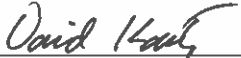





**LOAN CONTRACT AMENDMENT NO. 1**

<b>State Agency</b> Department of Natural Resources Colorado Water Conservation Board (CWCB) 1313 Sherman St, Room 718 Denver, CO 80203	<b>Amendment No. #1 Contract Number</b> CMS 174142 CT2022-0424
<b>Borrower and Address</b> South Platte Ditch Company	<b>Original Contract Number</b> CMS 169563 CT2022-0424
<b>Current Contract Maximum Amount</b> \$ 1,454,000.00 (includes 1% origination fee)	<b>Contract Performance Beginning Date</b> 08/10/2021
<b>Project Name</b> Diversion Structure Rehabilitation	<b>Contract Performance End Date</b> 08/10/2056
<b>Reason for Modification</b> Increase total loan amount by \$378,750.00 from \$1,075,650.00 to \$1,454,00.00 (includes 1% origination fee)	<b>Loan Contract Terms</b> 1.10% for 30 years <b>Loan Contract Repayment Schedule</b> 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.

<b>South Platte Ditch Company</b>  (Signature) Name: <u>David Kantz</u> Title: <u>President</u> Date: <u>03/30/2022</u> <b>ATTEST:</b>  (Signature) Name: <u>Derrick Kailey</u> Title: <u>Secretary</u> Date: <u>03/30/2022</u>	<b>STATE OF COLORADO</b> Jared S. Polis, Governor Colorado Department of Natural Resources Dan Gibbs, Executive Director Colorado Water Conservation Board DocuSigned by:  (Signature) Name: Kirk Russell, P.E., Section Chief Date: <u>April 18, 2022   1:45 PM MDT</u>
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 <b>STATE CONTROLLER</b> <b>Robert Japs, CPA, MBA, JD</b> DocuSigned by: By:  Name: <u>Ion Cotsapas</u> Title: <u>DNR Procurement Director</u> Amendment Effective Date: <u>April 21, 2022   4:30 PM MDT</u>	

**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 was approved for a CWCB loan contract, in August 2021, for the Diversion Structure Rehabilitation (Project). The parties have agreed to amend the contract to increase the total loan amount due to additional components required to rehabilitate the dams per advisement from the State Engineer's Office Dam Safety. The amount of the current loan contract amount is increased by \$378,750.00 from \$1,075,650.00 to \$1,454,000.00, which includes the 1% origination fee. The total loan amount is hereby modified accordingly.

**5. MODIFICATIONS**

The Contract and all prior amendments thereto, if any, are modified as follows:

- A. The original loan contract amount is hereby deleted and replaced with the Current Contract Maximum Amount of \$1,454,000.00, shown on the Signature and Cover Page for this Amendment. The loan terms shall remain at 1.10% for 30 years.
- B. Amendment to Promissory Note, Appendix A, in the revised loan amount and incorporated herein, shall replace and supersede the Original Promissory Note attached to the Original Loan Contract as Appendix 3.
- C. Amendment to Security Agreement, Appendix B, in the revised loan amount and incorporated herein, shall supplement and operate in conjunction with the Original Security Agreement, attached to the Original Loan Contract as Appendix 5.
- D. Amendment to Deed of Trust, Appendix C, in the revised loan amount and incorporated herein, shall supplement and operate in conjunction with the Original Deed of Trust, attached to the Original Contract as Appendix 6. The Amendment to Deed of Trust (Appendix C) shall be recorded with the Larimer County Clerk and Recorder.

**6. RESOLUTION**

The Borrower has adopted a Board of Director's Resolution, irrevocable for the term of this loan, authorizing the Borrower to enter into this contract amendment to borrow the additional loan amount, to establish and collect assessments sufficient to pay the annual loan payments, to pledge said assessments for repayment of the loan, and to execute documents necessary to convey a security interest in said assessments and collateral, if necessary, to the CWCB, and attached as Appendix D.

**7. ATTORNEY OPINION LETTER**

Prior to the execution of this Amendment by the CWCB, the Borrower shall submit to the CWCB a letter from its attorney stating that it is the attorney's opinion that (1) the person(s) signing for the Borrower was duly elected or appointed and has authority to sign such documents on behalf of the Borrower and to bind the Borrower; (2) the Borrower's governing body has validly adopted a resolution approving this Amendment; (3) there are no provisions

in the any state or local law that prevent this Amendment from binding the Borrower; and (4) this Amendment will be valid and binding against the Borrower if entered into by the CWC.B.

