

**COLORADO WATER RESOURCES &
POWER DEVELOPMENT AUTHORITY**

BOARD PROGRAM WORK SESSION (BPWS) AGENDA

April 25, 2024

3:00 pm

Board Members: Eric Wilkinson (Chair), Steve Vandiver, Chris Treese, Mike Fabre, Patti Wells, Karen Wogsland, Lucas Hale, Bruce Whitehead and Matt Shuler.

Authority Staff: Keith McLaughlin, Jim Griffiths, Sabrina Speed, Justin Noll, Wesley Williams and Ian Loffert.

Others present: Mark Henderson (WQCD), Alex Hawley (WQCD), Margaret Talbott (WQCD), Desi Santerre (DOLA).

AGENDA

1. Arkansas Valley Conduit Project – Continuing Discussion on Using CWCB Grant to Re-pay BIL Loan – discussion and possible action (Keith, Jim).
2. State Revolving Fund 2024 Series A & B Bond Resolution – discussion and possible action (Wes, Ian).
3. State Revolving Fund Prioritization Model Update – discussion only (Mark Henderson).
4. Long Hollow- Future Projects Escrow Funding Agreement- discussion only (Keith)
5. Conflict of Interest Policy Discussion – discussion only (Karl)

COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY

**STATE REVOLVING FUND
2024 SERIES A/B REVENUE BOND RESOLUTION**

Resolution No. 24-14

Adopted April 26, 2024

**STATE REVOLVING FUND
2024 SERIES A/B REVENUE BOND RESOLUTION**

BE IT RESOLVED by the Board of Directors of the Colorado Water Resources and Power Development Authority as follows:

ARTICLE I. - DEFINITIONS AND RULES OF INTERPRETATION

SECTION 1.01 *Definitions.* Unless the context otherwise requires, for all purposes of the Bond Resolution, the terms defined in this Section shall have the meanings herein specified.

“**Accreted Value**” means with respect to any Capital Appreciation Bond, an amount equal to the principal amount of such Capital Appreciation Bond (determined on the basis of the principal amount per \$5,000 at maturity thereof) plus the amount assuming semi-annual compounding of earnings which would be produced on the investment of such principal amount, beginning on the dated date of such Capital Appreciation Bond and ending at the maturity date thereof, at a yield which, if produced until maturity, will produce \$5,000 at maturity. As of any Valuation Date, the Accreted Value of any Capital Appreciation Bonds shall mean the amount set forth for such date in the Supplemental Resolution authorizing such Capital Appreciation Bonds and as of any date other than a Valuation Date, the sum of (a) the Accreted Value on the preceding Valuation Date and (b) the product of (1) a fraction, the numerator of which is the number of days having elapsed from the preceding Valuation Date and the denominator of which is the number of days from such preceding Valuation Date to the next succeeding Valuation Date, and (2) the difference between the Accreted Values for such Valuation Dates.

“**Act**” means the “Colorado Water Resources and Power Development Authority Act,” being Section 37-95-101 *et seq.* of the Colorado Revised Statutes, as the same may from time to time be amended and supplemented.

“**Administrative Fee**” means an annual fee payable as set forth in each Loan Agreement.

“**Aggregate Debt Service**” for any period means, as of any date of calculation, the sum of the amounts of Debt Service for such period with respect to all Series. For purposes of this definition, the principal and interest portions of the Accreted Value of Capital Appreciation Bonds becoming due at maturity or by virtue of a Sinking Fund Installment shall be included in the calculations of accrued and unpaid and accruing interest or Principal Installments in such manner and during such period of time as is specified in the Supplemental Resolution authorizing such Capital Appreciation Bonds.

“**Allocable Share**” means with respect to each Governmental Agency, a fraction, the numerator of which shall equal the initial aggregate principal amount of the Governmental Agency’s Loan, and the denominator of which shall equal the total initial aggregate principal amount of all Loans; provided, however, if a single loan is made Allocable Share shall mean 100%.

“**Applicable**” means (i) with reference to any fund or account so designated and established by the Bond Resolution, the fund or account so designated and established, (ii) with

respect to any Loan Agreement, the Loan Agreement entered into by and between a Governmental Agency and the Authority relating to a borrowing by such Governmental Agency from the Authority, and (iii) with respect to any Trust Agreement, the Clean Water Trust Agreement and the Drinking Water Trust Agreement.

“**Authority**” means the Colorado Water Resources and Power Development Authority, a body corporate and political subdivision of the State of Colorado with corporate succession duly created and validly existing under and by virtue of the Act.

“**Authorized Officer**” means: (i) in the case of the Authority, the Chairman, Vice Chairman, Executive Director, Finance Director or Controller of the Authority, or any other person or persons designated by the Board by resolution to act on behalf of the Authority under the Bond Resolution; the designation of such person or persons shall be evidenced by a written certificate containing the specimen signature of such person or persons and signed on behalf of the Authority by its Chairman or its Vice Chairman; (ii) in the case of a Governmental Agency, the person whose name is set forth in Exhibit B to the Applicable Loan Agreement or such other person or persons authorized pursuant to a resolution or ordinance of the governing body of the Governmental Agency to perform any act or execute any document whose name is furnished in writing to the Authority and the Trustee; and (iii) in the case of the Trustee, any person or persons authorized to perform any act or execute any document; the designation of such person or persons shall be evidenced by a written certificate containing the specimen signature of such person or persons reasonably acceptable to the Authority.

“**Board**” means the Board of Directors of the Authority, or if said Board shall be abolished, the board, body, commission or agency succeeding to the principal functions thereof or to whom the power and duties granted or imposed by the Bond Resolution shall be given by law.

“**Bond**” or “**Bonds**” means all or each, as the case may be, of the 2024 Series A Bonds, the 2024 Series B Bonds or a Series of Refunding Bonds and all Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article III or Sections 4.07 or 11.10.

“**Bond Counsel**” means a law firm, appointed by the Authority, having knowledge and expertise in the field of municipal law and whose opinions are generally accepted by purchasers of municipal bonds.

“**Bond Resolution**” means this State Revolving Fund 2024 Series A/B Revenue Bond Resolution, as adopted by the Board on April 26, 2024, and all amendments and supplements thereto adopted in accordance with the provisions hereof.

“**Bondholder**,” “**Holder**” or “**holder**” means any person who shall be the registered owner of a Bond or Bonds.

“**Business Day**” means, with respect to the Bonds of any Series, any day other than (i) a Saturday, Sunday or legal holiday or a day on which banking institutions, in the city in which the Principal Office of the Authority, the Trustee, the Paying Agent or the Loan Servicer is located, are closed, or (ii) a day on which the New York Stock Exchange is closed.

“**Capital Appreciation Bonds**” means any Bonds hereafter issued as to which interest is payable only at the maturity or prior redemption of such Bonds. For the purposes of (i) receiving payment of the Redemption Price, if any, of a Capital Appreciation Bond that is redeemed prior to maturity, (ii) receiving payment of a Capital Appreciation Bond if the principal of all Bonds is declared immediately due and payable following an Event of Default as provided in Section 9.01(1) of the Bond Resolution, or (iii) computing the principal amount of Bonds held by the holder of a Capital Appreciation Bond in giving any notice, consent, request, or demand pursuant to the Bond Resolution for any purpose whatsoever, the principal amount of a Capital Appreciation Bond shall be deemed to be its Accreted Value.

“**Certificate**,” “**Statement**,” “**Request**” and “**Order**” mean, respectively, a written certificate, statement, request, requisition or order signed in the name of the Authority, the Trustee or a Governmental Agency by an Authorized Officer of the Authority, the Trustee or such Governmental Agency, respectively. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the instruments so combined shall be read and construed as a single instrument.

“**Clean Water Act**” means the federal Water Pollution Control Act, as amended (33 U.S.C. Section 1251 et seq.)

“**Clean Water Financings**” means loans made by the Authority, including loans made from the proceeds of the 2024 Series A/B Bonds, if any, to eligible entities pursuant to the Act in furtherance of the purposes of the Water Pollution Control Revolving Fund.

“**Clean Water Trust Agreement**” means the Amended and Restated Wastewater Surplus Matching Account Trust Agreement, dated as of May 1, 1999, as amended, between the Authority and U.S. Bank Trust Company, National Association, as successor Trustee, as the same may be amended and supplemented from time to time.

“**Code**” means the Internal Revenue Code of 1986, as the same may from time to time be amended or supplemented, including any regulations promulgated thereunder and any administrative or judicial interpretations thereof.

“**Cost**” means those costs that are reasonable, necessary and allocable to the Governmental Agency’s Project and are permitted by generally accepted accounting principles to be costs of such Project.

“**Cost of Issuance Fund**” means the Fund so designated and established by Article V.

“**Costs of Issuance**” means all items of expense directly or indirectly payable by or reimbursable to the Authority and related to the authorization, execution, issuance, sale and delivery of each Series of Bonds, including (without limitation) original issue discount, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Trustee, the Loan Servicer and the Paying Agent, municipal bond insurance premiums and related costs, legal fees and charges, rating agency fees, fees and disbursements of financial or other consultants and professionals, fees and charges for preparation, execution and safekeeping

of the Bonds of such Series, and any other cost, charge or fee in connection with the issuance of such Series of Bonds.

“**Counsel**” means an attorney at law or firm of attorneys at law (who may be, without limitation, of counsel to, or an employee of, the Authority, the Trustee, the Paying Agent, the Loan Servicer or any Governmental Agency) duly admitted to practice law before the highest court of any state.

“**Debt Service**” for any period means, as of any date of calculation and with respect to any Series of Bonds, an amount equal to the sum of (i) the interest accruing during such period on such Series of Bonds except to the extent such interest is to be paid from deposits made from Bond proceeds into the Debt Service Fund, and (ii) that portion of each Principal Installment for such Series which would accrue during such period if such Principal Installment were deemed to accrue daily in equal amounts from the next preceding Principal Installment due date for such Series or, if there should be no preceding Principal Installment due date, from a date one year (or such lesser period as shall be appropriate if Principal Installments shall become due more frequently than annually) preceding the due date of such Principal Installment or from the date of issuance of the Bonds of such Series, whichever is later. For purposes of this definition, the principal and interest portions of the Accreted Value of Capital Appreciation Bonds becoming due at maturity or by virtue of a Sinking Fund Installment shall be included in the calculations of accrued and unpaid and accruing interest or Principal Installments in such manner and during such period of time as is specified in the Supplemental Resolution authorizing such Capital Appreciation Bonds.

“**Debt Service Fund**” means the fund so designated and established by Article V.

“**Debt Service Requirement**” with respect to any Series of Bonds and with respect to the next Interest Payment Date for such Bonds means (i) in the case of any Interest Payment Date on which interest only shall be due, the interest accrued and unpaid and to accrue to such date plus that portion of the Principal Installment for such Series which would accrue if such Principal Installment were deemed to accrue daily in equal amounts from the next preceding Principal Installment due date, or if there should be no preceding Principal Installment due date, from a date one year (or such lesser period as shall be appropriate if Principal Installments shall become due more frequently than annually) preceding the due date of such Principal Installment or from the date of issuance of the Bonds of such Series, whichever is later, and (ii) in case of an Interest Payment Date on which both interest and Principal Installment or Principal Installments shall be due, interest accrued and to accrue to such date plus the Principal Installment or Installments due on such Date.

“**Default**” means an event or condition the occurrence of which would, with the lapse of time or the giving of notice or both, become an Event of Default with respect to the Bonds.

“**Defeasance Securities**” means the securities defined in clauses (i) and (ii) of the definition of Investment Securities.

“**Details Certificate**” means the Certificate of an Authorized Officer determining the details related to a Series of the Bonds required by the provisions of the Bond Resolution which Certificate shall be executed on the date of the sale of the Bonds and filed with the Trustee.

“**Drinking Water Act**” means the federal Safe Drinking Water Act, as amended (43 U.S.C. Section 300 et seq.)

“**Drinking Water Financings**” means loans made by the Authority, including loans made from the proceeds of the 2024 Series A/B Bonds, if any, to eligible entities pursuant to the Act in furtherance of the purposes of the Drinking Water Revolving Fund.

“**Drinking Water Revolving Fund**” means the Drinking Water Revolving Fund created in the Authority by the Act.

“**Drinking Water Trust Agreement**” means the Drinking Water Surplus Matching Account Trust Agreement, dated as of October 1, 1997, as amended, between the Authority and U.S. Bank Trust Company, National Association, as successor Trustee, as the same may be amended and supplemented from time to time.

“**Event of Default**” means any occurrence or event designated as such in Section 9.01(1).

“**Federal Capitalization Agreements**” means (i) the instrument or agreement entered into by the United States of America Environmental Protection Agency with the Authority to make capitalization grant payments pursuant to the Clean Water Act, and (ii) the instrument or agreement entered into by the United States of America Environmental Protection Agency with the Authority to make capitalization grant payments pursuant to the Drinking Water Act.

“**Fiduciary**” or “**Fiduciaries**” means the Trustee or the Paying Agent, or both of them, as may be appropriate.

“**Fiscal Year**” means (i) with respect to the Authority, the period commencing on the first day of January of any year and ending on the last day of December of such year, or such other twelve month period as shall be hereafter adopted by the Authority as the fiscal year pursuant to the Bond Resolution and (ii) with respect to an Obligated Person, the fiscal year of such Obligated Person.

“**General Fund**” means the fund so designated and established by Article V.

“**Governmental Agency**” means any Colorado county, municipality, district, county or regional sewerage or utilities authority or any other local political subdivision or other entity named in the Details Certificate that has entered into a Loan Agreement with the Authority pursuant to which such Governmental Agency will borrow money from the 2024 Series A/B Project Account.

“**Governmental Agency’s Project**” means the project of the Governmental Agency described in Exhibit A to the Applicable Loan Agreement, a portion of the Cost of which

is financed or refinanced by the Authority through the making of a Loan pursuant to the Applicable Loan Agreement.

“**Interest Payment Date**” means each March 1 and September 1, commencing on September 1, 2024 (or such other commencement date as shall be set forth in the Details Certificate) and any date fixed for redemption.

“**Investment Securities**” means and include any of the following securities, if and to the extent the same are at the time legal for investment of the Authority’s funds:

(i) any bonds or other obligations which as to principal and interest constitute direct general obligations of, or are fully and unconditionally guaranteed as to timely payment of principal and interest by, the United States of America, including obligations of any of the Federal agencies set forth in clause (ii) below to the extent unconditionally guaranteed by the United States of America;

(ii) obligations of agencies of the United States of America, which are rated in the highest long term rating category by one or more of the National Rating Agencies, including, but not limited to, direct obligations and fully guaranteed certificates of beneficial interest of the Export-Import Bank of the United States; senior debt obligations of the Federal Home Loan Banks; debentures of the Federal Housing Administration; guaranteed mortgage-backed bonds and guaranteed pass-through obligations of the Government National Mortgage Association; guaranteed Title XI financing of the U.S. Maritime Administration; mortgaged-backed securities and senior debt obligations of the Federal National Mortgage Association; and participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation;

(iii) commercial paper that at the time of purchase is rated in the highest rating category by one or more of the National Rating Agencies;

(iv) repurchase agreements collateralized by any bonds or other obligations described in clause (i) or clause (ii) above, with any registered broker/dealer subject to the Securities Investors’ Protection Corporation jurisdiction or any commercial bank or other counterparty, if such broker/dealer, bank or other counterparty (or a guarantor of such broker/dealer, bank or counterparty) has an uninsured, unsecured and unguaranteed obligation long term rating in the two highest rating categories by each National Rating Agency, which provides a rating for the Bonds, provided:

(A) a master repurchase agreement or specific written, repurchase agreement governs the transaction; and

(B) the securities are held free and clear of any lien by the Trustee or an independent third party acting solely as agent for the Trustee, and such third party is (a) a Federal Reserve Bank, or (b) a bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus and undivided profits of not less than \$25 million, and the Trustee shall have received written confirmation from such third party that it holds such securities, free of any lien, as agent for the Trustee; and

(C) a perfected first security interest under the Uniform Commercial Code, or book entry procedures prescribed at 31 C.F.R. 306.1 et seq. or 31 C.F.R. 350.0 et seq. in such securities is created for the benefit of the Trustee; and

(D) the repurchase agreement has a term of thirty (30) days or less, or the Trustee will value the collateral securities no less frequently than weekly and will liquidate the collateral securities if any deficiency in the required collateral percentage is not restored within two business days of such valuation; and

(E) the fair market value of the securities in relation to the amount of the repurchase obligation, including principal and interest, is equal to at least 102%;

(v) money market funds rated in the highest rating categories by one or more of the National Rating Agencies (including money market mutual funds from which the Trustee or its affiliates derive a fee for investment advisory or other services to such fund); and

(vi) local government investment pools organized pursuant to C.R.S. 24-75-703 that has assets of \$500,000,000 or more and is rated in the highest rating category by one or more of the National Rating Agencies.

“**Loan**” means the loan made by the Authority to a Governmental Agency to finance or refinance a portion of the Cost of the Governmental Agency’s project pursuant to a Loan Agreement and calculated as provided in the Loan Agreement.

“**Loan Agreement**” means the Loan Agreement dated as May 1, 2024, by and between the Authority and a Governmental Agency, including the Exhibits attached thereto, as it may be supplemented, modified or amended from time to time in accordance with the terms thereof and of the Bond Resolution.

“**Loan Closing**” means the date on which the Authority shall issue and deliver the 2024 Series A/B Bonds.

“**Loan Repayments**” means all of the payments, other than the Administrative Fee, required to be made by a Governmental Agency pursuant to the provisions of the Applicable Loan Agreement.

“**Loan Repayment Fund**” means the fund so designated and established by Article V.

“**Loan Servicer**” means the Loan Servicer for the Loans (as defined in the Loan Agreements), duly appointed and designated as such pursuant to the Loan Servicing Agreement, and its successors as Loan Servicer under the Loan Servicing Agreement.

“**Loan Servicing Agreement**” means the Loan Servicing Agreement, dated as of May 1, 2024, by and between the Authority and the Loan Servicer, with respect to the Loans.

“**National Rating Agencies**” means each of Moody’s Investors Service, Standard and Poor’s Rating Group and Fitch Ratings and their respective successors and assigns and any other similar entity designated by resolution of the Authority, as a National Rating Agency.

“**Operating Expenses**” means the reasonable fees and expenses of the Loan Servicer, any Fiduciary and any financial and legal consultants to the Authority, any other costs incurred by the Authority in fulfilling its obligations under the Bond Resolution, and the administrative and general costs of the Colorado Division of Local Government, the Colorado Water Quality Control Division and the Authority which are allocable to the administration of the Loans, as shall be determined by the Authority in its sole discretion.

“**Outstanding**” or “**outstanding**” means, when used with reference to Bonds of any Series and as of any particular date (subject to the provisions of Section 13.08), all Bonds of such Series theretofore, or thereupon being, authenticated and delivered by the Trustee under the Bond Resolution, except (i) Bonds of such Series theretofore or thereupon cancelled by the Trustee or surrendered to the Trustee for cancellation; (ii) Bonds of such Series with respect to which all liability of the Authority shall have been discharged in accordance with Article XII and (iii) Bonds of such Series in lieu of or in substitution for which other Bonds of such Series shall have been authenticated and delivered by the Trustee pursuant to any provision of the Bond Resolution.

“**Paying Agent**” means the Paying Agent appointed pursuant to Section 10.02, and its successors.

“**Principal Installment**” means, as of any date of calculation and with respect to any Series, so long as any Bonds thereof are outstanding, (i) the principal amount or, as applicable, Accreted Value of Bonds of such Series due on a certain future date for which no Sinking Fund Installments have been established and (ii) the unsatisfied balance (determined as provided in subsection 2 of Section 5.10) of any Sinking Fund Installments due on a certain future date for Bonds of such Series, plus the amount of the sinking fund redemption premium, if any, which would be applicable upon redemption of such Bonds on such future date in a principal amount equal to said unsatisfied balance of such Sinking Fund Installments.

“**Principal Office**” means, when used with reference to the Authority, the Trustee, the Loan Servicer or the Paying Agent, the respective addresses of such parties as set forth in Section 13.07, and any further or different addresses as such parties may designate pursuant to Section 13.07.

“**Record Date**” means with respect to an Interest Payment Date for a particular Series of Bonds, unless otherwise provided by the Bond Resolution or Supplemental Resolution authorizing such Series, the fifteenth (15th) day (or if such day shall not be a Business Day, the preceding Business Day) of the month next preceding such Interest Payment Date.

“**Redemption Price**” means, when used with reference to any Bond or any portion thereof, the principal amount, or, as applicable, Accreted Value of such Bond or such portion thereof and any redemption premium thereon payable upon redemption thereof pursuant to the provisions of such Bond and the Bond Resolution.

“**Refunding Bonds**” means all Bonds authenticated and delivered pursuant to Section 2.05.

“**Revenues**” means all (i) the Loan Repayments, other than payment of Administrative Fees payable pursuant to subsection (b) of Section 3.03 of the Loan Agreements and payments pursuant to Sections 3.06, 5.04 and 5.07 of the Loan Agreements, and (ii) investment income from all funds and accounts created under the Bond Resolution, other than the Cost of Issuance Fund and the General Fund, and (iii) amounts deposited by the Authority in the Debt Service Fund from the Clean Water Trust Agreement and Drinking Water Trust Agreement pursuant to Section 8.09 of the Bond Resolution.

“**Rule 15c2-12**” means Rule 15c2-12 under the Securities Exchange Act of 1934, as amended through the date of adoption of the Bond Resolution, together with all interpretive guidelines or other official interpretations or explanation thereof that are promulgated by the United States Securities and Exchange Commission.

“**Series**” means all of the Bonds authenticated and delivered on original issuance and identified pursuant to the Bond Resolution or the Supplemental Resolution authorizing such Bonds as a separate Series of Bonds, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article III or Sections 4.07 or 11.10, regardless of variations in maturity, interest rate, Sinking Fund Installments or other provisions. A Series may be divided into subseries.

“**2024 Series A Bonds**” means the State Revolving Fund Revenue Bonds, 2024 Series A authorized by Section 2.03 of the Bond Resolution.

“**2024 Series A/B Bonds**” means the 2024 Series A Bonds and the 2024 Series B Bonds.

“**2024 Series B Bonds**” means the State Revolving Fund Revenue Bonds, 2024 Series B (Federally Taxable) authorized by Section 2.04 of the Resolution.

“**2024 Series A/B Matching Account**” means the account so designated and established by Article V hereof.

“**2024 Series A Matching Subaccount Requirement**” means, as of any date of calculation, the maximum annual Debt Service coming due in any calendar year with respect to the 2024 Series A Bonds.

“**2024 Series B Matching Account Subaccount Requirement**” means, as of any date of calculation, the maximum annual Debt Service coming due in any calendar year with respect to the 2024 Series B Bonds,

“**2024 Series A/B Project Account**” means the account so designated and established by Article V hereof.

“**2024 Series A/B Project Loan Subaccount**” means any of the subaccounts within the 2024 Series A/B Project Account so designated and established by Article V hereof.

“**Sinking Fund Installments**”, with respect to any Series of Bonds, shall have the meaning, if any, specified in either the Bond Resolution or any Supplemental Resolution.

“**State**” means the State of Colorado.

“**Supplemental Resolution**” means any resolution or resolutions of the Authority amending, modifying or supplementing the Bond Resolution, authorizing the issuance of a Series of Refunding Bonds, or any other Supplemental Resolution, adopted by the Authority pursuant to the provisions of the Bond Resolution.

“**Trust Agreement**” means, collectively, the Clean Water Trust Agreement and the Drinking Water Trust Agreement.

“**Trust Estate**” means (i) the proceeds of the Bonds, (ii) Authority funds deposited in the 2024 Series A/B Project Loan Account, (iii) all right, title and interest of the Authority in, to and under the Loan Agreements and the Governmental Agency Bonds (as defined in Applicable Loan Agreements) other than Administrative Fees payable pursuant to subsection (b) of Section 3.03 and the right, title and interest of the Authority under Section 3.06, 5.04 and 5.07 of the Loan Agreements, (iv) Revenues, whether held by the Trustee or the Loan Servicer, and (v) the Loan Repayment Fund, the 2024 Series A/B Matching Account, the Debt Service Fund, including the investments, if any, thereof, subject only to the provisions of the Bond Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Bond Resolution.

“**Trustee**” means the trustee appointed pursuant to Section 10.01 hereof, and its successor or successors and any other corporation which may at any time be substituted in its place as Trustee pursuant to this Bond Resolution.

“**Valuation Date**” shall mean with respect to any Capital Appreciation Bonds the date or dates set forth in the Supplemental Resolution authorizing such Bonds on which specific Accreted Values are assigned to the Capital Appreciation Bonds.

“**Water Pollution Control Revolving Fund**” means the Water Pollution Control Revolving Fund created in the Authority by the Act.

SECTION 1.02 *Rules of Interpretation.* For all purposes of the Bond Resolution, except as otherwise expressly provided or unless the context otherwise requires:

“The Bond Resolution” means this instrument as originally adopted and as

(a) it may be supplemented, modified or amended from time to time by any Supplemental Resolution, unless in the case of any one or more Supplemental Resolutions the context requires otherwise.

(b) All reference in the Bond Resolution to designated “Articles”, “Sections” and other subdivisions are to the designated Articles, Sections and other subdivisions of the Bond Resolution. The words “herein”, “hereof”, “hereunder” and “herewith” and other words of similar

import refer to the Bond Resolution as a whole and not to any particular Article, Section or other subdivision hereof.

(c) The terms defined in the Bond Resolution include the plural as well as the singular.

(d) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(e) The table of contents and the headings or captions used in the Bond Resolution are for convenience of reference only and shall not define, limit or prescribe any of the provisions hereof or the scope or intent hereof.

SECTION 1.03 *Authority for the Bond Resolution.* This State Revolving Fund 2024 Series A/B Revenue Bond Resolution is adopted pursuant to the provisions of the Act.

SECTION 1.04 *Bond Resolution and Bonds Constitute a Contract; Pledge.* With respect to the Bonds, in consideration of the purchase and acceptance of any and all of such Bonds authorized to be issued under the Bond Resolution by those who shall hold the same from time to time: (i) the Bond Resolution shall be deemed to be and shall constitute a contract between the Authority, the Trustee and the Holders, from time to time, of such Bonds; (ii) the pledge made herein and the duties, covenants, obligations and agreements set forth herein to be observed and performed by or on behalf of the Authority shall be for the equal and ratable benefit, protection and security of the Holders of any and all of such Bonds, as applicable, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction as to lien or otherwise, except as expressly provided in or permitted hereby; (iii) the Authority, as security for the payment of the principal of and Redemption Price, if any, of, and the interest on, the Bonds and as security for the observance and performance of any other duty, covenant, obligation or agreement of the Authority under the Bond Resolution all in accordance with the provisions thereof and hereof, does hereby grant, bargain, sell, convey, pledge, assign and confirm to the Trustee the Trust Estate and covenants that it has not previously pledged such Trust Estate as security for the payment of any other bonds, notes or other indebtedness of the Authority; (iv) the pledge made hereby is valid and binding from the time when the pledge is made and such Trust Estate shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority irrespective of whether such parties have notice thereof; and (v) the Bonds shall be special obligations of the Authority payable from and secured by a pledge of the Trust Estate as provided hereby.

ARTICLE II. - AUTHORIZATION AND ISSUANCE OF BONDS

SECTION 2.01 *Authorization of Bonds; Designation of Bonds of Series.*
 1. This Bond Resolution authorizes Bonds of the Authority to be designated as “State Revolving Fund Revenue Bonds”, which may be issued from time to time in one or more Series under the provisions hereof applicable thereto. The aggregate principal amount of the Bonds which may be executed, authenticated and delivered under the Bond Resolution is not limited except as may hereafter be provided in the Bond Resolution or as may be limited by law.

2. The Bonds may, if and when authorized by the Authority pursuant hereto or pursuant to one or more Supplemental Resolutions, be issued in one or more Series, and the designation thereof, in addition to the name "State Revolving Fund Revenue Bonds" shall include such further appropriate particular designation added to or incorporated in such title for the Bonds of any particular Series as the Authority may determine. Each Bond shall bear upon its face the designation so determined for the Series to which it belongs.

3. Neither the State nor any political subdivision thereof (other than the Authority) is obligated to pay the principal or Redemption Price of, or interest on, the Bonds, and neither the full faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the principal or Redemption Price of, or interest on, the Bonds.

