

ORDINANCE NO. 192

AN ORDINANCE ADOPTING A PLAN FOR THE ACQUISITION OF A MUNICIPAL ELECTRIC LIGHT AND POWER SYSTEM TO BE OWNED AND OPERATED BY THE CITY OF WALSENBURG, COLORADO, DESCRIBING THE PROPERTY TO BE ACQUIRED, THE FULL PURCHASE PRICE TO BE PAID THEREFOR, THE METHOD OF PAYMENT AND THE TOTAL OBLIGATIONS TO BE INCURRED.

WHEREAS, Frontier Power Company, a Colorado corporation, has been furnishing the City of Walsenburg, Colorado, with electric light and power; and

WHEREAS, it is proposed that the City of Walsenburg shall acquire that part of the electric light and power system of said Company which serves the City, and shall improve and extend the same in order that the City and its inhabitants shall have a complete electric light and power system, subject to the approval of this Ordinance by the properly qualified electors of said City;

THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WALSENBURG, COLORADO, That:

Section 1. The City of Walsenburg, Colorado shall acquire that part of the electric light and power system of Frontier Power Company which serves the City of Walsenburg, Colorado, and surrounding territory, and shall extend and improve the same in order that the City may have a complete municipal electric light and power system adequate to serve said City and its inhabitants with electric light and power economically and efficiently.

Section 2. The property to be acquired for such system is:

(1) The existing generating equipment of Frontier Power Company for serving the City and its inhabitants and surrounding territory, consisting of internal combustion engines, generators, and appurtenant and accessory equipment, all connected with the distribution system in said City;

cost of financing, interest, ^{inventory,} incidentals and contingencies.

Section 6. The obligations to be issued by the City for the purpose of acquiring such system, and the interest on such obligations, shall be payable solely out of the revenue and income to be derived from the operation of said system. All operating and other costs or expenses shall be met solely out of the income and revenue of such system, and except as hereinafter provided, no tax or general funds of the City shall be used therefor, either directly or indirectly.

Section 7. Such revenue bonds to be issued by the City shall bear interest at the lowest rate obtainable, not exceeding 4 % per annum, payable semi-annually, the exact rate of interest depending on the condition of the bond market at the time of the sale of said bonds. Said bonds will mature serially commencing not later than 3 years after their date and extending ^{not more than} 30 years after their date, in amounts which will require substantially equal annual payments of combined principal and interest throughout the entire period, consistent with convenient denominations. Said bonds maturing 11 years after their date and thereafter shall be redeemable at the option of the City in their inverse numerical order, 10 years after their date, and on interest payment dates thereafter.

Section 8. The City shall provide for payment into the electric light and power fund reasonable amounts for services rendered by the system for municipal purposes.

Section 9. This Ordinance shall not become effective until it has been submitted to an election held for that purpose and has been approved by a majority of those persons voting who are qualified property electors of said City and who shall in the next year preceding the year of election have paid a property tax therein.

Section 10. In the event that this Ordinance is approved

as aforesaid the City Council and the officers of the City shall be authorized and directed promptly to take and adopt all steps and proceedings necessary or proper fully to carry out the intent and purpose of this Ordinance.

Introduced, read and ordered published this 22nd day of June, A. D. 1955.

(S E A L)

Mayor

ATTEST:

City Clerk

Finally adopted and approved the ____ day of _____,
A. D. 1955.

(S E A L)

Mayor

ATTEST:

City Clerk