

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE COLORADO CENTRE METROPOLITAN DISTRICT
TO APPROVE AN INTERIM LOAN FOR LOWER FOUNTAIN EXPENSES**

RÉSOLUTION NO. 2006-11-16.1

WHEREAS, the Colorado Centre Metropolitan District ("the District") is organized pursuant to COLO. REV. STAT. § 32-1-101 *et seq.* ("Special District Act"); and

WHEREAS, the District is a member of the Lower Fountain Metropolitan Sewage Disposal District ("Lower Fountain"); and

WHEREAS, the District is responsible to make defined contributions to Lower Fountain for its continued participation in Lower Fountain and in furtherance of Lower Fountain constructing a regional wastewater treatment facility; and

WHEREAS, the District anticipates obtaining a long term loan in 2007 from the Colorado Water and Power Development Authority to fund the District's participation in constructing the Lower Fountain regional wastewater facility; and

WHEREAS, to meet the District's financial contributions in the interim, the District Manager has negotiated a one-year loan agreement with First Community Bank for \$250,000 to commence January 1, 2007, secured by a cash deposit by the District; and

WHEREAS, COLO. REV. STAT. § 32-1-1001(1)(e) authorizes the District to borrow money, and COLO. REV. STAT. § 32-1-1001(1)(o) authorizes the District to exercise such rights and powers as are incidental to, necessary or implied from specific powers granted by statute to carry out the District's operations;


NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

The Board of Directors of the District hereby approves the closing of the loan agreement with First Community Bank under the following terms:


1. The maximum loan amount shall be for \$250,000 for a one-year term commencing January 1, 2007;
2. The annual loan interest rate shall be no greater than 6%, and the loan shall be secured by a Certificate of Deposit obtained by the District yielding no less than 5% annual interest;
3. Interest only payments shall be made on the loan prior to the loan principal being paid in a lump sum on or prior to December 31, 2007; and
4. The loan proceeds shall be used exclusively for funding the District's continued participation in the Lower Fountain Metropolitan Sewage Disposal District, including but not limited to funding the design and construction of a new Lower Fountain regional wastewater treatment plant.

The foregoing is a true copy of a resolution duly adopted by the Board of Directors of the Colorado Centre Metropolitan District by unanimous vote at a public meeting on the 16th day of November, 2006.

ATTEST:



Michael Cantin, President



Shawn Eccles, Secretary