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Form **990-EZ**

Short Form Return of Organization Exempt From Income Tax

OMB No 1545-1150

2009

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)
 ▶ Sponsoring organizations of donor advised funds and controlling organizations as defined in section 512(b)(13) must file Form 990. All other organizations with gross receipts less than \$500,000 and total assets less than \$1,250,000 at the end of the year may use this form.
 ▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2009 calendar year, or tax year beginning **2009**, and ending **2009**, and ending **20**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input checked="" type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization COLORADO RECYCLES		D Employer identification number 84-0932949
		Number and street (or P O box, if mail is not delivered to street address) Room/suite C/O RICHARD BROWN, 9032 F EAST AMHERST DRIVE		E Telephone number 303-695-6388
		City or town, state or country, and ZIP + 4 DENVER, CO 80231		F Group Exemption Number ▶ N/A

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

G Accounting Method Cash Accrual
Other (specify) ▶

I Website: ▶ www.coloradorecycles.org

H Check if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

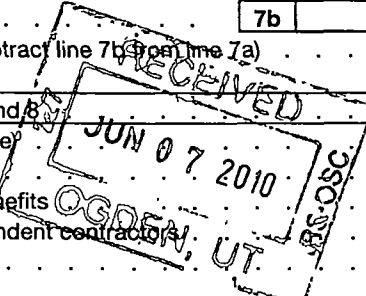
J Tax-exempt status (check only one) - 501(c) (3) ◀ (insert no.) 4947(a)(1) or 527

K Check if the organization is not a section 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A Form 990-EZ or Form 990 return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts; if \$500,000 or more, file Form 990 instead of Form 990-EZ ▶ \$ **4,941**

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions for Part I.)

Revenue	1	Contributions, gifts, grants, and similar amounts received	1	4,934
	2	Program service revenue including government fees and contracts	2	
	3	Membership dues and assessments	3	
	4	Investment income	4	7
	5a	Gross amount from sale of assets other than inventory	5a	
	b	Less: cost or other basis and sales expenses	5b	
	c	Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a)	5c	
	6	Special events and activities (complete applicable parts of Schedule G). If any amount is from gaming, check here <input type="checkbox"/>		
	a	Gross revenue (not including \$ _____ of contributions reported on line 1)	6a	
b	Less: direct expenses other than fundraising expenses	6b		
c	Net income or (loss) from special events and activities (Subtract line 6b from line 6a)	6c		
7a	Gross sales of inventory, less returns and allowances	7a		
b	Less: cost of goods sold	7b		
c	Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)	7c		
8	Other revenue (describe ▶ _____)	8		
9	Total revenue. Add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8 ▶	9	4,941	
Expenses	10	Grants and similar amounts paid (attach schedule)	10	
	11	Benefits paid to or for members	11	
	12	Salaries, other compensation, and employee benefits	12	
	13	Professional fees and other payments to independent contractors	13	22,012
	14	Occupancy, rent, utilities, and maintenance	14	
	15	Printing, publications, postage, and shipping	15	70
	16	Other expenses (describe ▶ BANK FEE, OFFICE EXPENSE)	16	296
17	Total expenses. Add lines 10 through 16 ▶	17	22,378	
Net Assets	18	Excess or (deficit) for the year (Subtract line 17 from line 9)	18	-17,437
	19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19	17,437
	20	Other changes in net assets or fund balances (attach explanation)	20	
	21	Net assets or fund balances at end of year. Combine lines 18 through 20 ▶	21	0



Part II Balance Sheets. If Total assets on line 25, column (B) are \$1,250,000 or more, file Form 990 instead of Form 990-EZ.

(See the instructions for Part II.)

	(A) Beginning of year	(B) End of year
22 Cash, savings, and investments	17,437	22 0
23 Land and buildings		23
24 Other assets (describe ▶ _____)		24
25 Total assets	17,437	25 0
26 Total liabilities (describe ▶ _____)		26
27 Net assets or fund balances (line 27 of column (B) must agree with line 21)	17,437	27 0

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P 16

Part V Other Information (Note the statement requirements in the instructions for Part V.)

