

Re: Extension Request – Contract No. CT2016-2452

Dear Mr. Hernandez:

The Lake 4 project being financed under CT2016-2452 is getting closer to going to bid. A variety of design delays and owner coordination have prevented the bidding process to begin sooner. The contractor's bids are expected to be provided in early 2019. As you know, the current contract states a Time of Performance end date of January 19, 2019. This date will likely come before a contractor is selected.

Please consider extending the January 19, 2019 date to March 1, 2019 to match the end of 0% interest provision. Further, please understand I will be submitting a request to the Colorado Water Conservation Board, Board of Directors to grant an extension of the 0% interest and Time of Performance period to 2021 to allow time for construction to occur. This request will be submitted by December 1 2018 to be heard at the January 2019 CWCB Board Meeting.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sean T. Cronin".

Sean T. Cronin
Executive Director

OPTION LETTER NO. 1

State Agency Department of Natural Resources Colorado Water Conservation Board (CWCB) 1313 Sherman St, Room 718 Denver, CO 80203	Option Letter No.1 CMS 168292 CT2016-2452
Borrower St. Vrain and Left Hand Water Conservancy District	Original Contract Numbers CMS 71730 CT2016-2452 Amendment #1 Contract Numbers CMS 127464 CT2016-2452
Project Name Emergency Rock'n WP Ranch Lake No.4 Repair Project	Loan Contract Effective Date 01/19/2016
Current Contract Maximum Amount \$3,238,613.51	Loan Contract Expiration Date 03/01/2048

1. OPTIONS:


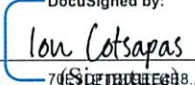
- A. Option to decrease total Contract amount and revise Contract expiration date upon CWCB *Commencement of Loan Repayment Period*.

2. REQUIRED PROVISIONS:

- A. The amount of the current Loan Contract Amount is decreased by \$1,306,386.49 from \$4,545,000.00 (including 1% origination fee) to \$3,238,613.51 (including 1% origination fee) in consideration of substantial completion of the Project. The Total Loan Amount is hereby modified accordingly.
- B. This change does not include a change to the annual payment and interest rate.
- C. This Option Letter and supporting documentation shall become part of and be incorporated into this Contract for the total duration of the Loan Contract.
- D. This Option Letter shall include the written *Commencement of Loan Repayment Period* documentation.
- E. The Contract Maximum Amount table on the Contract's Signature and Cover Page is hereby deleted and replaced with the Current Contract Maximum Amount table shown above.

3. OPTION EFFECTIVE DATE:

- A. The effective date of this Option Letter is upon approval of the State Controller or an authorized delegate.

<p align="center">STATE OF COLORADO Jared S. Polis, Governor Department of Natural Resources Dan Gibbs, Executive Director Colorado Water Conservation Board</p> <p>By: _____  <small>DocuSigned by: KTRK Russell</small> Name: _____ Title: <u>Finance Chief</u> Date: <u>April 2, 2021 4:00 PM MDT</u></p>	<p>In accordance with §24-30-202 C.R.S., this Option is not valid until signed and dated below by the State Controller or an authorized delegate.</p> <p align="center">STATE CONTROLLER Robert Jaros, CPA, MBA, JD</p> <p>By: _____  <small>DocuSigned by: Ion Cotsapas</small> Name: _____ Title: <u>DNR Contracts Director</u> Option Effective Date: <u>April 5, 2021 1:48 PM MDT</u></p>
---	--

BORROWER: ST. VRAIN AND LEFT HAND
WATER CONSERVANCY DISTRICT ACTING BY
AND THROUGH ITS WATER ACTIVITY
ENTERPRISE
PROJECT COSTS: 4,500,000
LOAN SERVICE FEE: \$45,000
LOAN AMOUNT: \$4,545,000

AGENCY NAME: COLORADO WATER
CONSERVATION BOARD
CONTRACT TYPE: LOAN/PUBLIC
CMS: 71730/CORE No: CT2016-2452

LOAN CONTRACT

THIS CONTRACT is made between the State of Colorado for the use and benefit of The Department of Natural Resources, Colorado Water Conservation Board ("CWCB" or "State"), and St. Vrain and Left Hand Water Conservancy District, a Colorado Title 37 Water Conservancy District, acting by and through its Water Activity Enterprise ("BORROWER" or "DISTRICT").

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 encumbering and subsequent payment of this CONTRACT; and
2. Required approval, clearance, and coordination have been accomplished from and with appropriate agencies; and
3. On July 17, 2014 the CWCB approved a loan request form the BORROWER for the Emergency Rock'n WP Ranch Lake No. 4 Repair Project (PROJECT) to repair the lake damage due to the 2013 flood event, allowing it to resume its use as a water augmentation reservoir by the DISTRICT. The total estimated project cost is \$9,000,000. The total loan amount is \$4,545,000 which includes a one percent (1%) loan origination fee of \$45,000. This loan was approved as a 30 year loan with no payments and zero interest for the first three years followed by 27 years of amortized payments at the interest rate of 3.20%.
4. The **PROJECT SUMMARY**, attached as **APPENDIX 1** and incorporated herein, contains BORROWER Information (Section 1), the PROJECT Description (Section 2), CWCB's authority for making this loan (Section 3), and CWCB Approval and Legislative Authorization (Section 4), identifying the amount of the loan and the terms of repayment. The PROJECT SUMMARY also contains sections on BORROWER's debt, collateral, procedures and eligible expenses; and
5. The CWCB now desires, by this CONTRACT, to loan money to the BORROWER for this PROJECT upon mutually agreeable terms and conditions.

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

A. LOAN PROVISIONS

1. **Loan Service Fee.** The amount of the loan (LOAN AMOUNT) shall include (1) the amount of the funds loaned by the CWCB to the BORROWER for the PROJECT and (2) a service fee of one percent (1%) of the PROJECT amount. In the event that the BORROWER does not use the LOAN AMOUNT authorized, the parties shall amend this CONTRACT to revise the LOAN AMOUNT including adjustment of the service fee to reflect 1% of the actual LOAN AMOUNT disbursed to the BORROWER.
2. **Contract Amendment Service Fees.** Under certain circumstances, the BORROWER shall be assessed a fee for amending the CONTRACT.
 - a. A service fee shall be imposed on the BORROWER for amendments processed for the benefit of the BORROWER and necessary for the BORROWER's course of business but not necessary for the CWCB, including, but not limited to, a change in BORROWER name, assignment of CONTRACT, substitution of collateral, loan payment deferrals in excess of 3 per loan, and loan consolidation. Amendments in the course of CWCB business, including, but not limited to, loan payment deferrals (up to 3 per loan), and changes in terms of loan repayment will be processed at no additional charge to the BORROWER.
 - b. The amount charged shall be in accordance with the fee rate structure set forth in the CWCB Loan Service Charge Policy in effect at the time the BORROWER shall request an amendment. The current fee for an amendment is \$1,000.
 - c. The BORROWER shall remit the service fee to the CWCB prior to initiation of the amendment. Any service fee remitted to the CWCB cannot be refunded.
3. **Promissory Note Provisions.** The CWCB agrees to loan to the BORROWER an amount not to exceed the LOAN AMOUNT and the BORROWER agrees to repay the loan in accordance with the terms as set forth in the **PROMISSORY NOTE**, attached hereto as **APPENDIX 2** and incorporated herein. The PROMISSORY NOTE shall identify the LOAN AMOUNT. If the amount of loan funds disbursed by the CWCB to the BORROWER differs from the LOAN AMOUNT, the parties agree to amend the Promissory Note and this CONTRACT, including its appendices where necessary, to revise the LOAN AMOUNT.
4. **Interest Prior to Project Completion.** As the loan funds are disbursed by the CWCB to the BORROWER, interest shall accrue on the disbursed funds at the rate set by the CWCB for this loan. The CWCB shall calculate the amount of the interest that accrued prior to PROJECT's substantial completion (as determined by the CWCB) and notify BORROWER of such amount. The BORROWER shall repay that amount to the CWCB either within ten (10) days from the date of notification from the CWCB, or, at the CWCB's discretion, said interest shall be deducted from the final disbursement of loan funds that the CWCB makes to the BORROWER.
5. **Return of Unused Loan Funds.** Any loan funds disbursed but not expended for the PROJECT in accordance with the terms of this CONTRACT shall be remitted to the