SECTION 2.02 *General Provisions for Issuance of Bonds.* 1. All (but not less than all) of the Bonds of each Series shall be executed by the Authority for issuance under the Bond Resolution and delivered to the Trustee and thereupon shall be authenticated by the Trustee and by it delivered to the Authority or upon its order, but only upon the receipt by the Trustee of:

(1) A copy of the Bond Resolution, certified by an Authorized Officer of the Authority;

(2) In the case of each Series of Refunding Bonds, a copy of the Supplemental Resolution authorizing such Refunding Bonds, certified by an Authorized Officer of the Authority, which shall, among other provisions, specify: (a) the authorized principal amount, designation and Series of such Refunding Bonds; (b) the purposes for which such Series of Bonds is being issued, which shall be as provided in Section 2.05; (c) the date, and the maturity date or dates, of the Refunding Bonds of such Series; (d) the interest rate or rates of the Bonds of such Series and the initial Interest Payment Date therefor; (e) if such Refunding Bonds are Capital Appreciation Bonds, the Valuation Dates and the Accreted Value on such Valuation Dates; (f) the denominations of, and the manner of dating, numbering and lettering, the Refunding Bonds of such Series, provided that such Refunding Bonds shall be in denominations of \$5,000 or any integral multiple thereof as authorized by such Supplemental Resolution (except that any Capital Appreciation Bond of such Series shall be in such denomination that its Accreted Value at maturity will be equal to \$5,000 or any integral multiple thereof); (g) the Paying Agent or Paying Agents and the place or places of payment of the principal and Redemption Price, if any, of, and interest on, the Refunding Bonds of such Series; (h) the Redemption Price or Prices, if any, and, subject to Article IV, the redemption terms for the Refunding Bonds of such Series; (i) the amount and due date of each Sinking Fund Installment, if any, for Refunding Bonds of like maturity of such Series, provided that each Sinking Fund Installment due date shall fall upon a March 1 or September 1; (j) the form of the Refunding Bonds of such Series and of the Trustee's certificate of authentication, which shall be substantially in the form set forth in Section 14.01 for the Bonds with such variations, insertions or omissions as are appropriate and not inconsistent therewith; (k) the provisions for the application of proceeds of such Series of Refunding Bonds; and (l) if any of the Refunding Bonds of such Series shall be

Capital Appreciation Bonds, the manner in which and the period during which principal and interest shall be deemed to accrue on such Bonds. The items listed in clauses (c), (d), (e), (h) and (i) may be set forth in a details certificate;

(3) An opinion of Bond Counsel to the effect that (i) the Authority has the right and power under the Act, as amended to the date of such opinion, to adopt the Bond Resolution, and the Bond Resolution has been duly and lawfully adopted by the Authority, is in full force and effect and constitutes the valid and binding agreement of the Authority enforceable in accordance with its terms, and no other authorization for the Bond Resolution is required; (ii) the Bond Resolution creates the valid pledge which it purports to create of the Trust Estate for the Bonds, subject only to the provisions of the Bond Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Bond Resolution; (iii) the Authority is duly authorized and entitled to issue the Bonds and such Bonds have been duly and validly authorized and issued by the Authority, in accordance with law, including the Act, as amended to the date of such opinion, and in accordance with the Bond Resolution, and constitute the valid and binding obligations of the Authority as provided in the Bond Resolution, enforceable in accordance with their terms and the terms of the Bond Resolution, and are entitled to the benefits of the Act, as amended to the date of such opinion, and the Bond Resolution; and (iv) the Authority has the right and power under the Act, as amended to the date of such opinion, to enter into the Loan Agreements, and the Loan Agreements have been duly and lawfully authorized and executed by the Authority, are in full force and effect and are valid and binding upon the Authority and enforceable in accordance with their terms, and no other authorization for the Loan Agreements is required. Such opinion may take exception as to the effect of, or for restrictions or limitations imposed by or resulting from bankruptcy, insolvency, debt adjustment, moratorium, reorganization or other similar laws affecting creditors' rights generally and judicial discretion and the valid exercise of the sovereign police powers of the State and of the constitutional powers of the United States of America and may state that no opinion is being rendered as to the availability of any particular remedy;

(4) A written order to the Trustee as to the delivery of such Bonds, signed by an Authorized Officer of the Authority;

(5) Unless otherwise provided in the Details Certificate, the amount, if any, necessary for deposit in the 2024 Series A/B Matching Account and any matching subaccount created for a Series of Refunding Bonds, so that the amount on deposit in each subaccount of the 2024 Series A/B Matching Account shall equal the 2024 Series A Matching Subaccount Requirement, the 2024 Series B Matching Subaccount Requirement, or other subaccount requirement, as applicable, calculated immediately after the authentication and delivery of such Series of Bonds; and

(6) Such further documents, moneys and securities as are required by the provisions of Sections 2.03, 2.04 or, as applicable, 2.05, or Article XI or any Supplemental Resolution adopted pursuant to Article XI.

2. All the Bonds of each such Series of like maturity shall be identical in all respects, except as to denominations, numbers and letters and except that they may be in either coupon or registered form. After the original issuance of Bonds of any Series, no Bonds of such Series shall be issued except in lieu of or in substitution for other Bonds of such Series pursuant to Article III or Sections 4.07 or 11.10.

SECTION 2.03 *2024 Series A Bonds.* A Series of Bonds entitled to the benefit, protection and security of the Bond Resolution is hereby authorized in the aggregate principal amount not to exceed \$45,000,000 for the purpose of funding a portion of the Loans to be made pursuant to the Loan Agreements and to pay Costs of Issuance. The principal amount of the 2024 Series A Bonds together with names of the Governmental Agencies which are the recipients of the Loans shall be set forth in the Details Certificate. The Details Certificates shall also indicate if such Loans are Clean Water Financings or Drinking Water Financings. Such Series of Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series by the title, “State Revolving Fund Revenue Bonds, 2024 Series A.” The 2024 Series A Bonds may be issued as subseries as shall be set forth in the Details Certificate.

SECTION 2.04 *2024 Series B Bonds.* A Series of Bonds entitled to the benefit, protection and security of the Bond Resolution is hereby authorized in the aggregate principal amount not to exceed \$25,000,000 for the purpose of funding a portion of the Loans to be made pursuant to the Loan Agreements and to pay Costs of Issuance. The principal amount of the 2024 Series B Bonds together with names of the Governmental Agencies which are the recipients of the Loans shall be set forth in the Details Certificate. The Details Certificates shall also indicate if such Loans are Clean Water Financings or Drinking Water Financings. Such Series of Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series by the title, “State Revolving Fund Revenue Bonds, 2024 Series B (Federally Taxable)”. The 2024 Series B Bonds may be issued as subseries as shall be set forth in the Details Certificate.

SECTION 2.05 *2024 Series A/B Bonds.*

1. The 2024 Series A/B Bonds shall be dated and shall bear interest from their date of delivery, except as otherwise provided in Section 3.01 of the Bond Resolution. The 2024 Series A/B Bonds shall mature on the dates, in the principal amounts, and shall bear interest payable on the Interest Payment Dates, at the respective rates per annum, as shall be set forth in the Details Certificate. The net interest cost on the 2024 Series A Bonds shall not exceed 5.0% per annum and the final maturity of the 2024 Series A Bonds shall not be later than September 1, 2057. The net interest cost on the 2024 Series B Bonds shall not exceed 7.0% per annum and the final maturity of the 2024 Series B Bonds shall not be later than September 1, 2057.

2. The 2024 Series A/B Bonds shall be issued in the denomination of \$5,000 or any integral multiples of \$5,000. Unless the Authority shall otherwise direct, the 2024 Series A/B Bonds shall be lettered and numbered from one upward in order of maturities preceded by the letter “R” and such other letter as determined by the Trustee prefixed to the number. Subject to

the provisions of the Bond Resolution, the form of the 2024 Series A/B Bonds and the Trustee's certificate of authentication shall be substantially in the form set forth in Section 14.01.

3. The principal and Redemption Price of the 2024 Series A/B Bonds shall be payable, at the option of the holder, at the corporate trust operations offices in St. Paul, Minnesota, of U.S. Bank Trust Company, National Association, as Paying Agent or such other place as the Paying Agent shall determine by filing with the Authority a Certificate of an Authorized Officer designating such other place. The principal and Redemption Price of the 2024 Series A/B Bonds shall also be payable at any other place which may be provided for such payment by the appointment of any other Paying Agent or Paying Agents as permitted by the Bond Resolution, or as may be determined in writing by the Authority. Interest on the 2024 Series A/B Bonds shall be payable by check or draft of the Trustee, mailed or transmitted, respectively, to the Holders thereof as the same appear as of the Record Date on the books of the Authority maintained by the Trustee.

4. The 2024 Series A/B Bonds shall have such redemption provisions as shall be set forth in the Details Certificate.

5. The 2024 Series A/B Bonds may be sold by negotiated sale or competitive sale, as determined by the Authority and set forth in the Details Certificate. In the case of a negotiated sale, the Authority shall designate the underwriter(s) (the "Underwriter") in the Details Certificate.

6. The proceeds of the 2024 Series A/B Bonds shall be applied simultaneously with the delivery of such Bonds as follows:

(a) There shall be deposited in each subaccount related to each Series of 2024 Series A/B Bonds, the Cost of Issuance Fund, for application to the payment of the Costs of Issuance incurred in connection with the issuance of the 2024 Series A/B Bonds, the amounts set forth in a certificate of an Authorized Officer of the Authority upon the delivery of the 2024 Series A/B Bonds; and

(b) The remaining balance of the proceeds of the 2024 Series A/B Bonds shall be deposited in each 2024 Series A/B Project Loan Subaccount established in the 2024 Series A/B Project Account on behalf of each Governmental Agency, the amount set forth in a Certificate of an Authorized Officer of the Authority delivered to the Trustee upon delivery of the 2024 Series A/B Bonds.

SECTION 2.06 *Authorizations required in connection with the issuance of the 2024 Series A/B Bonds.* 1. In connection with the issuance, securing and sale of the 2024 Series A/B Bonds, there have been prepared and submitted to this meeting:

(i) the form of Preliminary Official Statement (the "Preliminary Official Statement"), to be used in connection with the marketing of the 2024 Series A/B Bonds which shall be in the form presented to this meeting and made a part hereof;

(ii) the form of the Loan Agreements;

(iii) the form of Loan Servicing Agreement;

(iv) the form of the Notices of Sale (the “Notices of Sale”), to be used in connection with a competitive sale of the 2024 Series A/B Bonds;

(v) if the 2024 Series A/B Bonds are to be sold on a negotiated basis, the Bond Purchase Agreement (the “Bond Purchase Agreement”), which shall be in the form of the Bond Purchase Agreement executed by the Authority in connection with the sale of the Authority’s State Revolving Fund Refunding Revenue Bonds, 2022 Series A and

(vi) the form of Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”), to be executed by the Authority to provide compliance with Rule 15c2-12.

2. The distribution of the Preliminary Official Statement in the form presented to this meeting and made a part hereof as though set forth in full herein, be and the same is hereby approved and its use in connection with the offering and marketing of the 2024 Series A/B Bonds is hereby authorized.

3. An Official Statement (the “Official Statement”) which shall be the Preliminary Official Statement revised to reflect the information contained in the Details Certificate is hereby authorized and its use by the purchasers of the 2024 Series A/B Bonds in connection with the offering and sale of the 2024 Series A/B Bonds is hereby authorized. Each Authorized Officer is hereby authorized and directed to execute the Official Statement and any amendment or supplement thereto, in the name of and on behalf of the Authority with such changes therein as shall be approved by any of them and thereupon to cause the Official Statement and any such amendment or supplement to be delivered to the purchasers of the 2024 Series A/B Bonds with their approval of any changes, insertions or omissions to be conclusively evidenced by the execution and delivery thereof by any of such officers.

4. The Notices of Sale, in substantially the forms submitted to this meeting, be and each hereby is approved. Each Authorized Officer is hereby authorized and directed to provide for the dissemination of the Notice of Sale.

5. The Loan Agreements, the Continuing Disclosure Agreement and the Loan Servicing Agreement, each in substantially the form submitted to this meeting, or in the case of the Bond Purchase Agreement in the form previously executed by the Authority, be and each is hereby approved. Each Authorized Officer is hereby authorized and directed to execute and deliver the Loan Agreements, the Continuing Disclosure Agreement the Bond Purchase Agreement, if any, and the Loan Servicing Agreement with such changes, insertions and omissions as the executing official may approve, said execution being conclusive evidence of such approval.

6. The Authority is hereby authorized to transfer not exceeding \$45,000,00 from program funds, to be deposited in the respective subaccounts in the 2024 Series A/B Project Loan Account. The amount to be deposited in each 2024 Series A/B Project Loan Subaccount from the proceeds of the 2024 Series A/B Bonds and from program funds (whether drawn on Federal Capitalization Agreements or other Authority funds) shall be set forth in the certificate of an Authorized Officer delivered to the Trustee on the Closing Date pursuant to Section 2.05(6)(b),

which certificate may be amended from time to time by amendment to such certificate of an Authorized Officer of the Authority. The Authority is authorized to transfer to each subaccount in the 2024 Series A/B Matching Account from available funds of the Authority an amount equal to the 2024 Series A Matching Subaccount Requirement and the 2024 Series B Matching Subaccount Requirement, respectively.

7. The Chairman, Vice Chairman, Executive Director or Finance Director of the Authority, acting singly, be and each of them hereby is authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by the Bonds, the Bond Resolution, the Official Statement, the Loan Agreements the Bond Purchase Agreement, the Notices of Sale, the Continuing Disclosure Agreement and the Loan Servicing Agreement, as applicable. Wesley Williams is hereby appointed an Assistant Secretary to execute such documents for the purpose of carrying out the transactions contemplated by the Bonds, the Bond Resolution and the Loan Agreements.

8. The Authority hereby determines that the 2024 Series A/B Bonds shall be exclusively in “book entry” form. The initial owner of the 2024 Series A/B Bonds shall be Cede & Co., on behalf of DTC, which shall hold one or more immobilized certificates representing the 2024 Series A/B Bonds. All transfers of 2024 Series A/B Bonds shall be effected as set forth in the Bond Resolution; provided that the Authority understands and agrees that DTC shall establish procedures with its participants for recording and transferring the ownership of beneficial interests in the 2024 Series A/B Bonds. The Authority may enter into a letter of representation and other documentation necessary or desirable to effectuate the issuance of the 2024 Series A/B Bonds in book entry form.

9. For purposes of determining the consents of Holders of the 2024 Series A/B Bonds under the Bond Resolution, the Trustee shall establish a record date for determination of ownership of such Bonds, and shall give to DTC or any successive securities depository at least fifteen (15) calendar days’ notice of any record date so established.

10. The Authority may hereafter amend the Bond Resolution without notice to or consent of the Holders of any of the 2024 Series A/B Bonds in order (i) to offer to Holders the option of receiving 2024 Series A/B Bonds in certificated form or (ii) to require the execution and delivery of certificates representing a portion or all of the 2024 Series A/B Bonds, if (A) DTC shall cease to serve as depository and no successor can be found to serve upon terms satisfactory to the Authority, or (B) the Authority determines to terminate use of book entry form for the 2024 Series A/B Bonds.

SECTION 2.07 Refunding Bonds. 1. One or more Series of Refunding Bonds may be issued at any time to refund any Outstanding Bond or Bonds of a particular Series or all of the Bonds of one or more Series. Refunding Bonds shall be issued in a principal amount sufficient, together with other moneys available therefor, to accomplish such refunding and to make the deposits in the funds and accounts under the Bond Resolution required by the provisions of the Supplemental Resolution authorizing such Bonds. Refunding Bonds shall be on a parity with and, except as otherwise provided in the Supplemental Resolution for such Refunding Bonds,

shall be entitled to the same benefit and security of the Bond Resolution including the pledge of the Trust Estate as the Bonds of the Series of Bonds which are being refunded.

2. Refunding Bonds of each Series shall be authenticated and delivered by the Trustee only upon receipt by the Trustee (in addition to the documents required by Section 2.02) of:

(a) Instructions to the Trustee, satisfactory to it, to give due notice of redemption, if applicable, of all the Bonds to be refunded on a redemption date or dates specified in such instructions, subject to the provisions of Section 12.01 hereof;

(b) If the Bonds to be refunded are not by their terms subject to redemption within the next succeeding sixty (60) days, instructions to the Trustee, satisfactory to it, to mail the notice provided for in Section 12.01 to the Holders of the Bonds being refunded;

(c) Either (i) moneys in an amount sufficient to effect payment at the applicable Redemption Price of the Bonds to be refunded together with accrued interest on such Bonds to the redemption date or dates, which moneys shall be held by the Trustee or any one or more of the Paying Agents in a separate account irrevocably in trust for and assigned to the respective Holders of the Bonds to be refunded, or (ii) Investment Securities in such principal amounts of such maturities, bearing such interest and otherwise having such terms and qualifications and any moneys as shall be necessary to comply with the provisions of subsection 2 of Section 12.01, which Investment Securities and moneys shall be held in trust and used only as provided in said subsection 2 of Section 12.01; and

(d) A Certificate of an Authorized Officer of the Authority demonstrating that the Loan Repayments, exclusive of the Administrative Fees, to become due in each year during which such Refunding Bonds shall be Outstanding shall be sufficient to pay when due the principal or Redemption Price of, and interest on, all Bonds Outstanding upon the authentication and delivery of such Series of Refunding Bonds.

3. The proceeds, including accrued interest, of the Refunding Bonds of each Series shall be applied simultaneously with the delivery of such Refunding Bonds for the purposes of making deposits, if any, in such funds and accounts as shall be provided by the Supplemental Resolution authorizing such Series of Refunding Bonds and shall be applied to the refunding purposes thereof in the manner provided in said Supplemental Resolution.

ARTICLE III. - GENERAL TERMS AND PROVISIONS OF BONDS

SECTION 3.01 *Medium of Payment; Form and Date; Letters and Numbers.* 1. The Bonds shall be payable, with respect to principal and Redemption Price, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts and with respect to interest shall be payable by check or draft of the Trustee.

2. The Bonds of each Series shall be issued only in the form of fully registered Bonds without coupons in denominations of \$5,000 or any integral multiple thereof. The Bonds

of each Series shall be in substantially the form set forth in Section 14.01 or substantially in the form set forth in the Supplemental Resolution authorizing such Series.

3. Each Bond shall be lettered and numbered as provided in the Bond Resolution or the Supplemental Resolution providing for the issuance of the Series of which such Bonds is a part and so as to be distinguished from every other Bond.

4. Bonds of each Series issued on the date of original issuance shall be dated and bear interest from the date specified in the Bond Resolution or the Supplemental Resolution. Unless otherwise provided in the Bond Resolution or the Supplemental Resolution, Bonds of each Series issued after the date of original issuance shall bear interest from the most recent interest payment date next preceding the date of such Bond to which interest has been paid, unless the date of such Bond is an interest payment date to which interest has been paid, in which case interest shall be payable from such date, or unless the date of such Bond is prior to the first interest payment on the Bonds, in which case interest shall be payable from the earliest date on which interest shall have accrued on such Series of Bonds.

5. The interest on, and principal and Redemption Price, if any, of, each Series of Bonds shall be payable as provided in the Bond Resolution or Supplemental Resolution relating to such Series of Bonds.

SECTION 3.02 *Legends.* The Bonds of each Series may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of the Bond Resolution as may be necessary or desirable to comply with custom, the rules of any securities exchange or commission or brokerage board, the Act, or otherwise, as may be determined by the Authority prior to the authentication and delivery thereof.

SECTION 3.03 *Execution and Authentication.* 1. The Bonds shall be executed in the name of the Authority by the manual or facsimile signature of the Executive Director or other Authorized Officer of the Authority, and its corporate seal (or a facsimile thereof) shall be impressed, imprinted, engraved or otherwise reproduced thereon and attested by the manual or facsimile signature of the Secretary or Assistant Secretary or an Authorized Officer of the Authority, or in such other manner as may be required or permitted by law. In case any one or more of the Authorized Officers who shall have signed or sealed any of the Bonds shall cease to be such officer before the Bonds so signed and sealed shall have been authenticated and delivered by the Trustee, such Bonds may, nevertheless, be authenticated and delivered as herein provided, and may be issued as if the persons who signed or sealed such Bonds had not ceased to hold such offices. Any Bond of a Series may be signed and sealed on behalf of the Authority by such persons as at the time of the execution of such Bonds shall be duly authorized or hold the proper office in the Authority, although at the date borne by the Bonds of such Series such persons may not have been so authorized or have held such office.

2. The Bonds of each Series shall bear thereon a certificate of authentication, in the form set forth in Section 14.01 of the Bond Resolution or in the Supplemental Resolution authorizing such Series of Bonds, executed manually by the Trustee. Only such Bonds as shall bear thereon such certificate of authentication shall be entitled to any right or benefit under the Bond Resolution and no Bond shall be valid or obligatory for any purpose until such certificate of

authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any Bond executed on behalf of the Authority shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered under the Bond Resolution and that the Holder thereof is entitled to the benefits of the Bond Resolution applicable thereto.

SECTION 3.04 *Transfer and Registry.* 1. Each Bond shall be transferable only upon the books of the Authority, which shall be kept for that purpose at the principal corporate trust office of the Trustee, by the Holder thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the Holder or his duly authorized attorney. Upon the transfer of any such Bond the Authority shall issue in the name of the transferee a new Bond or Bonds of the same aggregate principal amount and maturity as the surrendered Bond.

2. The Authority and each Fiduciary may deem and treat the person in whose name any Bond shall be registered upon the books of the Authority kept by the Trustee as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price, if any, of and interest on, such Bond and for all other purposes, and all such payments so made to any such Holder or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Authority nor any Fiduciary shall be affected by any notice to the contrary. The Authority agrees to indemnify and save each Fiduciary harmless from and against any and all loss, cost, charge, expense (including legal fees), judgment or liability incurred by it, acting without negligence or willful misconduct under the Bond Resolution, in so treating such Holder.

SECTION 3.05 *Regulations With Respect to Exchanges and Transfers.* In all cases in which the privilege of exchanging Bonds or transferring Bonds is exercised, the Authority shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of the Bond Resolution. All Bonds surrendered in any such exchange or transfer shall forthwith be cancelled by the Trustee. For every such exchange or transfer of Bonds, whether temporary or definitive, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. Neither the Authority nor the Trustee shall be required (a) to transfer or exchange Bonds for a period beginning on the Record Date next preceding an Interest Payment Date for the Bonds and ending on such Interest Payment Date, or for a period of fifteen (15) days (or such lesser period as may be specified in a Supplemental Resolution for a particular Series of Bonds) next preceding the date (as determined by the Trustee) of any selection of Bonds to be redeemed or thereafter until after the mailing of any notice of redemption; or (b) to transfer or exchange any Bonds called or tendered for redemption.

SECTION 3.06 *Bonds Mutilated, Destroyed, Stolen or Lost.* In case any Bond shall become mutilated or be destroyed, stolen or lost, the Authority shall execute, and thereupon the Trustee shall authenticate and deliver, a new Bond of like Series, maturity and principal amount as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, upon filing with the Trustee evidence satisfactory to the Authority and the Trustee that such Bond has been destroyed, stolen or lost and

proof of ownership thereof, and upon furnishing the Authority and the Trustee with indemnity satisfactory to them and complying with such other reasonable regulations as the Authority and the Trustee may prescribe and paying such expenses as the Authority and Trustee may incur. All mutilated Bonds so surrendered to the Trustee shall be cancelled by it. Any such new Bonds issued pursuant to this Section in substitution for Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the Authority, whether or not the Bonds so alleged to be destroyed, stolen or lost be at any time enforceable by anyone, and shall be equally secured by, and entitled to equal and proportionate benefits with all other Bonds issued under the Bond Resolution in, any moneys or securities held by the Authority or any Fiduciary for the benefit of the Holders of such Bonds.

SECTION 3.07 *Temporary Bonds.* 1. Until the definitive Bonds of any Series are prepared, the Authority may execute, in the same manner as is provided in Section 3.03, and upon the request of the Authority, the Trustee shall authenticate and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds, one or more temporary Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The Authority at its own expense shall prepare and execute and, upon the surrender of such temporary Bonds for exchange and the cancellation of such surrendered temporary Bonds, the Trustee shall authenticate and, without charge to the Holder thereof, deliver in exchange therefor, definitive Bonds of the same aggregate principal amount and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds authenticated and issued pursuant to the Bond Resolution.

2. All temporary Bonds surrendered in exchange either for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith cancelled by the Trustee.

SECTION 3.08 *Cancellation and Destruction of Bonds.* All Bonds paid or redeemed, either at or before maturity, shall be delivered to the Trustee when such payment or redemption is made, and such Bonds, together with all Bonds purchased by the Trustee, shall thereupon be promptly cancelled. Bonds so cancelled may at any time be destroyed by the Trustee in accordance with the retention policy then in effect.

ARTICLE IV. - REDEMPTION OF BONDS PRIOR TO MATURITY

SECTION 4.01 *Privilege of Redemption and Redemption Price.* Bonds subject to redemption prior to maturity pursuant to the Bond Resolution shall be redeemable, upon notice as provided in this Article IV, at such times, at such Redemption Prices and upon such terms in addition to the terms contained in this Article IV as may be specified in the Bond Resolution and the Supplemental Resolution authorizing such Series of Bonds.

SECTION 4.02 *Redemption.* 1. In the case of any redemption of Bonds at the election or direction of the Authority, the Authority shall give written notice to the Trustee of its election or direction to so redeem, of the redemption date, and of the principal amounts of the Bonds of each maturity to be redeemed (which maturities and principal amounts thereof to be redeemed shall be determined by the Authority in its sole discretion, subject to any limitations

with respect thereto contained in the Bond Resolution). Such notice shall be given at least forty-five (45) days prior to the redemption date or such shorter period as shall be agreed to in writing by the Trustee. In the event notice of redemption shall have been given as provided in Section 4.05, there shall be paid by the Authority on or prior to the redemption date to the Paying Agent an amount in cash which, in addition to other moneys, if any, available therefor held by the Paying Agent, will be sufficient to redeem on the redemption date at the Redemption Price thereof, plus interest accrued and unpaid to the redemption date, all of the Bonds to be redeemed. The Authority shall promptly notify the Trustee in writing of all such payments by the Authority to the Paying Agent.

2. Except as otherwise provided herein, any notice of the optional or extraordinary redemption of the Bonds, other than any notice that refers to Bonds that are to be redeemed from proceeds of a refunding bond issue, may be given only if sufficient funds have been deposited with the Trustee to pay the applicable Redemption Price of the Bonds to be redeemed.

SECTION 4.03 *Redemption Otherwise than at Authority's Election or Direction.* Whenever by the terms of the Bond Resolution the Trustee is required or authorized to redeem Bonds otherwise than at the election or direction of the Authority, the Trustee shall select the Bonds to be redeemed, give the notice of redemption as provided in Section 4.05 and pay out of moneys available therefor the Redemption Price thereof, plus interest accrued and unpaid to the redemption date, to the Paying Agent in accordance with the terms of this Article IV and, to the extent applicable, Article V.

SECTION 4.04 *Selection of Bonds to be Redeemed.* If less than all of the Bonds of like maturity shall be called for prior redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected at random by the Trustee in such manner as the Trustee in its discretion may deem fair and appropriate; provided, however, that the portion of any Bond (other than a Capital Appreciation Bond) of a denomination of more than \$5,000 to be redeemed shall be in the principal amount of \$5,000 or an integral multiple thereof, and that, in selecting Bonds for redemption, the Trustee shall treat each Bond as representing that number of Bonds that is obtained by dividing the principal amount of such Bond by the minimum denomination in which Bonds of such Series are authorized to be outstanding after the redemption date. For purposes of this Section 4.04, if less than all of the Capital Appreciation Bonds shall be called for prior redemption, the portion of any Capital Appreciation Bond of a denomination of more than the maturity amount specified in the Supplemental Resolution authorizing such Bonds to be redeemed shall be in such maturity amount or a multiple thereof, and, in selecting portions of such Capital Appreciation Bond for redemption, the Authority shall treat such Capital Appreciation Bond as representing that number of Capital Appreciation Bonds of such maturity amount which is obtained by dividing the maturity amount of such Capital Appreciation Bond to be redeemed in part by the maturity amount specified in such Supplemental Resolution.