		Yes	No
33	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		✓
34	Were any changes made to the organizing or governing documents? If "Yes," attach a conformed copy of the changes		✓
35	If the organization had income from business activities, such as those reported on lines 2, 6a, and 7a (among others), but not reported on Form 990-T, attach a statement explaining why the organization did not report the income on Form 990-T.		
a	Did the organization have unrelated business gross income of \$1,000 or more or was it subject to section 6033(e) notice, reporting, and proxy tax requirements?		✓
b	If "Yes," has it filed a tax return on Form 990-T for this year?		
36	Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N	✓	
37a	Enter amount of political expenditures, direct or indirect, as described in the instructions. ▶ 37a 0		
b	Did the organization file Form 1120-POL for this year?		✓
38a	Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still outstanding at the end of the period covered by this return?		✓
b	If "Yes," complete Schedule L, Part II and enter the total amount involved	38b	
39	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on line 9	39a	N/A
b	Gross receipts, included on line 9, for public use of club facilities	39b	N/A
40a	Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911 ▶ 0 ; section 4912 ▶ 0 ; section 4955 ▶ 0		
b	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or is it aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		✓
c	Section 501(c)(3) and 501(c)(4) organizations. Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ 0		
d	Section 501(c)(3) and 501(c)(4) organizations. Enter amount of tax on line 40c reimbursed by the organization ▶ 0		
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T.		✓
41	List the states with which a copy of this return is filed. ▶ NONE		
42a	The organization's books are in care of ▶ RICHARD BROWN Telephone no. ▶ 303-695-6388 Located at ▶ 9032 F EAST AMHERST DRIVE, DENVER, CO ZIP + 4 ▶ 80231		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		✓
	If "Yes," enter the name of the foreign country: ▶ _____ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.	42b	
c	At any time during the calendar year, did the organization maintain an office outside of the U.S.? If "Yes," enter the name of the foreign country: ▶ _____	42c	✓
43	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 — Check here ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 43 N/A		
44	Did the organization maintain any donor advised funds? If "Yes," Form 990 must be completed instead of Form 990-EZ	44	✓
45	Is any related organization a controlled entity of the organization within the meaning of section 512(b)(13)? If "Yes," Form 990 must be completed instead of Form 990-EZ	45	✓

Part VI Section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts only. All section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts must answer questions 46-49b and complete the tables for lines 50 and 51.

- | | Yes | No |
|---|-------------------------------------|-------------------------------------|
| 46 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 47 Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 48 Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 49a Did the organization make any transfers to an exempt non-charitable related organization? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b If "Yes," was the related organization a section 527 organization? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
- 50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and address of each employee paid more than \$100,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
NONE				

f Total number of other employees paid over \$100,000 **0**

51 Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and address of each independent contractor paid more than \$100,000	(b) Type of service	(c) Compensation
NONE		

d Total number of other independent contractors each receiving over \$100,000 **0**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here

Signature of officer: Charles C. Bayley Date: 6/3/10

Type or print name and title: **CHARLES BAYLEY, PRESIDENT**

Paid Preparer's Use Only

Preparer's signature: Nancy Lee Course Date: 5/28/10 Check if self-employed:

Firm's name (or yours if self-employed), address, and ZIP + 4: NANCY LEE COURSE, CPA 7861 W 38TH AVE WHEAT RIDGE, CO 80033 EIN: Preparer's identifying number (See instructions): **P00184313** Phone no: **303-420-4900**

May the IRS discuss this return with the preparer shown above? See instructions Yes No

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization

COLORADO RECYCLES

Employer identification number

84 : 0932949

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state:
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I b Type II c Type III—Functionally integrated d Type III—Other
 - e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
 - f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
 - g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
 - (ii) A family member of a person described in (i) above?
 - (iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the US?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
Total									

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
 (Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	22,273	14,868	13,636	12,636	4,934	68,347
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	22,273	14,868	13,636	12,636	4,934	68,347
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						58,722
6 Public support. Subtract line 5 from line 4.						9,625

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4	22,273	14,868	13,636	12,636	4,934	68,347
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	82	154	117	29	7	389
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						68,736
12 Gross receipts from related activities, etc. (see instructions)					12	0
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f))	14	14.00 %
15 Public support percentage from 2008 Schedule A, Part II, line 14	15	30.43 %
16a 33 1/3 % support test—2009. If the organization did not check the box on line 13, and line 14 is 33 1/3 % or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
b 33 1/3 % support test—2008. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3 % or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
17a 10%-facts-and-circumstances test—2009. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	<input checked="" type="checkbox"/>	
b 10%-facts-and-circumstances test—2008. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶	<input type="checkbox"/>	

