

ORDINANCE NO. 658

AN ORDINANCE PROVIDING FOR THE ISSUANCE BY THE CITY OF GRAND JUNCTION OF ITS NEGOTIABLE COUPON BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF \$244,000.00, TO BE DENOMINATED "CITY OF GRAND JUNCTION REFUNDING IMPROVEMENT BONDS, SERIES 1942", FOR THE PURPOSE OF REFUNDING OUTSTANDING REFUNDING IMPROVEMENT BONDS OF THE CITY, DATED MAY 1, 1941, IN THE AMOUNT OF \$214,000.00, AND OUTSTANDING IMPROVEMENT BONDS OF THE CITY IN THE AMOUNT OF \$30,000.00; PRESCRIBING THE FORM OF SAID CITY OF GRAND JUNCTION REFUNDING IMPROVEMENT BONDS, SERIES 1942; PROVIDING FOR THE PAYMENT THEREOF: AND DECLARING AN EMERGENCY.

WHEREAS, Ordinance No. 648 of the City of Grand Junction, duly adopted the 16th day of April, 1941, authorized the issuance of Refunding Improvement Bonds of the City of Grand Junction, dated May 1, 1941, in the aggregate principal amount of \$263,500.00, consisting of two hundred and sixty-three bonds in the denomination of \$1,000.00 each, numbered from 1 to 263, both inclusive, and one bond in the denomination of \$500.00, numbered 264, bearing interest at the rate of two and one-half, three, and three and one-quarter per centum per annum, maturing May 1, 1956, but subject to redemption at any time prior to maturity; and

WHEREAS, of the bonds so authorized, Refunding Improvement Bonds in the amount of \$260,000.00, being bonds numbered from 1 to 260, both inclusive, were duly issued and delivered, and of the bonds so issued and delivered, bonds numbered from 1 to 46, both inclusive, in the aggregate principal amount of \$46,000.00, have been paid, leaving outstanding and unpaid valid Refunding Improvement Bonds of said issue in the aggregate principal amount of \$214,000.00, consisting of bonds numbered from 47 to 260, both inclusive, and

WHEREAS, subsequent to the enactment of said ordinance and the issuance of said bonds, additional improvement bonds of the City of Grand Junction have been issued and are now outstanding, consisting of bonds issued on behalf of Sidewalk District No. 11, in the aggregate principal amount of \$20,500.00 dated August 1, 1941, due August 1, 1953, and bearing interest at the rate of three per centum per annum, and bonds issued on behalf of Paving and Sidewalk District No. 47, in the aggregate principal amount of \$9,500.00 dated October 1, 1941, due October 1, 1953, and bearing interest at the rate of three per centum per annum, and

WHEREAS, at the regular municipal election held in the City of Grand Junction on the 8th day of April, 1941, a majority of the qualified electors of the City voting on the proposition approved People's Ordinance No. 27 of said City, which ordinance authorized the City Council to levy an annual ad valorem tax on all of the taxable property in the City, not exceeding in any one year one mill on the valuation thereof, for the purpose of paying for the construction of public improvements in said City and of making up any deficits in special improvement district funds; and

WHEREAS, pursuant to Section 6 of Article XX of the Constitution of the State of Colorado, the City of Grand Junction is authorized and has the power to refund its municipal obligations, including the refunding and liquidation of the bonds hereinbefore described, and has the power to levy and collect special assessments for local improvements; and

WHEREAS, the City Council has determined and does hereby determine that it is necessary and for the best interests of the City and the inhabitants thereof, to refund said outstanding Refunding Improvement Bonds and said local improvement bonds, aggregating in all \$244,000.00, by the issuance of City of Grand Junction Refunding Improvement Bonds, Series 1942, in the aggregate principal amount of \$244,000.00, thereby effecting a substantial saving in interest charges;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO:

Section 1. For the purpose of refunding the Refunding Improvement Bonds of the City of Grand Junction, dated May 1, 1941, and the improvement bonds of the City of Grand Junction hereinabove described, which will be outstanding and unpaid on November 1, 1942, aggregating in all \$244,000.00, the City shall execute and deliver a single issue of bonds in the principal amount of \$244,000.00, to be designated "City of Grand Junction Refunding Improvement Bonds, Series 1942", dated November 1, 1942, bearing interest at the rates hereinafter specified, said interest being payable semiannually on the first days of May and November in each year and evidenced by coupons to be attached to said bonds, and consisting of two hundred and forty-four bonds in the denomination of \$1,000.00 each, numbered from 1 to 244, both inclusive. The rates of interest on said bonds shall be as follows:

<u>Bond Numbers</u>	<u>Interest Rate</u>	<u>Amounts</u>
1 - 30, Inc.	1 1/4%	\$30,000.00
31 - 61 "	1 1/2%	31,000.00
62 - 92 "	1 3/4%	31,000.00
93 - 124 "	2%	32,000.00
125 - 154 "	2 1/4%	30,000.00

155 - 244 "	2 1/2%	90,000.00
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Section 2. Said bonds shall be due and payable on the first day of May, 1956, but shall be subject to call and payment, at par and accrued interest, in regular numerical order, at any time before maturity on the publication of a notice of call in the official newspaper of the City, and upon written notice to Boettcher & Company, of Denver, Colorado. At the expiration of thirty days from the publication and mailing of such notice, interest on the bonds so called shall cease; provided, however, that prior to the first day of May, 1944, no Refunding Improvement Bond, Series 1942, authorized by this ordinance shall be refunded or paid by means of another refunding operation, but prior to said date said bonds shall be redeemable and paid only from the Refunding Improvement Bond Fund hereinafter described, and not otherwise. The Principal of and interest on said bonds shall be payable in lawful money of the United States of America, at the office of the City Treasurer in Grand Junction, Colorado. Said bonds shall be signed by the President of the City Council, countersigned by the City Treasurer and sealed with the seal of the City, attested by the City Clerk. The coupons attached to said bonds shall bear the facsimile signature of the City Treasurer, who, by the execution of said bonds, shall adopt for and as his signature the facsimile thereof appearing upon said coupons. The City Treasurer shall register said bonds in a book kept by him in his office for that purpose.

Section 3. Said Refunding Improvement Bonds, Series 1942, and the interest thereon, shall be payable in regular numerical order, out of a fund hereby created and designated "Refunding Improvement Bond, Series, 1942, Fund", which shall contain; (a) the receipts from paid and unpaid assessments levied against property in said improvement districts on behalf of which the City of Grand Junction issued the bonds described in and refunded by the Refunding Improvement Bonds authorized to be issued under Ordinance No. 648, adopted the 16th day of April, 1941, and in improvement districts on behalf of which the City of Grand Junction issued the bonds described in the preamble hereof; (b) paid and unpaid interest and penalties on said assessments; (c) the proceeds derived and to be derived from the sale of tax certificates and property now and hereafter held by the City for delinquent assessments in said districts; and (d) the proceeds of all taxes levied pursuant to said People's Ordinance No. 27. In no event shall the total amount of bonds issued hereunder exceed the total of the principal of the unpaid bonds to be refunded.

Section 4. Said Refunding Improvement Bonds, Series 1942, and the coupons to be attached thereto, shall be in substantially the following form:

UNITED STATES OF AMERICA

STATE OF COLORADO

COUNTY OF MESA

CITY OF GRAND JUNCTION  
REFUNDING IMPROVEMENT BONDS  
SERIES 1942

No. \_\_\_\_\_

\$1,000.00

The City of Grand Junction, in the County of Mesa and State of Colorado, for value received, hereby promises to pay to the bearer hereof, out of the special fund hereinafter designated, but not otherwise the sum of

ONE THOUSAND DOLLARS

in lawful money of the United States of America, on the first day of May, A. D. 1956, and to pay interest thereon according to the interest coupons hereto attached, on the first day of May and the first day of November in each year, both principal and interest being payable at the office of the City Treasurer, in Grand Junction, Colorado, upon presentation and surrender of the annexed coupons and this bond as they severally become due.

The bonds of this issue are subject to call and redemption in their regular numerical order any time prior to maturity, at par and accrued interest, after publication of notice in the official newspaper of the City. At the expiration of thirty days from the publication of such notice, interest on the bond or bonds so called shall cease.