SECTION 4.05 *Notice of Redemption.* When Bonds of a Series have been selected for redemption pursuant to any provision of the Bond Resolution, the Trustee shall give written notice of the redemption of such Bonds in the name of the Authority at the times specified in the second paragraph of this Section, which notice shall set forth: (i) the Series of the Bonds to be redeemed, (ii) the date fixed for redemption, (iii) the Redemption Price to be paid, (iv) that such

Bonds will be redeemed at the office or offices of the Paying Agent, (v) if less than all of such Bonds shall be called for redemption, the distinctive numbers and letters, if any, of such Bonds to be redeemed, (vi) in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed, and (vii) if the Bonds to be redeemed have CUSIP numbers, the CUSIP numbers of such Bonds. Such notice shall further state that on the redemption date there shall become due and payable the Redemption Price of all Bonds to be redeemed, together with interest accrued to the redemption date, and that, from and after such date, interest thereon shall cease to accrue. Any notice of redemption shall be subject to such conditions as the Authority may determine and may be revocable. In case any Bond is to be redeemed in part only, the notice of redemption that relates to such Bond shall state also that on or after the redemption date, upon surrender of such Bond, the Holder thereof shall be entitled to a new Bond or Bonds of the same Series, bearing interest at the same rate and in aggregate principal amount equal to the unredeemed portion of such Bond. If any redemption is to be effectuated through the issuance of indebtedness of the Authority, the notice of redemption may state that the redemption is conditioned upon the Authority's receipt of the proceeds of such indebtedness.

The notice required to be given by the Trustee pursuant to this Section shall be sent by first class mail to the registered owners of the Bonds to be redeemed, at their addresses as they appear on the Bond registration books of the Authority kept by the Trustee as provided in Section 3.04, not less than thirty (30) nor more than sixty (60) days prior to the redemption date. The failure to give notice of the redemption of any Bond or portion thereof to the registered owner of such Bond as herein provided shall not affect the validity of the proceedings for the redemption of any Bonds for which notice of redemption has been given in accordance with the provisions of this Section.

SECTION 4.06 *Payment of Redeemed Bonds.* On the date designated for redemption, notice having been given in the manner and under the conditions hereinabove provided, the Bonds or portions of Bonds called for redemption shall become and be due and payable at the Redemption Price provided for redemption of such Bonds or such portions thereof on such date and, if moneys for the payment of the Redemption Price and the accrued interest to the redemption date are held in a separate account by the Trustee in trust for the holders of such Bonds, interest on such Bonds or such portions thereof so called for redemption shall cease to accrue, such Bonds or such portions thereof shall cease to be entitled to any benefit or security under the Bond Resolution and the Holders of such Bonds or portions of Bonds shall have no rights in respect thereof except to receive payment of the Redemption Price thereof and the accrued interest thereon and, to the extent provided in Section 4.07 hereof, to receive Bonds for any unredeemed portions of Bonds.

SECTION 4.07 *Redemption of Portions of Bonds.* In case part but not all of an Outstanding Bond shall be selected for redemption, upon presentation and surrender of such Bond to the Paying Agent for payment of the principal amount thereof so called for redemption and accrued interest thereon on or after the redemption date, the Authority shall execute and the Trustee shall authenticate and deliver to or upon the order of the registered owner thereof or his attorney or legal representative, without charge therefor, a Bond or Bonds of the same Series bearing interest at the same rate and of any denomination or denominations authorized by the Bond Resolution in aggregate principal amount equal to the unredeemed portion of such Bond.

ARTICLE V. - FUNDS AND ACCOUNTS

SECTION 5.01 *Creation of Funds and Accounts.* 1. The following funds and separate accounts within funds shall be established, held and maintained for the Bonds:

(a) Loan Repayment Fund, to be held by the Trustee;

(b) 2024 Series A/B Project Account (consisting of a separate 2024 Series A/B Project Loan Subaccount established for each Governmental Agency to which a Loan is to be made),

(c) the 2024 Series A/B Matching Account, each to be held by the Trustee, consisting of a subaccount created for each Series of Bonds;

(d) Debt Service Fund, to be held by the Trustee;

(e) Cost of Issuance Fund, to be held by the Trustee on behalf of the Authority, consisting of a subaccount created for each Series of Bonds; and

(f) General Fund to be held by the Trustee on behalf of the Authority.

(2) This is hereby established within each of the Loan Repayment Fund, the 2024 Series A/B Matching Account, the Debt Service Fund and the General Fund, a separate subaccount allocated to Clean Water Financing and Drinking Water Financing.

(3) Each of the funds and accounts created by the Bond Resolution, other than the Cost of Issuance Fund and the General Fund, is hereby pledged to, and charged with, the payment of the principal or Redemption Price of and interest on the Bonds as the same shall become due.

SECTION 5.02 *Water Pollution Control Revolving Fund and Drinking Water Revolving Fund.* 1. The Authority shall maintain, pursuant to the Act, the Water Pollution Control Revolving Fund and Drinking Water Revolving Fund for the State.

2. For the purposes of compliance with the Clean Water Act or regulations promulgated thereunder relating to the deposit of moneys in or restricting the use of moneys within the Water Pollution Control Revolving Fund, moneys in the Loan Repayment Fund, the 2024 Series A/B Project Account, the 2024 Series A/B Matching Account, the Debt Service Fund and the General Fund relating to Clean Water Financings shall be deemed to be within the Water Pollution Control Revolving Fund.

3. For the purposes of compliance with the Safe Drinking Water Act or regulations promulgated thereunder relating to the deposit of moneys in or restricting the use of moneys within the Drinking Water Revolving Fund, moneys in the Loan Repayment Fund, the 2024 Series A/B Project Account, the 2024 Series A/B Matching, the Debt Service Fund and the General Fund relating to Drinking Water Financings shall be deemed to be within the Drinking Water Revolving Fund.

4. The Authority shall maintain records relating to the moneys on deposit in the Loan Repayment Fund, the 2024 Series A/B Project Account, the 2024 Series A/B Matching Account and the Debt Service Fund allocable to the Water Pollution Control Revolving Fund and the Drinking Water Revolving Fund, respectively.

SECTION 5.03 *2024 Series A/B Project Account.* 1. There shall be established within the 2024 Series A/B Project Account a separate 2024 Series A/B Project Loan Subaccount in favor of each Governmental Agency to which a Loan is to be made pursuant to a Loan Agreement.

2. There shall be deposited into each 2024 Series A/B Project Loan Subaccount from the proceeds of the 2024 Series A/B Bonds and from program funds (whether drawn on Federal Capitalization Agreements or other Authority funds) the respective amounts set forth in the Certificate of an Authorized Officer of the Authority delivered to the Trustee pursuant to Section 2.05(6)(b).

3. The Trustee shall make payments from a 2024 Series A/B Project Loan Subaccount in the amounts, at the times, in the manner and on the other terms and conditions set forth in this subsection. Before any such payment shall be made, the Governmental Agency shall file with the Trustee its requisition therefor, approved by the Authority, and if deemed necessary by the Authority, approved by the Colorado Water Quality Control Division, which requisition shall be in substantially the form set forth in Exhibit A hereto. The Trustee shall issue its check for each payment required by such requisition or shall by interbank transfer or other method arrange to make the payment required by such requisition.

4. The Authority shall file a Certificate, signed by an Authorized Officer of the Authority, with the Loan Servicer and Trustee with respect to each 2024 Series A/B Project Loan Subaccount when the Authority has approved all requisitions for the Loan to be funded from such 2024 Series A/B Project Loan Subaccount. Such Certificate shall set forth a schedule indicating (A)(i) with respect to the remaining monies which represent the proceeds of the Bonds, when and how much of the remaining moneys, if any, on deposit in such Subaccount are to be transferred to the Debt Service Fund and whether such moneys shall be used to redeem, purchase or provide for payment of Bonds and (ii) which ensuing Loan Repayments, or portions thereof, if any, set forth on Schedule C to the Applicable Loan Agreement of the Governmental Agency shall be credited as a result of such transfer and use, and (B) with respect to the remaining moneys which represent amounts deposited in such 2024 Series A/B Project Loan Subaccount from Authority funds, the disposition thereof. The Trustee shall transfer from such subaccount to the Debt Service Fund the amounts contained in such Certificate of the Authority at the times indicated therein.

SECTION 5.04 *Cost of Issuance Fund.* 1. There shall be deposited in the subaccounts in the Cost of Issuance Fund from the proceeds of the 2024 Series A/B Bonds A/B Bonds the Costs of Issuance for such Series of Bonds as set forth in a certificate of an Authorized Officer upon the delivery of such Series of Bonds.

2. There shall be deposited in the Cost of Issuance Fund from the proceeds of each Series of Refunding Bonds, the amounts set forth for deposit therein pursuant to the Supplemental Resolutions authorizing the issuance of each such Series of Refunding Bonds.

3. The Authority shall direct the Trustee in writing to make payments from the Cost of Issuance Fund, in the amounts, at the times, in the manner and on the other terms and conditions as the Authority shall determine to be fair and reasonable in the payment of the particular items of the Costs of Issuance relating to the issuance of a particular Series of Bonds. The Authority shall direct the Trustee in writing to transfer amounts on deposit in the Cost of Issuance Fund to any other fund or account under the Bond Resolution.

SECTION 5.05 *Loan Repayment Fund.* 1. All portions of Loan Repayments received by the Trustee from the Loan Servicer shall be immediately deposited in the Loan Repayment Fund. The Authority for accounting purposes may direct the Trustee to deposit the Loan Repayments allocable to the Clean Water Financings in the subaccount in the Loan Repayment Fund created for Clean Water Financings and the Loan Repayments allocable to the Drinking Water Financings in the subaccount in the Loan Repayment Fund created for Drinking Water financings, respectively.

2. As soon as practicable after the deposit by the Trustee of each Loan Repayment amount from a Governmental Agency into the Loan Repayment Fund or the subaccounts therein, but in no event later than the last Business Day preceding each Interest Payment Date and each Principal Installment due date, the Trustee shall, in the following priority, transfer:

(a) to the Debt Service Fund, or any subaccount therein, a sum equal to the Debt Service Requirements. The Authority for accounting purposes may direct the Trustee to deposit the Loan Repayments from the subaccount in the Loan Repayment Fund created for Clean Water Financings in the subaccount in the Debt Service Fund created for Clean Water Financings and to deposit the Loan Repayments on from the subaccount in the Loan Repayment Fund created for Drinking Water Financings in the subaccount in the Debt Service Fund created for Drinking Water Financings, respectively;

(b) to the 2024 Series A/B Matching Account, a sum, so that the amount on deposit in the 2024 Series A/B Matching Account shall equal the 2024 Series A Matching Subaccount Requirement, the 2024 Series B Subaccount Requirement and any other subaccount requirement; and

(c) to the General Fund any moneys directed to be deposited therein by the Authority.

3. To the extent not applied pursuant to subsection 2 of this Section 5.05, any remaining amounts in the Loan Repayment Fund or the subaccounts therein, if any, shall be transferred to the Surplus Account in the Applicable Trust Agreement, as directed in writing by the Authority.

SECTION 5.06 [RESERVED].

SECTION 5.07 *Debt Service Fund.* 1. On each Interest Payment Date, the Trustee shall withdraw from the appropriate Debt Service Fund an amount equal to the interest due on the Bonds on such Interest Payment Date, which moneys shall be paid by the Paying Agent in accordance with Section 3.01(4).

2. On each Principal Installment due date, the Trustee shall make available to the Paying Agent from moneys in the Debt Service Fund an amount equal to the principal or Redemption Price of the Bonds due on such date, which moneys shall be applied by the Paying Agent to the payment of such principal or Redemption Price.

3. In the event of the refunding or defeasance of any Bonds, the Trustee shall, if the Authority so directs in writing, withdraw from the Debt Service Fund all, or any portion of, the amounts accumulated therein with respect to the Bonds being refunded and deposit such amounts with itself as Trustee to be held for the payment of the principal or Redemption Price if applicable, and interest on the Bonds being refunded; provided that such withdrawal shall not be made unless immediately thereafter the Bonds being refunded shall be deemed to have been paid pursuant to subsection 2 of Section 12.01.

SECTION 5.08 *2024 Series A/B Matching Account.* 1. The amounts on deposit in a subaccount in the 2024 Series A/B Matching Account created for a Series of Bonds is created for the benefit and security of such Series of Bonds and is only available to pay the Debt Service coming due on such Series of Bonds. If on the Business Day preceding any Interest Payment Date or Principal Installment due date with respect to a Series of Bonds secured by a separate subaccount in the 2024 Series A/B Matching Account, payment for Debt Service on such Series of Bonds is not on deposit in the Debt Service Fund, the Trustee shall transfer from the separate subaccount in the 2024 Series A/B Matching Account to the Debt Service Fund an amount, if available, required to make such payment in full

2. On the first day of September of each year, if the amount on deposit in the applicable subaccount in the 2024 Series A/B Matching Account exceeds the 2024 Series A Matching Account Requirement, the 2024 Series B Subaccount Requirement or other subaccount requirement, such excess may be transferred to the Surplus Account in the Applicable Trust Agreement, as directed in writing by the Authority.

3. All investments held in the 2024 Series A/B Matching Account shall be liquidated to the extent necessary in order to meet the requirements of subsection (1) of this Section 5.08.

4. In the event of the refunding of any Bonds, the Authority may withdraw from the 2024 Series A/B Matching Account all, or any portion of, the amounts accumulated therein in the applicable subaccount with respect to the Series of Bonds being refunded and deposit such amounts to be held for the payment of the principal or Redemption Price, if applicable, and interest on the Series of Bonds being refunded; provided that such withdrawal shall not be made unless (a) immediately thereafter the Series of Bonds being refunded shall be deemed to have been paid pursuant to subsection 2 of Section 12.01 and (b) the amount remaining in the applicable subaccount, if any, in the 2024 Series A/B Matching Account, after giving effect to the issuance of the refunding bonds and the disposition of the proceeds thereof, shall not be less than the 2024 Series A Matching Subaccount Requirement, the 2024 Series B Matching Subaccount Requirement, or other subaccount requirement, as applicable

SECTION 5.09 *General Fund.* 1. On the first day of each September the Trustee shall transfer to the Authority for deposit in the General Fund all moneys, if any, then

remaining in the Debt Service Fund; provided, however, that all transfers from the Debt Service Fund to the Paying Agent required pursuant to Section 5.07 shall have been made. Moneys on deposit in the General Fund may be applied at the written direction of the Authority as follows:

- (i) to pay or prepay Operating Expenses;
- (ii) to be transferred to the 2024 Series A/B Matching Account to make up any deficiencies in the any subaccount in the 2024 Series A/B Matching Account; or
- (iii) for any other legal purpose of the Authority relating to the Water Pollution Control Revolving Fund or the Drinking Water Revolving Fund, as applicable.

2. Subaccounts in the General Fund may be created for any of the purposes of the Authority, including without limitation, arbitrage rebate purposes.

SECTION 5.10 *Sinking Fund Installment Payments.* 1. Amounts accumulated in the Debt Service Fund with respect to any Sinking Fund Installment may and, if so directed by the Authority, shall be applied by the Trustee, on or prior to the fortieth (40th) day next preceding the due date of such Sinking Fund Installment, to (i) the purchase of Bonds of the Series A and maturity for which such Sinking Fund Installment was established, or (ii) the redemption at the sinking fund Redemption Price of such Bonds, if then redeemable by their terms. All purchases of any Bonds pursuant to this subsection 1 shall be made at prices not exceeding the sinking fund Redemption Price of such Bonds plus accrued interest, and such purchases shall be made by the Trustee as directed in writing from time to time by the Authority. The sinking fund Redemption Price (or principal amount of maturing Bonds) of any Bonds so purchased or redeemed shall be deemed to constitute part of the Debt Service Fund until such Sinking Fund Installment date, for the purpose of calculating the amount of such Installment. As soon as practicable after the fortieth (40th) day preceding the due date of any such Sinking Fund Installment, the Trustee shall proceed to call for redemption, by giving notice as provided in Section 4.05, on such due date Bonds of the Series and maturity for which such Sinking Fund Installment was established (except in the case of Bonds maturing on a Sinking Fund Installment date) in such amount as shall be necessary to complete the requirement of the unsatisfied balance of such Sinking Fund Installment pursuant to subsection 2 of this Section 5.10. The Trustee shall pay out of the Debt Service Fund to the appropriate Paying Agents, on or before such redemption date (or maturity date), the amount required for the redemption of the Bonds so called for redemption (or for the payment of such Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment). All expenses in connection with the purchase or redemption of Bonds shall be paid by the Authority from the General Fund.

2. Upon any purchase or redemption pursuant of any Series and maturity for which Sinking Fund Installments shall have been established, there shall be credited toward each such Sinking Fund Installment thereafter to become due (other than the next such date) such amount as shall be determined by the Authority. The portion of any such Sinking Fund Installment remaining after the deduction of any such amounts credited toward the same (or the original amount of any such Sinking Fund Installment if no such amounts shall have been credited toward the same) shall constitute the unsatisfied balance of such Sinking Fund Installment for the purpose of calculation of Sinking Fund Installments due on a future date.

ARTICLE VI. - FUNDS AND INVESTMENTS

SECTION 6.01 *Moneys to Be Held by Trustee or Paying Agent.* All moneys required to be deposited with or paid to the Trustee or the Paying Agent for the account of any fund or account established under any provision of the Bond Resolution for the Bonds in accordance with the Bond Resolution shall be held by the Trustee or the Paying Agent, as the case may be, in trust for the Holders of the Bonds and shall constitute part of the Trust Estate while held by the Trustee or the Paying Agent; provided, however, that moneys deposited with or held by the Trustee or the Paying Agent for the redemption of Bonds on or after the redemption date of such Bonds, or for the payment of the principal of or interest on Bonds on or after the date on which such amounts shall have become due shall be held and applied solely for the redemption or payment of such Bonds or the payment of such interest.

SECTION 6.02 *Investments.* All moneys in any of the funds and accounts created under the Bond Resolution, other than the Cost of Issuance Fund and the General Fund, shall be invested by the Trustee as directed by the Authority in writing, subject to the further provisions of this Section. The Trustee may conclusively rely upon such written direction of the Authority as to any and all investments. Moneys in the Cost of Issuance Fund and the General Fund shall be invested by the Authority in accordance with the provisions of this Section.

Moneys in the funds and accounts created under the Bond Resolution shall be invested in Investment Securities the principal of and interest on which are payable not later than the dates on which it is estimated that such moneys will be required hereunder and with respect to moneys on deposit in the Debt Service Fund, Investment Securities shall mature not later than the next succeeding principal or interest payment date. The making of any investment hereunder the principal of and interest on which shall be payable later than five years from the date of such investment is hereby approved by the Board.

Investment Securities acquired as an investment of moneys in any fund or account created under the Bond Resolution shall be credited to such fund or account. For the purpose of determining the amount in any fund or account at any time in accordance with the Bond Resolution, all Investment Securities credited to such fund or account shall be valued at the amortized cost of such obligations, provided that obligations which mature five years or later after such date of evaluation shall be valued at the market price thereof. Any repurchase agreement or obligations of the United States of America – State and Local Government Series shall be valued at the principal amount thereof. Such computation shall be determined by the Trustee on September 1 of each year.

All interest, profits and other income earned and received by the Trustee (and, as applicable, credited as accrued to any fund or account pursuant to this Section), net of any losses suffered, from investment of moneys in any fund or account created hereunder, other than from the Cost of Issuance Fund, shall herein this Section 6.02 be called “net earnings”.

Unless otherwise directed by the Authority, and, except for net earnings of moneys on deposit in the 2024 Series A/B Project Subaccounts which shall be retained in the respective 2024 Series A/B Project Subaccounts to be applied to the requisition of Costs, net earnings shall be deposited in the 2024 Series A/B Matching Account on or before each Interest Payment Date.

The Loan Servicer, pursuant to the Loan Servicing Agreement, will, to the extent net earnings retained in the 2024 Series A/B Project Loan subaccounts were not applied to the requisition of Costs, credit such net earnings, if any, allocable to said Governmental Agency on the next ensuing Loan Repayment dates as required by subsection 4 of Section 5.03 and notify the Governmental Agency and the Trustee of such credit. The net earnings allocable to a Governmental Agency shall be said Governmental Agency's share of the net earnings derived from the 2024 Series A/B Project Loan Subaccount applicable to such Governmental Agency, which share shall, except as provided in the next paragraph, be determined by the Authority in its sole discretion.

Notwithstanding the provision of Section 6.02, (i) the Authority may utilize all interest, profits and other income earned from investment of any fund or account, other than the Cost of Issuance Fund, to pay any amounts required to be set aside for rebate to the Internal Revenue Service pursuant to the Code, as outlined in the certificate as to arbitrage referred to in Section 8.06 and (ii) the investment income on amounts deposited in the 2024 Series A/B Matching Account pursuant to provisions of the Trust Agreement shall be transferred to the Authority free and clear of the lien of the Bond Resolution upon the terms and conditions contained in subsection 2 of Section 5.08.

The Authority acknowledges that regulations of the Comptroller of the Currency grant the Authority the right to receive brokerage confirmations of the security transactions as they occur. The Authority specifically waives such notification to the extent permitted by law and will receive periodic cash transaction statements from the Trustee which will detail all investment transactions.

The Authority directs the Trustee to terminate any Investment Securities described in clause (iv) of the definition of Investment Securities upon a failure of the counterparty thereto to maintain the requisite collateral percentage after the restoration period and, if not paid by the counterparty in federal funds against transfer of the collateral, liquidate the collateral. The Trustee shall give notice to any provider of an Investment Securities described in clause (iv) of the definition of Investment Securities in accordance with the terms thereof so as to receive funds thereunder with no penalty or premium paid.

The Trustee shall, upon actual knowledge of a default under Investment Securities described in clause (iv) of the definition of Investment Securities or the withdrawal or suspension of either of the ratings of a repurchase provider or a drop in the ratings thereon, if required by the terms of any such agreement, demand further collateralization of the agreement or termination thereof and liquidation of the collateral.

The Trustee may act as principal or agent in the acquisition or disposition of any Investment Securities. The Trustee shall exercise its best efforts to sell through a process approved by the Authority at the best price obtainable, or present for redemption, any Investment Securities to the credit of any fund or account created under the Bond Resolution, other than the Cost of Issuance Fund and the accounts established therein, whenever it shall be necessary in order to provide moneys to meet any required payment, transfer, withdrawal or disbursement from such fund or account, and the Trustee shall not be liable for any loss resulting from such necessary sale so made of such investments.

ARTICLE VII. - THE LOANS AND SERVICING OF LOANS

SECTION 7.01 *Terms and Conditions of Loans.* The Authority shall make Loans to Governmental Agencies for the purpose of paying a portion of the Costs of the Governmental Agencies' Projects from moneys available therefor in the applicable 2024 Series A/B Project Loan Subaccount in the 2024 Series A/B Project Account, and shall enter into Loan Agreements, in the manner, on the terms and conditions and upon submission of the documents required by this Article VII, and not otherwise.

SECTION 7.02 *Form of Loan Agreement.* The Loan Agreements shall be substantially in the form approved by the Board upon the date of adoption of the Bond Resolution with such changes therein as shall be approved by the Authority, as evidenced by the execution thereof by an Authorized Officer of the Authority; provided, however, that the Loans and the Loan Agreements shall in any event conform in all material respects to the provisions of this Article VII.

SECTION 7.03 *Loan Closing Submissions.* Prior to or at each Loan Closing, the Authority and the Trustee shall have received the documents from the Governmental Agency required by Section 3.09 of the Loan Agreement.

All opinions and certificates required under this Section shall be dated the date of Loan Closing and all such opinions shall be addressed to the Authority and the Trustee.

SECTION 7.04 *Loan Servicer.* The Loan Servicer shall service each Loan in accordance with the provisions of the Loan Servicing Agreement.

SECTION 7.05 *Defaults.* The Trustee shall notify the Authority of its failure to receive any Loan Repayment or portion thereof, if any, of a Governmental Agency due under any Loan Agreement and of any other event of default under such Loan Agreement known to the Trustee.

The Trustee shall, subject to the provisions of this Bond Resolution, diligently enforce, and take all reasonable steps, actions and proceedings necessary for the enforcement of, all terms and conditions of all Loan Agreements, including (without limitation) the prompt payment of all Loan Repayments and all other amounts due the Authority, and the observance and performance of all duties, covenants, obligations and agreements thereunder.

The Trustee shall not release the duties, covenants, obligations or agreements of any Governmental Agency under any Loan Agreement and shall at all times, to the extent permitted by law, and subject to the provisions of this Bond Resolution, defend, enforce, preserve and protect the rights and privileges of the Authority and the Holders under or with respect to each Loan Agreement; provided, however, that this provision shall not be construed to prevent the Trustee (with the consent of the Authority) from settling a default under any Loan Agreement. The Authority hereby appoints the Trustee, its agent and attorney-in-fact for purposes of enforcing all rights, title and interests of the Authority under the Loan Agreements, subject to the provisions of this Section.

SECTION 7.06 *Termination of Loan Agreements.* Upon the payment in full of all amounts due under a Loan Agreement, the Authority shall cancel the obligation of the

Governmental Agency evidenced by such Loan Agreement and terminate and release all security interests and liens created under such Loan Agreement and the Authority and the Trustee shall take any other action required of the Authority or the Trustee in such Loan Agreement in connection with such cancellation, termination and release, including (without limitation) the execution of all relevant documents in connection with such actions.

SECTION 7.07 *Loan Files.* After each Loan Closing, the Trustee shall retain all the documents received by it in connection with such Loan Closing or in connection with the Loan made at such Loan Closing in a file pertaining to such Loan, to which file the Trustee shall from time to time add all records and other documents pertaining to disbursements of amounts to the Governmental Agency under the Loan Agreement, to Loan Repayments and other amounts received by the Trustee under such Loan Agreement and all communications from or received by the Trustee with respect to such Loan. Such file shall be kept at the principal corporate trust office of the Trustee, shall be available for inspection by the Authority and its agents at reasonable times and under reasonable circumstances.

SECTION 7.08 *The Trustee's Obligations.* The Trustee shall, subject to the provisions of this Bond Resolution, observe and perform all duties, covenants, obligations and agreements of the Authority under each Loan Agreement to the extent the Trustee is an assignee of such duties, covenants, obligations and agreements.

ARTICLE VIII. - GENERAL COVENANTS

SECTION 8.01 *Payment of Bonds.* The Authority shall pay or cause to be paid the principal or Redemption Price of and interest on every Bond of each Series on the date, at the place and in the manner provided herein and in the Supplemental Resolution, and in such Bonds according to the true intent and meaning thereof; provided, however, that the Bonds of each Series are special obligations of the Authority, the principal or Redemption Price of and interest on which are payable solely from the Trust Estate applicable thereto.

The Bonds of each Series shall not be payable from the general funds of the Authority and shall not constitute a legal or equitable pledge of, or lien or encumbrance upon, any of the assets or property of the Authority or upon any of its income, receipts or revenues, except as provided in the Bond Resolution. The full faith and credit of the Authority are not pledged, either expressly or by implication, to the payment of the Bonds. The Authority has no taxing power and has no claim on any revenues or receipts of the State or any agency or political subdivision thereof or any Governmental Agency except as expressly provided in a Governmental Agency's Loan Agreement.

SECTION 8.02 *Observance and Performance of Duties, Covenants, Obligations and Agreements; Representations as to Authorization and Validity of the Bonds.* The Authority shall faithfully observe and perform at all times all of its duties, covenants, obligations and agreements contained in the Loan Agreements or in any Bond executed, authenticated and delivered under the Bond Resolution and any Supplemental Resolution or in any proceedings of the Authority pertaining thereto.

The Authority represents and covenants that: (i) it is duly authorized under the Constitution and laws of the State of Colorado, particularly the Act, to issue the Bonds of each Series, to enter into the Loan Agreements and to pledge the Trust Estate in the manner and to the extent set forth in the Bond Resolution and as shall be set forth in any Supplemental Resolution; (ii) all action on its part for the issuance of the Bonds of each Series will be duly and effectively taken; and (iii) the Bonds of each Series in the hands of the Holders thereof will be valid and binding special obligations of the Authority according to their terms.

SECTION 8.03 *Liens, Encumbrances and Charges.* The Authority shall not create and, shall not suffer to remain, any lien, encumbrance or charge upon the Trust Estate except the pledge, lien and charge created for the security of Holders of the Bonds. To the extent Revenues are received, the Authority will cause to be discharged, or will make adequate provision to satisfy and discharge, within sixty (60) days after the same shall accrue, all lawful claims and demands that if unpaid, might by law become a lien upon the Trust Estate; provided, however, that nothing contained in this Section shall require the Authority to pay or cause to be discharged, or make provision for, any such lien, encumbrance or charge so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings.

So long as Bonds of any Series shall be Outstanding, the Authority shall not issue any bonds, notes or other evidences of indebtedness, other than such Bonds, secured by any pledge of or other lien or charge on the Trust Estate. Nothing in the Bond Resolution is intended to or shall affect the right of the Authority to issue bonds, notes and other obligations under other resolutions or indentures for any of its other purposes.

