

**MONUMENT CHARTER ACADEMY  
BOARD OF DIRECTORS**

**RESOLUTION  
REGARDING SUPPORT OF  
INTENT TO EXPEND BOND FUNDS  
FROM NOVEMBER 2018 ELECTION**

WHEREAS, Monument Academy Charter School (“MA”), operating in El Paso County, Colorado, is a Colorado nonprofit corporation, duly organized and existing under the Constitution and the laws of the State of Colorado; and

WHEREAS, the members of the Board of Directors of MA (the “Board”) have been duly elected, chosen and qualified; and

WHEREAS, Lewis-Palmer Consolidated School District No. 38 (the “District”), at its meeting on August 23, 2018, the Board approved the following ballot question related to the issuance of general obligation bonds to be certified to the County Clerk and Recorder of El Paso County (the “Bond Question”), included at the end of this document as Section 7.

; and

WHEREAS, pursuant to State law, the District have been in discussions with Monument Charter Academy (“MA”) relating to the District providing facilities financed by general obligation bond proceeds if the above question is approved by the voters of the District at the election to be held on November 6, 2018; and

WHEREAS, pursuant to Section 22-30.5-404(6)(a), C.R.S., no bonds shall be issued for the purpose of financing charter school capital construction unless the charter school and the district have entered into a contract specifying that, if the charter school’s charter is revoked or not renewed, the charter school shall become insolvent and can no longer operate as a charter school, or the charter school otherwise ceases to operate, following the payment of all other debts secured by the capital construction, the ownership of any capital construction financed by the bond proceeds shall automatically revert to the school district; and

WHEREAS, the District has determined that any general obligation bond proceeds used to construct facilities for MA shall be constructed by the District and remain under District ownership. and

WHEREAS, the Board hereby adopts this resolution to reflect its intent to support the construction of facilities for MA using general obligation bond proceeds, , and to reflect its current understanding of what shall be financed with such proceeds, and how the proceeds shall be allocated in the event that MA cannot for any reason make use of such proceeds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF MONUMENT CHARTER ACADEMY IN THE COUNTY OF EL PASO AND STATE OF COLORADO TO SUPPORT:

Section 1. All action heretofore taken (not inconsistent with the provisions of this resolution) by the District and the officers thereof, directed towards the election and the objects and purposes herein stated and the questions set forth herein are, ratified, approved and confirmed.

Section 2. Pursuant to Bond Question, if approved by the voters, the District would be authorized to issue \$36.5 million in general obligation bonds. Of that amount, the District expects to allocate \$30.5 million to construct and equip a new elementary located on the Bear Creek campus and repurpose the current Bear Creek Elementary to a middle school, which will serve current and growing demand in the district as well as \$2.5 million for capital safety and security enhancements to all district school buildings, including Monument Academy Charter School. These enhancements include, but are not limited to, security vestibules, upgrades to door locks, lighting, cameras, radios, security bollards and mirrors. The costs associated with the highest priority items for each building include:

Bear Creek Elementary: \$555,000. Lewis-Palmer Elementary: \$507,000. Palmer Lake Elementary: \$330,000. Prairie Winds Elementary: \$500,000. Kilmer Elementary School: \$100,000. Lewis-Palmer Middle School: \$125,000. Monument Academy: \$125,000. Lewis-Palmer High School: \$50,000. Palmer Ridge High School: \$8,000. General districtwide parking lot stadium safety improvements: \$200,000.

Notwithstanding the foregoing, amounts indicated in the above paragraph are for planning purposes only and the District is only restricted in expenditures by the amounts set forth in the ballot question shown in Section 7 hereof.

Additionally, of the \$36.5 million, the District expects to allocate \$3.5 million to construct for MA an 8,000 square foot competition gymnasium and an additional 4,000 square foot locker room area. This project shall be completed in a collaborative and cooperative effort with MA. In the event that MA determines that it would prefer, the District agrees that the \$3.5 million may also be used to construct an auditorium, again in collaboration and cooperation with the MA (the gymnasium or auditorium, as hereafter determined by MA and the District, is referred herein as the “MA Project”). The MA Project will be owned by the District. MA agrees that it will have full use of the facility and full responsibility for all operating and maintenance costs, and MA will operate and maintain the facility.

The District and MA shall hereafter develop and enter into an agreement detailing the specific requirements of the sharing of bond proceeds and the construction of the MA Project. This resolution is intended to only act as a “resolution of intent” of the District as to how the bond proceeds are expected to be shared subject to final determination and approval of the District and MA.

Section 3. It is the intention of the District to form a citizen’s bond oversight committee to monitor the construction and expenditure of bond proceeds by the District, including construction at the MA location, and make reports to the District and to the public. The District shall publish the reports on its website and any such reports will be public information and available to the public.

Section 4. In the event that MA determines that it will not pursue the MA Project, the Lewis-Palmer School District #38 Board shall either not obtain the \$3.5 million dollars in bond proceeds (not issue the debt), or deposit such funds into a restricted account (capital improvement fund) until such a time as it may determine how to best utilized those proceeds in accordance with this resolution and the “Bond Question”. Options available to the District are to utilize those funds for capital needs of the District as authorized by the Bond Question or using those funds to pay down the general obligation bonds.

Section 5. All orders, bylaws and resolutions, or parts thereof, in conflict with this resolution, are hereby repealed.

Section 6. If any section, paragraph, clause or provision of this resolution shall for any reason be held to be 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 7:

The Bond Question:

SHALL LEWIS-PALMER CONSOLIDATED SCHOOL DISTRICT NO. 38 DEBT BE INCREASED \$36.5 MILLION, WITH A REPAYMENT COST OF NOT MORE THAN \$66.3 MILLION, AND SHALL DISTRICT TAXES BE INCREASED NOT MORE THAN \$5.2 MILLION ANNUALLY, AND SHALL SUCH DEBT BE ISSUED FOR CAPITAL IMPROVEMENT PURPOSES, INCLUDING BUT NOT LIMITED TO:

MAKING SAFETY AND SECURITY ENHANCEMENTS TO ALL DISTRICT SCHOOL BUILDINGS, INCLUDING MONUMENT ACADEMY CHARTER SCHOOL;

CONSTRUCTING AND EQUIPPING A NEW ELEMENTARY SCHOOL;

SUCH DEBT TO BE EVIDENCED BY THE ISSUANCE AND PAYMENT OF GENERAL OBLIGATION BONDS, WHICH SHALL BEAR INTEREST, MATURE, BE SUBJECT TO REDEMPTION, WITH OR WITHOUT PREMIUM OF NOT TO EXCEED 3%, AND BE ISSUED, 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 DISTRICT MAY DETERMINE; AND SHALL AD VALOREM PROPERTY TAXES BE LEVIED IN ANY YEAR, WITHOUT LIMITATION AS TO RATE, TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON SUCH BONDS AND ANY BONDS ISSUED TO REFINANCE SUCH BONDS AND TO FUND ANY RESERVES FOR THE PAYMENT THEREOF, PROVIDED THAT SUCH LEVY SHALL NOT PRODUCE REVENUE WHICH EXCEEDS THE AMOUNTS SET FORTH ABOVE?

ADOPTED AND APPROVED this September 13, 2018.