

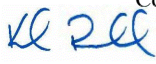


LOAN CONTRACT AMENDMENT NO. 1


<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 185632 CT2015*0119
<u>Borrower and Address</u> Inverness Water and Sanitation District 2 Inverness Drive East, Site 200 Englewood, CO 80112	<u>Original Contract Number</u> CMS 70923 CT2015*0119
<u>Current Contract Maximum Amount</u> \$2,126,050.00	<u>Contract Project Performance Beginning Date:</u> January 1, 2015
<u>Project Name</u> WISE Phase 2 Infrastructure Project	<u>Contract Project Performance End Date:</u> January 1, 2025
<u>Reason for Modification</u> The purpose for the modification is to increase the loan amount and add more time to the Project Performance period.	<u>Loan Contract Terms</u> 2.75% for 20 years <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.

BORROWER Inverness Water and Sanitation District  (Signature) Name: <u>joel christensen</u> Title: <u>President</u> Date: _____ ATTEST:  (Signature) Name: <u>Charlie Davis</u> Title: <u>Secretary</u> Date: _____	STATE OF COLORADO Jared S. Polis, Governor Colorado Department of Natural Resources Dan Gibbs, Executive Director Colorado Water Conservation Board  (Signature) Name: <u>Kirk Russell, P.E., Section Chief</u> Date: <u>April 16, 2024 4:43 PM MDT</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: _____
 Name: Ion Cotsapas
 Title: DNR Procurement Director
 Amendment Effective Date: April 17, 2024 | 12:42 PM MDT

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, on May 22, 2014, for the Wise Phase 2 Infrastructure Project. On July 20, 2023, the Borrower was approved for an increase to the current loan contract by \$698,920 from \$1,427,130 to \$2,126,050. Additionally, the time for performance is increased by two (2) years for a new Contract Performance (Project) Period End Date of January 1, 2025. 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 Contract Maximum loan contract amount shown on the Signature and Cover Page for this Amendment is hereby deleted and replaced with the Current Contract Maximum Amount of \$2,126,050.00. The loan terms shall remain at 2.75% for 20 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 2.
- 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 4.
- D. Appendix C, Option Letter, is attached to this Amendment and the following Option Letter language shall be an addendum to the Promissory Note Provisions, Paragraph A.3 Page 12, of the Original Loan 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 C. 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.”

- E. The Special Provisions contained in the Contract are hereby modified as follows:

- i. The Special Provision titled “Binding Arbitration Prohibited” is replaced in its entirety with:

“PROHIBITED TERMS. Any term included in this Contract that requires the State to indemnify or hold Contractor harmless; requires the State to agree to binding arbitration; limits Contractor’s liability for damages resulting from death, bodily injury, or damage to tangible property; or that

conflicts with this provision in any way shall be void ab initio. Nothing in this Contract shall be construed as a waiver of any provision of §24-106-109 C.R.S. ”

- ii. The Special Provision titled “Public Contracts for Services” is deleted.
- iii. The Special Provision titled “Public Contracts with Natural Persons” is deleted.

6. RESOLUTION

The Borrower has adopted a Board of Director’s Resolution and a Shareholder’s Resolution (unless the Borrower’s bylaws do not require a Shareholder’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. BOND COUNSEL 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 CWCB.

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.

**Appendix A, Amendment No. 1 to Loan Contract CT202
Amendment to Promissory Note**

Date: 7/25/2023
Borrower: Inverness Water and Sanitation District
Total Loan Amount: \$2,126,050.00
Interest Rate: 2.75% per annum
Term: 20 years or until loan is paid in full
Loan Contract No.: CT2015-0119
Annual Loan Payment: \$139,621.38
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 Amendment to Promissory Note (Note).

