

RESOLUTION NO. 1-94

A RESOLUTION SUPPORTING CAPITAL EXPENDITURES FOR THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS IN THE PUBLIC INTEREST AND NECESSITY IN THE TOWN OF BERTHOUD.

WHEREAS, the Town Board of the Town of Berthoud, Colorado (Town), has determined and hereby determines and declares that the interest of the Town and public interest and necessity require that certain improvements be acquired and constructed for the Town and its inhabitants; and,

WHEREAS, the Town Board has determined that it is necessary to make capital expenditures to acquire and construct such improvements prior to the time that long-term bonds are issued to finance the improvements; and,

WHEREAS, it is the Town Board's reasonable expectation that when such long-term bonds are issued, such capital expenditures will be reimbursed with the proceeds of such long-term bonds; and,

WHEREAS, in order to comply with the provisions of the Internal Revenue Code of 1986, as amended (the Code), it is the Town Board's desire that this resolution shall constitute the "official intent" of the Town to reimburse such capital expenditures within the meaning of Income Tax Regulation Section 1.103-18;

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

Section 1. General Description of Property to Which Reimbursement Relates; Maximum Anticipated Debt. The Town Board intends to make capital expenditures to finance the acquisition and construction of a water line, treatment facilities and appurtenances (the Project). The capital expenditures will be made from monies contained in the Town's Water fund, which is the general operating fund for the Town's water system. The Town Board reasonably expects that such capital expenditures will be reimbursed with the proceeds of debt to be incurred by the Town. The Town Board expects that the debt to be incurred by the Town for such purpose will be in a maximum principal amount of \$1,100,000.00.

Section 2. Declaration of Official Intent. This Resolution is intended to be a declaration of "official intent" to reimburse expenditures within the meaning of Income Tax Regulation Section 1.103-18.

Section 3. Reimbursement Period. The reimbursement allocation to be made with respect to such capital expenditures

will occur not later than one (1) year after the later of (i) the date on which the expenditure is paid, or (ii) the date on which the Project is placed in service.

Section 4. Public Availability of Resolution. Within thirty (30) days after the date of this Resolution and continuing on every business day to and including the date of issue of the reimbursement bonds, this Resolution shall be reasonably available for inspection by the general public at the main administrative office of the Town, or at the customary location of records of the Town that are available to the general public, during normal business hours of the Town.

Section 5. Reasonableness of Declaration. This declaration of official intent to reimburse expenditures for the Project is consistent with the budgetary and financial circumstances of the Town as of the date of this Resolution. The Town reasonably expects to reimburse the expenditures it intends to make with the proceeds of a borrowing.

Section 6. Repealer. All acts, orders, resolutions, or parts thereof, of the Town that are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

Section 7. Effective Date. The provisions of this Resolution shall take effect immediately upon its adoption and approval.

ADOPTED AND APPROVED this 22nd day of February, 1994.

TOWN OF BERTHOUD:

ATTEST:

Mary K. Cowdin
Mary K. Cowdin
Town Clerk

Richard D. Strachan
Richard D. Strachan
Mayor