**8. 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.

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**APPENDIX A, AMENDMENT NO. 1 TO LOAN CONTRACT CT2022-0424**  
**AMENDMENT TO THE PROMISSORY NOTE**

Date: March 30, 2022  
Borrower: South Platte Ditch Company  
Principal Amount: \$1,454,000.00  
Term of Repayment: 1.10% for 30 years  
Loan Contract No.: CT2022-0424  
Loan Payment: \$57,182.12  
Payment Initiation Date\*: \_\_\_\_\_  
Maturity Date\*: \_\_\_\_\_

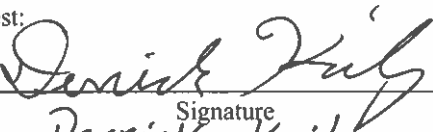
FOR VALUE RECEIVED, the Borrower promises to pay the Colorado Water Conservation Board ("CWCB"), the Principal Amount plus Interest for the Term of Repayment, pursuant to the Loan Contract and this promissory note.

1. This Amendment to Promissory Note *shall replace and supersede* the Original Promissory Note attached to the Original Contract and incorporated by reference.
2. Principal and interest shall be payable in equal Loan Payments, with the first payment due and payable one year from 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 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 ("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

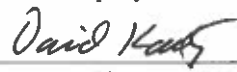
interest, and any outstanding late charges immediately due and payable, and the indebtedness shall bear interest at the rate of 7% per annum from the date of default. The CWCB shall give the Borrower written notice of any alleged default and an opportunity to cure within thirty (30) days of receipt of 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 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.

Attest:

By   
Signature  
Name Derrick Kailey  
Title Secretary  
Date 03/30/2022

South Platte Ditch Company

By   
Signature

Name David Kaute

Title President

Date 03/30/2022

**APPENDIX B, AMENDMENT NO. 1 TO LOAN CONTRACT CT2022-0424  
AMENDMENT TO SECURITY AGREEMENT**

Debtor: South Platte Ditch Company  
Secured Party: Colorado Water Conservation Board  
Revised Loan Amount: \$1,454,000.00  
Term of Repayment: 30 years of amortized payments or until loan is paid in full  
Interest Rate: 1.10%  
Loan Contract Number: CT2022-0424

1. The Parties have amended the Original Loan Contract and Promissory Note to increase the loan amount by \$378,750.00, from \$1,075,650.00 to \$1,454,000.00 and hereby amend the original Security Agreement to document the change of loan amount.
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.

(S E A L)

Attest:

By

Signature

Name

Title

Date

Debtor: South Platte Ditch Company

By

Signature

Name

Title

Date

**Appendix C, Amendment No.1 to Loan Contract CT2022-0424  
Amendment to Deed of Trust**

Date: 03/30/2022, 2022  
Grantor (Borrower): South Platte Ditch Company  
Beneficiary (Lender): Colorado Water Conservation Board  
Lender Address: 1313 Sherman Street, Room 718, Denver,  
Colorado, 80203  
Date of Original Deed of Trust: July 19, 2021  
Recorded Date of Original Deed of Trust: August 23, 2021  
County of Recording ("County"): Washington  
Deed of Trust Recording Information: Reception Number 878651 (3 pages)  
Loan Contract Number: CT2022-0424  
Promissory Note: \$1,454,000.00; 1.10%; 30 years  
Pledged Property: No change to pledged property per original Deed of  
Trust

This Amendment to Original Deed of Trust is between the Grantor and the Public Trustee of the Boulder 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 Deed of Trust to increase the total loan amount.

NOW THEREFORE, the CWCB and Grantor agree that:

1. This Amendment to Deed of Trust, Appendix C, Amendment No. 1 to Contract Number CT2022-0424, *shall supplement and operate* in conjunction with the Deed of Trust attached to the Original Contract as Appendix 6, recorded in Washington County, Reception Number 878651 recorded on August 23, 2021 and incorporated herein by reference.
2. The Grantor has executed an amended Promissory Note, in the amount of \$1,454,000.00 to secure the repayment of the indebtedness, evidenced by Loan Contract Number CT2022-0424, 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: South Platte Ditch Company

By David Kautz  
Signature

Name David Kautz

Title President

Date 03/30/2022

ATTEST:

By Derrick Kailey  
Signature

Name Derrick Kailey

Title Secretary

Date 03/30/2022

**NOTARY REQUIRED**

State of Colorado )  
County of Logan ) ss.

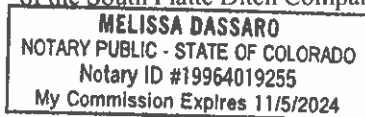
The foregoing instrument was acknowledged before me on 3/30/, 2022 by

David Kautz (Name) as President (Title)

and

Derrick Kailey (Name) as Secretary (Title)

of the South Platte Ditch Company. Witness my hand and official seal.



