

SPONSORED BY TRUSTEE

TRUSTEE'S BILL

ORDINANCE NO.

NO. 09-07  
Series of 2009

09-07  
Series of 2009

**A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 09-04, WHICH PREVIOUSLY AUTHORIZED THE TOWN OF HUDSON, COLORADO, LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2009; AND DECLARING AN EMERGENCY.**

WHEREAS, at a regular meeting of the Board of Trustees (the "Board of Trustees") of the Town of Hudson, Colorado (the "Town") held on March 18, 2009, the Board of Trustees adopted Ordinance No. 09-04 (the "Original Ordinance") as an emergency ordinance; and

WHEREAS, the Original Ordinance set forth the terms and conditions upon which the Town's Limited Tax General Obligation Bonds, Series 2009 (the "Bonds") may be issued; and

WHEREAS, the Board of Trustees wishes to amend certain provisions of the Original Ordinance relating to the Bonds; and

WHEREAS, there has been filed with the Town Clerk an amended form of the Registrar and Paying Agent Agreement between the Town and the Registrar for the Bonds.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF HUDSON, COLORADO:

**Section 1. Definitions.** Terms used but not defined herein shall have the meanings ascribed thereto in the Original Ordinance.

**Section 2. Amendments to the Original Ordinance.** The terms of the Original Ordinance are hereby amended as follows. This Amending Ordinance shall not be construed to amend or repeal any term or provision of the Original Ordinance except as expressly set forth herein. None of the amendments herein shall affect the titles set forth in the Original Ordinance.

A. The definitions for the following terms set forth in Section 1 of the Original Ordinance shall be amended as follows:

Ordinance: collectively, the Original Ordinance and the Amending Ordinance, which provide for the issuance and delivery of the Bonds.

Sale Certificate: the certificate executed by the Mayor or the Town Administrator dated on or before the date of delivery of the Bonds, setting forth the determinations made by the Mayor or the Town Administrator pursuant to the authority delegated by this Ordinance, including without limitation: (i) the rates of interest on the Bonds, (ii) the conditions on which and the prices at which the Bonds may be called for redemption; (iii) the existence and amount of any capitalized interest or reserve fund; (iv) the price at which the Bonds will be sold; (v) the principal amount and Authorized Denominations of the Bonds; (vi) the amount of principal of the Bonds maturing on each date; (vii) the dates on which principal and interest will be paid and the first interest payment date; and (viii) whether the payment of principal of and interest on the Bonds will be secured by a municipal bond insurance policy, all subject to the parameters and restrictions contained in this Ordinance.

B. The following definitions shall be added to Section 1 of the Original Ordinance:

Amending Ordinance: this Ordinance of the Town, which amends certain provisions of the Original Ordinance as set forth herein.

Authorized Denominations: the authorized denominations for the Bonds as set forth in the Sale Certificate.

Original Ordinance: Ordinance No. 09-04, which was adopted by the Town as an emergency ordinance at its regular meeting held on March 18, 2009.

C. The first two paragraphs of Section 5 of the Original Ordinance are hereby amended to read:

Subject to the provision of Section 11 hereof, the Bonds shall be issued in fully registered form (*i.e.*, registered as to both principal and interest) initially registered in the name of Cede & Co. as nominee for The Depository Trust Company, New York, New York, as

securities depository for the Bonds. The Bonds shall be dated as of the date of delivery, shall be issued in the Authorized Denominations set forth in the Sale Certificate (provided that no Bond may be in a denomination which exceeds the principal coming due on any maturity date, and no individual Bond will be issued for more than one maturity) and shall be numbered in such manner as the Registrar may determine.

The Bonds shall mature, bear interest from their dated date to maturity and be sold, all as provided in the Sale Certificate; provided that (a) the aggregate principal amount of the Bonds shall not exceed \$2,200,000; (b) the maximum net effective interest rate of the Bonds shall not exceed 6.75% as hereby determined by the Board of Trustees; (c) the Bonds shall mature no later than December 1, 2037; (d) the purchase price of the Bonds shall not be less than 95%; (e) the maximum annual repayment cost of the Bonds shall not exceed the maximum annual repayment cost limitation of the Election properly allocable to the Bonds; (f) the maximum total repayment cost of the Bonds shall not exceed the total repayment cost limitation of the Election properly allocable to the Bonds; (g) the first optional redemption date on the Bonds shall not be later than December 1, 2019; and (h) the optional redemption price shall not exceed 100%. Interest on the Bonds shall be calculated on the basis of a 360-day year of twelve 30-day months, payable semiannually on June 1 and December 1, commencing on the date provided in the Sale Certificate.