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

6. **Borrower's Authority to Contract.** The BORROWER warrants that it has full power and authority to enter into this CONTRACT. The execution and delivery of this CONTRACT and the performance and observation of its terms, conditions and obligations have been duly authorized by all necessary actions of the BORROWER. The **BORROWER'S AUTHORIZING RESOLUTION(s) OR ORDINANCE(s)** are attached as **APPENDIX 3** and incorporated herein.
7. **Attorney's Opinion Letter.** Prior to the execution of this CONTRACT by the CWCB, the BORROWER shall submit to the CWCB a letter from its attorney stating that it is the attorney's opinion that:
 - a. the CONTRACT has been duly executed by officers of the BORROWER who are duly elected or appointed and are authorized to execute the CONTRACT and to bind the BORROWER; and
 - b. the resolutions of the BORROWER authorizing the execution and delivery of the CONTRACT were duly adopted by the BORROWER'S board of directors and/or shareholders; and
 - c. there are no provisions in the BORROWER'S articles of incorporation or bylaws or any state or local law that prevent this CONTRACT from binding the BORROWER; and
 - d. the CONTRACT will be valid and binding against the BORROWER if entered into by the CWCB.
 - e. the BORROWER was formed and is operated as a water authority pursuant to the provisions of C.R.S. 37-45.1-101 and is a government-owned business authorized to issue its own revenue bonds and receiving fewer than 10% of annual revenue in grants from all Colorado state and local governments combined within the meaning of Article X, Section 20 of the Colorado Constitution.
8. **Pledge of Revenues and Pledge of Property.** The BORROWER irrevocably pledges to the CWCB, for purposes of repayment of this loan: (1) the PLEDGED REVENUES as defined in the Loan Resolution set forth in Appendix 3 and any other funds legally available to the BORROWER, in an amount sufficient to pay the annual payment due under this CONTRACT (collectively PLEDGED REVENUES), and (2) 200 acre-foot units of Colorado-Big Thompson Project Water contractual rights administered through Northern Water (PLEDGED PROPERTY OR COLLATERAL).
 - a. **Segregation of Pledged Revenues.** The BORROWER shall set aside and keep the PLEDGED REVENUES in an account separate from other BORROWER revenues and warrants that these revenues will not be used for any other purpose.
 - b. **Establish Security Interest.** The BORROWER has duly executed a **SECURITY**

PAID IN FULL

AGREEMENT, attached hereto as **APPENDIX 4** and incorporated herein, to provide a security interest to the CWCB in the PLEDGED REVENUES. The CWCB shall have priority over all other competing claims for said revenues, except for the liens of the BORROWER'S existing loans as listed in Section 5 (Schedule of Existing Debt), of the PROJECT SUMMARY, which sets forth the position of the lien created by this CONTRACT in relation to any existing lien(s).

- c. **Assessment Covenant.** Pursuant to its statutory authority and as permitted by law, the BORROWER shall take all necessary actions consistent therewith during the term of this CONTRACT to establish, levy and collect rates, charges and fees as described in APPENDIX 3, in amounts sufficient to pay this loan as required by the terms of this CONTRACT and the PROMISSORY NOTE, to cover all expenditures for operation and maintenance and emergency repair services, and to maintain adequate debt service reserves, including obtaining voter approval, if necessary, of increases in the BORROWER'S rate schedule or taxes, if applicable.
- d. **Debt Service Reserve Account or Fund.** To establish and maintain the debt service reserve account or fund, the BORROWER shall deposit an amount equal to one-tenth of an annual payment into its debt service reserve account or fund on the due date of its first annual loan payment and annually thereafter for the first ten years of repayment of this loan. In the event that the BORROWER applies funds from this account to repayment of the loan, the BORROWER shall replenish the account within ninety (90) days of withdrawal of the funds. The debt service reserve account or fund requirement is in effect until the loan is paid in full.
- e. **Additional Debts or Bonds.** The BORROWER shall not issue any indebtedness payable from the PLEDGED REVENUES and having a lien thereon which is superior to the lien of this loan. The BORROWER may issue parity debt only with the prior written approval of the CWCB, provided that:
 - i. The BORROWER is currently and at the time of the issuance of the parity debt in substantial compliance with all of the obligations of this CONTRACT, including, but not limited to, being current on the annual payments due under this CONTRACT and in the accumulation of all amounts then required to be accumulated in the BORROWER'S debt service reserve fund;
 - ii. The BORROWER provides to the CWCB a Parity Certificate from an independent certified public accountant certifying that, based on an analysis of the BORROWER'S revenues, for 12 consecutive months out of the 18 months immediately preceding the date of issuance of such parity debt, the BORROWER'S revenues are sufficient to pay its annual operating and maintenance expenses, annual debt service on all outstanding indebtedness having a lien on the pledged revenues, including this loan, the annual debt service on the proposed indebtedness to be issued, and all required deposits to any reserve funds required by this CONTRACT or by the lender(s) of any indebtedness having a lien on the pledged revenues. The analysis of revenues shall be based on the BORROWER'S current rate structure or the rate

structure most recently adopted. No more than 10% of total revenues may originate from tap and/or connection fees.

The BORROWER acknowledges and understands that any request for approval of the issuance of additional debt must be reviewed and approved by the CWCB prior to the issuance of any additional debt.

- f. **Annual Statement of Debt Coverage.** Each year during the term of this CONTRACT, the BORROWER shall submit to the CWCB an annual audit report.
 - g. **Pledged Property.** The BORROWER irrevocably pledges to the CWCB, for purposes of repayment of this loan, an interest in the Colorado-Big Thompson (C-BT) contractual rights for water, administered through the Northern Water Conservancy District (Northern Water). The PLEDGED PROPERTY as further described in Section 6 (COLLATERAL) of the PROJECT SUMMARY is authorized by the BORROWER'S AUTHORIZING RESOLUTION, and secured by the DEED OF TRUST (APPENDIX 5).
9. **Pledged Property during Loan Repayment.** The BORROWER shall not sell, convey, assign, grant, transfer, mortgage, pledge, encumber, or otherwise dispose of the PLEDGED PROPERTY so long as any of the principal, accrued interest, and late charges, if any, on this loan remain unpaid, without the prior written concurrence of the CWCB. In the event of any such sale, transfer or encumbrance without the CWCB's written concurrence, the CWCB may at any time thereafter declare all outstanding principal, interest, and late charges, if any, on this loan immediately due and payable.
10. **Pledged Revenues During Loan Repayment.** The BORROWER shall not sell, convey, assign, grant, transfer, mortgage, pledge, encumber, or otherwise dispose of the PLEDGED REVENUES, so long as any of the principal, accrued interest, and late charges, if any, on this loan remain unpaid, without the prior written concurrence of the CWCB.
11. **Release After Loan Is Repaid.** Upon complete repayment to the CWCB of the entire principal, all accrued interest, and late charges, if any, as specified in the PROMISSORY NOTE, the CWCB agrees to release and terminate any and all of the CWCB's right, title, and interest in and to the PLEDGED REVENUES.
12. **Warranties.**
- a. The BORROWER warrants that, by acceptance of the loan under this CONTRACT and by its representations herein, the BORROWER shall be estopped from asserting for any reason that it is not authorized or obligated to repay the loan to the CWCB as required by this CONTRACT.
 - b. The BORROWER warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the BORROWER, to solicit or secure this CONTRACT and has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee, any fee, commission, percentage, gift, or other consideration contingent upon or resulting from the award or the making of this CONTRACT.

