

RESOLUTION 2004-12-10.5

TO PURCHASE NEW FIRE ENGINE

A RESOLUTION TO AUTHORIZE DISTRICT MANAGER TO SET ASIDE A MAXIMUM OF \$50,000 DOWN PAYMENT FROM THE 2004 BUDGET AND CASH COLLATERAL FOR A \$300,000 TEN YEAR LOAN FROM THE RESERVE FUND OF THE DISTRICT IN THE 2005 BUDGET TO ENSURE THAT A FIRE PROTECTION DEAL CAN BE COMPLETED WITH THE COLORADO SPRINGS FIRE DEPARTMENT FOR BETWEEN 15 AND 20 YEARS OF SERVICE.

WHEREAS, the previous fire protection agreement between the Colorado Centre Metropolitan District (District) and the Colorado Springs Fire Department (CSFD) expired several months ago; and,

WHEREAS, CSFD has continued to provide fire protection service to the District on the basis of on-going negotiations whereby the District would purchase a new piece of equipment and then loan it to CSFP to use as they see fit, in exchange for service to the District; and,

WHEREAS, this expense of the District has not been directly evident in the budgets of the District since 2002 because the cost to the District was just one of depreciation of the equipment but, at no time, did this reflect that this expense had disappeared all together; and,

WHEREAS, the bankruptcy plan of the District (Case No. 89 B 16410 J) allows for the expenditure of monies due under the "Annual Installment" to cover for operational expenses of the District so long as there are less than "1,500 single family residences" in the District; and,

WHEREAS, the Board of Directors of the District want to keep a running tab on the annual costs of providing this service in the annual budget so that it does not appear as a large money outflow every time the agreement expires.

NOW THEREFORE, BE IT RESOLVED BY The Board of Directors of the Colorado Centre Metropolitan District, Colorado:

THAT, not more than \$50,000 be allocated from the 2004 budget of the District to cover the down payment for the purchase of a new fire engine; and,

THAT, the District Manager obtain a not-to-exceed \$300,000 loan for the District which shall be backed up by District's moneys from it's Reserve Fund, so that the loan can be secured to reduce the amount of interest to be paid on it to the extent possible; and,

THAT, an agreement with CSFD must be completed between the District and CSFD before any payments are made toward the purchase of a new fire apparatus.

ADOPTED, this 10th day of December, 2004.

COLORADO CENTRE METROPOLITAN DISTRICT

On File
By: _____
Michael Cantin, President

On File
Attest: _____
Jimmie Bridgewater, Secretary