

**TOWN OF JOHNSTOWN, COLORADO**

**RESOLUTION NO. 2023-53**

**RESOLUTION AUTHORIZING A GRANT FROM THE TOWN OF JOHNSTOWN  
GENERAL FUND TO THE TOWN OF JOHNSTOWN SANITARY SEWER UTILITY  
ENTERPRISE**

**WHEREAS**, the Town of Johnstown, Colorado (the “Town”) is a Colorado home rule municipality, duly organized and existing under the laws of the State of Colorado and the Town’s Home Rule Charter; and

**WHEREAS**, the Town of Johnstown, Colorado, Sanitary Sewer Utility Enterprise, is a duly created enterprise, as that term is defined in Article X, Section 20 of the Colorado Constitution; and

**WHEREAS**, the Town Council is vested with the authority to administer the affairs of the Town and the Sanitary Sewer Utility Enterprise; and

**WHEREAS**, the Sanitary Sewer Utility Enterprise seeks funding to assist in the financing of significant infrastructure improvements in the Town, including the construction and installation of the expansion of the Low Point Wastewater Treatment Plant and the expansion of the Central Wastewater Treatment Plant as required by a Consent Order; and

**WHEREAS**, the Town Council recognizes that it is approving this resolution contrary to the provisions of Section 4-40(2) of the Johnstown Municipal Code given the unique conditions and necessity to ensure sustainability of the Sanitary Sewer Fund; and

**WHEREAS**, the Town Council also recognizes this resolution is inconsistent with Section 13-40 of the Johnstown Municipal Code, but is in the best interest of the Sanitary Sewer Utility Enterprise; and

**WHEREAS**, the Town of Johnstown General Fund has available resources to grant the funds to the Sanitary Sewer Utility Enterprise; and

**WHEREAS**, but for the grant, the Town would have to significantly increase rates to both existing and future rate payers for services delivered; and

**WHEREAS**, to provide the funding, the Town Council desires to make a grant from the Town of Johnstown General Fund to the Sanitary Sewer Utility Enterprise in the amount of Fifty Million Dollars (\$50,00,000.00); and

**WHEREAS**, the Town Council acknowledges that the Sanitary Sewer Utility Enterprise will lose its Enterprise status based on the meaning of Section 20 of Article X of the State Constitution for Fiscal Year 2023 only; and

**WHEREAS**, the Town Council finds, determines and declares that adoption of this Resolution is in the best interests of the citizens of the Town.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF JOHNSTOWN, COLORADO, ACTING AS THE GOVERNING BODY OF THE TOWN OF JOHNSTOWN AND OF THE TOWN OF JOHNSTOWN SEWER UTILITY ENTERPRISE, THAT:**

**Section 1. Grant.** The Town Council hereby approves a grant from the Town of Johnstown General Fund to the Sewer Activity Enterprise in the amount of Fifty Million Dollars (\$50,000,000.00). The Sanitary Sewer Utility Enterprise shall have no obligation to repay the grant.

**Section 2. Interest.** All interest earned by the financial grant provided to the Sanitary Sewer Utility Enterprise identified in Section 1 shall be remitted to the Town of Johnstown General Fund on a bi-annual basis until the funds are depleted.

**Section 3. Finding, Determinations, and Declarations.** The Town Council, having been fully informed of and having considered all the pertinent facts and circumstances, hereby finds, determines, and declares during the current fiscal year ended December 31, 2023, and this fiscal year only, an exception is hereby made to the establishment of the Town's Sanitary Sewer Utility Enterprise for purposes of the acceptance of the grant referenced in Section 1 hereof and for purposes of Section 4-40(2) of the Johnstown Municipal Code.

**Section 4. Authorization.** This resolution authorizes the transfer of funds to the Sanitary Sewer Utility Enterprise from the General Fund to satisfy this grant.

PASSED, SIGNED, APPROVED, AND ADOPTED this \_\_\_\_ day of November, 2023.

ATTEST:

TOWN OF JOHNSTOWN, COLORADO

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

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