

## RESOLUTION NUMBER 20-03

A RESOLUTION OF THE TOWN OF BERTHOUD, LARIMER AND WELD COUNTIES COLORADO, DECLARING ITS OFFICIAL INTENT TO REIMBURSE ITSELF WITH THE PROCEEDS OF A FUTURE BORROWING FOR CERTAIN CAPITAL EXPENDITURES TO BE UNDERTAKEN BY THE LOCAL GOVERNMENT; IDENTIFYING SAID CAPITAL EXPENDITURES AND THE FUNDS TO BE USED FOR SUCH PAYMENT; AND PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the Town of Berthoud (the "Local Government"), in the State of Colorado (the "State"), is a political subdivision duly organized and existing pursuant to the constitution and laws of the State; and

WHEREAS, the Board of Trustees of the Local Government (the "Governing Body") is the governing body of the Local Government; and

WHEREAS, the Governing Body has determined that it is in the best interest of the Local Government to make certain capital expenditures on the Project which generally consists to construct a second 1.0 million-gallon-per-day module to complete the expansion of the new wastewater treatment plan currently under construction to a total capacity of 2.0 million gallons per day, to decommission the existing wastewater treatment plan, and to make such additional capital improvements to the Wastewater System as may be permitted by the terms of the 2003 Loan Agreement; and

WHEREAS, the Governing Body currently intends and reasonably expects to participate in a taxable or tax-exempt borrowing to finance such capital expenditures, including an amount which is currently estimated not to exceed \$750,000 (the "Financed Amount"), to reimburse the Local Government for the portion of such capital expenditures incurred or to be incurred subsequent to a period commencing 60 days prior to the date hereof, and ending prior to the later of 18 months of the date of such capital expenditures or the placing in service of the Project (but in no event more than 3 years after the date of the original expenditure of such moneys); and

WHEREAS, the Governing Body hereby desires to declare its official intent, pursuant to 26 C.F.R. § 1.150-2, to reimburse the Local Government for such capital expenditures with the proceeds of the Local Government's future taxable or tax-exempt borrowing.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF BERTHOUD, COLORADO THAT:

**Section 1. *Declaration of Official Intent.*** The Local Government shall, presently intends, and reasonably expects to finance the Project with legally available funds.

Section 2. **Dates of Capital Expenditures.** All of the capital expenditures covered by this Resolution will be made after the date of this Resolution.

Section 3. **Issuance of Bonds or Notes.** The Local Government presently intends and reasonably expects to participate in a taxable or tax-exempt borrowing within eighteen months of the date of the expenditure of moneys on the Project or the date upon which the Project is placed in service, whichever is later (but in no event more than 3 years after the date of the original expenditure of such moneys), and to allocate from said borrowing an amount not to exceed the Financed Amount to reimburse the Local Government for its expenditures in connection with the Project.

Section 4. **Confirmation of Prior Acts.** All prior acts and doings of the officials, agents and employees of the Local Government which are in conformity with the purpose and intent of this Resolution, and in furtherance of the Project, shall be and the same hereby are in all respects ratified, approved and confirmed.

Section 5. **Effective Date of Resolution.** This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED at a regular meeting this 11<sup>th</sup> day of November 2003.

Milan Karspeck  
MAYOR MILAN KARSPECK

Attest:

Mary K Cowdin  
TOWN CLERK MARY COWDIN