

**CITY OF CENTRAL, COLORADO**  
NOTICE OF A REGULAR MEETING of the CITY COUNCIL to be held on  
**Tuesday, August 7, 2012 @ 7:00 p.m.**  
141 Nevada Street, Central City, Colorado  
**AGENDA**

The City Council meeting packets are prepared several days prior to the meetings and available for public inspection at City Hall during normal business hours the Monday prior to the meeting. This information is reviewed and studied by the City Council members, eliminating lengthy discussions to gain basic understanding. Timely action and short discussion on agenda items does not reflect lack of thought or analysis. Agendas are posted on the City's access channel, on the City Hall bulletin board, at the Post Office and at Washington Hall the Friday prior to the Council meeting.

**7:00pm Council Meeting**

1. Call to Order.
2. Roll Call.

Mayor	Ron Engels
Mayor Pro-Tem	Bob Spain
Council members	Bob Giancola
	Shirley Voorhies
	Rita Lee
3. Pledge of Allegiance
4. Additions and/or Amendments to the Agenda.
5. Conflict of Interest.
6. Consent Agenda: The Consent Agenda contains items that can be decided without discussion. Any Council member may request removal of any item they do not want to consider without discussion or wish to vote no on, without jeopardizing the approval of other items on the consent agenda. Items removed will be placed under Action items in the order they appear on the agenda (this should be done prior to the motion to approve the consent agenda).

Regular Bill lists of July 19, 26 and August 2; and  
City Council minutes: July 17 and 24, 2012.

**PUBLIC FORUM/AUDIENCE PARTICIPATION** – *(public comment on items on the agenda not including Public Hearing items):* the City Council welcomes you here and thanks you for your time and concerns. If you wish to address the City Council, this is the time set on the agenda for you to do so. When you are recognized, please step to the podium, state your name and address then address the City Council. Your comments should be limited to **three (3) minutes per speaker**. The City Council may not respond to your comments this evening, rather they may take your comments and suggestions under advisement and your questions may be directed to the City Manager for follow-up. Thank you.

**SECOND READING AND PUBLIC HEARING –**

7. Ordinance No.12-08: An ordinance of the City Council of the City of Central, Colorado amending certain provisions of Chapter 13 of the Municipal Code concerning Municipal Utilities; specifically regulations pertaining to the City Water System. (Flowers)
8. Ordinance No.12-09: An ordinance authorizing the City of Central to enter into a Municipal Lease-Purchase Agreement and related documentation with Ally Financial for the lease and purchase of three 2012 Chevrolet Tahoe trucks for police purposes. (Flowers)

**ACTION ITEMS: NEW BUSINESS –**

9. Appointment to CML Policy Committee (Lanning)
10. Appointment to PC

**REPORTS** –

11. Staff updates –

**COUNCIL COMMENTS** - limited to 5 minutes each member.

**PUBLIC FORUM/AUDIENCE PARTICIPATION** – for non-action items not Action or Public Hearing items on this agenda (same rules apply as outlined in the earlier Public Forum section).

**ADJOURN.** Next Council meeting August 21, 2012.

Posted 8/3/12

PLEASE TURN OFF CELL PHONES

Please call Reba Bechtel, City Clerk at 303-582-5251 at least 48 hours prior to the Council meeting if you believe you will need special assistance or any reasonable accommodation in order to be in attendance at or participate in any such meeting.

**CITY OF CENTRAL  
CASH ON HAND  
8/3/2012**

<b>Total Beginning ENB Cash on Hand 7/12/2012</b>	<b>86,220.98</b>
Deposits to ENB	14,565.68
Wires Out ENB	(28,244.24)
Cleared Checks	(24,891.62)
<u>8/3/2012</u>	<u>47,650.80</u>
<less previously approved & outstanding>	(19,636.82)
<b>Total ENB Cash on Hand 8/3/2012</b>	<b>28,013.98</b>

<b>Total Beginning CO Biz Cash on Hand 7/12/2012</b>	<b>167,211.80</b>
Deposits to COB	375,708.99
Wires Out COB	(37,440.87)
Cleared Checks	(266,191.44)
<u>8/3/2012</u>	<u>239,288.48</u>
<less previously approved & outstanding>	-
<b>Total COB Cash on Hand 8/32/12</b>	<b>239,288.48</b>

<b>Total Beginning Colotrust Cash on Hand 7/12/12</b>	<b>927,580.17</b>
Wires into Account	4,366.64
Wires out of Account-Into Evergreen National	
<b>Total Colotrust Cash on Hand 8/3/2012</b>	<b>931,946.81</b>

\*\*\*The City is currently in the process of switching the operating account from Evergreen National Bank to Colorado Business Bank. As such, you will see less and less activity out of Evergreen National and on the next cash flow report both of the operating accounts will be reflected. Once all transactions have cleared Evergreen National Bank, it will be removed from this sheet.

<b>TOTAL CASH ON HAND 8/3/12</b>	<b>1,199,249.27</b>
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**CITY OF CENTRAL  
DEBIT CARD PURCHASES  
7/13 through 8/3**

<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
7/13/2012	Impel Systems Inc	Supplies	19.60
7/13/2012	Millie's	Manager Lunch with Devel.	52.38
7/16/2012	Gotomypc.com	Subscription	217.89
7/23/2012	Super Bright LED Lights	Lights for FD	177.78
7/23/2012	Millie's	Manager Lunch with Devel.	21.69
7/25/2012	Safeway	Distilled water for Water Plant	10.92
7/27/2012	Denver West Gasoline	Gas for PD New Vehicles	225.00
7/27/2012	Smashburger	Lunch for Staff	53.37
8/3/2012	Baudville	FD Awards/Recognitions	113.50
8/3/2012	Golden Mill		28.50
<b>TOTAL</b>			<b>920.63</b>

CASH FLOW  
CHECK LISTING

Inv Date	Inv #	Ck. Date	CK#	Vendor	Description	Amount	Mail Date
6/30/12	730049012	7/19/12	125135	DPC Industries	Chlorine for Water Plant	18.00	
6/29/12	42702	7/19/12	125136	Front Range Fire	Repair to Fire Truck	4,836.55	
6/28/12	062812	7/19/12	125137	Home Depot	Building Materials, Paint and Lumber	930.28	
7/12/12	2216700	7/19/12	125138	Idaho Springs Lumber	PW Supplies	43.14	
7/11/12	ctcs589657	7/19/12	125139	Medved	Repair to '08 Chevy and Impala	5,874.92	
7/6/12	96732001	7/19/12	125140	Nalco Chemical	Water Plant Chemicals	1,761.30	
7/16/12	96031	7/19/12	125141	Office Stuff	Office Chair and Supplies	181.71	
4/27/12	4704140	7/19/12	125142	HD Supply Waterworks	Water Dept. Parts	345.90	
7/11/12	702353723	7/19/12	125143	USPS	Bus Shelter Lease (2 months)	266.66	
7/11/12	541753	7/19/12	125144	FSH Communications	Pay Phone Service	70.00	
7/19/12	114697	7/19/12	125145	Air-O-Pure	Restroom Sanitation at PW Shops	95.00	
7/18/12	isp5711866	7/19/12	124146	Sleuth Software	Court Software Support	790.32	
7/16/12	37754	7/19/12	125147	Peak Performance Imaging	Metered Photocopies	214.96	
7/16/12	120048	7/19/12	125148	Talbot Communications	Narrowband Emissions	125.00	
7/12/12	00500	7/19/12	125149	Custom Cage Inc.	Cage for new PD Vehicle	690.00	
7/11/12	c0cc101201	7/19/12	125150	Rainguet & Associates	PD Sergeant Recruitment	4,940.00	
7/25/12	072512	7/25/12	125152	Episcopal Diocese of CO	Re-Issue of HP Grant Check St. Pauls	10,858.00	clrd
7/26/12	072612	7/26/12	125153	Mike Shaw Buick GMC	1st Payment on PD Vehicles	33,747.59	clrd
6/26/12	7370236512	7/30/12	125154	DPC Industries	Chlorine for Water Plant	497.47	
7/18/12	47675	7/30/12	125155	Av-Tech Electronics	PD Car Siren Mount	102.85	
7/16/12	w12280	7/30/12	125156	CIRSA	WC Claim Deductible	1,000.00	
7/10/12	136296600	7/30/12	125157	Dana Kepner Company	Water Dept Supplies	67.28	
7/20/12	7856672	7/30/12	125158	Hach Company	Water Dept Supplies	4,597.44	
7/16/12	071612	7/30/12	125159	MCI	Toll Free Telephone Service	28.49	
7/18/12	49383	7/30/12	125160	OJ Watson	Guide Markers	51.44	
7/19/12	896321	7/30/12	125161	Office Stuff	Stamp	22.99	
7/24/12	072412	7/30/12	125162	Xcel Energy	Electricity	137.02	
7/22/12	072212	7/30/12	125163	Purchase Power	Postage	52.28	
7/6/12	390611829	7/30/12	125164	Cintas 1st Aid	Restock 1st Aid-PW	71.94	
7/13/12	207482597	7/30/12	125165	US Bank	Photocopier Lease	377.02	
7/16/12	071612	7/30/12	125166	Century Link	Telephone	820.86	
7/18/12	Aug2012	7/30/12	125167	Vision Service Plan	Vision Insurance Premiums	332.05	
6/26/12	34164	7/30/12	125168	Stockyards Ranch Supply	Barbless Wire Fencing	54.90	
7/30/12	073012	7/30/12	125169	Whitney Adler	Mileage Reimbursement-Training	157.40	
7/23/12	072312	7/30/12	125171	Cindy Moore	Mileage Reimbursement-Training	123.75	
6/29/12	CO0015195	7/30/12	125172	Royce Industries	Filter	22.12	
7/25/12	072512	7/30/12	125173	Skybeam	Internet for Water Plant	75.34	
7/16/12	1102401751	7/30/12	125174	Verizon Wireless	Internet for Water General	85.50	
7/23/12	072312	7/30/12	125175	USA Communications	Internet for PW and Town Home	145.75	
7/6/12	D627301	7/30/12	125176	Accutest Mountain States	Water Testing	290.00	
7/30/12	Aug2012	7/30/12	125177	Alan Lanning	August Mileage and July Additional	466.11	
7/21/12	9902355	7/30/12	125178	Integra Telecom	Phone Service	713.97	

CASH FLOW  
CHECK LISTING

8/3/2012

7/24/12	072412	7/30/12	125179	Shawn Griffith	Cell Phone Antenna Reimbursement	364.88
7/26/12	072612	7/30/12	125180	Morning Star Elevator	1/2 Deposit for Wash Hall Repair	570.46
7/14/12	071412	7/30/12	125181	Kyle Headrick	FD Volunteer Reimbursement	150.00
7/11/12	209	7/30/12	125182	Mountain Gateway Center	Propane for Opera Picnic	65.45
7/23/12	65850	7/30/12	125183	D&R Sales	Uniforms Boots for PW Employee	150.00
6/29/12	2176885	7/30/12	125184	EDS Waste Solutions	Dumpster Rental and Pickup	535.00
6/25/12	42688	7/30/12	125185	JVA Inc.	Standards and Specs Work, Spring St.	9,007.47
7/6/12	S164582800	7/30/12	125186	Pirtek North Valley	Hoses for Vehicles	48.15
7/16/12	10625739	7/30/12	125187	Martin Marietta Materials	Asphalt	3,664.06
7/30/12	073012	7/30/12	125188	Business and Legal Resources	PW Training	321.44
7/23/12	072312	7/30/12	125189	Derrick Hagstrom	Travel Reimbursement-Sergeant Candidate	275.60
5/30/12	4085	7/30/12	125190	Duran Excavating	Trackhoe Services for Sinkhole	2,680.00
7/2/12	12139	7/30/12	125191	Independent Traffic Control	Flagger Service for Sinkhole	2,846.20
7/23/12	2062	7/30/12	125192	Colorado Coach Transportation	August Shuttle Service	31,347.15
			125193	Employee	Payroll 8/3	177.53
			125194	ICMA-401	Retirement Contributions	2,334.40
			125195	ICMA-457	Retirement Contributions	1,070.17
			125196	ICMA-IRA	Retirement Contributions	281.00
8/1/12	080112	8/2/12	125197	CC BID	Marketing/Events Payments	99,956.00
<b>Total Issued:</b>						<b>280,960.57</b>
Approved & Sent Checks:						49,032.31
Clrd & Pending Approval						75,952.74
Voided Checks						-
<b>Total Pending Approval 8/7</b>						<b>231,928.26</b>

Outstanding through ENB 19,636.82  
Outstanding through COB 29,395.49

**CITY OF CENTRAL  
CITY COUNCIL MEETING  
July 17, 2012**

**CALL TO ORDER**

A regular meeting of the City Council for the City of Central was called to order by Mayor Engels at 7:08 p.m., in City Hall on July 17, 2012.

**ROLL CALL**

Present: Mayor Engels  
Alderman Spain  
Alderman Giancola  
Alderman Voorhies  
Alderman Lee

Absent: None

Staff Present: Manager Lanning  
Attorney Michow  
City Clerk Bechtel  
Finance Director Flowers  
CDD/HPO Thompson  
Operations Director Kisselman  
Utilities Superintendent Griffith  
Police Chief Krelle

The Pledge of Allegiance was recited by all present.

**ADDITIONS AND/OR AMENDMENTS TO THE AGENDA**

The agenda was approved as presented.

**CONFLICTS OF INTEREST**

No Council Member disclosed a conflict regarding any item on the agenda.

**CONSENT AGENDA**

Alderman Spain moved to approve the consent agenda containing the regular bill lists June 28 and July 5, 2012; the June Monthly Report; and the City Council minutes of June 27, 2012. Alderman Voorhies seconded, and without discussion, the motion carried unanimously.

**PUBLIC FORUM/AUDIENCE PARTICIPATION**

No one requested time to address the Council.

**NEW BUSINESS**

Ordinance No.12-08: *An ordinance of the City Council of the City of Central, Colorado amending certain provisions of Chapter 13 of the Municipal Code concerning Municipal Utilities; specifically regulations pertaining to the City Water System.*

Finance Director Flowers explained that this ordinance will repeal Chapter 13 of the Municipal Code and replace it with revised language to clean up obsolete provisions, create administrative efficiencies and simplify the language and cross referencing so that staff, residents and businesses can more easily access the regulations set forth in Chapter 13.

Chapter 13 of the Municipal Code, which addresses utilities and the City's water system, has become difficult to administer for staff and hard to understand for residents and businesses as a result of numerous code changes in the past. For this reason, staff is asking that Council repeal the entire chapter and replace it with the language contained in Ordinance 12-08. While staff is asking that the entire chapter be repealed and replaced, it is important to note that most of the rules, regulations, and procedures currently in place will remain the same. Adoption of Ordinance 12-08 does not affect water rates in any way. Significant changes to Chapter 13 are summarized as follows:

- Section 13-16 Installation of taps; fees: The City will be approving any plans to install taps and inspecting the tap installation to ensure compliance with City standards.
- Section 13-33 Plan review and approval: A preconstruction meeting between the owner, contractor and City staff will now be held prior to the construction of any main extensions.
- Section 13-58 Billing; late charges and interest; collection: This section has been completely rewritten to formalize the current process under which delinquent accounts are handled. It sets out a process of interest and late fee assessment based upon a 30, 60 and 90 day delinquency. A new section has been added to deal with accounts that are habitually delinquent and gives the City the ability to disconnect water service to these accounts within a condensed time period. The proposed language requires that the utility bill remain in the name of the property owner as any delinquency of the account is tied to the property itself, not a tenant of the property.
- Section 13-86 Appeals: Any decisions made by City staff in the administration and/or enforcement of this Chapter can be appealed before the City Manager. In order to do so, a person must request an appeal in writing. If the appeal is related to nonpayment, the property owner must place 100% of the amount owed on deposit with the City prior to the Manager hearing said appeal.
- Section 13-118 Hydrant Use and Water General: Language regarding the use of the City's Water General system to obtain water has been included in the Chapter and a fee has been added for unauthorized use of a fire hydrant.
- Section 13-124 Yard hydrants: No yard hydrants will be allowed on any premises except under certain conditions.

Utilities Superintendent Griffith explained the problem with yard hydrants is that they are not easily metered and carry a risk of cross contamination to the property owner when the water drains back into the line. Council can consider if they want to grandfather the existing 10-15 hydrants.

Alderman Spain moved to adopt Ordinance No. 12-08: An ordinance of the City Council of the City of Central, Colorado amending certain provisions of Chapter 13 of the Municipal Code concerning Municipal Utilities; specifically regulations pertaining to the City Water System and set a Public Hearing for August 7, 2012 at 7:00 p.m. Alderman Giancola seconded and, without discussion, the motion carried unanimously.

Agreement Concerning Use of Wannamaker Augmentation Station

Manager Lanning explained that we are re-executing this agreement per a request from Coors. This is a budgeted item with a total fiscal impact of \$5,000 annually, subject to potential CPI adjustment (likely 2% - 3% annually).

The background for the agreement is as follows:

Since 1992, the City has owned senior water rights in both the Wannamaker Ditch and the Farmers' High Line Canal near Golden and has used augmentation stations on those ditches as part of its Water Court plan for augmentation. The two structures are owned by Coors, but are used by several municipalities and districts as well as Coors. In 2009, following the sale of Coors to Molson-Coors, Coors asked all parties using the facilities to execute new agreements reflecting the change in ownership. The Agreements were on the same terms and conditions as the then existing agreements. Both new Agreements were approved by the City in April, 2009. However, the Wannamaker Agreement has been misplaced and Coors has requested the City re-execute it on the same terms to provide proper documentation. The action is to have the Mayor re-execute the Agreement that has been misplaced. There is no substantive change in the relationship. This is an important Agreement for the City's water system.

Alderman Voorhies moved to approve the Wannamaker Ditch Agreement. Alderman Spain seconded and, without discussion, the motion carried unanimously.

Resolution No. 12-11: *A resolution of the City Council of the City of Central, Colorado approving an Intergovernmental Agreement between Gilpin County, by and through the Gilpin County Clerk and Recorder, and the City of Central regarding the conduct of a coordinated election.*

City Clerk Bechtel explained that this proposed resolution approves an IGA with Gilpin County for the general election on November 6, 2012. Pursuant to Section 1-7-116(1), C.R.S., if more than one political subdivision holds an election on the same day in November and the eligible electors for each election are the same of the boundary overlap, the County Clerk and Recorder shall conduct the elections on behalf of all political subdivisions. This is in accordance with Section 4.3 of the City's Home Rule Charter and Section 2-1 of the Municipal Code.

Alderman Spain moved to approve Resolution No. 12-11: A resolution of the City Council of the City of Central, Colorado approving an Intergovernmental Agreement between Gilpin County, by and through the Gilpin County Clerk and Recorder, and the City of Central regarding the conduct of a coordinated election. Alderman Giancola seconded and, without discussion, the motion carried unanimously.

**STAFF REPORTS**

Manager Lanning reminded Council of the work session to discuss the Parking Garage on July 19 and the special meeting on July 24 to cover two agenda items and then move into executive session for the manager's review.

Finance Director Flowers discussed possible dates for budget work sessions in August. Council consensus is for August 23 and 30 beginning at 6:00 p.m.

Operations Director Kisselman explained that the entrance sign project has become a larger and more costly project so we will include this in our budget items for 2013.

**COUNCIL COMMENTS**

Alderman Voorhies gave kudos to Joe Braccio and the crew for the repair to the culvert on Nevada Street that has been a problem for sometime when we get heavy rains.

Alderman Lee thanked Chief Krelle for the changes to the website and having the information for the public to sign up for the emergency notification system.

**PUBLIC FORUM/AUDIENCE PARTICIPATION**

No one requested time to address the Council.

