



CITY COUNCIL AGENDA

NOTICE TO READERS: City Council meeting packets are prepared several days prior to the meetings. Timely action and short discussion on agenda items is reflective of Council's prior review of each issue with time, thought and analysis given.

Members of the audience are invited to speak at the Council meeting. Citizen Communication (Section 7) and Citizen Presentations (Section 12) are reserved for comments on any issues or items pertaining to City business except those for which a formal public hearing is scheduled under Section 10 when the Mayor will call for public testimony. Please limit comments to no more than 5 minutes duration except when addressing the City Council during Section 12 of the agenda.

1. Pledge of Allegiance
2. Roll Call
3. Consideration of Minutes of Preceding Meetings
4. Report of City Officials
 - A. City Manager's Report
5. City Council Comments
6. Presentations
7. Citizen Communication (5 minutes or less)

The "Consent Agenda" is a group of routine matters to be acted on with a single motion and vote. The Mayor will ask if any Council member wishes to remove an item for separate discussion. Items removed from the consent agenda will be considered immediately following adoption of the amended Consent Agenda.

8. Consent Agenda
 - A. Financial Report for August 2007
 - B. Landscape Maintenance Contract
 - C. 2008 Property and Liability Excess Insurance Renewal
 - D. Wadsworth Boulevard Sanitary and Storm Sewer Improvements Project Construction Contract
 - E. Second Reading Councillor's Bill No. 30 re WMC. Modifications for the Industrial Pretreatment Program
 - F. Second Reading Councillor's Bill No. 53 re Colorado Division of Criminal Justice 2007 JAG Program

9. Appointments and Resignations

10. Public Hearings and Other New Business

- A. Resolution No. 33 re Application to State Historical Fund for Rodeo Market Façade Restoration
- B. Resolution No. 34 re Open Space Purchase re Doulos Ministries Property at Federal Pkwy and 122nd Avenue
- C. Resolution No. 35 re Federal Heights Wholesale Water Rate
- D. 2007 Interim Amendment to the "Amended and Restated Distributor's Contract" with Federal Heights
- E. Councillor's Bill No. 54 re Refunding of Series 1997A (Streets) Sales and Use Tax Revenue Bonds

11. Old Business and Passage of Ordinances on Second Reading

12. Citizen Presentations (longer than 5 minutes), Miscellaneous Business, and Executive Session

- A. City Council
- B. Executive Session

– Discussion of Personnel Matter pursuant to WMC section 1-11-3(C)(1) and CRS 24-6-402(4)(f)

13. Adjournment

GENERAL PUBLIC HEARING PROCEDURES ON LAND USE MATTERS

- A.** The meeting shall be chaired by the Mayor or designated alternate. The hearing shall be conducted to provide for a reasonable opportunity for all interested parties to express themselves, as long as the testimony or evidence being given is reasonably related to the purpose of the public hearing. The Chair has the authority to limit debate to a reasonable length of time to be equal for both positions.
- B.** Any person wishing to speak other than the applicant will be required to fill out a “Request to Speak or Request to have Name Entered into the Record” form indicating whether they wish to comment during the public hearing or would like to have their name recorded as having an opinion on the public hearing issue. Any person speaking may be questioned by a member of Council or by appropriate members of City Staff.
- C.** The Chair shall rule upon all disputed matters of procedure, unless, on motion duly made, the Chair is overruled by a majority vote of Councillors present.
- D.** The ordinary rules of evidence shall not apply, and Council may receive petitions, exhibits and other relevant documents without formal identification or introduction.
- E.** When the number of persons wishing to speak threatens to unduly prolong the hearing, the Council may establish a time limit upon each speaker.
- F.** City Staff enters a copy of public notice as published in newspaper; all application documents for the proposed project and a copy of any other written documents that are an appropriate part of the public hearing record;
- G.** The property owner or representative(s) present slides and describe the nature of the request (maximum of 10 minutes);
- H.** Staff presents any additional clarification necessary and states the Planning Commission recommendation;
- I.** All testimony is received from the audience, in support, in opposition or asking questions. All questions will be directed through the Chair who will then direct the appropriate person to respond.
- J.** Final comments/rebuttal received from property owner;
- K.** Final comments from City Staff and Staff recommendation.
- L.** Public hearing is closed.
- M.** If final action is not to be taken on the same evening as the public hearing, the Chair will advise the audience when the matter will be considered. Councillors not present at the public hearing will be allowed to vote on the matter only if they listen to the tape recording of the public hearing prior to voting.

CITY OF WESTMINSTER, COLORADO
MINUTES OF THE CITY COUNCIL MEETING
HELD ON MONDAY, SEPTEMBER 24, 2007 AT 7:00 P.M.

PLEDGE OF ALLEGIANCE

Mayor McNally led the Council, Staff, and audience in the Pledge of Allegiance.

ROLL CALL

Mayor McNally, Mayor Pro Tem Kauffman and Councillors Dittman, Kaiser, Lindsey, Major, and Price were present at roll call. J. Brent McFall, City Manager, Martin McCullough, City Attorney, and Carla Koeltzow, Deputy City Clerk, also were present.