1. This Note, in the **revised loan amount of \$2,126,050.00**, *shall replace and supersede* the Original Promissory Note, attached as Appendix 2 to the Original Loan Contract, in the amount of 1,427,130.
2. Principal and interest shall be payable in equal Annual Loan Payments, as set forth above, 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 Loan Payment within sixty (60) calendar days of the due date. At the discretion of the CWCB, and if the Borrower requests in writing with sufficient justification, the late fee may be waived by the CWCB. CWCB will review the request from the Borrower, and may, in its sole discretion, choose to waive the late fee.
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 ("Security Instruments") of even date and amount and cover certain revenues 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 hereby agrees 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: Charles Davis

Title: Secretary

Date: March 22, 2024

Borrower:

By

Signature



Name: Joel Christensen


Title: President

Date: March 22, 2024

Appendix B, Amendment No.1 to Loan Contract CT2015-0119 Amendment to Security Agreement

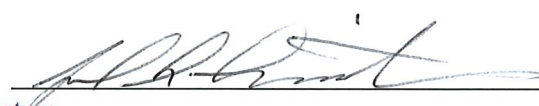
Debtor: Inverness Water and Sanitation District
Secured Party: Colorado Water Conservation Board
Revised Loan Amount: \$2,126,050.00
Term: 20 years or until loan is paid in full
Interest Rate: 2.75% per annum
Loan Contract Number: CT2015-0119

1. The Parties have amended the Original Loan Contract and Promissory Note to increase the total loan amount by \$698,920 from \$1,427,130 to \$2,126,050 and hereby amend the original Security Agreement, Appendix 5, to the Original Loan Contract 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, are to apply to this Amendment to Security Agreement as though they were expressly rewritten, incorporated, and included herein.

Attest:
By 
Signature
Name: Charles Davis
Title: Secretary

Date: March 22, 2024

Borrower:

By 
Signature

Name: Joel Christensen
Title: President

Date: March 22, 2024

Appendix C, Sample Option Letter

OPTION LETTER NO. _

State Agency Department of Natural Resources Colorado Water Conservation Board (CWCB) 1313 Sherman St, Room 718 Denver, CO 80203	Option Letter No. _ Contract Number CMS CT
Borrower	Original Contract Number CMS CT
Project Name	Loan Contract Effective Date
Current Contract Maximum Amount	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.

<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: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</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: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Option Effective Date: _____</p>
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Appendix D

RESOLUTION

A RESOLUTION APPROVING AN AMENDMENT TO LOAN CONTRACT CT2015-119 FROM THE COLORADO WATER CONSERVATION BOARD; AUTHORIZING THE FORM AND EXECUTION OF THE AMENDMENT TO LOAN CONTRACT, EXECUTION OF THE AMENDMENT TO PROMISSORY NOTE TO EVIDENCE SUCH AMENDED LOAN, AND THE AMENDMENT TO SECURITY AGREEMENT IN CONNECTION THEREWITH; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATED THERETO AND PRESCRIBING OTHER DETAILS IN CONNECTION THEREWITH.

WHEREAS, the Inverness Water and Sanitation District (the "District"), in the Counties of Arapahoe and Douglas and State of Colorado, is duly organized and existing under the Constitution and the laws of the State of Colorado; and

WHEREAS, the members of the Board of Directors of the District (the "Board") have been duly elected, chosen and qualified; and

WHEREAS, the Board has heretofore determined that in order for the District to reduce its dependence on non-renewable water sources, the interests of the District and the public interest and necessity demand and require that the District participate in the Water Infrastructure and Supply Efficiency Authority ("WISE Authority") project, which participation will include sharing in the costs with other WISE Authority members of the acquisition and construction of certain water infrastructure, as further detailed herein (the "Project"); and

WHEREAS, at the regular election held November 1, 2005, a majority of those voting approved the proposition of creating general obligation indebtedness to finance the Project as set forth in the following questions:

SHALL INVERNESS WATER AND SANITATION DISTRICT, ARAPAHOE AND DOUGLAS COUNTIES, COLORADO AD VALOREM PROPERTY TAXES BE INCREASED \$3,300,000 ANNUALLY AND SHALL THE DISTRICT BE AUTHORIZED TO LEVY AN AD VALOREM PROPERTY TAX AT A RATE SUFFICIENT TO PRODUCE THIS INCREASE COMMENCING WITH TAXES PAYABLE IN 2006 AND THEREAFTER TO PAY DISTRICT DEBT AND SHALL DISTRICT DEBT BE INCREASED IN AN AMOUNT NOT TO EXCEED \$20,000,000 WITH A REPAYMENT COST NOT TO EXCEED \$99,000,000 BY THE ISSUANCE OF ITS GENERAL OBLIGATION BONDS OR OTHER MULTIPLE-FISCAL YEAR OBLIGATIONS, INCLUDING DISTRICT CONTRACTS, FOR THE PURPOSE OF

PAYING, REIMBURSING OR FINANCING ALL OR ANY PART OF THE COSTS OF ACQUIRING, CONSTRUCTING, RELOCATING, INSTALLING, COMPLETING AND OTHERWISE PROVIDING, WITHIN OR WITHOUT THE BOUNDARIES OF THE DISTRICT, THE EXTENSION AND IMPROVEMENT OF THE EXISTING POTABLE AND NON-POTABLE WATER SUPPLY, STORAGE, TRANSMISSION AND DISTRIBUTION SYSTEM OF THE DISTRICT, INCLUDING TRANSMISSION LINES, DISTRIBUTION MAINS AND LATERALS, IRRIGATION SYSTEMS AND PUMPING FACILITIES, WELLS, WATER TREATMENT, HYDRANTS, WATER RIGHTS AND STORAGE FACILITIES, AND OTHER APPURTENANT IMPROVEMENTS, PAYABLE IN WHOLE OR IN PART FROM THE TAXES DESCRIBED ABOVE, SUCH BONDS TO BEAR INTEREST AT A MAXIMUM NET EFFECTIVE INTEREST RATE NOT TO EXCEED TEN PERCENT (10%) PER ANNUM AND WITH A MATURITY DATE NOT TO EXCEED 30 YEARS FROM THE DATE OF ISSUANCE, SUCH BONDS TO BE ISSUED, DATED AND SOLD AT SUCH TIME OR TIMES AND IN SUCH MANNER AND TO CONTAIN SUCH TERMS, NOT INCONSISTENT HERewith, AS THE BOARD OF DIRECTORS MAY DETERMINE, WHICH AUTHORIZATION SHALL INCLUDE AUTHORIZATION TO REFUND SUCH BONDS OR OBLIGATIONS AND ANY REFUNDING BONDS OR OBLIGATIONS WITHOUT ADDITIONAL VOTER APPROVAL AND IN CONNECTION THEREWITH SHALL THE PROCEEDS OF SUCH BONDS AND REFUNDING BONDS AND THE REVENUES PLEDGED AS SECURITY THEREFOR AND ANY EARNINGS FROM THE INVESTMENT OF SUCH PROCEEDS AND REVENUES BE COLLECTED AND SPENT WITHOUT LIMITATION OR CONDITION, AND WITHOUT LIMITING THE COLLECTION OR SPENDING OR ANY OTHER REVENUES OR FUNDS BY THE DISTRICT, UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?; and

WHEREAS, the District has previously issued its General Obligation Bonds, Series 2006A and General Obligation Bonds, Series 2008, utilizing \$6,000,000 and \$790,000 of the voter authorization approved at the election, leaving authorized but unissued bonding capacity of \$13,210,000; and

WHEREAS, the Board has previously executed and delivered a Loan Contract No. CT2015-119 (C150409C) dated November 7, 2014 (the "2014C Loan Contract"), with the Colorado Water Conservation Board ("CWCB"), together with a promissory note (the "2014C Promissory Note") and security agreement (the "2014C Security Agreement" or, collectively, the "2014C Loan Documents") for a loan in the amount of \$1,427,130 to fund the District's share of the cost of certain Phase 2 Infrastructure to be constructed by the WISE Authority; and

WHEREAS, contemporaneously with the execution and delivery of the 2014C Loan Documents, the Board executed and delivered a Loan Contract No. CT2015-117 (C150409A) (the "2014A Loan Contract") with the CWCB, together with a promissory note (the