- c. Subject to Paragraph A.9. *Pledged Property during Loan Repayment*, (Page 5 of 13), the BORROWER warrants that the PLEDGED REVENUES and PLEDGED PROPERTY for this loan are not encumbered by any other deeds of trust or liens of any party other than the CWCB except for any existing lien(s) identified in Section 5 (Schedule of Existing Debt) of the PROJECT SUMMARY, which sets forth the position of the lien created by this CONTRACT in relation to any existing lien(s). Documentation establishing the relative priorities of said liens, if necessary, is attached to the PROJECT SUMMARY and incorporated herein.

13. Remedies for Default. Upon default in the payments to be made by the BORROWER under this CONTRACT, or default in the performance of any covenant or agreement contained herein, the CWCB, at its option, may:

- a. suspend this CONTRACT and withhold further loan disbursements pending corrective action by the BORROWER, and if the BORROWER does not cure the default as provided for below, permanently cease loan disbursements and deem the PROJECT substantially complete;
- b. declare the entire principal amount, accrued interest, and late charges, if any, then outstanding immediately due and payable;
- c. exercise its rights under any appendices to this CONTRACT, including, but not limited to, the PROMISSORY NOTE and SECURITY AGREEMENT; and/or
- d. take any other appropriate action.

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

14. Operation of Project. The BORROWER shall, without expense or legal liability to the CWCB, manage, operate and maintain the PROJECT continuously in an efficient and economical manner.

15. Borrower's Liability Insurance. Because the BORROWER is a "public entity" within the meaning of the Colorado Governmental Immunity Act, CRS 24-10-101, et seq., as amended ("Act"), the BORROWER shall at all time maintain such liability insurance, by commercial policy or self-insurance as is necessary to meet its liabilities under the Act.

16. Additional Contract Requirements. Any additional CONTRACT requirements are set forth in Additional Contract Requirement (Section 7) of the PROJECT SUMMARY.

B. PROJECT PROVISIONS

1. **Construction Fund Program Procedures.** During the completion of the PROJECT, the BORROWER shall adhere to the CWCB Construction Fund Program Procedures (Section 8) of the PROJECT SUMMARY.
2. **Eligible Expenses.** The PROJECT expenses for which the BORROWER is eligible for loan disbursements are listed in Eligible Expenses (Section 9) of the PROJECT SUMMARY. The BORROWER shall pay all of the expenses related to the Project when such bills are due.
3. **Loan Disbursements.** The CWCB shall disburse loan funds in accordance with the Disbursement Schedule (Section 10) of the PROJECT SUMMARY.
4. **Time for Performance.** The BORROWER recognizes that time is of the essence in the performance of all of its obligations under this CONTRACT. Therefore, the BORROWER shall complete the PROJECT within the time specified in Time for Performance (Section 11) of the PROJECT SUMMARY.
5. **Indemnification by the Construction Firm.** The BORROWER shall require all construction firms and their subcontractors to indemnify the STATE and the BORROWER against all liability and loss, and against all claims and actions based upon or arising out of damage or injury, including death, to persons or property, caused by any acts or omissions of those parties or sustained in connection with the performance of any contract related to the PROJECT or by conditions created thereby, or based upon any violation of any statute, ordinance, or regulation, and the defense of any such claims or actions.
6. **Liability Insurance during Construction.** During construction of the PROJECT, the BORROWER shall require the construction firm(s) and any subcontractors to maintain the following insurance coverage in the limits shown during the term of their contracts for the construction of the PROJECT. If requested by CWCB, the BORROWER shall provide the CWCB with an Acord Form 25 evidencing said insurance prior to commencement of construction and maintained until construction is complete. The BORROWER shall provide the CWCB with documentation of renewals of said insurance. No payments shall be made to the BORROWER unless all insurance certificates are current.
 - a. Commercial general liability insurance with minimum limits of \$1,000,000 combined single limit for each occurrence and \$2,000,000 general aggregate. This insurance coverage shall include products/completed operations and bodily injury/property damage.
 - b. Worker's compensation and employer's liability insurance in the required statutory amounts.
 - c. Automobile liability insurance that includes coverage for all owned, non-owned and hired vehicles with minimum limits of \$1,000,000 combined single limit for bodily injury and property damage.

C. GENERAL PROVISIONS

1. **Periodic Inspections.** Throughout the term of this CONTRACT, the BORROWER shall permit a designated representative of the CWCB to make periodic inspections of the PROJECT. Such inspections shall cover the condition of the PROJECT, operating records, maintenance records, and financial records. These inspections are solely for the purpose of verifying compliance with the terms and conditions of this CONTRACT and shall not be construed nor interpreted as an approval of the actual design, construction or operation of any element of the PROJECT facilities.
2. **Applicable Laws.** The BORROWER shall strictly adhere to all applicable federal, state, and local laws and regulations that are in effect or may hereafter be established throughout the term of this CONTRACT.
3. **Designated Agent Of The CWCB.** The CWCB's employees are designated as the agents of the CWCB for the purpose of this CONTRACT.
4. **Assignment.** BORROWER'S rights and obligations, of this contract, hereunder are personal and may not be transferred, assigned without the prior, written consent of the State. Any attempt at assignment without such consent shall be void. All assignments approved by BORROWER or the State are subject to all of the provisions hereof.
5. **Contract Relationship.** The parties to this CONTRACT intend that the relationship between them under this CONTRACT is that of LENDER-BORROWER, not employer-employee. No agent, employee, or servant of the BORROWER shall be, or shall be deemed to be, an employee, agent, or servant of the CWCB. The BORROWER shall be solely and entirely responsible for its acts and the acts of its agents, employees, servants, engineering firms, construction firms, and subcontractors during the term of this CONTRACT.
6. **Integration of Terms.** This CONTRACT is intended as the complete integration of all understandings between the parties. No prior or contemporaneous addition, deletion, or other amendment hereto shall have any force or affect whatsoever unless embodied herein in writing. No subsequent renewal, addition, deletion, or other amendment hereto shall have any force or effect unless embodied in a written contract executed and approved pursuant to State fiscal rules, unless expressly provided for herein.
7. **Order of Precedence.** The provisions of this CONTRACT shall govern the relationship of the Parties. In the event of conflicts or inconsistencies between this CONTRACT and its exhibits and attachments, including, but not limited to, those provided by Contractor, such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority:
 - i. Colorado Special Provisions (provided that the parties hereby agree that, for the purposes of such Special Provisions "CONTRACTOR" shall mean "BORROWER")