CONSIDERATION OF MINUTES

Councillor Major moved, seconded by Kaiser, to approve the minutes of the regular meeting of September 10, 2007, as presented. The motion passed unanimously.

CITY MANAGER'S REPORT

Mr. McFall called attention to Item 8B on the agenda regarding the City's landscape maintenance contract. He stated that Council and Staff try hard to balance the need for outside contractors versus Staff providing services. One of the problems with contractors is the business can up and quit leaving Staff with the issue of doing the work themselves or finding another contractor to complete the service on short notice. This is the situation as outlined in the agenda memo and JPL Inc. has been contracted to finish the landscape maintenance required for 2007.

Mr. McFall also advised that following this meeting, City Council would conduct an executive session to discuss a personnel matter, his annual performance evaluation.

CITY COUNCIL COMMENTS

Councillor Price reported that she attended "On the Move at Standley Lake" which was part of a program where participants visited several different City facilities. On that day at Standley Lake she observed several different types of wildlife. She also attended the great celebration for the renovated Kensington Park and the dedication of the new totem poles.

Mayor McNally reported that she attended the dedication of the Dee Lidvall Discovery Garden at the Butterfly Pavilion which is beautiful. The US36 Mayors had a conversation with the Governor about how to proceed with the need for improvements and were appreciative of his time. She also invited citizens to attend an open forum on education to be held next Wednesday night, in council chambers with Representatives Benefield and Penniston.

CONSENT AGENDA

The following items were submitted for Council's consideration on the consent agenda: accept the financial report for August as presented; based on the report and recommendation of the City Manager, determine that the public interest will be best served by awarding a contract for landscape maintenance to JPL Inc. for the remainder of 2007 in the amount of \$150,000 to include maintenance on all medians, streetscapes, rights-of-way and identified greenbelt and drainage ways, and ratify the expenditure authorizing the City Manager to pay any past invoices not previously authorized to this firm beginning September 1, 2007; authorize the City Manager to enter into an agreement with the Colorado Intergovernmental Risk Sharing Agency for the purchase of excess stop loss insurance, and for claims management and other administration services in the amount of \$479,195 along with a 10% contingency amount (\$48,000) in the event the final quote comes in higher; authorize the City Manager to sign a contract with Twin Peaks Utilities & Infrastructure, Inc. for the construction of the Wadsworth Boulevard Sanitary and Storm Sewer Improvements Project in the amount of \$477,976, authorize a construction contingency

of \$25,000 and authorize the transfer of \$360,628 from the PACP Sanitary Sewer Line Rehabilitation to the 99th/Wadsworth Sewer Line Improvements capital improvement project accounts; final passage of Councillor's Bill No. 30 approving modifications to the Municipal Code relating to the Industrial Pretreatment Program; and final passage of Councillor's Bill No. 53 appropriating \$83,087 from the Colorado division of Criminal Justice, 2007 Justice Assistance Grant Program to the Police Department Investigations and Technical Services General Fund budget.

Mayor McNally asked if any member of Council wished to remove an item from the consent agenda for discussion purposes or separate vote. There was no request.

It was moved by Councillor Kaiser and seconded by Price to approve the consent agenda as presented. The motion passed unanimously.

RESOLUTION NO. 33 RE APPLICATION TO STATE HISTORICAL FUND FOR RODEO MARKET FACADE

It was moved by Councillor Lindsey, seconded by Councillor Major, to adopt Resolution No. 33 authorizing the City Manager to execute a grant application to the State Historical Fund for \$80,027 to combine with a proposed cash match of \$28,000 to complete the Rodeo Market façade restoration. At roll call, the motion passed unanimously.

RESOLUTION NO. 34 RE OPEN SPACE PURCHASE RE DOULOS MINISTRIES PROPERTY

It was moved by Councillor Dittman and seconded by Councillor Price to adopt Resolution No. 34 authorizing the City Manager to execute a Purchase and Sale Agreement with Doulos Ministries, Inc. to purchase approximately 36 acres for open space and approximately 2 acres for right of way required for the widening of Federal Parkway for a total of \$2,650,000, subject to a determination by the City Manager's Office that sufficient funds have been received by Adams County to support the purchase of the property and a determination of reasonable demolition and environmental costs, and authorizing the City Manager to execute all documents required to close on the purchase of the property. At roll call, the motion passed unanimously.

RESOLUTION NO. 35 RE FEDERAL HEIGHTS WHOLESALE WATER RATE

Mayor Pro Tem Kauffman moved, seconded by Councillor Kaiser to adopt Resolution No. 35 approving the new wholesale water rate charged to Federal Heights in the amount of \$3.01 per thousand gallons from October 1, 2007 until December 31, 2007 and \$3.45 per thousand gallons thereafter. At roll call, the motion passed with all Council members voting yes.

2007 INTERIM AMENDMENT TO THE "AMENDED AND RESTATED DISTRIBUTOR'S CONTRACT"

It was moved by Mayor Pro Tem Kauffman, seconded by Councillor Dittman to authorize the City Manager to execute the 2007 Interim Amendment to the "Amended and Restated Distributor's Contract" with the City of Federal Heights. The motion passed unanimously.