“2014A Promissory Note”) and security agreement (the “2014A Security Agreement”) for a loan in the amount of \$1,845,270, for the District’s share of the price of a portion of the East Cherry Creek Valley Water and Sanitation District’s Western Pipeline; a Loan Contract No. CT2015-118 (C150409B) (the “2014B Loan Contract”) with the CWCB, together with a promissory note (the “2014B Promissory Note”) and security agreement (the “2014B Security Agreement”) for a loan in the amount of \$1,181,700, for the District’s share of the cost of certain Phase 1 Infrastructure, to be constructed by the WISE Authority; and a Loan Contract No. CT2015-120 (C150409D) (the “2014D Loan Contract”) with the CWCB, together with a promissory note (the “2014D Promissory Note” and, with the 2014A Promissory Note, the 2014B Promissory Note and the 2014C Promissory Note, the “2014 Promissory Notes”) and security agreement (the “2014D Security Agreement”) for a loan in the amount of \$454,500, for the District’s share of the cost of the WISE Authority’s use of a pipeline that will connect Denver Water’s treated distribution system near Denver International Airport and Aurora’s Prairie Waters pipeline; and

WHEREAS, the 2014 Promissory Notes utilized \$4,908,600 of the voter authorization approved at the election, leaving authorized but unissued bonding capacity of \$8,301,400; and

WHEREAS, subsequent to the execution and delivery of the 2014C Loan Documents, the Board determined that bids for construction were higher than expected due to increased construction costs and inflation; and

WHEREAS, in order to accommodate the modified Project, the CWCB agreed to amend the 2014C Loan Documents to increase the principal amount of the loan to \$2,126,050 and to amend the 2014C Loan Documents to reflect the increased loan amount; and

WHEREAS, the Board has determined that in order to finance the modified Project, it is necessary and advisable and in the best interests of the District to enter into an amendment to Loan Contract CT2015-119 (the “2023 Loan Contract” and, together with the 2014C Loan Contract, the “2023C Loan Contract”) and an amendment to the security agreement (the “2023C Security Agreement”), and an amendment to the promissory note (the “2023C Promissory Note”) with CWCB, pursuant to which the CWCB will loan the District the approximately \$2,126,050 (the “2023C Loan”), which includes a one percent loan origination fee, to finance the Project as modified; and

WHEREAS, the 2023C Loan Contract, the 2023C Security Agreement and the 2023C Promissory Note are referred to herein collectively as the “2023C Financing Documents”; and

WHEREAS, the District’s repayment obligations under the 2023C Financing Documents shall be payable from revenues from the District’s ad valorem tax without limitation of rate and in amounts sufficient to pay the obligations when due (“Pledged Revenues”); and

WHEREAS, there have been presented to the Board the forms of the 2023C Financing Documents; and

WHEREAS, the Board desires to approve the forms of the 2023C Financing Documents and authorize the execution thereof.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE INVERNESS WATER AND SANITATION DISTRICT:

Section 1. Approvals, Authorizations, and Amendments. The forms of the 2023C Financing Documents presented at this meeting are incorporated herein by reference and are hereby approved. The District shall enter into and perform its obligations under the 2023C Financing Documents in the forms of such documents, with such changes as are not inconsistent herewith and as are hereafter approved by the Chairman of the Board and President of the District (the “Chairman”) or the General Manager of the District (the “General Manager”). The Chairman and the Secretary of the District (the “Secretary”), the Vice President, an Assistant Secretary and any member of the Board, are hereby authorized and directed to execute the 2023C Financing Documents and to affix the seal of the District thereto, and each member of the Board and the General Manager are hereby authorized and directed to execute and authenticate such other documents or certificates as are deemed necessary or desirable in connection therewith. The 2023C Financing Documents shall be executed in substantially the forms approved at this meeting.

The execution of any instrument or certificate or other document in connection with the matters referred to herein by the Chairman, the Vice President, the Secretary, the Assistant Secretary, any member of the Board, the General Manager or by other appropriate officers of the District, shall be conclusive evidence of the approval by the District of such instrument.

