

AN ORDINANCE PROVIDING FOR THE ISSUANCE BY THE TOWN OF NUCIA, COLORADO, OF ITS NEGOTIABLE COUPON BONDS IN THE PRINCIPAL AMOUNT OF \$130,000, TO BE DESIGNATED "REFUNDING WATER BONDS", FOR THE PURPOSE OF REFUNDING OUTSTANDING BONDED INDEBTEDNESS OF SAID TOWN IN THE AMOUNT OF \$143,000; PROVIDING FOR THE DEPOSIT OF FUNDS IN AN ESCROW ACCOUNT TO EFFECT SUCH REFUNDING; PRESCRIBING THE FORM OF SAID REFUNDING BONDS; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX TO PAY SAID BONDS, PRINCIPAL AND INTEREST; AND DECLARING AN EMERGENCY.

WHEREAS, the Town of Nucla, Montrose County, Colorado, has outstanding its General Obligation Refunding Bonds, dated June 1, 1947, in a total amount of \$4,000; its General Obligation Water Extension Bonds, dated April 1, 1954, in a total amount of \$15,000; its General Obligation Water Extension Bonds, dated October 1, 1956, in a total amount of \$95,000; and its General Obligation Water Improvement Bonds, Series June 1, 1962, dated June 1, 1962, in a total amount of \$29,000; and

WHEREAS, said bonds may be redeemed and refunded and a substantial savings in Net Interest Cost and reduction in Net Effective Interest Rate thereby obtained; and

WHEREAS, by a Resolution duly adopted on the 31st day of August, 1965, the Board of Trustees of the Town of Nucla, Colorado, determined to issue, in accordance with the laws of the State of Colorado, particularly Colorado Revised Statutes 1963, Chapter 139, Article 44, new bonds, each to be designated "Refunding Water Bond", the same to be sold at not less than their par value and the proceeds thereof used for the purpose of refunding and paying said outstanding bonds, the amount of said Refunding Bonds so to be issued as aforesaid being the sum of \$130,000, duly made and entered in and upon the records of said Town, as required by law;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF NUCIA, MONTROSE COUNTY, COLORADO:

Section 1. That by virtue and in pursuance of said Statute, there shall be issued negotiable coupon bonds of said Town, each to be designated "Refunding Water Bond", in the principal amount of \$130,000 for the purpose of refunding outstanding bonded indebtedness of said Town which the Board of Trustees of the Town has determined to refund, as provided herein.

Section 2. That the Mayor and Town Clerk of said Town be and they are hereby authorized and directed to have prepared negotiable coupon Refunding Water Bonds of said Town, in said aggregate amount of \$130,000.

Section 3. That said bonds hereby authorized shall be negotiable in form, payable to bearer, shall be dated September 1, 1965, shall consist of 130 bonds in the denomination of \$1,000 each, shall bear interest at the rate of 4% per annum, payable February 1, 1966, and semi-annually thereafter on the 1st day of February and the 1st day of August each year, and shall mature August 1, as follows:

<u>Amount</u>	<u>Maturity</u>
\$11,000	1966
12,000	1967
13,000	1968
14,000	1969
14,000	1970
15,000	1971
16,000	1972
17,000	1973
18,000	1974

Said bonds shall not be subject to redemption prior

to maturity.

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 Town Treasurer, in Nucla, Colorado.

Said bonds shall be signed with the facsimile signature of the Mayor, with a facsimile of the seal of the Town affixed thereto, attested and countersigned by the manual signature of the Town Clerk and Treasurer. The interest accruing on said bonds shall be evidenced by interest coupons thereto attached, bearing the facsimile signature of the Town Treasurer, and when so executed, such coupons shall be the binding obligations of the Town, according to their import. In addition there shall be a certificate relating to the registration of said bonds printed thereon, which certificate shall be signed with the facsimile signature of the Town Clerk and shall bear the facsimile of the seal of said Town. Should any officer whose signature or facsimile signature appears on said bonds or the coupons thereto attached cease to be such officer before delivery of the bonds to the purchaser, such signature or facsimile signature shall nevertheless be valid and sufficient for all purposes.

Section 4. Said bonds and coupons to be attached thereto shall be in substantially the following form:

(Form of Bond)

STATE OF COLORADO

UNITED STATES OF AMERICA

COUNTY OF MONTROSE

TOWN OF NUCLA
REFUNDING WATER BOND

No. 1

\$1,000

The Town of Nucla, in the County of Montrose and State of Colorado, for value received, hereby acknowledges itself indebted and promises to pay to the bearer hereof the sum of

ONE THOUSAND DOLLARS

in lawful money of the United States of America, on the 1st day of August, 1966, with interest thereon from the date hereof at the rate of four per centum (4%) per annum, payable February 1, 1966, and semi-annually thereafter on the 1st day of February and the 1st day of August each year, as evidenced by interest coupons hereto attached, both principal and interest being payable at the office of the Town Treasurer, in Nucla, Colorado, upon presentation of said coupons and this Bond, respectively.

This Bond is not subject to redemption prior to maturity. This Bond is issued by the Town of Nucla, Colorado, for the purpose of paying, redeeming and refunding lawful and valid outstanding bonded water indebtedness of said Town, under, by virtue of and in full conformity with the provisions of the Constitution and Laws of the State of Colorado, more particularly Chapter 139, Article 44, Colorado Revised Statutes 1963, and all other laws thereunto enabling, and pursuant to an Ordinance duly adopted by the Board of Trustees of said Town prior to the issuance hereof.