At 7:13 p.m., for the last item on the agenda, Mayor McNally excused herself from the council chambers citing a conflict in interest posed by employment at Hanifen, Imhoff Inc. The gavel was passed to Mayor Pro Tem Kauffman who conducted the remainder of the meeting.

COUNCILLOR'S BILL NO. 54 RE REFUNDING SERIES 1997A (STREETS) SALES AND USE TAX BONDS

Councillor Major moved to pass Councillor's Bill No. 54 as an emergency ordinance, approving the sale of Revenue Refunding Bonds to refund the Series 1997A (Streets) Sales and Use Tax Revenue Bonds, and direct the Mayor Pro Tem, Finance Director and City Clerk to sign necessary documents on behalf of the City. Councillor Dittman seconded the motion and it passed unanimously at roll call with Mayor McNally abstaining.

CITIZEN PRESENTATIONS

Dennis Emily, 10001 Ames Street, of the Hyland Meadows Home Owners Association, stated that he recently inquired about the City building a road from Benton Street to Sheridan Boulevard which would then connect to the traffic signaled intersection at West 101st Avenue and Sheridan Boulevard. He was advised that that was not in the City budget and the City was waiting for more development in that area. Upon development the builder would be required to build the road. Since there is currently no builder interested in that area, he requested that Council again look into installing a traffic signal at the intersection of West 100th Avenue and Sheridan Boulevard due to the danger of making a left hand turn from eastbound 100th. Mr. Emily reminded Council that very recently there was a fatal accident at that location and he submitted four photographs for Council to review.

Ann Mary Roberts, 10006 Ames Street, also spoke in agreement with Mr. Emily. She stated that morning and evening traffic has greatly increased in the last three years and felt that the police need to monitor traffic coming south from 104th Avenue as well as traffic coming northbound, on Sheridan.

ADJOURNMENT

There was no further business to come before the City Council, and the Mayor Pro Tem adjourned the meeting at at 7:30 p.m.

ATTEST:

Mayor

Deputy City Clerk



WESTMINSTER
COLORADO

Agenda Memorandum

City Council Meeting
September 24, 2007



SUBJECT: Financial Report for August 2007
Prepared By: Tammy Hitchens, Finance Director

Recommended City Council Action

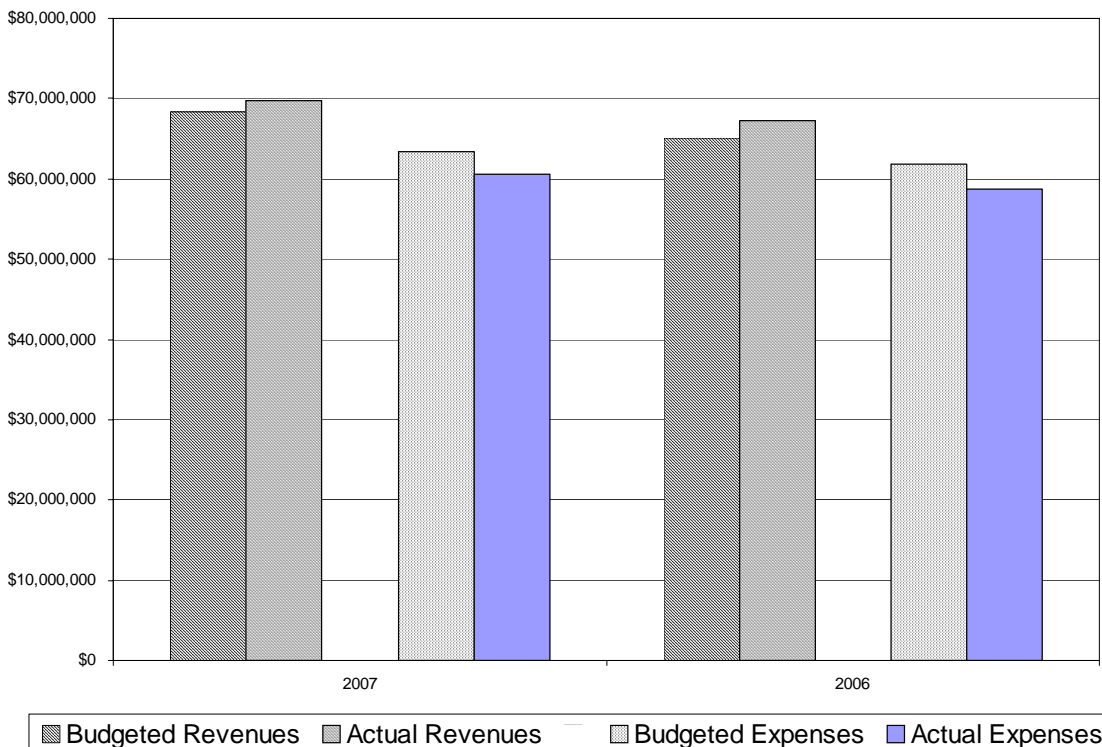
Accept the Financial Report for August as presented.