Section 2. Election to Apply the Supplemental Act. Section 11-57-204 of the Supplemental Public Securities Act, constituting Title 11, Article 57, Part 2, C.R.S. (the

“Supplemental Act”) provides that a public entity, including the District, may elect in an act of issuance to apply all or any of the provisions of the Supplemental Act. The Board hereby elects to apply all of the provisions of the Supplemental Act to the 2023C Financing Documents.

Section 3. Delegation.

(a) Pursuant to Section 11-57-205 of the Supplemental Act, the Board hereby delegates to the Chairman, the General Manager, or any member of the Board the authority to make the following determinations relating to and contained in the 2023C Financing Documents, subject to the restrictions contained in paragraph (b) of this Section 3:

- (i) The interest rate on the 2023C Loan;
- (ii) The principal amount of the 2023C Loan;
- (iii) The amount of principal of the 2023C Loan maturing in any given year and the final maturity of the 2023C Loan;
- (iv) The dates on which the principal of and interest on the 2023C Loan are paid; and
- (v) The existence and amount of a reserve fund for the 2023C Loan, if any.

(b) The delegation in paragraph (a) of this Section 3 shall be subject to the following parameters and restrictions:

- (i) the interest rate on the 2023C Loan shall not exceed 2.75%;
- (ii) the aggregate principal amount of the 2023C Loan shall not exceed \$2,126,050; and
- (iii) the final maturity of the 2023C Loan shall not be any later than 40 years from the date of substantial completion of the Project.

Section 4. Conclusive Recitals. Pursuant to Section 11-57-210 of the Supplemental Act, the 2023C Promissory Note and the 2023C Security Agreement shall contain a recital that each is issued pursuant to certain provisions of the Supplemental Act. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of each of the 2023C Promissory Note and 2023C Security Agreement after its delivery for value. Pursuant to Section 32-1-1101, C.R.S., Section 31-35-413, C.R.S., and this Resolution, the 2023C Note and the 2023C Security Agreement shall contain a recital that they are issued pursuant to Title 31, Article 35, Part

4, C.R.S. Such recital shall conclusively impart full compliance with all the provisions of such statute and each of the 2023C Promissory Note and 2023C Security Agreement issued containing such recital shall be incontestable for any cause whatsoever after its delivery for value.

Section 5. Pledge of Revenues. The creation, perfection, enforcement, and priority of the pledge of revenues to secure or pay the 2023C Financing Documents provided herein shall be governed by Section 11-57-208 of the Supplemental Act and this Resolution. The amounts pledged to the payment of the 2023C Financing Documents shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge shall have the priority described in the 2023C Loan Contract. The lien of such pledge shall be valid, binding, and enforceable as against all persons having claims of any kind in tort, contract, or otherwise against the District irrespective of whether such persons have notice of such liens.

Section 6. Limitation of Actions. Pursuant to Section 11-57-212 of the Supplemental Act, no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the 2023C Financing Documents shall be commenced more than thirty days after the adoption of this Resolution.

Section 7. General Obligation. The principal amount of the 2023C Loan and the interest thereon shall be a general obligation of the District, payable from all available District revenues including ad valorem property taxes without limitation of rate and in an amount sufficient to pay the repayments on the 2023C Loan when due. The obligations of the District under the 2023C Financing Documents are a debt of the District within the meaning of the provisions of the constitution and laws of the State of Colorado.

Section 8. No Recourse against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Act, if a member of the Board, or any officer or agent of the District acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the principal of or interest on the 2023C Promissory Note. Such recourse shall not be available either directly or indirectly through the Board or the District, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the 2023C Promissory Note and as a part of the consideration of its sale or purchase, the CWCB specifically waives any such recourse.

Section 9. Disposition and Investment of Proceeds of the 2023C Loan Contract. The proceeds of the 2023C Loan Contract shall be applied only to pay the costs and expenses of designing, acquiring, constructing and equipping the Project, including costs related thereto, and reimbursement to the District for capital expenditures heretofore incurred and paid from District funds in anticipation of the incurrence of long-term financing therefor, and all other costs and expenses incident thereto, including without limitation the costs of obtaining the 2023C Loan Contract. The CWCB shall not be responsible for the application or disposal by the District or any of its officers of the funds derived from the 2023C Loan Contract.

