

**THIS BOND MAY NOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF EXCEPT TO AN "ACCREDITED INVESTOR", AS THAT TERMS IS DEFINED UNDER SECTIONS 3(B) AND (4)(2) OF THE FEDERAL SECURITIES ACT OF 1933, AS AMENDED, BY REGULATION ADOPTED THEREUNDER BY THE SECURITIES AND EXCHANGE COMMISSION, AND EXCEPT IN COMPLIANCE WITH ALL APPLICABLE FEDERAL AND STATE SECURITIES LAWS.**

No. A-1

\$10,000,000.00

**UNITED STATES OF AMERICA  
STATE OF COLORADO  
COUNTY OF PUEBLO**

**PUEBLO CONSERVANCY DISTRICT  
REFUNDING AND IMPROVEMENT  
CONSERVANCY MAINTENANCE FUND BOND,  
SERIES 2018 A**

**INTEREST RATE**

**MATURITY DATE**

**ORIGINAL  
ISSUE DATE**

3.40%

October 30, 2025

March 1, 2018

REGISTERED OWNER: BANK OF THE SAN JUANS, A DIVISION OF GLACIER BANK

PRINCIPAL AMOUNT: TEN MILLION DOLLARS

Pueblo Conservancy District, in the County of Pueblo, and State of Colorado, a conservancy district duly organized and operating under the constitution and laws of the State of Colorado, for value received, hereby promises to pay, out of the special accounts hereinafter designated but not otherwise, to the registered owner named above, or registered assigns, annually on October 30 of each year, commencing October 30, 2018 and on the maturity date specified above or on the date of prior redemption, the principal amount specified above. In like manner the District promises to pay interest on such principal amount (computed on the basis of a 360-day year of twelve 30-day months) from the interest payment date next preceding the date of registration and authentication of this Bond, unless this Bond is registered and authenticated prior to March 1, 2018, in which event this Bond shall bear interest from March 1, 2018 at the interest rate per annum specified above, payable annually on October 30 of each year, commencing on October 30, 2018, until the principal amount is paid at maturity or upon prior redemption. Payments of principal and interest shall be made in the amounts set forth on the attached Bond Payment Schedule. The principal of this Bond is payable in lawful money of the United States of America to the registered owner hereof upon maturity or prior redemption and presentation at the principal office of Bank of the San Juans, a division of

Glacier Bank, in Pueblo, Colorado, or its successor, as Paying Agent.

Payment of each installment of principal and interest shall be made to the registered owner hereof whose name shall appear on the registration books of the District maintained by or on behalf of the District by Bank of the San Juans, a division of Glacier Bank, in Pueblo, Colorado, or its successor, as Bond Registrar, at the close of business on the thirtieth (30th) day of the calendar month next preceding each payment date (the "Record Date"), and shall be paid by check or draft of the Paying Agent mailed on or before the interest payment date to such registered owner at his address as it appear on such registration books. The Paying Agent may make payments of principal and interest on any bond by such alternative means as may be mutually agreed to between the registered owner of such Bond and the Paying Agent as provided in the resolution authorizing the issuance of this Bond (the "Bond Resolution"). Any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner hereof at the close of business on the Record Date and shall be payable to the person who is the registered owner hereof at the close of business on Special Record Date (the "Special Record Date") established for the payment of any defaulted interest. Notice of the Special Record Date and the date fixed for the payment of defaulted interest shall be given by first-class mail to the registered owner hereof as shown on the registration books on a date selected by the Bond Registrar.

If the date for making any payment or performing any action shall be a legal holiday or a day on which the principal office of the Paying Agent or Bond Registrar is authorized or required by law to remain closed, such payment may be made or act performed on the next succeeding day which is not a legal holiday or a day on which the principal office of the Paying Agent or Bond Registrar is authorized or required by law to remain closed.

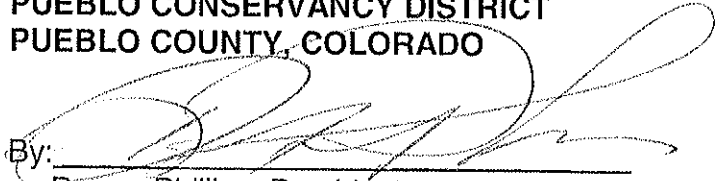
**REFERENCE IS HEREBY MADE TO ADDITIONAL PROVISIONS OF THIS BOND ATTACHED HERETO, WHICH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF FULLY SET FORTH IN THIS PLACE.**

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the authorizing Bond Resolution until the certificate of authentication hereon shall have been signed by the Bond Registrar.