ii. The provisions of the main body of this

CONTRACT

iii. Appendices

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 destroyed, in whole or in part, by fire or other casualty, or (b) title to or use of the PROJECT facilities or any part thereof shall be taken under the exercise of the power of eminent domain, the BORROWER shall cause the net proceeds of any insurance claim or condemnation award to be applied to the prompt replacement, repair and restoration of the PROJECT facilities or any portion thereof, or to repayment of this loan. Any net proceeds remaining after such work has been completed or this loan has been repaid, shall be retained by the BORROWER. If the net insurance proceeds are insufficient to pay the full cost of the replacement, repair and restoration, the BORROWER shall complete the work and pay any cost in excess of the net proceeds. In the event BORROWER chooses 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 in this CONTRACT are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions.
10. **CWCB's Approval.** This CONTRACT requires review and approval of plans, specifications, and various other technical and legal documents. The CWCB's review of these documents is only for the purpose of verifying BORROWER'S compliance with this CONTRACT and shall not be construed or interpreted as a technical review or approval of the actual design or construction of the PROJECT. Notwithstanding any consents or approvals given to the BORROWER by the CWCB on any such documents, BORROWER and any of its consultants, by preparing any such documents, shall be solely responsible for the accuracy and completeness of any of said documents.
11. **Waiver.** Waiver of any breach under a term, provision, or requirement of this CONTRACT, or any right or remedy hereunder, whether explicitly or by lack of enforcement, shall not be construed or deemed as a waiver of any subsequent breach of such term, provision or requirement, or of any other term, provision, or requirement.
12. **CORA Disclosure.** To the extent not prohibited by federal law, this CONTRACT and the performance measures and standards under CRS §24-103.5-101, if any, are subject to public release through the Colorado Open Records Act, CRS §24-72-101, et seq.
13. **Binding Effect.** All provisions herein contained, including the benefits and burdens, shall extend to and be binding upon the Parties' respective heirs, legal representatives, successors, and assigns.
14. **Entire Understanding.** This CONTRACT represents the complete integration of all understandings between the Parties and all prior representations and understandings, oral or written, are merged herein. Prior or contemporaneous

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additions, deletions, or other changes hereto shall not have any force or effect whatsoever, unless embodied herein.

15. **Severability.** Provided this CONTRACT can be executed and performance of the obligations of the Parties accomplished within its intent, the provisions hereof are severable and any provision that is declared invalid or becomes inoperable for any reason shall not affect the validity of any other provision hereof, provided that the Parties can continue to perform their obligations under this CONTRACT in accordance with its intent.
16. **Third Party Beneficiaries.** Enforcement of this CONTRACT and all rights and obligations hereunder are reserved solely to the Parties. Any services or benefits which third parties receive as a result of this CONTRACT are incidental to the CONTRACT, and do not create any rights for such third parties.
17. **Counterparts.** This CONTRACT may be executed in multiple identical original counterparts, all of which shall constitute one agreement.
18. **Addresses for mailing.** All notices, correspondence, or other documents required by this CONTRACT shall be delivered or mailed to the addresses shown in the Section 1 (BORROWER Information) of the **Project Summary**, for the BORROWER and to the address below for the CWCB:
Colorado Water Conservation Board
Attn: Finance Section
1313 Sherman Street, Room 718
Denver, CO 80203

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Special Provisions

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

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

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

SPs Effective
1/1/09

[END OF SPECIAL PROVISIONS]

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IN WITNESS WHEREOF, the parties hereto have executed this CONTRACT

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

BORROWER:

St. Vrain and Left Hand Water Conservancy
District, a Title 37 Water Conservancy District
acting by and through its Water Activity
Enterprise

BY: Dennis Yanchukis
Signature

NAME: Dennis Yanchukis

TITLE: Board President

DATE: 12/14/15

Attest

BY: William Haselbush
Signature

NAME: William Haselbush

TITLE: Board Secretary

DATE: 12/14/15

ALL CONTRACTS MUST BE APPROVED BY THE STATE CONTROLLER

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

STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

By Susan Borup, Controller, Department of Natural Resources

Effective Date 1/19/2016

Maggie VanCleave
Purchasing Director

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Project Summary – St. Vrain and Left Hand Water Conservancy District- acting by and through its Water Activity Enterprise

SECTION 1 –BORROWER INFORMATION

Name: St. Vrain and Water Conservancy District, acting by and through its Water Activity Enterprise
Type of Entity: A Colorado Title 37 Water Conservancy District
Address: 9595 Nelson Road, Longmont, CO 80501
Contact: Sean Cronin
Phone Number: 303-772-4060
E-mail address: sean.cronin@svlhwcd.org

SECTION 2 – PROJECT DESCRIPTION

Description of PROJECT: The BORROWER applied to the CWCB for a loan for the Emergency Rock'n WP Ranch Lake No. 4 Repair Project to repair the lake damage, due to the 2013 flood event, allowing it to resume its use as a water augmentation reservoir by the DISTRICT.

Description of Feasibility Study: The CWCB has reviewed a feasibility study report dated December 2, 2013 on the PROJECT, titled "*Emergency Loan Application and Feasibility Study*," which was prepared by Sean Cronin, Executive Director of the District with assistance from Mark McLean, P.E. of Deere and Ault Consultants, and is incorporated herein by reference. Based upon the feasibility report, the CWCB determined the PROJECT to be technically and financially feasible.

SECTION 3 – CWCB'S AUTHORITY

Severance Tax Perpetual Base Fund: This loan is made pursuant to the provisions of §§ 39-29-109(1)(a)(I), 37-60-119 and 37-60-120, C.R.S., which authorize the CWCB to loan money for water projects from the Severance Tax Perpetual Base Fund for the benefit of the people of the state, provided that the BORROWER assures repayment of that money.

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

SECTION 4 - BOARD APPROVAL

At its July 17, 2014 meeting the CWCB approved a Small Project Loan, from the Severance Tax Perpetual Base Fund to the BORROWER, in an amount up to \$4,500,000 for PROJECT costs with a loan service fee of 1% in accordance with CWCB Policy No. 16 resulting in a loan service fee of \$45,000 and a total loan amount of **\$4,545,000** for 30 years with no payments and zero interest for the first three years followed by 27 years of amortized payments at the interest rate of 3.20%.

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Appendix 1

SECTION 5 – SCHEDULE OF EXISTING DEBT

No other debt backed by collateral described in Section 6 below exists

SECTION 6 - COLLATERAL

The COLLATERAL provided for this loan, as evidenced by the executed SECURITY AGREEMENT (Appendix 4) and DEED OF TRUST (APPENDIX 5) and incorporated herein, shall be a pledge of its Water Activity Enterprise Revenues backed by a rate covenant and 200 acre-foot units of Colorado-Big Thompson Project Water contractual rights administered through Northern Water, valued at 110% of the loan amount, as more particularly described in the attached DEED OF TRUST ("COLLATERAL") which is incorporated herein. This is in accordance with CWCB Financial Policy #5 (COLLATERAL). *A Notice of Claim of Lien or Security Interest in a Class D Allotment and Request for Notification of Action Regarding a Class D Allotment Contract* shall be completed and sent to Northern Colorado Water Conservancy District.

SECTION 7 – ADDITIONAL CONDITIONS & CONTRACT REQUIREMENTS

Except for FEMA grant funds, any future grant funds obtained for the purpose of this Project shall be submitted to CWCB to be applied to the balance of the loan within thirty (30) calendar days after receipt of said funds. Non-rescinded FEMA grant funds shall be applied to the balance of the loan within thirty (30) calendar days after FEMA Project Closeout, as long as the borrower deposits received FEMA grant funds in a secured account prior to Project Closeout. FEMA grant funds shall only be used for the repayment of rescinded grant funds, or to pay down the loan principal.

SECTION 8 – CONSTRUCTION FUND PROGRAM PROCEDURES

- A. The BORROWER shall employ an engineer, registered in the State of Colorado to prepare plans and specifications for the PROJECT.
- B. Engineering Contracts and the plans and specifications must be submitted to the CWCB staff for verification of compliance with the terms of this CONTRACT when available prior to bidding. Any modifications, to the plans and specifications that effect changes to the construction costs must be approved in writing by CWCB.
- C. For plans and specifications for all jurisdictional dams and reservoirs, as defined by § 37-87-105 C.R.S., the BORROWER shall provide a letter of approval from the State Engineer's Office prior to construction.
- D. The BORROWER shall notify CWCB of the bid opening date, time and location. CWCB staff may elect to attend the bid opening.
- E. CWCB must approve the award of the construction contract.
- F. The BORROWER shall contract for the construction of the work with responsible and capable Construction Firms, which are found acceptable by the CWCB staff.