D. Section 6(A) of the Original Ordinance is hereby amended to read:

The Bonds designated in the Sale Certificate will be subject to redemption at the option of the Town from any legally available funds on the dates set forth in the Sale Certificate in whole, or in part from any maturities, in any order of maturity and by lot within a maturity from Bonds of the same maturity and interest rate, in such manner as the Town may determine (giving proportionate weight to Bonds in denominations larger than the minimum Authorized Denomination), at the price set forth in the Sale Certificate, subject to the parameters and restrictions of this Ordinance.

E. Section 6(C) of the Original Ordinance is hereby amended to read:

In the case of Bonds of a denomination larger than the minimum Authorized Denomination, a portion of such Bond may be redeemed, in which case the Registrar shall,

without charge to the Owner of such Bond, authenticate and issue a replacement Bond or Bonds for the unredeemed portion thereof.

F. Section 10(A) of the Original Ordinance is hereby amended to read:

Records for the registration and transfer of the Bonds shall be kept by the Registrar, which is hereby appointed by the Town as registrar (i.e., transfer agent) for the Bonds. Upon the surrender for transfer of any Bond at the Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar shall enter such transfer on the registration records and shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount and of the same maturity and interest rate, bearing a number or numbers not previously assigned. Bonds may be exchanged at the Registrar for an equal aggregate principal amount of Bonds of the same maturity and interest rate in Authorized Denominations. The Registrar shall authenticate and deliver a Bond or Bonds which the registered owner making the exchange is entitled to receive, bearing a number or numbers not previously assigned. The Registrar may impose reasonable charges in connection with such exchanges and transfers of Bonds, which charges (as well as any tax or other governmental charge required to be paid with respect to such exchange or transfer) shall be paid by the registered owner requesting such exchange or transfer.

G. Section 11(B) of the Original Ordinance is hereby amended to read:

In the case of a transfer to a successor of DTC or its nominee as referred to in clause (1) or (2) of subsection A hereof, upon receipt of the Outstanding Bonds by the Registrar together with written instructions for transfer satisfactory to the Registrar, a new Bond for each maturity and interest rate of the Bonds then Outstanding shall be issued to such successor or new depository, as the case may be, or its nominee, as is specified in such written transfer instructions. In the case of a resignation or determination under clause (3) of subsection A hereof and the failure after reasonable investigation to locate another qualified depository for the Bonds as provided in clause (3) of subsection A hereof, and upon receipt of the Outstanding Bonds by the Registrar, together with written instructions for transfer satisfactory to the

Registrar, new Bonds shall be issued in authorized amounts, registered in the names of such Persons, and in such Authorized Denominations as are requested in such written transfer instructions; however, the Registrar shall not be required to deliver such new Bonds within a period of less than 60 days from the date of receipt of such written transfer instructions.

H. The first paragraph of Section 12 of the Original Ordinance is hereby amended to read:

When the Bonds have been duly executed by appropriate Town officers and authenticated by the Registrar, the Town shall cause the Bonds to be delivered to the Underwriter on receipt of the agreed purchase price. The Bonds shall be delivered in such Authorized Denominations as the Underwriter shall direct (but subject to the provisions of Sections 10 and 11 hereof).

I. Section 15 of the Original Ordinance is hereby amended to read:

There is hereby created a fund of the Town to be known as the “Town of Hudson, Colorado, Limited Tax General Obligation Bonds, Series 2009 Reserve Fund” (the “Reserve Fund”), which will be held by the Paying Agent pursuant to the Registrar and Paying Agent Agreement. The Reserve Fund shall be funded to the extent provided in the Sale Certificate, and if so funded, the provisions of this Section shall apply.

Moneys in the Reserve Fund shall be applied, if necessary, for the payment of the principal of or interest on the Bonds in the event that moneys in the Bond Fund are insufficient therefor. The Town shall accumulate funds within the Reserve Fund and replace any moneys withdrawn from the Reserve Fund and applied to the payment of the Bonds as soon as possible from amounts generated by the Limited Mill Levy not then required for the payment of the principal of and interest on the Bonds until the amount deposit in the Reserve Fund is equal to the Reserve Fund Requirement. The Reserve Fund shall be maintained in the amount of the Reserve Fund Requirement until such time as the amount credited thereto, when combined with moneys in the Bond Fund, will be sufficient to pay the principal of, premium if any, and interest on all of the Bonds, at which time such moneys may be applied for such purpose. The Reserve

Fund and all assets thereof are hereby pledged to the payment of the principal of and interest on the Bonds.

