

ORDINANCE NO. 7.62

AN ORDINANCE AUTHORIZING THE ISSUANCE OF PROMISSORY NOTES OF THE TOWN OF LARKSPUR, COLORADO IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$150,000.00 FOR THE PURPOSE OF PAYING PART OF THE COST OF CONSTRUCTING A MUNICIPAL WATER WELL AND MAKING OTHER IMPROVEMENTS TO THE MUNICIPAL WATER SYSTEM; PRESCRIBING THE FORM OF SAID NOTES AND PROVIDING FOR THE PAYMENT OF SAID NOTES AND THE INTEREST THEREON; AND PROVIDING OTHER DETAILS IN CONNECTION THEREWITH

WHEREAS, the Town Council of the Town of Larkspur, Colorado has determined that it is necessary to construct a water well and make other improvements to the municipal water system for the Town of Larkspur; and,

WHEREAS, the Town Council wishes to obtain a loan from the First National Bank of Castle Rock, in Castle Rock, Colorado ("First National"); and,

WHEREAS, First National will loan an amount of money to the Town of Larkspur not to exceed \$150,000.00, which sum shall be evidenced by a promissory note or notes which shall bear interest at the rate of six percent per annum; and,

WHEREAS, it is necessary to authorize the execution of said promissory notes and provide for the form and payment thereof;

NOW THEREFORE, BE IT ORDAINED by the Town Council of the Town of Larkspur, Colorado, as follows:

1. The Town Council has previously determined that it is in the best interest of the residents to construct a water well and make other improvements to the municipal water system. The total estimated cost for the project is approximately \$300,000.00. The method of payment is as follows:

State of Colorado grant	\$150,000.00
First National Bank of Castle Rock loan	\$150,000.00.

2. For the purpose of providing funds to pay for a portion of the water system improvements for the Town of Larkspur there is hereby authorized a promissory note or notes of the Town of Larkspur in the total amount of \$150,000.00 both the principal thereof and interest thereof to be payable from the general revenues and the general fund of the Town. It is hereby determined that the estimated life of the improvements to the water system to be acquired by the proceeds of these promissory notes is not less than fifteen years.

3. The notes to be issued shall be in the forms attached hereto as Exhibit A and Exhibit B respectively.

4. Form and Execution of Notes. Said notes shall not exceed \$150,000.00 in principal, and shall bear interest at a rate not to exceed six percent per annum, shall be signed by the Mayor, sealed with a facsimile of the seal of the Town, and attested with the signature of the Town Clerk. When issued, such promissory notes shall constitute the binding obligations of the Town according to their terms. The maturity date of the notes shall not be later than December 31, 2005. Payments on said notes shall be quarterly and shall not exceed \$5,100.00 per quarter.

5. In addition, the Town is authorized to pay a financing fee to the First National Bank of Castle Rock in the amount of \$3,000.00 at the inception of this loan.

6. Severability. If any one or more sections or provisions of this Ordinance be judicially determined invalid or unenforceable, such determination shall not affect, impair or invalidate the remaining provisions hereof, the intention being that the various provisions hereof are severable.

7. This Ordinance shall take effect five (5) days after it is posted, in accordance with Section 3.20 of the Town Charter.

Introduced as an Ordinance at a regular meeting of the Town Council of the Town of Larkspur, Colorado, on the 27th day of October, 1994, and passed by a vote of 7 for 0 against and 0 abstentions.



Brenda J. Andersson
Town Clerk

Thomas Bunch
Mayor



I hereby certify that the within Ordinance No. 7.62 was posted on the bulletin board at the Town Hall of the Town of Larkspur from October 28, 1994 to Nov 2, 1994.

Brenda J. Andersson
Town Clerk