This bond is one of a series issued for the purpose of refunding a like amount of valid outstanding Refunding Improvement Bonds of the City of Grand Junction, dated May 1, 1941, and valid outstanding Improvement District Bonds of the City, in full conformity with the Constitution and laws of the State of Colorado, the Charter of said City, and an ordinance of said City adopted prior to the issuance hereof.

The principal of and interest on this bond are payable solely out of a special fund designated "Refunding Improvement Bond, Series 1942, Fund", which shall contain: (a) the receipts from all paid and unpaid assessments levied against property in the improvement districts on behalf of which the City of Grand Junction issued the bonds described in and refunded by the Refunding Improvement Bonds authorized to be issued under Ordinance No. 648, adopted the 16th day of April, 1941, and in improvement districts on behalf of which said City issued the bonds refunded by bonds of this issue; (b) paid and unpaid interest and penalties on said assessments; (c) the proceeds derived and to be derived by the City from the sale of tax

certificates and property now and hereafter held by the City for delinquent assessments in said districts; and (d) the proceeds of all taxes levied pursuant to People's Ordinance No. 27 of said City; all as is more fully shown in Ordinance No. \_\_\_\_\_ of said City, authorizing this issue of bonds.

It is hereby certified, recited and warranted that for the payment of this bond and the interest thereon, said City has created and will maintain said fund and will deposit therein amounts collected and to be collected from said assessments, interest and penalties, and the proceeds to be derived from the sale of said tax certificates and delinquent property held under tax deeds, and to be derived from said tax levies, and out of said fund and as an irrevocable and prior charge thereon, will pay this bond and the interest accruing hereon, in the manner and at the times provided by said ordinance under which this bond is issued. For a description of said fund and the nature and extent of the security afforded thereby for the payment of this bond, principal and interest, reference is made to said ordinance.

It is further certified, recited and warranted that all requirements of law and all conditions precedent have been fully complied with by the proper officers of said City in the issuance of this bond and that this bond does not exceed any constitutional, statutory, charter or other limitation, and for the punctual payment of this bond and the interest hereon, said City pledges all of its lawful corporate powers.

IN TESTIMONY WHEREOF, the City of Grand Junction, Colorado, has caused this bond to be signed by the President of its City Council, countersigned by the City Treasurer, sealed with the seal of said City, attested by the City Clerk, and the coupons attached hereto to be executed with the facsimile signature of said Treasurer, as of the first day of November, A. D. 1942.

\_\_\_\_\_  
President of the City Council

Countersigned:

\_\_\_\_\_  
City Treasurer

(SEAL)

ATTEST:

\_\_\_\_\_  
City Clerk

(Form of Coupon)

No. \_\_\_\_\_

\$ \_\_\_\_\_

On the first day of May/November, A. D. 19\_\_\_\_ (unless the bond herein specified has been called for prior redemption), the City of Grand Junction, in the County of Mesa and the State of Colorado, will pay to bearer

\_\_\_\_\_ DOLLARS

in lawful money of the United States of America, at the office of the City Treasurer, in Grand Junction, Colorado, out of the "Refunding Improvement Bond, Series 1942, Fund", but not otherwise, being six months' interest on its Refunding Improvement Bond, Series 1942, dated November 1, 1942, bearing No. \_\_\_\_\_.

/s/ (Facsimile Signature)  
City Treasurer

Section 5. Refunding Improvement Bonds, Series 1942, Nos. 1 to 154, inclusive, shall be sold to Boettcher and Company, of Denver, Colorado, at par and accrued interest, and the proceeds of said sale shall be used only in the payment of a like principal amount of said outstanding improvement district bonds and Refunding Improvement Bonds. Bonds Nos. 155 to 244, inclusive, of said issue may be exchanged, at par, for a like principal amount of said outstanding improvement district bonds and Refunding Improvement Bonds. All outstanding improvement district bonds and Refunding Improvement Bonds which are exchanged for Refunding Improvement Bonds, Series 1942, or which are paid with the proceeds of Refunding Improvement Bonds, Series 1942, shall be cancelled and held by the City Treasurer as evidence of the original indebtedness, until the said Refunding Improvement Bonds, Series 1942, and the interest thereon are paid in full.