Summary Statement

City Council is requested to review and accept the attached monthly financial statement. The Shopping Center Report is also attached. Unless otherwise indicated, “budget” refers to the pro-rated budget. Revenues also include carryover where applicable. With the exception of the Sales and Use Tax Fund, the revenues are pro-rated based on 10-year historical averages. The Sales and Use Tax Fund pro-rated revenue has been changed to reflect the pattern of 2006 and expected pattern of 2007. This pattern has changed over time and a 10-year trend is no longer an appropriate comparison. Expenses are also pro-rated based on 5-year historical averages.

The General Fund revenues and carryover exceed expenditures by \$9,199,000. The following graph represents Budget vs. Actual for 2006 – 2007. The \$32,944,900 Refunding Certificates of Participation, Series 2007 has been omitted from the graph in order to more accurately reflect operations and to reflect a more appropriate comparison to 2006.

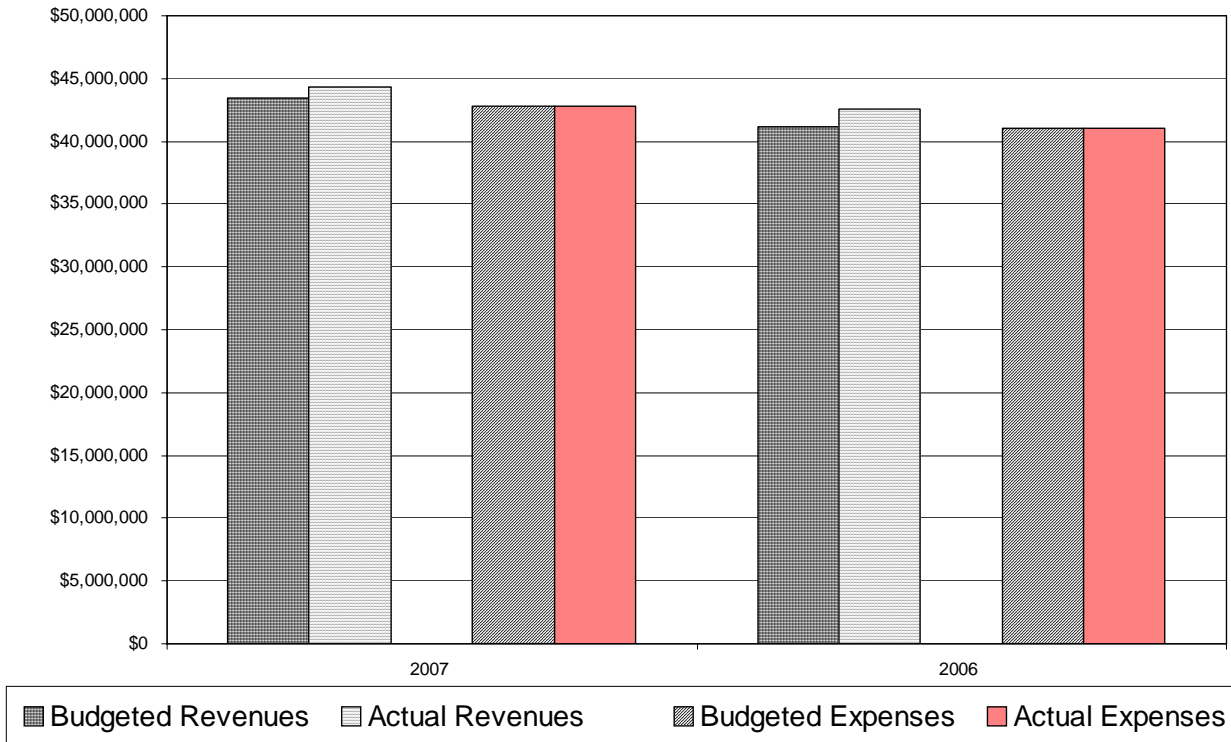
**General Fund
Budget vs Actual**



