

**CHEROKEE METROPOLITAN DISTRICT  
RESOLUTION 2019-07**

**A RESOLUTION EXPRESSING THE INTENT OF THE DISTRICT TO BE  
REIMBURSED FOR CERTAIN EXPENSES RELATING TO THE  
CONSTRUCTION OF STATE MANDATED TDS REMOVAL FACILITIES AS  
REQUIRED BY THE 2014 COMPLIANCE ORDER ON CONSENT FOR  
WASTEWATER TREATMENT**

**WHEREAS**, the Cherokee Metropolitan District (the “Issuer”) is a duly and regularly created, established, organized, and existing Title 32 entity, and existing as such under and pursuant to the constitution and laws of the State of Colorado (the “State”); and

**WHEREAS**, the members of the Cherokee Metropolitan District Board of the Issuer (the “Board”) have been duly appointed and qualified; and

**WHEREAS**, it is the current intent of Issuer to construct TDS Removal Facilities as a result of the State mandated Compliance Order on Consent for Wastewater Treatment (the “Project”); and

**WHEREAS**, the Issuer has determined that it is in the best interest of the Issuer to finance the Project through the issuance of Water and Wastewater Enterprise Revenue Bonds; and

**WHEREAS**, the Cherokee Metropolitan District has determined that it may be necessary to make design, legal and/or capital expenditures related to the Project prior to the time that the Issuer arranges for the specific financing of such Project; and

**WHEREAS**, it is the Issuer’s reasonable expectation that when such financing occurs, the design, legal and/or capital expenditures may be reimbursed with the proceeds of the financing; and

**WHEREAS**, in order to comply with the provisions of the Internal Revenue Code of 1986, as amended (the “Code”), it is the Issuer’s desire that this resolution shall constitute the “official intent” of the Board to reimburse such design, legal and/or capital expenditures within the meaning of Treasury Regulation §1.150-2.

**NOW, THEREFORE, BE IT RESOLVED BY CHEROKEE METROPOLITAN DISTRICT:**

Section 1. All action (not inconsistent with the provisions of this resolution) heretofore taken by the Cherokee Metropolitan District and the officers, employees and agents of the Issuer directed toward the Bonds is hereby ratified, approved and confirmed.

Section 2. The Issuer intends to finance approximately \$40,000,000 to pay the costs of the Project, including the reimbursement of certain costs incurred by the Issuer prior to the receipt of any proceeds of a financing, upon terms acceptable to the Issuer, as authorized in a resolution to be hereafter adopted and to take all further action which is necessary or desirable in connection therewith.

Section 3. The officers, employees and agents of the Issuer shall take all action necessary or reasonably required to carry out, give effect to and consummate the transactions contemplated hereby and shall take all action necessary or desirable to finance the Project and to otherwise carry out the transactions contemplated by the resolution.

Section 4. The officers and employees of the Issuer are hereby authorized and directed to take all action necessary or appropriate to effectuate the provision of this resolution.

Section 5. The Issuer shall not use reimbursed moneys for purposes prohibited by Treasury Regulation §1.150-2(h).

Section 6. This resolution is intended to be a declaration of "official intent" to reimburse expenditures within the meaning of Treasury Regulation §1.150-2

Section 7. If any section, paragraph, clause or provision of this resolution shall for any reason be held invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

Section 8. All acts, orders and resolutions of the Issuer, and parts thereof, inconsistent with this resolution be, and the same hereby are, repealed to the extent only of such inconsistency. This repeal shall not be construed to revive any act, order or resolution, or part thereof, heretofore repealed.


Section 9. The resolution shall be in full force and effect upon its passage and approval.

Adopted this 15<sup>th</sup> day of October, 2019.

CHEROKEE METROPOLITAN DISTRICT

By  \_\_\_\_\_  
Steve Hasbrouck, President

ATTEST:

By  \_\_\_\_\_  
Rene Sintas, Secretary