

RESOLUTION

A RESOLUTION CALLING AN ELECTION ON NOVEMBER 6, 2018 AUTHORIZING A BALLOT ISSUE FOR THE ISSUANCE BONDS OR OTHER LIMITED TAX OBLIGATIONS AND THE LEVY OF PROPERTY TAXES TO PAY THE DEBT; SETTING THE BALLOT TITLE AND CONTENT FOR THE BALLOT ISSUE; AND PROVIDING OTHER MATTERS RELATING THERETO

WHEREAS, the Ground Water Management Subdistrict (the “Subdistrict”) of the Central Colorado Water Conservancy District in Weld, Adams and Morgan Counties (the “Counties”), Colorado (the “State”), is a quasi-municipal corporation and political subdivision of the State acting pursuant to the provisions of Article 45 of Title 37, C.R.S. (the “Water Conservancy Act”), and established for the purpose of providing the beneficial use of water, conservation of water and construction of works within the Subdistrict; and

WHEREAS, the Board of Directors (the “Board”) of the Subdistrict has determined that the interests of the Subdistrict and the public interest or necessity demands the imposition of property taxes and the issuance of limited tax general obligation bonds as described in the ballot question set forth in Appendix A hereto; and

WHEREAS, the Board has determined that the interests of the Subdistrict and the public interest or necessity demands the acquisition, construction and completion of the water supply, waterworks and other improvements and facilities which are necessary to carry out the objects and purposes of the Subdistrict; and

WHEREAS, the election shall be conducted as a coordinated election in Weld, Adams and Morgan Counties in accordance with articles 1 to 13 of title 1, Colorado Revised Statutes, as amended (the “Uniform Election Code”), as well as the Water Conservancy Act; and

WHEREAS, the respective Clerk and Recorders of Weld, Adams and Morgan Counties (the “County Clerks”) are the coordinated election officials in the respective Counties for the election pursuant to the Uniform Election Code, and is responsible for mailing the notice of election required by Article X, Section 20(3)(b) of the Colorado Constitution (the “TABOR Notice”); and

WHEREAS, the District will assist the County Clerks in providing necessary information and notices for the conduct of the election; and

WHEREAS, the Board has determined to set the ballot title for the ballot issue to be submitted at the election called by this Resolution.

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GROUND WATER MANAGEMENT SUBDISTRICT OF THE CENTRAL COLORADO WATER CONSERVANCY DISTRICT IN THE COUNTIES OF WELD, ADAMS AND MORGAN, AND THE STATE OF COLORADO:

1. An election shall be held on Tuesday, November 6, 2018 (the “Election Date”) at which there shall be submitted to the eligible electors of the Subdistrict a ballot issue which shall be in substantially the form attached hereto as Appendix A. The total estimated cost of the projects set forth in the ballot issue set forth in Appendix A hereto is not expected to exceed the dollar amounts provided in the ballot issue and no part of said costs are currently expected to be defrayed out of any State or federal grant. The maximum annual mill levy proposed for repayment of the debt is set forth in Appendix A.

2. For purposes of Section 1-11-203.5, C.R.S., this Resolution shall serve to set the ballot title for the ballot issue set forth in the appendix hereto. Appendix A is hereby incorporated into this Resolution as if set forth in full herein. The ballot title for the ballot issue attached hereto as Appendix A shall be the text of such ballot issue.

3. Danyelle McCannon is hereby designed as the “Designated Election Official” responsible for the running of the election for the Subdistrict. The Designated Election Official is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and comply with the Uniform Election Code, Article X, Section 20 of the Colorado Constitution (“TABOR”) and other applicable laws and election rules.

4. Not later than 60 days before the Election Date (Friday, September 7, 2018) the Designated Election Official shall certify a copy of the ballot issue set forth in Appendix A hereto to the County Clerks in accordance with Section 1-5-203, C.R.S.

5. No later than 43 days before the Election Date (Monday, September 24, 2018), the Designated Election Official shall submit the TABOR Notice to the County Clerks in the form, if any, specified by the County Clerks. Thereafter, at least 30 days before the Election Date (Friday, October 5, 2018) the County Clerks are to mail, at the least cost, the notice required by Article X, Section 20(3)(b) of the Colorado Constitution to the registered voters of the Subdistrict.

6. No later than 20 days before the Election Date (Wednesday, October 17, 2018), the Designated Election Official shall ensure that the additional posting of financial notice is made on the Subdistrict’s website or, if the Subdistrict does not maintain a website, at the Subdistrict’s chief administrative office in accordance with the requirements of C.R.S. § 1-7-908. Additionally, no later than 20 days before the Election Date the Designated Election Official shall cause a notice of election to be published (if not otherwise published by the County Clerks) in accordance with the Section 1-5-205, C.R.S.

7. No later than 10 days before the Election Date (Friday, October 26, 2018) the Designated Election Official shall cause a notice of election to be posted in the office of the Designated Election Official in accordance with the Section 1-5-205, C.R.S.