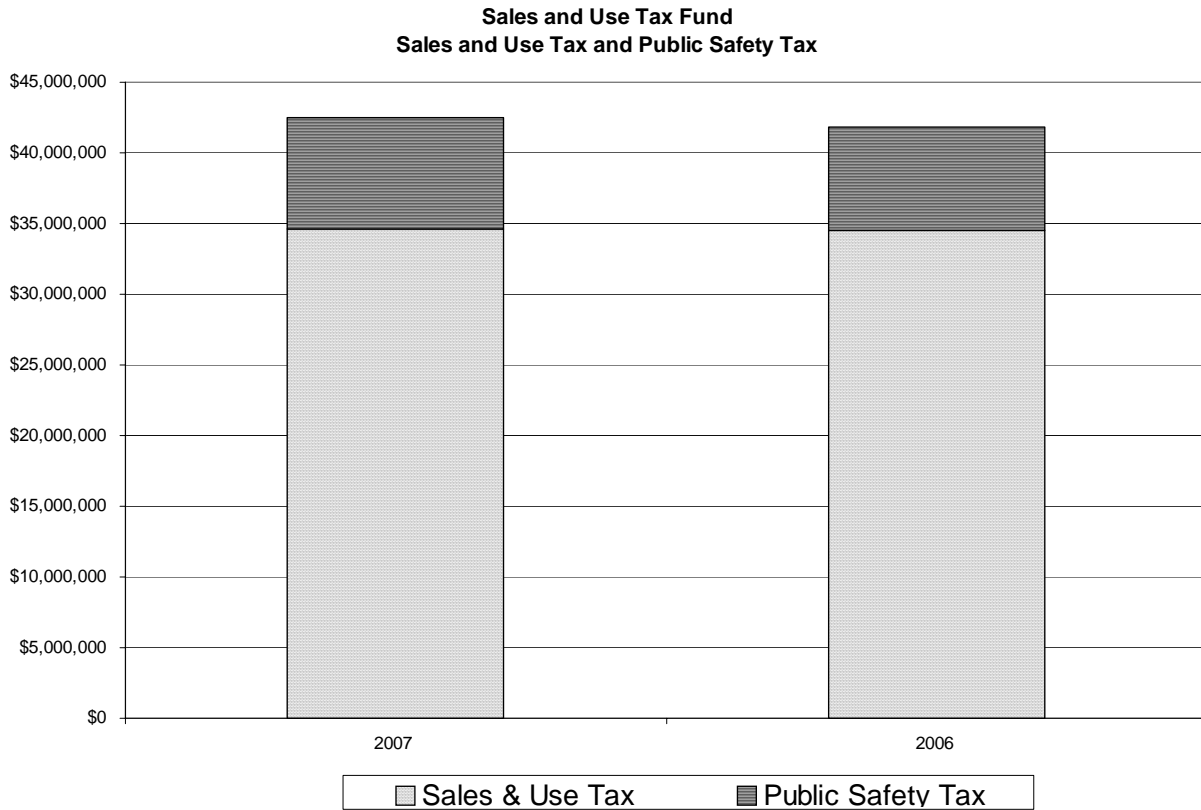
The Sales and Use Tax Fund's revenues and carryover exceed expenditures by \$1,526,000.

- On a year-to-date cash basis, sales & use tax returns are down 2.5%. This does not include a \$149,000 refund.
- On a year-to-date basis, across the top 25 shopping centers, total sales & use tax receipts are up 10.4% from the prior year. Included in the Shopping Center report is \$455,000 of audit revenue from 2 different audits. It also includes Urban Renewal Area (URA) money that is not available for General Fund use. Without Urban Renewal money, total sales and use tax receipts are down 3.3%. This reflects the significant contribution to Sales Tax the URA's are making.
- The top 50 Sales Taxpayers, who represent about 58% of all collections, were down 1.3% after adjusting for one time audit revenue and Urban Renewal Area money.
- The Westminster Mall is down 10% on a year-to-date basis. This includes an audit payment of \$138,000.
- Building Use Tax is up 10.1% year-to-date over 2006.
- \$366,000 in audit revenue was collected in July.