**EXECUTIVE SESSION**

At 7:48 p.m., Alderman Voorhies moved to go into Executive Session pursuant to C.R.S. Section 24-6-405(4)(b) for purposes of receiving legal advice concerning the Ballowe litigation. Alderman Spain seconded and, without discussion, the motion carried unanimously.

At 8:10 p.m., Alderman Voorhies moved to return to open session. Alderman Spain seconded and, without discussion, the motion carried unanimously.

Alderman Voorhies moved to authorize the City Manager to execute the Nathan Bremer Dumm & Myers Engagement Letter. Alderman Spain seconded and, without discussion, the motion carried unanimously.

Hearing no further business, Mayor Engels adjourned the meeting at 8:12 p.m.  
The next meeting will be a special Council meeting scheduled for July 24, 2012 at 6:00 p.m.

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Ronald E. Engels, Mayor

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Reba Bechtel, City Clerk

**CITY OF CENTRAL  
CITY COUNCIL MEETING  
July 24, 2012**

**CALL TO ORDER**

A special meeting of the City Council for the City of Central was called to order by Mayor Engels at 6:00 p.m., in City Hall on July 24, 2012.

**ROLL CALL**

Present: Mayor Engels  
Alderman Spain  
Alderman Giancola  
Alderman Voorhies  
Alderman Lee

Absent: None

Staff Present: Manager Lanning  
Attorney Michow  
City Clerk Bechtel  
Police Chief Krelle

The Pledge of Allegiance was recited by all present.

**ADDITIONS AND/OR AMENDMENTS TO THE AGENDA**

The agenda was approved as presented.

**CONFLICTS OF INTEREST**

No Council Member disclosed a conflict regarding any item on the agenda.

**PUBLIC FORUM/AUDIENCE PARTICIPATION**

No one requested time to address the Council.

**LIQUOR LICENSE AUTHORITY**

Alderman Voorhies moved to open the Liquor Licensing Authority. Alderman Giancola seconded and, without discussion, the motion carried unanimously.

City Clerk Bechtel explained that this is a new process for special events to allow the liquor for specified dates and times to be purchased inside the participating businesses and taken out on the street (which becomes the controlled premise) and into another casino. The application for the Promotional Association has been made by the Central City Business Association Inc. and shows the liquor premise on the map with the time window for each event to cover moving people off the street after the music ends before 10:00 p.m.. There are 2 separate approvals. The first is to approve the Central City Business Association Inc. as the Promotional Association and second to approve the application for the Common Consumption Area which covers the dates, times and premise for the events.

At 6:10 p.m., Mayor Engels opened the Public Hearing. Joe Behm, Association Manager for the Central City Business Association Inc. stated that they have met the state requirements to form a Promotional Association with the articles of incorporation and bylaws, designating five Officers and Directors from the six participating licensed establishments and providing liability insurance. The requirements for the Common Consumption Area have also been met with well over 20,000 sq. ft. in licensed area, tips trained servers in the casinos using a wristband and serving in a special disposable container no larger than 16 ounces with the name of the vendor, a security plan using Staff Pro Inc., and a plan to stay within the 10:00 p.m. time limit. At 6:10 p.m., Mayor Engels closed the Public Hearing.

Alderman Voorhies moved to approve the certification of the Promotional Association known as the Central City Business Association Inc. based on the evidence presented at the hearing held on July 24, 2012 before the Central City Liquor Authority. Alderman Spain seconded and, without discussion, the motion carried unanimously.

Alderman Voorhies moved to approve and designate the Common Consumption Area designated as Main Street—two city blocks from the intersection of Lawrence/Eureka to the intersection of Spring/Bridge/Nevada based on the evidence presented at the hearing held on July 24, 2012 before the Central City Liquor Authority. Alderman Spain seconded and, without discussion, the motion carried unanimously.

Alderman Voorhies moved to close the Liquor Licensing Authority. Alderman Giancola seconded and, without discussion, the motion carried unanimously.

## **NEW BUSINESS**

Ordinance No.12-09: *An ordinance authorizing the City of Central to enter into a Municipal Lease-Purchase Agreement and related documentation with Ally Financial for the lease and purchase of three 2012 Chevrolet Tahoe trucks for police purposes and declaring an emergency.* Manager Lanning explained that Council approved \$95,499 for the purchase of three (3) new Chevrolet Tahoes for the Police Department in February prior to the approval of the lease-purchase documents since the delivery time for the vehicles was at least sixty (60) days out.

The City has finally secured financing with Ally Financial for the purchase of the three (3) Chevrolet Tahoes. The total financed price for the lease purchase of the above is \$95,499. The annual interest rate is 6.14% and the term of the financing is three (3) years with a total of \$5,743.77 in interest. Each annual payment will be \$33,747.59. This purchase adheres to the adopted funding allocations for vehicles and equipment in the Police Department under line item 01-421-7420 Lease Purchase Payments (budgeted amount of \$40,000). The funding for up-fitting these vehicles will come out of the General Fund, Police Department under line item 01-421-7432 (budgeted amount of \$50,000). The costs associated with up-fitting are not leased and/or financed but purchased out right.

Due to internal issues, it took Ally much longer than expected to review and approve the lease-purchase documents prepared by the City's legal counsel. Because of this delay on Ally's part, the vehicles are already on the ground and ready to be delivered and taken for up-fitting of equipment. As the Police Department's current fleet is old and continually in need of repair, it is extremely important that the City be able to take delivery of the vehicles as soon as possible. For this reason, Ordinance 12-09 also declares that an emergency exists due to the state of the Police Department's fleet. This will allow this ordinance to become effective immediately upon adoption and makes it legal for the City to

accept delivery of the vehicles immediately. A public hearing and second reading will still be held on Ordinance No. 12-09.

Alderman Spain moved to adopt Ordinance No. 12-09: An ordinance authorizing the City of Central to enter into a Municipal Lease-Purchase Agreement and related documentation with Ally Financial for the lease and purchase of three 2012 Chevrolet Tahoe trucks for police purposes and declaring an emergency and set a Public Hearing for August 7, 2012 at 7:00 p.m. Alderman Giancola seconded and, without discussion, the motion carried unanimously.

**COUNCIL COMMENTS**

No comments were made by Council.

**PUBLIC FORUM/AUDIENCE PARTICIPATION**

No one requested time to address the Council.

**EXECUTIVE SESSION**

At 7:29 p.m., Alderman Voorhies moved to adjourn into Executive Session pursuant to C.R.S. – Pursuant to C.R.S. 24-6-402(4)(f) regarding a personnel matter concerning the city manager review and pursuant to C.R.S. 24-6-402(4)(e) to instruct negotiators concerning City Manager contract. Alderman Spain seconded and, without discussion, the motion carried unanimously.

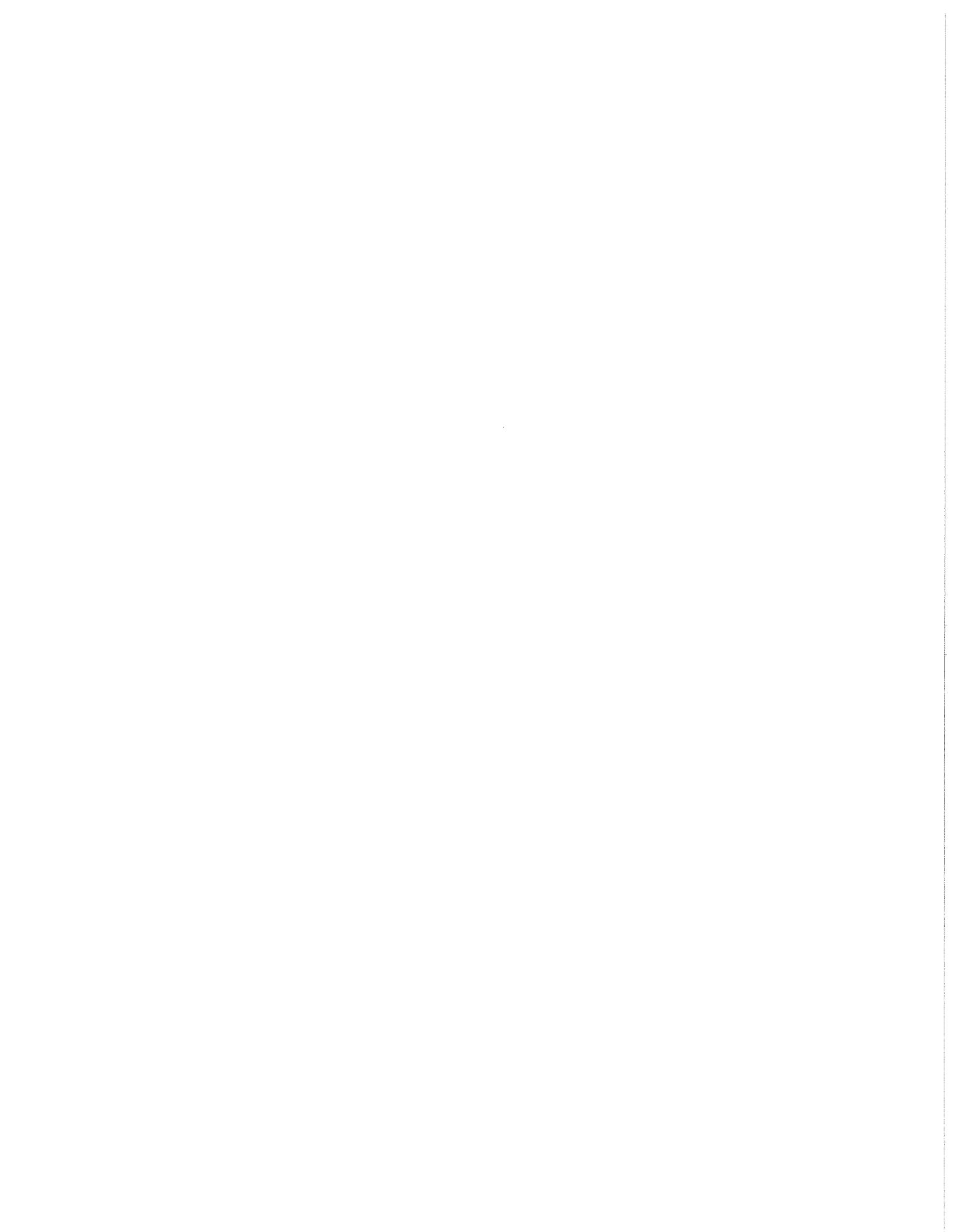
The next meeting is scheduled for August 7, 2012 at 7:00 p.m.

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Ronald E. Engels, Mayor

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Reba Bechtel, City Clerk





## AGENDA ITEM #7

### CITY COUNCIL COMMUNICATION FORM

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**FROM:** Marcus McAskin, Assistant City Attorney  
Shannon Flowers, Finance Director  
Kent Kisselman, Operations Director

**DATE:** August 3, 2012

**ITEM:** Ordinance 12-08 Amending Certain Provisions of Chapter 13 of the Municipal Code Concerning Municipal Utilities; Specifically Regulations Pertaining to the City Water System

**NEXT STEP:** Make a Motion Approve Ordinance 12-08 as amended

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ORDINANCE  
 MOTION  
 INFORMATION

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- I. **REQUEST OR ISSUE:** The City Council is being asked to consider Ordinance 12-08 which repeals and replaces Chapter 13 of the Municipal Code in its entirety. As discussed with Council during the July 10<sup>th</sup> work session, City staff and legal counsel have been reviewing the Municipal Code to clean up obsolete provisions, create administrative efficiencies and to simplify the language and cross referencing so that staff, residents and businesses can more easily access the regulations set forth in Chapter 13.

Chapter 13 of the Municipal Code, which addresses utilities and the City's water system, has become difficult to administer for staff and hard to understand for residents and businesses as a result of numerous code changes in the past. For this reason, staff is asking that Council repeal the entire chapter and replace it with the language contained in Ordinance 12-08. While staff is asking that the entire chapter be repealed and replaced, it is important to note that most of the rules, regulations and procedures currently in place will remain the same. Further, adoption of Ordinance 12-08 does not affect water rates in any way.

\*\*\*Revised from previous reading-Section 13-124 Yard Hydrants-staff and legal counsel have revised the language regarding yard hydrants to more clearly adhere to Council's wishes and concerns about contamination. A property that has an

existing yard hydrant at the time of adoption has the option to replace the yard hydrant with a sanitary yard hydrant that conforms to certain requirements. The property owner has thirty days from date of City notification to accomplish this or their existing yard hydrant will be disconnected from the water system.

Significant changes to Chapter 13 are summarized below:

- Section 13-16 Installation of taps; fees: The City will now be approving any plans to install taps and inspecting the tap installation to ensure compliance with City standards.
- Section 13-33 Plan review and approval: A preconstruction meeting between the owner, contractor and City staff will now be held prior to the construction of any main extensions.
- Section 13-58 Billing; late charges and interest; collection: This section has been completely rewritten to formalize the current process under which delinquent accounts are handled. It sets out a process of interest and late fee assessment based upon a 30, 60 and 90 day delinquency. A new section has also been added to deal with accounts that are habitually delinquent and gives the City the ability to disconnect water service to these accounts within a condensed timeframe. The proposed language also requires that the utility bill remain in the name of the property owner as any delinquency of the account is tied to the property itself, not a tenant of the property.
- Section 13-86 Appeals: Any decisions made by City staff in the administration and/or enforcement of this Chapter may be appealed to the City Manager. In order to do so, a person must request an appeal in writing. If the appeal is related to nonpayment, the property owner must place 100% of the amount owed on deposit with the City prior to the Manager hearing said appeal.
- Section 13-118 Hydrant Use and Water General: Language regarding the use of the City's Water General system to obtain water has been included in the Chapter and a fee has been added for unauthorized use of a fire hydrant.

In relation to a number of the above changes, the City will be adopting by resolution a separate fee schedule that will identify and set rates for all fees referenced in Chapter 13, as revised. Again, nothing in Chapter 13 (as revised by Ordinance 12-08) or the resolution to adopt fees will have any effect on current water rates.

**II. RECOMMENDED ACTION / NEXT STEP: Approve Ordinance 12-08**

**I MOVE TO APPROVE ORDINANCE NO. 12-08, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CENTRAL, COLORADO AMENDING CERTAIN PROVISIONS OF CHAPTER 13 OF THE MUNICIPAL CODE CONCERNING MUNICIPAL UTILITIES; SPECIFICALLY REGULATIONS PERTAINING TO THE CITY WATER SYSTEM AS AMENDED**

**III. FISCAL IMPACTS: Fiscal impacts include the additional revenue gained through the assessment and collection of delinquent fees, late charges and the fees collected for inspections and reviews to be identified in a Resolution to set fees.**

IV. **LEGAL ISSUES:** The City is authorized under its home rule charter and Title 31 of the Colorado Revised Statutes to adopt and amend ordinances in furtherance of governmental administration and the City's police powers.

V. **CONFLICTS OR ENVIRONMENTAL ISSUES:** N/A

VI. **SUMMARY AND ALTERNATIVES:** City Council has the following options:

(1) Adopt Ordinance No. 12-08 on first reading, and schedule for public hearing and second reading for final adoption, as may or may not be amended;

(2) Direct staff to make revisions to the Ordinance and schedule consideration of the Ordinance on a future City Council agenda for first reading; or

(3) Reject or deny the Ordinance.

**CITY OF CENTRAL, COLORADO  
ORDINANCE 12-08**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CENTRAL,  
COLORADO AMENDING CERTAIN PROVISIONS OF CHAPTER 13 OF THE  
MUNICIPAL CODE CONCERNING MUNICIPAL UTILITIES; SPECIFICALLY  
REGULATIONS PERTAINING TO THE CITY WATER SYSTEM**

**WHEREAS**, the City of Central (“City”) is authorized under its home rule charter and Title 31 of the Colorado Revised Statutes to adopt and amend ordinances in furtherance of governmental administration and the City’s police powers; and

**WHEREAS**, the City Council previously codified the ordinances of the City via Ordinance No. 94-3 into the Municipal Code; and

**WHEREAS**, in furtherance of the public health, safety and welfare of the City of Central, the City Council wishes to update the Municipal Code, chapter by chapter, to create administrative efficiencies and to reflect current City practices and policies; and

**WHEREAS**, the City Council has considered revisions to Chapter 13 of the Municipal Code in a Council study session held on July 10, 2012; and

**WHEREAS**, said revisions to Chapter 13 include but are not limited to: establishment of conditions of water service and the establishment of certain fees and charges related to the City’s water system; and

**WHEREAS**, City Council conducted a public hearing, with proper notice provided, to consider adoption of this Ordinance as required by law; and

**BE IT ORDAINED BY THE CITY COUNCIL FOR THE CITY OF CENTRAL,  
COLORADO THAT:**

**Section 1.** Chapter 13, currently titled “Municipal Utilities” is hereby repealed and replaced to read in its entirety as follows:

**CHAPTER 13  
Municipal Utilities**

**Article I Water System; General Provisions**

*Division 1 General*

- Sec. 13-1 Authorizations
- Sec. 13-2 Definitions
- Sec. 13-3 City system
- Sec. 13-4 Extraterritorial service
- Sec. 13-5 Connection required

Sec. 13-6 Other water systems prohibited

*Division 2 Conditions of Service; Licenses*

- Sec. 13-11 License required; application; penalty
- Sec. 13-12 Approval standards; revocation
- Sec. 13-13 Expiration
- Sec. 13-14 Nontransferability of license
- Sec. 13-15 Individual structures
- Sec. 13-16 Installation of taps; fees
- Sec. 13-17 Reconveyance of easements
- Sec. 13-18 Redevelopment; consolidation of taps
- Sec. 13-19 Owner-initiated suspension of service
- Sec. 13-20 Sewer service requirement

*Division 3 Main Extensions*

- Sec. 13-31 Required
- Sec. 13-32 Approval required, improvements agreement
- Sec. 13-33 Plan review and approval
- Sec. 13-34 Construction observation
- Sec. 13-35 Stop work orders
- Sec. 13-36 Location
- Sec. 13-37 Deeded easements
- Sec. 13-38 Easement acquisition costs
- Sec. 13-39 City main extensions

*Division 4 Fees and Charges*

- Sec. 13-51 Purpose and liability
- Sec. 13-52 System review fee
- Sec. 13-53 Disconnection and reconnection fees
- Sec. 13-54 Plan review fee
- Sec. 13-55 Inspection and observation fees
- Sec. 13-56 Cure charges
- Sec. 13-57 Civil fines pass-through
- Sec. 13-58 Billing; late charges and interest; collection
- Sec. 13-59 Withholding approval and permits

*Division 5 Administration and Enforcement*

- Sec. 13-81 Prohibited acts
- Sec. 13-82 City agents and representatives
- Sec. 13-83 Right of entry
- Sec. 13-84 Suspension or termination of service
- Sec. 13-85 Cure of violations
- Sec. 13-86 Appeals
- Sec. 13-87 Civil damages
- Sec. 13-88 Injunctive relief
- Sec. 13-89 Remedies cumulative

## **Article II Water System Regulations**

### *Division 1 General*

Sec. 13-101 Incorporation of standards by reference

### *Division 2 User Requirements*

Sec. 13-111 Service lines

Sec. 13-112 Water meters

Sec. 13-113 Backflow prevention required

Sec. 13-114 Backflow prevention equipment requirements; evidence of approval/conformity

Sec. 13-115 Inspections; testing

Sec. 13-116 Applicability of backflow prevention regulations

Sec. 13-117 Water restrictions; violation; penalty

Sec. 13-118 Hydrant permit and Water General

Sec. 13-119 Tap and meter sizing; increases

Sec. 13-120 Stub-in

Sec. 13-121 Voluntary termination

Sec. 13-122 Test samples

Sec. 13-123 Fire protection

Sec. 13-124 Yard hydrants

### *Division 3 Fees and Charges*

Sec. 13-141 Plant investment fee

Sec. 13-142 Water Rates

Sec. 13-143 Lost water charge

Sec. 13-144 Owner-initiated meter read fee

Sec. 13-145 Utility Rate Relief Policy

## **ARTICLE I**

### **Water System; General Provisions**

#### *Division 1*

##### *General*

#### **Sec. 13-1. Authorizations.**

This Chapter is promulgated pursuant to the authority granted in Articles 15 and 35 of Title 31, C.R.S., as amended, as a comprehensive body of regulations governing the operation of the City water system, and shall supersede and have priority over any and all informal practices or policies of the City, whether in written form or otherwise.