SECTION 8.04 *Accounts and Audits.* The Authority shall keep, or cause to be kept, proper books of records and accounts (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Loans, the Bond Resolution and any Supplemental Resolution, which books and accounts (at reasonable hours and subject to the reasonable rules and regulations of the Authority) shall be subject to the inspection of the Trustee, any Holder of any Bonds or their agents or representatives duly authorized in writing. The Authority shall cause such books and accounts to be audited annually within two hundred ten (210) days after the end of its fiscal year by a certified public accountant selected by the Authority. Annually within thirty (30) days after the receipt by the Authority of the report of such audit, a signed copy of such report shall be furnished to the Trustee.

SECTION 8.05 *Further Assurances.* The Authority will pass, make, do, execute, acknowledge and deliver any and all such further resolutions, indentures, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of the Bond Resolution and for the better assuring and confirming unto the Holders of Bonds the rights and benefits provided in the Bond Resolution.

SECTION 8.06 *Tax Covenants.* The Authority shall do the following with respect to Bonds which, when initially issued, are the subject of an opinion of Bond Counsel to the effect that interest thereon is excluded from gross income for Federal income tax purposes pursuant to the Code:

(a) For the 2024 Series A Bonds, the Authority shall comply with each requirement of the Code necessary to maintain the exclusion of interest on the Bonds from gross income for Federal income tax purposes. In furtherance of the covenant contained in the preceding sentence, the Authority agrees to comply with the provisions of the Tax and Nonarbitrage Certificate (the “Tax Certificate”) executed by the Authority on the date of initial issuance and delivery of the Bonds, as such Tax Certificate may be amended from time to time, as a source of guidance for achieving compliance with the Code.

(b) The Authority shall make any and all payments required to be made to the United States Department of the Treasury in connection with the Bonds pursuant to Section 148(f) of the Code from amounts on deposit in the funds and accounts established under the Bond Resolution and available therefor. Any amounts required to be set aside for such payments shall be considered a loss for purposes of determining “net earnings” pursuant to Section 6.02.

(c) Notwithstanding any other provision of the Bond Resolution to the contrary, so long as necessary in order to maintain the exclusion from gross income of interest on the Bonds for Federal income tax purposes, the covenants contained in this Section shall survive the payment of the Bonds and the interest thereon, including any payment or defeasance thereof pursuant to Section 12.01 of the Bond Resolution.

(d) For the 2024 Series A Bonds, the Authority shall not take or permit any action or fail to take any action which would cause the Bonds to constitute “private activity bonds” within the meaning of Section 141(a) of the Code, and the Authority shall not take or permit any action or fail to take any action which would cause the Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Code.

SECTION 8.07 *Application of Loan Prepayments.* Upon the prepayment, in whole or in part, of any Loan, the Authority (a) shall determine which of such prepayment proceeds are allocable to payment of the Bonds and (b) shall in each case deposit such prepayment proceeds allocable to the payment of the Bonds in the Debt Service Fund and elect to apply such prepayment proceeds either (i) to the redemption of Bonds on the next succeeding call date in accordance with Article IV, or (ii) to the payment of Bonds in accordance with Section 12.01.

SECTION 8.08 *Loan Agreement and Loan Servicing Agreement.* The Authority shall enforce the provisions of the Loan Agreements and Loan Servicing Agreement and duly perform its covenants and agreements thereunder. The Loan Agreements or Loan Servicing Agreement may not be amended, changed, modified, altered or terminated so as to adversely affect the interest of the Holders of Outstanding Bonds without the prior written consent of Holders of at least a majority in aggregate principal amount of the Bonds then Outstanding to be affected by the modifications, amendments or termination; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified Series remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section; provided, further, that no such amendment, change, modification, alteration or termination will reduce the percentage of the aggregate principal amount of Outstanding Bonds the consent of the Holders of which is a requirement for any such amendment, change, modification, alteration or termination, or decrease the amount of any Loan Repayments to be

received by the Authority or extend the time of payment thereof. No amendment of any Loan Agreement shall be made without the prior written consent of the Trustee. Any Loan Agreement and the Loan Servicing Agreements may be amended, changed, modified or altered without the consent of the Holders of Outstanding Bonds to provide necessary changes in connection with the issuance of Refunding Bonds, to cure any ambiguity, to correct or supplement any provisions contained in any Loan Agreement or the Loan Servicing Agreement which may be defective or inconsistent with any other provisions contained in such Loan Agreement or the Loan Servicing Agreement or to provide other changes which will not adversely affect the interest of such Holders. Prior to execution by the Authority of any amendment to a Loan Agreement or the Loan Servicing Agreement, a copy thereof certified by an Authorized Officer of the Authority shall be filed with the Trustee.

SECTION 8.09 *Application of Surplus Accounts in Trust Agreements.*

1. Upon receipt by the Authority of written certification from the Trustee (i) that the Bonds will be in default as to either principal or interest on the then current principal or interest payment date or the next succeeding interest payment date, (ii) that there are no other moneys available under the Bond Resolution to pay all or a portion of the principal of or interest on such Bonds on such dates, and (iii) the amount required to cure such default net of any other moneys available for such purpose under the Bond Resolution, the Authority covenants to make or cause to be made available to the Trustee for deposit in the Debt Service Fund such amounts which are on deposit in the respective Surplus Accounts under the Applicable Trust Agreement as may be available therefor, subject to the terms and conditions contained in the Applicable Trust Agreement relating to the application of amounts on deposit in said Surplus Accounts.

2. The Authority covenants to transfer to the Surplus Accounts under the Trust Agreements, (a) from each matching account securing bonds of the Authority, moneys in excess of the requirements of said account when such excess moneys are no longer required for the purposes of the bond resolution or other instrument securing said bonds; (b) excess loan repayments securing bonds of the Authority that are not required to be deposited in a fund or an account pursuant to the bond resolution or other instrument securing said bonds; and (c) repayments of loans outstanding on the date of adoption of the Bond Resolution (other than loans made from funds derived from the American Recovery and Reinvestment Act of 2009), made to governmental entities from funds of the Authority for Water Pollution Control Revolving Fund and Drinking Water Revolving Fund purposes and repayments of loans to be made by the Authority from capitalization grant moneys derived from the Federal Capitalization Agreements and not funded from indebtedness of the Authority.

3. The Trustee shall advise the Authority and the respective trustees under the Applicable Trust Agreement in writing if the amount on deposit in any subaccount in the 2024 Series A/B Matching Account is less than the applicable 2024 Series A/B Matching Account Requirement.

4. In order to facilitate transfers from the Surplus Accounts under the Applicable Trust Agreements pursuant to subsections 1 and 3 of this Section 8.09, the Authority shall advise the Trustee in writing as to whether the Bonds to be in default pursuant to Subsection 1 or the deficiency in the 2024 Series A/B Matching Account pursuant to subsection 3 is applicable to a Clean Water Financing or a Drinking Water Financing or is applicable to both a Clean Water

Financing and a Drinking Water Financing. If applicable to both such Financings, the Authority shall advise the Trustee in writing of the amount applicable to each such Financings.

ARTICLE IX. - DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND BONDHOLDERS

SECTION 9.01 *Defaults; Events of Default.* 1. If any of the following events occurs, it is hereby defined as and declared to be and to constitute an “Event of Default” for the Bonds of all Series then Outstanding:

- (a) default in the due and punctual payment of any interest on any Bond; or
- (b) default in the due and punctual payment of the principal or Redemption Price of any Bond whether at the stated maturity thereof or on any date fixed for the redemption of such Bond; or
- (c) if (i) the Authority shall be adjudicated a bankrupt or become subject to an order for relief under federal bankruptcy law, (ii) the Authority shall institute a proceeding seeking an order for relief under federal bankruptcy law or seeking to be adjudicated a bankrupt or insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, adjustment or composition of it or all of its debts under State bankruptcy or insolvency law, (iii) with the consent of the Authority, there shall be appointed a receiver, liquidator or similar official for the Authority under federal bankruptcy law or under State bankruptcy or insolvency law, or (iv) without the application, approval or consent of the Authority, a receiver, trustee, liquidator or similar official shall be appointed for the Authority under federal bankruptcy law or under State bankruptcy or insolvency law, or a proceeding described in clause (ii) above shall be instituted against the Authority and such appointment continues undischarged or such proceeding continues undismissed or unstayed for a period of sixty (60) consecutive days; provided, however, that no such proceeding, order, adjudication or appointment referred to in the preceding items (i) through (iv) of this paragraph (c) affecting only assets of the Authority pledged for the benefit of the Holders of Bonds or other obligations of the Authority in connection with a default under such Bonds of a Series or other obligations shall give rise to an Event of Default pursuant to this paragraph (c); or
- (d) if (i) the Authority shall make an assignment for the benefit of creditors, (ii) the Authority shall apply for or seek the appointment of a receiver, custodian, trustee, examiner, liquidator or similar official for it or any substantial part of its property, (iii) the Authority shall fail to file an answer or other pleading denying the material allegations of any proceeding filed against it described under clause (ii) of paragraph (c) of this Section, (iv) the Authority shall take any action to authorize or effect any of the actions set forth in paragraph (c) or (d) of this Section, (v) the Authority shall fail to contest in good faith any appointment or proceeding described in paragraph (c) or (d) of this Section or (vi) without the application, or approval or consent of the Authority, a receiver, trustee, examiner, liquidator or similar official shall be appointed for any substantial part of the Authority’s property and such appointment shall continue undischarged or such proceedings shall continue undismissed or unstayed for a period of thirty (30) consecutive days; provided, however, that no such proceeding, order, adjudication or appointment referred to in the preceding items (i) through (vi) of this paragraph (d) affecting only

assets of the Authority pledged for the benefit of the Holders of Bonds of any Series in default or other obligations of the Authority in connection with the default under such Bonds or other obligations shall give rise to an Event of Default pursuant to this paragraph (d); or

(e) the Authority shall default in the performance or observance of any other of the duties, covenants, obligations, agreements or conditions on the part of the Authority to be performed or observed under the Bond Resolution or the Bonds of each Series, which default shall continue for thirty (30) days after written notice specifying such default and requiring the same to be remedied shall be given to the Authority by the Trustee or the Bondholders in accordance with Section 9.09 hereof.

2. Upon the occurrence of an Event of Default under paragraph (a) and (b) of subsection 1 of this Section 9.01, the Trustee shall deliver the certificate required by Section 8.09.

SECTION 9.02 Remedies. Upon the occurrence of an Event of Default, the Trustee shall have the following rights and remedies:

(a) the Trustee may pursue any available remedy at law or in equity or by statute to enforce the payment of the principal of and interest on the Bonds then Outstanding, including (without limitation) enforcement of any rights of the Authority or the Trustee under the Loan Agreements;

(b) the Trustee by action or suit in equity may require the Authority to account as if it were the trustee of an express trust for the Holders of Bonds and may take such action with respect to the Loan Agreements as the Trustee deems necessary or appropriate and in the best interest of the Holders of Bonds, subject to the terms of such Loan Agreements; and

(c) upon the filing of a suit or other commencement of judicial proceedings to enforce any rights of the Trustee and of the Holders of Bonds under the Bond Resolution, the Trustee will be entitled, as a matter of right to the appointment of a receiver or receivers of the Trust Estate and the issues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

If an Event of Default shall have occurred with respect to any Bonds, and if requested so to do by the Holders of a majority in principal amount of the Bonds then Outstanding, upon being indemnified to its reasonable satisfaction therefor, the Trustee shall be obligated to exercise such one or more of the rights, remedies and powers conferred by this Section as the Trustee shall deem most expedient in the interests of the Holders of Bonds.

No right or remedy by the terms of the Bond Resolution conferred upon or reserved to the Trustee (or Holders of Bonds) is intended to be exclusive of any other right or remedy, but each and every such right or remedy shall be cumulative and shall be in addition to any other right or remedy given to Trustee or to such Holders hereunder or now or hereafter existing at law or in equity or by statute other than pursuant to the Act. The assertion or employment of any right or remedy shall not prevent the concurrent or subsequent assertion or employment of any other right or remedy.

No delay or omission to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein, and every such right or remedy may be exercised from time to time and as often as may be deemed expedient.

No waiver of any Event of Default hereunder, whether by the Trustee or by the Holders of any Bonds in default, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

SECTION 9.03 *Right of Holders of a Series of Bonds to Direct Proceedings.* Anything in the Bond Resolution to the contrary notwithstanding, the Holders of a majority in aggregate principal amount of Bonds in default then Outstanding shall have the right, at any time during the continuance of an Event of Default of such Bonds, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Bond Resolution, or for the appointment of a receiver or any other proceedings hereunder; provided, however, that such direction shall not be otherwise than in accordance with the provisions of law and of the Bond Resolution.

SECTION 9.04 *Application of Moneys.* All moneys received by the Trustee pursuant to any right or remedy given or action taken under the provisions of this Article (including, without limitation, moneys received by virtue of action taken under provisions of any Loan Agreement, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the reasonable fees and expenses, liabilities and advances incurred or made by the Trustee, including those of the Trustee's attorneys, agents and advisors, and any other moneys owed to the Trustee in connection with such Bonds hereunder), shall be applied first, to the payment of the principal and interest then due and unpaid upon the Bonds in default, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto, without any discrimination or privilege.

Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard for the amount of such moneys available for application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Holder of any Bond in default until such obligation shall be presented to the Trustee for appropriate endorsement or for cancellation (as the case may be).

SECTION 9.05 *Remedies Vested in the Trustee.* All rights of action (including, without limitation, the right to file proofs of claims) under the Bond Resolution or under any of the Bonds in default may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding related thereto and any such

suit or proceeding instituted by the Trustee shall be brought in its name as Trustee for the equal and ratable benefit of the Holders of all the Outstanding Bonds without the necessity of joining as plaintiffs or defendants any Holders of such Bonds.

SECTION 9.06 *Rights and Remedies of Holders of Bonds.* No Holder of Bonds then Outstanding in default shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of the Bond Resolution or for the execution of any trust hereof or for the appointment of a receiver or any other remedy hereunder, unless (a) an Event of Default shall have occurred, (b) the Holders of not less than 25% in aggregate principal amount of the Bonds then Outstanding shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the remedies herein before granted or to institute such action, suit or proceeding in its own name, (c) such Holders shall have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request, and (d) the Trustee shall have refused, or for sixty (60) days after receipt of such request and offer of indemnification shall have failed to exercise the remedies herein before granted, or to institute such action, suit or proceeding in its own name, and such request and offer of indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of the Bond Resolution, and to any action or cause of action for the enforcement of the Bond Resolution, or for the appointment of a receiver or for any other remedy hereunder, it being understood and intended that no one or more Holders of the Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of the Bond Resolution by his or their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal and ratable benefit of the Holders of all Bonds then Outstanding; provided, however, that nothing contained in the Bond Resolution shall affect or impair the right of the Holder of any Bond to enforce the payment of the principal or Redemption Price of and interest on such Bond at and after the maturity thereof, or the obligation of the Authority to pay the principal or Redemption Price of and interest on each of the Bonds issued hereunder to the respective Holders thereof at the time and place, from the source and in the manner expressed in the Bonds and in the Bond Resolution.

SECTION 9.07 *Termination of Proceedings.* In case the Trustee or a Holder of a Bond in default shall have proceeded to enforce any right under the Bond Resolution by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee or such Holder, then and in every such case the Authority, the Trustee and the Holders of Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee and the holders shall continue as if no such proceedings have been taken.

SECTION 9.08 *Waivers of Events of Default.* The Trustee may, and with the prior written consent of the Holders of 25% in aggregate principal amount of all Bonds in default then Outstanding shall, waive any Event of Default which in its opinion shall have been remedied before the completion of the enforcement of any remedy under the Bond Resolution; but no such waiver shall extend to any subsequent or other Event of Default, or impair any rights consequent thereon.

SECTION 9.09 *Notice of Certain Defaults; Opportunity of the Authority to Cure Defaults.* Anything herein to the contrary notwithstanding, no Default under Section 9.01(1)(e) hereof shall constitute an Event of Default until actual notice of such Default shall be given to the Authority by registered or certified mail by the Trustee or by the Holders of not less than 25% in aggregate principal amount of all Bonds in default then Outstanding and the Authority shall not have corrected the Default or caused the Default to be corrected within thirty (30) days following the giving of such notice; provided, however, that if the Default be such that it is correctable but cannot be corrected within the applicable period, it shall not constitute an Event of Default if corrective action is instituted by the Authority within the applicable period and diligently pursued until the Default is corrected; provided, however, that in the event the Default is not correctable within ninety (90) days from the date following the giving of such notice, such Default shall constitute an Event of Default.

The Authority hereby grants to the Trustee full authority for the account of the Authority to observe or perform any duty, covenant, obligation or agreement alleged in any alleged Default concerning which notice is given to the Authority under the provisions of this Section in the name and stead of the Authority with full power to do any and all things and acts to the same extent that the Authority could do and perform any such things and acts and with power of substitution.

SECTION 9.10 *Notices of Defaults to Holders.* The Trustee shall promptly mail written notice of any Event of Default to each Holder at such address appearing upon the registry books of the Authority.

ARTICLE X. - THE FIDUCIARIES

SECTION 10.01 *Appointments, Duties, Immunities and Liabilities of Trustee.* U.S. Bank Trust Company, National Association has been appointed as Trustee by the Authority. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by the Bond Resolution and all other agreements with the Authority by executing and delivering to the Authority a written acceptance thereof, and by executing such acceptance, the Trustee shall be deemed to have accepted such duties and obligations with respect to all the Bonds thereafter to be validly issued, but only, however, upon the terms and conditions set forth in the Bond Resolution.

SECTION 10.02 *Paying Agents; Appointment and Acceptance of Duties.* 1. The Trustee is hereby appointed Paying Agent for the 2024 Series A/B Bonds. The Authority shall appoint one or more Paying Agents for the Bonds of each additional Series, and may at any time or from time to time appoint one or more other Paying Agents having the qualifications set forth in Section 10.13 for a successor Paying Agent. The Trustee may be appointed a Paying Agent.

2. Each Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by the Bond Resolution by executing and delivering to the Authority and to the Trustee a written acceptance thereof.

3. Unless otherwise provided, the Principal Offices of the Paying Agents are designated as the respective offices or agencies of the Authority for the payment of the interest on and principal or Redemption Price of the Bonds.

4. The Authority may enter into agreements with any Paying Agent providing for the payment to the Authority of amounts in respect of interest earned on moneys held by such Paying Agent for the payment of principal or Redemption Price of and interest on Bonds.

SECTION 10.03 *Responsibilities of Fiduciaries.* 1. The recitals of fact herein and in the Bonds contained shall be taken as the statements of the Authority and no Fiduciary assumes any responsibility for the correctness of the same. No Fiduciary makes any representation as to the validity or sufficiency of the Bond Resolution or of any Bonds issued thereunder or as to the security afforded by the Bond Resolution, and no Fiduciary shall incur any liability in respect thereof. The Trustee shall, however, be responsible for its representation contained in its certificates of authentication on the Bonds. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid to the Authority or to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect thereof, or to advance any of its own moneys, unless indemnified to its satisfaction. Subject to the provisions of subsection 2 of this Section 10.03, no Fiduciary shall be liable in connection with the observance and performance of its duties and obligations hereunder except for its own negligence or willful misconduct.

2. The Trustee, prior to the occurrence of an Event of Default and after the curing or waiver of all Events of Default which may have occurred, undertakes to perform such duties and obligations and only such duties and obligations as are specifically set forth in the Bond Resolution. In case an Event of Default has occurred (which has not been cured or waived) the Trustee shall exercise such of the rights and powers invested in it by the Bond Resolution, and use the same degree of care and skill in its exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. Any provision of the Bond Resolution relating to action taken or to be taken by the Trustee or to evidence upon which the Trustee may rely shall be subject to the provisions of this Section 10.03.

SECTION 10.04 *Evidence on Which Fiduciaries May Act.* 1. Each Fiduciary, upon receipt of any notice, Bond Resolution, request, consent, order, certificate, report, opinion, bond or other paper or document furnished to it pursuant to any provision of the Bond Resolution, shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. Each Fiduciary may consult with Counsel, who may or may not be counsel to the Authority, and the opinion of such Counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under the Bond Resolution in good faith and in accordance therewith.

2. Whenever any Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under the Bond Resolution, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer of the Authority, and such certificate shall be full warrant for any action taken or suffered in good faith

under the provisions of the Bond Resolution upon the faith thereof; but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable.

3. Except as otherwise expressly provided in the Bond Resolution, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision thereof by the Authority to any Fiduciary shall be sufficiently executed in the name of the Authority by an Authorized Officer of the Authority.

SECTION 10.05 Compensation. The Authority shall pay each Fiduciary from time to time reasonable compensation for all services rendered under the Bond Resolution, including in that limitation the services rendered pursuant to Section 12.01, and also all reasonable expenses, costs and liabilities incurred in and about the performance of their powers and duties under the Bond Resolution and each Fiduciary shall have a lien therefor on any and all funds and accounts at any time held by it under the Bond Resolution.

SECTION 10.06 Certain Permitted Acts. Any Fiduciary may become the Holder of any Bonds, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law, any Fiduciary may act as depositary for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders or to effect or aid in any reorganization growing out of the enforcement of the Bonds or the Bond Resolution, whether or not any such committee shall represent the Holders of a majority in principal amount of the Bonds then Outstanding.

SECTION 10.07 Resignation of Trustee. The Trustee may at any time resign and be discharged of the duties and obligations created by the Bond Resolution by giving not less than thirty (30) days' written notice to the Authority, and mailing notice thereof the Holders of the Bonds then Outstanding, specifying the date when such resignation shall take effect, and such resignation shall take effect upon the day specified in such notice unless previously a successor shall have been appointed by the Authority or the Bondholders as provided in Section 10.09, in which event such resignation shall take effect immediately on the appointment of such successor, or unless a successor shall not have been appointed by the Authority or the Bondholders as provided in Section 10.09 on that date, in which event such resignation shall not take effect until a successor is appointed and has accepted the duties of Trustee.

SECTION 10.08 Removal of Trustee. The Trustee may be removed at any time by an instrument or concurrent instruments in writing, filed with the Trustee and signed by the Holders of a majority in principal amount of the Bonds then Outstanding, or in each case their attorneys-in-fact duly authorized, and excluding in each case any Bonds held by or for the account of the Authority which are disqualified pursuant to Section 11.09; provided, however, that such removal shall only be effective upon the appointment of a successor Trustee and such successor's acceptance of its duties as Trustee. So long as no Event of Default, or an event which, with notice or passage of time, or both, would become an Event of Default, shall have occurred and be continuing, the Trustee may be removed at any time by a resolution of the Authority filed with the Trustee.

SECTION 10.09 *Appointment of Successor Trustee.* 1. In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, a successor may be appointed by the Authority by a duly executed written instrument signed by an Authorized Officer of the Authority, but if the Authority does not appoint a successor Trustee within forty-five (45) days then by the Holders of a majority in principal amount of the Bonds then Outstanding, excluding in each case any Bonds held by or for the account of the Authority which are disqualified pursuant to Section 11.09, by an instrument or concurrent instruments in writing signed and acknowledged by such Bondholders or by their attorneys-in-fact duly authorized and delivered to such successor Trustee, notification thereof being given to the Authority and the predecessor Trustee. After such appointment of a successor Trustee, the Authority shall mail notice of any such appointment made by it or the Bondholders to the Holders of the Bonds then Outstanding.

2. If in a proper case no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section within forty-five (45) days after the Trustee shall have given to the Authority written notice as provided in Section 10.07 or after a vacancy in the office of the Trustee shall have occurred by reason of its inability to act, the Trustee or the Holder of any Bond may apply to any court of competent jurisdiction to appoint a successor Trustee, as the case may be. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Trustee.

3. Any Trustee appointed under the provisions of this Section in succession to the Trustee shall be a bank or trust company or national banking association, qualified to do business in the State of Colorado, and having capital stock and surplus aggregating at least \$50,000,000, if there be such a bank or trust company or national banking association willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Bond Resolution.

SECTION 10.10 *Transfer of Rights and Property to Successor Trustee.* Any successor Trustee appointed under the Bond Resolution shall execute, acknowledge and deliver to its predecessor Trustee, and also to the Authority, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Trustee, with like effect as if originally named as Trustee; but the Trustee ceasing to act shall nevertheless, on the written request of the Authority, or of the successor Trustee, execute, acknowledge and deliver such instrument of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all the right, title and interest of the predecessor Trustee in and to any property held by it under the Bond Resolution, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the Authority be required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered

by the Authority. Any such successor Trustee shall promptly notify the Paying Agents of its appointment as Trustee.

SECTION 10.11 *Merger or Consolidation.* Any company into which any Fiduciary may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which any Fiduciary may sell or transfer all or substantially all of its corporate trust business, provided such company (i) shall be a bank or trust company organized under the laws of any state of the United States or a national banking association and (ii) shall be authorized by law to perform all the duties imposed upon it by the Bond Resolution, shall be the successor to such Fiduciary without the execution or filing of any paper or the performance of any further act.

SECTION 10.12 *Adoption of Authentication.* In case any of the Bonds contemplated to be issued under the Bond Resolution shall have been authenticated but not delivered, any successor Trustee may adopt the certificate of authentication of any predecessor Trustee so authenticating such Bonds and deliver such Bonds so authenticated; and in case any of the said Bonds shall not have been authenticated, any successor Trustee may authenticate such Bonds in the name of the predecessor Trustee, or in the name of the successor Trustee, and in all such cases such certificate shall have the full force which it is anywhere in said Bonds or in the Bond Resolution provided that the certificate of the Trustee shall have.

SECTION 10.13 *Resignation or Removal of Paying Agent and Appointment of Successor.* 1. Any Paying Agent may at any time resign and be discharged of the duties and obligations created by the Bond Resolution by giving at least sixty (60) days' written notice to the Authority, the Trustee and the other Paying Agents. Any Paying Agent may be removed at any time by an instrument filed with such Paying Agent and the Trustee and signed by an Authorized Officer of the Authority. Any successor Paying Agent shall be appointed by the Authority and shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, having capital stock and surplus aggregating at least \$20,000,000, and willing and able to accept the office on reasonable and customary terms and authorized by law to perform all duties imposed upon it by the Bond Resolution.

2. In the event of the resignation or removal of any Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor, or if there be no successor, to the Trustee. In the event that for any reason there shall be a vacancy in the office of any Paying Agent, the Trustee shall act as such Paying Agent.

ARTICLE XI. - AMENDMENTS

SECTION 11.01 *Supplemental Resolutions Effective Upon Filing With the Trustee.* For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of the Authority may be adopted, which, upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority, shall be fully effective in accordance with its terms:

(1) To close the Bond Resolution against, or provide limitations and restrictions in addition to the limitations and restrictions contained in the Bond Resolution on, the authentication and delivery of the Bonds;

(2) To add to the duties, covenants, obligations and agreements of the Authority in the Bond Resolution, other duties, covenants, obligations and agreements to be observed and performed by the Authority which are not contrary to or inconsistent with the Bond Resolution as theretofore in effect;

(3) To add to the limitations and restrictions in the Bond Resolution, other limitations and restrictions to be observed by the Authority which are not contrary to or inconsistent with the Bond Resolution as theretofore in effect;

(4) To add to the Events of Default in the Bond Resolution additional Events of Default;

(5) To authorize Bonds of a Series in connection therewith, specify and determine the matters and things referred to in Article II, and also any other matters and things relative to such Bonds (including whether to issue Bonds in book entry form) which are not contrary to or inconsistent with the Bond Resolution as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination contained in Article II at any time prior to the first authentication and delivery of such Bonds;

(6) To confirm, as further assurance, any security interest, pledge or assignment under, and the subjection to any security interest, pledge or assignment created or to be created by, the Bond Resolution of the Revenues or of any other monies, securities or funds;

(7) To modify any of the provisions of the Bond Resolution in any other respect whatever, provided that (i) such modification shall be, and be expressed to be, effective only after all Bonds of each Series Outstanding at the date of the adoption of such Supplemental Resolution shall cease to be Outstanding, and (ii) such Supplemental Resolution shall be specifically referred to in the text of all Bonds of any Series Authenticated and delivered after the date of the adoption of such Supplemental Resolution and of Bonds issued in exchange therefor or in place thereof;

(8) To modify any of the provisions of the Bond Resolution in any respect provided that the modifications affect only Bonds issued subsequent to the date of such modifications;

(9) To comply with the provisions of any federal or state securities law, including, without limitation, the Trust Indenture Act of 1939, as amended, or to comply with Section 103 of the Code, as amended, replaced or substituted; and

(10) To appoint the Trustee.