Melissa Dassaro  
Notary Public

My commission expires on 11/05/2024 (SEAL)

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



## RESOLUTION

### Resolution of the Shareholders of the South Platte Ditch Company

The Shareholders of the South Platte Ditch Company (Company or other entity) at a Shareholders' meeting held February 21, 2022, at Merino, Colorado, adopted the following resolutions concerning an amended secured loan from the State of Colorado Water Conservation Board (CWCB), for the purpose of the Diversion Structure Rehabilitation (Project), in an amount not to exceed \$1,454,000.00 which includes the CWCB Origination Fee of one percent (1%) of the Base Loan Amount.

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

1. to enter into and comply with the terms of an amended contract with the Colorado Water Conservation Board for a loan in an amount not to exceed \$1,454,000.00, as needed to finance the project costs, including the CWCB Origination Fee of one percent (1%), and
2. to levy and collect assessments from the shareholders in an amount sufficient to pay the annual amounts due under the Contract, and to pledge assessment revenues and the Company's right to receive said revenues for repayment of the loan, and
3. to place said pledged revenues in a special account separate and apart from other Company revenues, and
4. to make the annual payments required by the Promissory Note and to make annual deposits to a debt service reserve fund, and
5. to make (i) an irrevocable (but not exclusive) pledge to the CWCB of the pledged revenues in such amount as is necessary to make each annual payment due under this Loan Contract, (ii) an assessment covenant; (iii) annual financial reporting and (iv) an undivided one hundred percent interest in the South Platte Ditch Company Diversion Structure, and
6. to execute all documents as required by the Contract, including, but not limited to, a Promissory Note, Security Agreement and Deed of Trust, necessary to convey a security interest in said property to the CWCB, 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, respectively, the President and Secretary of the Company, hereby certify that the foregoing are true and correct copies of resolutions duly adopted at a meeting of the Company's shareholders duly called and held as above recited, pursuant to the Company's bylaws, and that said resolutions have not been amended or rescinded.

Given under our hands and the seal of the Company the 30th day of March, 2022.

(S E A L)

By: David Kautz  
Signature

ATTEST:

Name: David Kautz

By: Derrick Kailey  
Signature

Title: President

Name: Derrick Kailey

Date: 03/30/2022

Title: Secretary

Date: 03/30/2022

**Resolution of the Board of Directors of the South Platte Ditch Company**

The Board of Directors of South Platte Ditch Company (Company or other entity), at a meeting held February 21, 2022, at Merino, Colorado, adopted the following resolutions concerning an amended secured loan from the State of Colorado Water Conservation Board (CWCB), for the purpose of the Diversion Structure Rehabilitation (Project), in an amount not to exceed \$1,454,000.00 which includes the CWCB Origination Fee of one percent (1%) of the Base Loan Amount.

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

1. to enter into and comply with the terms of an amended contract with the Colorado Water Conservation Board for a loan in an amount not to exceed \$1,454,000.00, as needed to finance the project costs, including the CWCB Origination Fee of one percent (1%), and
2. to levy and collect assessments from the shareholders in an amount sufficient to pay the annual amounts due under the Contract, and to pledge assessment revenues and the Company's right to receive said revenues for repayment of the loan, and
3. to place said pledged revenues in a special account separate and apart from other Company revenues, and
4. to make the annual payments required by the Promissory Note and to make annual deposits to a debt service reserve fund, and
5. to make (i) an irrevocable (but not exclusive) pledge to the CWCB of the pledged revenues in such amount as is necessary to make each annual payment due under this Loan Contract, (ii) an assessment covenant; (iii) annual financial reporting and (iv) an undivided one hundred percent interest in the South Platte Ditch Company Diversion Structure, and
6. to execute all documents as required by the Contract, including, but not limited to, a Promissory Note, Security Agreement and Deed of Trust, necessary to convey a security interest in said property to the CWCB, 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 Corporate Secretary hereby certify that the foregoing are true and correct copies of resolutions duly adopted at a meeting of the Company's Board of Directors duly called and held as above recited, pursuant to the Company's bylaws, and that said resolutions have not been amended or rescinded.

Given under our hands and the seal of the Company the 30th day of March, 2022.

(S E A L)

By: David Kautz Si gnaturatur

ATTEST:

By: Derrick Kailey  
Signature

Name: David Kautz

Title: President

Name: Derrick Kailey

Date: 03/30/2022

Title: Secretary

Date: 03/30/2022