

RESOLUTION NO.

09-03

Series of 2009

**TITLE: A RESOLUTION DECLARING THE TOWN OF HUDSON'S OFFICIAL INTENT TO REIMBURSE ITSELF WITH THE PROCEEDS OF A FUTURE BORROWING FOR CERTAIN CAPITAL EXPENDITURES TO BE UNDERTAKEN BY THE TOWN; 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 Hudson, acting by and through its Wastewater Enterprise Fund (the "Town"), is a political subdivision duly organized and existing pursuant to the constitution and laws of the State of Colorado (the "State"); and

WHEREAS, the Board of Trustees of the Town (the "Board") is the governing body of the Town; and

WHEREAS, the Board has determined that it is in the best interest of the Town to make certain capital expenditures which generally consist of a new mechanical wastewater treatment facility and related lift station and lines (collectively the "Project"); and

WHEREAS, the Town has been in contact with the Colorado Water Resources and Power Development Authority (the "Authority") with regard to the availability of a loan from the Authority; and

WHEREAS, the Board currently intends and reasonably expects to participate in a borrowing to finance the Project, including an amount which is currently estimated not to exceed One Million Nine Hundred Fifty Thousand Dollars (\$1,950,000.00) (the "Financed Amount"), to reimburse the District 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 eighteen (18) months of the date of such capital expenditures or the placing in service of the Project (but in no event more than three (3) years after the date of the original expenditure of such moneys); and

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

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF HUDSON, COLORADO, AS FOLLOWS:

Section 1. Declaration of Official Intent. The Town shall, presently intends, and reasonably expects to finance all or a portion of the Project with legally available funds.

Section 2. Dates of Capital Expenditures. All of the capital expenditures covered by this Resolution were or will be made on and after the date which is sixty (60) days prior to the effective date of this Resolution.

Section 3. Issuance of Bonds or Notes. The Town presently intends and reasonably expects to participate in a borrowing within eighteen (18) 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 three (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 Town 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 Town 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.

INTRODUCED, READ, APPROVED AND ADOPTED this 7<sup>th</sup> day of January, 2009.

TOWN OF HUDSON, COLORADO

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Neal Pontius, Mayor

(SEAL)

ATTEST:

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Judith A. McGill, Deputy Town Clerk