SECTION 11.02 *Supplemental Resolutions Effective Upon Consent of Trustee.* For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution may be adopted, which, upon (i) the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority, and (ii) the filing with the Authority of an instrument in writing made by the Trustee consenting thereto, shall be fully effective in accordance with its terms:

- (1) To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provisions in the Bond Resolution;
- (2) To insert such provisions clarifying matters or questions arising under the Bond Resolution as are necessary or desirable and are not contrary to or inconsistent with the Bond Resolution as theretofore in effect; or
- (3) To make any other modification or amendment of the Bond Resolution which will not have a material adverse effect on the interests of Bondholders.

In making any determination under this Section 11.02, the Trustee may conclusively rely upon an opinion of Counsel.

SECTION 11.03 *Supplemental Resolutions Effective With Consent of Bondholders.* At any time or from time to time, a Supplemental Resolution may be adopted subject to consent by Bondholders in accordance with and subject to the provisions of Section 11.07, which Supplemental Resolution, upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority and upon compliance with the provisions of said Section 11.07, shall become fully effective in accordance with its terms as provided in said Section 11.07. Provided, however, any Supplemental Resolution which by its terms only affects one or more Series of Bonds may be adopted subject to the consent of the Bondholders of the Series or Series of Bonds so affected.

SECTION 11.04 *General Provisions.* 1. The Bond Resolution shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of this Article XI. Nothing contained in this Article XI shall affect or limit the right or obligation of the Authority to adopt, make, do, execute, acknowledge or deliver any resolution, act or other instrument pursuant to the provisions of the Bond Resolution or the right or obligation of the Authority to execute and deliver to any Trustee any instrument which elsewhere in the Bond Resolution it is provided shall be delivered to said Trustee.

2. Any Supplemental Resolution referred to and permitted or authorized by Section 11.01 or 11.02 may be adopted by the Authority without the consent of any of the Bondholders, but shall become effective only on the conditions, to the extent and at the time provided in said Sections, respectively. The copy of every Supplemental Resolution when filed with the Trustee shall be accompanied by an opinion of Counsel stating that such Supplemental Resolution has been duly and lawfully adopted in accordance with the provisions of the Bond Resolution, is authorized or permitted by the Bond Resolution, and is valid and binding upon the Authority in accordance with its terms.

3. The Trustee is hereby authorized to accept the delivery of a certified copy of any Supplemental Resolution referred to and permitted or authorized by Sections 11.01, 11.02 or 11.03 and to make all further agreements and stipulations which may be therein contained, and the Trustee, in taking such action, shall be fully protected in relying on an opinion of Counsel that such Supplemental Resolution is authorized or permitted by the provisions of the Bond Resolution.

4. No Supplemental Resolution shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto.

SECTION 11.05 *Mailing.* Any provision in this Article for the mailing of a notice or other paper to Holders of Bonds shall be fully complied with if it is mailed, postage prepaid only, to each registered owner of Bonds then Outstanding at his address, if any, appearing upon the registry books of the Authority kept by the Trustee as provided in Section 3.04.

SECTION 11.06 *Powers of Amendment.* Any modification or amendment of the Resolution and of the rights and obligations of the Authority and of the Holders of the Bonds thereunder, in any particular, may be made by a Supplemental Resolution, with the written consent given as provided in Section 11.07, (i) of the Holders of not less than a majority in principal amount of the Bonds Outstanding at the time such consent is given, (ii) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of the Holders of not less than a majority in principal amount of the Bonds of each Series so affected and Outstanding at the time such consent is given and (iii) in case the modification or amendment changes the terms of any Sinking Fund Installment, of the Holders of not less than a majority in principal amount of the Bonds of the particular Series and maturity entitled to such Sinking Fund Installment and Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series and maturity remain Outstanding the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Holder of such obligation, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of any Trustee without its written assent thereto. For the purposes of this Section, a Series shall be deemed to be affected by a modification or amendment of the Resolution if the same adversely affects or diminishes the rights of the Holders of Bonds of such Series. For purposes of this Section, the Holders of any Bonds may include the initial Holders thereof, regardless of whether such Bonds are being held for resale and written consent shall be deemed given if given by the initial purchasers of such Bonds prior to the deposit in their accounts at DTC.

SECTION 11.07 *Consent of Bondholders.* The Authority may at any time adopt a Supplemental Resolution making a modification or amendment permitted by the provisions of Section 11.06 to take effect when and as provided in this Section. A copy of such Supplemental Resolution (or brief summary thereof or reference thereto) together with a request to the Holders of the Bonds for their consent thereto in form satisfactory to the Trustee, shall be mailed by the Authority to the Holders of such Bonds (but failure to mail such copy and request

shall not affect the validity of the Supplemental Resolution when consented to as in this Section provided). Such Supplemental Resolution shall not be effective unless and until (i) there shall have been filed with the Trustee (a) the written consents of the Holders of the percentages of the Outstanding Bonds specified in Section 11.06 and (b) an opinion of Counsel stating that such Supplemental Resolution has been duly and lawfully adopted and filed by the Authority in accordance with the provisions of the Bond Resolution, is authorized or permitted by the Bond Resolution, and is valid and binding upon the Authority and enforceable in accordance with its terms, and (ii) a notice shall have been provided as hereinafter in this Section 11.07 provided. It shall not be necessary that the Holders of the Bonds approve the particular form of wording of the proposed modification or amendment or of the proposed Supplemental Resolution effecting such modification or amendment, but it shall be sufficient if such consents approve the substance of the proposed amendment or modification. Each such consent shall be effective only if accompanied by proof of the holding, at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by Section 12.02. A certificate or certificates executed by the Trustee and filed with the Authority stating that it has examined such proof and that such proof is sufficient in accordance with Section 12.02 shall be conclusive that the consents have been given by the Holders of the Bonds described in such certificate or certificates of the Trustee. Any such consent shall be binding upon the Holder of the Bonds giving such consent and, anything in Section 12.02 to the contrary notwithstanding, upon any subsequent Holder of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof) unless such consent is revoked in writing by the Holder of such Bonds giving such consent or a subsequent Holder thereof by filing with the Trustee, prior to the time when the written statement of the Trustee hereinafter in this Section 11.07 provided for is filed, such revocation and, if such Bonds are transferable by delivery, proof that such Bonds are held by the signer of such revocation in the manner permitted by Section 12.02. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the Authority to the effect that no revocation thereof is on file with the Trustee. At any time after the Holders of the required percentages of the Bonds shall have filed their consents to the Supplemental Resolution, the Trustee shall make and file with the Authority a written statement that the Holders of such required percentages of such Bonds have filed such consents. Such written statements shall be conclusive that such consents have been so filed. At any time thereafter, notice stating in substance that the Supplemental Resolution (which may be referred to as a Supplemental Resolution adopted by the Authority on a stated date, a copy of which is on file with the Trustee) has been consented to by the Holders of the required percentages of the Bonds and will be effective as provided in this Section 11.07, may be given to Bondholders by the Authority by mailing such notice to the Bondholders (but failure to mail such notice shall not prevent such Supplemental Resolution from becoming effective and binding as in this Section 11.07 provided). The Authority shall file with the Trustee proof of the mailing thereof. A record, consisting of the certificates or statements required or permitted by this Section 11.07 to be made by the Trustee, shall be proof of the matters therein stated. Such Supplemental Resolution making such amendment or modification shall be deemed conclusively binding upon the Authority, the Fiduciaries and the Holders of all Bonds at the filing with the Trustee of the proof of the mailing of such last-mentioned notice.

SECTION 11.08 *Modifications or Amendments by Unanimous Consent.*

The terms and provisions of the Bond Resolution and the rights and obligations of the Authority and of the Holders of the Bonds thereunder may be modified or amended in any respect upon the

adoption and filing by the Authority of a Supplemental Resolution and the consent of the Holders of all of the Bonds then Outstanding, such consent to be given as provided in Section 11.07 except that no notice to the Holders of Bonds either by mailing or publication shall be required; provided, however, that no such modification or amendment shall change or modify any of the rights or obligations of any Fiduciary without the filing with the Trustee of the written assent thereto of such Fiduciary in addition to the consent of the Holders of Bonds.

SECTION 11.09 ***Exclusion of Bonds.*** Bonds owned or held by or for the account of the Authority shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Article XI, and the Authority shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in this Article. At the time of any consent or other action taken under this Article, the Authority shall furnish the Trustee a certificate of an Authorized Officer of the Authority, upon which the Trustee may rely, describing all Bonds so to be excluded.

SECTION 11.10 ***Notation on Bonds.*** Bonds authenticated and delivered after the effective date of any action taken by the Authority as in this Article XI may, and, if the Authority so determines, shall bear a notation by endorsement or otherwise in form approved by the Authority as to such action, and in that case upon demand of the Holder of any Bond Outstanding at such effective date and presentation of his Bond for the purpose at the corporate trust office of the Trustee or upon any transfer or exchange of any Bond Outstanding at such effective date, suitable notation shall be made on such Bond or upon any Bond issued upon any such transfer or exchange by the Trustee as to any such action. If the Authority or the Trustee shall so determine, new Bonds so modified as in the opinion of the Authority or purchased or otherwise acquired by the Authority and delivered to the Trustee to conform to such action shall be prepared, authenticated and delivered and upon demand of the Holder of any Bond then Outstanding shall be exchanged, without cost to such Bondholder, for Bonds of the same Series, principal amount, maturity and interest rate then Outstanding, upon surrender of such Bonds. Any action taken as in Article X or this Article XI provided shall be effective and binding upon all applicable Bondholders notwithstanding that the notation is not endorsed on all Bonds.

SECTION 11.11 ***Effect of Supplemental Resolution.*** Upon the effective date of any Supplemental Resolution, the Bond Resolution shall be deemed to be modified and amended in accordance therewith, the respective rights, duties, covenants, obligations and agreements under the Bond Resolution of the Authority, the Trustee and all Holders of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any such Supplemental Resolution shall be deemed to be part of the terms and conditions of the Bond Resolution for any and all purposes.

SECTION 11.12 ***Notice of Amendments.*** Promptly after the adoption by the Authority of any Supplemental Resolution, the Trustee shall mail a notice, setting forth in general terms the substance thereof to the Bondholders of a Series of Bonds affected by such amendment. Any failure to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Resolution.

ARTICLE XII. - DEFEASANCE

SECTION 12.01 *Defeasance of the Bonds.* 1. If the Authority shall pay or cause to be paid, or there shall otherwise be paid to the Holders of any Bonds of any Series the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated in such Bonds and in the Bond Resolution, then the pledge of the Trust Estate, and all duties, covenants, agreements and other obligations of the Authority to such Bondholders, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall cause an accounting for such period or periods as shall be requested by the Authority to be prepared and filed with the Authority and, upon the request of the Authority, shall execute and deliver to the Authority all such instruments as may be desirable to evidence such discharge and satisfaction, and the Trustee shall pay over or deliver to the Authority all moneys or securities held by them pursuant to the Bond Resolution which are not required for the payment of principal or Redemption Price, of, and interest if applicable, on Bonds of any Series not theretofore surrendered for such payment or redemption. If the Authority shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of any Outstanding Bonds of any Series the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Bond Resolution, such Bonds shall cease to be entitled to any lien, benefit or security under the Bond Resolution, and all duties, covenants, agreements and obligations of the Authority to the Holders of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

2. Bonds or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Paying Agents or the Trustee (through deposit by the Authority of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in subsection (1) of this Section. Any Outstanding Bonds of any Series shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in subsection (1) of this Section if (a) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Authority shall have given to the Trustee instructions in writing to mail notice of redemption of such Bonds (other than Bonds of a Series which have been purchased by the Trustee at the direction of the Authority or purchased or otherwise acquired by the Authority and delivered to the Trustee as hereinafter provided prior to the mailing of such notice of redemption) on said date, (b) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Defeasance Securities the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient in the opinion of a nationally recognized firm of certified public accountants, to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on such Series of Bonds on or prior to the redemption date or maturity date thereof, as the case may be, (c) in the event such Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Authority shall have given the Trustee instructions to mail, as soon as practicable, a notice to the Holders of such Bonds at their last addresses appearing upon the registry books at the close of business on the last business day on the month preceding the month for which notice is mailed that the deposit required by (b) above has been made with the Trustee and that such Series of Bonds are deemed to have been paid in accordance with this Section 12.01 and stating such maturity or redemption date upon which moneys are expected, subject to the provisions of subsection (2) of

this Section 12.01, to be available for the payment of the principal or Redemption Price, if applicable, of, and interest on such Bonds (other than Bonds which have been purchased by the Trustee at the direction of the Authority or purchased or otherwise acquired by the Authority and delivered to the Trustee as hereinafter provided prior to the mailing of the notice of redemption referred to in clause (a) hereof), and (d) (i) if an escrow is required to provide for the payment of the principal and interest on the Bonds, the Authority shall deliver to the Trustee a report of a firm of nationally recognized certified public accountants ("Accountant") verifying the sufficiency of the escrow established to pay the Bonds in full ("Verification"), (ii) the escrow agreement shall provide that no substitution of any Defeasance Securities shall be permitted except with other Defeasance Securities and upon delivery of a new Verification, and (iii) there shall be delivered an opinion of Bond Counsel to the effect that the Bonds are no longer "Outstanding" under the Bond Resolution; each Verification and defeasance opinion shall be addressed to the Authority and the Trustee. Any notice of redemption mailed pursuant to the preceding sentence with respect to any Series of Bonds which constitutes less than all of the Outstanding Bonds of any maturity within a Series shall specify the letter and number or other distinguishing mark of each such Bond. The Trustee shall, as and to the extent necessary, apply moneys held by it pursuant to this Section 12.01 to the retirement of said Bonds in amounts equal to the unsatisfied balances of any Sinking Fund Installments with respect to such Bonds, all in the manner provided in the Bond Resolution. The Trustee shall, if so directed by the Authority (i) prior to the maturity date of Bonds deemed to have been paid in accordance with this Section 12.01 which are not to be redeemed prior to their maturity date or (ii) prior to the mailing of the notice of redemption referred to in clause (a) above with respect to any Bonds deemed to have been paid in accordance with this Section 12.01 which are to be redeemed on any date prior to their maturity, apply moneys deposited with the Trustee in respect of such Bonds and redeem or sell Defeasance Securities so deposited with the Trustee and apply the proceeds thereof to the purchase of such Bonds and the Trustee shall immediately thereafter cancel all such Bonds so purchased; provided, however, that the moneys and Defeasance Securities remaining on deposit with the Trustee after the purchase and cancellation of such Bonds shall be sufficient to pay when due the Redemption Price, if applicable, and interest due or to become due on all Bonds, in respect of which such moneys and Defeasance Securities are being held by the Trustee on or prior to the redemption date or maturity date thereof, as the case may be. If, at any time (i) prior to the maturity date of Bonds deemed to have been paid in accordance with Section 12.01 which are not to be redeemed prior to their maturity date or (ii) prior to the mailing of the notice of redemption referred to in clause (a) with respect to any Bonds deemed to have been paid in accordance with this Section 12.01 which are to be redeemed on any date prior to their maturity, the Authority shall purchase or otherwise acquire any such Bonds and deliver such Bonds to the Trustee prior to their maturity date or redemption date, as the case may be, the Trustee shall immediately cancel all such Bonds so delivered; such delivery of Bonds to the Trustee shall be accompanied by directions from the Authority to the Trustee as to the manner in which such Bonds are to be applied against the obligation of the Trustee to pay or redeem Bonds deemed paid in accordance with this Section 12.01. The directions given by the Authority to the Trustee referred to in the preceding sentence shall also specify the portion, if any, of such Bonds so purchased or delivered and cancelled to be applied against the obligation of the Trustee to pay Bonds deemed paid in accordance with this Section 12.01 upon their maturity date or dates and the portion, if any, of such Bonds so purchased or delivered and cancelled to be applied against the obligation of the Trustee to redeem Bonds deemed paid in accordance with this Section 12.01 on any date or dates

prior to their maturity. In the event that on any date as a result of any purchases, acquisitions and cancellations of Bonds as provided in this Section 12.01 the total amount of moneys and Defeasance Securities remaining on deposit with the Trustee under this Section 12.01 is in excess of the total amount which would have been required to be deposited with the Trustee on such date in respect of the remaining Bonds of such Series in order to satisfy clause (b) of this subsection 2 of Section 12.01, the Trustee shall, if requested by the Authority, pay the amount of such excess to the Authority free and clear of any trust, lien, security interest, pledge or assignment securing said Bonds or otherwise existing under the Bond Resolution. Neither Defeasance Securities nor moneys deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if applicable, and interest on said Bonds; provided that any cash received from such principal or interest payments on such Defeasance Securities deposited with the Trustee, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the Authority as received by the Trustee, free and clear of any trust, lien or pledge securing said Bonds or otherwise existing under the Bond Resolution, and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Defeasance Securities maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if applicable, and interest to become due on said Bonds on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the Authority, as received by the Trustee, free and clear of any trust, lien, security interest, pledge or assignment securing said Bonds or otherwise existing under the Bond Resolution.

3. Anything in the Bond Resolution to the contrary notwithstanding, any moneys held by a Fiduciary in trust for the payment and discharge of any of the Bonds which remain unclaimed for six years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Fiduciary at such date, or for six years after the date of deposit of such moneys if deposited with the Fiduciary after the said date when such Bonds become due and payable, shall be applied by such Fiduciary in accordance with the laws of the State.

SECTION 12.02 *Evidence of Signatures and Ownership of Bonds.* 1. Any request, consent, revocation of consent or other instrument which the Bond Resolution or any Supplemental Resolution may require or permit to be signed and executed by the Holders of Bonds of any Series may be in one or more instruments of similar tenor and shall be signed or executed by such Holders of Bonds in person or by their attorneys appointed in writing. Proof of (i) the execution of any such instrument, or of an instrument appointing any such attorney, or (ii) the holding by any person of the Bonds shall be sufficient for any purpose of the Bond Resolution or any Supplemental Resolution (except as otherwise therein expressly provided) if made in the following manner:

(a) The fact and date of the execution by any Holder of any Bond or his attorney of such instruments may be proved by a guarantee of the signature thereon by a bank or trust company or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or

association or a member of a partnership, on behalf of such corporation, association or partnership, such signature guarantee, certificate or affidavit shall also constitute sufficient proof of his authority.

(b) The amount of Bonds transferable by delivery held by any person executing any instrument as a Holder of any Bond, the date of his holding such Bonds, and the numbers and other identification thereof, may be proved by a certificate, which need not be acknowledged or verified, in form satisfactory to the Trustee, executed by the Trustee or by a member of a financial firm or by an officer of a bank, trust company, insurance company, or financial corporation or other depository wherever situated stating that at the date therein mentioned that such person exhibited to such member or officer or had on deposit with such depository the Bonds described in such certificate. Such certificate may be given by a member of a financial firm or by an officer of any bank, trust company, insurance company or financial corporation or depository with respect to Bonds owned by it, if acceptable to the Trustee.

2. The ownership of Bonds registered otherwise than to bearer and the amount, numbers and other identification, and date of holding the same shall be proved by the registry books maintained by the Authority.

3. Any request or consent by the Holder of any Bond shall bind all future owners of such Bond in respect of anything done or suffered to be done by the Authority or any Trustee in accordance therewith.

SECTION 12.03 *Moneys Held for Particular Bonds.* The amounts held by any Fiduciary for the payment of the interest, principal or Redemption Price due on any date with respect to particular Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Holders of the Bonds entitled thereto.

ARTICLE XIII. - MISCELLANEOUS

SECTION 13.01 *Liability of the Authority Limited to Trust Estate.* Notwithstanding anything contained in the Bond Resolution or in the Bonds, the Authority shall not be required to advance any moneys derived from any source other than the Trust Estate for any of the purposes in the Bond Resolution, whether for the payment of the principal or Redemption Price of, or interest on, the Bonds or for any other purpose of the Bond Resolution. Nevertheless, the Authority may, but shall not be required to, advance for any of the purposes hereof any funds of the Authority that may be made available to it for such purposes.

SECTION 13.02 *Successor Is Deemed Included in All References to Predecessor.* Whenever in the Bond Resolution either the Authority or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the duties, covenants, obligations and agreements in the Bond Resolution contained by or on behalf of the Authority or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof, whether so expressed or not.

SECTION 13.03 *Limitation of Rights to Parties.* Nothing expressed or implied in the Bond Resolution or in the Bonds is intended or shall be construed to give to any person other than the Authority, the Trustee, the Paying Agents and the Holders of Bonds any legal

or equitable right, remedy or claim under or in respect of the Bond Resolution or any duty, covenant, obligation, agreement, condition or provision therein or herein contained; and all such duties, covenants, obligations, agreements, conditions and provisions are and shall be for the sole and exclusive benefit of the Authority, the Trustee, the Paying Agents and the Holders of Bonds.

SECTION 13.04 *Waiver of Notice.* Whenever in the Bond Resolution the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 13.05 *Destruction of Bonds.* Whenever in the Bond Resolution provision is made for the cancellation by the Trustee and the delivery to the Authority of any Bonds, unless otherwise requested in writing the Authority, in lieu of such cancellation and delivery, the Trustee shall destroy such Bonds (in the presence of an officer of the Authority, if the Authority shall so require), and deliver a certificate of such destruction to the Authority.

SECTION 13.06 *Severability of Invalid Provisions.* If any one or more of the provisions contained in the Bond Resolution or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in the Bond Resolution or in the Bonds and such invalidity, illegality or unenforceability shall not affect any other provision of the Bond Resolution, and the Bond Resolution shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Authority hereby declares that it would have entered into the Bond Resolution and each and every other section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant thereto irrespective of the fact that any one or more sections, paragraphs, sentences, clauses or phrases of the Bond Resolution may be held illegal, invalid or unenforceable.

SECTION 13.07 *Notices.* Any notice, demand, or request required or authorized by the Bond Resolution to be given to one of the notice recipients listed below shall be sent by email transmission, courier or personally delivered (including overnight delivery service) to each of the notice recipients and addresses for the receiving notice recipient listed below. Any such notice, demand, or request shall be deemed to be given (i) when sent by email transmission, or (ii) when actually received if delivered by courier or personal delivery (including overnight delivery service). Each notice recipient listed below shall have the right, upon 10 days' prior written notice to the other notice recipient, to change its list of notice recipients and addresses listed below. The notice recipients may mutually agree in writing at any time to deliver notices, demands or requests through alternate or additional methods, such as electronic.:

- (a) Authority: Colorado Water Resources and Power
Development Authority
1580 Logan Street, Suite 820
Denver, Colorado 80203
Attention: Executive Director

Email address: kmclaughlin@cwrpda.com

- (b) Trustee: U.S. Bank Trust Company, National Association
Denver Tower
950 17th Street
Denver, Colorado 80202
Attention: Global Corporate Trust Services

Email address: jennifer.petruno@usbank.com
- (c) Paying Agent: U.S. Bank Trust Company, National Association
Denver tower
950 17th Street
Denver, Colorado 80202
Attention: Global Corporate Trust Services

Email address: jennifer.petruno@usbank.com
- (d) Loan Servicer: U.S. Bank Trust Company, National Association
Denver Tower
950 17th Street
Denver, Colorado 80202
Attention: Global Corporate Trust Services

Email address: jennifer.petruno@usbank.com

Any electronically signed document shall be deemed (i) to be “written” or “in writing,” (ii) to have been signed, and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. For purposes hereof, “electronic signature” means a manually signed original signature that is then transmitted by electronic means; “transmitted by electronic means” means sent in the form of a facsimile or sent via the Internet as a pdf (portable document format) or other replicating image attached to an e mail message; and, “electronically signed document” means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature. Paper copies or “printouts”, if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form.

SECTION 13.08 *Disqualified Bonds.* In determining whether the Holders of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under the Bond Resolution, Bonds that are owned or held by or for the account of the Authority or any Governmental Agency, or by any other primary or secondary obligor on any Loan Agreement, or by any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority or any Governmental Agency or any other primary or secondary obligor on any Loan Agreement, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination.

SECTION 13.09 *Funds and Accounts.* Any fund or account required by the Bond Resolution to be established and maintained by the Trustee may be established and

maintained in the accounting records of the Trustee, either as a fund or an account, and, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, may be treated either as a fund or as an account; but all such records with respect to all such funds or accounts shall at all times be maintained in accordance with customary trust procedures adopted by banks or trust companies similar to the Trustee.

SECTION 13.10 *Waiver of Personal Liability.* No member, officer, agent or employee of the Authority shall be individually or personally liable for the payment of the principal or Redemption Price of, or interest on, the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof, all such liability, if any, being expressly waived and released by each Holder of Bonds by the acceptance of such Bonds, but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law or by the Bond Resolution.

SECTION 13.11 *The Authority Protected in Acting in Good Faith.* In the exercise of the powers of the Authority and its members, officers, employees and agents under the Bond Resolution, the Loan Agreements or any other document executed in connection with the Bonds, the Authority shall not be accountable to any Governmental Agency, the Trustee, the Paying Agent or any Holder for any action taken or omitted by it or its members, officers, employees and agents in good faith and believed by it or them to be authorized or within the discretion or rights or powers conferred.

SECTION 13.12 *Business Days.* Except as otherwise specifically provided herein, if any date specified herein for the payment of any Bond or the performance of any act shall not be a Business Day at the place of payment or performance, such payment or performance shall be made on the next succeeding Business Day with the same effect as if made on such date, and in case any payment of the principal or Redemption Price of or interest on any Bond shall be due on a date that is not a Business Day, interest on such principal amount shall cease to accrue on the date on which such payment was due if such payment is made on the immediately succeeding Business Day.

SECTION 13.13 *Certain Provisions Relating to Capital Appreciation Bonds.* For the purposes of (i) receiving payment of the redemption price if a Capital Appreciation Bond is redeemed prior to maturity, or (ii) receiving payment of a Capital Appreciation Bond if the principal of all Bonds is declared immediately due and payable following an Event of Default, as provided in Section 9.01 of the Bond Resolution, or (iii) computing the principal amount of Bonds held by the registered owner of a Capital Appreciation Bond in giving any notice, consent, request or demand pursuant to the Bond Resolution for any purpose whatsoever, the principal amount of a Capital Appreciation Bond shall be deemed to be its then current Accreted Value.

ARTICLE XIV. - BOND FORM AND EFFECTIVE DATE

SECTION 14.01 *Forms of 2024 Series A/B Bonds and Trustee's Authentication Certificate.* Subject to the provisions of the Bond Resolution, the forms of the Bonds and the Trustee's certificate of authentication shall be of substantially the following tenor:

COLORADO WATER RESOURCES AND POWER DEVELOPMENT

AUTHORITY (the “Authority”), a body corporate and political subdivision of the State of Colorado created and existing under the laws of the State of Colorado, acknowledges itself indebted to, and for value received hereby promises to pay to Registered Owner or registered assigns, on the Maturity Date stated hereon, but solely from the funds pledged therefor, upon presentation and surrender of this bond, at the corporate trust operations office in St. Paul, Minnesota, of U.S. Bank Trust Company, National Association (such bank and any successors thereto being herein called the “Trustee” or “Paying Agent”) or such other place as the Paying Agent may determine, the Principal Sum stated hereon in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and to pay from such pledged funds on March 1 and September 1 in each year, commencing September 1, 2024, until the Authority’s obligation with respect to the payment of such Principal Sum shall be discharged to the Registered Owner hereof, interest from the Dated Date hereof or from the March 1, or September 1, as the case may be, next preceding the date of authentication to which interest has been paid or provided for unless such date of authentication is a date to which interest has been paid or provided for, in which case from such date or if such date of authentication is prior to the first interest payment date, in which case from the Dated Date, on such Principal Sum by check or draft of the Trustee mailed to such Registered Owner who shall appear as of the fifteenth (15th) day of the month (or if such day shall not be a Business Day, the preceding Business Day) next preceding such interest payment date on the books of the Authority maintained by the Trustee.

It is hereby certified and recited that all conditions, acts and things required by law and the Resolution to exist, to have happened and to have been performed precedent to and in the issuance of this bond, exist, have happened and have been performed and that the Series of Bonds of which this is one, together with all other indebtedness of the Authority, complies in all respects with the applicable laws of the State of Colorado, including, particularly, the Act.

This bond shall not be entitled to any benefit under the Resolution or be valid or become obligatory for any purpose until this bond shall have been authenticated by the execution by the Trustee of the Trustee’s Certificate of Authentication hereon.

The terms and provisions of this bond and definitions of certain terms used herein may be continued on the reverse side of this bond and such continued terms and provisions and definitions shall for all purposes have the same effect as though fully set forth on the front of this bond.

