

ORDINANCE NO. 716

AN ORDINANCE AUTHORIZING THE CONTRACTING OF AN INDEBTEDNESS ON BEHALF OF THE CITY OF GRAND JUNCTION, MESA COUNTY, COLORADO, AND UPON THE CREDIT THEREOF, BY ISSUING THE NEGOTIABLE COUPON BONDS OF SAID CITY IN THE PRINCIPAL AMOUNT OF \$500,000, FOR THE PURPOSE OF INCREASING THE WATER SUPPLY AND EXTENDING AND IMPROVING THE WATERWORKS SYSTEM OF THE CITY; PRESCRIBING THE FORM OF SAID BONDS; PROVIDING FOR THE LEVY AND COLLECTION OF A TAX TO PAY SAID BONDS AND THE INTEREST THEREON, AND DECLARING AN EMERGENCY.

WHEREAS, under the authority of the Constitution and laws of the State of Colorado, and the charter of the City of Grand Junction, Colorado, now in force, and the approving authority of the properly qualified electors of the City, voting upon the question at a special municipal election held in said City on July 9, 1946, the City of Grand Junction has the power to increase its water supply and extend and improve its waterworks system, and to contract an indebtedness by issuing its negotiable coupon bonds in the amount of \$930,000; and

WHEREAS, the City Council has determined to issue at this time \$500,000 of the bonds so authorized;

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

Section 1. That the water supply of said City be increased and that its waterworks system be extended and improved in accordance with plans and specifications therefor.

Section 2. That for the purpose of providing funds for said purposes, the City shall issue its negotiable coupon bonds in the aggregate amount of \$500,000, each bond to be designated Grand Junction Water Bond, Series A, consisting of 500 bonds in the denomination of \$1,000 each, numbered 1 to 500, inclusive, payable in lawful money of the United States of America and bearing interest from and after the first day of December, 1946, at the rate of 1 3/4% per annum, payable semi-annually on the first days of June and December of each year, as evidenced by coupons to be attached to said bonds. Said bonds shall be due and payable on December 1st, \$36,000 in each of the years 1948 to 1960, inclusive, and \$32,000 in the year 1961, with the reserved option, however, of the right on the part of the City to redeem bonds due in the year 1957 and thereafter, on December 1, 1956, and on any interest payment date thereafter. Notice of redemption of bonds before maturity shall be published once in a newspaper of general circulation in the City, thirty (30) days before the date of call, and a copy of the notice shall be mailed to the original purchaser of said bonds. Bonds of this Series A, redeemed prior to maturity, shall be redeemed in inverse numerical order. The principal of and interest on said bonds shall be payable at the office of the City Treasurer, in Grand Junction, Colorado. Said bonds shall bear date the first day of December, A. D. 1946, shall be signed by the

President of the Council, countersigned by the City Treasurer, attested by the City Clerk, under the official seal of said City, and shall be recorded in a book to be kept by the City Clerk for that purpose. The interest coupons attached to said bonds shall be signed with the facsimile signature of the City Treasurer.

Section 3. The said bonds shall be in substantially the following form:

UNITED STATES OF AMERICA

STATE OF COLORADO

COUNTY OF MESA

CITY OF GRAND JUNCTION WATER BOND,
SERIES A

No. _____

\$1,000

The City of Grand Junction, in the County of Mesa and State of Colorado, for value received, acknowledges itself indebted and hereby promises to pay to the bearer hereof

ONE THOUSAND DOLLARS

in lawful money of the United States of America, on the first day of December, 19_____, with interest thereon at the rate of one and three-fourths per centum (1 3/4%) per annum, payable semi-annually in like medium, on the first days of June and December of each year, as evidenced by interest coupons attached hereto, both principal and interest being payable at the office of the City Treasurer in Grand Junction, Colorado.

#(This bond is redeemable on December 1, 1956, and on any interest payment date thereafter in its inverse numerical order, in the series of bonds of which it is one.)