Part III Support Schedule for Organizations Described in Section 509(a)(2)
 (Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

15 Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2008 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18	%

19a 33 1/3 % support tests—2009. If the organization did not check the box on line 14, and line 15 is more than 33 1/3 %, and line 17 is not more than 33 1/3 %, check this box and stop here. The organization qualifies as a publicly supported organization

b 33 1/3 % support tests—2008. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3 %, and line 18 is not more than 33 1/3 %, check this box and stop here. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supplemental Information. Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Provide any other additional information. See instructions.

PART II, LINE 17a: FACTS AND CIRCUMSTANCES TEST

UNTIL THE ORGANIZATION WAS TERMINATED, MEMBERS WERE ACTIVELY SOLICITED FROM THE BUSINESS COMMUNITY COMMITTED TO RECYCLING. THESE MEMBERS INCLUDED GROCERY STORES, BEVERAGE COMPANIES, CHEMICAL AND WASTE MANAGEMENT COMPANIES.

THE GOVERNING BODY REPRESENTS INDUSTRIES WHICH SUPPORT RECYCLING BY THE GENERAL PUBLIC. TO ACHIEVE THE GOAL OF RECYCLING, THE ORGANIZATION PROVIDES FREE WEB SITES WHICH LIST RECYCLERS IN THE UNITED STATES. THE WEB SITES INCLUDE: THE RECYCLING GUIDE, CURBSIDE RECYCLING, PLASTIC BAG RECYCLING, AND CHRISTMAS TREE RECYCLING. THESE WEB SITES RECEIVED APPROXIMATELY 1.5 MILLION HITS IN 2009. THE COST OF MAINTENANCE AND UPDATING OF THE WEB SITES IS BORNE COMPLETELY BY THE ORGANIZATION. NO FEES ARE CHARGED TO THE PUBLIC OR THE RECYCLERS. RECYCLING GUIDES, EITHER IN PRINT OR IN ELECTRONIC FORMAT, HAVE BEEN PROVIDED FREE OF CHARGE TO THE PUBLIC SINCE SHORTLY AFTER THE ORGANIZATION'S FORMATION IN 1983.

FOR THE 5 YEAR TEST PERIOD, THE CONTRIBUTIONS IN EXCESS OF THE 2% LIMIT WERE RECEIVED FROM MEMBERS OF THE ORGANIZATION.

Series of horizontal dashed lines for additional text entry.

COLORADO RECYCLES

RESOLUTION OF THE BOARD OF DIRECTORS

CONCERNING THE DISSOLUTION OF COLORADO RECYCLES, INC.

WHEREAS, recent changes promulgated by the Internal Revenue Service to the methodology for calculating public support of 501 (c) (3) nonprofit corporations have made it difficult for Colorado Recycles, Inc. to meet the new accounting test, and

WHEREAS, arrangements have been made to donate the intangible assets owned by Colorado Recycles, Inc. to the Pikes Peak Regional Water Authority, a governmental entity under Colorado law, and

WHEREAS, the most prudent course of action is for Colorado Recycles, Inc. to be dissolved as a corporate entity concurrent with the end of fiscal year 2009 on December 31, 2009.

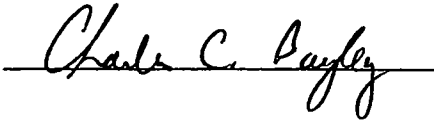
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Colorado Recycles, Inc. as follows:

1. Counsel for Colorado Recycles, Inc., Dill, Dill, Carr, Stonbraker & Hutchings, is hereby instructed to file such information as necessary with the Colorado Secretary of State to affect the dissolution of Colorado Recycles, Inc. effective December 31, 2009.
2. The certified public accountant for Colorado Recycles, Inc., Nancy Couse, CPA, is hereby instructed to prepare a final tax return for fiscal year 2009 to inform the Internal Revenue Service that Colorado Recycles, Inc. has been dissolved effective December 31, 2009.
3. The executive director for Colorado Recycles, Inc., Richard G. Brown, is instructed to perform such actions as are necessary to finalize the business operations of Colorado Recycles, Inc. in order to wind up the affairs of the organization as of December, 31, 2009. Such actions shall include, but not necessarily be limited to:
 - a. Payment of the legal counsel, Dill, Dill, Carr, Stonbraker & Hutchings, for professional legal services involved in the dissolution of Colorado Recycles, Inc.
 - b. Payment for the professional services of Nancy Couse, CPA, for accounting, consulting and tax preparation services involved in the dissolution of Colorado Recycles, Inc. and appropriate tax filings for fiscal year 2009.
 - c. Payment for the professional services of Tim O'Connell, webmaster, for such services as are necessary to transfer the intangible assets of the Colorado Recycles, Inc. web sites to the Pikes Peak Regional Water Authority.
 - d. Organization and preservation of such Colorado Recycles, Inc. corporate records and files for necessary historic and archival purposes.
 - e. Closing of the corporate checking account at Merrill Lynch concurrently with the dissolution of Colorado Recycles, Inc. the balance in the account, if any, shall be paid to Richard G. Brown for professional services for the months of October, November, and

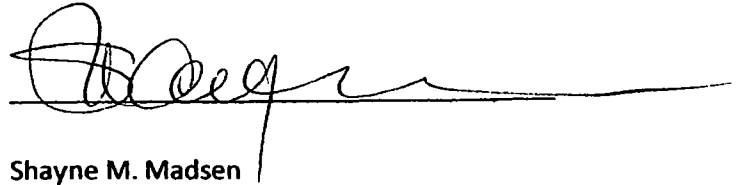
December of 2009 and for services to be conducted for the transfer of assets to the Pikes Peak Regional Water Authority.

ADOPTED BY A VOTE OF THE BOARD OF DIRECTORS THIS 29TH DAY OF DECEMBER, 2009.

In witness of the above, the corporation has caused this resolution to be signed by its authorized officers.

Handwritten signature of Charles C. Bayley in cursive script, written over a horizontal line.

Charles Bayley
President

Handwritten signature of Shayne M. Madsen in cursive script, written over a horizontal line.

Shayne M. Madsen
Secretary

COLORADO RECYCLES

RESOLUTION OF THE BOARD OF DIRECTORS

CONCERNING THE DONATION OF CERTAIN INTANGIBLE ASSETS TO THE PIKES PEAK REGIONAL WATER AUTHORITY

WHEREAS, the Board of Directors of Colorado Recycles, Inc. has determined that the financial challenges facing the organization require a new direction, and

WHEREAS, the Board of Directors of Colorado Recycles, Inc. has determined that the most prudent and appropriate course of action that is available is the dissolution of Colorado Recycles concurrently with the end of fiscal year 2009 (December 31, 2009), and

WHEREAS, Colorado Recycles possesses certain intangible assets that must be disposed of in order to accomplish the dissolution of the corporation, and

WHEREAS, the rules and regulations of the Internal Revenue Service specify that such assets must be sold, donated to another 501 (c) (3) nonprofit entity with a complimentary mission to that of Colorado Recycles, Inc. or donated to a governmental entity, and

WHEREAS, the principle mission of Colorado Recycles, Inc., as specified in its Articles of Incorporation, Article III, Section 1, is "To promote effective voluntary recycling, litter control, and resource conservation through public information and education campaigns and any and all means", and

WHEREAS, the Pikes Peak Regional Water Authority is a governmental organization composed solely of Colorado municipalities and Title 32 special governmental districts organized under 29-1-204.2, Colorado Revised Statutes as a separate governmental entity, and

WHEREAS, the Pikes Peak Regional Water Authority is authorized under Colorado law and its own organizing documents to acquire, hold, lease, sell, or otherwise dispose of any legal or equitable interest in real or personal property, and

WHEREAS, the Pikes Peak Regional Water Authority is authorized under Colorado law and its own organizing documents to develop programs for maximizing the re-use (also known as recycling) potential of all re-usable effluent and return flows generated by member entities through their water and wastewater systems, and

WHEREAS, the Pikes Peak Regional Water Authority is authorized under Colorado law and its own organizing documents to establish a comprehensive plan for conservation of the water resources relied upon by all its member entities, and

COLORADO RECYCLES

MINUTES OF BOARD OF DIRECTORS MEETING

MEETING CONVENED: The meeting of Colorado Recycles Board of Directors was held on December 29, 2009, at the Imperial Restaurant, 431 S. Broadway, Denver, CO. The meeting was convened at 12:30 PM by Charles Bayley, President of the Board of Directors. A lunch was provided. The agenda for the meeting was the single issue of the dissolution of Colorado Recycles, Inc. as a nonprofit corporation.