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- G. The BORROWER must provide a copy of the executed construction contract documents consisting of the contractor's proposal, construction contract, performance bond, payment bond, notice of award, notice to proceed, sample change order, and sample field order, as well as the advertisement for bid and bid bond at bidding. After the CWCB staff verifies that these documents comply with the terms of this CONTRACT, the BORROWER may issue the notice to proceed to the Construction Firms.
- H. The BORROWER shall conduct a pre-construction conference at which time the CWCB staff shall have the opportunity to review and approve the construction schedule.
- I. If the CWCB staff determines that the PROJECT requires a resident inspector during construction, the BORROWER shall employ an inspector who has been approved by the CWCB staff.
- J. The BORROWER shall construct the PROJECT in accordance with the approved plans and specifications.
- K. Upon completion of the PROJECT construction, the BORROWER shall provide as-built drawings of the PROJECT to the CWCB staff, or, if required by § 37-87-105, C.R.S., the BORROWER shall provide the as-built drawings to the State Engineer's Office for approval and filing.
- L. Upon completion of the PROJECT construction, the BORROWER shall arrange a final inspection for the CWCB staff.
- M. The BORROWER shall pay all of the expenses related to the PROJECT when such bills are due.

SECTION 9— ELIGIBLE EXPENSES. The following items are eligible for loan disbursements.

- A. Preparing final designs and specifications for the PROJECT.
- B. Preparing bid and construction contract documents.
- C. Preparing environmental assessment or environmental impact statements, and otherwise complying with the Federal National Environmental Policy Act.
- D. Complying with all federal, state, and local regulatory requirements, including the obtaining of all required permits.
- E. Fish and wildlife mitigation measures required by federal, state, or local laws and regulations.
- F. Actual construction as called for in the design documents and in change orders approved by the CWCB and the BORROWER.
- G. Engineering services for construction management, including design and construction management for CWCB approved change orders.
- H. Interest during completion of the PROJECT pursuant to Paragraph A.2 of the

CONTRACT.

- I. Legal services for reviewing engineering services contracts, reviewing this CONTRACT, reviewing construction contract documents, and for complying with all federal, state, and local regulatory requirements.
- J. PROJECT-related expenses incurred prior to the Effective Date of this CONTRACT in accordance with the approval of this loan.

SECTION 10 – DISBURSEMENT SCHEDULE

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

SECTION 11 – TIME FOR PERFORMANCE

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

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

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PROMISSORY NOTE

COPY

Date: December 14, 2015

Borrower: St. Vrain and Left Hand Water Conservancy District, a Title 37 Water Conservancy District acting by and through its Water Activity Enterprise

Principal Amount: \$4,545,000.00

Interest Rate: zero interest for first three years, followed by 3.20% for remaining 27 years

Term of Repayment: 30 years - no payments for first three years followed by 27 years of amortized payments

Contract No.: CT2016-2452

Loan Payment: \$0 first three years of loan, followed by 27 remaining payments of \$253,918.00

Payment Initiation Date*: March 1, 2016

Maturity Date*: March 1, 2046

* Payment Initiation Date and Maturity Date fields are filled in after the contract has been executed.

1. FOR VALUE RECEIVED, the BORROWER promises to pay the Colorado Water Conservation Board ("CWCB"), the Principal Amount plus Interest for the Term of Repayment, pursuant to the LOAN CONTRACT and this PROMISSORY NOTE.
2. Principal and interest shall be payable in equal Loan Payments, with the first payment due and payable on the first of the month four (4) years from the Payment Initiation Date and annually thereafter. All principal, interest, and late charges, if any, then remaining unpaid shall be due and payable on or before the Maturity Date.
3. Payments shall be made to the Colorado Water Conservation Board at 1313 Sherman Street, Room 718, Denver, Colorado 80203.
4. The CWCB may impose a late charge in the amount of 5% of the annual payment if the CWCB does not receive the annual payment within 15 calendar days of the due date.
5. This PROMISSORY NOTE may be prepaid in whole or in part at any time without premium or penalty. Any partial prepayment shall not postpone the due date of any subsequent payments or change the amount of such payments.
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 PROMISSORY NOTE is issued pursuant to the LOAN CONTRACT between the CWCB and the BORROWER. The LOAN CONTRACT creates security interests in favor of the CWCB to secure the prompt payment of all amounts that may become due hereunder. Said security interests are evidenced by: a SECURITY AGREEMENT of even date and amount and cover

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COPY

certain revenues, real property, water rights and/or accounts of the BORROWER. The LOAN CONTRACT and SECURITY AGREEMENT grant additional rights to the CWCB.

8. If any annual payment is not paid when due or any default under the LOAN CONTRACT or the Security Instruments securing this PROMISSORY NOTE occurs, the CWCB may declare the entire outstanding principal balance of the PROMISSORY NOTE, all accrued interest, and any outstanding late charges immediately due and payable, and the indebtedness shall bear interest at the rate of 7% per annum from the date of default. The CWCB shall give the BORROWER written notice of any alleged default and an opportunity to cure within thirty (30) days of receipt of such notice before the BORROWER shall be considered in default for purposes of this PROMISSORY NOTE.
9. The BORROWER and any co-signer or guarantor hereby agree that if this PROMISSORY NOTE or interest thereon is not paid when due or if suit is brought, then it shall pay all reasonable costs of collection, including reasonable attorney fees. In the event of any bankruptcy or similar proceedings, costs of collection shall include all costs and attorney fees incurred in connection with such proceedings, including the fees of counsel for attendance at meetings of creditors' committees or other committees.
10. This PROMISSORY NOTE shall be governed in all respects by the laws of the State of Colorado.

BORROWER: St. Vrain and Left Hand Water Conservancy District, a Title 37 Water Conservancy District acting by and through its Water Activity Enterprise

(SEAL)

Attest:

By Dennis Yanchunas
Signature

NAME: Dennis Yanchunas

TITLE: Board President

DATE: 12/14/15

By William Haselbush
Signature

NAME: William Haselbush

TITLE: Board Secretary

DATE: 12/14/15

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**RESOLUTION 2015-02 OF THE BOARD OF DIRECTORS
OF ST. VRAIN AND LEFT HAND WATER CONSERVANCY DISTRICT,
ACTING BY AND THROUGH ITS WATER ACTIVITY ENTERPRISE**

The Board of Directors of the St. Vrain and Left Hand Water Conservancy District (District), acting by and through its Water Activity Enterprise, at a meeting held on December 14, 2015, at the District's office in Longmont, Colorado, adopted the following resolutions concerning a secured loan (Loan) from the State of Colorado Water Conservation Board (CWCB), for the purpose of the Emergency Rock'n WP Ranch Lake No. 4 Repair Project (Project) in the amount of \$4,545,000 or such actual amount, more or less, as may be needed by the District and available from the CWCB including the CWCB loan origination fee of 1% of the loan amount.

