

**RESOLUTION NO. 2023-54**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF JOHNSTOWN, ACTING BY AND THROUGH ITS WATER UTILITY ENTERPRISE, DECLARING ITS OFFICIAL INTENT TO REIMBURSE ITSELF WITH THE PROCEEDS OF THE ISSUANCE OF MUNICIPAL BONDS FOR CERTAIN CAPITAL EXPENDITURES UNDERTAKEN OR TO BE UNDERTAKEN BY THE TOWN; GENERALLY IDENTIFYING THE CAPITAL EXPENDITURES; AND PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH.**

**WHEREAS**, the Town of Johnstown, acting by and through its Water Utility Enterprise (the “Town”), in the State of Colorado (the “State”), is political subdivision duly organized and existing pursuant to the State Constitution and its home rule charter; and

**WHEREAS**, the Town currently owns and operates a water system and, pursuant to Section 13-70 of the Town Municipal Code, the Town Council (the “Council”) is the governing body of the Water Utility Enterprise and exercises the Town's legal authority relating to the Water Utility Enterprise; and

**WHEREAS**, the Council has determined that it is in the best interest of the Town to make certain capital expenditures generally consisting of, but not necessarily limited to, the construction, installation, and equipping of new water treatment plant (collectively, the “Improvement Project”); and

**WHEREAS**, the Council currently intends and reasonably expects to participate in a tax-exempt financing, including an amount which is currently estimated not to exceed \$72,000,000.00 (the “Financed Amount”), to reimburse the Town 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 Improvement Project (but in no event more than 3 years after the date of the original expenditure of such moneys); and

**WHEREAS**, the Council 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 the proceeds of the Town’s municipal bond financing.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF TOWN OF JOHNSTOWN, 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 Improvement 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 60 days prior to the effective date of this Resolution.

Section 3. **Issuance of Municipal Bonds.** The Town presently intends and reasonably expects to participate in a municipal bond financing within 18 months of the date of the expenditure of moneys on the Improvement Project or the date upon which the Improvement 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 financing an amount not to exceed the Financed Amount to reimburse the Town for its expenditures in connection with the Improvement 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 Improvement 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** by the Town Council of the Town of Johnstown, Colorado this \_\_\_\_ day of \_\_\_\_\_, 2023.

[SEAL]

Town of Johnstown

By: \_\_\_\_\_  
Troy D. Mellon, Mayor

Attest:

By: \_\_\_\_\_  
Hannah Hill, Town Clerk