

**TOWN OF PARACHUTE
ORDINANCE NO. 753-2018**

AN EMERGENCY ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO, AUTHORIZING AND APPROVING A LOAN FROM ALPINE BANK TO THE WATER ENTERPRISE FUND FOR THE PURPOSE OF FINANCING REPAIRS TO THE TOWN'S WATER TANK OPERATED BY THE ENTERPRISE FOR THE IMMEDIATE PRESERVATION OF THE PUBLIC HEALTH, SAFETY, AND WELFARE.

WHEREAS, the Town of Parachute (the "Town") is a legally created, established, organized, and existing municipal corporation under the provisions of Article XX of the Constitution of the State and the Town of Parachute Home Rule Municipal Charter (the "Charter");
WHEREAS, the Town maintains and operates a Water Enterprise Fund (the "Water Enterprise") pursuant to Article X, Section 20((2)(d) of the Colorado Constitution and Section 9-9 of the Charter to operate the municipal water system serving the Town's residents;

WHEREAS, the Water Enterprise qualifies as an "enterprise" for the purposes of TABOR (Colo. Const. Art. X, § 20);

WHEREAS, the Board of Trustees of the Town of Parachute acts as the governing body of the Water Enterprise

WHEREAS, the Town's water storage tank operated by the Water Enterprise is in need of immediate repairs;

WHEREAS, through the Water Enterprise, the Town wishes to obtain a loan to finance expenditures for repairs to the Town's water storage tank (the "Project");

WHEREAS, Alpine Bank has offered to make a loan to the Town, acting by and through the Water Enterprise (the "Loan"), on the terms set forth in the documents enclosed as Exhibit A (the "Loan Documents");

WHEREAS, the Loan shall not create a general debt obligation of the Town;

WHEREAS, the Board of Trustees, acting as the governing body of the Enterprise, believes it is in the best interest of the Town to obtain such loan for the purpose of financing repairs to the Town's water tank and hereby wishes to approve same;

WHEREAS, the Board of Trustees wishes to declare the subject matter of this ordinance to be an emergency and immediately necessary for the preservation of public peace, health, or safety due to the need to immediately fund repairs to the water storage tank to preserve the Town's safe and reliable water supply; and

WHEREAS, by Ordinance No. 747-2018, the Board of Trustees previously approved and authorized a loan with Alpine Bank for the Project; however, due to changes in the loan documents, the Board of Trustees wishes to repeal Ordinance No. 747-2018 such that is of no force and effect, and replace the loan documents approved thereby with the Loan Documents enclosed as **Exhibit A**.

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

Section 1. Recitals. The foregoing recitals are incorporated herein as if set forth in full.

Section 2. Approving Loan. The Board of Trustees hereby approves and agrees to the Loan transaction upon Loan terms and conditions as proposed by Alpine Bank in the Loan Documents enclosed as **Exhibit A**. The Town covenants and agrees to perform all acts within its power which are or may be necessary to ensure that the interest portion of the Loan will at all times remain exempt from federal income taxation under the laws and regulation of the United States of America as presently enacted and construed or as hereafter amended. The Mayor, Town Manager, and Town Clerk are authorized and directed to enter into and execute the Loan transaction with Alpine Bank for the amount and subject to the Loan terms and conditions as set forth in the Loan Documents in Exhibit A. The Board of Trustees certifies that it has not issued or effected the issuance of, and reasonably anticipates that it shall not issue or effect the issuance of more than thirty million dollars (\$30,000,000.00) of tax-exempt obligations during the 2018 calendar year and designates the Loan as a “qualified tax-exempt obligation” as defined by Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. The Town will cause IRS form 8030-G to be prepared and filed with the Internal Revenue Service.

Section 3. Declaration of Emergency. Pursuant to the Town of Parachute Home Rule Charter, Section 1-12, the Board of Trustees hereby declares the subject matter of this ordinance to be an emergency and this Ordinance is immediately necessary for the preservation of public peace, health, or safety due to the need to immediately fund repairs to the water storage tank to preserve the Town’s safe and reliable water supply.

Section 4. Ordinance 747-2018. By passage of this Ordinance, the Board of Trustees hereby repeals Ordinance No. 747-2018.

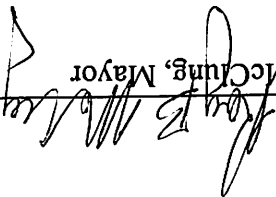
Section 5. Severability. If any portion of this Ordinance or the application thereof to any person or circumstances shall be found to be invalid by a court of competent jurisdiction, such invalidity shall not affect the remaining portions or applications of the Ordinance that can be given effect without the invalid portion or application; provided such remaining portions or applications are not determined by the court to be inoperable, and to this end this Ordinance is declared to be severable.

Section 6. Effective Date. This Ordinance shall become effective immediately upon

passage.

INTRODUCED AS AN EMERGENCY ORDINANCE, READ, PASSED, ADOPTED,
AND ORDERED PUBLISHED BY TITLE ONLY by a vote of 5 to 0 of the Board of Trustees
of the Town of Parachute, Colorado at a regular meeting held at Town Hall in the Town of Parachute,
Colorado, on the 21 day of June 2018.

BOARD OF TRUSTEES OF THE TOWN
OF PARACHUTE, COLORADO

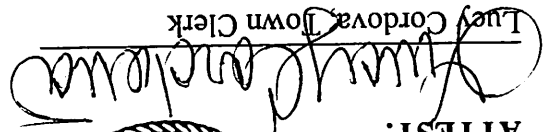


Roy McClung, Mayor

By:



ATTEST:



Luey Cordova, Town Clerk

PUBLIC NOTICE

Public notice is hereby given that an Emergency Ordinance entitled:

AN EMERGENCY ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO, AUTHORIZING AND APPROVING A LOAN FROM ALPINE BANK TO THE WATER ENTERPRISE FUND FOR THE PURPOSE OF FINANCING REPAIRS TO THE TOWN'S WATER TANK OPERATED BY THE ENTERPRISE FOR THE IMMEDIATE PRESERVATION OF THE PUBLIC HEALTH, SAFETY, AND WELFARE.

was introduced before the Board of Trustees on June 21, 2018; that a copy of said Ordinance is posted at Town Hall; and that the Ordinance was approved at a regular meeting of the Board of Trustees held on June 21, 2018, and approved by the Mayor on June 21, 2018.

Copies of the adopted ordinance are available for inspection at the Town Hall, Parachute, Colorado and available on the internet at <http://www.parachutecolorado.com>.

Dated this 21 day of June, 2018.

TOWN OF PARACHUTE



Lucy Cordova, Town Clerk