Section 10. Estimated Life of Improvements. It is hereby determined that the estimated life of the Project to be financed with the proceeds of the 2023C Loan Contract is not less than the final maturity of the 2023C Loan.

Section 11. District Representative. The Chairman and the General Manager are hereby designated as the authorized representatives for the purpose of performing any act or executing any document relating to the 2023C Loan, the District, or the 2023C Loan Contract. A copy of this Resolution shall be furnished to CWCB as evidence of such designation.

Section 12. Direction to Take Authorizing Action. The appropriate officers of the District and members of the Board are hereby authorized and directed to take all other actions necessary or appropriate to effectuate the provisions of this Resolution, including but not limited to providing such certificates and affidavits as may reasonably be required by the CWCB.

Section 13. Ratification and Approval of Prior Actions. All actions heretofore taken by the officers, agents or employees of the District and members of the Board, not inconsistent with the provisions of this Resolution, relating to the 2023C Financing Documents, or actions to be taken in respect thereof, are hereby authorized, ratified, approved, and confirmed.

Section 14. Repealer. All acts, orders, ordinances, or resolutions, or parts thereof, in conflict herewith are hereby repealed to the extent of such conflict.

Section 15. Severability. Should any one or more sections or provisions of this Resolution be judicially determined invalid or unenforceable, such determination shall not affect, impair, or invalidate the remaining provisions hereof, the intention being that the various provisions hereof are severable.

Section 16. Inconsistencies. In the event of any inconsistencies between this Resolution and the 2023C Loan Contract, the 2023C Loan Contract is controlling.

Section 17. Resolution Irrepealable. After the 2023C Promissory Note is issued, this Resolution shall constitute an irrevocable contract between the District and the CWCB, and shall be and remain irrepealable until the 2023C Promissory Note and the interest thereon shall have been fully paid, satisfied and discharged.

Section 18. Electronic Signatures; Electronic Transactions. In the event the Chairman, the Secretary, any member of the Board, the General Manager or other employee or official of the District that is authorized or directed to execute any agreement, document, certificate, instrument or other paper in accordance with this Resolution (collectively, the "Authorized Documents") is not able to be physically present to manually sign any such Authorized Document, such individual or individuals are hereby authorized to execute Authorized Documents electronically via facsimile or email signature. Any electronic signature so affixed to any Authorized Document shall carry the full legal force and effect of any original, handwritten signature. This provision is made pursuant to Article 71.3 of Title 24, C.R.S., also known as the Uniform Electronic Transactions Act. It is hereby determined that the transactions described herein may be conducted and related documents may be stored by electronic means.

Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

ADOPTED on Oct 5, 2023.



Attest:

Secretary

Chairman of the Board of Directors and
President of the District

STATE OF COLORADO)
)
 COUNTIES OF ARAPAHOE AND DOUGLAS) SS.
)
 INVERNESS WATER AND)
 SANITATION DISTRICT)

I, Charles Davis, the Secretary of the Board of Directors of the Inverness Water and Sanitation District, Arapahoe and Douglas Counties, Colorado (the "District"), do hereby certify:

(1) The foregoing pages are a true and correct copy of a resolution (the "Resolution") passed and adopted by the Board of Directors of the District (the "Board"), at a regular meeting of the Board held on October 5, 2023, by an affirmative vote of a majority of the members of the Board as follows:

	"Yes"	"No"	"Absent"	"Abstain"
Joel Christensen, President	X			
Brett Stone, Vice President	X			
Charles Davis, Secretary/Treasurer	X			
Tom Morton, Director			X	
William Woodward, Director	X			

(2) The members of the Board who were present at such meeting and voted on the passage of such Resolution as set forth above.

(3) The Resolution was approved and authenticated by the signature of the Chairman of the Board of Directors and President of the District, sealed with the District seal, attested by the Secretary and recorded in the minutes of the Board.