This bond is issued by the City of Grand Junction for the purpose of increasing the water supply and extending and improving the waterworks system of said City, under the authority of and in full conformity with the Constitution and laws of the State of Colorado, the provisions of the charter of said City, and pursuant to an ordinance of said City duly adopted, published and made a law thereof, prior to the issuance of this bond.

It is hereby certified and recited that the issuance of this bond was duly authorized at an election duly called and held, and that all of the requirements of law have been duly complied with by the proper officers of said City in the issuance hereof; that the total indebtedness of the City, including that of this bond, does not exceed any limit of indebtedness prescribed by the

Constitution or laws of the State of Colorado, or the charter of said City, and that provision has been made for the levy and collection of an annual tax sufficient to pay the interest on and the principal of this bond when the same become due.

The full faith and credit of the City of Grand Junction are hereby pledged for the punctual payment of the principal of and the interest on this bond.

IN TESTIMONY WHEREOF, the City of Grand Junction has caused this bond to be signed by the President of the City Council, countersigned by the Treasurer, attested by the Clerk of said City, under the seal thereof, as of the 1st day of December, A. D. 1946.

/s/ Porter Carson

President of City Council

COUNTERSIGNED:

City Treasurer

(SEAL)

ATTEST:

/s/ Helen C.

City Clerk

#(This clause to appear in bonds due in 1957 and thereafter)

(Form of Coupon)

No. _____
\$8.75

On the first day of June, December, A. D. 19_____,
#(unless the bond to which this coupon is attached has been called for prior redemption) the City of Grand Junction, in the County of Mesa and State of Colorado, will pay to bearer

EIGHT AND 75/100 DOLLARS

in lawful money of the United States of America, at the office of the City Treasurer, in Grand Junction, Colorado, being six months' interest on its Water Bond, Series A, dated December 1, 1946, bearing

No. _____.

/s/ (Facsimile Signature)

City Treasurer

#(This clause to appear in coupons due June 1, 1957 and thereafter.)

Section 4. Sealed bids for the purchase of said bonds shall be received by the City Clerk on or before 7:30 P. M. on December 4, 1946. Notice for bids shall be published at least ten (10) days before said date, in The Daily Sentinel, a newspaper of general circulation published in Grand Junction, Colorado, and in such other newspaper or newspapers as may be designated by the City Manager in his discretion. Such notice shall be in substantially the following form:

NOTICE OF SALE OF \$500,000 WATER BONDS, GRAND JUNCTION, COLORADO.

Sealed bids will be received by the City Clerk of Grand Junction, Colorado, at her office in the City Hall, in said City, until 7:30 o'clock P. M. on December 4, 1946, for \$500,000 of Water Bonds, Series A, of said City, of an authorized issue of \$930,000.

Said bonds will be dated December 1, 1946, will bear interest at the rate of 1 3/4% per annum, payable semi-annually, and will mature on December 1st, \$36,000 in each of the years 1948 to 1960, inclusive, and \$32,000 in the year 1961. Bonds due in 1957 and thereafter will be redeemable on December 1, 1956, and on interest payment dates thereafter, in inverse numerical order.

Each bidder shall submit a certified check on a National Bank, payable to the City in the amount of \$5,000.00, as evidence of his good faith, and the amount of the check of the successful bidder shall be retained by the City as liquidate damages if such bidder fails to comply with the terms of his bid.

The City will furnish the bonds and the approving opinion of Myles P. Tallmadge, attorney, of Denver, Colorado.

The City Council reserves the right to reject any and all bids.

City Clerk,
Grand Junction, Colorado.

Section 5. That after the execution of said bonds as provided herein, the same shall be delivered by the City Treasurer to the lawful purchasers of said bonds on the payment of the purchase price thereof; that said Treasurer shall hold the proceeds of said bonds in a separate fund subject to the order of the City Council of said City of Grand Junction and such proceeds shall be used exclusively for the purpose of increasing the water supply and

extending and improving the waterworks system now owned and operated by the City, but the purchasers of said bonds, or any subsequent holder shall in no wise be responsible for the application of the proceeds of said bonds by the City Council, or any of the officers of said City, and when said bonds shall have been delivered to the said purchaser, their legality or the legality of the indebtedness created by said bonds shall not be open to contest by any one for or on behalf of, or by the said city for any reason whatever.