At said meeting, the Board charged that these resolutions are irrevocable during the term of the Loan and, pursuant to the District's bylaws, authorized the District's President and Secretary, RESOLVED as follows:

1. to enter into and comply with the terms of a contract with the CWCB for a loan in the amount of \$4,545,000, or such actual amount, more or less, as needed to finance the Project's costs, including the CWCB loan origination fee of 1% (Loan Contract); and
2. to levy and collect Water Activity Enterprise fees in an amount sufficient to pay the annual amounts due under the Loan Contract, and to pledge said revenues, excluding such revenue required for the Water Activity Enterprise's operations (Pledged Revenues) and the District's right to receive the Pledged Revenues for repayment of the loan; and
3. to place the Pledged Revenues in a special account separate and apart from other District revenues; and
4. to make the annual payments required by the Promissory Note (Appendix 2 to the Loan Contract) and to make annual deposits to a debt service reserve fund; and
5. to pledge the Water Activity Enterprise fees revenues backed by a rate covenant evidenced by annual financial reporting and C-BT units valued at a minimum of 110% of the Loan amount, as Collateral for the Loan, and
6. to execute all documents as required by the Loan Contract, including, but not limited to, a Promissory Note, a Security Agreement (Appendix 4 to the Loan Contract), and a Deed of Trust (Appendix 5 to the Loan Contract); and
7. 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 SECRETARY, HEREBY CERTIFY THAT THE FOREGOING ARE TRUE AND CORRECT COPIES OF RESOLUTIONS DULY ADOPTED AT A MEETING OF THE DISTRICT'S BOARD OF DIRECTORS DULY CALLED AND HELD AS ABOVE RECITED, PURSUANT TO THE DISTRICT'S BYLAWS, AND THAT SAID RESOLUTIONS HAVE NOT BEEN AMENDED OR RESCINDED.

GIVEN UNDER OUR HANDS AND THE SEAL OF THE DISTRICT THE 14th DAY OF DECEMBER, 2015.

(SEAL)

ATTEST:

By William H. Hesselbusch
Signature of Secretary

DATE: 12/14/15

By Dennis Yanchunas
Signature

NAME: Dennis Yanchunas

TITLE: President

DATE: 12/14/15

PAID IN FULL

SECURITY AGREEMENT

COPY

DATE: December 14, 2015

DEBTOR: St. Vrain and Left Hand Water Conservancy District, acting by and through its Water Activity Enterprise

SECURED PARTY: Colorado Water Conservation Board

PROMISSORY NOTE: \$4,545,000

TERMS OF REPAYMENT: 30 years - no payments and zero interest for the first three years followed by 27 years of amortized payments at the interest rate of 3.20% per annum

CONTRACT NO.: CT2016-2452

COLLATERAL: Pledge of water activity enterprise revenues as described in Pledged of Revenues provisions of the Loan Contract and Debtor's Resolution adopted December 14, 2015.

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

DEBTOR EXPRESSLY WARRANTS AND COVENANTS:

1. That except for the security interest granted hereby and any other security interests described in Section 5 of the Loan Contract Project Summary, DEBTOR is 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 any time 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. 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.
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.

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 any of the following events or conditions:

- a. default in the payment or performance of any obligation contained herein or in the

COPY

PROMISSORY NOTE or Loan CONTRACT;

- b. dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency law of, by or against DEBTOR; or
- c. 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.

UPON SUCH DEFAULT and at any time thereafter, SECURED PARTY shall have the remedies of a secured party under Section 11-57-208, Colorado Revised Statutes, as amended. SECURED PARTY may require 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.

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 SECURED PARTY may have or hereafter acquire for the payment of the above indebtedness, nor shall the taking of any such additional security waive or impair this SECURITY AGREEMENT; but SECURED PARTY shall retain its rights of set-off against DEBTOR. 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.

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 successors or assigns.

DEBTOR: St. Vrain and Left Hand Water
Conservancy District, a Title 37 Water
Conservancy District, acting by and through its
Water Activity Enterprise

By Dennis Yanchunas
Signature

Attest:

By William Haselbush
Signature

NAME: William Haselbush

TITLE: Board Secretary

DATE: 12/14/15

NAME: Dennis Yanchunas

TITLE: Board President

DATE: 12/14/15

Deed of Trust

COPY

DATE: December 14, 2015
GRANTOR: St. Vrain and Left Hand Water Conservancy District, a Title 37 Water Conservancy District acting by and through its Water Activity Enterprise
BENEFICIARY: Colorado Water Conservation Board
COUNTY: Boulder
PRINCIPAL LOAN AMOUNT: \$4,545,000
CONTRACT NO.: CT2016-2452
TERMS OF REPAYMENT: 30 YEARS- no payments and zero interest for the first three years followed by 27 years of amortized payments at the interest rate of 3.20% per annum
COLLATERAL: An undivided one-hundred percent interest in 200 acre-foot units of Colorado-Big Thompson Project Water contractual rights. Contract ID: 3713 (47); 3712 (50); 3711 (5); 3710 (10); 1505 (10); 2997 (18); 3004 (15); 5298 (25); 5559 (10); 6662 (10) administered through the Northern Water Conservancy District.

This indenture is between the Grantor, and the Public Trustee of the above referenced COUNTY, State of Colorado ("PUBLIC TRUSTEE"),

FACTUAL RECITALS

1. The GRANTOR has executed a PROMISSORY NOTE of even date and amount, set forth in the LOAN CONTRACT, for a loan in the PRINCIPAL LOAN AMOUNT to be repaid to the BENEFICIARY, with TERMS OF REPAYMENT and in accordance with the PROMISSORY NOTE or until loan is paid in full.
2. The GRANTOR is desirous of securing payment of the PRINCIPAL LOAN AMOUNT and interest of said PROMISSORY NOTE to the BENEFICIARY.

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, the above described COLLATERAL.

To have and to hold the same, together with all appurtenances, in trust nevertheless, that in case of default in the payment of said PROMISSORY NOTE, or any part thereof, or the interest thereon, or in the performance of any covenants hereinafter set forth or in said PROMISSORY NOTE or LOAN CONTRACT, then upon the BENEFICIARY filing notice of election and demand for sale, said PUBLIC TRUSTEE, after advertising notice of said sale weekly for not less than four weeks in some newspaper of general circulation in said COUNTY, shall sell said COLLATERAL in the manner provided by law in effect at the time of filing said notice and demand, at public auction for cash, at any proper place designated in the notice of sale. Out of the proceeds of said sale, the PUBLIC TRUSTEE shall retain or pay first all fees, charges and costs and all moneys advanced for taxes, insurance and assessments, or on any prior encumbrance, with interest thereon and pay the principal and interest due on said PROMISSORY NOTE, rendering the overplus, if any, unto the GRANTOR; and after the expiration of the time of redemption, the PUBLIC TRUSTEE shall execute and deliver to the purchaser a deed to the COLLATERAL sold. The BENEFICIARY may purchase said COLLATERAL or any part thereof at such sale.

COPY

The GRANTOR covenants that at the time of the delivery of these presents, it is well seized of the COLLATERAL in fee simple, and has full power and lawful authority to grant, bargain, sell and convey the same in the manner and form as aforesaid. The GRANTOR fully waives and releases all rights and claims it may have in or to said COLLATERAL as a Homestead Exemption or other exemption, now or hereafter provided by law. The GRANTOR further covenants that the COLLATERAL is free and clear of all liens and encumbrances whatever and that the GRANTOR shall warrant and forever defend the COLLATERAL 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.

Until payment in full of the indebtedness, the GRANTOR shall timely pay all taxes and assessments levied on the COLLATERAL; any and all amounts due on account of the principal and interest or other sums on any senior encumbrances, if any; and will keep the COLLATERAL insured in accordance with the requirements of the LOAN CONTRACT. In the event of the sale or transfer of the COLLATERAL, the BENEFICIARY, at its option, may declare the entire balance of the PROMISSORY NOTE immediately due and payable.

In case of default in any of said payments of the principal or interest, according to the terms of said PROMISSORY NOTE or LOAN CONTRACT, by the GRANTOR, its successors or assigns, then said principal sum hereby secured, and interest thereon, may at once, at the option of the BENEFICIARY, become due and payable, and the said COLLATERAL 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 PROMISSORY NOTE and LOAN 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.

PAID IN FULL

COPY

Executed the day and date first written above.