### **Sec. 13-2. Definitions.**

As used in this Chapter, unless the context clearly indicates otherwise, the words defined below shall have the respective meanings set forth for them:

*Active or activated.* When referring to a tap, a tap for which the customer has paid all fees and has the legal authorization to connect to and use the City water system for service to the licensed premises, and for which the physical connection to the City water system has been made and approved by the City. An active tap is being charged the fixed monthly service fee, even if it is not actually taking water so as to incur any volumetric component of the applicable monthly rate. Stub-ins shall not be considered activated taps.

*Actual costs.* All direct and indirect costs attributable to any project or undertaking. Actual costs to the City shall include its engineering, legal, labor, material, equipment, administrative and overhead expenses, and all direct payments to third parties, at cost.

*City.* The City of Central, Colorado, acting by and through its employees, agents, officers, directors, insurers and professional consultants.

*City system or City water system.* The plant, facilities, supplies, systems, water rights, assets and appurtenant property rights owned by the City which are used and useful for the furnishing of water service.

*Contractor.* Any person who performs any work, either for himself, herself or another, on any water facilities, public or private, within the City, including all subcontractors, agents, employees, officers and other representatives of such person.

*Customer or owner.* Any person who, whether solely or with others, owns real property which receives or is eligible to receive water service from the City. When property is owned by more than one (1) person, the term includes all owners thereof. As used in these rules and regulations, the term shall apply to such person only in connection with his or her ownership of any specific parcel of real property involved in any specific matter governed by this Chapter.

*Design standards.* The technical specifications and design and engineering standards, as now or hereafter constituted, adopted by the City Council, which prescribe the minimum technical standards and related requirements for the design, installation, construction, operation, use, maintenance, repair and replacement of water facilities within the City.

*Facility.* A component part of the City water system.

*License.* The written authority to make a tap for water service.

*Licensed premises or premises.* The land area and improvements thereto to which water service is limited under any particular license.

*Main.* Those City-owned pipes and appurtenant facilities used for distributing water along public streets, easements or rights-of-way deeded or licensed to the City.

*Main extension.* The construction of retail facilities of any kind whatsoever, wherever located, or the facilities themselves, including replacements and enlargements, which are designed and intended to serve particular local areas or land development, and which are intended to become or have become a part of the City water system upon acceptance by the City.

*Meter.* A device, appropriate to the premises serviced, installed to measure the amount of water passing through it, with an accuracy of between ninety-five percent (95%) and one hundred one percent (101%) of actual quantities delivered.

*Person.* Includes associations, corporations, firms, partnerships and bodies politic and corporate, as well as individuals.

*Record or as-built drawings.* A separate set of full-scale construction plans marked to indicate completely and accurately the field-installed condition of facility construction in progress or completed.

*Retail facilities.* City-owned water facilities, of any kind whatever and wherever located, which serve a particular portion of the City's service area in which property owned or being developed by the owner is located; new retail facilities are designed, constructed and installed by and at the sole cost of the owner and are conveyed at no cost to the City for operation and maintenance. Water distribution mains, with appurtenances, are typical retail facilities.

*Service lines.* All water pipes, fittings and appurtenances owned by the customer, which convey water from the City's main to the plumbing of the licensed premises. The dividing point between the City system and privately owned service lines is the saddle/corporation stop.

*Stub-in.* A connection to a water main made for the purpose of installing a water service line prior to the paving of streets. Such connection shall include fittings necessary to extend the service line to the valve at the property line. Stub-ins shall not be considered activated taps.

*Tap.* The physical connection to a City main which, together with the license for the same, provides water service to any licensed premises.

*User.* Any person who takes water from the City water system.

### **Sec. 13-3. City system.**

(a) Ownership. The City exercises the responsibilities of full ownership of the existing City water system and shall only accept ownership responsibilities for additional facilities which have been formally conveyed to and accepted by the City.

(b) Operation and maintenance. The City operates, maintains, repairs and replaces the City water system. Such services include without limitation inspections of private premises to

ensure compliance with this Chapter, in addition to periodic, systematic inspection and maintenance of City facilities. All inspections, observations, testing and reviews performed by the City are for the sole and exclusive benefit of the City. No liability shall attach to the City by reason of any inspections, observations, testing or reviews required or authorized by this Chapter or the design standards by reason of the issuance of any approval or permit for any work subject to the authority or jurisdiction of the City.

(c) Interconnections and cross-connections. No person shall connect any other water system to any component part of the City system, nor shall water from any other system be introduced or permitted to enter the City system, except with the express written approval of the City under written agreement approved by the City Council and the City Attorney. The City may immediately and without notice disconnect any unauthorized cross-connection or interconnection and charge the actual costs thereof to any person responsible therefor.

(d) Repair shut-offs. The City may, without notice and without liability to any person, suspend service or modify water pressure for the purpose of making repairs or extensions to the City system, for the purpose of making emergency repairs to the City system, or for other useful or necessary purposes.

#### **Sec. 13-4. Extraterritorial service.**

Nothing in this Chapter shall limit the City's ability to provide services outside its legal boundaries under such terms and conditions as the City Council may determine. No such service shall be extended except by written contract, which may be included within an annexation agreement. No such service will be construed to impose upon the City any obligation to provide additional service outside of its legal boundaries, nor shall the existence of such service constitute an offer by the City to serve outside of its boundaries generally. Except as expressly provided by contract in specific cases, the City has no obligation whatever to provide any service outside of its legal boundaries.

#### **Sec. 13-5. Connection required.**

(a) Requirement. Unless exempted by the City Council for good cause and in conformity with applicable statutes and regulations, all improvements requiring potable water shall be connected to the City system if City facilities are within two hundred feet (200') of the boundary of the parcel of property on which such improvements are located. Such connection shall be made or any necessary main extension commenced within sixty (60) days after written notice to the owner by the City, and any existing private water facilities shall thereupon be properly emptied, cleaned, filled with sand or dirt, or otherwise disconnected in accordance with written instructions of the Public Works Department.

(b) Main extensions. The Public Works Department shall determine when main extensions are necessary. Necessary extensions shall extend to a point as determined by the Public Works Department.

(c) Exemptions. During the construction of any improvements, temporary toilet facilities may be used in accordance with the regulations of the Gilpin County Public Health Agency or of the Colorado Department of Public Health and Environment, but as soon as such improvement is connected to City facilities, such use shall be abandoned and all evidence of such use properly covered or disposed of.

**Sec. 13-6. Other water systems prohibited.**

(a) Supplies. No person shall furnish or supply treated water from any water system within the City except from the City water system.

(b) Use. No person shall take, use or consume any treated water within the City for any purpose from any water system other than the City water system.

*Division 2  
Conditions of Service; Licenses*

**Sec. 13-11. License required; application; penalty.**

(a) License required; application. No person shall cause or permit any connection to any City facility without first obtaining a license therefor as provided in this Article. Any person, who desires to obtain new service to property within the City, or within an approved extraterritorial area, shall make written application therefor at the office of the City Finance Department upon the approved tap application form and such other forms as may be prescribed and furnished by the City. Such person shall also furnish such additional information about the premises as may be required by the City to calculate the estimated demand of such premises upon the City water system.

(b) License; authority. The approved tap application form shall constitute authority for a license; however, no license shall be deemed to be granted until the premises are recorded as an active account in the City's water billing system following the date on which the tap and service line has been inspected and approved by the City in accordance with Section 13-16 of this Chapter. Until a license is granted and written notification of the same is provided to the licensee, no person shall take water from the City system at or from such premises, and any use of the City system by or at such premises shall be deemed an unauthorized connection.

(c) Unauthorized connection; penalty. Any person who makes, causes, permits, solicits, aids or abets any other person to make or cause any connection to the City system without a proper license therefor is subject to a civil penalty in an amount equal to twice the amount of the plant investment fee for the connection made, calculated as provided in Section 13-141 of this Chapter, in addition to any plant investment fee regularly imposed pursuant thereto for the connection when the same is made in conformity with this Chapter.

**Sec. 13-12. Approval standards; revocation.**

(a) Approval standards. Upon a determination that all of the following conditions exist or have been met with respect to the application, the City shall issue its authority for a license for the service requested:

(1) The written application and information submitted therewith is accurate, complete and proper as to form.

(2) The person making application has the authority or consent to do so from the owner.

(3) All applicable fees and charges imposed by or through the City are paid at the time of application.

(4) The property proposed for service is within the legal boundaries of the City or another area authorized for service by the City Council.

(5) The main on which the tap will be made has been accepted by the City and all conditions necessary under this Chapter for conditional acceptance by the City of facilities used or useful to serve the tap exist at the time application for service is made. Prior acceptance of such facilities by the City does not conclusively establish that this requirement is met.

(6) The City system is adequate to serve the proposed tap.

(b) Conformity with City standards. Notwithstanding any other provision of this Chapter to the contrary, the City may terminate or withhold licenses or approvals for service from any facilities, public or private, which do not conform to this Chapter, the design standards or any plan approvals.

(c) Revocation. The City may revoke any license, before or after the tap is activated, upon a determination that the application therefor contained false or inaccurate information and, but for such misinformation, the application would have been denied when made.

**Sec. 13-13. Expiration.**

(a) Except as provided by written agreement approved by the City Council, every license shall expire eighteen (18) months after the date of its issue unless the tap is made and activated within that time. Each license may be once extended for up to an additional eighteen (18) months upon approval by the City Council.

(b) Any activated tap for which the service fee remains unpaid for twelve (12) months shall be considered expired.

(c) Any owner whose license or tap expires may reapply for a license, and said application will be considered a new application for service, subject to the conditions set forth in Section 13-12 above.

**Sec. 13-14. Nontransferability of license.**

Each license applies only to the premises identified thereon and is not deemed in any sense to be personal property. No license may be transferred from one (1) premises to another without the written approval of the City, but a license shall be deemed to follow any transfer or sale of the fee ownership of the licensed premises.

**Sec. 13-15. Independent structures.**

(a) Each independent structure requiring water service shall be individually licensed and metered and served by a separate tap and service line unless the City, in the exercise of its reasonable discretion, determines that other means are more suitable in the operation of the City water system. For the purposes of this Section, an independent structure shall include single family detached units, single family attached (townhome) units, and commercial, retail or office units. Any City authorization for more than one (1) structure on a common service line, meter or tap must be approved by written resolution of the City Council, signed by the Mayor, and must specifically identify all structures to be served by the common service line, meter or tap. Each independent structure shall be served by its own service line and tap, and no connection to the City water system shall be made by extending the service line from one (1) premises to another premises, unless City authorization is obtained as set forth above.

(b) All properties receiving service from a common service line, meter or tap, as authorized by Subsection (a) above shall provide for a curb stop box at the common service line, accessible to Public Works Department personnel, and provide for individual shutoff capability at each individual structure. This individual shutoff may be a curb stop box or other apparatus that is under the control of the owner, and said owner will bear full responsibility for turning the water on or off as necessary.

(c) Upon receipt of an order to cure any installation not conforming to this Section, the owner of any independent structure in violation of this section shall be responsible for all costs of disconnecting the owner's structure from the common service line and installing a separate service line and tap. Unless all affected owners agree otherwise in writing, the owner of that part of the licensed premises closest to the tap, following the route taken by the existing service line, shall be entitled to keep the original tap, and the owner of each other structure shall be required at his or her sole expense to obtain a new and separate license for his or her premises. However, said owner shall not be required to pay a plant investment fee when the only reason for the new tap is to cure a violation of this Section. Such arrangements shall be completed within sixty (60) days after the date of the order to cure. Any violation of this Section which continues after that date shall be deemed an unauthorized tap or service connection to the City system and the penalty set forth in Section 13-11(c) shall apply.

**Sec. 13-16. Installation of taps; fees.**

(a) When a tap is to be made, the customer shall excavate the site of the tap as directed by the City and notify the City when such excavation is ready for the tap to be made. The tap shall be made by a contractor duly licensed in the City at the expense of the owner.

(b) When the tap has been made, the customer shall install the water service line from the tap to a point a minimum of five (5) feet downstream from the curb stop, normally located on the customer's property line. The customer shall notify the City when this installation is complete and ready for inspection. The City shall inspect such installation and approve the same when it conforms to the design standards.

(c) The customer shall notify the City not less than five (5) business days before the date of tapping to schedule a time for the City's tapping work, and again for inspection of the installation of piping and curb stop. The customer shall pay a fee for City tapping and inspection services furnished pursuant to this Section, one (1) fee for each service, including re-inspection fees to be imposed if the site is not ready for the tap to be made or if any customer installation fails to pass an inspection, in an amount set forth in the City's fee schedule.

(d) Record drawing. The customer shall supply the City with a record drawing of the installation within two (2) weeks after the tap has been completed, showing the location of the tap, service line and curb stop box.

**Sec. 13-17. Reconveyance of easements.**

As a condition of continued service to any licensed premises, the owner of such premises shall, to the extent of the owner's legal ability, upon written request by the City, reconvey at no cost to the City any and all easements or other property interests covering City facilities used or useful to serve such premises which may have been lost due to the foreclosure of any senior lien of any description, by the failure of any description, or by the failure of the City's title thereto for any other reason.

**Sec. 13-18. Redevelopment; consolidation of taps.**

Whenever the customer desires to eliminate two (2) or more existing taps serving the site of a future project containing one (1) or more new buildings, the transferability of existing taps and credits for City plant investment fees to the new project shall be determined by the City on a case-by-case basis.

**Sec. 13-19. Owner-initiated suspension of service.**

On the written request of an owner, the City may suspend service to the owner's premises, provided that they are not occupied by persons other than the owner at the time the request is made. On the effective date of such suspension, the City shall physically interrupt water service to the premises and shall not restore such service until requested in writing by the owner. During the suspension period, no person shall take water from the City system at or from such premises,

and any use of the City water system by or at such premises shall be deemed an unauthorized connection. During the suspension period, the rates charged to the premises for water service will be the current base rate for monthly residential service, as then set forth in the City's fee schedule. The assessment of non-consumption based fees and charges shall continue during any suspension period. The owner shall be liable for all fees and costs associated with the suspension, including without limitation the disconnection and reconnection fees set forth in the City's fee schedule.

**Sec. 13-20. Sewer service requirement.**

(a) As a condition of receiving water service from the City water system, an owner within the corporate limits of the City must connect to the Black Hawk-Central City Sanitation District (the "District") for sanitary sewer service. The terms of such connection shall be determined by the Board of Directors of the District and shall conform to the rules and regulations of the District.

(b) Under special circumstances, the requirement to connect to the District may be waived or postponed by the City upon written recommendation from the Board of Directors of the District.

(c) Written notice setting forth the recommendations of the District and compliance therewith by the owner shall be received by the City prior to physical connection to the City water system by the owner.

*Division 3  
Main Extensions*

**Sec. 13-31. Required.**

Any owner subject to a notice to connect issued pursuant to Section 13-5 of this Chapter or who desires water service shall, at the owner's sole cost and expense, design, construct and install all new main extensions, including without limitation frontage extensions, reasonably required by the City to serve the owner's property. All such work shall be in conformity with and subject to the City's Comprehensive Plan, this Chapter, the design standards and City approval. In accordance with the provisions of this Chapter, the owner shall, at no cost to the City, convey to the City all main extensions constructed by the owner.

**Sec. 13-32. Approval required, improvements agreement.**

No owner shall commence any construction of a main extension without the prior written approval of the City. If required by the City, the owner shall enter into a written improvements agreement with the City setting forth any or all terms and conditions applicable to the main extension.

**Sec. 13-33. Plan review and approval.**

No construction of any main extension shall begin until after the plans and design therefor have been reviewed and approved by the City as conforming with the City's Comprehensive Plan, this Chapter, the design standards and any other applicable standards, and until a preconstruction meeting has been held between the owner, the owner's contractor that will be performing work on the City water system, the Public Works Director, and other City staff as necessary. The City shall inform the owner in writing of the reasons for any disapproval of the plans and design. Upon approval of the plans and design by the City, the City will schedule the preconstruction meeting.

**Sec. 13-34. Construction observation.**

The owner shall notify the City at least five (5) business days before commencing construction, and at any and all other times specified by the City in any plan approvals or otherwise, for observation, inspection or testing.

**Sec. 13-35. Stop work orders.**

(a) Order. The City may revoke any approval for work and issue a stop work order upon a determination that the owner or the owner's contractor has violated or is about to violate any condition of any plan approval, any provisions of this Chapter, any provision of this Code, or any other standard, specification, rule or regulation imposed by the City. A stop work order shall take effect immediately upon the entry thereof by the City and notice to the owner or the owner's contractor, and shall remain in full force and effect until rescinded in writing by the City.

(b) Effect. It is unlawful for any person to do any work in violation of the terms of any stop work order issued pursuant to this Section, except such as may be permitted by the City in order to render the construction site safe and secure.

**Sec. 13-36. Location.**

Main extensions shall be located only in easements deeded to the City, or in roads or streets which the City or the County has accepted for maintenance as a public right-of-way.

**Sec. 13-37. Deeded easements.**

Deeded easements necessary to cover main extensions not located in public rights-of-way shall be granted at no cost by the owner to the City at such time and upon such terms as the City may reasonably require. To facilitate the City's preparation of appropriate easements or other appropriate instruments of conveyance, the property owner shall comply with the following minimum requirements:

(1) Legal description. The owner shall furnish the City with a legal description of all easement parcels to be granted by any conveyance instrument, consisting of a printed legal

description, certified by a land surveyor registered in the State, and an accurate survey drawing of each parcel, including north arrow and scale, tying each parcel to a survey land corner or corner of a platted parcel of land.

(2) Evidence of title. The owner shall furnish suitable evidence of title, consisting of a commitment for or a title insurance policy, a subdivision certificate or a written ownership and encumbrance report, dated within thirty (30) days before the date of submission to the City. Evidence of title must show all current mortgages, deeds of trust, liens and other encumbrances against the easement parcels to be conveyed to the City. The City may require reasonable evidence of the authority of the individual executing the conveyance instrument to bind the owner thereto.

(3) Release of encumbrances. The City may require a properly executed and acknowledged release or other suitable instrument to exempt an easement parcel from prior liens or encumbrances. If such is required, the City will not accept the main extensions or other facilities for maintenance until it receives all required releases. The City reserves the right to require additional or supplemental evidence of title after the release is recorded.

**Sec. 13-38. Easement acquisition costs.**

The owner shall be responsible for and shall pay all costs and expenses of whatever kind associated with the acquisition and approval of all easements required by this Article. These expenses may include those associated with eminent domain proceedings if required; however, this Section shall not be construed as imposing any obligation whatsoever upon the City to commence or prosecute any such action.

**Sec. 13-39. City main extensions.**

Notwithstanding any of the foregoing, the City reserves the right to extend water mains in any case in which it determines that such action may be in the best interests of the City and its constituents, upon such terms and conditions as the City Council may reasonably determine.

*Division 4  
Fees and Charges*

**Sec. 13-51. Purpose and liability.**

(a) Purpose. The purpose of the fees and charges authorized by this Chapter is to cover the costs of constructing, operating, administering, maintaining, repairing, replacing and expanding the City water system, including the repayment of debt and funding of reasonable reserves to accomplish any or all of said purposes, and for contingencies. The water system is operated through the City's Water Fund, which is an enterprise fund of the City. User fees and charges are set and established at a level designed to cover the costs associated with the City water system, as set forth above.

