

ORDINANCE NO. 739

AN ORDINANCE APPROVING A MASTER MUNICIPAL LEASE AND OPTION AGREEMENT WITH MUNICIPAL SERVICES GROUP, INC., FOR ACQUISITION OF WATER METERS

WHEREAS, the City is authorized by applicable law to acquire equipment for municipal purposes and to enter leases for the same, which leases may include an option to purchase and acquire title to the leased property; and

WHEREAS, the City Council has determined that there exists a true and essential need for the purchase of water meters for use by its Water Activity Enterprise for the efficient and proper delivery of water to its customers; and

WHEREAS, the City has undertaken the necessary steps and procedures under applicable law, including compliance with applicable bidding requirements, to arrange for acquisition of the equipment.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DACONO, COLORADO:

Section 1. The Master Municipal Lease and Option Agreement (the “Agreement”) between the City and Municipal Services Group, Inc., is hereby approved in essentially the same form as the copy of such Agreement accompanying this Ordinance. Copies of the RFP Response by National Meter and Automation, Inc., the Agreement, and supporting documents have been deposited with the City Clerk and are available for public inspection.

Section 2. The Mayor is authorized to execute and deliver on behalf of the City the Agreement and all other documents necessary to implement the Agreement and acquire the equipment set forth in the RFP Response, and is further authorized to negotiate and approve on behalf of the City such revisions to these documents as the Mayor determines are necessary or desirable for the protection of the City, so long as the essential terms and conditions of the Agreement are not altered.

Section 3. The Agreement authorized herein and the City’s obligation thereunder to make lease payments are hereby designated a “qualified tax-exempt obligation” for the purpose and within the meaning of Section 265(b)(3) of the Internal Revenue Code. The City Council finds and determines that the reasonably anticipated amount of qualified tax-exempt obligations that have been and will be issued by the City does not exceed \$10,000,000.00 for the calendar year within which the lease-purchase agreement is to be a “qualified tax-exempt obligation” pursuant to Section 265(b)(3) of the Internal Revenue Code.

Section 4. If any article, section, paragraph, sentence, clause, or phrase of this ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each part or parts hereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

Section 5. All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.

INTRODUCED, READ, ADOPTED ON FIRST READING, AND ORDERED PUBLISHED AND POSTED IN FULL this 10th day of May, 2010.

PUBLIC HEARING AND SECOND READING WILL BE THE 24th day of May, 2010, AT 7:00 P.M. AT DACONO CITY HALL, 512 CHERRY STREET, DACONO, CO.

READ, ADOPTED ON SECOND READING, APPROVED, SIGNED, AND ORDERED PUBLISHED BY TITLE this ____ day of _____, 2010.

CITY OF DACONO, COLORADO

Charles Sigman, Mayor

ATTEST:

Valerie Elliott, City Clerk

Summary of Ordinance No. _____, “AN ORDINANCE APPROVING A MASTER MUNICIPAL LEASE AND OPTION AGREEMENT WITH MUNICIPAL SERVICES GROUP, INC., FOR ACQUISITION OF WATER METERS”: Authorizes execution of a lease-purchase agreement for the City’s acquisition, by and through its Water Activity Enterprise, of water meters; authorizes the Mayor to sign and deliver all necessary documents; and designates the City’s obligations under the lease-purchase agreement to be a “qualified tax-exempt obligation.”