St. Vrain and Left Hand Water Conservancy
District, a Title 37 Water Conservancy District
acting by and through its Water Activity
Enterprise

By Dennis Yanchunas, President
Name, Title

Date: 12/14/15

ATTEST:

By William Haselbush
Name, Title

Date: 12/14/15

County of)
State of Colorado) SS

The foregoing instrument was acknowledged before me this 14th day of Dec 2015, by

William Haselbush (Name), Sec. (Title) and Dennis Yanchunas (Name), President (Title),
of St. Vrain and Left Hand Water Conservancy District.

Witness my hand and official seal.

Patricia S. Yanchunas
Notary Public

My commission expires 12/11/2016

PATRICIA S. YANCHUNAS
NOTARY PUBLIC
STATE OF COLORADO
(SEAL) NOTARY ID 2004036138
COMMISSION EXPIRES 12/11/2016

(Colorado Water Conservation Board will record Amendment to Deed of Trust with the County)

PAID IN FULL

LOAN CONTRACT AMENDMENT NO. 1

THREE (3) SIGNATURE PAGES (COVER PAGE) WITH ORIGINAL SIGNATURES ARE REQUIRED

State Agency Department of Natural Resources Colorado Water Conservation Board (CWCB) 1313 Sherman St, Room 718 Denver, CO 80203	Amendment No. 1 Contract Number CMS 127464 CT2016-2452
Borrower and Address St. Vrain and Left Hand Water Conservancy District acting by and through the water activity enterprise 9595 Nelson Rd., Suite 203 Longmont, CO 80501	Original Contract Number CMS 71730 CT2016-2452
Current Contract Maximum Amount \$4,545,000.00 (includes CWCB 1% loan origination fee)	Contract Performance (Project) Beginning Date 1/19/2016
Project Name Emergency Rock'n WP Ranch Lake No. 4 Repair	Contract Performance (Project) End Date March 1, 2021
Reason for Modification Change loan term from existing three (3) years to five (5) years at 0% interest followed by 27 years at blended interest of 3.20%. Revise current contract condition.	Loan Contract Terms 0% for five (5) years followed by twenty-seven (27) years at 3.20% Loan Contract Repayment Schedule Loan not in repayment at this time

THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT

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

St. Vrain and Left Hand Water Conservancy District Acting by and through the water activity enterprise By: <u>[Signature]</u> Name: <u>Sean Cronin</u> Title: <u>Executive Director</u> Date: <u>2-11-19</u> ATTEST: <u>[Signature]</u> Name: <u>Dennis Yanchunas</u> Title: <u>President</u> Date: <u>2-11-19</u>	STATE OF COLORADO John W. Hickenlooper, Governor Colorado Department of Natural Resources Colorado Water Conservation Board (CWCB) By: <u>[Signature]</u> Name: <u>Kirk Russell, P.E., Section Chief</u> <u>CWCB Finance Section</u> Date: <u>2/21/19</u>
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In accordance with §24-30-202 C.R.S., this Amendment is not valid until signed and dated below by the State Controller or an authorized delegate

STATE CONTROLLER
 Robert Jaros, CPA, MBA, JD

By: [Signature]
 Name: Robert Mitchell
 Title: Purchasing Agent
Colorado Department of Natural Resources

Amendment Effective Date: 3-21-2019

PAID IN FULL

1. PARTIES

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

2. TERMINOLOGY

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

3. AMENDMENT EFFECTIVE DATE AND TERM

A. Amendment Effective Date

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

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

4. PURPOSE

The Borrower has requested, and CWCB has agreed to, a two (2) year extension of the 0% interest period, extending the 0% interest period from three (3) years to five (5) years. Project coordination between the Borrower, County and FEMA has resulted in multiple schedule delays and the extension of the 0% interest period will allow time for construction and for FEMA funds to be processed and disbursed. The loan contract condition, regarding FEMA funds, is also being revised per Board approval.

5. MODIFICATIONS

The Contract is modified as follows:

- A. Zero percent (0%) interest for five (5) years followed by twenty-seven (27) years of amortized payments at the interest rate of 3.20%. A loan service fee of 1% is included in the loan amount, in accordance with CWCB Policy Number 16.
- B. Replace language in Section 7, Additional Conditions & Contract Requirements, Appendix 1, Page 2, to read:
Any future grant funds obtained for the purpose of this Project shall be submitted to CWCB to be applied to the balance of the loan within thirty (30) calendar days after receipt of said funds except that FEMA grant funds can be applied to the balance of the loan within thirty (30) calendar days after FEMA Project Closeout, as long as the borrower deposits received FEMA grant funds in a secured account prior to Project Closeout. FEMA grant funds shall only be used for the repayment of rescinded grant funds or to pay down the loan principal.
- C. Amendment to Promissory Note, Appendix A, incorporated herein, shall replace and supersede the Original Promissory Note attached to the Original Loan Contract as Appendix 2.
- D. Amendment to Security Agreement, Appendix B, incorporated herein, shall supplement and operate in conjunction with the Original Security Agreement, attached to the Original Loan Contract as Appendix 4.
- E. Amendment to Deed of Trust, Appendix C, incorporated herein, shall supplement and operate in conjunction with the Original Deed of Trust, attached to the Original Contract as Appendix 5. The Amendment to Deed of Trust (Appendix C) shall be recorded with the Boulder County Clerk and Recorder.
- F. Appendix D, Option Letter, is attached to this Amendment and Option Letter language shall be an addendum to the Original Loan Contract:
 - If the amount of loan funds disbursed by the CWCB, to the Borrower, differs from the Loan Amount, the parties shall amend this Contract or exercise an Option Letter. A Sample Option Letter is attached, to this Amendment as Appendix D.

- An amendment to this Contract shall be executed for changes to the Original Loan Contract.
- Upon substantial completion of the Project with a resulting decrease in the total Loan Amount and the Borrower requests a re-amortization of the Loan, the Parties agree to amend this contract.
- Upon substantial completion of the Project with a resulting decrease in the total Loan Amount, but *not* a change in the annual payment, the State may exercise an option and shall provide written notice to the Borrower in form substantially equivalent to Appendix D. If exercised, the provisions of the Option Letter and supporting documentation shall become part of and be incorporated into this Contract for the total duration of this Contract.

6. LIMITS OF EFFECT AND ORDER OF PRECEDENCE

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

PAID IN FULL

Appendix A, Amendment No. 1 to Loan Contract CT2016-2452
Amendment to Promissory Note

Date: February 11, 2019
Borrower: St. Vrain and Left Hand Water Conservancy District, acting by and through the water activity enterprise
Total Loan Amount: \$4,545,000.00
Interest Rate: Zero percent (0%) for five (5) years followed by twenty-seven (27) years at 3.20% interest per annum
Term of Repayment: 32 years or until loan is paid in full
Loan Contract No.: CT2016-2452
Annual Loan Payment: \$253,918.00
Payment Initiation Date: _____
(to be filled in at Substantial Completion of Project)
Maturity Date: _____
(to be filled in at Substantial Completion of Project)

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

1. This Amendment to Promissory Note *shall replace and supersede* the Original Promissory Note, attached as Appendix 2 to the Original Loan Contract and incorporated by reference.
2. Principal and interest shall be payable in equal Loan Payments, with the first payment due and payable on March 1, 2022 and annually thereafter. All principal, interest, and late charges, if any, then remaining unpaid shall be due and payable on or before the Maturity Date.
3. Payments shall be made to the Colorado Water Conservation Board at 1313 Sherman Street Room 718, Denver, Colorado 80203.
4. The CWCB may impose a late charge in the amount of 5% of the annual payment if the CWCB does not receive the annual payment within sixty (60) calendar days of the due date.
5. This Note may be prepaid in whole or in part at any time without premium or penalty. Any partial prepayment shall not postpone the due date of any subsequent payments or change the amount of such payments.
6. All payments received shall be applied first to late charges, if any, next to accrued interest and then to reduce the principal amount.
7. This Note is issued pursuant to the Loan Contract between the CWCB and the Borrower. The Loan Contract creates security interests in favor of the CWCB to secure the prompt payment of all amounts that may become due hereunder. Said security interests are evidenced by a Security Agreement and Deed of Trust ("Security Instruments") of even date and amount and cover certain revenues, real property, water rights and/or accounts of the Borrower. The Loan Contract and Security Instruments grant additional rights to the CWCB, including the right to accelerate the maturity of this Note in certain events.

