

Grand Junction, Colorado

March 11, 1941

The City Council of the City of Grand Junction, Colorado, met in special session, having been duly notified, at 4:00 o'clock P.M. Councilmen present and answering at roll call were: Robb, Campbell, Boston, Carson, Treece and President Ross. Councilmen absent - Garrison. City Manager Brownson, City Attorney Hinman and City Clerk Tomlinson were present.

It was moved by Councilman Carson and seconded by Councilman Boston that the 24-hour formal notice for special meeting be waived. Motion carried unanimously.

A bond for H. E. Fly, Auctioneer, having been approved as to form by City Attorney Hinman, was presented. It was moved by Councilman Campbell and seconded by Councilman Carson that the bond be accepted and filed. Motion carried.

Mr. D. F. Lawrence of Boettcher and Co. was present and spoke to the Council about refunding the 1939 Water Refunding bonds at a reduced rate of interest. He also, tentatively, outlined a plan for refunding the special improvement bonds that are outstanding.

The following proposal was presented:

Honorable Mayor and City Council,
Grand Junction, Colorado

Gentlemen:

The City of Grand Junction has now outstanding \$88,000 Water Revenue Bonds bearing interest at the rate of 2 1/2% per annum and due serially December 1, 1941 through 1953, inclusive. For the refunding of these bonds we submit the following proposal:

For \$88,000 Refunding Bonds of which the first maturing \$39,000 Bonds are to bear interest at the rate of 1 1/2% per annum and the last maturing \$49,00 bonds are to bear interest at the rate of 2% per annum, we will pay you the par value thereof plus any accrued interest and the proceeds are to be used for the redemption of \$88,000 outstanding Water Revenue Bonds which are now callable at their par value plus a premium of 2 1/2%. The new Refunding Bonds are to mature according to the same schedule of maturities of the outstanding bonds, but the longest maturity not later than 1953, provided, however, that a schedule of maturities over a shorter term of years may be decided upon if mutually satisfactory.

The City of Grand Junction is to pay a premium of 2 1/2% on each of the bonds of the original issue and is also to pay interest from December 1, 1940 until the date of redemption of the

old bonds. Boettcher and Company is to furnish without charge all legal proceedings in typewritten form ready for adoption, the blank bonds ready for signature and the opinion of Mr. Nyles P. Tallmadge of Denver, Colorado as to the legality of the issue. Boettcher and Company is also to pay the cost of publishing the refunding ordinance, said charge not to exceed \$75.00. In the event the cost of publishing the ordinance exceeds \$75.00, then the excess is to be paid by the City of Grand Junction.

The new bonds are to be secured by an ordinance substantially identical to the one securing the presently outstanding 2 1/2% Bonds and City of Grand Junction agrees to take such steps and adopt such proceedings as we and our attorney may direct to the end that the outstanding bonds will be called and the new bonds issued without undue or unnecessary delay. Due to the uncertainty of current financial conditions, this offer to purchase shall be subject to confirmation by Boettcher and Company on or before March 17, 1941, said confirmation to be addressed to the City Manager in writing.

Respectfully submitted,

BOETTCHER AND COMPANY

By

/s/ D. F. Lawrence

The above proposal is hereby accepted by the City of Grand Junction this 11th day of March A. D. 1941.

/s/ C. E. Ross

President

ATTEST:

/s/ Helen C. Tomlinson

City Clerk

The attached agreement for the refunding of \$88,000 Water Revenue 2-1/2% Bonds is to be modified as follows:

The \$88,000 of new Refunding Bonds are to bear interest at 1-1/2% per annum, are to be dated January 1, 1941 and are to mature \$16,000 1942, \$16,000 1943, \$18,000 1944, \$19,000 1945 and \$19,000 1946. Boettcher and Company is to pay accrued interest from the date of issue to the date interest ceases on the bonds being refunded.

Other terms and conditions of the attached agreement are to remain unchanged.

BOETTCHER AND COMPANY

By /s/ D. F. Lawrence

CITY OF GRAND JUNCTION

By /s/ C. E. Ross

Attest:

/s/ Helen C. Tomlinson
City Clerk

March 11, 1941

It was moved by Councilman Carson and seconded by Councilman Campbell that the proposal as read be accepted. Roll was called on the motion with the following result: Councilmen voting AYE - Robb, Campbell, Boston, Carson, Treece and Ross. Councilmen voting NO - None. All of the Councilmen present voting AYE, the President declared the motion carried.

The following proposal was then read:

Honorable Mayor and City Council,
Grand Junction,
Colorado

Gentlemen:

The City of Grand Junction has outstanding \$280,500 Special Improvement Bonds payable from special assessments against benefited property within the city. In an effort to work out a refinancing of these bonds the City of Grand Junction has delegated Boettcher and Company to make an investigation and present a refunding plan which shall be acceptable to the City.

The purpose of this refunding is to reduce the rate of interest, thus effecting a savings to the taxpayers of Grand Junction and also to extend the period of time over which these bonds are paid so that greater efficiency may be attained in the collection of the outstanding assessments.

Boettcher and Company agree to retain competent attorneys and prepare a refunding plan for the City of Grand Junction which will reduce the rate of interest and extend the present maturities of the bonds, it being understood that such plan must be acceptable to the City Council.

For and in consideration of the preparation of a refunding plan for these bonds, Boettcher and Company is to be given the exclusive option of handling the issuance thereof, it being understood that bonds may be exchanged par for par with present holders, or purchased for cash and further that the City of Grand Junction shall have the opportunity of reinvesting any of its funds which are now invested in Special Assessment Bonds.

The refunding plan must be acceptable to the City Council; and if it is not acceptable, then Boettcher and Company is to be given the opportunity to revamp said plan in accordance with the wishes of the City Council.

Boettcher and Company is to have the option to purchase the refunding bonds to bear rates of interest which shall be mutually acceptable or at rates of interest which shall be offered to the city by any other responsible bidder.

Respectfully submitted,

BOETTCHER AND COMPANY

By

/s/ D. F. Lawrence

The above proposal is hereby accepted by the City of Grand Junction this 11th day of March, A. D. 1941.

/s/ C. E. Ross

President of City Council

ATTEST:

/s/ Helen C. Tomlinson

City Clerk

It was moved by Councilman Carson and seconded by Councilman Boston that the proposal as read be accepted. Roll was called on the motion with the following result: Councilmen voting AYE - Robb, Campbell, Boston, Carson, Treece, and Ross. Councilmen voting NO - None. All of the Councilmen present voting AYE, the President declared the motion carried.

It was moved by Councilman Carson and seconded by Councilman Campbell that the meeting adjourn. Motion carried.

/s/ Helen C. Tomlinson

City Clerk