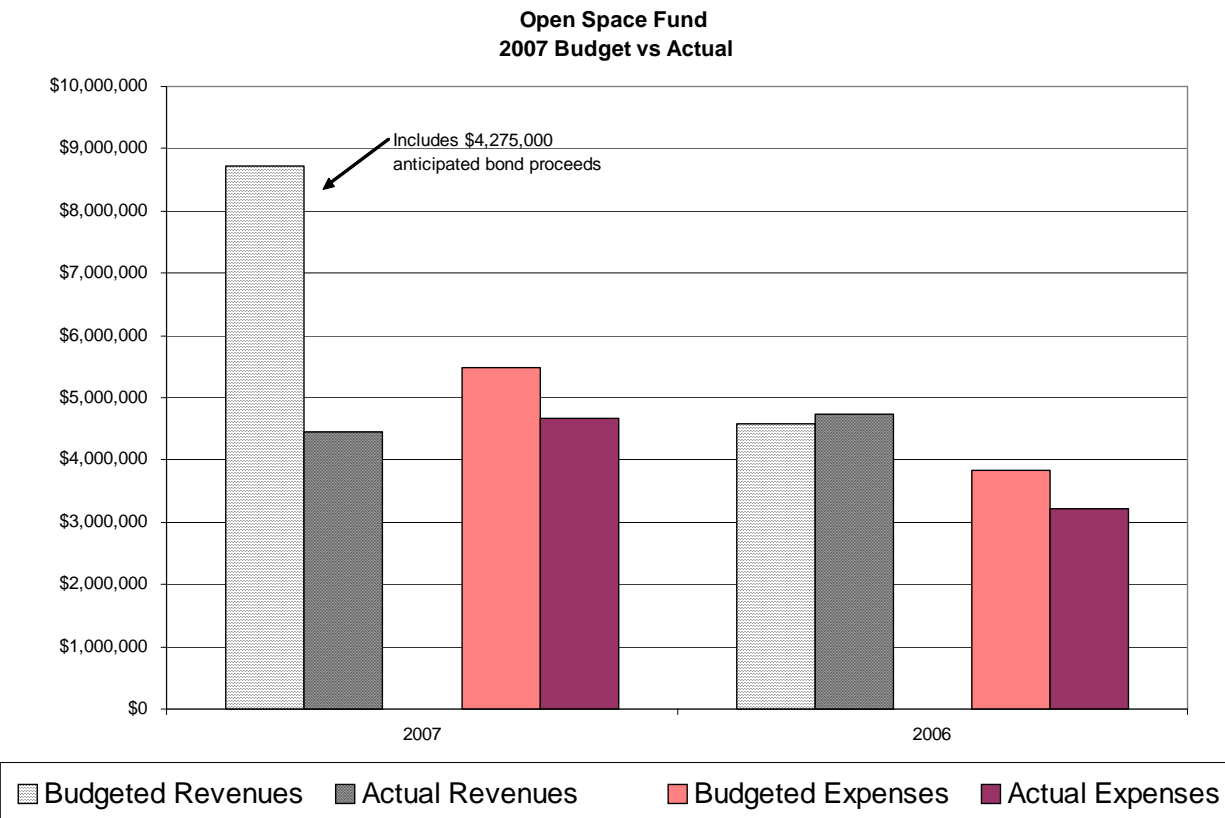
Sales & Use Tax Fund
Budget vs Actual



The graph below reflects the contribution of the Public Safety Tax to the overall Sales and Use Tax revenue.

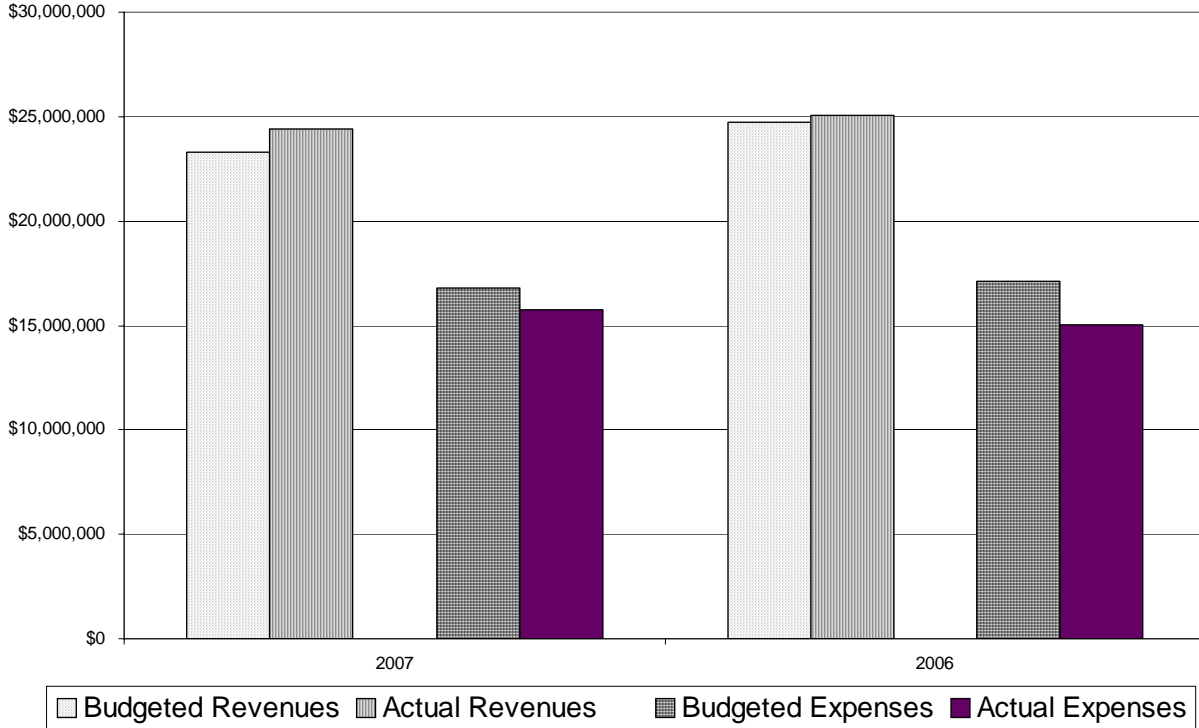


The Open Space Fund expenditures exceed revenues by \$212,000. This reflects the utilization of the expected bond proceeds through the reimbursement resolution. It is anticipated that the bonds will be issued in December.



The combined Water & Wastewater Funds' operating revenues and carryover exceed operating expenses by \$15,047,000. \$18,898,000 is budgeted for capital projects and reserves. Year-to-date, the City has collected \$978,000 less in tap fees than in 2006.