ATTENDANCE – QUORUM: Directors in attendance were Charles Bayley, Shayne Madsen, John Easter, Mary Lou Chapman and Kris Staaf. A quorum was determined to be present. Also in attendance was Dick Brown, Executive Director.

APPOINTMENT OF SECRETARY: The position of Secretary was vacant and Shayne Madsen, Esq. was appointed to the post of secretary.

REPORT ON TAX EXEMPTION STATUS: Charles Bayley opened the meeting discussion of the issue of the tax exemption status of Colorado Recycles and asked Dick Brown to update the board.

Dick Brown reported that due to changes in the methodology for determining the amount of what is known as “public support” by the Internal Revenue Service, that Colorado Recycles CPA, Nancy Couse, had determined that given its organizational structure and membership that Colorado Recycles would not be able to continue its tax-exempt status as a 501 (c) (3) nonprofit corporation. Dick Brown reported that Nancy Couse’s research had demonstrated that the new formula was largely one of dilution and that large membership contributions needed to be factored against the membership base. Colorado Recycles was not designed organizationally to be a large membership organization such as Trout Unlimited, Sierra Club and other large organizations. The lack of a numerically large membership base has resulted in the large individual membership dues paid by some entities to exceed the public support test of the IRS.

Dick Brown reported that the change in methodology by the IRS was the result of a lengthy investigation into abuses by some 501 (c) (3) nonprofit organizations of several prohibited acts. Colorado Recycles was simply caught in the after effects of the change.

Dick Brown reported that Nancy Couse’s research had concluded that the options available to Colorado Recycles would be to change its organizational structure to develop a large membership base that would absorb larger individual membership dues, reorganize into a different form of nonprofit entity, or dissolve the corporation. Dick Brown reported that Nancy Couse’s research had indicated that absent such a change that Colorado Recycles would lose its 501 (c) (3) nonprofit exemption and would be reclassified by the IRS as a private foundation with profound implications for the tax deductibility of membership dues.

Dick Brown reported that for Colorado Recycles to reorganize to develop a large membership base that it would be necessary to restructure and reconstitute the classes of membership along , ~~with their designated director representation and that would likely require a restatement of the~~ Articles of Incorporation as well as significant changes to the bylaws. Dick Brown reported that in his conversations with Nancy Couse it was determined that a more practical and clean

approach would be to simply incorporate a new entity as a 501 (c) (4) or a 501 (c) (6) nonprofit. In order to form a new entity, it would be necessary to dissolve Colorado Recycles.

Dick Brown reported that under IRS rules any assets of Colorado Recycles would have to be donated to an appropriate entity or sold. The only assets possessed by Colorado Recycles are intangible assets, all the tangible assets having been depreciated off the books and disposed of in past tax cycles. Dick Brown reported that there is no existing formula or methodology for the calculation of the value of the intangible assets and that according to research conducted by Nancy Couse and the attorneys at Dill, Dill, Carr, Stonbraker & Hutchings the value of the assets would ultimately be the price that could be secured if the assets were sold. It was noted that any cash that resulted from the sale would become an asset and would have to be disposed of through a donation to an appropriate receiving organization. Dick Brown reported that attempts to find a buyer for the intangible assets had not been successful and that an entity that would qualify to receive the assets as a donation had been sought. Dick Brown reported that the assets consisted of 4 web sites, the registered trade names for the Recycling Guide and the Recycler of the Year Awards, and the name Colorado Recycles.

Dick Brown reported that the only entities that would be eligible to receive the assets as a donation would be another 501 (c) (3) nonprofit corporation with a mission similar to Colorado Recycles or a governmental entity. Dick Brown reported on the discussion with the Colorado Association of Commerce and Industry to use its nonprofit foundation to be the recipient of the intangible assets. After several exchanges of information CACI had not acted to accept the donation of assets.

