



November 21, 2022

Colorado Water Conservation Board
1313 Sherman Street, Room 718
Denver, Colorado 80203

City of Grand Junction
250 Fifth Street
Grand Junction, Colorado 81501

**City of Grand Junction, Colorado
2021 Loan Contract with the
Colorado Water Conservation Board
(Carson Reservoir Rehabilitation Project)**

Ladies and Gentlemen:

We have acted as bond counsel to the City of Grand Junction, Colorado (the "City") in connection with the City's authorization, execution and delivery to the Colorado Water Conservation Board ("CWCB") of a loan contract, as amended by amendment no. 1 (the "Loan Contract"), a security agreement, as amended by amendment no. 1 (the "Security Agreement"), and a promissory note, as amended by amendment no. 1 (the "Note;" and, together with the Loan Contract, and the Security Agreement, collectively the "Loan Documents") pursuant to which the CWCB will loan the City aggregate amount of not to exceed \$4,343,000. The Loan Documents were by an ordinance duly adopted by the City Council of the City on October 19, 2022.

In our capacity as bond counsel, we have examined the City's certified proceedings and such other documents and such law of the State of Colorado and of the United States of America as we have deemed necessary to render this opinion letter. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them by the Loan Documents.

Regarding questions of fact material to our opinions, we have relied upon the City's certified proceedings and other representations and certifications of public officials, the City Attorney, and others furnished to us without undertaking to verify the same by independent investigation.

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Based upon such examination, it is our opinion as bond counsel that:

1. The City has full legal right and authority to execute the Loan Documents and to observe and perform its duties, covenants, obligations and agreements thereunder.

2. The City has pledged the Pledged Revenues for the punctual payment of the principal of and interest on the Loan and all other amounts due under the Loan Documents according to their respective terms, and the Loan Contract creates a valid lien on such Pledged Revenues on a parity with the City's Parity Indebtedness, if any. No filings or recordings are required under the Colorado Uniform Commercial Code in order to create a lien on the Pledged Revenues, and all actions have been taken as required by Section 11-57-208, Colorado Revised Statutes.

3. The Loan Documents have been duly authorized, executed and delivered by authorized officers of the City and, assuming in the case of the Loan Contract and the Security Agreement, that the CWCB has all the requisite power and authority to authorize, execute and deliver, and has duly authorized, executed and delivered the Loan Contract and the Security Agreement, the Loan Documents constitute legal, valid and binding obligations of the City enforceable in accordance with their respective terms.

4. There are no provisions of the Colorado Constitution or any other state or applicable and binding local law that prevent the Loan Documents from binding City; the execution and delivery of the Loan Documents are not subject to the limitations of Article X, Section 20 of the Colorado Constitution ("TABOR") because the City constitutes an enterprise under TABOR as of the date hereof. The performance of the obligations of the City under the Loan Documents is not subject to the limitations of TABOR as long as the City continues to qualify as an enterprise under TABOR. If the City ceases to qualify as an enterprise under TABOR, the Loan Documents will continue to constitute legal, valid and binding obligations of the City enforceable in accordance with their respective terms subject to the revenue and spending limitations of TABOR; provided, however, that if the City at any time ceases to qualify as an enterprise under TABOR, (a) the City may impose any increased fees, rates and charges of the System without voter approval; (b) all revenues of the City used to pay Loan Payments are to be included in the City fiscal year spending limit under Section 7(d) of TABOR, except that creation of bonded debt increases fiscal year spending by the amount of debt service so funded and debt service changes and reductions are exceptions to, and not part of, the City revenue and spending base and limits; and (c) if the City is required to reduce spending in order to comply with its fiscal year spending limit under Section 7(b) of TABOR, the City will first be required to reduce spending for purposes for which it does not have an obligation under law or by contract prior to reducing spending required to comply with the other covenants contained in the Loan Documents.

The opinions expressed in this opinion letter are subject to the following:

The obligations of the City pursuant to the Loan Documents are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

We are opining only upon those matters set forth herein, and we are not passing upon any federal or state tax consequences arising from the receipt or accrual of interest on or the ownership or disposition of the Loan Documents.

This opinion letter is issued as of the date hereof and we assume no obligation to revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention or changes in law that may hereafter occur.

In connection with the execution and delivery of the Loan Documents, we have represented the City which is our sole client in this transaction. Delivery of this letter to the CWCB does not establish an attorney-client relationship between the CWCB and this firm.

This opinion letter is furnished to you solely for your information and benefit in connection with the initial execution and delivery of the Loan Documents and may not be relied upon by you for any other purpose or relied upon by any other person without the prior written consent of this firm.

Respectfully submitted,

A handwritten signature in blue ink that reads "Butler Snow LLP".

BUTLER SNOW LLP