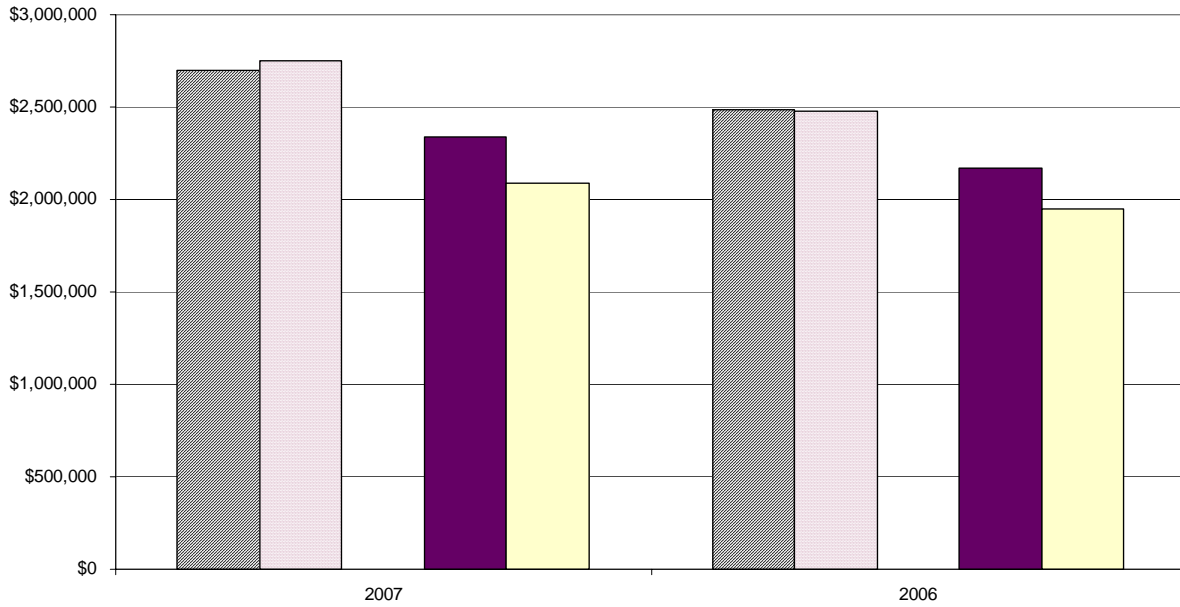
**Combined Water and Wastewater Funds
2007 Operating Budget vs Actual**



The combined Golf Course Funds' revenues exceed expenditures by \$660,000. Year to date revenues for Charges for Services are \$155,000 higher than 2006. The following transactions have been omitted in order to reflect a more appropriate comparison between years and results of operations.

Account	Purpose	2007	2006
Other Financing Source & Use	Legacy Maintenance Equip	547,000	
Other Financing Source & Use	Heritage Golf Carts		582,144
Transfers In	Reduce Negative Cash	700,000	750,000

**Golf Course Enterprise
Budget vs Actual**



Budgeted Revenues
 Actual Revenues
 Budgeted Expenses
 Actual Expenses

Policy Issue

A monthly review of the City’s financial position is the standard City Council practice; the City Charter requires the City Manager to report to City Council on a quarterly basis.

Alternative

Conduct a quarterly review. This is not recommended, as the City’s budget and financial position are large and complex, warranting a monthly review by the City Council.