Section 6. After the issuance of the Refunding Improvement Bonds, Series 1942, authorized herein, the City shall, by all lawful means, collect and enforce outstanding improvement district assessments and the interest and penalties thereon, and shall place in said Refunding Improvement Bond, Series 1942, Fund all amounts collected or to be collected from such assessments on property in districts, the bonds of which have been refunded under Ordinance No. 648, adopted the 16th day of April, 1941, or the provisions of this ordinance, all interest and penalties on such assessments, the proceeds to be derived from the sale of tax certificates now or hereafter held by said City on property in districts, the bonds of which have been refunded, the proceeds of the sale of property now or hereafter held by the City under tax deeds for delinquent assessments, and, in addition, the proceeds of all tax levies made pursuant to said People's Ordinance No. 27.

Section 7. The moneys in said Refunding Improvement Bond, Series 1942, Fund are irrevocably pledged for the payment of Refunding Improvement Bonds, Series 1942, issued hereunder and the interest thereon, after paying the cost and expenses of collecting

and enforcing said assessments. At any time when there is money in said Refunding Improvement Bond, Series 1942, Fund, in an amount over and above that required to pay accrued interest on all of said bonds then outstanding and six months' interest on said bonds in advance, the City Treasurer shall forthwith call, pay and cancel a bond or bonds of this issue in regular numerical order.

Section 8. It is contemplated that assessments to be collected from said special improvement districts will be sufficient to pay and redeem said Refunding Improvement Bonds, Series 1942, on May 1st in the years and amounts as follows:

<u>Year</u>	<u>Principal</u>
1943	\$30,000.00
1944	31,000.00
1945	31,000.00
1946	32,000.00
1947	30,000.00
1948	28,000.00
1949	23,000.00
1950	18,000.00
1951	12,000.00
1952	9,000.00

In the event that such collections in any year do not total the amounts above specified in this Section, the difference between the amounts so collected and the amounts so designated for that year shall be included in the next succeeding municipal tax levy (the amount for such purpose, however, not to exceed one mill on the assessed valuation of the taxable property in said City), and the proceeds of such levy shall be placed in said Refunding Improvement Bond, Series 1942, Fund, and this procedure shall be repeated from year to year, if necessary, until said Refunding Improvement Bonds, Series 1942, and the interest thereon have been

paid in full.

Section 9. The City Treasurer is hereby authorized and directed to sell tax certificates held or to be held by the City on property in districts, the bonds of which have been refunded hereunder, at such price or prices as the City Council may determine; also, said Treasurer may sell property held or to be held by the City under tax deeds for delinquent assessments in said districts, in such manner and for such prices as shall be specified by the City Council; provided, however, that the sum of the amounts to be realized from the sale of said tax certificates and property, together with the amount of unpaid assessments on property in districts, the bonds of which have been refunded, and the interest and penalties thereon, the saving to be effected in interest and the proceeds of said ad valorem taxes, shall never be less than the principal of said Refunding Improvement Bonds, Series 1942, at that time outstanding and the accrued interest thereon. The proceeds from the sale of said tax certificates and property shall be placed in said Refunding Improvement Bond, Series 1942, Fund, and shall be applied only for the purpose specified in Section 7 hereof.

Section 10. Nothing contained herein shall in any way affect the assessments, liens and liabilities which now exist against the properties in the improvement districts described in Ordinance No. 648, adopted the 16th day of April, 1941, and in the preamble hereof, for the costs and expenses of constructing and installing improvements in said districts. Said assessments shall continue to bear interest at the rates specified in their respective assessing ordinances and the liens and liabilities thereof shall continue to be in force and effect and shall persist until paid, for the benefit of each and every holder of a refunding bond issued hereunder.

Section 11. The City Treasurer shall continue to keep separate accounts for each improvement district in the City, which accounts shall at all times show the amount of paid and unpaid assessments, interest and penalties on and against the various properties in the respective improvement districts.

Section 12. Properties in districts, the bonds of which have been refunded, which become delinquent in the payment of assessments or installments thereof, or interest or penalties thereon, shall be sold at the times and in the manner provided by law. At such tax sales, if there be no other bidder, the City of Grand Junction, shall, in its name, bid in such delinquent properties, taking certificates of purchase therefor, and it shall sell and dispose of such properties or certificates as provided herein, and shall place the proceeds thereof in said Refunding Improvement Bond, Series 1942, Fund.

