

RESOLUTION 22-01

A RESOLUTION CALLING AN ELECTION ON NOVEMBER 6, 2001 TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS AND THE LEVY OF PROPERTY TAXES TO PAY SUCH BONDS; SETTING THE TITLE AND CONTENT OF THE BALLOT ISSUES FOR THE ELECTION; PROVIDING OTHER MATTERS AND RATIFYING ACTION PREVIOUSLY TAKEN RELATING THERETO; AND PROVIDING THE EFFECTIVE DATE OF THIS RESOLUTION

WHEREAS, the State of Colorado Department of Health and the United States Environmental Protection Agency have given notice to the Town of Berthoud, Colorado (the "Town") that the current wastewater treatment facilities of the Town are inadequate and that certain improvements must be made regardless of the issuance of additional wastewater taps by the Town in the future; and

WHEREAS, the Board of Trustees (the "Board") of the Town has considered various options regarding the wastewater improvements which are necessary and the alternatives available to the Town regarding the financing of said improvements; and

WHEREAS, there are not sufficient funds in the Wastewater Operations Fund of the Town or the in the Treasury of the Town to finance the wastewater improvements; and

WHEREAS, the Town has been advised by its financial advisor that the lowest cost financing for the Town requires a general obligation pledge to secure a loan from the Colorado Water Resources and Power Development Authority, which loan will be evidenced in the form of a bond; and

WHEREAS, while the bond would be secured by a general obligation pledge, it is the intent and current expectation of the Board that the bond will be repaid from the net revenues generated from the operation of the wastewater system, including tap fees; and

WHEREAS, in order to provide for a general obligation pledge, the Board must receive prior voter approval from the eligible electors of the Town to issue general obligation bonds of the Town and to levy of property taxes, if necessary, to pay such bonds, and the Board has determine to submit a question regarding such voter approval; and

WHEREAS, the Board has determined to set the title and content of the ballot issues to be submitted at the election called by this Resolution.

THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF TOWN OF BERTHOUD, WELD COUNTY, COLORADO, THAT:

1. An election shall be held on Tuesday, November 6, 2001 at which there shall be submitted to the eligible electors of the Town a question authorizing the issuance of general obligation bonds and the levy of property taxes to pay such bonds, which question shall be in substantially the form attached hereto as Appendix A. Appendix A is hereby incorporated into this Resolution as if set forth in full herein.

2. The election shall be conducted as a coordinated election in Larimer and Weld Counties in accordance with articles 1 to 13 of title 1, C.R.S. (the "Uniform Election Code"), and an Intergovernmental Agreement (the "Intergovernmental Agreement") between the Town and the Larimer County Clerk and Recorder and the Weld County Clerk and Recorder, respectively (collectively, the "County Clerk").

3. No later than September 12, 2001, the Designated Election Official shall certify the order of the ballot and ballot content to the County Clerk. The "Designated Election Official" is the person designated as such in the Intergovernmental Agreement or, if no person is designated in the Intergovernmental Agreement, the Town Clerk.

4. All acts required or permitted by the Uniform Election Code relevant to voting by early voters' ballots, absentee ballots and emergency absentee ballots, which are to be performed by the designated election official, shall be performed by the County Clerk.

5. No later than September 25, 2001, the Town Clerk shall submit to the County Clerk, in the form, if any, specified by the County Clerk, the Notice of Election required by Article X, Section 20(3)(b) of the Colorado Constitution.

6. The Designated Election Official, or if so provided in the Intergovernmental Agreement the County Clerk, shall cause a Notice of Election to be published in accordance with C.R.S. § 1-5-205 on or before October 26, 2001.

7. For purposes of C.R.S. § 1-11-203.5, this Resolution shall serve to set the title and content of the ballot issues set forth herein and the ballot title for such questions shall be the text of the questions themselves.

8. The officers and employees of the Town are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution.

9. All actions not inconsistent with the provisions of this Resolution, heretofore taken by the members of the Board and the officers and employees of the Town, directed toward holding the election for the purposes stated herein are hereby ratified, approved and confirmed.

10. This Resolution shall take effect immediately upon its passage.

ADOPTED AND APPROVED this 11th day of September, 2001

Town of Berthoud

By *Mulan Karspeck*
Mayor

ATTEST:

By *Mary K. Coudin*
Town Clerk

TOWN OF BERTHOUD BALLOT QUESTION #1

SHALL THE TOWN OF BERTHOUD'S DEBT BE INCREASED UP TO A MAXIMUM OF \$10,300,000, WITH A MAXIMUM REPAYMENT COST OF UP TO \$16,950,000, AND SHALL THE TOWN'S TAXES BE INCREASED BY UP TO \$860,000 ANNUALLY WITH A MAXIMUM NET EFFECTIVE INTEREST RATE OF 4.75% ON SUCH DEBT, WHICH TAXES ARE TO BE LEVIED ONLY IF THE NET REVENUES FROM THE OPERATION OF THE TOWN'S WASTEWATER SYSTEM, WHICH ARE INTENDED TO BE THE PRIMARY SOURCE FOR THE PAYMENT OF THE BONDS, ARE INSUFFICIENT TO PAY THE DEBT WHICH IS INCURRED FOR THE PURPOSES OF COMPLYING WITH THE REQUIREMENTS OF THE STATE OF COLORADO DEPARTMENT OF HEALTH AND THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY WHICH ARE REQUIRING THE TOWN TO CONSTRUCT NEW WASTEWATER SYSTEM IMPROVEMENTS INCLUDING THE CONSTRUCTION OF A NEW WASTEWATER TREATMENT FACILITY; WITH THE INTENT AND PURPOSE THAT THESE GENERAL OBLIGATION BONDS SHALL GUARANTEE THE PAYMENT OF THIS DEBT AND THEREBY RESULT IN A LOW INTEREST RATE; WITH THE BONDS TO MATURE AND BE SUBJECT TO REDEMPTION, WITH OR WITHOUT PREMIUM AND THE BONDS TO BE ISSUED, DATED AND SOLD AT SUCH TIME OR TIMES, AND IN SUCH MANNER AND CONTAINING SUCH TERMS THAT ARE NOT INCONSISTENT HEREWITH, AS THE BOARD OF TRUSTEES MAY DETERMINE WITH THE PROPERTY TAXES BEING LEVIED IN ANY YEAR, WITHOUT LIMITATION AS TO RATE OR AMOUNT OR ANY OTHER CONDITION IN ACCORDANCE WITH ARTICLE XI, SECTION 6 OF THE COLORADO CONSTITUTION, TO PAY THE PRINCIPAL OR, PREMIUM IF ANY, AND INTEREST ON SUCH BONDS; AND SHALL ANY EARNINGS FROM THE INVESTMENT OF THE PROCEEDS OF SUCH TAXES AND BONDS, REGARDLESS OF AMOUNT, CONSTITUTE A VOTER-APPROVED REVENUE CHANGE?