(b) Liability. The fees and charges provided in this Chapter are the personal, joint and several obligation of the owner of the property for which service is furnished or the charge made, but the full amount of any such fees and charges shall also be a perpetual lien against such property. The City assumes no responsibility for any agreement made between owners and tenants, regardless of how made and regardless of whether the City has notice thereof. Notwithstanding the foregoing, however, any system or plan review, observation, inspection, disconnection or reconnection fee shall also be the personal obligation of any person who orders or requests the City to perform such work, even though such person may have acted in a representative capacity when doing so.

(c) Current owner address. Each owner shall be required to provide the City Finance Department with the owner's current mailing address, whether within or without the City. Unless otherwise set forth in this Chapter to the contrary, all fees and charges related to the provision of water service to a licensed premises shall remain the personal, joint and several obligation of the owner of the property for which service is furnished.

**Sec. 13-52. System review fee.**

Any person who requests the City to review the feasibility, costs and methods of City service to a new development shall pay all of the actual costs incurred by the City to perform such review. If required by the City, the person requesting the review shall deposit an amount reasonably estimated by the City to cover said costs when the request for review is made. The City need not perform or continue any review services for such person without an adequate amount to pay the costs thereof being on deposit. Any unused portion of the deposit will be refunded, and any deficit will be invoiced to the person liable therefor within forty-five (45) days after the review is completed or terminated.

**Sec. 13-53. Disconnection and reconnection fees.**

Whenever any service is physically disconnected, interrupted or reconnected by the City for any reason, the customer or any other person liable therefor shall pay a fee in an amount set forth in the City's fee schedule.

**Sec. 13-54. Plan review fee.**

Whenever any provision of this Chapter requires City review of plans and design, the person liable therefor shall reimburse the actual cost incurred by the City for such plan review within thirty (30) days following the date on which the City mails or otherwise delivers the invoice. At the time the plans or designs are presented, the person requiring such plan review shall deposit with the City an amount reasonably estimated by the City to cover said costs when the request for review is made. If an additional deposit becomes necessary in order to cover the estimated actual cost of the plan review, the City may estimate an additional amount required for deposit and collect the same from the person requiring the plan review before incurring plan review costs in excess of amounts already deposited. Any unused portion of the deposit will be refunded to the person who paid the same within forty-five (45) days of completion of the plan review. Any

deficit will be invoiced to and paid by the person requesting the plan review within thirty (30) days of the date on which the City mails or otherwise delivers the invoice.

**Sec. 13-55. Inspection and observation fees.**

Whenever any provision of the design standards or this Chapter requires or provides for observation or inspections of any kind by the City, the person liable therefor shall reimburse the actual costs incurred by the City for such observation or inspection within thirty (30) days following the date on which the City mails or otherwise delivers the invoice. If required by the City, the person requesting or needing the observation shall deposit an amount reasonably estimated by the City to cover said costs when the request for inspection or observation is made. Any unused portion of the deposit will be refunded, and any deficit will be invoiced to the person liable therefor within forty-five (45) days after the observation. Any deficit will be invoiced to and paid by the person requesting the observation or inspection within thirty (30) days of the date on which the City mails or otherwise delivers the invoice.

**Sec. 13-56. Cure charges.**

Whenever the City cures any defect, deficiency, nonconformity or violation as provided in this Chapter, any person who is responsible under this Chapter to cure such condition, or whose act or omission resulted in the necessity for the curative action, shall be liable and obligated to reimburse the actual costs incurred by the City for such undertaking.

**Sec. 13-57. Civil fines pass-through.**

Any person who, by act or omission, causes the City to incur any fine or penalty assessment imposed by state or federal authorities shall be fully liable to the City for the total amount of the fine so assessed.

**Sec. 13-58. Billing; late charges and interest; collection.**

(a) Water rates and charges imposed and established in this Chapter, together with any other charges provided elsewhere in this Code to be invoiced with water rates, shall be billed monthly, in arrears. Charges or fees for disconnection, reconnection, and owner-initiated meter reads imposed under this Chapter shall be invoiced on the first statement following completion of the work, and shall thereupon be deemed for all purposes to be charges for water service. If payment in full is not received by the City on or before twentieth (20<sup>th</sup>) day of the month in which the charges were billed, they shall be deemed delinquent.

(b) All accounts for water shall be kept in the name of the owner of the property and the owner or his or her legal authorized agent shall be held responsible for water bills.

(c) As set forth in Subsection (a), all water bills shall be due on or before the twentieth (20<sup>th</sup>) calendar day of the month in which the bill for water service is mailed. A check (including bank drafts and other forms of non-cash payment) for the amount due will be accepted but will not be credited until the check has cleared the bank and the amount is credited to the

City's account. If any check presented to the City for payment of fees and charges is returned from the bank as a result of no payment due to insufficient funds or any other reason, such check amount shall be collected, together with an administrative processing charge in an amount set forth in the City's fee schedule, in the same manner as provided in Subsection (d) of this Section.

(d) Delinquencies, penalties and collection. Any bill not paid in full on or before the twentieth (20<sup>th</sup>) calendar day of the month in which the City has prepared and mailed the bill shall be deemed delinquent. The City Manager may, in his or her sole discretion and upon written request of the delinquent account holder showing good cause, waive all or part of any penalty imposed hereunder for failure to timely pay any water bill. In the event an account is delinquent, the City may initiate the following late fee, interest and collection procedures:

(1) The City shall assess interest on any delinquent amounts on a monthly basis in the amount of one percent (1.0%) per month or twelve percent (12%) per annum.

(2) Thirty (30) days delinquent. The City shall assess a late fee equivalent to ten percent (10%) of the delinquent bill amount and shall mail, by regular mail, to the owner at his or her billing address, a notice of delinquency. The notice shall notify the property owner that he or she has thirty (30) days from the date of said notice to pay the total amount due, including accumulated charges, fees and interest, in full, in cash or certified funds.

(3) Sixty (60) days delinquent. If the delinquency and all accumulated charges are not paid in full within thirty (30) days of the date of notice provided under subparagraph (2) above (sixty (60) or more days delinquent from the original due date), the City shall assess a late fee equivalent to twenty percent (20%) of the delinquent bill amount and shall send a certified letter for the total amount due, including all accumulated charges, fees and interest. The certified letter shall notify the owner that the owner has thirty (30) days from the date of the letter to pay the total amount due, in full, in cash or certified funds.

(4) Ninety (90) days delinquent. If the delinquency and all accumulated charges are not paid in full within thirty (30) days of the date of the certified letter provided under subparagraph (3) above (ninety (90) or more days delinquent from the original due date), the City shall assess an additional administrative fee in an amount set forth in the City fee schedule in addition to all accrued interest authorized under subparagraph (1) and the late fees authorized by subparagraphs (2) and (3).

(5) At any time after an account becomes delinquent for sixty (60) days or more, the City may terminate water service to the property. The City Finance Department shall send by regular mail to the owner of the property a notice advising that, if full payment is not received by a specified date, said date to be not less than ten (10) days after the mailing date of the letter, a City employee shall personally deliver to the property a red tag, said tag to be fastened to an entrance of the premises. The red tag shall demand full payment of the delinquent bill within two (2) business days following the date of delivery of the red tag. If payment is not received by the

specified date, water service may be terminated and, if terminated, shall not be reinstated until payment of all outstanding amounts due have been paid to the City, including the billed amounts for service and usage and all accrued interest and late fees, and including the termination fee and the reconnection fee, in the amounts set forth in the City fee schedule. The mailed notice shall specify when the owner or customer may appear before the City Finance Director or his or her designee to contest the alleged delinquency. If payment is not made within the time specified in the red tag and if the termination or collection procedure is not stopped by the City Finance Director as provided below, water service to the property may be terminated and remain terminated until all applicable fees and charges have been paid. Unless a previous check has been returned as a result of insufficient funds, a check for the amount due will be accepted but will not be credited until the check has cleared the bank and the amount is credited to the City's account.

(6) The rates and charges due and unpaid including any penalties authorized hereunder, as well as an administrative fee for recording a lien in an amount as set forth in the City fee schedule, may be certified by the City to the Board of County Commissioners of the County of Gilpin and, until paid, shall constitute a lien against the served property for all delinquent fees, charges, interest and penalties. All such amounts due constitute a lien which is prior and superior to all other liens, claims, titles and encumbrances, whether prior in time or not, and shall remain a lien on the property from the date such fees are delinquent until the same are paid. The failure of the City to record such lien with the County shall not affect the validity or enforceability of the City's statutory lien rights or any other remedies the City may have to collect the amounts due and owing. The property owner shall be liable for all water services furnished and fees and charges for said property. The lien against the property or liability against the owner may be enforced by the City by action of law or an action to enforce the lien. The City shall in no event be required to look to any person other than the owner of the licensed premises served by the water system.

(7) The owner or other person liable for such fees and charges shall also be obligated to pay any and all costs of collection, including reasonable attorneys' fees and court costs, actually incurred by the City

(8) If the owner or customer of the delinquent premises appears before the City Finance Director and presents evidence satisfactory to the City Finance Director that the alleged delinquency is erroneous, the City Finance Director or his or her designee shall have the authority to stop all procedures that may have been initiated for the termination of services or collection of delinquent amounts. The decision of the City Finance Director shall be final and shall be put in a written, dated format.

(9) No error or mistake in City records or billings, past or present, shall constitute an estoppel or waiver or otherwise prevent the City from billing, collecting or enforcing the correct amount of any amount owed.

(10) No change in ownership or occupancy shall affect the application of this Section or any of the provisions of this Section, and the failure of any owner to learn that he or she purchased any property against which a lien for water service exists shall in no way affect the lien against any property for such payment in full or be the basis for any claim of any kind whatsoever against the City for refusing to turn on water service until all charges authorized hereunder are paid in full.

(11) Record of payments. The City will maintain records of all water fees and charges paid and an up-to-date record of delinquent charges, in accordance with accepted accounting procedures.

(e) Charges or fees for plan review, construction observation, repair and cure of defects shall be invoiced separately within forty-five (45) days following the completion of the work and shall thereupon be deemed for all purposes to be charges for water service. If payment in full is not received by the City within thirty (30) days of the invoice date, the City shall follow the late fee, interest and collection procedures set forth in Subsection (d) above.

(f) If any owner's account is delinquent three (3) times or more during the preceding twelve (12) month period, the City shall follow the late fee, interest and collection procedures set forth in Subsection (d) above, except that at any time after the habitually delinquent account becomes delinquent for ten (10) days or more, the City may terminate water service to the property, notwithstanding the time period set forth in Subsection (d)(5) above.

(g) Any and all monies received by the City as payment for City water system charges shall be applied first to delinquent amounts for domestic water service, and then to current amounts for domestic water service, in the order stated, the term *charges* to include penalties where applicable.

(h) If utility charges are delinquent for a period of twelve (12) months or more, the City may, in accordance with Section 13-13(b) of this Chapter, consider the tap abandoned and the license expired. Any owner whose license or tap expires may reapply for a license, and said application will be considered a new application for service subject to the conditions set forth in Section 13-12 of this Chapter. Any owner whose tap is abandoned shall be required to apply for a tap abandonment permit as required by Section 13-111(e) of this Chapter.

(i) In addition to and without waiving any other available remedies, the City may also certify any and all delinquent charges imposed pursuant to this Chapter, together with penalties and accrued interest, to the County Treasurer, to be collected in the same manner as are general taxes.

### **Sec. 13-59. Withholding approval and permits.**

Notwithstanding any provision of this Chapter to the contrary, the City may withhold permits, approvals or other authorizations from any person until all sums then due to the City from such person pursuant to this Chapter are paid in full.

*Division 5  
Administration and Enforcement*

**Sec. 13-81. Prohibited acts.**

It is unlawful for any person to cause, attempt to cause, permit, solicit, aid or abet any other person to cause or attempt to cause, by act or omission, any of the following:

- (1) Fail or refuse to comply with any requirement imposed in this Chapter.
- (2) Make any connection to any City facility without a required license or permit.
- (3) Take or use water from the City system without a valid license or permit therefor, including the taking or use of water from a licensed premises for service to any premises not covered by the license.
- (4) Take or use water from the City system in violation of the terms of any license or permit, including the supplying of water from a licensed premises for service to any other premises not covered by the license.
- (5) Supply, take or use treated water within the City from any water system other than the City system.
- (6) Cause or allow the escape of water from the City system in such a way that such water is wasted or lost to beneficial use.
- (7) Take or use water from the City system in violation of any order of the City relating to the curtailment or conservation of water.
- (8) Make any physical connection between the City system and any other water system without the written approval of the City.
- (9) Take, use or consume any water from the City system in violation of a suspension or termination order under this Chapter.
- (10) Open or enter into any City facility without City authorization.
- (11) Construct, install or place any structures or improvements of any kind, surface or subsurface, temporary or permanent, or plant any tree, woody plant or nursery stock of any kind within the boundaries of any City easement in violation of the terms or conditions of such easement without express written authorization from the City. For the purposes of this provision, the term *structures* includes but is not necessarily limited to improved walkways, roads, curbs, gutters, sprinkling systems, other utility facilities including those for cable TV, satellite TV, fences, walls, pools, ponds, water features, athletic playing fields or courts, and any and all earthen improvements such as berms and grades providing lateral support to any

building or other structure, whether or not such structure is itself within the boundaries of the right-of-way or easement.

(12) Interfere with employees or agents of the City in the performance of their duties.

(13) Bypass, break, damage, destroy, remove, uncover, alter, deface or otherwise tamper with any portion of the City system, any backflow prevention device or any meter whose purpose is to measure water flows.

(14) Perform any act that obstructs or is reasonably likely to obstruct the flow of water in the City system.

(15) Make or file with the City any statement, report or application while knowing or having reasonable cause to know the same is false or substantially inaccurate; or omitting any material fact in connection with such statement, report or application when the omission leaves the remainder of the information given misleading or substantially inaccurate.

(16) Remove, conceal, deface, damage or destroy, without authorization, any written notice or order posted, delivered or issued by the City, including without limitation stop work orders, suspension or termination orders and cure orders.

#### **Sec. 13-82. City agents and representatives.**

Employees or agents of the City designated by the City Council shall have full authority to act for and on behalf of the City in any matter affecting the administration or enforcement of this Chapter.

#### **Sec. 13-83. Right of entry.**

Duly authorized representatives of the City, bearing proper credentials and identification, shall be permitted to enter upon all property at reasonable times for the purpose of inspecting, observing, measuring, sampling and testing in connection with the enforcement and administration of this Chapter, and for the performance of any duty or function authorized to or required of the City pursuant to this Chapter.

#### **Sec. 13-84. Suspension or termination of service.**

In addition to and without waiving any other available remedy, the City shall have and may exercise the right to suspend or terminate service to any property where or as to which a violation of this Chapter, or of any license, permit, approved plans or applicable contract occurs or continues, in accordance with the following:

(a) Termination or suspension. The City may immediately terminate service upon revocation of any license or permit or upon a violation of Section 13-112(b) of this Chapter, and may proceed to suspend service when such suspension is necessary to stop or prevent an imminent or substantial endangerment to the health or welfare of persons or to the environment,

or interference with or damage to City facilities, or when suspension is necessary to stop or prevent any use or escape of water which presents or may present a risk of substantial loss of water or any imminent and substantial endangerment to the property, health or welfare of any person. The City shall not suspend or terminate the service of any customer for non-payment of any sum due for water service except upon compliance with Section 13-58(d) above. Assessment of non-consumption based fees and charges will continue during any suspension period.

(b) Reinstatement of suspended service. Any suspension shall be rescinded by the City upon a determination that the deficiency forming the basis for such suspension has been cured and that no further or other nonconforming conditions or uses of the City system are evident on the property. The City shall not reinstate service until the person requesting reinstatement has paid the full amount of any applicable disconnection and reconnection charges imposed under Section 13-53 above, all actual costs incurred by the City in the process of suspending and reinstating service, and any and all other amounts then due to the City from such person pursuant to this Chapter.

#### **Sec. 13-85. Cure of violations.**

(a) Order to cure. If the City determines that any facilities are not in conformity with this Chapter, the design standards or any plan approval, or that the terms of any easement or other agreement between the City and a customer are being violated, it may give written notice thereof to the customer at the service address or any other address for such person known to the City. Such notice to cure shall specify the nonconformity, direct the customer at the customer's cost to perform specified curative work and specify the period of time determined by the City to be reasonably necessary for completion of the curative work.

(b) City cure at customer's cost. If the customer fails within the period specified in the written notice to proceed to cure the nonconformity stated therein, the City may, in addition to and without waiving any other remedy, perform the work and charge the customer for its actual costs incurred in connection therewith.

#### **Sec. 13-86. Appeals.**

(a) Any orders, directives or decisions of City employees or agents relating to the administration or enforcement of this Chapter may be appealed in writing to the City Manager within ten (10) days after the effective date of the order, directive or decision.

(b) In order for the City Manager to agree to hear the appeal, the notice of appeal must sufficiently demonstrate that the order, directive or decision of a City employee or agent relating to this Chapter involves an erroneous interpretation of this Chapter.

(c) The City Manager shall have fifteen (15) days following the date on which the written notice of appeal is filed to determine whether the notice of appeal establishes the required grounds for appeal. If the City Manager determines the notice of appeal does not establish the required grounds for appeal, the City Manager shall reject the appeal and inform the person

appealing the order, directive or decision of the City employee or agent that such order, directive or decision is the final decision of the City. The City Manager will notify the appellant in writing if the appeal is accepted.

(d) Nonpayment appeal. If the matter involves a proposed suspension or termination of water service for non-payment of fees or charges due, water service will be reinstated while the appeal is pending if the owner or authorized agent deposits one hundred percent (100%) of all amounts then outstanding on the owner's account with the City Finance Department and pays current bills. If no such deposit is made to the City Finance Department, service may be suspended or terminated.

(e) City Manager's decision. If the City Manager accepts the appeal, the City Manager shall have thirty (30) days after conclusion of the appeal hearing to enter a written order affirming, reversing or modifying the previous order, directive or decision of the City employees or agents, and shall inform the appellant of the order by U.S. mail. If the City Manager's decision involves a suspension or termination of water service for non-payment of fees or charges due, and the decision is against the appellant, the Finance Department shall be specifically authorized to use the funds on deposit with the City under Subsection (d) above to cure any and all deficiencies on the account. Any portion of the deposit due to be returned to the owner or appellant, if any, shall be returned by the City to the owner or appellant within thirty (30) days following the date of the City Manager's written decision.

#### **Sec. 13-87. Civil damages.**

In addition to and without waiving any other available remedy, the City may recover civil damages from any person liable to the City under the laws of the United States, the state, or the City as a result of any violation of this Chapter or other unlawful act or omission. Such damages shall include the City's actual costs of discovering, investigating, curing, mitigating and repairing the consequences of such violation or other unlawful acts or omissions.

#### **Sec. 13-88. Injunctive relief.**

In addition to and without waiving any other available remedy, the City may seek injunctive relief from any act or omission which violates this Chapter or which otherwise jeopardizes the property or health of any person, including the City.

#### **Sec. 13-89. Remedies cumulative.**

The remedies available to the City under this Chapter and under state law shall be deemed cumulative, and the utilization by the City of any single such remedy or combination thereof shall not preclude the City from utilizing any other remedy or combination thereof.