Section 6. That the interest falling due on said Water Bonds, on the first days of June and December, A. D. 1947, shall be and the same is hereby ordered appropriated and paid by the City Treasurer out of the general or water fund of the City; and for the purpose of providing the necessary funds to reimburse said fund for the amount so borrowed and taken from it, and to pay the interest accruing on said bonds after December 1, 1947, promptly when and as the same shall fall due, and to discharge the principal thereof at their respective maturities, there shall be and there is hereby levied upon all the taxable property in said City, in addition to all other taxes, the following direct annual ad valorem taxes, to-wit: In the year 1947, a levy sufficient to produce two years' interest on all of said bonds; in each of the years 1948 to 1960, inclusive, a levy sufficient to produce one year's interest on all outstanding bonds; in each of the years 1947 to 1959, inclusive, a levy sufficient to produce the sum of \$36,000 for principal, and in the year 1960 a levy sufficient to produce \$32,000 for principal; said taxes, when collected, shall be kept by the Treasurer of said City in a separate fund to be known and designated as "Water Bonds, Series A, Interest and Sinking Fund," and shall be applied solely to the payment of the interest on and principal of said bonds hereby authorized, when due, so long as any of said bonds or the interest thereon remain outstanding and unpaid, but nothing contained herein shall be so construed as to prevent the said City from applying any other available funds that may be in the City Treasury to the payment of said interest or principal, as the same respectively mature, and upon any such payment 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 amounts for each year shall also be included in the annual budget and appropriation bills passed by the City Council of said City in each year, respectively.

Section 7. It shall be the duty of the City Council of said City, annually, at the time and in the manner provided by law for levying other City taxes, if such action shall be necessary to effectuate the provisions of this ordinance, to ratify and carry out the provisions hereof with reference to the levy and collection of taxes, and the City Council shall require the officers of and for said City to extend and collect such taxes in

the manner provided by law for the purpose of creating a fund for the payment of the interest on and principal of said bonds as hereinbefore provided.

Section 8. All ordinances or parts thereof in conflict with this ordinance are hereby repealed.

Section 9. By reason of the fact that the City is not adequately supplied with water and that it is imperative to remedy the situation at the earliest possible moment, it is hereby declared that a special emergency exists, that this ordinance is necessary for the preservation of the public peace, health and safety, and that it shall take effect upon passage and shall be published in The Daily Sentinel on the day following its passage.

ADOPTED AND APPROVED This 6th day of November, 1946.

/s/ Porter Carson
President of the Council

(SEAL)

ATTEST:

/s/ Helen C. Tomlinson
City Clerk

I HEREBY CERTIFY that the foregoing emergency ordinance, entitled AN ORDINANCE AUTHORIZING THE CONTRACTING OF AN INDEBTEDNESS ON BEHALF OF THE CITY OF GRAND JUNCTION, MESA COUNTY, COLORADO, AND UPON THE CREDIT THEREOF, BY ISSUING THE NEGOTIABLE COUPON BONDS OF SAID CITY IN THE PRINCIPAL AMOUNT OF \$500,000 FOR THE PURPOSE OF INCREASING THE WATER SUPPLY AND EXTENDING AND IMPROVING THE WATERWORKS SYSTEM OF THE CITY: PRESCRIBING THE FORM OF SAID BONDS, PROVIDING FOR THE LEVY AND COLLECTION OF A TAX TO PAY SAID BONDS AND THE INTEREST THEREON AND DECLARING AN EMERGENCY," was introduced, read, passed, numbered 716 and ordered published by the unanimous vote of the members of the City Council of the City of Grand Junction, at a regular meeting of said Council held on the 6th day of November, A. D. 1946.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said City, this 7th day of November, A. D. 1946.

/s/ Helen C. Tomlinson
City Clerk