8. As provided in Section 1-1-106, C.R.S., if the State Constitution or a State statute requires doing an act “no later than” or “at least” a certain number of days prior to the Election Date, the period is shortened to and ends on the prior business day that is not a Saturday, Sunday or legal holiday.

9. If a majority of the votes cast on the ballot issue attached hereto as Appendix A submitted at the election shall be in favor of any such ballot issue, the Subdistrict acting through the Board shall be authorized to proceed with the necessary action to issue bonds or similar obligations and levy taxes in accordance with the approved ballot issue. Any authority to issue bonds or similar obligations and levy ad valorem property taxes, if conferred by the results of the election, shall be deemed and considered a continuing authority to issue bonds or similar obligations and levy the taxes so authorized at any one time, or from time to time, and neither the partial exercise of the authority so conferred, nor any lapse of time, shall be considered as exhausting or limiting the full authority so conferred.

10. The officers and employees of the Subdistrict are hereby authorized and directed to take all action necessary or appropriate to hold an election on the Election Date and to effectuate the provisions of this Resolution.

11. All actions not inconsistent with the provisions of this Resolution heretofore taken by the members of the Board and the officers and employees of the Subdistrict and directed toward holding the election for the purposes stated herein are hereby ratified, approved and confirmed.

12. All prior acts, orders or resolutions, or parts thereof, by the Subdistrict in conflict with this Resolution are hereby repealed, except that this repealer shall not be construed to revive any act, order or resolution, or part thereof, heretofore repealed.

13. If any section, paragraph, clause or provision of this Resolution shall be adjudged to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining sections, paragraphs, clauses or provisions of this Resolution, it being the intention that the various parts hereof are severable.

14. This Resolution shall take effect immediately upon its passage.

ADOPTED AND APPROVED this ____ day of August, 2018.

[SUBDISTRICT SEAL]

By _____
President

ATTEST:

By _____
Secretary

**APPENDIX A
FORM OF THE BALLOT ISSUE**

Ballot Issue ___: **Ground Water Management Subdistrict Debt**

SHALL THE GROUND WATER MANAGEMENT SUBDISTRICT OF THE CENTRAL COLORADO WATER CONSERVANCY DISTRICT DEBT BE INCREASED UP TO \$48.7 MILLION, WITH A MAXIMUM REPAYMENT COST OF UP TO \$91.9 MILLION, AND SHALL SUBDISTRICT TAXES BE INCREASED UP TO \$4.4 MILLION ANNUALLY FOR THE PURPOSE OF DEVELOPING, ACQUIRING AND MANAGING RELIABLE WATER RESOURCES THROUGH DEBT FINANCING TO:

- INCREASE WATER SUPPLIES NECESSARY TO SUPPORT AND MAINTAIN A VIABLE FARMING AND BUSINESS COMMUNITY THROUGH DEVELOPMENT OF WATER PROJECTS TO CAPTURE WATER DURING TIMES OF HIGH SUPPLY FOR USE DURING TIMES OF NEED,
- LESSEN DROUGHT IMPACT THROUGH THE ACQUISITION OF SENIOR WATER RIGHTS,
- REPLACE LEASED MUNICIPAL WATER RESOURCES THAT ARE BEING CONSUMED BY GROWTH IN AREA MUNICIPALITIES, AND
- CONSTRUCT AND IMPROVE WATER STORAGE RESERVOIRS AND OTHER FACILITIES TO MORE EFFICIENTLY USE WATER AVAILABLE TO THE SUBDISTRICT,

SUCH DEBT TO CONSIST OF THE ISSUANCE AND PAYMENT OF BONDS OR SIMILAR LIMITED TAX OBLIGATIONS, WHICH DEBT SHALL BEAR INTEREST AT A MAXIMUM NET EFFECTIVE INTEREST RATE NOT TO EXCEED 5.5% PER ANNUM AND SHALL BE DATED AND SOLD AT SUCH TIME OR TIMES, AT SUCH PRICES (AT, ABOVE OR BELOW PAR) AND IN SUCH MANNER AND CONTAINING SUCH TERMS, NOT INCONSISTENT HERewith, AS THE BOARD OF DIRECTORS MAY DETERMINE; AND SHALL (I) AD VALOREM PROPERTY TAXES BE LEVIED IN ANY YEAR AT A LIMITED MILL LEVY RATE NOT TO EXCEED 6 MILLS, EXCEPT AS PERMITTED IN SECTION 37-45-126 OF THE COLORADO REVISED STATUTES, AND IN SUCH AMOUNTS AS SET FORTH ABOVE AND (II) THE SUBDISTRICT BE AUTHORIZED TO ENCUMBER AND PLEDGE ANY OTHER REVENUES OF THE SUBDISTRICT TO BE USED TO PAY THE PRINCIPAL OF AND INTEREST ON SUCH BONDS AS THE SAME BECOME DUE AND TO FUND ANY RESERVES FOR THE PAYMENT THEREOF?