## ARTICLE II Water System Regulations

### *Division 1 General*

#### **Sec. 13-101. Incorporation of standards by reference.**

Water service furnished by the City is subject to the provisions of the Federal Safe Drinking Water Act, and regulations promulgated pursuant thereto, as they exist as of the effective date of these rules and regulations and as subsequently amended from time to time. To the extent that these or similar standards are imposed, administered and enforced in Colorado by the state pursuant to the Colorado Primary Drinking Water Regulations (5 CCR § 1003-1 *et seq.*), water service furnished by the City shall be subject to those provisions as they exist as of the effective date of these rules and regulations and as subsequently amended from time to time. Such provisions are incorporated into this Chapter by reference in all particulars, and made a part hereof as if set forth herein verbatim to the extent that such provisions may apply to or affect the design, construction, installation, operation, maintenance or use of the City system.

### *Division 2 User Requirements*

#### **Sec. 13-111. Service lines.**

(a) Construction. Separate and independent service lines, together with the tap and the extension from it to the water meter, shall be designed, installed and constructed by the customer at the customer's sole cost and expense for every improvement requiring water service. Such service lines and any other water facilities located on the licensed premises shall be designed in accordance with the design standards and shall be installed and constructed in accordance with plans and designs approved by the City.

(b) Ownership, maintenance. Service lines are owned solely by the customer. Subject only to the provisions of Section 13-112 below, the customer shall be exclusively responsible for maintaining, repairing and replacing all plumbing fixtures, water-using appliances and pipes, including the service line, on the customer's side of the curb stop box. The customer shall cause any and all leaks or other nonconformities in the customer's privately owned facilities to be repaired promptly at the customer's sole expense. The customer shall further ensure that the meter pit or curb stop box and the water shut off from the main on the customer's service line is free from any materials which may obstruct or hinder access thereto by authorized personnel. The City may repair or otherwise cure any violation of this Subsection and charge the customer the costs thereof as provided in this Chapter, but nothing in this Section shall obligate the City to effect any repairs or curative work on the customer's service line.

(c) City relocation. When proper management, operation or maintenance of the City water system requires, the City may relocate, adjust, repair or replace the service line and fittings

through which a customer receives water service, at the City's expense. All service lines and fittings so relocated shall become the property of the customer when installed.

(d) Responsibility for damage. The City is not responsible or liable for damage from any cause whatsoever to privately owned piping, fixtures and water-using appliances, and no customer is entitled to reimbursement for damages or payment of refunds by reason of pressure changes or stoppage of the flow of water through the City system. The protection of water-using devices and systems which require limited or sustained water pressure or a continual water supply is the sole and exclusive responsibility of the owner, and the owner shall provide suitable protection devices for such apparatus at the owner's sole cost and expense. Further, the customer shall be solely responsible for all damage to persons or property resulting from leaks on the customer's service line or from any apparatus owned by the customer.

(e) Abandonment. No person shall abandon any service line or connection without first obtaining a written permit therefor. The customer shall, at the customer's sole cost, uncover the service line and effectively seal the service line or connection with a plug as directed by the City.

#### **Sec. 13-112. Water meters.**

(a) Requirement. Every licensed premises shall be required to have a water meter of a size, type and quality approved by the City to be read for billing purposes. Such meter shall be owned by the owner. For existing premises without water meters as of December 31, 2010, the cost of the meter shall be borne equally by the City and the owner pursuant to a City adopted cost-sharing policy; installation shall be performed by the City at the City's expense. For existing non-residential premises without water meters as of December 31, 2010, the cost of the meter shall be borne by the owner and installation shall be performed by the City at the owner's expense. All new premises after December 31, 2010 shall be required to install water meters of a size, type and quality approved by the City at the owner's expense. Removal of water meters shall be performed only by the City.

(b) City access to property. An owner shall allow the City access to the owner's property for meter installation, inspection and maintenance, or replacement upon seventy two (72) hours advance written notice by the City. The City may terminate water service to a property in accordance with Section 13-84 of this Chapter if the owner refuses access or otherwise fails to cooperate with respect to meter installation, inspection and maintenance, or replacement.

(c) Location. All meters shall be located as provided in the design standards.

(d) Maintenance. In order to provide for the accurate measurement of water through each meter, the City maintains all meters which are read for billing purposes against ordinary wear and tear. Meters in need of maintenance, testing or replacement because of obsolescence or normal wear and tear will be removed and replaced with a properly maintained and tested meter of corresponding size and type. The cost of meter repair or testing, as well as the purchase of replacement meters, shall be borne entirely by the owner. Installation, removal and associated costs shall be borne entirely by the owner.

(e) Damage. The customer shall be financially responsible for any damage to or loss of the meter caused by vandalism, malicious mischief, theft, freezing, hot water, tampering, casualty other than ordinary wear and tear, or any willful act, neglect or carelessness of the owner or occupant of the licensed premises. When a meter has been damaged as a result of any of such causes, the customer shall bear the entire expense of removing, repairing, resetting and replacing the customer's meter.

(f) Relocation. When required for the proper management, operation or maintenance of the City system, the City may, at its expense, relocate meters or modify meter settings.

(g) Tampering. All meters, meter pits, the curb stop box, and the water shut off from the main must be kept free of obstructions or any materials which may obstruct or hinder access thereto by authorized personnel. It shall be unlawful to tamper with, deface, remove, manipulate, alter or affect the functionality of a water meter or water shut off from the main.

(h) Annual inspection. Annual inspection of meters may be conducted by the City.

### **Sec. 13-113. Backflow prevention required.**

(a) An approved backflow prevention assembly, appropriate to the degree of hazard, as more fully provided for below, shall be installed on each service line at the owner's expense, downstream from the meter where practicable, but in all cases upstream from the first branch line leading off the service line, wherever:

(1) Industrial fluids, process waters or other substances are handled on the premises in such a fashion as to create an actual or potential hazard to the public water system.

(2) The premises have:

(A) Internal cross-connections that cannot be permanently corrected or controlled;  
or

(B) Plumbing and piping arrangements such that access to all portions of the premises is not readily available for inspection purposes, thus making it impractical or impossible to ascertain whether dangerous cross connections exist.

(3) The Public Works Director has given written notice to the owner to install an approved backflow prevention device or devices at the premises.

(b) The type of protective assembly required under Subsection (a) above shall be determined based upon the degree of hazard, in accordance with the system specifications.

(c) Failure by a customer to install, inspect, test or maintain any required backflow prevention assembly as required by this Section, or evidence that a required backflow prevention assembly has been unlawfully removed or bypassed or that an unprotected cross-connection

exists on the premises, shall constitute reasonable cause for exercise of any or all of the remedies provided under this Chapter, including without limitation the immediate suspension or termination of service to the premises.

(d) No provisions of this Article exempts the owner from the cross-connection control provisions for internal water distribution systems as contained in the International Plumbing Code, which has been adopted by reference in Chapter 18, Article III of this Code.

**Sec. 13-114. Backflow prevention equipment requirements; evidence of approval/conformity.**

Any backflow prevention assembly required by Section 13-113 above shall be a model and size approved by the City as having been manufactured in full conformance with the standards established by the latest version of the Colorado Department of Public Health and Environment Cross-Connection Control Manual, ASSE or USC FCCC & HR specifications, and the system specifications. Final approval of the backflow prevention assembly for each premises required to have such equipment shall be evidenced by a certificate of approval issued by an approved testing laboratory and the City.

**Sec. 13-115. Inspections; testing.**

(a) All newly installed backflow prevention assemblies shall be inspected and tested at the time of installation. At each premises where backflow prevention assemblies are installed, the customer shall have certified inspections and operational tests made at least once each year. In cases where the City determines the health hazard to be sufficiently great, certified inspections may be required at more frequent intervals.

(b) Inspections and tests shall be at the expense of the customer and shall be performed by the assembly manufacturer's representative, the City or a certified tester approved by the City. The customer shall notify the Public Works Department in advance when tests are to be undertaken in order to allow the tests to be witnessed by the customer and City representative. Backflow prevention assemblies shall be repaired, overhauled or replaced at the expense of the customer whenever said assemblies are found to be defective.

(c) Records of backflow prevention tests, repairs, overhauls and replacement shall be kept by and made available to the City.

**Sec. 13-116. Applicability of backflow prevention regulations.**

All backflow prevention assemblies installed that do not meet the requirements of Section 13-114 above but were approved for the purposes described herein at the time of installation and that have been properly maintained, shall, except for the inspection and maintenance requirements in Sections 13-114 and 13-115 above, be exempt from the requirements of said Sections so long as they will adequately protect the City water system. Whenever an existing assembly is moved from its location or requires more than the minimum maintenance, or when

the City determines that it is not performing adequately to protect against health hazards, the unit shall be replaced by an approved backflow prevention assembly.

**Sec. 13-117. Water restrictions; violation; penalty.**

(a) The City Council may by resolution or ordinance adopt, amend, impose and suspend water conservation and curtailment orders and other rules and regulations concerning the delivery and use of potable water within the City.

(b) A violation of any order, rule or regulation adopted pursuant to this Section shall constitute a prohibited act under this Code, subject to the general penalty provisions in Section 1-72 of this Code. Nothing herein shall be construed to prohibit the City from pursuing any additional remedy available under this Chapter or state or federal law in the case of such a violation.

**Sec. 13-118. Hydrant Use and Water General.**

(a) Authorized use. The only use for which water may be taken from hydrants without a permit is for the fighting of fires.

(b) Water to be used for purposes other than fighting fires such as construction water, temporary irrigation use, or out-of-city water hauling may be withdrawn from the City's Water General system after establishing an account to do so with the City Finance Department and prepaying the applicable fees. The rates for purchase of water from the Water General will be established by ordinance of the City Council and shall be included in the City's fee schedule. Any person withdrawing water from a hydrant or the Water General without the required written authorization, through tampering or otherwise, shall be subject to a fine of up to One Thousand Dollars (\$1,000.00), in addition to any other fees and penalties authorized by this Chapter. To the extent that the City may reasonably estimate the amount of water taken by a person illegally from a hydrant or the Water General, such person shall also pay three hundred percent (300%) of the normal applicable rate applicable to such water usage.

**Sec. 13-119. Tap and meter sizing; increases.**

(a) Sizing. The size of the meter shall be determined by the customer, subject to the approval of the City, provided that the size of the meter serving any premises shall not be larger than the size of the tap.

(b) Subsequent increases. An application for an increase in the size of any existing meter shall be treated as an application for new service to the extent of the increase. A customer who requests an increased service which is sufficiently large to require a main extension is subject to the provisions of this Code for both water and sewer facilities.

**Sec. 13-120. Stub-in.**

An agreement may be issued for a stub-in in order to allow the installation of a service line prior to the paving of streets. A stub-in shall include all fittings and pipe necessary to extend the service line to and including a valve at the property line. Use of water from a stub-in is prohibited, and any taking of water from a stub-in shall cause the agreement therefor to be canceled. The owner shall be required to execute a stub-in agreement upon a form provided by the City. Once a stub-in has been converted to a tap, it is no longer considered a stub-in. Stub-ins shall be valid only for a period of two (2) years from the date of application, after which, if the stub-in has not been converted to a tap, the agreement shall be canceled. Issuance of agreements under this Section does not guarantee that water service will be activated to the premises, nor shall it be construed to give any preference for activated service.

**Sec. 13-121. Voluntary termination.**

Any customer desiring to have water service terminated shall apply to the City for a cut-off permit. Upon approval thereof, the customer shall at the customer's sole expense physically disconnect the customer's service line from the main and plug the main as directed by the City. From and after the City's inspection and approval of the physical disconnection, the City shall not assess any service charges for the property so terminated. Any reinstatement of a service terminated pursuant to this Section shall be treated as an application for new service, except that if reinstatement takes place within eighteen (18) months after disconnection, credit shall be allowed against the then-current amount of the plant investment fee for the amount of the plant investment fee for service at the premises in effect at the time of termination.

**Sec. 13-122. Test samples.**

Any user desiring a sample and test of water taken from the City system for the purposes of determining metals content shall coordinate the same directly with the City's contractor and shall be solely responsible for paying all costs thereof.

**Sec. 13-123. Fire protection.**

The right to tap a City main or to take and use water from the City system for private fire protection service other than from a hydrant is granted only upon all of the following conditions:

(1) License. The owner has secured a license for such tap or service from the City and has paid an administrative fee in an amount set forth in the City's fee schedule.

(2) From service line. If the water for fire protection is to be supplied through the same service line through which water is supplied for other purposes for the licensed premises, the fire protection facilities shall include a meter and backflow prevention equipment conforming to the design standards, and shall be installed so as to prevent the use of water through such fire protection facilities for any purpose other than fighting fires.

(3) Adequacy of service. The City assumes no obligation or responsibility for adequacy of private fire protection service.

(4) Limited use. The only use for which water may be taken from private fire protection facilities under license is to extinguish fires. Any other use of water, except for routine testing, from such facilities shall be deemed unauthorized use of water for which a license for fire protection service may be suspended or terminated.

(5) Flow detection. Fire protection systems served by a service line dedicated to fire protection shall be equipped with a flow detection device and backflow prevention equipment as specified in the design standards.

### **Sec. 13-124. Yard hydrants.**

No yard hydrant or standpipe will be allowed at any premises within the City, unless a premises has an existing yard hydrant or standpipe on the effective date of this Chapter and the same is replaced, within thirty (30) days of written notification by the City with a sanitary yard hydrant that meets the requirements of the "American Society of Sanitary Engineers (ASSE) Standard 1057, Performance Requirements for Freeze Resistant Yard Hydrants with Backflow Protection" (2001). Any existing yard hydrant or standpipe not meeting the ASSE requirements must be abandoned and disconnected from the City water system, or otherwise permanently disabled, within thirty (30) days following delivery of written notice by the City. Any sanitary yard hydrant permitted under this Section must also meet any other applicable backflow prevention and cross-connection control requirements of this Chapter. If a customer fails to disconnect an unauthorized yard hydrant or standpipe from the City water system within the applicable time period, the City may proceed to disconnect or permanently disable the same and the customer shall be responsible for all cure charges, as set forth in Section 13-56 of this Chapter.

### *Division 3 Fees and Charges*

### **Sec. 13-141. Plant investment fee.**

(a) For the purposes of defraying the costs of furnishing capital improvements and treatment capacity for the City system, there is hereby imposed a plant investment fee which shall be due and payable in full at the time application for a new license is made, or at such time as an increase in the tap size for the premises is determined. The amount of any additional plant investment fee due as a result of an increase in the tap size shall be calculated based on the then-current plant investment fee. The plant investment fee is in addition to any and all other fees and charges associated with the installation of a water service. The customer shall be required to obtain and pay the costs of all street cut and other permits, and to pay the costs of all plumbing, paving, inspection and other work and materials associated with making the tap.

(b) For all services, the plant investment fee shall be an amount set forth in the City's fee schedule. In accordance with Section 12.3 of the City's Home Rule Charter, the plant investment fee shall be established by Ordinance.

(c) When the only reason for the authorization of a new tap is to cure a violation of Section 13-15 of this Chapter, the plant investment fee associated with such tap shall be deemed to have been paid and shall not be charged to the applicant for such tap.

(d) Except as may otherwise be established by contract approved by the City Council, plant investment fees for premises outside the City limits shall be two hundred percent (200%) of the inside-City rates.

(e) If a license expires, the owner is entitled to a refund of the plant investment fee previously paid for the tap, less an administrative fee set forth in the City's fee schedule. Interest shall not be paid on expired license fees.

**Sec. 13-142. Water rates and fees.**

(a) The City shall from time to time set water rates and charges by Ordinance, as provided in Section 12.3 of the City's Home Rule Charter. All other fees imposed by this Chapter shall be adopted by resolution of City Council and included in the City's fee schedule. For the purposes of operating, maintaining, repairing and replacing the City water system, the rates and fees authorized by this Section are hereby imposed upon the persons and property liable therefor pursuant to this Chapter.

(b) Rates for premises whose characteristics are inconsistent or incompatible with the assumptions upon which the rates in Subsection (a) above are established shall be fixed by the City Council by Ordinance, in a fair, reasonable and nondiscriminatory manner, taking into account the burden imposed by such uses upon the City system, and shall become effective upon written notice to the customer. Any rates so fixed shall be subject to change at any time, in the discretion of the City Council.

(c) Except as may otherwise be established by contract approved by the City Council, rates for services outside the City limits shall be two hundred percent (200%) of the inside-City rates.

(d) If the City determines that the meter serving any premises has become inaccurate or has been bypassed or tampered with, or if a meter reading cannot be obtained due to obstruction or malfunction, the City shall adjust the billing account for that premises. In addition to the service charges, a penalty fee in an amount set forth in the City's fee schedule may be assessed and billed in each affected billing period. If such condition was caused by or resulted from willful or intentional bypassing, tampering or unauthorized metering as provided in Section 40-7.5-101 *et seq.*, C.R.S., as amended, the City may assess treble damages and collection costs as authorized by Section 40-7.5-102(2), C.R.S., as amended.

**Sec. 13-143. Lost water charge.**

Water losses attributed to service lines located between the curb stop box and the water meter, including but not limited to water losses attributable to service line freeze/breaks, broken irrigation lines, or inadequately protected service lines, will be estimated by the Public Works Department and the consumption charge therefor will be billed to the customer. Whenever the City, at the request of a customer, shuts off water at a premises in order to prevent additional or further water losses, a charge in an amount set forth in the City's fee schedule shall be assessed. Said estimation shall be made using the American Waterworks Association guidelines, or such other formulas as may be approved by the City.

**Sec. 13-144. Owner-initiated meter read fee.**

Whenever a meter read is taken at the request of the owner, a service charge in an amount set forth in the City's fee schedule will be assessed and invoiced on the first regular statement following the date of such reading. Such charges will be deemed for all purposes to be charges for water service.

**Sec. 13-145. Utility rate relief policy.**

Notwithstanding any provision of this Chapter, the City may adjust a customer's water bill under limited circumstances as provided in the City's existing senior citizen rate relief policy, or any other rate relief policy that may be adopted by Ordinance by the City Council. A copy of any rate relief policy currently in effect shall be maintained in the office of the City Clerk.

**Section 2. Severability.** Should any one or more sections or provisions of this Ordinance be judicially determined invalid or unenforceable, such judgment shall not affect, impair or invalidate the remaining provisions of this Ordinance, the intention being that the various sections and provisions are severable.

**Section 3. Repeal.** Any and all ordinances or codes or parts thereof in conflict or inconsistent herewith are, to the extent of such conflict or inconsistency, hereby repealed; provided, however, that the repeal of any such ordinance or code or part thereof shall not revive any other section or part of any ordinance or code heretofore repealed or superseded and this repeal shall not affect or prevent the prosecution or punishment of any person for any act done or committed in violation of any ordinance hereby repealed prior to the effective date of this Ordinance.

**Section 4. Effective Date.** This Ordinance shall become effective immediately following publication, public hearing and the approval of City Council following second reading in accordance with Sections 5.9 and 5.10 of the City Charter.

**INTRODUCED AND READ** by title only on first reading at the regular meeting of the City Council of the City of Central on the \_\_\_\_ day of \_\_\_\_\_, 2012, at Central City, Colorado.

**CITY OF CENTRAL, COLORADO**

\_\_\_\_\_  
Ronald E. Engels, Mayor

Approved as to form:

\_\_\_\_\_  
Linda C. Michow, City Attorney

ATTEST:

\_\_\_\_\_  
Reba Bechtel, City Clerk

**PASSED AND ADOPTED** on second reading, at the regular meeting of the City Council of the City of Central on the \_\_\_ day of \_\_\_\_\_, 2012.

**CITY OF CENTRAL, COLORADO**

\_\_\_\_\_  
Ronald E. Engels, Mayor

ATTEST:

\_\_\_\_\_  
Reba Bechtel, City Clerk

**POSTED IN FULL AND PUBLISHED BY TITLE AND SUMMARY** in the Weekly Register Call newspaper on \_\_\_\_\_, 2012.

**POSTED AND PUBLISHED BY TITLE [AND SUMMARY IF AMENDED ON SECOND READING]** in the Weekly Register Call newspaper on \_\_\_\_\_, 2012.

