

ORDINANCE NO. 20

SERIES 2007

AN ORDINANCE AUTHORIZING THE SHORT-TERM BORROWING OF FUNDS, NOT TO EXCEED \$196,300.00, AND THE EXPENDITURE OF SUCH FUNDS FOR THE PURPOSE OF PURCHASING, THROUGH A LEASE TO PURCHASE ARRANGEMENT, A JOHN DEERE 772D MOTOR GRADER

WHEREAS, the Town of Crested Butte, Colorado (the "**Town**") is a home rule municipality duly and regularly organized and now validly existing as a body corporate and politic under and by virtue of the Constitution and the laws of the State of Colorado; and

WHEREAS, Section 4.9 of the Town=s Home Rule Charter states that Town Council actions creating an indebtedness or authorizing the borrowing of money shall be by ordinance; and

WHEREAS, the Town is in need of borrowing, on a short-term basis, the principal sum of One Hundred Ninety Six Thousand Three Hundred and No/100 Dollars (\$196,300.00) for the purpose of purchasing, through a lease to purchase arrangement with Community Banks of Colorado, a certain John Deere 772D motor grader; and

WHEREAS, the Town anticipates receipt of revenues during fiscal years 2007 through 2011 in order to repay said loan.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF CRESTED BUTTE, COLORADO, THAT:

Section 1. The Town Council hereby authorizes the borrowing of funds, not to exceed the principal sum of One Hundred Ninety Six Thousand Three Hundred and No/100 Dollars (\$196,300.00) at an interest rate not to exceed Prime (as published in the Wall Street Journal) minus 3.65 per cent and authorizes the expenditure of said funds in order to purchase, through a lease to purchase arrangement with Community Banks of Colorado, a certain John Deere 772D motor grader.

Section 2. The Town Council hereby authorizes the Town to enter into the lease to purchase arrangement with said Community Banks of Colorado in order to secure the loan in connection with the Town's obligation to repay said borrowed funds.

Section 3. The Town Council hereby finds that the borrowing and expenditure of said funds and the Town entering into the lease to purchase arrangement in order to secure the loan in connection with the Town's obligation to repay said borrowed funds are in the best interests of the health, safety, and welfare of the residents and visitors of the Town, and in connection therewith, the Town Council hereby authorizes the Town Manager or her designee to execute on behalf of the Town any and all documents necessary for the borrowing, expenditure, and repayment of said funds, and the lease arrangement related thereto, including, but not limited to, promissory notes, security instruments, loan agreements, financing statements, lease agreements, closing documents, and any and all other documents necessary to consummate the transactions contemplated as part of said loan.

INTRODUCED, READ, AND SET FOR PUBLIC HEARING THIS 9TH DAY OF JULY, 2007.

ADOPTED BY THE TOWN COUNCIL UPON SECOND READING AND PUBLIC HEARING THIS 23rd DAY OF JULY, 2007.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
Alan Bernholtz, Mayor

ATTEST:

By: _____
Eileen Hughes, Town Clerk

[SEAL]