

ORDINANCE NO. 4

AN ORDINANCE TO CONTRACT AN INDEBTEDNESS ON BEHALF OF THE TOWN OF BRECKENRIDGE, COLORADO, AND UPON THE CREDIT THEREOF BY ISSUING BONDS OF SAID TOWN IN THE PRINCIPAL AMOUNT OF \$46,000, FOR THE PURPOSE OF SUPPLYING WATER TO SAID TOWN AND ITS INHABITANTS BY EXTENDING AND IMPROVING THE WATERWORKS SYSTEM OF THE TOWN, PRESCRIBING THE FORM OF SAID BONDS, PROVIDING FOR THE LEVY OF TAXES AND THE APPLICATION OF WATER REVENUES TO PAY THE SAME, AND DECLARING AN EMERGENCY.

WHEREAS, a majority of the voters of the Town of Breckenridge, Colorado, who were taxpayers under the law, voting on the question at a municipal election heretofore held in said Town, by their vote approved and authorized the Board of Trustees of said Town to erect a system of waterworks for fire and domestic purposes, the same to be owned and operated by the Town; and

WHEREAS, the Town did erect and ever since said time has owned, operated and maintained a system of waterworks for the purpose of supplying said Town and its inhabitants with water for fire and domestic purposes; and

WHEREAS, it is necessary to extend and improve said waterworks system in order to supply the said Town and the inhabitants thereof with a proper and adequate supply of water; and

WHEREAS, there are not sufficient funds in the treasury of said Town to provide for the necessary extensions and improvements to said waterworks system, and the Board of Trustees deems it advisable and necessary to issue coupon bonds of said Town for that purpose;

THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF BRECKENRIDGE, SUMMIT COUNTY, COLORADO:

Section 1. That for the purpose of providing funds for supplying water to said Town and its inhabitants by extending and improving the waterworks system of the Town, the Town shall issue the negotiable coupon bonds thereof, in the principal amount of \$46,000, consisting of 46 bonds in the denomination of \$1,000 each, numbered 1 to 46, inclusive, dated April 1, A. D. 1957, payable in lawful money of the United States of America, bearing interest at the rate of 4.50% per annum, payable semi-annually on the 1st day of April and the 1st day of October each year, as evidenced by interest coupons attached to said bonds, and maturing October 1st, as follows:

Amount	Maturity
\$ 1,000	1958 to 1964, incl.
2,000	1965 to 1973, incl.
3,000	1974 to 1976, incl.
4,000	1977 to 1979, incl.

Bonds maturing in the years 1963 and thereafter shall be redeemable at the option of the Town on October 1, 1962, and on any interest payment date thereafter in inverse numerical order, at par, accrued interest and premiums as follows:

From October 1, 1962 to April 1, 1967, inclusive, 4% of principal;

From October 1, 1967 to April 1, 1972, inclusive, 2% of principal;

After April 1, 1972, at par and accrued interest only.

Notice of redemption prior to maturity shall be given to the original purchaser of said bonds at least thirty (30) days prior to the date of call.

The principal of and interest on said bonds shall be payable at the Commercial Bank of Leadville, Leadville, Colorado.

Said bonds shall be signed by the Mayor, attested and countersigned by the Town Clerk and Treasurer under the official seal of said Town, and shall be recorded in a book kept by said Town Clerk for that purpose. All coupons shall bear the facsimile signature of the Treasurer of said Town.

Section 2. That the said bonds and the coupons attached thereto shall be in substantially the following form, to-wit:

UNITED STATES OF AMERICA

STATE OF COLORADO COUNTY OF SUMMIT
TOWN OF BRECKENRIDGE
WATER EXTENSION BOND

No. _____ \$ 1,000

The Town of Breckenridge, in the County of Summit and State of Colorado, acknowledges itself indebted and hereby promises to pay to the bearer hereof the sum of

ONE THOUSAND DOLLARS

on the 1st day of October, A. D. 19____, with interest thereon at the rate of four and 50/100 per centum (4.50%) per annum, payable semi-annually on the 1st day of April and the 1st day of October, each year, upon presentation and surrender of the annexed coupons as they severally become due, both principal and interest being payable in lawful money of the United States of America, at the Commercial Bank of Leadville, Leadville, Colorado.