**CITY OF CENTRAL, COLORADO**

\_\_\_\_\_  
Ronald E. Engels, Mayor

**ATTEST:**

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Reba Bechtel City Clerk



## AGENDA ITEM #8

### CITY COUNCIL COMMUNICATION FORM

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**FROM:** Shannon Flowers, Finance Director  
Terry Krelle, Chief of Police

**DATE:** August 3, 2012

**ITEM:** Ordinance 12-09, An Ordinance Authorizing the City of Central to Enter into a Municipal Lease Purchase Agreement and Related Documentation with Ally Financial for the Lease and Purchase of Three 2010 Chevrolet Tahoe Trucks for Police Purposes

**NEXT STEP:** Make a motion to approve Ordinance 12-09

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ORDINANCE  
 MOTION  
 INFORMATION

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- I. **REQUEST OR ISSUE:** On February 21, 2012 City Council approved the purchase of three (3) new Chevrolet Tahoes for the Police Department. Council was asked to approve the purchase of the vehicles prior to the approval of the lease-purchase documents as the delivery time for the vehicles was at least sixty (60) days. Council approved the purchase order in the amount of \$95,499.

The City has secured financing with Ally Financial for the purchase of these three (3) new vehicles as follows: three (3) Chevrolet Tahoes. The total financed price for the lease purchase of the above is \$95,499. The annual interest rate is 6.14% and the term of the financing is three (3) years. Each annual payment will be \$33,747.59. This purchase adheres to the adopted funding allocations for vehicles and equipment in the Police Department under line item 01-421-7420 Lease Purchase Payments (budgeted amount of \$40,000).

Due to internal issues, it took Ally much longer than expected to review and approve the lease-purchase documents prepared by the City's legal counsel. Because of this delay on Ally's part, the vehicles are already on the ground and ready to be delivered and taken for upfitting of equipment. .

II. **RECOMMENDED ACTION / NEXT STEP:** Make a motion to approve Ordinance 12-09.

III. **FISCAL IMPACTS:** The total amount being financed for these vehicles is \$95,499. The total amount of interest to be paid over the term of the lease purchase is \$5,743.77. Funding for this lease purchase will come out of the General Fund, Police Department under line items 01-421-7420 Lease Purchase Payments (budgeted amount of \$40,000).

Based on annual appropriation in the budget each of the three (3) payments will be \$33,747.59 annually with a 6.14% interest rate as state above.

The funding for upfitting these vehicles will come out of the General Fund, Police Department under line item 01-421-7432 (budgeted amount of \$50,000). The costs associated with upfitting are not leased and/or financed but purchased out right.

IV. **BACKGROUND INFORMATION:** Please see the attached Ordinance and Exhibit A, Equipment Lease Purchase Agreement for additional information.

V. **LEGAL ISSUES:** The City Attorney has reviewed the Lease Purchase Agreement and drafted Ordinance 12-01. There are no legal issues.

As TABOR does not allow the City to enter into any multiple year debt or financings, this lease purchase agreement is based upon an annual budget appropriation and annual renewal.

VI. **CONFLICTS OR ENVIRONMENTAL ISSUES:** None

VII. **SUMMARY AND ALTERNATIVES:**

1. Make a motion approving Ordinance 12-09
2. Make a motion approving Ordinance 12-09 with revisions
3. Table this item

**STATE OF COLORADO  
CITY OF CENTRAL  
ORDINANCE NO. 12-09**

**AN ORDINANCE AUTHORIZING THE CITY OF CENTRAL TO ENTER  
INTO A MUNICIPAL LEASE-PURCHASE AGREEMENT AND  
RELATED DOCUMENTATION WITH ALLY FINANCIAL FOR THE  
LEASE AND PURCHASE OF THREE 2012 CHEVROLET TAHOE  
TRUCKS FOR POLICE PURPOSES**

**WHEREAS**, the City Council, as the governing body of the City of Central (the “City” or “Lessee”) has determined that a true and very real need exists for the acquisition of the Equipment defined and described in the Municipal Lease-Purchase Agreement (the “Lease/Purchase Agreement”) attached hereto as Exhibit A and presented at this meeting; and

**WHEREAS**, the City Council has taken the necessary steps under applicable law to arrange for the acquisition and financing of such Equipment; and

**WHEREAS**, the City Council has reviewed the form of the Lease-/Purchase Agreement and has found the terms and conditions thereof acceptable; and

**WHEREAS**, either there are no legal bidding requirements under applicable law to arrange for the leasing of such property under the Lease/Purchase Agreement, or the City Council has taken the steps necessary to comply with the same with respect to the Equipment to be acquired under the Lease/Purchase Agreement; and

**WHEREAS**, the City previously approved this Ordinance 12-09 as an emergency necessary for the immediate preservation of public property, health, peace, safety and the financial well-being of the City in that the condition of the City’s current fleet of public safety vehicles has deteriorated and adoption of this Ordinance must occur in order for the City to take immediate possession of the vehicles, which are ready for delivery, for immediate use in public safety services; and

**WHEREAS**, Section 5.11 of the Home Rule Charter provides that, sixty days following the passage of an emergency ordinance, the ordinance shall become ineffective by operation of the Home Rule Charter unless Council shall hold a public hearing and second reading upon such ordinance and amend such ordinance to remove the language which declares the emergency status of the ordinance.

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CENTRAL, COLORADO, THAT:**

**Section 1.** The City Council of the City of Central makes the following findings and representations:

- (a) The complete and correct name of the Lessee is the City of Central, a governmental entity which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws and regulations of the State of Colorado with the full power and authority to own its properties and to transact the business and activities in which it is presently engaged or presently proposes to engage. This governmental entity does not do business under any other assumed business names.
- (b) Lessee maintains an office at 141 Nevada Street, P.O. Box 249, Central City, CO 80427-0249.
- (c) Lessee covenants that it will perform all acts within its power which are or may be necessary to insure the maintenance of its legal status as being a duly organized and existing entity under the laws of the state, which status is the basis for the interest portion of the rental payments coming due under the Agreement to at all times remain exempt from federal income taxation under the laws and regulations of the United States of America as presently enacted and construed or as hereafter amended.
- (d) The acquisition of the Equipment, under the terms and conditions provided for in the Lease/Purchase Agreement, including the grant of any security interest in such Equipment as required by such Lease/Purchase Agreement, is necessary, convenient, in the furtherance of, and will at all times be used in connection with, Lessee's governmental and proprietary purposes and functions and are in the best interests of Lessee, and no portion of the Equipment will be used directly or indirectly in any trade or business carried on by any person other than a governmental unit of the state on a basis different from the general public.
- (e) The meetings at which this ordinance was considered and the City Council took action to adopt were properly noticed and conducted as open meetings in accordance with Colorado law.
- (f) There are no legal or governmental proceedings or litigation pending against the Lessee which might adversely affect the transactions contemplated in or the validity of the Lease/Purchase Agreement.

**Section 2.** The terms of said Lease/Purchase Agreement are in the best interests of the Lessee for the leasing of the Equipment described therein.

**Section 3.** The City Council, as governing body of Lessee, designates and confirms the Mayor has the authority to execute and deliver the Lease/Purchase Agreement and any related documents necessary to the consummation of the transactions contemplated by the Lease/Purchase Agreement in substantially the form attached hereto as Exhibit A and any related documents and certificates necessary to the consummation of the transactions contemplated by the Lease/Purchase Agreement for and on behalf of the Lessee. The Mayor, in consultation with the City Attorney, may make such non-material changes to the Lease/Purchase Agreement and related documents and certificates as such officers and officials deem necessary or desirable, such approval to be conclusively evidenced by the execution and delivery thereof.

\_\_\_\_\_  
Signature of Party to Sign Agreement and Exhibits  
Ronald E. Engels, Mayor

**Section 4. Severability.** If any section, paragraph, clause, or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Ordinance, the intent being that the same are severable.

**Section 5. Effective Date.** In accordance with Section 5.11 of the City Charter, this Ordinance became effective immediately upon adoption on first reading, subject to subsequent enactment as a non-emergency ordinance in accordance with Section 5.11(b) of the City Charter.

**INTRODUCED, READ AND ADOPTED** as an emergency ordinance on first reading at the meeting of the City Council of the City of Central on the 17th day of July, 2012, at Central City, Colorado.

**PASSED AND ADOPTED** on second reading, following adoption as an emergency ordinance, at the regular meeting of the City Council of the City of Central on the 7th day of August, 2012.

**CITY OF CENTRAL, COLORADO**

\_\_\_\_\_  
Ronald E. Engels, Mayor

Approved as to form:

\_\_\_\_\_  
Linda Michow, City Attorney

ATTEST:

\_\_\_\_\_  
Reba Bechtel, City Clerk

**POSTED AND PUBLISHED IN FULL FOLLOWING ADOPTION BY EMERGENCY ON FIRST READING** in the Weekly Register Call newspaper on \_\_\_\_\_, 2012.

**POSTED AND PUBLISHED BY TITLE AND SUMMARY ON SECOND READING AS A NON-EMERGENCY ORDINANCE** in the Weekly Register Call newspaper on \_\_\_\_\_, 2012.

\_\_\_\_\_  
Reba Bechtel, City Clerk

**Exhibit A**  
**Municipal Lease Purchase Agreement**

## INSTRUCTIONS FOR COMPLETING THE ALLY MUNICIPAL LEASE AGREEMENT

Outlined below are the instructions to properly complete the Agreement.

1. First payment of \$33747.59 will be due upon delivery. Dealer should keep the first payment.
2. Proceeds in the amount of \$ 62706.40 should be drafted or Smartcashed. This amount includes Dealer Commission of \$954.99.
3. Please have the Municipal Official SIGN and DATE the signature lines on the right side of:
  - a. Page 5 (only the top right signature line);
  - b. the Municipal Certificate; Page 6;
  - c. the Delivery & Acceptance Certificate; Page 7; and
  - d. the Schedule B - Amortization Schedule; Page 8.The Municipal Official is the person who has the authority to obligate the municipality.
4. The Attorney for the Municipality must sign and date the Opinion of Counsel on the bottom right side of page 5.
5. A person (other than the authorized Municipal Official) must sign on the left side of the Municipal Certificate - Page 6 to Attest to the truth of the statement. Also, write or type the name of the authorized Municipal Official in the first blank spot on Page 6.
6. Fill in the Equipment Location on the Delivery & Acceptance Certificate. This is the address where the vehicle will be garaged.
7. Leave all Ally signature spots blank; an Ally representative will sign there.

**IMPORTANT:** Vehicles must be titled in the NAME of the MUNICIPALITY with Ally Financial P.O. Box 23020, Jacksonville, FL, 32241 recorded as LIENHOLDER.

Once the Agreements have been executed as outlined above (with no alteration), forward both originals to Ally Contract Processing Center at 2911 Lake Vista Dr, Lewisville, TX 75067 with the following:

- a copy of the application(s) for title
- a copy of the manufacturer's invoice(s), chassis & body (if applicable)
- evidence of insurance, form 685 DLP
- a signed Ally Financial Credit Application

If you have any questions, please call me at 1-800-471-4622

## MUNICIPAL LEASE-PURCHASE AGREEMENT

LESSEE: City of Central, Gilpin County, Colorado  
LESSOR: Ally Financial

Lessor agrees to lease to Lessee and Lessee agrees to lease from Lessor, the Equipment described in any Delivery and Acceptance Certificate now or hereafter attached hereto ("Equipment") in accordance with the following terms and conditions of this Lease-Purchase Agreement ("Lease").

1. TERM. This Lease will become effective upon the execution hereof by Lessor. The initial term of this Lease will commence on the date the Equipment is accepted pursuant to Section 3 hereunder and shall terminate at 12:00 midnight of the last day of Lessee's current fiscal year. The annual renewal of the lease term for additional one year renewal terms until completion of the full term as set forth in Schedule B attached hereto and the obligation to pay Lease Payments hereunder shall occur automatically subject to optional annual appropriation by the Lessee pursuant to Section 5 of this Lease.

2. RENT. Lessee agrees to pay to Lessor or its assignee the Lease Payments, including the interest portion, equal to the amounts specified in the Delivery and Acceptance Certificate and Schedule B. The Lease Payments will be payable without notice or demand at the office of the Lessor (or such other place as Lessor or its assignee may from time to time designate in writing), and will commence upon acceptance of the vehicle(s) and continue on the same date periodically thereafter for the number of time periods reflected on the Delivery and Acceptance Certificate. Any payments received later than ten (10) days from the due date will bear interest at the highest lawful rate from the due date. Except as specifically provided in Section 5 hereof, the Lease Payments for the then effective term will be absolute and unconditional in all events and will not be subject to any setoff, defense, counterclaim, or recoupment for any reason whatsoever including, without limitation, any failure of the Equipment to be delivered or installed, any defects, malfunctions, breakdowns or infirmities in the Equipment or any accident, condemnation or unforeseen circumstances. Lessee reasonably believes that funds can be obtained sufficient to make all Lease Payments during the Lease Term and hereby covenants that it will do all things lawfully within its power to obtain, maintain and properly request and pursue funds from which the Lease Payments may be made, including making provisions for such payments to the extent necessary in each budget submitted for the purpose of obtaining funding, using its bona fide best efforts to have such portion of the budget approved and exhausting all available administrative reviews and appeals in the event such portion of the budget is not approved. It is Lessee's intent to make Lease Payments for the full Lease Term if funds are legally available therefor and in that regard, Lessee represents that the use of the Equipment is essential to its proper, efficient and economic operation. Lessor and Lessee understand and intend that the obligation of Lessee to pay Lease Payments hereunder shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of Lessee.

3. DELIVERY AND ACCEPTANCE. Lessee, or if Lessee so requests, Lessor, will cause the Equipment to be delivered to Lessee at the location specified in the Delivery and Acceptance Certificate ("Equipment Location"). Lessee will pay all transportation and other costs, if any, incurred in connection with the delivery and installation of the Equipment. Lessee will accept the Equipment as soon as it has been delivered and is operational. Lessee will evidence its acceptance of the Equipment by executing and delivering to Lessor a Delivery and Acceptance Certificate in the form provided by Lessor as attached hereto.

4. DISCLAIMER OF WARRANTIES. Lessee acknowledges and agrees that the Equipment is of a size, design and capacity selected by Lessee, that Lessor is neither a manufacturer nor a vendor of such equipment, and that LESSOR HAS NOT MADE, AND DOES NOT HEREBY MAKE, ANY REPRESENTATION, WARRANTY, OR COVENANT, EXPRESS OR IMPLIED, WITH RESPECT TO THE MERCHANTABILITY, CONDITION, QUALITY, DURABILITY, DESIGN OPERATION, FITNESS FOR USE, OR SUITABILITY OF THE EQUIPMENT IN ANY RESPECT WHATSOEVER OR IN CONNECTION WITH OR FOR THE PURPOSES AND USES OF LESSEE, OR ANY OTHER REPRESENTATION, WARRANTY, OR COVENANT OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT THERETO, AND LESSOR SHALL NOT BE OBLIGATED OR LIABLE FOR ACTUAL, INCIDENTAL, CONSEQUENTIAL, OR OTHER DAMAGES OF OR TO LESSEE OR ANY OTHER PERSON OR ENTITY ARISING OUT OF OR IN CONNECTION WITH THE USE OR PERFORMANCE OF THE EQUIPMENT AND THE MAINTENANCE THEREOF. Lessor hereby assigns to Lessee during the Lease Term, so long as no Event of Default has occurred hereunder and is continuing, all manufacturer's warranties, if any, expressed or implied with respect to the Equipment, and Lessor authorizes Lessee to obtain the customary services furnished in connection with such warranties at Lessee's expense. Lessee's sole remedy for the breach of any such manufacturer's warranty shall be against the manufacturer of the Equipment, and not against Lessor, nor shall such matter have any effect whatsoever on the rights and obligations of Lessor with respect to this Lease, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or the availability of such warranties of the manufacturer of the Equipment.

5. NON-APPROPRIATION OF FUNDS; NON-SUBSTITUTION. Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments hereunder shall constitute a current expense of Lessee payable in the Lessee's current Fiscal Year and not in any other Fiscal Year so as to be construed as multiple Fiscal Year direct or indirect debt or other financial obligation and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitation or requirements concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of Lessee.

Notwithstanding anything contained in this Lease to the contrary, in the event no funds or insufficient funds are appropriated and budgeted or are otherwise unavailable by any means whatsoever in any fiscal period for Lease Payments due under this Lease, Lessee will immediately notify the Lessor or its assignee of such occurrence and this Lease shall terminate on the last day of the fiscal period for which appropriations were received without penalty or expense to Lessee of any kind whatsoever, except as to the portions of Lease Payments herein

agreed upon for which funds shall have been appropriated and budgeted or are otherwise available. In the event of such termination, Lessee agrees to peaceably surrender possession of the Equipment to Lessor or its assignee on the date of such termination.

Lessor will have all legal and equitable rights and remedies to take possession of the Equipment. Notwithstanding the foregoing, Lessee agrees (i) that it will not cancel this Lease under the provisions of this Section if any funds are appropriated to it, or by it, for the acquisition, retention or operation of the Equipment or other equipment performing functions similar to the Equipment for the fiscal period in which such termination occurs or the next succeeding fiscal period thereafter, and (ii) that it will not during the Lease Term give priority in the application of funds to any other functionally similar equipment. This paragraph will not be construed so as to permit Lessee to terminate this Lease in order to acquire or lease any other equipment or to allocate funds directly or indirectly to perform essentially the same application for which the Equipment is intended.

6. CERTIFICATION AND AUTHORIZATION. Lessee represents, covenants and warrants that it is a state, or a political subdivision thereof, or that Lessee's obligation under this Lease constitutes an obligation issued on behalf of a state or political subdivision thereof, such that any interest derived under this Lease will qualify for exemption from Federal income taxes under Section 103 of the Internal Revenue Code. Lessee further warrants that this Lease represents a valid deferred payment obligation for the amount herein set forth of a Lessee having legal capacity to enter into the same and is not in contravention of any Town, City, District, County, or State statute, rule, regulation, or other governmental provision. In the event that a question arises as to Lessee's qualification as a political subdivision, Lessee agrees to execute a power of attorney authorizing Lessor to make application to the Internal Revenue Service for a letter ruling with respect to the issue. Lessee agrees that (i) it will do or cause to be done all things necessary to preserve and keep the Lease in full force and effect, (ii) it has complied with all bidding requirements where necessary and by due notification presented this Lease for approval and adoption as a valid obligation on its part, and (iii) it has sufficient appropriations or other funds available to pay all amounts due hereunder for the current fiscal period.

7. TITLE TO EQUIPMENT; SECURITY INTEREST. Upon acceptance of the Equipment by Lessee hereunder, title to the Equipment will vest in Lessee subject to Lessor's rights under this Lease, provided, however, that (i) in the event of termination of this Lease by Lessee pursuant to Section 5 hereof; (ii) upon the occurrence of an Event of Default hereunder, and as long as such Event of Default is continuing; or (iii) in the event that the purchase option has not been exercised prior to the Expiration Date, title will immediately vest in Lessor or its assignee without any action by Lessee and Lessee shall immediately surrender possession of the Equipment to Lessor. In order to secure all of its obligations hereunder, Lessee hereby (i) grants to Lessor a first and prior security interest in any and all right, title and interest of Lessee in the Equipment and in all additions, attachments, accessions, and substitutions thereto, and on any proceeds therefrom, (ii) agrees that this Lease may be filed as a financing statement evidencing such security interest, and (iii) agrees to execute and deliver all financing statements, certificates of title and other instruments in form satisfactory to Lessor necessary or appropriate to evidence such security interest.