Dick Brown reported that the Colorado Municipal League, which has been an ongoing partner for the curbside recycling web site, had declined to accept the full web site. Since the Colorado Municipal League is not a governmental entity but a trade association, it would not be possible to donate the web site to the CML and it would have to be sold at some value. The CML declined based on a lack of available resources to acquire and maintain the web site.

Dick Brown reported that the Pikes Peak Regional Water Authority, a governmental entity under Colorado law, was willing to accept the assets and to continue the operation of the web sites. Since the web sites exist through the Internet, it is a very seamless and zero cost change to link the web sites to the web site of the Pikes Peak Regional Water Authority and that the masthead would be changed to reflect the logos of both the Authority and Colorado Recycles. Dick Brown noted that joint logos were already being used on the curbside recycling website due to the working arrangement with the Colorado Municipal League. The PPRWA is composed of incorporated cities and Title 32 special districts, and the city members are also members of the CML and it is likely that the curbside web site will continue to display the CML logo as well as those of Colorado Recycles and the PPRWA.

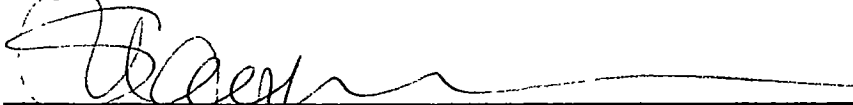
Dick Brown distributed a draft resolution that would transfer the intangible assets owned by Colorado Recycles to the Pikes Peak Regional Water Authority. After review and discussion, there was unanimous consent among the board members to adopt the resolution in concept subject to final edits by board members. A copy of the final resolution is here attached.

Dick Brown distributed a draft resolution that would authorize the dissolution of Colorado Recycles effective December 31, 2009 and which further provided for the wrap up of outstanding or pending matters simultaneously with the filing of articles of dissolution with the Colorado Secretary of State. After review and discussion, there was unanimous consent among the board

members to adopt the resolution in concept subject to final edits by board members. A copy of the final resolution is here attached.

ADJOURNMENT: There being no further business to come before the board, Charles Bayley adjourned the meeting at 1:45 PM.

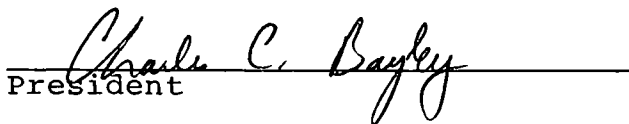
Respectfully submitted,



Shayne M. Madsen, Esq.
Secretary

The undersigned being a director and officer of Colorado Recycles does hereby certify that the attached is a true and correct copy of the minutes of a meeting of the directors held on December 29, 2009, and which truly and accurately reflects the action of the board of directors in adopting a plan of liquidation. There have been no amendments or changes since its inception.

This certification is given this 29th day of December, 2009.



President



Colorado Secretary of State
 Date and Time: 12/30/2009 04:15 PM
 ID Number: 19871530976
 Document number: 20091679494
 Amount Paid: \$25.00

Document processing fee
 If document is filed on paper \$125.00
 If document is filed electronically \$ 25.00
 Fees & forms/cover sheets
 are subject to change.
 To file electronically, access instructions
 for this form/cover sheet and other
 information or print copies of filed
 documents, visit www.sos.state.co.us
 and select Business Center.
 Paper documents must be typewritten or machine printed.

ABOVE SPACE FOR OFFICE USE ONLY

Articles of Dissolution

filed pursuant to §7-90-301, et seq. and §7-134-103 of the Colorado Revised Statutes (C.R.S)

ID number: 19871530976

1. Entity name: COLORADO RECYCLES, INC.

2. Principal office mailing address: 9032 E Amherst Dr
(Street name and number or Post Office Box information)
Unit F
Denver CO 80231
(City) (State) (Postal/Zip Code)
United States
(Province - if applicable) (Country - if not US)

3. The nonprofit corporation is dissolved.

4. (Optional) Delayed effective date: 12/31/2009
(mm/dd/yyyy)

Notice:

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This perjury notice applies to each individual who causes this document to be delivered to the secretary of state, whether or not such individual is named in the document as one who has caused it to be delivered.

5. Name(s) and address(es) of the individual(s) causing the document to be delivered for filing:

Lotterhos Kelly L
(Last) (First) (Middle) (Suffix)

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United States
(Province - if applicable) (Country - if not US)