



April 11, 2024

\$505,000
INTERGOVERNMENTAL LOAN CONTRACT
ORCHARD CITY IRRIGATION DISTRICT

Colorado Water Conservation Board
Denver, Colorado

Orchard City Irrigation District
Orchard City, Colorado

Ladies and Gentlemen:

We have acted as bond counsel for **ORCHARD CITY IRRIGATION DISTRICT**, (the “District”), an irrigation district, formed under the Irrigation Law of 1921, and governed by Article 42 and 43 of Title 37, Colorado Revised Statutes, as amended, which has entered into an Intergovernmental Loan Contract (as described below) with the **COLORADO WATER CONSERVATION BOARD** (the “Conservation Board”), and have acted as such in connection with the authorization, execution, and delivery by the District of the Loan Contract.

In such capacity, we have examined the Constitution and laws of the State of Colorado and have examined originals, or copies certified or otherwise identified to our satisfaction, of the following:

- (a) the Intergovernmental Loan Contract, dated as of April 11, 2024 (the “Loan Contract”), by and between the Conservation Board and the District;
- (b) the resolution dated March 25, 2024 (the “Resolution”) of the governing body of the District relating to the approval of the Loan Contract, and the execution, issuance, and delivery thereof by the District, and the authorization of the undertaking and completion of the Project (as defined in the Loan Contract); and
- (c) the Bylaws of the District, dated March 22, 2010 (the “Bylaws”).

We have also examined and relied upon originals, or copies certified or otherwise authenticated to our satisfaction, of such other records, documents, certificates, and other

instruments, and made such investigation of law as in our judgment we have deemed necessary or appropriate to enable us to render the opinions expressed below.

We have not been engaged and have not undertaken to consider the adequacy of the Pledged Revenues (as defined in the Resolution) or other financial resources of the District or its ability to provide for payment under the Loan Contract and we express no opinion herein as to such matters. As to factual matters, we have relied, without independent investigation, upon the representations of the District, and in the aforesaid certificates and other instruments.

Based upon the foregoing, we are of the opinion that, as of the date hereof and under existing law:

(1) The District is an irrigation district, formed under the Irrigation Law of 1921, and governed by Article 42 and 43 of Title 37, Colorado Revised Statutes, as amended.

(2) The District has full legal right and authority to execute the Loan Contract and the District has full legal right and authority to observe and perform its respective duties, covenants, obligations, and agreements thereunder; subject, however, to the effect of, and to restrictions and limitations imposed by or resulting from, bankruptcy, insolvency, moratorium, reorganization, debt adjustment, or other similar laws affecting creditors' rights generally (Creditor's Rights Limitations), heretofore or hereafter enacted.

(3) The Loan Contract has been duly authorized, executed, and delivered by authorized officers of the District; and, assuming in the case of the Loan Contract, that the Conservation Board has all the requisite power and authority to authorize, execute and deliver, and has duly authorized, executed, and delivered the Loan Contract, the Loan Contract constitutes the legal, valid, and binding obligation of the District enforceable in accordance with its terms; subject, however, to the effect of, and to restrictions and limitations imposed by, or resulting from, Creditor's Rights Limitations or other laws, judicial decisions, and principles of equity relating to the enforcement of contractual obligations generally, provided that no opinion is expressed herein regarding the validity or enforceability of Section 21.R. of the Loan Contract or any other provision thereof that purports to require the District to indemnify or hold any party harmless.

(5) To the best of our knowledge, after such investigation as we have deemed appropriate, the authorization, execution, and delivery of the Loan Contract by the District, the observance and performance by the District of its duties, covenants, obligations, and agreements thereunder, and the consummation of the transactions contemplated therein, do not and will not contravene the District's Bylaws or any existing law.

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 Contract. This opinion letter is rendered on the basis of Federal law and the laws of the State of Colorado as enacted and construed on the date hereof, and we express no opinion as to any matter not set forth in the numbered paragraphs herein. 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 Contract, we have represented the District which is our sole client in this transaction. Delivery of this letter to you does not establish an attorney-client relationship between any of the addressees 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 Contract 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.

Very truly yours,

Kline Alvarado Veio, P.C.