(The following paragraph to be inserted in bonds maturing in the years 1963 and thereafter.)

This bond is redeemable at the option of the Town on October 1, 1962, and on any interest payment date thereafter, in its inverse numerical order in the issue of which it is one, at par, accrued interest and premiums as follows:

From October 1, 1962 to April 1, 1967, inclusive, 4% of principal;

From October 1, 1967 to April 1, 1972, inclusive, 2% of principal;

After April 1, 1972, at par and accrued interest only.

This bond is issued by the Board of Trustees of the Town of Breckenridge, Colorado, for the purpose of supplying water to said Town and its inhabitants by extending and improving the waterworks system of the Town, under the authority of and in full conformity with the constitution of the State of Colorado, the provisions of Chapter 139, Colorado Revised Statutes, 1953, and all other laws thereunto enabling, and pursuant to an ordinance of said Town duly adopted, published and made a law of said Town prior to the issuance of this bond.

It is hereby certified and recited that all of the requirements of

law have been fully complied with by the proper officers of said 1. in the issuance of this bond; that the total debt of the Town, including that of this bond, does not exceed any limit of indebtedness prescribed by the Constitution or laws of the State of Colorado, and that provision has been made for the levy and collection of an annual tax and for the pledge of water revenues sufficient to pay the interest on and the principal of this bond when the same become due.

The faith and credit of the Town of Breckenridge, Colorado, are hereby pledged for the punctual payment of the principal of and the interest on this bond.

IN TESTIMONY WHEREOF, the Board of Trustees of the Town of Breckenridge, Colorado, has caused this bond to be signed by the Mayor of said Town, sealed with the seal of the Town, attested and countersigned by the Town Clerk and Treasurer, and the attached coupons to be signed with the facsimile signature of the Town Treasurer, as of the 1st day of April, A. D. 1957.

(SEAL)

Mayor

ATTESTED AND COUNTERSIGNED:

Town Clerk and Treasurer

(Form of Coupon)

No. _____ \$22.50

On the 1st day of April, A. D. 19____, *(unless the bond to which

October,

this coupon is attached has been called for prior redemption), the Town of Breckenridge, in the County of Summit and State of Colorado, will pay to bearer

TWENTY-TWO AND 50/100 DOLLARS

in lawful money of the United States of America, at the Commercial Bank of Leadville, Leadville, Colorado, being six months' interest on its Water Extension Bond, dated April 1, A. D. 1957, bearing

No. _____

(Facsimile Signature)

Town Treasurer

*(This clause to appear in coupons maturing April 1, 1963, and thereafter.)

Section 3. That when said bonds have been duly executed as aforesaid, they shall be sold and delivered to the purchaser thereof, and the proceeds shall be used for the purpose of extending and improving the water works system of said Town, and for no other purpose whatsoever, but neither the original purchaser of said bonds, nor the subsequent holder of any of them, shall be in any way responsible for the application or disposal by said Town, or any of its officers, of any of the funds derived from the sale thereof. At the time of the delivery of said bonds, there shall be deposited with said Commercial Bank of Leadville, out of the proceeds of said bonds, or out of any other available funds the amount of \$2070, for the purpose of paying interest on said bonds on October 1, 1957, and April 1, 1958.