It is hereby certified and recited that all acts and things required to be done and conditions and things required to exist precedent to and in the issuance of this Bond to render the same lawful and valid have happened, been properly done and performed, and did exist in regular and due time, form and manner, as required by law, and that the total debt of said Town, including that of this Bond, exceeds neither the statutory nor the constitutional limitations of the State of Colorado; that said total debt is not increased by the issuance hereof; and that provision

tion, having full and complete trust power (hereinafter referred to as the "Bank").

The accrued interest, if any, on said Refunding Water Bonds from their date to the date of issuance and delivery thereof shall be deposited with the Town Treasurer, Nucla, Colorado, the Paying Agent of said Refunding Water Bonds.

The accrued interest, if any, on outstanding bonds to be refunded from the last interest payment date to the date of delivery of the Refunding Water Bonds shall be deposited by the Town with the Bank in said Refunding Escrow Account.

Section 11. Said Refunding Escrow Account, including therein the proceeds of the Refunding Water Bonds, the accrued interest on the outstanding bonds to be refunded, and the sum of \$15,086.23 which will be deposited by the City in said Refunding Escrow Account, when invested by the Bank, will at all times be at least sufficient to pay the interest on and principal of the outstanding bonds being refunded, under and in accordance with the following schedule:

(A) Outstanding Bonds 1947, numbered 26 to 29, inclusive, maturing in the years 1966 and 1967, outstanding Bonds 1954, numbered 41 to 45, inclusive, maturing in the year 1965, outstanding Bonds 1956, numbered 9 and 10, maturing in the years 1965 and 1966, and outstanding Bonds 1962, numbered 7 to 35, inclusive, maturing in the years 1966 to 1975, inclusive, shall be paid and retired at their respective maturity dates according to their original terms.

(B) Outstanding Bonds 1954, numbered 46 to 55, inclusive, maturing in the years 1966 and 1967, shall be called for redemption prior to their respective maturities on October 1, 1965, and outstanding Bonds 1956, numbered 11 to 103, inclusive, maturing in the years 1967 to 1974, inclusive, shall be called for redemption prior to their respective maturities on October 1, 1966, which dates are hereby designated as the Prior Redemption Dates.

(C) Interest on said bonds, described above, which matures subsequent to the date hereof shall be paid semi-annually each year as the same accrues according to the original terms of said bonds until said bonds mature or until the Prior Redemption Dates whichever is the earlier date.

Section 12. The Bank shall invest the funds on deposit in the Refunding Escrow Account in direct obligations of the United States of America ONLY, and shall fully secure any cash balance in said Account in the manner required by law for other trust funds.

Section 13. If, for any reason, at any time, the funds on hand in such Refunding Escrow Account shall be insufficient to meet such payments as the same shall be about to become due and payable, the Town shall forthwith deposit in such Refunding Escrow Account such additional funds as may be required fully to meet the amount so about to become due and payable.

Section 14. The Bank shall from time to time redeem all or a portion of the direct United States obligations in said Refunding Escrow Account in sufficient amounts so the proceeds therefrom and the interest thereon as the same accrue will be sufficient to meet the interest requirements on the outstanding bonds as such interest accrues and to pay or call in and redeem said bonds at their respective maturities or on the Prior Redemption

Dates, according to the schedule hereinabove set forth.

Section 15. The Mayor and Town Clerk and Treasurer shall, and they are hereby authorized and directed to take all necessary or appropriate action toward the execution of a proper Escrow Agreement with the Bank concerning the deposits in, investments of and disbursements from said Refunding Escrow Account, and such other agreements as may be necessary or desirable to effectuate the provisions of this Resolution and comply with the requirements of law.

Section 16. The Town Treasurer is hereby authorized and directed and shall give notice of prior redemption and refunding of said outstanding bonds at the time of such refunding and again in the manner required by law before the Prior Redemption Dates herein established. Unless additional and more extensive notice is required by law, the Notice shall be given by publication in some newspaper published in the Town, or, if there be no such newspaper, then in some newspaper published in the County in which the Town is located and which newspaper is customarily used by said Town for legal notices. At the time of such refunding, said Notice shall be published one time at or about the date on which the Refunding Water Bonds are issued and delivered. The Notice shall again be published before the Prior Redemption Dates in such a newspaper, by insertion in at least one edition thereof, such publication to be not less than thirty (30) days before said Prior Redemption Dates. Said Notice shall contain all the details required by law and must adequately describe the bonds to be called and redeemed, the date on which the same will occur and shall state that after the date for payment and redemption, interest on said bonds will cease.

Section 17. 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 herein severable.

Section 18. That after said Refunding Bonds are issued this Ordinance shall not be altered or repealed until the bonds hereby authorized shall have been fully paid, as to both principal and interest.

Section 19. That all ordinances, or resolutions, or parts thereof, in conflict with the provisions hereof, be and the same are hereby repealed.

Section 20. That it is necessary for the refunding proceedings herein provided to be completed as soon as possible in order that the said Town may reduce the interest costs on said indebtedness; therefore, it is hereby declared that an emergency exists and that this Ordinance is necessary for the immediate preservation of the public peace, health and safety, and it shall become effective five (5) days after its publication.

Section 21. This Ordinance, immediately upon its passage, shall be recorded in the Book of Ordinances of said Town kept for that purpose, authenticated by the signatures of the Mayor and Town Clerk, and shall be published in Forum Newspapers, Inc.

_____, a newspaper of general circulation in said Town,
ADOPTED AND APPROVED This 31st day of August, 1965.

(S E A L)

ATTEST:

William R. Ryman
Clerk

Samuel J. Bell
Mayor