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

St. Vrain and Left Hand Water Conservancy
District, acting by and through the water activity
enterprise

Attest:

By

Dennis Yanchunas
Signature
Name Dennis Yanchunas
Title President

Date 2-11-19

By

Sean Cronin
Signature

Name Sean Cronin

Title Executive Director

Date 2-11-19

PAID IN FULL

Appendix B, Amendment No.1 to Loan Contract CT2016-2452
Amendment to Security Agreement

Debtor: St. Vrain and Left Hand Water Conservancy District, acting by
and through the water activity enterprise
Secured Party: Colorado Water Conservation Board
Loan Amount: \$4,545,000.00
Term of Repayment: 32 years or until loan is paid in full
Interest Rate: Zero percent (0%) for five (5) years followed by twenty-seven
(27) years at 3.20% interest per annum
Loan Contract Number: CT2016-2452

1. The Parties have amended the Original Loan Contract and Promissory Note to change the loan term from the existing three (3) years to five (5) year at 0% interest followed by twenty-seven (27) years at a blended interest of 3.20%. and hereby amend the original Security Agreement to document the change.
2. The Parties expressly agree that this Amendment to Security Agreement is supplemental to the Security Agreement and all terms, conditions, and provisions thereof, unless specifically modified below, are to apply to this Amendment to Security Agreement as though they were expressly rewritten, incorporated, and included herein.
3. Collateral for the loan remains the same.

St. Vrain and Left Hand Water Conservancy District
acting by and through the water activity enterprise

By [Signature] Executive Director
Signature/Title

ATTEST:

By [Signature]
Signature/Title President

Date 2-11-19

Date 2-11-19

PAID IN FULL

**Appendix C, Amendment No.1 to Loan Contract CT2016-2452
Amendment to Deed of Trust**

Date: February 11, 2019
Grantor (Borrower): St. Vrain and Left Hand Water Conservancy District, acting by and through the water activity enterprise
Beneficiary (Lender): Colorado Water Conservation Board
Lender Address: 1313 Sherman Street, Room 718, Denver, Colorado, 80203
Date of Original Deed of Trust: December 14, 2015
Recorded Date of Original Deed of Trust: January 28, 2016
County of Recording ("County"): Boulder
Deed of Trust Recording Information: Reception Number 03498123 (3 pages)
Loan Contract Number: CT2016-2452
Promissory Note: \$4,545,000.00, Zero percent (0%) for five (5) years followed by twenty-seven (27) years at 3.20% interest, Annual Loan Payment is \$253,918.00
Pledged Property: No change to property pledged per original Deed of Trust

This Amendment to Original Deed of Trust is between the Grantor and the Public Trustee of the County, State of Colorado.

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

Grantor and Beneficiary have agreed to amend the Original Loan Contract and Promissory Note to change the loan term from the existing three (3) years to five (5) year at 0% interest followed by twenty-seven (27) years at a blended interest of 3.20% and hereby amend the original Deed of Trust to document the change.

NOW THEREFORE, the CWCB and Grantor agree that:

1. This Amendment to Deed of Trust, Appendix C to Amendment No. 1, Contract Number CT2016-2452 *shall supplement and operate* in conjunction with the Deed of Trust attached to the Original Contract as Appendix 5, recorded in Boulder County, dated January 28, 2016, Reception Number 03498123, three pages and incorporated herein by reference.
2. The Grantor has executed an amended Promissory Note, in the amount of \$4,545,000.00 to secure the repayment of the indebtedness, evidenced by Loan Contract Number CT2016-2452, Amendment No. 1, to be repaid to the State of Colorado for the use and benefit of the Department of Natural Resources, Colorado Water Conservation Board ("CWCB") the beneficiary herein, whose address is 1313 Sherman Street, Room 718, Denver, CO 80203, payable in annual installments, in accordance with said Promissory Note, or until the loan is paid in full.
3. In the event of any conflict, inconsistency, variance, or contradiction between the provisions of this amendment and any of the provisions of the Original Deed of Trust the provisions of this amendment shall in all respects supersede, govern, and control.
4. Any provisions of the Original Deed of Trust not expressly modified herein remain in full force and effect.

PAID IN FULL

5. Executed on the date first written above.

Grantor: St. Vrain and Left Hand Water Conservancy District
acting by and through the water activity enterprise

By [Signature]
Signature

Name Sean Cronin
Title Executive Director
Date 2-11-19

ATTEST:

By [Signature]
Signature
Name Dennis Yanchunas
Title President
Date 2-11-19

NOTARY REQUIRED

State of Colorado)
County of Boulder) ss.

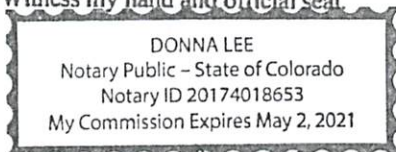
The foregoing instrument was acknowledged before me on February 11, 2019, by

Dennis Yanchunas (Name) as President (Title)

and

Sean Cronin (Name) as Executive Dir (Title)

of the St. Vrain and Left Hand Water Conservancy District, acting by and through the water activity enterprise. Witness my hand and official seal.



My commission expires on May 21-2021

Notary Public

(SEAL)

PAID IN FULL

(Colorado Water Conservation Board will record Amendment to Deed of Trust with the County.)

**APPENDIX D, SAMPLE OPTION LETTER
(TO BE USED AT SUBSTANTIAL COMPLETION OF PROJECT)**

State Agency Department of Natural Resources Colorado Water Conservation Board (CWCB) 1313 Sherman St, Room 718 Denver, CO 80203	Option Letter Number
Borrower St. Vrain and Left Hand Water Conservancy District acting by and through the water activity enterprise 9595 Nelson Rd., Suite 203 Longmont, CO 80501	Original Contract Number CMS 71730 CT2016-2452
	Option Contract Number
	Loan Contract Effective Date
	Loan Contract Expiration Date

1. OPTIONS:

- a. Option to decrease total Contract amount and revise Contract expiration date upon CWCB *Notice of Project Substantial Completion*.

2. REQUIRED PROVISIONS:

- a. The amount of the current Loan Contract Amount is decreased by (\$ amount of change) from \$_____ to \$_____ in consideration of substantial completion of the Project. The Total Loan Amount is hereby modified accordingly.
- b. This change does not include a change to the annual payment and interest rate.
- c. This Option Letter and supporting documentation shall become part of and be incorporated into this Contract for the total duration of the Loan Contract.
- d. This Option Letter shall include the written *Notice of Project Substantial Completion*.
- e. The Contract Maximum Amount table on the Contract Cover Page is hereby deleted and replaced with the Current Contract Maximum Amount table shown above.

3. OPTION EFFECTIVE DATE:

- a. The effective date of this Option Letter is upon approval of the State Controller or an authorized delegate.

STATE OF COLORADO Jared Polis, Governor Department of Natural Resources Colorado Water Conservation Board	In accordance with §24-30-202, C.R.S., this Option is not valid until signed and dated below by the State Controller or an authorized delegate. STATE CONTROLLER Robert Jaros, CPA, MBA, JD
By: _____ Name: Kirk Russell, P.E., Section Chief CWCB Finance Section Date: _____	By: _____ (Signature) Name: _____ Title: _____ Option Effective Date: _____
	PAID IN FULL