

ORDINANCE NO. 259

AN ORDINANCE OF THE TOWN OF HUGO, COLORADO, SETTING A BALLOT TITLE AND BALLOT ISSUE (I) TO AUTHORIZE THE ISSUANCE OF A GOVERNMENTAL AGENCY BOND OR REVENUE BONDS TO FINANCE CAPITAL IMPROVEMENTS; SUBMITTING THE BALLOT ISSUE AT THE ELECTION TO BE HELD APRIL 7, 2020; SETTING FORTH DETAILS IN RELATION THERETO; AND DECLARING AN EMERGENCY.

WHEREAS, the Town of Hugo, Colorado (the "Town"), is a statutory municipality organized and operating under the laws of the State of Colorado;

WHEREAS, the Board of Trustees of the Town (the "Board") desires to advance the safety and welfare of the residents of the Town by funding the cost of capital improvements to the Town's wastewater system with proceeds from the issuance of a governmental agency bond or revenue bonds; and

WHEREAS, Article X, Section 20 of the Constitution of the State of Colorado requires that the Town have voter approval in advance for the creation of any multiple-fiscal year direct or indirect debt or other financial obligation whatsoever; and

WHEREAS, the Board desires to submit a ballot issue to the eligible electors of the Town on April 7, 2020, authorizing the issuance of the governmental agency bond or the revenue bonds, both for the purpose set forth in this Ordinance;

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

Section 1. Submission of Ballot Issue at Regular Election. An election shall be held on Tuesday, April 7, 2020, at which there shall be submitted to the eligible electors of the Town a ballot issue authorizing the issuance of a governmental agency bond or revenue bonds, which questions shall be in substantially the following form:

BALLOT ISSUE 1:

SHALL THE TOWN OF HUGO, COLORADO DEBT BE INCREASED BY UP TO \$3,615,000, WITH A MAXIMUM REPAYMENT COST OF \$4,549,000 (MAXIMUM PRINCIPAL AND INTEREST), WITHOUT RAISING ANY TOWN TAXES FOR THE PURPOSE OF FINANCING

- IMPROVEMENTS TO THE TOWN'S WASTEWATER TREATMENT PLANT, INCLUDING AN EVAPORATIVE LAGOON, IN ORDER TO MEET STATE-MANDATED DISCHARGE REQUIREMENTS OF THE PLANT

BY THE ISSUANCE AND PAYMENT OF A GOVERNMENTAL AGENCY BOND (REPRESENTING A LOAN FROM THE COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY) OR OF REVENUE BONDS, WHICH BONDS SHALL BEAR INTEREST AT A MAXIMUM NET EFFECTIVE INTEREST RATE NOT TO EXCEED 2.125% AND MATURE, BE SUBJECT TO REDEMPTION, WITH OR WITHOUT PREMIUM, AND BE ISSUED, DATED AND SOLD AT SUCH TIME OR TIMES, AT SUCH PRICES (AT, ABOVE OR BELOW PAR) AND IN SUCH MANNER AND CONTAINING SUCH TERMS, NOT INCONSISTENT HERewith, AS THE BOARD OF TRUSTEES OF THE TOWN MAY DETERMINE; AND SHALL ANY EARNINGS FROM THE INVESTMENT OF THE PROCEEDS OF SUCH BONDS (REGARDLESS OF AMOUNT) CONSTITUTE A VOTER-APPROVED REVENUE CHANGE?

Section 2. Setting Ballot Title and Content. For purposes of C.R.S. § 1-11-203.5, this Ordinance shall serve to set the title and content of the ballot issue set forth herein and the ballot title for such question shall be the text of the question itself.

Section 3. Conduct of Election. The officers and employees of the Town are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance and the holding of a polling place ballot election on April 7, 2020.

Section 4. Severability. Should 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.

Section 5. Emergency Declaration. The Board hereby declares that, because ballots must be printed in a timely fashion in order to adhere to statutory timelines, an emergency exists. The Board hereby further declares that, due to such emergency, this Ordinance is necessary to the immediate preservation of the public peace, welfare, health and safety of the residents of the Town and is being adopted as an emergency ordinance.

INTRODUCED, APPROVED, PASSED ON FIRST AND FINAL READING, ON THIS 13TH DAY OF JANUARY, 2020.

By _____
Mayor

ATTEST:

By _____
Town Clerk