8. USE; REPAIRS. Lessee will use the Equipment in a careful manner for the use contemplated by the manufacturer for the Equipment and shall comply with all laws, ordinances, insurance policies regulations relating to, and will pay all costs, claims, damages, fees and charges arising out of its possession, use or maintenance. Lessee, at its expense will keep the Equipment in good working order and repair and furnish all parts, mechanisms and devices required therefor.

9. ALTERATIONS. Lessee will not make any alterations, additions or improvements to the Equipment without Lessor's prior written consent unless such alterations, additions or improvements may be readily removed without damage to the Equipment.

10. LOCATION; INSPECTION. The Equipment will not be removed from, or if the Equipment consists of rolling stock, its permanent base will not be changed from the Equipment Location without Lessor's prior written consent which will not be unreasonably withheld. Lessor will be entitled to enter upon the Equipment location or elsewhere during reasonable business hours to inspect the equipment or observe its use and operation.

11. LIENS AND TAXES. Lessee shall keep the Equipment free and clear of all levies, liens and encumbrances except those created under this Lease. Lessee shall pay, when due, all charges and taxes (local, state and federal) which now or hereafter be imposed upon the ownership, leasing, rental, sale, purchase, possession or use of the Equipment, excluding however, all taxes on or measured by Lessor's income. If Lessee fails to pay said charges, and taxes when due, Lessor shall have the right, but shall not be obligated, to pay said charges and taxes. If Lessor pays any charges or taxes, Lessee shall reimburse Lessor therefor.

12. RISK OF LOSS; DAMAGE; DESTRUCTION. Lessee assumes all risk of loss of or damage to the Equipment from any cause whatsoever, and no such loss of or damage to the Equipment nor defect therein nor unfitness or obsolescence thereof shall relieve Lessee of the obligation to make Lease Payments or to perform any other obligation under this Lease. In the event of damage to any Item of Equipment, Lessee will immediately place the same in good repair with the proceeds of any insurance recovery applied to the cost of such repair. If Lessor determines that any Item of Equipment is lost, stolen, destroyed or damaged beyond repair, Lessee, at the option of Lessor, will either (a) replace the same with like Equipment in good repair, or (b) on the next Lease Payment date, pay Lessor: (i) all amounts then owed by Lessee to Lessor under this Lease, including the Lease Payment due on such date, and (ii) an amount equal to the applicable Customers Balance set forth in Schedule B. In the event that Lessee is obligated to make such payment with respect to less than all of the Equipment, Lessor will provide Lessee with the pro rata amount of the Lease Payment and the Customers Balance to be made by Lessee with respect to the Equipment which has suffered the event of loss.

13. PERSONAL PROPERTY. The Equipment is and will remain personal property and will not be deemed to be affixed or attached to real estate or any building thereon. If requested by Lessor, Lessee will, at Lessee's expense, furnish a waiver of interest in the Equipment from any party having an interest in such real estate or building.

14. INSURANCE. Lessee, will, at its expense, maintain at all times during the Lease Term, fire and extended coverage, public liability and property damage insurance with respect to the

Equipment in such amounts, covering such risks, and with such insured as shall be satisfactory to Lessor, or, with Lessor's consent may self-insure against any or all such risks. In no event will the insurance limits be less than the amount of the then applicable Customers Balance with respect to such Equipment. Each insurance policy will name Lessee as an insured and Lessor or its assigns as an additional insured, and will contain a clause requiring the insurer to give Lessor at least thirty (30) days prior written notice of any alteration in the terms of such policy or cancellation thereof. The proceeds of any such policies will be payable to Lessee and Lessor or its assigns as their interest may appear. Upon acceptance of the Equipment and upon each insurance renewal date, Lessee will deliver to Lessor a certificate evidencing such insurance. In the event that Lessee has been permitted to self-insure, Lessee will furnish Lessor with letter or certificate to such effect. In the event of any loss, damage, injury or accident involving the Equipment, Lessee will promptly provide Lessor with written notice thereof and make available to Lessor all information and documentation related thereto.

15. INDEMNIFICATION: To the extent allowed by law, Lessee shall indemnify Lessor against, and hold Lessor harmless from, any and all claims, actions, proceedings, expenses, damages or liabilities, including attorney's fees and court costs, arising in connection with the Equipment, including, but not limited to, its selection, purchase, delivery, possession, use operation, rejection, or return and the recovery of claims under insurance policies thereon. The indemnification arising under this paragraph shall continue in full force and effect notwithstanding the full payment of all obligations under this Lease or the termination of the Lease for any reason.

#### 16. ASSIGNMENT AND SUBLEASE.

(a) Without Lessor's prior written consent, Lessee will not either (i) assign, transfer, pledge, hypothecate, or grant any security interest in or otherwise dispose of this Lease or the Equipment or any interest in this Lease or the Equipment; (ii) sublet or lend the Equipment or permit it to be used by anyone other than Lessee or Lessee's employees. No assignment or sublease shall relieve the Lessee of any of its obligations or duties hereunder, which shall remain those of a principal and not a guarantor.

(b) Lessor shall not assign, transfer, pledge, or dispose of this Agreement or any interest therein, whether as security for any of its indebtedness or otherwise. Subject to the foregoing, this Lease inures to the benefit of and is binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

17. EVENT OF DEFAULT. The term "Event of Default", as used herein, means the occurrence of any one or more of the following events: (i) Lessee fails to make any Lease Payment (or any other payment) as it becomes due in accordance with the terms of the Lease, and any such failure continues for ten (10) days after the due date thereof; (ii) Lessee fails to perform or observe any other covenant, condition, or agreement to be performed or observed by it hereunder and such failure is not cured within twenty (20) days after written notice thereof by Lessor; (iii) the discovery by Lessor that any statement, representation, or warranty made by Lessee in this Lease or in writing ever delivered by Lessee pursuant hereto or in connection herewith is false, misleading, or erroneous in any material respect; (iv) proceedings under any bankruptcy,

insolvency, reorganization or similar legislation shall be instituted against or by Lessee, or a receiver or similar officer shall be appointed for Lessee or any of its property, and such proceedings or appointments shall not be vacated, or fully stayed, within twenty (20) days after the institution or occurrence thereof; or (v) an attachment, levy or execution is threatened or levied upon or against the Equipment.

18. REMEDIES. Upon the occurrence of an Event of Default, and as long as such Event of Default is continuing, Lessor may, at its option, exercise any one or more of the following remedies: (i) by written notice to Lessee, declare an amount equal to all amounts then due under the Lease, and all remaining Lease Payments due during the Fiscal Year in effect when the default occurs to be immediately due and payable, whereupon the same shall become immediately due and payable as allowed by law and subject to appropriation, (ii) by written notice to the Lessee, request Lessee to (and Lessee agrees that it will), at Lessee's expense, promptly return the equipment to Lessor in the manner set forth in Section 5 hereof, or Lessor, at its option, may enter upon the premises where the Equipment is located and take immediate possession of and remove the same; (iii) sell or lease the Equipment or sublease it for the account of Lessee, holding Lessee liable for all Lease Payments and other payments due to the effective date of such selling, leasing or subleasing and for the difference between the purchase price, rental and other amounts paid by the purchaser, lessee or sublessee pursuant to such sale, lease or sublease and the amounts payable by Lessee hereunder; and (iv) exercise any other right, remedy or privilege which may be available to it under applicable laws of the State of Colorado or any other applicable law or proceed by appropriate court action to enforce the terms of the Lease or to recover damages for the breach of this Lease or to rescind this Lease as to any or all of the Equipment. In addition, Lessee will remain liable for all covenants and indemnities under this Lease and for all legal fees and other costs and expenses, including court costs, incurred by Lessor with respect to the enforcement of any of the remedies listed above or any other remedy available to Lessor.

19. PURCHASE OPTION. Upon thirty (30) days prior written notice from Lessee to Lessor, and provided that there is no Event of Default, or an event which with notice to lapse of time, or both, could become an Event of Default, then existing, Lessee will have the right to purchase the Equipment on any Lease Payment due date by paying to Lessor, on such date, the Customers Balance amount set forth opposite the appropriate number of payments made as reflected on Schedule B to the Lease. Upon satisfaction by Lessee of such purchase conditions, Lessor will transfer any and all of its right, title and interest in the Equipment to Lessee as is, without warranty, express or implied, except that the Equipment is free and clear of any liens created by Lessor.

20. REPORTING REQUIREMENTS. Lessee agrees to comply with the information reporting requirements of Section 149(e) of the Internal Revenue Code of 1986 (the "Code"). In the event Lessor, solely on account of Lessee's failure to comply with such information reporting requirements, is not entitled to treat the Lease Payments and the Customers Balances received from Lessee hereunder as interest and principal payments on a state or local bond, the interest of which is exempt from Federal income tax under Section 103(a) of the Code, then Lessee shall pay to Lessor, as additional rentals, a sum which, after deduction of all taxes which are or will be payable by Lessor in respect of the receipt thereof under the Laws of the United States or any

state or local government or taxing authority in the United States, or under the laws of any taxing authority or political or governmental subdivision of a foreign country, shall be equal to the additional Federal income tax which is or will be payable by Lessor as a result of the loss of such interest exemption, together with any interest, addition to tax or penalty which may be assessed by the United States Government against Lessor in connection with the loss of such interest exemption, which amounts shall be payable on written demand by Lessor, together with interest thereon at the highest lawful rate from the date of payment of the additional Federal income tax to the date of payment by Lessee.

21. NOTICES. All notices to be given under this Lease shall be made in writing and mailed by certified mail, return receipt requested, to the other party at its address set forth herein or at such address as the party may provide in writing from time to time. Any such notice shall be deemed to have been received five (5) days subsequent to mailing.

22. SECTION HEADINGS. All section headings contained herein are for the convenience of reference only and are not intended to define or limit the scope of any provision of this Lease.

23. GOVERNING LAW. This Lease shall be construed in accordance with, and governed by the laws of, the state of Colorado.

24. DELIVERY OF RELATED DOCUMENTS. Lessee will execute or provide, as requested by Lessor, such other documents and information as are reasonably necessary with respect to the transaction contemplated by this Lease.

25. ENTIRE AGREEMENT; WAIVER. This Lease, together with the Delivery and Acceptance Certificate and other attachments hereto, and other documents or instruments executed by Lessee and Lessor in connection herewith, constitute the entire agreement between the parties with respect to the lease of the Equipment, and this Lease shall not be modified, amended, altered, or changed except with the written consent of Lessee and Lessor. Any provision of this Lease found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remainder of the Lease. The waiver by Lessor of any breach by Lessee of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach thereof.

(Lessor) Ally Financial

( Lessee) CITY OF CENTRAL  
141 Nevada St  
Central City, CO 80427

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Title: Ronald E. Engels, Mayor  
Date: \_\_\_\_\_

Attest

By: \_\_\_\_\_  
Reba Bechtel, City Clerk

## LEGAL OPINION OF COUNSEL

[Date]

Ally Financial  
P.O. Box 660208,  
Dallas, T., 75266

RE: Municipal lease/purchase of three 2012 Chevrolet Tahoe vehicles

Gentlemen:

As legal counsel to the City of Central, Colorado, (the "Lessee"), we have examined (1) an executed counterpart of a certain Municipal Lease Purchase Agreement (the "Lease") dated \_\_\_\_\_, 2012, by and between Ally Financial, as Lessor, and the Lessee, which, inter alia, provides for the lease and sale to and purchase by the Lessee of certain motor vehicle equipment (the "Equipment"), (2) an executed counterpart of Ordinance No. 12-09 dated July 24, 2012, of the Lessee which, inter alia, authorizes the Lessee to execute the Lease and (3) such other opinions, documents and matters of law as we have deemed necessary in connection with the following opinions.

The opinions stated herein are given in our limited capacity as legal counsel to the Lessee for general matters. Whenever our opinion with respect to the existence or absence of facts is indicated to be based on our knowledge, it shall mean that during the course of our representation as described above no information has come to our attention which has given us actual knowledge of the existence or absence of such facts. We have not undertaken any independent investigation to determine the existence or absence of such facts, nor have we undertaken any such investigation with respect to facts certified by anyone, and no inference as to our knowledge of the existence or absence of such facts may be drawn from our representation of the Lessee.

In connection herewith, we have assumed, without independent verification or investigation as to the same: (1) the genuineness and authenticity of all documents submitted to us as originals; (2) the originality and conformance to the originals of all photocopies provided to us in connection with rendering this opinion; (3) that the signatures of persons signing all documents in connection with which this opinion is rendered are genuine and are authorized by the entity on whose behalf such persons have signed, provided, however, that no such assumptions as to such authorization are made as to signatures on behalf of the Lessee; and (4) that all parties to the documents reviewed by us have full power and authority, and have obtained all consents and/or approvals necessary to execute, deliver and perform thereunder, and all such documents have been duly authorized by all necessary corporate or other action on the part of such parties, have been duly executed by such parties and have been duly delivered by such parties.

Based upon the foregoing, it is our opinion that:

(i) the Lessee is a tax-exempt entity under Section 103 of the Internal Revenue Code; (ii) the execution, delivery and performance by the Lessee of the Lease have been duly authorized by all necessary action on the part of the Lessee; (iii) upon its execution by Lessor, the Lease constitutes a legal, valid and binding obligation of the Lessee enforceable in accordance with its terms and all statements contained in the Lease and all related instruments are true; and (iv) the

Uniform Commercial Code of the state of Colorado, where the Equipment is located, will govern the method of perfecting Lessor's security interest in the Equipment.

This opinion is rendered on the basis of Federal law and the laws of the State of Colorado as enacted and construed on the date hereof. We express no opinion as to any matter not set forth in the numbered paragraphs herein.

This opinion is solely for the addressee's information, and its successors and assigns, in connection with the Lease, and is not to be quoted in whole or in part or otherwise referred to (except in a list of closing documents), nor is it to be delivered to any other person (except as a part of a closing book memorializing the closing on the Lease) without our prior written consent.

Other than the addressee hereof, and its successors and assigns, no one is entitled to use or rely on this opinion letter without the written consent of our firm. Our firm represents only the Lessee; delivery of this letter does not establish an attorney-client relationship with any other party. We expressly undertake no responsibility or duty to inform any party, whether addressees hereof or not, as to any change in fact, circumstance or law occurring after the date hereof which may affect or alter any of the opinions, statements or information set forth above.

Very truly yours,

Widner Michow & Cox LLP

cc: Ronald E. Engels, Mayor  
Alan Lanning, City Manager

MUNICIPAL CERTIFICATE

I, Ronald E. Engels, Mayor of CITY OF CENTRAL. hereby certify that the Municipal Lease Purchase Agreement, dated \_\_\_\_\_, between Ally Financial, as Lessor and CITY OF CENTRAL as Lessee, leasing the Equipment described, was executed by me on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ ; and that I have full power and authority to execute the Municipal Lease Purchase Agreement, and that the power to enter into the Lease Purchase Agreement granted to me by the CITY OF CENTRAL has not been withdrawn, and that all required procedures necessary to make the Municipal Lease Purchase Agreement a legal and binding obligation of the Lessee have been followed, including adherence to the City's Purchasing Policies and the City Charter and Municipal Code requirements.

I also certify that payment due by CITY OF CENTRAL under the Municipal Lease Purchase Agreement referred herein for the current lease term are within the current budget and within an available, unexhausted and unencumbered appropriation of the municipality of the CITY OF CENTRAL.

IN WITNESS WHEREOF, I have set my hand this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_.

By: \_\_\_\_\_  
Ronald E. Engels, Mayor

Attest

By: \_\_\_\_\_  
Reba Bechtel, City Clerk

**Delivery and Acceptance Certificate**

3 Vehicles (s) for Municipal Lease/Purchase

Payment Structure: 3, Annual

An annual rate of: 6.14%

#	Year	Make	Model	Vin	Application#	Cost	Payment
1.	2012	Chevrolet	Tahoe	1GNSK2E02CR293625	1010318311	31893.00	11270.39
2.	2012	Chevrolet	Tahoe	1GNSK2E01CR293602	1010315512	30893.00	10917.01
3.	2012	Chevrolet	Tahoe	1GNSK2E08CR292107	1010315419	32713.00	11560.19

Total Cost of the vehicle (s): \$ 95499.00 Total Payments: \$ 33747.59

Equipment Location (Garaged at):

\_\_\_\_\_  
\_\_\_\_\_

Under the Municipal Lease Agreement dated \_\_\_\_\_, (Lease) between Ally Financial (the Lessor) and the undersigned Lessee, the Lessee hereby certifies that the vehicle (s) listed above has (have) been delivered to Lessee, tested and inspected by Lessee, found to be in good order and accepted as Equipment under the Lease, all on the date indicated below.

The Lessee hereby agrees to lease/purchase the vehicles as described.

(Lessor)  
Ally Financial  
By: \_\_\_\_\_  
Date: \_\_\_\_\_

(Lessee)  
CITY OF CENTRAL  
By: Ronald E. Engels, Mayor  
Date: \_\_\_\_\_

Attest

By: \_\_\_\_\_  
Reba Bechtel, City Clerk

SCHEDULE B

Payment Schedule to the Lease Agreement dated \_\_\_\_\_.

Customer: CITY OF CENTRAL  
 Dealer: MIKE SHAW BUICK-GMC, INC.  
 Equipment 1: Chevrolet Tahoe  
 Equipment 2: Chevrolet Tahoe  
 Equipment 3: Chevrolet Tahoe  
 Term: 3, Annual (subject to annual appropriation)  
 Annual Percentage Rate: 6.14 %  
 First Payment: Advance  
 Amount Financed: \$95499.00  
 Payment Amount: \$33747.59  
 Total Interest: \$5743.77  
 End of Lease Purchase Option: \$1 per unit

# OF PMTS MADE	PAYMENT	CUSTOMERS BALANCE	BALANCE: PERCENT OF COST	REDUCTION IN PRINCIPAL	INTEREST ON PRINCIPAL
1	\$33747.59	\$61751.41	64.66%	\$33747.59	\$0.00
2	\$33747.59	\$31795.36	33.29%	\$29956.05	\$3791.54
3	\$33747.59	\$0.00	0.00%	\$31795.36	\$1952.23

(Lessor)  
 Ally Contract Processing Center  
 2911 Lake Vista Dr,  
 Lewisville, TX 75067 (Lessee)

(Lessee)  
 City of Central  
 141 Nevada St  
 Central, Co 80427

By: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

By: \_\_\_\_\_  
 Title: Ronald E. Engels, Mayor  
 Date: \_\_\_\_\_

Attest

By: \_\_\_\_\_  
 Reba Bechtel, City Clerk





## THE VOICE OF COLORADO'S CITIES AND TOWNS

1144 Sherman Street, Denver, CO 80203 • (p) 303-831-6411 / 866-578-0936 • (f) 303-860-8175 • [www.cml.org](http://www.cml.org)

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To: CML Member Mayors, Managers, and Clerks in municipalities with no manager  
From: Kevin Bommer, Legislative Advocacy Manager  
Date: July 10, 2012  
Subject: Appointment/Reappointment to CML's 2012-2013 Policy Committee

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This memo is being sent to you because it is again time for member municipalities to make appointments to the League's Policy Committee. The Policy Committee is an important part of the policy development process at CML and all members are encouraged to take advantage of the opportunity to be represented. A description of the appointment procedure and the Policy Committee process is below.

### COMMITTEE COMPOSITION AND RESPONSIBILITIES

Each member municipality of CML is entitled to designate one representative to the League's Policy Committee, and cities over 100,000 population are entitled to designate two representatives. In addition, CML Section chairs and CML District presidents are automatically appointed as non-voting members of the Committee. Appointments to the Policy Committee are made each following the CML Annual Conference in June, and members serve for a one-year period. Aden Hogan, CML Board President and Evans city manager, will appoint a committee chair after members name their representatives to the committee.

