

**TOWN OF FREDERICK, COLORADO
ORDINANCE NO. 1108**

**AN ORDINANCE OF THE TOWN OF FREDERICK, COLORADO,
ESTABLISHING THE ELECTRICAL UTILITY AS AN ENTERPRISE AND
AMENDING CHAPTER 4, ARTICLE IV OF THE *FREDERICK MUNICIPAL
CODE* BY THE DELETION OF SECTION 4-57.**

WHEREAS, the Town of Frederick by Ordinance No. 88, established the Electrical Utility for the purpose of supplying the inhabitants of the Town with electricity, said utility being known as the "Electrical Works"; and

WHEREAS, the Electrical Works since its creation, has been considered and operated as a wholly owned enterprise of the Town of Frederick, consistent with the intent of Section 20, of Article X, of the Colorado Constitution ("Amendment 1"); and

WHEREAS, it is the intent of the Town of Frederick to make use of those financial powers granted municipal corporations by C.R.S. 31-15-302, to contract indebtedness on behalf of the municipality and the enterprise, including without limitation, the pledge of its fee-based revenue to satisfy debt service from the issuance of revenue bonds of the municipality for public purposes; and

WHEREAS, it is the intent and policy of the Town that the Town's Electrical Works will receive less than ten percent of its annual revenue in grants from all Colorado State and local governments combined; and

WHEREAS, the Board of Trustees believes that the establishment of the Electrical Works as an enterprise is consistent with the intent of Section 20, of Article X, of the Colorado Constitution ("Amendment 1"); and

WHEREAS, it is the intent of the Board of Trustees that [for budgetary purposes,] the existing Electrical Capital Improvement Fund and the Electric Capital Impact Fund are to be combined in the Electric Utility Fund; and

WHEREAS, in order to accomplish the above stated purpose of creating a unified Electric Utility Fund, the Board of Trustees has determined that is appropriate to repeal Sec. 4-57, of the *Frederick Municipal Code*, which established the Electrical Capital Improvement Fund;

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF FREDERICK, COLORADO, AS FOLLOWS:

Section 1. Section 13-131 of the *Frederick Municipal Code* is hereby repealed in its entirety and reenacted to read as follows:

"Sec. 13-131. Electric Works.

All works heretofore or hereafter constructed by the Town for the purpose of supplying the inhabitants of the Town with electricity shall be known as "Electric Works." The Electrical Works and all things pertaining thereto shall be operated and administered under the direction and control of the Board of Trustees as wholly owned business enterprise of the Town including but

not limited to operations, maintenance, purchase of power, acquisition and construction of substations, capital equipment and transmission and distribution lines, consistent with the intent of Section 20, of Article X, of the Colorado Constitution ("Amendment 1").

The Electrical Works is authorized to make use of those financial powers granted municipal corporations by C.R.S. 31-15-302, to contract indebtedness on behalf of the municipality and the enterprise, including the pledge of its fee-based revenue to satisfy debt service from the issuance of revenue bonds of the municipality for public purposes.

It is the intent of the Town that the Town's Electrical Works will receive less than ten percent of its annual revenue in grants from all state and local governments combined."

Section 2. The *Frederick Municipal Code* is hereby amended by the substitution of the words "Electric Utility Fund" for each occurrence of the words "Electric Capital Improvement Fund."

Section 3. Section 4-57 of the *Frederick Municipal Code* is hereby repealed in its entirety.

Section 4. Effective Date. This ordinance shall be published and become effective as provided by law as of January 1, 2013.

Section 5. Severability. If any part, section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining sections of the ordinance. The Town Board hereby declares that it would have passed the ordinance including each part, section, subsection, sentence, clause or phrase thereof, irrespective of the fact that one or more parts, sections, subsections, sentence, clauses or phrases are declared invalid.

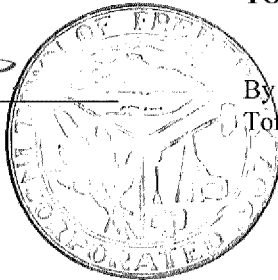
Section 6. Repealer. All ordinances or resolutions and motions of the Board of Trustees of the Town of Frederick or parts thereof, in conflict with this ordinance are to the extent of such conflict hereby superseded and repealed, provided that such repealer shall not repeal the repealer clauses of such ordinance, resolution or motion, nor revive any ordinance, resolution or motion thereby.

INTRODUCED, READ, PASSED, ADOPTED AND ORDERED PUBLISHED THIS 27th DAY OF November, 2012.

ATTEST:

TOWN OF FREDERICK

By Meghan C. Martinez
Meghan C. Martinez, Town Clerk



By Tony Carey
Tony Carey, Mayor