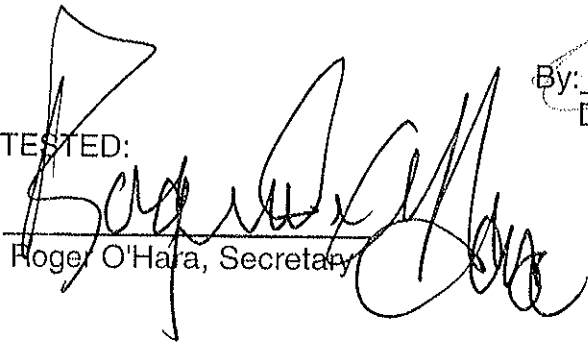
IN TESTIMONY WHEREOF, the Board of Directors of Pueblo Conservancy District has caused this Bond to be signed by the signature of the President of the District, sealed with the seal of the District, and attested by the signature of the Secretary thereof, all as of the 1<sup>st</sup> day of March, 2018.

**[Signature page follows]**

**PUEBLO CONSERVANCY DISTRICT  
PUEBLO COUNTY, COLORADO**

By:   
Donna Phillips, President

ATTESTED:

By:   
Roger O'Hara, Secretary


## CERTIFICATE OF AUTHENTICATION

This Bond is the Bond of the issue described in the within mentioned Bond Resolution.

Date of Registration  
and Authentication:

BANK OF THE SAN JUANS, A DIVISION OF  
GLACIER BANK  
Pueblo, Colorado  
as Bond Registrar

3/1/18

By: 

Authorized Signature

## ADDITIONAL PROVISIONS

This Bond is in the amount of Ten Million Dollars (10,000,000.00) par value, issued by the Board of Directors of Pueblo Conservancy District, in the County of Pueblo and State of Colorado, for the purpose of currently refunding the District's Conservancy Maintenance Fund Bonds, Series 2015A and for improvements and repairs to the levee through the City of Pueblo, which levee is owned and maintained by the Pueblo Conservancy District, by virtue of and in full conformity with the Constitution of the State of Colorado; Title 37, Articles 1 through 8, C.R.S.; Title 11, Article 56, C.R.S.; Title 11, Article 57 C.R.S. and all other laws of the State of Colorado thereunto enabling, and pursuant to the duly adopted Bond Resolution. It is hereby recited, certified, and warranted that all of the requirements of law have been fully complied with by the proper officers in issuing this Bond.

The principal of and interest on this Bond are payable only out of the proceeds of the Maintenance Fund Assessment, which assessment is provided for in C.R.S. 37-5-107. The bonds of this issue constitute an irrevocable lien upon the proceeds of the Maintenance Fund Assessment, but not necessarily an exclusive such lien.

It is hereby recited, certified, and warranted that for the payment of this Bond, the District will out of the Maintenance Fund Assessment, as an irrevocable charge thereon, pay the principal and interest on this Bond in the manner provided by the Bond Resolution.

THIS BOND DOES NOT CONSTITUTE A DEBT OR INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION, AND SHALL NOT BE CONSIDERED OR HELD TO BE A GENERAL OBLIGATION OF THE DISTRICT.

Reference is hereby made to the Bond Resolution for an additional description of the nature and extent of the security for the Bonds, the fund and revenues pledged to the payment thereof, the rights and remedies of the registered owners of the Bonds, the manner in which the Bond Resolution may be amended, and the other terms and conditions upon which the Bonds are issued, copies of which are on file for public inspection at the office of the District Secretary.

The bonds of this issue are subject to redemption prior to maturity, at the option of the District, as a whole or in part upon payment of par and accrued interest.

Notice of prior redemption shall be given by mailing a copy of the redemption notice, not less than ten (10) days prior to the date fixed for redemption, to the Bond Registrar and registered owner of this Bond at the address shown on the registration books maintained by the Bond Registrar, in the manner set forth in the Bond Resolution.

All Bonds called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment at that time.

The District and Bond Registrar shall not be required to issue or transfer any Bonds: (a) during a period beginning at the close of business on the Record Date and ending at the opening of business on the first business day following the ensuing interest payment date. The Bond Registrar shall not be required to transfer any Bonds selected or called for redemption, in whole or in part.

The District, the Paying Agent, and the Bond Registrar may deem and treat the registered owner of this Bond as the absolute owner hereof for all purposes (whether or not this bond shall be overdue), and any notice to the contrary shall not be binding upon the District, the Paying Agent, or the Bond Registrar.