J. Section 20(B)(3) of the Original Ordinance is hereby amended to read:

the amount that would be generated by an ad valorem mill levy (a mill being equal to 1/10 of 1¢) of 15.966 mills imposed upon all taxable property in the Town based upon the most recent certified assessed valuation for the Town provided by the county assessor is not less than 150% of the Combined Maximum Annual Principal and Interest Requirements for the Bonds, any outstanding Parity Bonds, and the Parity Bonds proposed to be issued.

**Section 3. Approval of Registrar and Paying Agent Agreement.** The form, terms and provisions of the amended Registrar and Paying Agent Agreement are hereby approved, and the Town shall enter into and perform its obligations under the Registrar and Paying Agent Agreement, in substantially the form as is on file with the Town Clerk, with only such changes therein as are required by the circumstances and are not inconsistent with the Ordinance.

**Section 4. Disposition of Ordinance.** This Amending Ordinance, as adopted by the Board of Trustees shall be numbered and recorded by the Town Clerk in the official records of the Town. The adoption and publication shall be authenticated by the signatures of the Mayor, or Mayor Pro Tem, and Town Clerk, and by the certificate of publication.

**Section 5. Emergency Declaration.** It is hereby found and determined by the Board of Trustees that: (i) the construction and acquisition of the Project is necessary in the public interest in order to properly and safely serve the Town and its residents; (ii) the long-term financing of the Project by the issuance of the Bonds pursuant to the Ordinance is necessary in order to reduce the costs of the Project. As a result of the foregoing, the Board of Trustees hereby declares that an emergency exists, and that this Amending Ordinance is necessary to the immediate preservation of the public health and safety, all in accordance with §31-16-105, C.R.S.

**Section 6. Effective Date.** This Amending Ordinance shall take effect upon adoption by the affirmative vote of three-fourths (3/4) of the members of the Board of Trustees pursuant to §31-16-105, C.R.S.

**PASSED AND ADOPTED AS AN EMERGENCY ORDINANCE** this 29<sup>th</sup> day of April, 2009.

(S E A L)

**TOWN OF HUDSON, COLORADO**

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Neal Pontius, Mayor

ATTEST:

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Linnette Barker, Town Clerk

STATE OF COLORADO )  
 )  
 COUNTY OF WELD ) SS.  
 )  
 TOWN OF HUDSON )

I, Linnette Barker, the Town Clerk of the Town of Hudson, Colorado, do hereby certify:

1. That the foregoing pages are a true, correct, and complete copy of an ordinance (the “Ordinance”) amending Ordinance No. 09-04 relating to the Town’s Limited Tax General Obligation Bonds, Series 2009 adopted by the Board of Trustees (the “Board”) of the Town at a special meeting of the Board held at the Town Hall on April 29, 2009.

2. The Ordinance was adopted on first reading as an emergency ordinance at an open, special meeting of the Board on April 29, 2009 by an affirmative vote of three fourths (3/4) of the members of the Board as follows:

Name	“Yes”	“No”	Absent	Abstain
Neal Pontius				
John Honnold				
Barbara Baker				
Isidro Guardado				
Dwayne Haynes				
Robert Lehl				
Tammy McCain				

3. The Ordinance has been signed by the Mayor, sealed with the corporate seal of the Town, attested by me as Town Clerk, and duly recorded in the books of the Town; and that the same remains of record in the book of records of the Town.

4. That notice of the special meeting of April 29, 2009 attached hereto as Exhibit A was posted within the Town at least 24 hours before such meeting as required by law.

5. That the Ordinance was published in full after first reading in the *Greeley Tribune*, a newspaper of general circulation within the Town, on \_\_\_\_\_, 2009. The affidavit of publication is attached hereto as Exhibit B.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Town this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

(SEAL)

\_\_\_\_\_  
Linnette Barker, Town Clerk

EXHIBIT A

(Attach Notice of Meeting)

EXHIBIT B

(Affidavit of Publication)