Section 4. For the purpose of meeting the interest on said bonds promptly as the same becomes due, and for the purpose of providing for the ultimate payment and redemption of said bonds, there shall be levied on all the taxable property in said Town, in addition to all other taxes, direct annual taxes in each of the years 1957 to 1973, inclusive, sufficient to produce the interest on and the principal of all of said bonds outstanding, as the same become due and payable, respectively. Said taxes, when collected, shall be deposited in a special fund to be known as "Town of Breckenridge Water Extension Bond Fund, 1957" and such fund shall be applied solely to the purpose of the payment of the interest on and the principal of said bonds, respectively, and for no other purpose whatever, until the indebtedness so contracted under this Ordinance, both principal and interest, shall have been duly paid, satisfied and discharged, but nothing herein contained shall be so construed as to prevent said Town from applying any other funds or revenues that may be in the Town Treasury and available for that purpose, to the payment of said interest or principal, as the same respectively mature, and upon any such payments the levy or levies herein provided may thereupon to that extent be diminished. And the sums hereinbefore provided to meet the interest on said bonds, and to discharge the principal thereof when due, are hereby appropriated for that purpose, and said amount for each year shall also be included in the annual budget and the appropriation bills to be adopted and passed by the Board of Trustees of said Town in each year, respectively.

Section 5. It shall be the duty of the Board of Trustees of said Town, annually, at the time and in the manner provided by law for levying other Town taxes, if such actions shall be necessary, to effectuate the provisions of this Ordinance, to ratify and carry out the provisions hereof with reference to the levying and collection of taxes; and said Board shall levy, certify and collect such taxes in the manner provided by law for the purpose of creating a fund for the payment of the principal of said bonds and the interest thereon, and such taxes, when collected shall be kept for and applied only to the payment of the interest and principal of said bonds as hereinabove specified.

Section 6. Notwithstanding the provisions herein for tax levies, the Town shall apply in payment of said bonds and interest thereon, the gross revenues of the water system of said Town, after the payment only of necessary and reasonable expenses of operation and maintenance. The owners and holders of said bonds shall have a first and prior lien on such net revenues.

Section 7. In addition to the foregoing, the Town shall accumulate and deposit with said Commercial Bank of Leadville, as a Reserve Fund, the amount of \$1500 in each of the three years commencing April 1, 1957. If necessary, the amount in said Fund shall be used to pay interest on and principal of said bonds, but if so used, the amount thereof shall be restored at the earliest opportunity. When accumulated, said Reserve Fund shall be maintained at not less than \$4500 until such time as said amount will pay the interest on and principal of all of said bonds then outstanding. The amount in said Reserve Fund may be invested in direct obligations of the United States of America, maturing in not more than five years from the date thereof, and interest therefrom shall be placed in said Reserve Fund.

Section 8. The proceeds of any sale by the Town of water or water rights shall be used to purchase bonds of this issue in the open market at not less than the call price thereof, or held by the Town for the retirement of said bonds in accordance with the provision of this ordinance.

(Continued on Page Seven)

ORDINANCE NO. 4

(Continued from Page Six)

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Section 9. The Town shall furnish no free service from its water system, and if it should use water for municipal purposes, it shall pay therefor at rates not less than would be charged other consumers for similar service or water furnished.

Section 10. The Town shall, by ordinance, revise its water rates and charges in accordance with the agreement made with the purchaser of said bonds.

Section 11. All ordinances or parts thereof in conflict with this Ordinance are hereby repealed. After said bonds are issued, this Ordinance shall be and remain irrevocable until said bonds and the interest thereon shall have been fully paid, satisfied and discharged.

Section 12. This Ordinance, immediately on its passage, shall be recorded in the Town Book of Ordinances kept for that purpose, authenticated by the signatures of the Mayor and Clerk and shall be published as required by law.

Section 13. By reason of the fact that said improvements are imperatively needed in order that said Town and its inhabitants may be properly and adequately supplied with water, it is hereby declared that an emergency exists, that this Ordinance is necessary to the immediate preservation of the public peace, health and safety and shall be in full force and effect five days after publication.

ADOPTED AND APPROVED This 10th day of July, 1957.

Frank J. B...

Mayor

(S E A L)

ATTEST:

Alice Milne

Town Clerk