This bond is one of a duly authorized Series of Bonds of the Authority designated “State Revolving Fund Revenue Bonds, 2024 Series A” (herein called the “2024 Series A Bonds”), in the aggregate principal amount of \$_____ issued and in full compliance with the Constitution and statutes of the State of Colorado, and particularly the “Colorado Water Resources and Power Development Authority Act”, being Section 37-95-101 et seq. of the Colorado Revised Statutes, as amended and supplemented (herein called the “Act”), and under and pursuant to a resolution authorizing the 2024 Series A Bonds adopted by the Authority on April 26, 2024 entitled “State Revolving Fund 2024 Series A/B Revenue Bond Resolution” (herein called the “Resolution”).

As provided in the Resolution, the 2024 Series A Bonds, and all other bonds issued on a parity with the 2024 Series A Bonds under the Resolution (herein collectively called the “Bonds”), are direct and special obligations of the Authority payable solely from and secured as to payment of the principal or Redemption Price thereof, and interest thereon, in accordance with their terms and the provisions of the Resolution solely by the Trust Estate (as defined in the Resolution), subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution. The Trust Estate under the Resolution includes certain of the right, title and interest on the Authority in the Loan Agreements, the Revenues and certain funds and accounts applicable thereto, including Investment Securities held in any such funds or accounts, together with all proceeds and revenues of the foregoing and all of the Authority’s right, title and interest in and to the foregoing and all other moneys, securities or funds pledged for the payment of the principal or Redemption Price of, and interest on, the Bonds in accordance with the terms and provisions of the Resolution. Copies of the Resolution are on file at the office of the Authority at the above mentioned office of the Trustee, and reference is hereby made to the Act and to the Resolution and any and all supplements thereto and modifications and amendments thereof for a description of the pledge and assignment and covenants securing the Bonds, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the holders of the Bonds with respect thereto, the terms and conditions upon which the Bonds are issued and may be issued thereunder, the terms and provisions upon which this bond shall cease to be entitled to any lien, benefit or security under the Resolution and for the other terms and provisions thereof. All duties, covenants, agreements and obligations of the Authority under the Resolution with respect to this bond may be discharged and satisfied at or prior to the maturity or redemption of this bond if moneys or certain specified securities shall have been deposited with the Trustee.

As provided in the Resolution, Bonds may be issued from time to time pursuant to Supplemental Resolutions in one or more Series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as in the Resolution provided. The aggregate principal amount of Bonds which may be issued under the Resolution is not limited, and all the Bonds issued and to be issued under the Resolution are and will be equally secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in the Resolution.

To the extent and in the manner permitted by the terms of the Resolution, the provisions of the Resolution, or any resolution amendatory thereof or supplemental thereto, may be modified or amended by the Authority, with the written consent of the holders of at least a majority in principal amount of the Bonds Outstanding under the Resolution at the time such consent is given, and, in case less than all of the several Series of Bonds then Outstanding are affected thereby, with such consent of at least a majority in principal amount of the Bonds of each Series so affected and Outstanding; provided, however, that, if such modification or amendment will, by its terms, not take effect so long as the Bonds of any specified like Series and maturity remain Outstanding under the Resolution, the consent of the holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of the calculation of Outstanding Bonds. No such modification or amendment shall permit a change in the terms of redemption (including sinking fund installments) or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or Redemption Price thereof or in the rate of interest thereon without the consent of the holder of such Bond, or

shall reduce the percentages or otherwise affect the classes of Bonds the consent of the holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of the Trustee or of the Paying Agent without its written assent thereto.

This bond is transferable, as provided in the Resolution, only upon the books of the Authority kept for that purpose at the above mentioned office of the Trustee, as Bond Registrar, by the Registered Owner hereof in person, or by such Registered Owner's attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the Registered Owner or such Registered Owner's duly authorized attorney, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amounts, shall be issued to the transferee in exchange therefor as provided in the Resolution, and upon payment of the charges therein prescribed. The Authority, the Trustee and the Paying Agent may deem and treat the Registered Owner as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or Redemption Price hereof and interest due hereon and for all other purposes.

The 2024 Series A Bonds are issuable in the form of fully registered bonds without coupons in the denomination of \$5,000 or any integral multiple of \$5,000.

The 2024 Series A Bonds maturing on or after _____ shall be subject to redemption prior to their respective maturity dates, on or after _____, at the option of the Authority, either in whole, or in part randomly within a maturity from maturities selected by the Authority, on any date, at a Redemption Price equal to the principal amount of the 2024 Series A Bonds to be redeemed, in each case together with accrued interest thereon to the date fixed for redemption.

The 2024 Series A Bonds stated to mature on _____ and _____ are also subject to mandatory partial redemption by the Trustee in the amounts and at the times set forth in the Resolution at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest thereon. The Resolution provides for the making of deposits in the Debt Service Fund established under the Resolution to provide Sinking Fund Installments sufficient to pay the principal amount of 2024 Series A Bonds so redeemed; but if the Trustee is obligated to call such 2024 Series A Bonds for mandatory redemption in any event, the 2024 Series A Bonds so called shall be treated (except for initial source of payment) as if they matured and were stated to mature on the date they were called for redemption and the final payment of said 2024 Series A Bonds may not be extended beyond such date without loss of the security provided by the Resolution. Such Sinking Fund Installments may be reduced as a result of the redemption of 2024 Series A Bonds in accordance with the provisions of the Resolution.

The 2024 Series A Bonds are payable upon redemption at the above-mentioned office of the Paying Agent. Notice of redemption, setting forth the place of payment, shall be mailed by the Trustee, postage prepaid, not less than thirty (30) days nor more than sixty (60) days prior to the redemption date, to the registered owners of any such Bonds or portions of such Bonds which are to be redeemed, at their last addresses, if any, appearing upon the registry books, all in the manner and upon the terms and conditions set forth in the Resolution. If notice of redemption shall have been mailed as aforesaid, the 2024 Series A Bonds or portions thereof specified in said notice shall become due and payable on the redemption date therein fixed, and if, on the

redemption date, moneys for the redemption of all the 2024 Series A Bonds and portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, then from and after the redemption date interest on such Bonds or portions thereof so called for redemption shall cease to accrue and be payable. Failure of the registered owner of any such Bonds which are to be redeemed to receive any such notice shall not affect the validity of the proceedings for the redemption of Bonds.

The principal or Redemption Price of, and interest on, the 2024 Series A Bonds are payable solely from the Trust Estate and neither the State of Colorado nor any political subdivision thereof, other than the Authority, is obligated to pay the principal or Redemption Price of, or interest on, this bond and the issue of which it is one and neither the full faith and credit nor the taxing power of the State of Colorado or any political subdivision thereof is pledged to the payment of the principal or Redemption Price of, or interest on, this bond or the issue of which it is one.

IN WITNESS WHEREOF, COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY has caused this bond to be executed in its name and on its behalf by the manual or facsimile signature of its Executive Director, and its seal to be impressed, imprinted, engraved or otherwise reproduced hereon, and attested by the manual or facsimile signature of its Assistant Secretary, all as of the Dated Date hereof.

(SEAL)

**COLORADO WATER RESOURCES
AND
POWER DEVELOPMENT
AUTHORITY**

By: _____
Executive Director

Attest:

Assistant Secretary

[FORM OF CERTIFICATE OF AUTHENTICATION ON ALL 2024 SERIES A BONDS]

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This bond is one of the 2024 Series A Bonds delivered pursuant to the within mentioned Resolution.

**U.S. BANK TRUST COMPANY,
NATIONAL
ASSOCIATION,**
as Trustee

By: _____
Authorized Signatory

Authentication Date:

COLORADO WATER RESOURCES AND POWER DEVELOPMENT

AUTHORITY (the “Authority”), a body corporate and political subdivision of the State of Colorado created and existing under the laws of the State of Colorado, acknowledges itself indebted to, and for value received hereby promises to pay to Registered Owner or registered assigns, on the Maturity Date stated hereon, but solely from the funds pledged therefor, upon presentation and surrender of this bond, at the corporate trust operations office in St. Paul, Minnesota, of U.S. Bank Trust Company, National Association (such bank and any successors thereto being herein called the “Trustee” or “Paying Agent”) or such other place as the Paying Agent may determine, the Principal Sum stated hereon in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and to pay from such pledged funds on March 1 and September 1 in each year, commencing September 1, 2024, until the Authority’s obligation with respect to the payment of such Principal Sum shall be discharged to the Registered Owner hereof, interest from the Dated Date hereof or from the March 1, or September 1, as the case may be, next preceding the date of authentication to which interest has been paid or provided for unless such date of authentication is a date to which interest has been paid or provided for, in which case from such date or if such date of authentication is prior to the first interest payment date, in which case from the Dated Date, on such Principal Sum by check or draft of the Trustee mailed to such Registered Owner who shall appear as of the fifteenth (15th) day of the month (or if such day shall not be a Business Day, the preceding Business Day) next preceding such interest payment date on the books of the Authority maintained by the Trustee.

It is hereby certified and recited that all conditions, acts and things required by law and the Resolution to exist, to have happened and to have been performed precedent to and in the issuance of this bond, exist, have happened and have been performed and that the Series of Bonds of which this is one, together with all other indebtedness of the Authority, complies in all respects with the applicable laws of the State of Colorado, including, particularly, the Act.

This bond shall not be entitled to any benefit under the Resolution or be valid or become obligatory for any purpose until this bond shall have been authenticated by the execution by the Trustee of the Trustee’s Certificate of Authentication hereon.

The terms and provisions of this bond and definitions of certain terms used herein may be continued on the reverse side of this bond and such continued terms and provisions and definitions shall for all purposes have the same effect as though fully set forth on the front of this bond.

This bond is one of a duly authorized Series of Bonds of the Authority designated “State Revolving Fund Revenue Bonds, 2024 Series B (Federally Taxable)” (herein called the “2024 Series B Bonds”), in the aggregate principal amount of \$_____ issued and in full compliance with the Constitution and statutes of the State of Colorado, and particularly the “Colorado Water Resources and Power Development Authority Act”, being Section 37-95-101 et seq. of the Colorado Revised Statutes, as amended and supplemented (herein called the “Act”), and under and pursuant to a resolution authorizing the 2024 Series B Bonds adopted by the Authority on April 26, 2024 entitled “State Revolving Fund 2024 Series A/B Revenue Bond Resolution” (herein called the “Resolution”).

As provided in the Resolution, the 2024 Series B Bonds, and all other bonds issued on a parity with the 2024 Series B Bonds under the Resolution (herein collectively called the “Bonds”), are direct and special obligations of the Authority payable solely from and secured as to payment of the principal or Redemption Price thereof, and interest thereon, in accordance with their terms and the provisions of the Resolution solely by the Trust Estate (as defined in the Resolution), subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution. The Trust Estate under the Resolution includes certain of the right, title and interest on the Authority in the Loan Agreements, the Revenues and certain funds and accounts applicable thereto, including Investment Securities held in any such funds or accounts, together with all proceeds and revenues of the foregoing and all of the Authority’s right, title and interest in and to the foregoing and all other moneys, securities or funds pledged for the payment of the principal or Redemption Price of, and interest on, the Bonds in accordance with the terms and provisions of the Resolution. Copies of the Resolution are on file at the office of the Authority at the above mentioned office of the Trustee, and reference is hereby made to the Act and to the Resolution and any and all supplements thereto and modifications and amendments thereof for a description of the pledge and assignment and covenants securing the Bonds, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the holders of the Bonds with respect thereto, the terms and conditions upon which the Bonds are issued and may be issued thereunder, the terms and provisions upon which this bond shall cease to be entitled to any lien, benefit or security under the Resolution and for the other terms and provisions thereof. All duties, covenants, agreements and obligations of the Authority under the Resolution with respect to this bond may be discharged and satisfied at or prior to the maturity or redemption of this bond if moneys or certain specified securities shall have been deposited with the Trustee.

As provided in the Resolution, Bonds may be issued from time to time pursuant to Supplemental Resolutions in one or more Series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as in the Resolution provided. The aggregate principal amount of Bonds which may be issued under the Resolution is not limited, and all the Bonds issued and to be issued under the Resolution are and will be equally secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in the Resolution.

To the extent and in the manner permitted by the terms of the Resolution, the provisions of the Resolution, or any resolution amendatory thereof or supplemental thereto, may be modified or amended by the Authority, with the written consent of the holders of at least a majority in principal amount of the Bonds Outstanding under the Resolution at the time such consent is given, and, in case less than all of the several Series of Bonds then Outstanding are affected thereby, with such consent of at least a majority in principal amount of the Bonds of each Series so affected and Outstanding; provided, however, that, if such modification or amendment will, by its terms, not take effect so long as the Bonds of any specified like Series and maturity remain Outstanding under the Resolution, the consent of the holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of the calculation of Outstanding Bonds. No such modification or amendment shall permit a change in the terms of redemption (including sinking fund installments) or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or Redemption Price thereof or in the rate of interest thereon without the consent of the holder of such Bond, or

shall reduce the percentages or otherwise affect the classes of Bonds the consent of the holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of the Trustee or of the Paying Agent without its written assent thereto.

This bond is transferable, as provided in the Resolution, only upon the books of the Authority kept for that purpose at the above mentioned office of the Trustee, as Bond Registrar, by the Registered Owner hereof in person, or by such Registered Owner's attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the Registered Owner or such Registered Owner's duly authorized attorney, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amounts, shall be issued to the transferee in exchange therefor as provided in the Resolution, and upon payment of the charges therein prescribed. The Authority, the Trustee and the Paying Agent may deem and treat the Registered Owner as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or Redemption Price hereof and interest due hereon and for all other purposes.

The 2024 Series B Bonds are issuable in the form of fully registered bonds without coupons in the denomination of \$5,000 or any integral multiple of \$5,000.

The 2024 Series B Bonds maturing on or after _____ shall be subject to redemption prior to their respective maturity dates, on or after _____, at the option of the Authority, either in whole, or in part randomly within a maturity from maturities selected by the Authority, on any date, at a Redemption Price equal to the principal amount of the 2024 Series B Bonds to be redeemed, in each case together with accrued interest thereon to the date fixed for redemption.

The 2024 Series B Bonds stated to mature on _____ and _____ are also subject to mandatory partial redemption by the Trustee in the amounts and at the times set forth in the Resolution at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest thereon. The Resolution provides for the making of deposits in the Debt Service Fund established under the Resolution to provide Sinking Fund Installments sufficient to pay the principal amount of 2024 Series B Bonds so redeemed; but if the Trustee is obligated to call such 2024 Series B Bonds for mandatory redemption in any event, the 2024 Series B Bonds so called shall be treated (except for initial source of payment) as if they matured and were stated to mature on the date they were called for redemption and the final payment of said 2024 Series B Bonds may not be extended beyond such date without loss of the security provided by the Resolution. Such Sinking Fund Installments may be reduced as a result of the redemption of 2024 Series B Bonds in accordance with the provisions of the Resolution.

The 2024 Series B Bonds are payable upon redemption at the above-mentioned office of the Paying Agent. Notice of redemption, setting forth the place of payment, shall be mailed by the Trustee, postage prepaid, not less than thirty (30) days nor more than sixty (60) days prior to the redemption date, to the registered owners of any such Bonds or portions of such Bonds which are to be redeemed, at their last addresses, if any, appearing upon the registry books, all in the manner and upon the terms and conditions set forth in the Resolution. If notice of redemption shall have been mailed as aforesaid, the 2024 Series B Bonds or portions thereof specified in said notice shall become due and payable on the redemption date therein fixed, and if, on the

redemption date, moneys for the redemption of all the 2024 Series B Bonds and portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, then from and after the redemption date interest on such Bonds or portions thereof so called for redemption shall cease to accrue and be payable. Failure of the registered owner of any such Bonds which are to be redeemed to receive any such notice shall not affect the validity of the proceedings for the redemption of such Bonds.

The principal or Redemption Price of, and interest on, the 2024 Series B Bonds are payable solely from the Trust Estate and neither the State of Colorado nor any political subdivision thereof, other than the Authority, is obligated to pay the principal or Redemption Price of, or interest on, this bond and the issue of which it is one and neither the full faith and credit nor the taxing power of the State of Colorado or any political subdivision thereof is pledged to the payment of the principal or Redemption Price of, or interest on, this bond or the issue of which it is one.

IN WITNESS WHEREOF, COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY has caused this bond to be executed in its name and on its behalf by the manual or facsimile signature of its Executive Director, and its seal to be impressed, imprinted, engraved or otherwise reproduced hereon, and attested by the manual or facsimile signature of its Assistant Secretary, all as of the Dated Date hereof.

(SEAL)

**COLORADO WATER RESOURCES
AND
POWER DEVELOPMENT
AUTHORITY**

By: _____
Executive Director

Attest:

Assistant Secretary

[FORM OF CERTIFICATE OF AUTHENTICATION ON ALL 2024 SERIES B BONDS]

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This bond is one of the 2024 Series B Bonds delivered pursuant to the within mentioned Resolution.

**U.S. BANK TRUST COMPANY,
NATIONAL
ASSOCIATION,**
as Trustee

By: _____
Authorized Signatory

Authentication Date:

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(PLEASE PRINT OR TYPEWRITE NAME, SOCIAL SECURITY NUMBER AND ADDRESS OF TRANSFEREE)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney
to transfer the within bond on the books kept for registration thereof, with full power of substitution
in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: _____
Signature Guarantee should be made by a
Guarantor Institution participating in the
Securities Transfer Agents Medallion
Program or in such other guarantee program
acceptable to the Trustee. The signature of
this assignment must correspond with the
name as it appears upon the face of the within
bond in every particular, without alteration or
enlargement or any change whatever.

SECTION 14.02 *Effective Date.* This Bond Resolution shall take effect
immediately.

FORM OF REQUISITION

[Name of Governmental Agency]

2024 Series A/B Project Loan Subaccount for
[name of Governmental Agency]

To: Colorado Department of Public Health and Environment
WQCD-OA-B2

Attention: _____

Project Administrator
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530

Cc: Fax requisition form (Exhibit G) only to the Colorado Water Resources and Power Development Authority at 303.832.8205.

This requisition is made in accordance with Section 5.03(3) of the State Revolving Fund 2024 Series A/B Revenue Bond Resolution adopted by the Colorado Water Resources and Power Development Authority on April 26, 2024 (the "Bond Resolution"). Terms defined in the Bond Resolution and not otherwise defined herein shall have the same meanings when used herein.

The [name of Governmental Agency] hereby states as follows:

1. This is Requisition No. _____
2. The amount requisitioned hereunder is _____
3. The person, firm or corporation to whom the amount requisitioned is due, or to whom a reimbursable and advance has been made, is _____ located at _____.
4. The payee of the requisitioned amount is _____.
5. The manner of payment to the payee is to be _____.
6. Attached hereto is a statement, copy of a bill, or other proof that the amount requisitioned hereunder is currently due or has been advanced by the [name of Governmental Agency].
7. The amount hereby requisitioned is a proper Cost of the Project to be paid only from amounts deposited in the 2024 Series A/B Project Loan Subaccount established for [name of Governmental Agency] in the 2024 Series A/B Project Account in the [Water Pollution Control Revolving Fund/Drinking Water

Revolving Fund] established by the Bond Resolution, which is unpaid or unreimbursed and which has not been the basis of any previous requisition.

8. On the date hereof, there does not exist any Event of Default under the Loan Agreement nor any condition which, with the passage of time or the giving of notice, or both, would constitute an Event of Default thereunder.

9. The undersigned is an Authorized Officer of the [name of Governmental Agency] duly authorized to submit this Requisition.

10. The [name of Governmental Agency] re-affirms that all representations made by it in the Loan Agreement are true and accurate as of the date of this requisition, and that it shall continue to observe and perform all of its duties, covenants, obligations and agreements thereunder, at all times during the entire term of said Loan Agreement.

Dated: _____, 20____

[NAME OF GOVERNMENTAL AGENCY]

By: _____
[Name and Title of Authorized Officer]

The undersigned approves the disbursement of the requisitioned amount from the 2024 Series A/B Project Loan Subaccount established for the [name of Governmental Agency] in the 2024 Series A/B Project Account.

**COLORADO WATER RESOURCES AND
POWER DEVELOPMENT AUTHORITY**

By: _____
[Title]

**For Colorado Department of Public Health and Environment, Water Quality Control
Division Purposes only:**

Payment approved by: _____.

Dated: _____.

Date of last inspection: _____.

Estimated percentage of project completion as of last inspection date: _____.

CERTIFICATE OF ASSISTANT SECRETARY

I, the undersigned Assistant Secretary of the Colorado Water Resources and Power Development Authority (the "Authority") HEREBY CERTIFY that the Resolution attached hereto was duly adopted at a meeting of the Authority duly called and held on April 26, 2024, and that said Resolution has been compared by me with the original thereof, and it is a correct transcript therefrom, and the whole of said original, and that said Resolution has not been altered, amended or repealed, and is in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the Authority this _____ day of _____, _____.

Assistant Secretary

(SEAL)

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COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

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MEMORANDUM

April 10, 2024

TO: Animas-La Plata/ Long Hollow Committee and Karl Ohlsen

FROM: Keith McLaughlin, Executive Director

RE: Long Hollow- Future Projects Escrow Funding Agreement

On February 12, 2012, the Authority and the La Plata Water Conservancy District (LPWCD) entered into a Future Projects Escrow Funding Agreement ("Funding Agreement") for the construction of Long Hollow Reservoir. The project aims to provide water for "irrigation and livestock use within the La Plata River basin, and meeting the La Plata River Compact obligations to the state of New Mexico." Construction of the reservoir was generally completed in 2014.

Following the completion of construction, the Funding Agreement established a \$500,000 Operations and Maintenance Reserve Fund (the "Reserve Fund"). The Reserve Fund remains in force to cover certain contractual operation, maintenance, and engineering expenses until the Long Hollow Reservoir structure and facilities have reached first fill (approximately 5300 Acre Feet).

The Reserve Fund's interest earnings have historically stayed in the fund and has a current balance of roughly \$131,000. Monthly requisitions have averaged approximately \$2,100 over the previous year and \$5,200 over the last three years.

The Animas La Plata/ Long Hollow Committee will discuss the Funding Agreement terms on April 12, 2024, and consider potential changes.

Note: A Zoom conference call has been scheduled for Friday, 10:00 a.m. April 12, 2024. The link to join via online is: <https://us06web.zoom.us/j/82128723698?pwd=8rJybiw74R7Ox0Mp5ZR3bwCN980Ar.1> If you prefer to dial in, the call-in number is: 1-719-359-4580, and the Meeting ID is 821 2872 3698. The passcode is: 654197

Attachments: Future Projects Escrow Funding Agreement
Future Projects Escrow Funding Agreement- requisitions 231 and 232

**FUTURE PROJECTS ESCROW FUNDING AGREEMENT
BETWEEN THE COLORADO WATER RESOURCES AND POWER DEVELOPMENT
AUTHORITY AND THE LA PLATA WATER CONSERVANCY DISTRICT FOR LONG
HOLLOW RESERVOIR**

This Future Projects Escrow - Funding Agreement (“Funding Agreement”) is made and entered into by and between the Colorado Water Resources and Power Development Authority (the “Authority”) and the La Plata Water Conservancy District (the “LPWCD”).

RECITALS

WHEREAS, the Act of Congress approved April 11, 1956 (70 Stat. 105) authorized the planning and investigation of the Animas-La Plata Project as a participating project of the Colorado River Storage Project; subsequently, the construction, operation, and maintenance of the Animas-La Plata Project was authorized by Title V of the Colorado River Basin Project Act of September 30, 1968 (82 Stat. 896) (the Animas-La Plata Project as originally authorized is hereinafter called the “Original ALP Project”); and

WHEREAS, pursuant to a 1986 Cost-Sharing Agreement among parties involved in the Original ALP Project, and escrow agreements with the United States and the Colorado State Treasurer, in 1989 the Authority established an escrow account with the Colorado State Treasurer to fulfill the State of Colorado’s obligations with regard to construction of the Original ALP Project pursuant to the 1986 Cost-Sharing Agreement (the “ALP Escrow”); and

WHEREAS, the construction of the Original ALP Project did not occur in the manner contemplated by the 1986 Cost-Sharing Agreement and the ALP Escrow, and in 2000, Congress enacted Public Law 106-554, the Colorado Ute Settlement Act Amendments of 2000 (the “2000 Amendments”), which authorized the construction of a modified Animas-La Plata Project (the “New ALP Project”); and

WHEREAS, the 2000 Amendments eliminated the construction of irrigation features of the Original ALP Project for Indian and non-Indian interests in the La Plata River drainage; and

WHEREAS, pursuant to an amendment to the 1986 Cost-Sharing Agreement and amendments to the escrow agreements concerning the Original ALP Project, a portion of the sums previously on deposit in the ALP Escrow was released to the Authority for any authorized Authority purpose; and

WHEREAS, in recognition of the elimination of the irrigation features of the Original ALP Project by the 2000 Amendments, and the impact of such elimination on water users in the La Plata River basin, the Animas-La Plata Water Conservancy District (the “ALPWCD”) and the Authority entered into an Agreement dated November 5, 2001 (the “ALPWCD Agreement”) that contemplated, among other things, the establishment, pursuant to further agreement, by the

Authority of an escrow fund for potential financial assistance for planning and construction of new water storage and/or water supply projects in the La Plata River basin that would be beneficial to those existing and future non-Indian interests in the La Plata River basin that would have otherwise benefitted from the irrigation features planned for construction in such basin under the Original ALP Project (“Future Projects Escrow”); and

WHEREAS, on October 21, 2002, the Authority, the ALPWCD and the LPWCD entered into a Future Projects Escrow Agreement whereby the Authority established the Future Projects Escrow in the initial amount of \$15,000,000; and

WHEREAS, the amount in the Future Projects Escrow, after accruals and deductions as provided in the Future Projects Escrow Agreement was approximately \$17,098,613 as of January 25, 2012; and

WHEREAS, pursuant to Paragraph 2.1 of the Future Projects Escrow Agreement, in February, 2009, the LPWCD presented a Project Proposal for Long Hollow Reservoir (the “Project”); and

WHEREAS, by motion adopted on March 5, 2010 the Authority (1) after review of the results of the Phase I work and consultation with LPWCD and its consultants authorized the performance of Phase II (Final Design) work under a contract with GEI Consultants, Inc.; (2) authorized grant financing from the Future Projects Escrow for the final design and construction of the Project, with a Project budget not to exceed \$19,000,000; (3) directed that the Project be constructed, owned, and operated and maintained by the LPWCD pursuant to a funding agreement to be consummated between the Authority and the LPWCD; and (4) directed that Authority staff time and expenses to effectuate the Project be funded from resources other than the Future Projects Escrow unless funds remain in the Future Projects Escrow after all Project costs have been paid; and

WHEREAS, revised construction bids for the Project received in July 2011 disclosed an estimated \$5,000,000 funding shortfall for the Project under the Project budget approved in March, 2010; and

WHEREAS, by motion adopted December 2, 2011, the Authority committed to dedicate additional Authority funds to meet the funding shortfall, contingent upon the Ute Mountain Ute Tribe requesting and dedicating at least \$2,500,000 in so-called “Resource Funds” to Project construction costs;

WHEREAS, by Resolution No. 2012-005 adopted January 31, 2012, the Ute Mountain Ute Tribe has committed to request the sum of \$3,000,000 in Resources Funds for Project construction costs;

NOW THEREFORE, for and in consideration of the premises and other consideration, the receipt and adequacy of which is hereby acknowledged, and pursuant to the terms and conditions of the Future Projects Escrow Agreement and the Authority Board's approvals of March 5, 2010 and December 2, 2011, the parties hereby enter into this Future Projects Escrow Funding Agreement.

ARTICLE 1. GRANT FUNDING

1.1 Grant. The Authority agrees that it will provide, and the LPWCD agrees that it will accept, grant funding for the Project in accordance with the further terms and conditions of this Funding Agreement.

1.1.1 Sources and Amount of Funding. The sources of grant funding to be provided by the Authority pursuant to this Funding Agreement shall be the Authority's Future Projects Escrow, and Authority funds committed to the Project (the "Supplemental Committed Funds") in the initial amount of \$2,500,000 (collectively the "Grant Funds"). The amount of such funding shall not exceed the balance of the Future Projects Escrow Account (\$17,098,613 as of January 25, 2012), plus \$2,500,000 absent dedication of additional sums as Supplemental Committed Funds pursuant to Article 4 below.

