

December 14, 2023

Kaylee Salazar, JD  
Contracts Manager  
Colorado Water Conservation Board  
1313 Sherman Street  
Room 718  
Denver, CO 80203

RE: Loan Contract No. CT2024-3135 for the Beaver Creek Ditch Repairs Project

Dear Ms. Salazar:

Pursuant to that certain loan Contract No. CT2024-3135 (Beaver Creek Ditch Repairs) dated December 12, 2023 in the base amount of \$1,400,000.00 and an origination fee of \$14,000 by and between the State of Colorado for the use and benefit of the Department of Natural Resources, Colorado Water Conservation Board ("State") and Montezuma Valley Irrigation Company ("MVIC") as Borrower, we hereby provide to the State our opinion as follows:

- (1) MVIC is a Colorado non-profit corporation in good standing;
- (2) The above referenced loan Contract and the Appendix documents thereto have been duly executed on behalf of MVIC by Gerald Koppenhafer as President and Marc Garlinghouse Secretary/Treasurer;
- (3) That the said President, Gerald Koppenhafer and Secretary/Treasurer, Marc Garlinghouse, were either duly elected and/or appointed at a properly called and held Meeting of the Shareholders and Board of Directors of MVIC and they do have the authority to execute the loan Contract and to bind MVIC;
- (4) Attached to the Loan Contract as Appendix 4 is the original Resolutions of the Board of Directors of Montezuma Valley Irrigation Company which said Resolutions approve the Loan Contract and attached Appendix documents including the authorization for the corporate officers to sign said Loan Contract and other necessary documents on behalf of MVIC;
- (5) That neither the Restated Articles of Incorporation, or state or local laws prevent MVIC and its duly elected or appointed directors and officers from entering into and signing the Loan Contract and Appendix documents. That Article II Section 6 of the Amended and Restated Bylaws of the Montezuma Valley Irrigation Company, as revised December 8, 2020, provide that:

This Company shall have the power to borrow money and to execute notes, bonds, mortgages, debentures or other evidences of indebtedness, securing the same by

mortgage or deed of trust, as may be desirable the premises; and generally to do and perform any and all things necessary or convenient in the carrying out of the purposes of the Company as set forth in the Articles of Incorporation. Such borrowing shall be approved in advance by the stockholders of the Company provided however, that the Board of Directors shall have the power to borrow up to five hundred thousand dollars (\$500,000.00) and to execute notes and other evidence of indebtedness as needed and prior to such approval by the stockholders. Such borrowing shall only be for the purpose of funding emergency repairs to the Company's system, buildings, equipment or other assets essential to the delivery of water and/or operation of the Company. Any such borrowing shall be unsecured and for a term not longer than the date of the next regular meeting of stockholders. Extensions of such borrowing and all other borrowing or indebtedness must be approved in advance by the stockholders at a regular meeting or special meeting called by the Board of Directors for that purpose.

That a duly called and noticed Special Meeting of the shareholders of the Montezuma Valley Irrigation Company was held on June 27, 2023. MVIC has 33,284 outstanding shares, with 20% or 6,657 shares required to be present or represented to form a quorum. There were 14,846 shares represented and present that could vote at the June 27, 2023 Special Meeting. It was proposed that a loan from CWCB for \$1.4 million dollars be approved in advance by the shareholders for the Beaver Creek Ditch Repairs Project. There was a motion and second that the issue be presented to the shareholders as ballot item number 3. The ballot issue for approval was passed with 13,327 votes for and 1,171 votes against. It is our further opinion that the requirements of the Amended and Restated bylaws of the Montezuma Valley Irrigation Company with respect to prior shareholder approval have been satisfied.  
and

(6) The Loan Contract and Appendix documents will be valid and binding against MVIC if the Colorado Water Conservation Board accepts and executes said Loan Contract.

For this opinion we have been provided the following documents:

- Loan Contract No. CT2024-3135 dated December 12, 2023;
- Appendix 1: Project Summary for Contract No. CT2024-3135;
- Appendix 3: Promissory Note dated November 30, 2023 in the principal amount of \$1,414,000;
- Appendix 4: Resolutions of the Board of Directors of Montezuma Valley Irrigation Company dated December 12, 2023;
- Appendix 5: Security Agreement for Loan Contract No. CT2024-3135 dated November 30, 2023;
- Appendix 6: Deed of Trust dated November 30, 2023 as to Loan Contract No. CT2024-3135; and
- Other: Articles of Incorporation, and By-laws of the Montezuma Valley Irrigation Company.

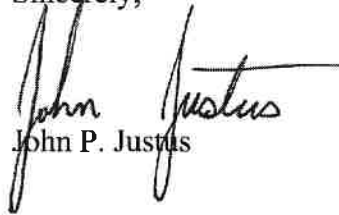
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Our opinion is solely based upon these documents, and we have not made any independent investigation or review. Our liability for this opinion letter is limited to the amount of attorney fees paid for this opinion by MVIC.

Sincerely,

A handwritten signature in black ink, appearing to read "John P. Justus". The signature is stylized with a large initial "J" and a long horizontal stroke at the end.

John P. Justus