Section 13. The owners of Refunding Improvement Bonds, Series 1942, issued hereunder shall be subrogated to all the rights and privileges of the owners of bonds refunded, and any owner of a



Refunding Improvement Bond, Series 1942, on his own behalf and on behalf of all others similarly situated, shall have full and complete power and authority to enforce and compel any or all of said rights and privileges.

Section 14. Any proceeds of said ad valorem tax levies which may be placed in said Refunding Improvement Bond, Series 1942, Fund, may be deemed only as temporary advancements to said fund, to be reimbursed to the City so far as collections of assessments will permit.

Section 15. All moneys, tax certificates, properties and other assets in the Refunding Improvement Bond Fund created by Ordinance No. 648, adopted the 16th day of April, 1941, shall be transferred as of the 1st day of November, 1942, to the Refunding Improvement Bond, Series 1942, Fund created by this ordinance. When said Refunding Improvement Bonds, Series 1942, principal and interest, are paid in full, any money in said Refunding Improvement Bond, Series 1942, Fund, all assessments, interest and penalties thereafter collected, and the proceeds of sales of said tax certificates and properties, shall be turned over and reimbursed to the City and shall be used or credited as the City Council may then determine.

Section 16. If the City shall make advancements to said fund, for the purpose of paying said Refunding Bonds, or interest, it shall be subrogated to all the rights and privileges of the former owners of said bonds and interest coupons.

Section 17. If the City or any of its officials should fail, neglect or refuse to fulfill any of its or their obligations under the provisions of this ordinance, a cause of action therefor may, at the election of the bondholders or any of them, be deemed not to have accrued until the maturity of the Refunding Improvement Bonds, Series 1942, authorized herein, and no statute of limitations shall commence to run until that time, but nothing contained herein shall be construed to deprive the owners and holders of said Refunding Improvement Bonds, Series 1942, or any of them, of any right or remedy they may have hereunder whenever such right or remedy accrues.

Section 18. The provisions of this ordinance shall constitute an irrevocable contract between the City of Grand Junction, Colorado, and each and every holder or owner of a Refunding Improvement Bond, Series 1942, issued hereunder.

Section 19. If any Court of competent jurisdiction should ever determine that any part of this ordinance is invalid or unenforceable, such determination shall not affect the remaining parts hereof, the intention being to make the provisions hereof severable.

Section 20. The officials of said City charged with any duty or obligation under the provisions hereof are authorized,

empowered and directed to fulfill such duty or obligation promptly and in strict conformity with the terms and intent hereof, and said officials shall take and adopt such steps, proceedings and measures and shall execute such papers, documents or certificates as may be necessary or advisable fully to carry out the liberal purposes and intent of this ordinance.

Section 21. Because of the necessity of immediately taking advantage of the favorable terms of the refunding proposal, it is hereby declared that there exists a special emergency for the preservation of the public peace, health and safety, and this ordinance shall take effect upon passage.

PASSED as an emergency ordinance this 21st day of September, A. D. 1942.

/s/ T. F. Treece  
President of the City Council

ATTEST:

/s/ Helen C. Tomlinson  
City Clerk

I HEREBY CERTIFY that the foregoing emergency ordinance entitled, "An Ordinance Providing for the Issuance by the City of Grand Junction of its Negotiable Coupon Bonds in the Aggregate Principal Amount of \$244,000.00, to be Denominated "City of Grand Junction Refunding Improvement Bonds, Series 1942," for the purpose of Refunding Outstanding Refunding Improvement Bonds of the City, Dated May 1, 1941, in the Amount of \$214,000.00, and Outstanding Improvement Bonds of the City in the Amount of \$30,000.00; Prescribing the Form of Said City of Grand Junction Refunding Improvement Bonds, Series 1942; Providing for the Payment Thereof; and Declaring an Emergency", was introduced, read, passed, numbered 658 and ordered published by the unanimous vote of the members of the City Council of the City of Grand Junction, at a regular adjourned meeting of said Council held on the 21st day of September, A. D. 1942.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said City, this 21st day of September A. D. 1942.

/s/ Helen C. Tomlinson  
City Clerk

Published Sept. 22, 1942