This Bond is transferable by the registered owner hereof in person or by his attorney duly authorized in writing, at the principal office of the Bond Registrar, but only in the manner, subject to the limitations, and upon payment of the charges provided in the Bond Resolution and upon surrender and cancellation of this Bond. This Bond may be transferred upon the registration books upon delivery to the Bond Registrar of this Bond, accompanied by a written instrument or instruments of transfer in form and with guaranty of signature satisfactory to the Bond Registrar, duly executed by the owner of this Bond or his attorney-in-fact or legal representative, containing written instructions as to the details of the transfer of the Bond, along with the social security number or federal employer identification number of such transferee. In the event of the transfer of this Bond, the Bond Registrar shall enter the transfer of ownership in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of authorized denominations of the same maturity and interest rate for the aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time. The Bond Registrar shall charge the owner of this Bond for every such transfer or exchange an amount sufficient to reimburse it for its reasonable fees and for any tax or other governmental charge required to be paid with respect to such transfer or exchange. The Bond Registrar will provide written notice to the District of any transfer of ownership of the Bond.

**ASSIGNMENT**

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

SOCIAL SECURITY OR FEDERAL EMPLOYER  
IDENTIFICATION NUMBER OF ASSIGNEE

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_;  
attorney, to transfer said Bond on the books kept for registration thereof with full power of  
substitution in the premises.

Dated:

Signature of Registered Owner:\_\_\_\_\_

NOTICE: The signature to this  
assignment must correspond with the  
name of the registered owner as it  
appears upon the face of the within  
Bond in every particular, without  
alteration or enlargement or any  
change whatever.

Signature guaranteed:\_\_\_\_\_

(Bank, Trust Company, or Firm)

## BOND PAYMENT SCHEDULE

<u>Payment due October 30</u>	<u>Principal &amp; Interest Payment</u>	<u>Interest Rate</u>
2018	\$537,500.00	3.40%
2019	\$537,500.00	3.40%
2020	\$537,500.00	3.40%
2021	\$537,500.00	3.40%
2022	\$537,500.00	3.40%
2023	\$537,500.00	3.40%
2024	\$537,500.00	3.40%
2025	\$537,500.00*	3.40%

*\*Together with such additional amount as is necessary to pay accrued interest and outstanding principal in full. October 30, 2025 shall be the maturity date of the Bond.*



Estimated Amortization Schedule based on proposed terms

Pueblo Conservancy District Proposed \$10,000,000												
Date	Rate	Per day	Days	Payment	Disbursement	Accrued Interest	Interest Paid	Principal	Accrued Unpaid Int.	Balance		
1 3/1/2018	3.40%			\$ -	10,000,000.00	\$ -	\$ -	\$ -	\$ -	\$ 10,000,000.00		
2 10/30/2018	3.40%	944.44	243	\$ 537,500.00	-	\$ 229,500.00	\$ 229,500.00	\$ 308,000.00	\$ -	\$ 9,692,000.00		
3 10/30/2019	3.40%	915.36	365	\$ 537,500.00	-	\$ 334,104.78	\$ 334,104.78	\$ 203,395.22	\$ -	\$ 9,488,604.78		
4 10/30/2020	3.40%	896.15	366	\$ 537,500.00	-	\$ 327,989.44	\$ 327,989.44	\$ 209,510.56	\$ -	\$ 9,279,094.22		
5 10/30/2021	3.40%	876.36	365	\$ 537,500.00	-	\$ 319,871.00	\$ 319,871.00	\$ 217,629.00	\$ -	\$ 9,061,465.21		
6 10/30/2022	3.40%	855.81	365	\$ 537,500.00	-	\$ 312,368.84	\$ 312,368.84	\$ 225,131.16	\$ -	\$ 8,836,334.06		
7 10/30/2023	3.40%	834.54	365	\$ 537,500.00	-	\$ 304,608.07	\$ 304,608.07	\$ 232,891.93	\$ -	\$ 8,603,442.13		
8 10/30/2024	3.40%	812.55	366	\$ 537,500.00	-	\$ 297,392.32	\$ 297,392.32	\$ 240,107.68	\$ -	\$ 8,363,334.44		
9 10/30/2025	3.40%	789.87	365	\$ 537,500.00	-	\$ 288,302.72	\$ 288,302.72	\$ 249,197.28	\$ -	\$ 8,114,137.17		
				\$ 4,300,000.00	10,000,000.00	\$ 2,414,137.17	\$ 2,414,137.17	\$ 1,885,862.83				

Proceeds

Sources	Uses
2018 bond	Payoff 2015 bonds-princip. 90%
	Payoff 2015 accrued intere 110,687.70
	Issuance Costs 28,000.00
	Construnds Available 815,618.00
Total Sources 10,000,000.00	Total Uses 10,000,000.00