The Policy Committee has significant policy development responsibilities. The committee is responsible for reviewing legislative and policy proposals and then recommending specific positions to the CML Executive Board. Prior to each annual conference in June, the Policy Committee may also propose to revisions to the League's Policy Statement that guides League positions on public policy issues affecting municipalities.

To ensure time for members to prepare and consider recommendations, the committee will meet twice before the end of 2011. In 2012, the committee will be scheduled to meet during the legislative session as well as prior to the annual conference. Meetings are held in Denver, usually from 10:00 a.m. to early afternoon.

### MEETING DATES

Confirmed dates for the first two meetings are as follows:

- First meeting at CML – Friday, October 19.
- Second meeting at CML – Friday, December 7.

The meeting held during the 2013 legislative session will be held in conjunction with our CML Legislative Workshop. The workshop is *tentatively* scheduled for Wednesday, February 20 and the committee meeting would follow on Thursday, February 21. A final meeting may be scheduled for mid-May 2012. All 2013 dates will be confirmed in the near future.



## PROPOSAL FOR LEGISLATION OR POLICY POSITION

CML member municipalities may use this form to submit proposals for:

1. Specific legislation that your municipality believes CML should sponsor, or;
2. Policy positions on specific issues not already specified in the *2012-2013 CML Policy Statement*.

**Your appointed member to the CML Policy Committee should be prepared to present the proposal to the committee on behalf of your municipality at the October 2012 meeting.** (Should your municipality choose not to appoint a policy committee member but still wish to have a proposal considered, please contact Kevin Bommer - Legislative Advocacy Manager – at [kbommer@cml.org](mailto:kbommer@cml.org), (303) 831-6411, or (866) 578-0936.

Please use one form for each proposal and include any supporting material, if applicable, following the instructions below. The CML Policy Committee will consider each proposal and make a determination on whether to forward the proposal to the CML Board with a recommendation. Members should be aware that there is no guarantee a proposal will be approved, and both the Policy Committee and the CML Board will have to consider many factors, as well as considerations of the advocacy staff's input, in shaping CML's legislative and policy positions.

Submitted by (name) \_\_\_\_\_  
 On behalf of (municipality or section): \_\_\_\_\_  
 Phone: \_\_\_\_\_  
 Email: \_\_\_\_\_

**Proposal for:**

- CML-sponsored legislation
- Policy position on a specific issue\*

Topic: \_\_\_\_\_

Background (For CML-sponsored legislation, please list (1) The change in existing law that is needed, and (2) The specific issue or issues in your municipality that a statutory change would remedy): \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Recommended position/action: \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

\* "Policy position on a specific issue" means establishing a position or policy on an issue that is not already covered by an existing portion of the CML Policy Statement and may refer to specific issues that members would like to see CML support or oppose should they arise in a legislative or regulatory setting.

July 25, 2012

To Whom it May Concern:

I, Judy Toratta, have been a resident of Colorado since 1970, a homeowner in Central City since 1993. I would be interested in serving on the Planning Committee or on the HPC.

I came to Colorado from Idaho, by way of Chicago. I attended Utah State University and became a realtor in Denver in 1979. I worked in this gaming industry since "day one of gaming in Colorado," Oct 1, 91 and have great concern as to the future of this city.

Thank you,  
Judy Toratta  
113 Spruce St,  
Central City, Co.  
80427  
303-582-1930



John E. Friery  
224 E 4<sup>th</sup> High Street  
P.O. Box 654  
Central City, CO 80427  
303.582.3537 H  
720.519.9228 C

Attn: Reba Bechtel  
City Clerk  
City of Central

Re: 1-Alternate Opening on the Historic Preservation Commission  
2-Vacant Opening on Planning Commission

Dear Ms Bechtel,

Preservation has always been a fascinating hobby of mine. Whether old antiques or old buildings or just collecting stuff to re-use; it is truly a difficult habit to give up.

My real start in preservation came in the City of Baltimore, operating the Salvage Depot for then Baltimore Mayor Donald Schaefer. Our duties consisted of retrieving and recycling old building materials from City owned buildings in residential neighborhoods abandoned by owners and taken over by the City by eminent domain. Thousands of homes were recycled by homesteaders. These urban homesteaders could come to The Salvage Depot and purchase salvaged articles on the cheap.

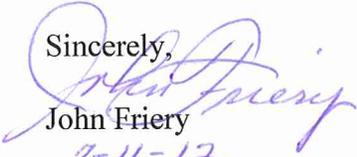
Working under the Commission for Historical and Architectural Preservation it became very apparent to me the impact we were having in the planning and execution of the preservation of neighborhoods in the City of Baltimore.

Fast forward from the late seventies, I arrived in Denver in 1982 and employed as a building superintendent. In 1999 after spending a year at the oldest co-op/condo association in Denver, The Perrenoud at 17<sup>th</sup> & Clarkson I retired.

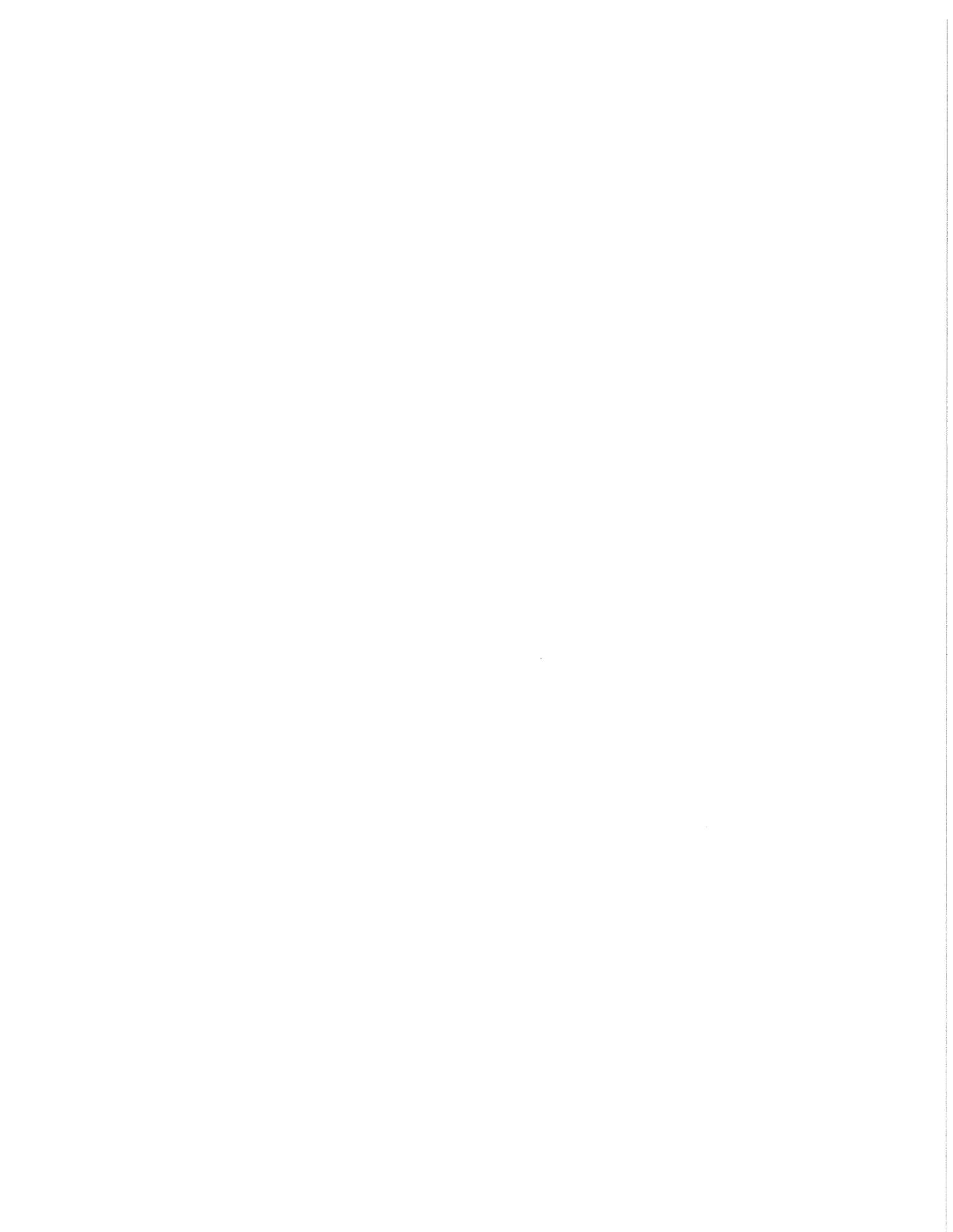
It is my belief that Planning and Preservation are the twins which will bring healthy economic life back to Central City. Therefore, I am offering to serve on each committee to have an opportunity to share my ideas and thoughts on historical preservation as well as planning. This will allow me an opportunity to give back to the community in a constructive and positive way.

In advance, I wish to thank you for considering my application.

Sincerely,

  
John Friery

7-11-12



DATE: August 3, 2012  
TO: Alan Lanning, City Manager  
Mayor & Council  
FROM: Shannon Flowers, Finance Director/Treasurer

Following is an update of the Finance Department's activities for the weeks of Friday, July 13, 2012 through Friday, August 3, 2012. I will be in the office 8 a.m. to 5:00 p.m. Monday through Thursday. The Finance Clerk will be in the office Monday and Friday from 8:00 a.m. to 4:30 p.m. and Tuesday and Thursday from 8:00 a.m. to 12:00 p.m.

- Completed June Bank Reconciliation
- Prepared June Revenue & Expense Report
- Worked with City Attorney, Operations Director and Water Superintendent to revise Ordinance 12-08 regarding yard hydrants
- Completed preparation of year end projections
- Began preparing 2013 1<sup>st</sup> Draft of Budget which included preparing revenues projections, personal and benefits costs, meeting with department directors to review line item requests and preparing actual spreadsheets
- Reviewed initial draft of City Attorney provided Employee Handbook rewrite
- Processed paperwork for new police sergeant and Visitor Center
- Prepared and filed 2<sup>nd</sup> Qtr 2012 SUTA and 941 tax filings
- Assisted Operations Director with personnel matters
- Met with Mike Shaw representative and executed PD Vehicle lease purchase
- Prepared check listing for Council
- Processed Bi-weekly payroll and all associated tax and retirement filings
- Finance Clerk Processed Accounts Payable
- Finance Clerk processed Accounts Receivable and prepared weekly deposits
- Finance Clerk administered Court



## City Clerk's Office

**To:** City Manager Alan Lanning, Mayor Engels, and City Council

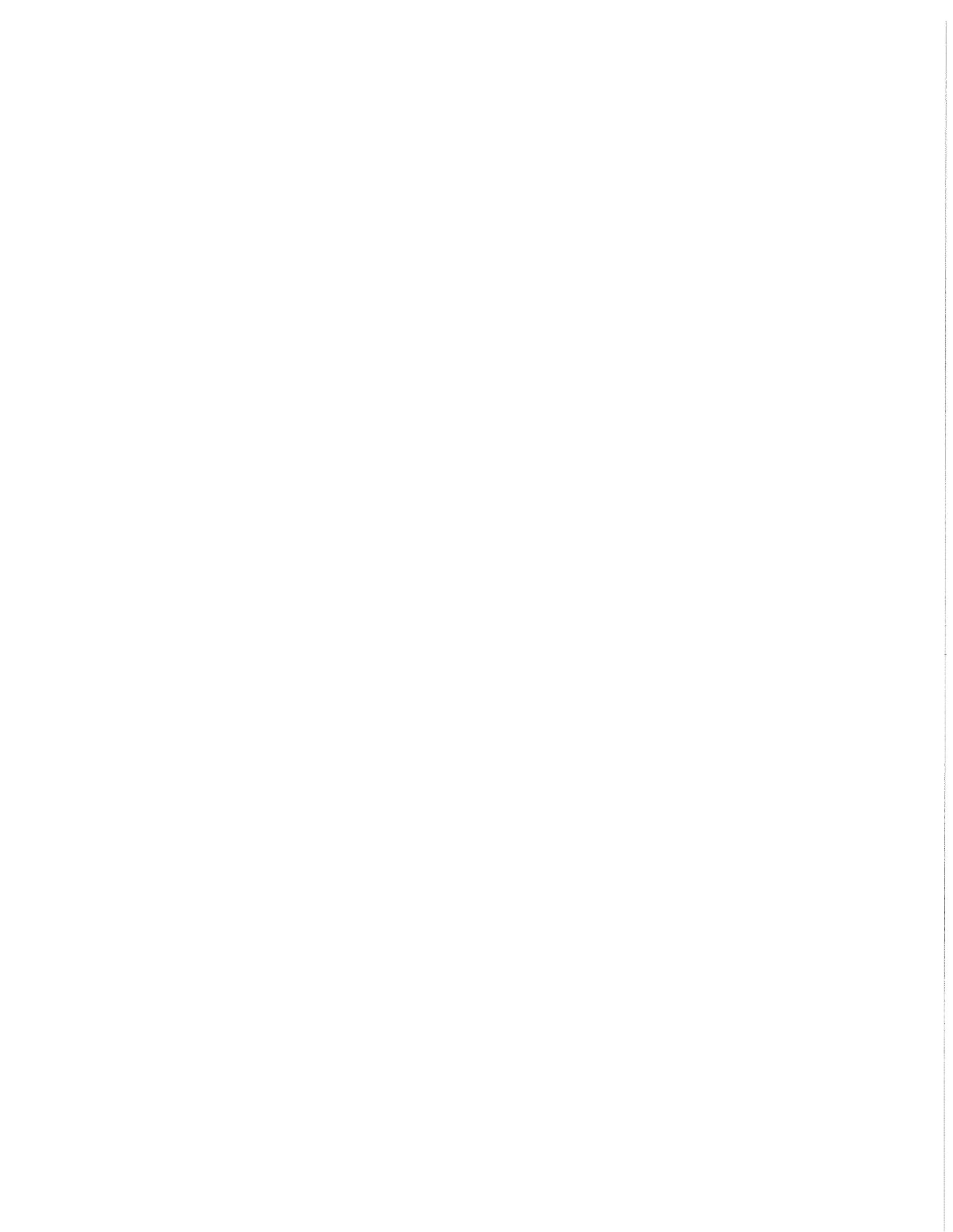
**From:** Reba Bechtel, City Clerk

**Date:** August 7, 2012

**Re:** Bi-weekly Report

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- Council minutes from July 17 completed
- Packet prep and minutes for the July 24 Council meeting
- Packet prep for the August 7 Council meeting.
- Minutes for July 25 HPC (rescheduled from July 11)
- Processed and sent to State the liquor renewal for Davis Gaming dba Crystal Palace
- Attended a Webinar for Medical Marijuana-hosted by CML: brief update on the process that the MMED department has been going through. They are working on the renewal process.



# Memo

To: Mayor, City Council, and City Manager  
From: Greg Thompson, Community Development Director  
Subject: Community Development Department Summary  
Date: August 7, 2012

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The Community Development Department/Historic Preservation Office took the following actions and participated in the following events since the last summary was created:

1. Met with a variety of citizens and discussed their plans for the property.
2. Attended a CML teleconference on Xcel banners on poles, and Xcel's interest in banning them.
3. Held an HPC meeting where the Commission approved the following items:
  - a. Removal of a tree at 100 Casey
  - b. 132 Casey will remove the existing concrete stairs and replace them with wood.
  - c. The owner of 126 Casey will remove the existing stairs and replace them with wood.
4. Briefly met with Ennovate concerning heating system in City Hall and roofing at City Hall.
5. Administered the building permit function for the City. Two permits were applied for.
6. Met with Sandy Early of the Gilpin Arts Association concerning issues at Washington Hall.
7. Discussed plans to develop two different projects, one residential and the other commercial. Both plans are in the very preliminary stages.
8. Discussed grant application plans for the Johnson Reservoir Park project.
9. Completed and submitted the State fiscal year 2012 Historic Preservation Annual Report.
10. Toured the Vectra Bank held properties at our eastern boundary. Properties include the Lucky Penny Casino foundation, the Kruse Mansion, and the Bates Mine. Have been working with them to repair or replace the failing bridge over the gulch. They are also interested in how best to market the property. The tour highlight was going into and throughout the Kruse Mansion. The murals painted on the living room walls were intriguing!
11. Worked on a variety of Code Enforcement issues including contacting a landlord about their recently departed tenant and the trash strewn about the yard. The landlord responded that day, cleaned up the property, got a building permit to paint the house, and got information on replacing their roof!
12. Shot photos of the downtown in summer.
13. Have been working on a planning grant for GOCO to create a master plan for the Johnson Reservoir Park project.





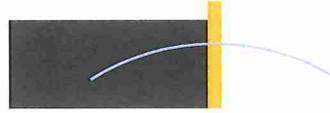
CITY OF CENTRAL  
Public Works Department  
Kent Kisselman, P.E., Director

July 2012

**Special points of interest:**

- ◆ We would like to welcome back Justin Britton, after leaving Central City for a couple months he is back and working hard for the department.
- ◆ Public Works will be conducting interviews for a Municipal Service I, II, or III depending on experience. We hope to have someone on board by the middle of August.
- ◆ Joe Braccio became certified to complete our drug testing in accordance with CDOT. This saves us time and money as we will not have to go down to Denver to be tested for quarterly testing or new hires.

**Personal Message:** The list continues to grow weekly. Staff is doing our best to address the issues that arise as well as maintain the normal functioning duties of the department. And City. I ask that you continue to be patient with us as our department is working harder than ever to make Central City a better place.. We have quality staff and folks who take pride in the work we are doing.



# PUBLIC WORKS DEPARTMENT



## Some days you're the windshield others the bug...

The Public Works Department continues to complete summer projects. With the recent rains our focus has been on storm drains, erosion and sediment control. Staff completed replacement of 40' of storm drain pipe at the Pine Street and Nevada Intersection. We placed the new pipe, built a headwall, and rip rapped the area as well as placed erosion and sediment control measures in the area. This project if completed by a private contractor would be in the 10K to 12K area of cost and our staff completed the project for less than \$1000.

We have the materials to complete the Parkway project and hope to have the done very soon. Mulch was placed in the area to help with erosion , we obtained the mulch from Clear Creek County at no cost. This same material was also used at the north end to remediate the area torn up by the mine failure project.

The Public Works Department will be assessing all of the City owned properties to further develop a facilities maintenance plan. This will include looking on the inside and outside to determine the most critical needs of the facilities.

Staff will be spending time out on the Parkway over the next couple weeks as there are weeds, reflectors, and jersey barriers to stabilize.

We have spending a significant amount of time with events and will be during the month of August as well. This continues to put us at a disadvantage getting things in Public Works completed. As we have 2 staffers per event and then they need to take time off during the week. It would be nice to discuss the future of Public Works in-

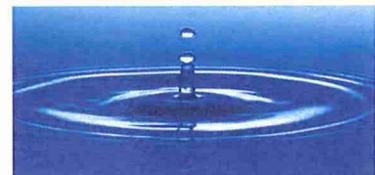
volvement with respect to events and planning.



Water Department continues meter installations. We have been working on several meter pits over the last month so the pace has slowed slightly. It is still our goal to install the majority of the meters by the end of September and only have the those require separation of service and vacant buildings.

Staff installed a new meter at the Hole in the Ground. This area also needs new valves and we will be looking at self performing the valve installation in the fall.

We are near complete with the topographic survey of our infrastructure. We have a few holes to fill in, this information is being sent to Black and Veatch to provide additional information for our Water Master Plan.



Please contact Kent Kisselman with any PW related issues you may have, communication is the key to success. Have a great month!

[opdirector@cityofcentral.co](mailto:opdirector@cityofcentral.co)  
303-598-1936 day cell