(4) There are no bylaws, rules or regulations of the Board which might prohibit the adoption of said Resolution.

(5) Notice of the meeting of October 5, 2023, in the form attached hereto as Exhibit A was posted no less than twenty-four hours prior to the meetings as required by law.

WITNESS my hand and the seal of said District affixed this 10/19, 2023.



Charles Davis
Secretary

EXHIBIT A

Notice of Meeting

INVERNESS WATER AND SANITATION DISTRICT

c/o Mulhern MRE, Inc.
188 INVERNESS DRIVE WEST, SUITE 150
ENGLEWOOD, COLORADO 80112
Phone: (303) 649-9857 Fax: (303) 414-0671

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that a meeting of the Board of Directors of the **INVERNESS WATER AND SANITATION DISTRICT**, Arapahoe and Douglas County, Colorado is scheduled for Thursday, October 5, 2023 beginning at the hour of 3:00 p.m. at 188 Inverness Drive West, Suite 150 Englewood, CO for the purpose of addressing those matters in the agenda set out below and conducting such other business as may properly come before the Board.

- (1) It is anticipated that at this meeting the Board will make a final determination to issue general obligation bonds in the form of a loan with the Colorado Water Conservation Board – See item VII below.

This meeting is open to the public.

IN WITNESS WHEREOF, this NOTICE is given pursuant to statute this 2nd day of October, 2023.

INVERNESS WATER AND SANITATION DISTRICT By:

/s/Charles Davis

Secretary to the District

AGENDA

- I. Ratify Conflict of Interest Statements
- II. Public Comment
- III. Consent Agenda **EXHIBIT A**
 - Approve Minutes of the August 3, 2023 meetings
 - Ratify Investments/Disbursements
 - Accept Financial Statements
- IV. Update – SEMSWA's Channels and Storm System Maintenance & Improvements
- V. Consider Contract Agreements with Arapahoe County's ARPA Funding, RE: CCPWA Walker & Meridian Connection Project **EXHIBIT B**
- VI. Consider Resolution and Order Granting Exclusion Petition – 374 Inverness Parkway, LLC. **EXHIBIT C**
- VII. Consider Resolution to Authorize Amendment #1 of the CWCB Loan No. CT2015-0119 (1) **EXHIBIT D**
- VIII. 2024 Draft Budget
- IX. Projects Update **EXHIBIT E**
- X. Executive Session pursuant to C.R.S. Sec. 24-6-402(4)(b) and (4)(e), for conference with the District manager and an attorney for the District for the purpose of receiving legal advice on specific legal questions and for the purpose of determining positions relative to matters that may be subject to negotiation, developing strategy for negotiations and instructing negotiators relating to the SEMSWA responsibilities within the District's boundaries.
- XI. Executive Session pursuant to C.R.S. Sec. 24-6-402(4)(b) and (4)(e), for conference with the District manager and an attorney for the District for the purpose of receiving legal advice on specific legal questions and for the purpose of determining positions relative to matters that may be subject to negotiation, developing strategy for negotiations and instructing negotiators relating to the District's Lawn Irrigation Return Flows ("LIRFs") Water Court filing application.

ADJOURNMENT – The Next Regular Meeting is scheduled for THURSDAY, December 7, 2023 at 3:00 pm at 58 Inverness Drive East, Suite 100, Englewood, CO.

Certificate Of Completion

Envelope Id: C8ECFBB3BB604371A5D6C5A700301E96

Status: Completed

Subject: DNR Pre-Review/Approval: A#1 CMS 185632 Inverness W&SD/WISE Phase 2 Infrastructure Project

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Kaylee Salazar

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CWCB, Finance Section Chief

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Kaylee Salazar

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DNR Procurement Director

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Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	3/29/2024 10:57:16 AM
Envelope Updated	Security Checked	4/9/2024 11:59:11 AM
Certified Delivered	Security Checked	4/17/2024 12:41:59 PM
Signing Complete	Security Checked	4/17/2024 12:42:08 PM
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