1.1.2 Use of Grant Funds. The use of the Grant Funds shall be solely for (1) costs incurred after December 31, 2011 for construction of the Project for the purposes of providing irrigation and livestock use within the La Plata River basin, and meeting the La Plata River Compact obligations to the state of New Mexico (the "Project Purposes"); and (2) establishment, after completion of Project construction, of a \$500,000 Operation and Maintenance Reserve Fund for operation of the Project, as provided in Paragraph 3.3 below. Should the use of any portion of the Project funded hereunder be changed from the Project Purposes before September 30, 2017, the Grant Funds provided for that portion of the Project changed to another use shall be repaid to the Authority as provided in Paragraph 3.5.1 below.

1.2 Operation of the Grant. Project construction and disbursement of Grant Funds for such construction shall be accomplished as set forth in Article 2 below. Establishment of the O&M Reserve Fund and disbursement of Grant Funds for such establishment; repayment of Grant Funds in case of change of use of the Project; and other matters concerning the grant and the Project, are set forth in Article 3 below. Provisions regarding dedication of additional Supplemental Committed Funds for Project completion are set forth in Article 4 below.

ARTICLE 2. PROJECT CONSTRUCTION

2.1 General Contract. Within ninety (90) days after approval of the Final Design by the Colorado State Engineer, the LPWCD, in consultation with the Authority and the Authority's consultants, will select and contract with a qualified General Contractor to perform general contracting services and build the Project in accordance with the approved Final Design. In addition to such other terms and conditions as the LPWCD deems appropriate, the contract for construction of the Project ("Construction Contract") shall incorporate the following:

2.1.1 Invoices. The General Contractor will submit to the LPWCD invoices as specified in the Construction Contract, but no less often than bi-monthly.

2.1.2 Change Orders. The LPWCD shall carefully scrutinize any and all change orders requested for Project construction, and shall confer with the Authority prior to approving any requested change order that would or might result in total Project costs in excess of \$22,098,613.

2.1.3 Insurance. The General Contractor shall secure and maintain insurance from companies authorized to do business under the laws of the State of Colorado of such types and in such minimum amounts as may be necessary to protect the General Contractor, the LPWCD, and the interests of the Authority against the hazards or risks of loss described below and as otherwise required by law. The form and limits of such insurance, together with the underwriter thereof in each case, shall be acceptable to the Authority, but regardless of such acceptance, it shall be the responsibility of the LPWCD to ensure that the Construction Contract requires the General Contractor to maintain adequate insurance coverage at all times. The provision of insurance by the General Contractor of such types and in such minimum amounts as specified below shall not limit the General Contractor's contractual responsibilities, liabilities or obligations to the LPWCD or the Authority. The LPWCD shall submit a certificate from the General Contractor for each of the insurance policies identified herein to the Authority not less than ten (10) days prior to the date that the General Contractor is expected to commence providing services, and the Authority shall not be obligated to make any disbursements under this Funding Agreement until the LPWCD furnishes such certificates of insurance from the General Contractor. Each certificate shall state that thirty (30) days advance written notice will be given to the LPWCD and the Authority before any policy covered thereby is changed or canceled, and the LPWCD and the Authority shall each be listed as an "additional insured" on the policies required below.

2.1.3.1 Workers' Compensation and Employers Liability. This insurance shall protect the General Contractor against all claims under applicable state workers' compensation laws. The General Contractor shall also be protected against claims for injury, disease, or death of employees that, for any reason, may not fall within the provisions of workers' compensation law. This policy shall include an "all states" endorsement. The liability limits shall not be less than:

- | | | |
|-----|-----------------------|---------------------------|
| (a) | Workers' Compensation | Statutory amount |
| (b) | Employers Liability | \$1,000,000 each accident |

2.1.3.2 Comprehensive Automobile Liability. This insurance shall be written in comprehensive form and shall protect the General Contractor against all claims for injuries to members of the public and damage to property of others arising from the use of motor vehicles, and shall cover operation on or off the site of all motor vehicles licensed for highway use, whether they are owned, non-owned, or hired. The liability limits shall not be less than a One Million Dollar (\$1,000,000) combined single limit each occurrence for bodily injury and property damage.

2.1.3.3 Comprehensive General Liability. This insurance shall be written in comprehensive form and shall protect the General Contractor against all claims arising from injuries to members of the public or damage to property of others arising out of any act or omission of the General Contractor or its agents, employees, or subcontractors. This policy shall also include protection against claims insured by usual personal injury liability coverage, with a broad form property coverage endorsement. The liability limits shall not be less than Three Million Dollars (\$3,000,000) combined single limit each occurrence for bodily injury and property damage.

2.1.4 Indemnification. The General Contractor will indemnify and hold harmless the LPWCD and the Authority and their respective directors, officers, agents, and employees from and against any and all liability, loss, costs, charges, obligations, expenses, attorney's fees, litigation, judgments, damages, claims, and demands of any kind whatsoever from any third party resulting from any negligent act or omission, or any other tortious conduct, of the General Contractor, its officers, agents and employees, in the performance of activities related to the Project. This indemnification shall be limited, in cases of contributory negligence or other shared liability, to the damages attributable to the actions of the General Contractor, and its officers, agents, and employees. The Authority may approve variations in the indemnification requirement upon request of the General Contractor if, in the Authority's opinion, such variations do not substantially affect the Authority's interests.

2.1.5 Subcontracts. The General Contractor will include the insurance requirements set forth in Paragraph 2.1.3 and the indemnification requirements set forth in Paragraph 2.1.4 above in all subcontracts. The LPWCD shall hold the General Contractor responsible in the event any subcontract lacks the insurance or indemnification requirements set forth herein. The Authority reserves the right to approve variations in the insurance or indemnification requirements applicable to subcontractors upon joint written request of the subcontractor and the General Contractor if, in the Authority's opinion, such variations do not substantially affect the Authority's interests.

2.2 Construction Disbursements. The Grant Funds will be disbursed for eligible construction costs as follows:

2.2.1. LPWCD Approval and Submittal of Disbursement Request. The LPWCD will review each invoice submitted by the General Contractor to ensure (a) that it complies with the terms of the Construction Contract and (b) that the services, materials, and expenses comprise costs of construction of the Project. The LPWCD will submit to the Authority a Disbursement Request for all approved invoiced costs in a form approved by the Executive Director of the Authority, or his appointed agent or consultant, requesting disbursement of the approved amounts to the General Contractor.

2.2.2. Disbursements. The Authority will disburse funds to the LPWCD for payment of LPWCD-approved Disbursement Requests received no later than three (3) business days prior to the 15th of the month by the last business day of the month; and those received later than three (3) business days prior to the 15th of the month on the 15th of the following month. All construction disbursements will be allocated to the funding provided hereunder.

2.2.3 Order of Disbursement. Grant Funds shall first be disbursed from the Future Projects Escrow until it is exhausted. Thereafter, disbursement shall be made from the Supplemental Committed Funds; provided that to the extent that Resource Funds are available for disbursement, LPWCD shall draw on and request disbursement of the Resource Funds and the Supplemental Committed Funds in the ratio of 55% Resource Funds and 45% Supplemental Committed Funds; and provided further, that no disbursements in excess of the sum of \$2,500,000 shall be made of Supplemental Committed Funds absent dedication by the Authority pursuant to Article 4 below of additional sums as Supplemental Committed Funds.

ARTICLE 3. CONCERNING THE PROJECT

3.1 Project Ownership. The Project is to be built under the auspices and for the benefit of the LPWCD, which shall take title in its name to all land and interests in land (including but not limited to easements, rights-of-way, or licenses), structures, appurtenances, or fixtures, comprising or related to the Project, and shall be solely responsible for the construction, operation, and maintenance of the Project.

3.2 No Warranties. The LPWCD acknowledges and agrees that the Authority makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability, or fitness for particular purpose, or fitness for any use, of the Project, the Final Design, or construction thereof, or of any portions thereof, or any other warranty or representation whatsoever.

3.3 Operation and Maintenance.

3.3.1 O&M Reserve Fund.

At such time as construction of the Project has been completed, all construction costs of the Project have been paid, and all Construction Contracts completed and closed out, the Authority will release and disburse to the LPWCD \$500,000 in Grant Funds to establish an Operation and Maintenance Reserve Fund for the Project, to be administered, managed, and disbursed in the LPWCD's discretion solely for the purposes of operating and maintaining the Project and from time to time making any and all necessary and proper repairs, renewals, replacements, additions, betterments, and improvements thereto.

3.3.2 Project O&M. The LPWCD shall be solely responsible for the operation and maintenance of the Project, including all its appurtenances, related fixtures, and structures, and the Authority will have no responsibilities, obligations, or liabilities to fund or participate in the operation and maintenance of the Project, except as provided in Paragraph 3.3.1 above.

3.4 Accounting and Progress Reports. While the Funding Agreement is in effect:

3.4.1 The LPWCD shall keep accurate records and accounts for the Project (the "Project Records"), separate and distinct from its other records and accounts. Such Project Records shall be maintained in accordance with generally accepted accounting principles, and shall be made available for inspection by the Authority at any reasonable time.

3.4.2 The LPWCD will provide the Authority with quarterly financial status reports and Project performance reports due sixty (60) days after the end of each calendar-year quarter. The financial status report will show how grant funds have been used to date and project the funds needed and their purposes for the next quarter. A final report may serve as the last quarterly report. The LPWCD shall continuously monitor performance to ensure that time schedules are being met and budgetary limits are not exceeded. The Project performance reports shall include the following:

- (a) A comparison of accomplishments to objectives for the period;
- (b) Reasons why established objectives were not met, if applicable;
- (c) Reasons for any problems, delays, or adverse conditions which will affect attainment of overall program objectives, prevent meeting time schedules or objectives, or preclude the attainment of particular objectives during the established time periods. This disclosure shall be accomplished by a statement of the action taken or planned to resolve the situation.
- (d) Objectives and timetables established for the next reporting period.

3.4.3 The LPWCD will provide a final Project development report that includes a detailed Project funding and expense summary, including a summary of the facility installation/construction process upon completion of Project construction.

3.5 Change of Project Purposes.

3.5.1 Repayment of Grant Fund. Should the use of any portion of the Project funded hereunder be changed from the Project Purposes as defined in Article 1 above before September 30, 2017, the Grant Funds provided for any portion of the Project changed to another use shall be immediately repaid to the Authority with interest accrued from the date of this Funding Agreement at a rate equal to the interest rate being charged by the Authority to its direct loan borrowers on the date of this Funding Agreement (e.g. 2.0%).

3.5.2 Ute Mountain Ute Storage. The parties acknowledge and agree that storage in the Project by the Ute Mountain Ute Tribe pursuant to contract with the LPWCD of water of the Ute Mountain Ute Tribe used (directly or by exchange) for purposes other than Project Purposes shall not result in a repayment requirement under this Paragraph 3.5; provided that the water stored does not occupy the first 300 acre-feet of storage in the Project ("Compact Capacity"); occupies other Project capacity not then occupied by Project water supply (e.g. is in "space available"); and is subject to spill at any time when such Project capacity is required for storage of Project water supply.

3.6 Authority Operations.

3.6.1 Consultants. The Authority may, in its discretion, hire or retain agents or consultants to perform reviews of disbursement requests, to oversee disbursements of funds, to perform or oversee any terms, conditions, or limitations imposed by the Authority in any approval related to the Project, and to perform any other activity, power, or obligation of the Authority under the Future Projects Escrow Agreement or this Funding Agreement. The expense of such agents or consultants shall be defrayed out of funds separate from, and shall not be accounted toward the grant funding herein; provided that if, upon termination of this Funding Agreement funds remain in the Future Projects Escrow, such funds may be used, in the Authority's discretion, to reimburse the Authority for such expenses.

3.6.2 Authority Staff. The expense of Authority staff work related to this Funding Agreement and/or the Project shall be defrayed out of funds separate from, and shall not be accounted toward the grant funding herein; provided that if, upon termination of this Funding Agreement funds remain in the Future Projects Escrow, such funds may be used, in the Authority's discretion, to reimburse the Authority for such expense.

3.7 Indemnification. The LPWCD hereby covenants and agrees to indemnify the Authority and hold it, and its directors, officers, agents, and employees harmless, to the extent permitted by law, from and against any and all liability, loss, costs, charges, obligations, expenses,

attorney's fees, litigation, judgments, damages, claims, and demands of any kind whatsoever from any third party resulting from any negligent act or omission, or any other tortious conduct, of the LPWCD, its officers, agents, or employees, in the performance of activities related to the Project. This indemnification shall be limited, in cases of contributory negligence or other shared liability, to the damages attributable to the actions of the LPWCD and its officers, agents, and employees. This indemnification shall extend beyond completion of the Project to include indemnification of the Authority, its directors, officers, and employees throughout the continued operation, maintenance, and replacement of all or any portion of the Project.

ARTICLE 4 ADDITIONAL GRANT FUNDS

4.1 Additions to Supplemental Committed Funds. The Authority may at any time determine in its discretion to commit additional Authority funds beyond the sums in Paragraph 1.1 herein so as to provide sufficient resources for completion of the Project, by designating additions to the Supplemental Committed Funds.

4.1.1 In such case, the Authority shall confer with the LPWCD, ALPWCD, and other interested parties as it determines appropriate, and shall specify the additional sums so dedicated to the Supplemental Committed Funds, and any additional terms and conditions for expenditure of such additional sums, by appropriate corporate action.

4.1.2 Appropriate notations and/or addenda documenting the additional sums dedicated to the Supplemental Committed Funds shall be appended to this Funding Agreement, and thereafter the terms and conditions applicable to the initial Supplemental Committed Funds (\$2,500,000) shall apply to the additional sums dedicated to the Supplemental Committed Funds pursuant to this Article.

ARTICLE 5 TERMINATION OF FUNDING AGREEMENT

5.1 Termination. This Funding Agreement will terminate upon the occurrence of the following:

5.1.1 Determination by the Authority, prior to initiation of Project construction, that the Grant Funds available for Project construction pursuant to this Funding Agreement, together with other funding and/or financing available to the LPWCD for such construction, is insufficient to complete the construction of the Project; or

5.1.2 Disbursement, prior to completion of construction of the Project, of all Grant Funds available pursuant to this Funding Agreement; or

5.1.3 Completion of construction of the Project, payment of all construction costs, and close-out of all Construction Contracts, and establishment, as provided in Paragraph 3.3 of the O&M Reserve Fund; or

5.1.4 Termination of the Future Projects Escrow Agreement pursuant to the terms and conditions of Part 3 thereof.

5.2 Effect of Termination.

5.2.1 Termination of this Funding Agreement shall terminate the obligation of the Authority to provide or disburse funds for or in connection with the Project. If termination occurs prior to expiration of the Future Projects Escrow Agreement, any funds remaining in the Future Projects Escrow shall remain the property of the Authority, free of any claim or demand by or on behalf of the LPWCD or the Project, but subject to the Future Projects Escrow Agreement; if termination occurs after such expiration, then any funds remaining in the Future Projects Escrow shall remain the property of the Authority, free of any claim or demand by or on behalf of the LPWCD, the Project, or the Future Projects Escrow Agreement. On termination of this Funding Agreement, any unexpended Supplemental Committed Funds shall remain the property of the Authority, free of any claim or demand by or on behalf of the LPWCD, the Project, or the Future Projects Escrow.

5.2.2 Termination of this Funding Agreement shall not terminate the obligations of the LPWCD pursuant to Paragraphs 3.4 (Accounting and Progress Reports), 3.5 (Change of Project Purposes) and 3.7 (Indemnification).

ARTICLE 6 OTHER

6.1 Representations of LPWCD. The LPWCD represents and warrants the following:

6.1.1 That it is in compliance with, and will continue so long as the Funding Agreement is in effect to comply with, all laws, ordinances, governmental rules, and regulations to which it is subject, or to which the Project will be subject, the failure to comply with which would materially adversely affect the ability of the LPWCD to undertake or complete the Project, or the condition (financial or otherwise) of the LPWCD or the Project; and

6.1.2 That it has obtained, or will obtain prior to beginning construction on the Project, all licenses, permits, franchises, or other governmental authorizations necessary for the design, construction, ownership, operation, maintenance and replacement of the Project that, if not obtained, would materially adversely affect the ability of the LPWCD to undertake or complete the Project, or the condition (financial or otherwise) of the LPWCD or the Project.

6.1.3 That it shall, so long as the Funding Agreement is in effect, in accordance with prudent water utility practice: (i) at all times operate the properties of the Project and any operations in connection therewith in an efficient manner; (ii) maintain the Project in good repair, working order and operating condition; (iii) from time to time make all necessary and proper repairs, renewals, replacements, additions, betterments, and improvements with respect to

the Project so that at all times the operations carried on in connection therewith shall be properly and advantageously conducted.

6.1.4 That it shall maintain and use the Compact Capacity in perpetuity to assist in compliance with the provisions of the La Plata River Compact between the States of Colorado and New Mexico, set forth in Article 63 of Title 37 of the Colorado Revised Statutes. Such use of the Compact Capacity shall be carried out as directed by the State and Division Engineers.

6.2 Notices. Whenever any notice, demand, or request is required or provided for under this Funding Agreement, such notice, demand, or request shall be provided in writing, or by facsimile to the following addresses or such other addresses as may be designated by a party by notice. Notice shall be deemed received when personally delivered, or when transmitted by facsimile, or three (3) days after having been deposited in a U.S. Postal Service depository to be sent by certified mail, return receipt by addressee requested, with all required postage prepaid, or one (1) business day after having been sent by overnight courier:

To the Authority: Colorado Water Resources and Power Development Authority
 Attention: Executive Director
 1580 Logan Street, Suite 620
 Denver, Colorado 80203-1942
 Telephone: 303-830-1550
 Facsimile: 303-832-8205

Copy to: Mary Mead Hammond, Esq.
 Carlson, Hammond & Paddock, LLC
 1700 Lincoln Street, Suite 3900
 Denver, Colorado 80203
 Telephone: 303-861-9000
 Facsimile: 303-861-9026

To the ALPWCD: Animas-La Plata Water Conservancy District
 841 E. 2nd Avenue
 Durango, Colorado 81301
 Telephone: 970-247-2659
 Facsimile: 970-259-8423

To the LPWCD: La Plata Water Conservancy District
 c/o Brice Lee, President
 940 County Road 119
 Hesperus, Colorado 81326

Copy to: Maynes, Bradford, Shipps & Sheftel
 The West Building, Suite 123

835 East 2nd Avenue
Durango, Colorado 81301
Telephone: 970-247-1755
Facsimile: 970-247-8827

6.3 Authorization. The individuals executing this Funding Agreement on behalf of their respective entities are authorized by those entities to execute this Funding Agreement and by their signature certify that all steps or actions required to ensure such authorizations have been taken.

6.4 Inducements. The execution of this Funding Agreement by the parties has not been induced by any representations, statements, warranties or agreements other than those expressed in this Funding Agreement.

6.5 Entire Agreement. This Funding Agreement embodies the entire understanding of the parties as to the subject matter hereof and there are no further or other agreements or understandings, written or oral, in effect between the parties relating to its subject matter, unless expressly referred to in this Funding Agreement.

6.6 Amendment. Modification of this Funding Agreement by the parties may be made only by a writing duly authorized and executed by the Authority, ALPWCD and LPWCD.

6.7 Recording. This Funding Agreement may be recorded at the office of the La Plata County Clerk and Recorder.

6.8 No Waiver. No term or condition of this Agreement shall be deemed to have been waived, nor shall there be an estoppel against the enforcement of any provision of this Funding Agreement, except by a signed written instrument of the party charged with such waiver or estoppel. No such written waiver shall be deemed a continuing waiver unless specifically stated in its terms. Each such waiver shall operate only as to the specific term or condition waived and shall not constitute a waiver of such term or condition for the future or as to any act other than that specifically waived.

6.9 No Remedy Exclusive; Waiver; Notice. No remedy herein conferred upon or reserved to the Authority is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Funding Agreement, or now or hereafter existing at law or in equity. No delay or omission to exercise any right, remedy, or power accruing upon any event of default shall impair any such right, remedy, or power, or shall be construed to be a waiver thereof, but any such right, remedy, or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority to exercise any remedy reserved to it in this Paragraph, it shall not be necessary to give any notice, other than such notice as may be required in this Funding Agreement.

6.10 Assignment. No party may assign this Funding Agreement or the rights, benefits, burdens, or obligations hereunder, to any other person or entity, unless such assignment is of the entirety of this Funding Agreement and is made with the prior written approval of the other parties, whose approval may be granted or withheld by such parties in their sole and absolute discretion. Any assignee under an assignment approved by all parties shall assume in writing all obligations and burdens imposed pursuant to this Funding Agreement upon the assigning party. Any purported assignment not approved in advance in writing by the non-assigning parties shall be void.

6.11 Survival. The rights and obligations of the parties hereunder shall not be merged into any deeds of conveyance, and remain fully enforceable until such time as any and all terms and conditions of this Funding Agreement are completely fulfilled. Further, the obligations of the LPWCD pursuant to Paragraphs 3,4,3,5, and 3,7 shall in any event survive the termination of this Funding Agreement.

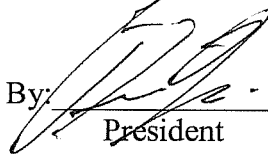
6.12 Third Party Beneficiaries. There are no third-party beneficiaries of this Funding Agreement, and the parties hereto state and agree that they do not intend that any other person or entity shall have any interest in or rights or duties under this Funding Agreement.

6.13 Counterparts. This Funding Agreement may be executed in counterparts and all counterparts so executed shall constitute one agreement binding on all parties, notwithstanding that both parties are not signatories to the original or the same counterpart.

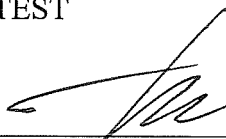
6.14 Controlling Law. This Funding Agreement shall be governed under and controlled pursuant to the laws of the State of Colorado.

6.15 Effective Date. This Funding Agreement shall be effective only when signed by all parties hereto, and shall become binding and effective when signed by the last party to execute this Agreement.

THE LA PLATA WATER CONSERVANCY DISTRICT

By:  _____ Date Feb 13, 2012

ATTEST

By:  _____ Date Feb. 13, 2012

THE COLORADO WATER RESOURCES
AND POWER DEVELOPMENT AUTHORITY

By: Michael Brad 2/27/2012
Executive Director Date

ATTEST:

By: BMG 2/27/2012
Assistant Secretary Date

APPROVED: AS TO FORM AS CONSISTENT WITH THE FUTURE PROJECTS
ESCROW AGREEMENT. Reed 2/24/12

ANIMAS-LA PLATA WATER
CONSERVANCY DISTRICT

By: Reed 2/24/12
President Date

ATTEST:

By: _____
Title Date



COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

1580 N Logan Street-suite 820, Denver, Colorado 80203
303/830-1550 · Fax 303/832-8205 · info@cwrpda.com

Email MEMO

TreasuryCashiers@state.co.us

January 16, 2024

Kathy Canino
Office of the State Treasurer
Room 140, Colorado State Capitol
200 East Colfax
Denver, Colorado 80203

**RE: Colorado Water Resources and Power Development Authority
Transfer From: La Plata Escrow Fund - Fund 9350**

On January 17th, please wire-transfer \$5,253.50 to the account shown below:

La Plata Water Conservancy District
First National Bank of Durango
ABA# 102100552
Acct# 550167
Ref: Requisition #231

If you have questions or require additional information, please contact me at 303-830-1550, Extension 1024. Thank you for your prompt attention to this request.

Sincerely,

Keith McLaughlin
Executive Director

LA PLATA WATER CONSERVANCY DISTRICT
PO Box 71
Marvel, CO 81329

Colorado Water Resources & Power
Development Authority
1580 Logan Street, Suite 820
Denver, Colorado 80203

Attention: Keith McLaughlin
Executive Director

Reimbursement Request By:
La Plata Water Conservancy District

DATE: January 11, 2024

Requisition # 231 (for the two months November & December 2024)
Work Completed:

Engineering	0.00
Administration	1,748.25
Administration - Legal	427.75
Operations/Maint. Equipment	0.00
Environmental Permitting/Compliance	0.00
Mitigation Site Construction	0.00
Operations & Maintenance Constr	0.00
Water Rights & Operations	3,077.50
Dam Monument Survey	0.00
Construction Management	0.00
	<hr/>
	\$ 5,253.50

APPROVED:

KSM

La Plata Water Conservancy District

By: *[Signature]*

Dan Huntington, by Authority of the Board of Directors

SGM, Inc

BY: *[Signature]*

Eric Bikis, District Manager



SGM, Inc.

Schmueser Gordon Meyer, Inc. dba SGM, Inc.

118 West 6th Street, Suite 200

Glenwood Springs, CO 81601

(970) 945-1004

Robin Walsh
La Plata Water Conservancy District
PO Box 71
Marvel, CO 81326

November 22, 2023

Invoice No: 002.06.13A - 99

Project 002.06.13A LHR - Project Administration

Long Hollow Project administration including review of minutes and follow-up; prepare monthly status report for November 8, 2023, regular Board meeting; attend Board meeting and follow-up; and communications with Board.

Email invoices to: lpwcd99@gmail.com

For Professional Services through November 11, 2023

Professional Labor

	Hours	Rate	Amount
Technician I	.50	66.00	33.00
Consultant II	1.75	119.00	208.25
Principal Consultant	2.75	224.00	616.00
Totals	5.00		857.25
Total Labor			857.25
Invoice Total			<u><u>\$857.25</u></u>

Please remit to the address above.

If you have any questions regarding this bill, please call.

Project Manager:

Eric Bikis



Invoice

SGM, Inc.
Schmueser Gordon Meyer, Inc. dba SGM, Inc.
118 West 6th Street, Suite 200
Glenwood Springs, CO 81601
(970) 945-1004

Robin Walsh
La Plata Water Conservancy District
PO Box 71
Marvel, CO 81326

Invoice Date: December 28, 2023
Invoice No: 002.06.13B - 76

Project 002.06.13B LHR - Water Rights and Operations
LPWCD water rights including prepare and submit Treanor Ditch mapping for Board and attorney to obtain leases for water conveyance.

Email invoices to: lpwcd99@gmail.com

For Professional Services through December 9, 2023

Professional Labor

Table with 3 columns: Description, Hours, Rate, Amount. Rows include Consultant II, Principal Consultant, Totals, and Total Labor.

Invoice Total \$570.50

Outstanding Invoices

Table with 3 columns: Number, Date, Balance. Row 1: 75, 11/22/2023, 2,507.00. Row 2: Total, 2,507.00.

Total Now Outstanding \$3,077.50

Please remit to the address above.
If you have any questions regarding this bill, please call.

Project Manager: [Signature]
Eric Bikis

INVOICE

Robin B. Walsh

202 Pioneer Avenue
 Durango, CO 81301
 970-238-1001
robin@walshweb.org

INVOICE NO. 206
 DATE November 30, 2023
 CUSTOMER ID LPWCD

TO La Plata Water Conservancy District
 PO Box 71
 Marvel, CO 81329

SALESPERSON	JOB	PAYMENT TERMS	DUE DATE
		Net 30	

QUANTITY	DESCRIPTION	UNIT PRICE	LINE TOTAL
9.75	District Hours	\$ 50.00	\$ 487.50
5.50	Long Hollow Reservoir Hours	\$ 50.00	\$ 275.00
6.25	Spring Hours	\$ 50.00	\$ 312.50
7.00	LHR O/M Hours	\$ 50.00	\$ 350.00
36.00	Mileage	\$ 0.655	\$ 23.58
	Reimbursement Post Office Box	\$ 78.00	\$ -
1.00	Spring Collections -11/01/23 - 11/30/23	\$ 10.00	\$ 10.00
	Reimbursement Postage - Spring	\$ 0.66	\$ -
36.00	Spring Mileage 1 trip	\$ 0.655	\$ 23.58
			\$ -
			\$ -
	District	\$ 511.08	
	LHR	\$ 275.00	
	Spring Acct	\$ 336.08	
	Spring Collections	\$ 10.00	
	O/M	\$ 350.00	
		\$ 1,482.16	

SUBTOTAL	\$ 1,482.16
SALES TAX	
TOTAL	\$ 1,482.16

Make all checks payable to Robin B. Walsh
THANK YOU FOR YOUR BUSINESS!

