

ORDINANCE NO. 226

AN ORDINANCE TO CONTRACT AN INDEBTEDNESS ON BEHALF OF THE TOWN OF BERTHOUD, COLORADO, AND UPON THE CREDIT THEREOF BY ISSUING A BOND OF SAID TOWN IN THE PRINCIPAL SUM OF \$150,000 FOR THE IMPROVEMENT AND EXTENSION OF ITS WATERWORKS SYSTEM, PRESCRIBING THE FORM OF SAID BOND, AND PROVIDING FOR THE LEVY OF TAXES TO PAY THE SAME.

WHEREAS, a majority of the voters of the Town of Berthoud, Colorado, who were taxpayers under the law, voting on the question at a municipal election held in said Town on the 5th day of November, 1888, 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 costs and expenses of extending and improving said waterworks system, and the Board of Trustees deems it advisable and necessary to issue a bond of said Town for that purpose;

THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF BERTHOUD, LARIMER COUNTY, COLORADO:

Section 1. That for the purpose of providing funds to pay the costs and expenses of extending and improving the Berthoud waterworks system, the Town shall issue a negotiable bond thereof, in the principal sum of \$150,000, dated October 1, 1948, consisting of 1 bond in the denomination of \$150,000 numbered 1, payable

in lawful money of the United States of America, bearing interest from and after its date at the rate of $3\frac{1}{2}\%$ per annum, payable semi-annually on the 1st days of April and October of each year and shall mature October 1, 1963. Said bond shall be redeemable at the option of the Town any time after its date. Said bond shall be payable at the Berthoud National Bank in Berthoud, Colorado, and shall be signed by the Mayor, attested by the Town Clerk, under the official seal of said Town, counter-signed by the Town Treasurer, and shall be recorded in a book kept by said Town Clerk for that purpose.

Section 2. That the said bond shall be in substantially the following form:

UNITED STATES OF AMERICA

STATE OF COLORADO

COUNTY OF LARIMER

TOWN OF BERTHOUD
WATER EXTENSION BOND

No. _____

\$150,000

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

ONE HUNDRED AND FIFTY THOUSAND DOLLARS

on the 1st day of October, A.D., 1963, with interest thereon at the rate of Three and one-half per centum ($3\frac{1}{2}\%$) per annum, payable semi-annually on the 1st days of April and October in each year, both principal and interest being payable in lawful money of the United States of America, at the Berthoud National Bank in Berthoud, Colorado.

This bond is redeemable at the option of the Town any time after date.

This bond is issued by the Board of Trustees of the Town of Berthoud, Colorado, for the purpose of paying the costs and expenses of extending and improving the waterworks system of said Town, under the authority of and in full conformity with the

Constitution of the State of Colorado, the provisions of Chapter 163, Colorado Statutes Annotated, 1935, 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 the requirements of law have been fully complied with by the proper officers of said Town 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 on all of the taxable property in said Town, sufficient to pay the interest on and the principal of this bond when the same becomes due.

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

IN WITNESS WHEREOF, the Board of Trustees of the Town of Berthoud, Colorado has caused this bond to be signed by the Mayor of said Town, sealed with the seal of the Town, attested by the Clerk thereof, countersigned by the Town Treasurer, this 1st day of October, A. D. 1948.

Mayor

(S E A L)

COUNTERSIGNED:

ATTEST:

Town Treasurer

Town Clerk

Section 3. That when said bond has been duly executed as aforesaid, it shall be sold and delivered to the purchaser thereof, and the proceeds thereof shall be used for the purpose of paying the costs and expenses of extending and improving the waterworks

system of said Town, and for no other purpose whatsoever, but neither the purchaser of said bond nor any subsequent holder of it shall be responsible for the application or disposal by said Town, or any of its officers, of any of the funds derived from the sale thereof.

Section 4. For the purpose of meeting the interest on said bond promptly as the same becomes due, and for the purpose of providing for the ultimate payment and redemption of said bond, 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 1948 to 1962, inclusive, sufficient to produce \$10,000 of principal and the amount of one year's interest on said bond. Said taxes, when collected, shall be deposited in a special fund to be known as "Berthoud Water Fund" and such fund shall be applied solely to the purpose of the payment of the interest on and the principal of said bond, respectively, and for no other purpose whatever until the indebtedness so contracted under this Ordinance, both principal and interest, shall have been fully paid, satisfied and discharged, but nothing herein contained shall be so construed as to prevent said Town from applying any other funds 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 be diminished to that extent.

And the sums hereinbefore provided to meet the interest on said bond, 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 action 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 bond and interest thereon, and such taxes, when collected, shall be kept for and applied only to the payment of the interest on and principal of said bond as hereinabove specified.

Section 6. All ordinances or parts thereof, in conflict with this Ordinance, are hereby repealed.

Section 7. After said bond is issued, the Ordinance shall be and remain irrepealable until said bond and the interest thereon shall have been fully paid, satisfied and discharged.

Section 8. 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 9. By reason of the fact that the Town and its inhabitants must 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 that it shall be in full force and effect five days after publication.

ADOPTED AND APPROVED this 14th day of October, A.D., 1948.

Mayor Pro Tem

ATTEST:

Viola Barrowman

Town Clerk