Robin Walsh		November 2023									
DATE	START	END	TOTAL	LHR	LHR O/M	Spring	District				
Wednesday, November 01, 2023			0:00								0.00
Thursday, November 02, 2023	12:00	13:30	1:30			0.75	0.75	time change on spring; post mtg notices			1.50
Friday, November 03, 2023			0:00								0.00
Saturday, November 04, 2023			0:00								0.00
Sunday, November 05, 2023	12:00	16:00	4:00	0.50	1.00	1.00	1.50	meeting minutes and budget			4.00
Monday, November 06, 2023	13:00	17:00	4:00	1.00	1.00	1.00	1.00	financials, prep req, budget, meeting minutes			4.00
Tuesday, November 07, 2023	12:00	16:00	4:00	1.00	1.00	1.00	1.00	2024 Budget			4.00
Wednesday, November 08, 2023	9:30	15:30	6:00	1.00	2.00	1.00	2.00	board meeting and spring meter re-set			6.00
Thursday, November 09, 2023	12:00	13:00	1:00	0.50			0.50	meeting follow up			1.00
Friday, November 10, 2023	12:00	16:00	4:00	1.00	1.00	1.00	1.00	Prep for my absence			4.00
Saturday, November 11, 2023			0:00								0.00
Sunday, November 12, 2023			0:00								0.00
Monday, November 13, 2023			0:00								0.00
Tuesday, November 14, 2023	8:00	12:00	4:00	0.50	1.00	0.50	2.00	meeting minutes & SDA invoice			4.00
Wednesday, November 15, 2023			0:00								0.00
Thursday, November 16, 2023			0:00								0.00
Friday, November 17, 2023			0:00								0.00
Saturday, November 18, 2023			0:00								0.00
Sunday, November 19, 2023			0:00								0.00
Monday, November 20, 2023			0:00								0.00
Tuesday, November 21, 2023			0:00								0.00
Wednesday, November 22, 2023			0:00								0.00
Thursday, November 23, 2023			0:00								0.00
Friday, November 24, 2023			0:00								0.00
Saturday, November 25, 2023			0:00								0.00
Sunday, November 26, 2023			0:00								0.00
Monday, November 27, 2023			0:00								0.00
Tuesday, November 28, 2023			0:00								0.00
Wednesday, November 29, 2023			0:00								0.00
Thursday, November 30, 2023			0:00								0.00
			28.50	5.50	7.00	6.25	9.75				28.50

MBSS

Invoice as of 11/17/2023
Invoice no 12419

La Plata Water Conservancy District
P.O. Box 71
Marvel, CO
81329-0071

Matter	Current Billing	Previous Balance
78-001: 16CW3010: Soldiers Draw Diligence	0.00	168.75
78-003: 09CW23 Ft. Lewis and Soldiers Draw Diligence	0.00	168.75
78-005: General Matters	0.00	375.00
78-008: 10CW100 Scott Pond Statement of Opposition	0.00	337.50
78-010: Long Hollow Reservoir	168.75	281.25
78-012: Long Hollow Reservoir Operation and Maintenance	0.00	168.75
78-013: District	1,462.50	1,812.22
78-014: Water Rights	2,006.25	43.65
78-020: MIA GE	337.50	337.50
	3,975.00	3,693.37
	Payments Received:	\$3,692.47
	Total Now Due:	\$3,975.90

District 1462.50
 - LHR - 168.75
 O&M 0
 WR 2006.25
 MIA GE 337.50

MBSS

Maynes Bradford Shipps & Sheftel

835 East Second Avenue
Suite 123
Durango, CO 81301
Phone No.: (970) 247-1755
Fax: (970) 247-8827
Federal Tax ID: 84-0745133

Invoice as of 11/17/2023
Invoice no 12419

La Plata Water Conservancy District

P.O. Box 71
Marvel, CO
81329-0071

78-001 / 16CW3010: Soldiers Draw Diligence

Payments

11/17/2023 Payment	Payment - Thank You! Check #1623	168.75
		Sub-total Payments: <u>168.75</u>

78-003 / 09CW23 Ft. Lewis and Soldiers Draw Diligence

Payments

11/17/2023 Payment	Payment - Thank You! Check #1623	168.75
		Sub-total Payments: <u>168.75</u>

78-005 / General Matters

Payments

11/17/2023 Payment	Payment - Thank You! Check #2293	374.00
		Sub-total Payments: <u>374.00</u>

78-008 / 10CW100 Scott Pond Statement of Opposition

Payments

11/17/2023 Payment	Payment - Thank You! Check #1623	337.50
		Sub-total Payments: <u>337.50</u>

MBSS

78-010 / Long Hollow Reservoir

Professional Services		Hours	Amount
10/04/2023	ATR Review equipment breakdown insurance.	0.50	112.50
10/31/2023	ATR Review and file Diligence Application.	0.25	56.25
		Sub-total Fees:	\$168.75

Payments

11/17/2023	Payment Payment - Thank You! Check #2288	281.25
		Sub-total Payments: \$281.25

78-012 / Long Hollow Reservoir Operation and Maintenance

Payments

11/17/2023	Payment Payment - Thank You! Check #1336	168.75
		Sub-total Payments: \$168.75

78-013 / District

Professional Services		Hours	Amount
10/02/2023	ATR Review budget.	0.75	168.75
10/02/2023	ATR Review Minutes.	0.25	56.25
10/03/2023	ATR Review meeting packet.	0.25	56.25
10/04/2023	ATR Review LPWWA application letter.	0.25	56.25
10/04/2023	ATR Prepare for and participate in Board meeting.	2.50	562.50
10/19/2023	ATR Review revised measurement rules.	2.50	562.50
10/31/2023	ATR Review meeting notices.	0.25	No Charge
		Sub-total Fees:	\$1,462.50

Payments

11/17/2023	Payment Payment - Thank You! Check #2293	1,812.22
		Sub-total Payments: \$1,812.22

78-014 / Water Rights

MBSS

Professional Services			Hours	Amount
10/02/2023	ATR	16CW3010: Soldiers Draw Diligence - Edit and revise Diligence Application.	1.00	225.00
10/06/2023	ATR	79CW23: Ft. Lewis & Soldiers Draw Diligence - Draft, edit and file Status Report.	0.25	56.25
10/06/2023	ATR	10CW100: Scott Pond Statement of Opposition - Conference with Applicant.	0.25	56.25
10/06/2023	LAR	23CW3048: Soldiers Draw Reservoir Diligence - Review prior diligence decrees; make changes to diligence application.	1.00	175.00
10/06/2023	ATR	23CW3048: Soldiers Draw Reservoir Diligence - Review diligence activities.	1.25	281.25
10/09/2023	ATR	79CW23: Ft. Lewis & Soldiers Draw Diligence - Review Minute Order.	0.25	56.25
10/18/2023	ATR	Review status of Soldiers Draw rights.	2.50	562.50
10/19/2023	ATR	79CW23: Ft. Lewis & Soldiers Draw Diligence - Review and compare reservoir locations and amounts.	0.75	168.75
10/24/2023	ATR	23CW3048: Soldiers Draw Reservoir Diligence - Draft and transmit to E. Bikis for review Diligence Application.	1.25	281.25
10/25/2023	ATR	23CW3048: Soldiers Draw Reservoir Diligence - Edit Diligence Application.	0.25	56.25
10/25/2023	LAR	23CW3048: Soldiers Draw Reservoir Diligence - Review draft diligence application; send same to ATR.	0.25	43.75
10/31/2023	LAR	23CW3048: Soldiers Draw Reservoir Diligence - Review draft application.	0.25	43.75
			Sub-total Fees:	<u>\$2,006.25</u>

Payments

07/12/2023	Payment	Payment - Thank You! Check #1615	43.75
			Sub-total Payments: <u>\$43.75</u>

78-020 / MIAGE

Professional Services			Hours	Amount
10/16/2023	ATR	Meet with T. Brossia re: LDWA position.	0.75	168.75
10/18/2023	ATR	Follow-up conversation with T. Brossia.	0.75	168.75
			Sub-total Fees:	<u>\$337.50</u>

Payments

10/11/2023	Payment	Payment - Thank You! Check #2285	337.50
			Sub-total Payments: <u>\$337.50</u>

MBSS

Total Current Billing:	\$3,975.00
Previous Balance Due:	\$3,693.37
Total Payments:	<u>(\$3,692.47)</u>
Total Now Due:	\$3,975.90

Rate Summary

Adam T. Reeves	16.50 hours at \$225.00/hr	\$3,712.50
Adam T. Reeves	0.25 hours at \$0.00/hr	\$0.00
Lindsey A. Ratcliff	1.50 hours at \$175.00/hr	<u>\$262.50</u>
Total hours:	<u>18.25</u>	<u>\$3,975.00</u>

MBSS

Invoice as of 12/19/2023
Invoice no 12595

La Plata Water Conservancy District
P.O. Box 71
Marvel, CO
81329-0071

Matter	Current Billing	Previous Balance
78-001: 16CW3010: Soldiers Draw Diligence	0.00	168.75
78-003: 09CW23 Ft. Lewis and Soldiers Draw Diligence	0.00	168.75
78-005: General Matters	337.50	375.00
78-008: 10CW100 Scott Pond Statement of Opposition	0.00	337.50
78-010: Long Hollow Reservoir	259.00	168.75
78-012: Long Hollow Reservoir Operation and Maintenance	618.75	168.75
78-013: District	652.81	1,462.50
78-014: Water Rights	417.75	2,006.15
78-020: MIA GE	1,450.00	337.50
	3,735.81	5,193.65

Payments Received: \$1,217.75

Total Now Due: \$7,711.71

DISTRICT 337.50 + 652.81
 ← LHR 259.00
 O&M 618.75
 WR 417.75
 MIA GE 1450.00

MBSS

Maynes Bradford Shipps & Sheftel

835 East Second Avenue
Suite 123
Durango, CO 81301
Phone No.: (970) 247-1755
Fax: (970) 247-8827
Federal Tax ID: 84-0745133

Invoice as of 12/19/2023
Invoice no 12595

La Plata Water Conservancy District

P.O. Box 71
Marvel, CO
81329-0071

78-001 / 16CW3010: Soldiers Draw Diligence

Payments

11/17/2023 Payment	Payment - Thank You! Check #1623	168.75
		Sub-total Payments: <u>\$168.75</u>

78-003 / 09CW23 Ft. Lewis and Soldiers Draw Diligence

Payments

11/17/2023 Payment	Payment - Thank You! Check #1623	168.75
		Sub-total Payments: <u>\$168.75</u>

78-005 / General Matters

Professional Services

		Hours	Amount
11/14/2023 ATR	Review meeting notice.	0.25	No Charge
11/14/2023 ATR	Revise Treanor Ditch Agreement.	1.50	337.50
		Sub-total Fees:	<u>\$337.50</u>

Payments

11/17/2023 Payment	Payment - Thank You! Check #2293	374.00
		Sub-total Payments: <u>\$374.00</u>

MBSS

78-008 / 10CW100 Scott Pond Statement of Opposition

Payments

11/17/2023 Payment	Payment - Thank You! Check #1623	337.50
		Sub-total Payments: \$337.50

78-010 / Long Hollow Reservoir

Expenses

	Units	Price	Amount
11/15/2023 Colorado Courts e-file fees: Application for Finding of Reasonable Diligence - 10/31/23.	1.00	259.00	259.00
			Sub-total Expenses: \$259.00

78-012 / Long Hollow Reservoir Operation and Maintenance

Professional Services

	Hours	Amount
11/01/2023 ATR Review WSRF grant notice.	0.25	No Charge
11/13/2023 ATR Review Treanor maps and Harris correspondence, edit Easement Agreement.	2.75	618.75
		Sub-total Fees: \$618.75

Payments

11/17/2023 Payment	Payment - Thank You! Check #1336	168.75
		Sub-total Payments: \$168.75

78-013 / District

Professional Services

	Hours	Amount
11/06/2023 ATR Review Minutes.	0.25	No Charge
11/07/2023 ATR Review budget documents.	0.25	56.25
11/08/2023 ATR Prepare for and attend Board meeting.	2.50	562.50
11/08/2023 LAR Prepare for and participate in November Board meeting.	2.00	No Charge
11/08/2023 ATR Attend plaque dedication.	2.00	No Charge
11/08/2023 LAR Travel to and from Long Hollow Reservoir for plaque dedication.	1.50	No Charge
11/08/2023 ATR Roundtrip travel to Board meeting/plaque dedication.	1.50	No Charge
11/08/2023 LAR Observe plaque dedication at Long Hollow Reservoir.	2.00	No Charge
		Sub-total Fees: \$618.75

MBSS

Expenses	Units	Price	Amount
11/08/2023 ATR mileage to and from Board meeting/plaque dedication.	52.00	0.66	34.06
Sub-total Expenses:			\$34.06

78-014 / Water Rights

Professional Services	Hours	Amount
11/02/2023 ATR Review prior diligence cases on Redmesa Reservoir.	1.50	337.50
11/29/2023 ATR 23CW3048: Review status.	0.25	56.25
Sub-total Fees:		\$393.75

Expenses	Units	Price	Amount
11/15/2023 Colorado Courts e-file fees: Status Report on 10/9/23 re: 09CW23.	1.00	24.00	24.00
Sub-total Expenses:			\$24.00

78-020 / MIAGE

Professional Services	Hours	Amount
11/07/2023 ATR Exchange email re: status.	0.25	56.25
11/15/2023 LAR Email Colorado Water Trust, The Nature Conservancy, and E. Bikis re: scheduling meeting to discuss status of project and next steps.	0.25	43.75
11/20/2023 ATR Conference with T. Brossia re: steps to move forward.	0.75	168.75
11/27/2023 LAR Review case file, previous emails, TNC-LPWCD Grant Agreement, and Amendment #1 to Agreement in preparation for tomorrow's meeting.	2.00	350.00
11/28/2023 ATR Prepare for and participate in MIAGE check in planning meeting.	1.50	337.50
11/28/2023 ATR Review notes/next steps and schedule followup.	0.25	56.25
11/28/2023 LAR Prepare for and participate in virtual meeting with E. Bikis, J. Boissevain, B. Mamich, D. Snyder and ATR re: status and next steps for project; debrief meeting with ATR.	2.25	393.75
11/29/2023 LAR Email with MIAGE team to coordinate next meeting and discuss next steps.	0.25	43.75
Sub-total Fees:		\$1,450.00

Total Current Billing:	\$3,735.81
Previous Balance Due:	\$5,193.65
Total Payments:	(\$1,217.75)

MBSS

Total Now Due: \$7,711.71

Rate Summary

Adam T. Reeves	11.50 hours at \$225.00/hr	\$2,587.50
Adam T. Reeves	4.25 hours at \$0.00/hr	\$0.00
Lindsey A. Ratcliff	5.50 hours at \$0.00/hr	\$0.00
Lindsey A. Ratcliff	4.75 hours at \$175.00/hr	\$831.25
Total hours:	<u>26.00</u>	<u>\$3,418.75</u>

La Plata Water Conservancy District Invoice Tracking

Request #	Requisition Date	All Signatures Included	Invoice Date	Invoice No	Amount	Amount Certified	Vendor	Services Provided
231	1/11/2024	Yes	12/28/2023;11/22/2023;11/30/2023	002.06.13A - 100; 002.06.13A - 99; 206	\$ 1,748.25	\$ 1,748.25	SGM; Robin B. Walsh	Administration
			11/17/2023; 12/19/2023	12419; 12595	\$ 427.75	\$ 427.75	MBSS	Administration - Legal
			12/28/2023;11/22/2023	002.06.1 3B - 76; 002.06.13B - 75	\$ 3,077.50	\$ 3,077.50	SGM, Inc.	Water Rights and Operations
					\$ 5,253.50	\$ 5,253.50		

Requested Invoice Amount: \$ 5,253.50
 Approved Invoice Amount: **\$ 5,253.50**
 Difference: \$ -



COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

1580 N Logan Street-suite 820, Denver, Colorado 80203
303/830-1550 · Fax 303/832-8205 · info@cwrpda.com

Email MEMO

TreasuryCashiers@state.co.us

February 19, 2024

Kathy Canino
Office of the State Treasurer
Room 140, Colorado State Capitol
200 East Colfax
Denver, Colorado 80203

**RE: Colorado Water Resources and Power Development Authority
Transfer From: La Plata Escrow Fund - Fund 9350**

On February 20th, please wire-transfer \$868.75 to the account shown below:

La Plata Water Conservancy District
First National Bank of Durango
ABA# 102100552
Acct# 550167
Ref: Requisition #232

If you have questions or require additional information, please contact me at 303-830-1550, Extension 1024. Thank you for your prompt attention to this request.

Sincerely,

Keith McLaughlin
Executive Director

LA PLATA WATER CONSERVANCY DISTRICT
PO Box 71
Marvel, CO 81329

Colorado Water Resources & Power
Development Authority
1580 Logan Street, Suite 820
Denver, Colorado 80203

Attention: Keith McLaughlin
Executive Director

Reimbursement Request By:
La Plata Water Conservancy District

DATE: February 15, 2024

Requisition # 232

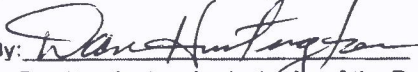
Work Completed:

Engineering	0.00
Administration	868.75
Administration - Legal	0.00
Operations/Maint. Equipment	0.00
Environmental Permitting/Compliance	0.00
Mitigation Site Construction	0.00
Operations & Maintenance Constr	0.00
Water Rights & Operations	0.00
Dam Monument Survey	0.00
Construction Management	0.00
	<hr/>
	\$ 868.75

KSM

APPROVED:

La Plata Water Conservancy District

By: 

Dan Huntington, by Authority of the Board of Directors

SGM, Inc.

BY: 
Eric Bikis, District Manager

INVOICE

Robin B. Walsh

202 Pioneer Avenue
 Durango, CO 81301
 970-238-1001
robin@walshweb.org

INVOICE NO. 208
 DATE January 31, 2024
 CUSTOMER ID LPWCD

TO La Plata Water Conservancy District
 PO Box 71
 Marvel, CO 81329

SALESPERSON	JOB	PAYMENT TERMS	DUE DATE
		Net 30	

QUANTITY	DESCRIPTION	UNIT PRICE	LINE TOTAL
13.25	District Hours	\$ 50.00	\$ 662.50
5.25	Long Hollow Reservoir Hours	\$ 50.00	\$ 262.50
7.50	Spring Hours	\$ 50.00	\$ 375.00
8.00	LHR O/M Hours	\$ 50.00	\$ 400.00
2.00	MIAGE Hours	\$ 50.00	\$ 100.00
36.00	Mileage	\$ 0.670	\$ 24.12
1.00	Reimbursement Tax Forms	\$ 4.19	\$ 4.19
	Spring Collections	\$ 10.00	\$ -
	Reimbursement Postage - Spring	\$ 0.68	\$ -
	Spring Mileage 1 trip	\$ 0.670	\$ -
	District	\$ 690.81	
	MIAGE	\$ 100.00	
	LHR	\$ 262.50	
	Spring Acct	\$ 375.00	
	Spring Collections	\$ -	
	O/M	\$ 400.00	
		\$ 1,828.31	

SUBTOTAL	\$ 1,828.31
SALES TAX	
TOTAL	\$ 1,828.31

Make all checks payable to Robin B. Walsh
THANK YOU FOR YOUR BUSINESS!

Robin Walsh		January 2024							
DATE	START	END	TOTAL	LHR	LHR O/M	Spring	District		
Monday, January 01, 2024			0:00					0.00	
Tuesday, January 02, 2024			0:00					0.00	
Wednesday, January 03, 2024	10:00	12:00	2:00				2.00	MIAGE Work through the year	
Thursday, January 04, 2024			0:00					0.00	
Friday, January 05, 2024	9:00	17:00	8:00	0.50	2.00	2.00	3.50	budget, minutes, mail, banking	
Saturday, January 06, 2024	12:00	18:00	6:00	1.00	0.75	0.75	3.50	meeting notices, financials	
Sunday, January 07, 2024	12:00	16:00	4:00	1.00	1.00	1.00	1.00	2024 budget	
Monday, January 08, 2024	10:00	17:00	7:00	1.00	2.00	2.00	2.00	meeting minutes And mtg prep	
Tuesday, January 09, 2024			0:00					0.00	
Wednesday, January 10, 2024	12:00	14:00	2:00	0.50	0.50	0.50	0.50	budget meeting and follow-up	
Thursday, January 11, 2024	10:00	13:00	3:00	0.50	0.50	0.50	1.50	board meeting and followup	
Friday, January 12, 2024			0:00					0.00	
Saturday, January 13, 2024			0:00					0.00	
Sunday, January 14, 2024			0:00					0.00	
Monday, January 15, 2024			0:00					0.00	
Tuesday, January 16, 2024			0:00					0.00	
Wednesday, January 17, 2024	9:00	12:00	3:00	0.50	1.00	0.50	1.00	Budget, 1099s, filing	
Thursday, January 18, 2024			0:00					0.00	
Friday, January 19, 2024			0:00					0.00	
Saturday, January 20, 2024			0:00					0.00	
Sunday, January 21, 2024			0:00					0.00	
Monday, January 22, 2024	10:00	11:00	1:00	0.25	0.25	0.25	0.25		
Tuesday, January 23, 2024			0:00					0.00	
Wednesday, January 24, 2024			0:00					0.00	
Thursday, January 25, 2024			0:00					0.00	
Friday, January 26, 2024			0:00					0.00	
Saturday, January 27, 2024			0:00					0.00	
Sunday, January 28, 2024			0:00					0.00	
Monday, January 29, 2024			0:00					0.00	
Tuesday, January 30, 2024			0:00					0.00	
Wednesday, January 31, 2024			0:00					0.00	
			36.00	5.25	8.00	7.50	15.25	36.00	

La Plata Water Conservancy District Invoice Tracking

Request #	Requisition Date	All Signatures Included	Invoice Date	Invoice No	Amount	Amount Certified	Vendor	Services Provided
232	2/15/2024	Yes	1/31/2024;1/31/2024	002.06.13A - 101; 208	\$ 868.75	\$ 868.75	SGM; Robin B. Walsh	Administration

	\$	868.75	\$	868.75
	\$	868.75	\$	868.75
Requested Invoice Amount:	\$	868.75		
Approved Invoice Amount:	\$	868.75		
Difference:	\$	-		

Justin Noll

From: Wells Fargo Alerts Admin <ofsrep.ceosmuigw@wellsfargo.com>
Sent: February 20, 2024 7:57 AM
To: Justin Noll
Subject: Wire Successful (Beneficiary Copy) - Wires Alert



Wires Alert: Wire Successful (Beneficiary Copy)

Dear LA PLATA WATER CONSERVANCY DISTRICT,

This wire has been processed successfully.

Date/Time Stamp: **02/20/2024 06:56 am PT**

Alert Information	
Confirmation Number:	FED:0220I1B7031R010634
Originator Name:	STATE OF COLORADO TREASURER
Originator Address:	Treasury Dept.
Value Date:	02/20/2024
Amount:	868.75 USD
Beneficiary Name:	LA PLATA WATER CONSERVANCY DISTRICT
If you received this notification in error, please contact the Originator.	
Alert ID:	S051-3954795

Do not reply to this email; this mailbox is only for delivery of Alerts. To ensure you receive these Alerts, add ofsrep.ceosmuigw@wellsfargo.com to your address book.

If you have questions, contact your client service officer directly or call Customer Care for Businesses (CC4B) Service Office.

From the U.S., Canada, or Mexico: Dial **1-800-AT-WELLS (1-800-289-3557)**.

From a country participating in the Universal International Freephone Number (UIFN) program dial the international access code (IAC) followed by **8000-AT-WELLS (8000-289-3557)**.

Have your Alert ID available when you call.

**Colorado Water Resources
and
Power Development Authority**

ANIMAS LA PLATA / LONG HOLLOW COMMITTEE MEETING MINUTES

April 12, 2024

Call to Order

Chair Whitehead called the meeting to order at 10:00 am.

Roll Call

Committee members attending via a video conference call: Bruce Whitehead (Chair), Eric Wilkinson, and Steve Vandiver (ex-officio). Other Board members attending: Chris Treese and Mike Fabbre.

Others present: Keith McLaughlin (Executive Director), Jim Griffiths (Finance Director), and Karl Ohlsen (General Counsel).

Long Hollow- Future Projects Escrow Funding Agreement

Chair Whitehead briefly summarized the original Animas La Plata (ALP) project, Lake Nighthorse Reservoir and Ridges Basin Dam. The original ALP project was much larger and going to include irrigation, municipal and industrial uses, and the settlement of Tribal water rights. The Authority held funds set aside by the state to provide the matching funds for the original project. When the ALP project was scaled down, irrigation uses were excluded, and the remaining matching funds were moved to a future project escrow by the Authority Board. Additionally, the Authority purchased ALP water storage for domestic water supply to limit the eight percent interest accrual on the water. The ALP Water Conservancy District (ALPWCD) and the City of Durango later purchased the water through Authority financing. As the Long Hollow project costs increased, the Authority Board made several additional deposits to the future projects escrow. The CWCB, the Ute Mountain Utes and the Southwestern Water Conservation District also contributed funds to cover the project's final cost. The Long Hollow project started construction in 2012 and was completed in June 2014.

Mr. McLaughlin thanked Director Whitehead for the background information and noted that references in the ALP/Long Hollow committee memo to the ALPWCD should have cited the La Plata Water Conservancy District (LPWCD). In addition, the construction of Long Hollow was completed in 2014, not 2016, as noted in the committee memo. The total costs of the Long Hollow project were approximately \$29.5 million, and the project provides water to meet compact requirements with the state of New Mexico, along with the irrigation supply stripped out of the original ALP project. Mr. McLaughlin reported that the Authority entered into a Future Projects Escrow Funding Agreement (funding agreement) in 2012, and following the completion of construction, a \$500,000 Operations and Maintenance (O&M) reserve was established. The O&M reserve covered certain contractual operation, maintenance, and engineering expenses and has a remaining balance of approximately \$131,000. Mr. McLaughlin noted that interest earnings have historically stayed in the reserve fund, and monthly requisitions have averaged approximately \$2,100 over the last year.

Mr. McLaughlin believes the remaining funding agreement monies were intended to be available to the LPWCD until the Long Hollow Reservoir reached first fill. However, Mr. McLaughlin and Karl Ohlsen have been unable to find an agreement with such terms. In response to a question from Director Wilkinson, Mr. McLaughlin confirmed that any remaining funds are released to the Authority upon termination of the funding agreement. Further, Director Wilkinson asked for clarification on the \$1.9 million balance in the La Plata River Escrow Draw Schedule. Mr. McLaughlin agreed to "track down" that information.

After additional discussion on various terms of the funding agreement, a motion was made to go into an executive session to discuss the contract negotiations with regard to certain LPWCD funding agreement terms and conditions.

Motion: Eric Wilkinson
Second: Steve Vandiver

Prior to the vote to enter executive session, Chair Whitehead disclosed that his wife worked, for a limited time, for the LPWCD and her signature is on page 13 of the funding agreement for attestation purposes. Further, Chair Whitehead acknowledged that he is a shareholder in the HH Ditch company, which has rights and distributes water from Long Hollow Reservoir. He has some junior water rights and occasionally receives water from the irrigation exchanges in Long Hollow. Chair Whitehead also stated for the record that he was previously employed by the Southwestern Water Conservation District which held a separate agreement for Director Whitehead to do work for the ALPWCD (and he currently works for the ALPWCD as a consultant, on a limited and part-time basis). In response to a question from Mr. Ohlsen, Director Whitehead stated that his wife had not worked for District since 2014. After several additional questions and clarifying responses, Karl Ohlsen advised that he did not believe there was a conflict or potential conflict of interest.

The motion passed the committee on a vote of 3-0 to enter into an executive session under Colorado Revised Statute section 24-6-402(4)(b) for determining positions relative to matters that may be subject to negotiation and developing strategy for negotiations regarding the LPWCD funding agreement.

The ALP/Long Hollow committee entered an executive session at 10:34 am.

At 11:27 am, the ALP/Long Hollow committee exited the executive session, at which time Karl Ohlsen certified that the purpose of the executive session was to discuss contract negotiations and positions, and to direct negotiators on what positions to take. The committee stayed within the parameters of that purpose during the executive session. Mr. Ohlsen noted that the executive session was recorded as required because no legal advice was given.

A motion was made to instruct staff to place this topic on the BPWS agenda at either the April or June Board meeting, at the staff's discretion, and to direct staff to subsequently place this topic on a future Board agenda depending on recommendations made during the April or June BPWS.

Motion: Eric
Second: Steve

The motion passed the committee on a vote of 3-0.

The meeting was adjourned at 11:30 am.

Respectfully submitted,

Keith McLaughlin, Executive Director

NOTE-FOR INFORMATION ONLY - COPIES OF THE DOCUMENTS REFERRED TO IN THE TEXT OF THESE MINUTES ARE ON FILE IN THE AUTHORITY OFFICE AND MAY BE OBTAINED BY SUBMITTING A "REQUEST FOR PUBLIC RECORDS." PLEASE CALL SABRINA SPEED AT (303) 830-1550, EXT. 1010, FOR INFORMATION.