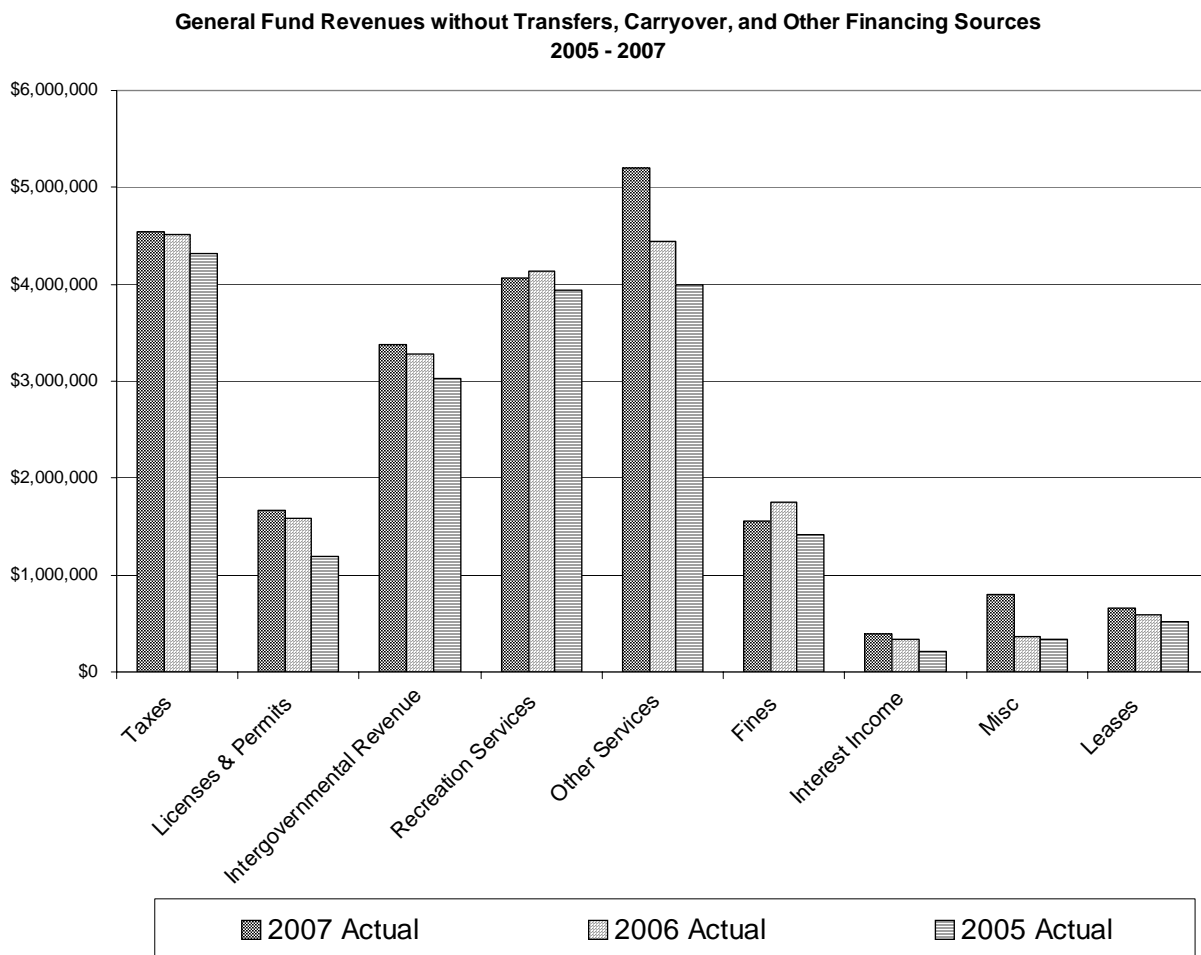
Background Information

This section includes a discussion of highlights of each fund presented.

General Fund

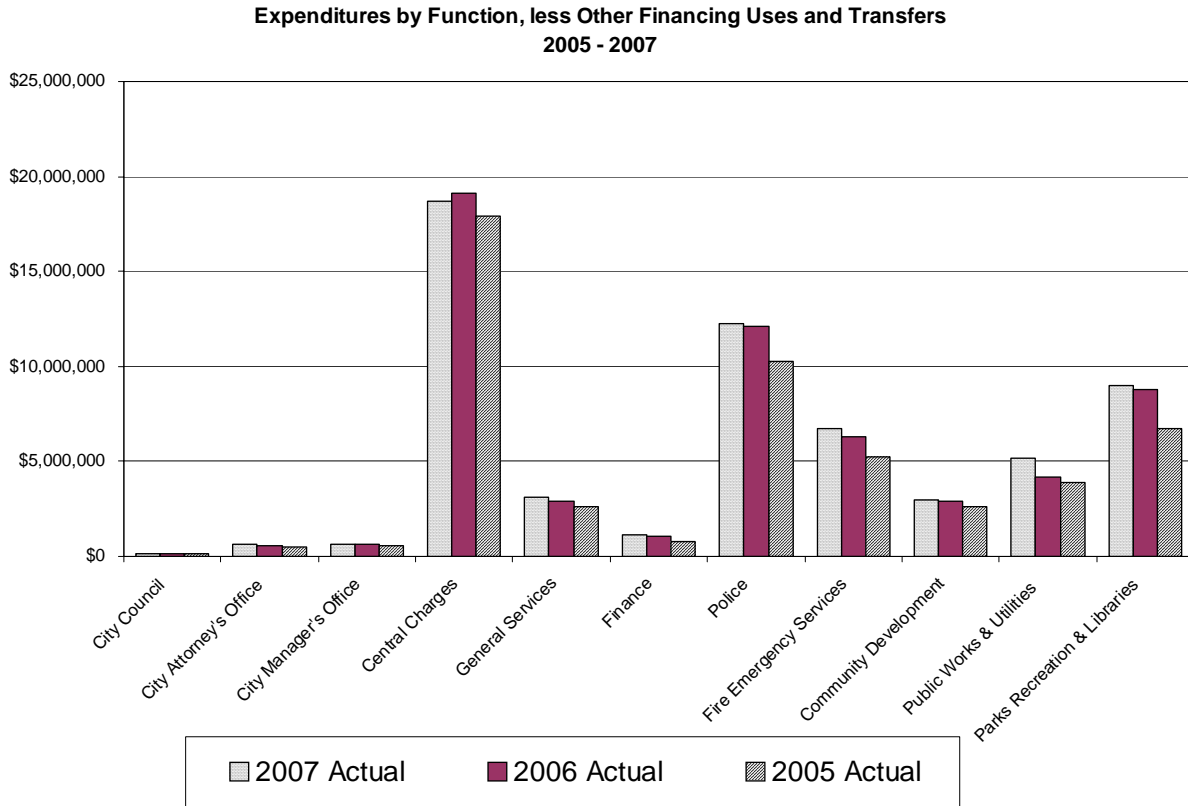
This fund reflects the results of the City’s operating departments: Police, Fire, Public Works (Streets, etc.), Parks Recreation and Libraries, Community Development, and the internal service functions; City Manager, City Attorney, Finance, and General Services.

The following chart represents the trend in actual revenues from 2005 – 2007 year-to-date.



The increase in Other Services reflects the Infrastructure fee. As reflected in the Licenses & Permits of the Financial Report, commercial building permits are up significantly, causing a positive variance. Intergovernmental revenues are also up compared to the budget amount. This is primarily due to the Federal Emergency Management Agency (FEMA) reimbursement and an increase in road & bridge taxes from both counties and grant revenue. Leases are lower than anticipated due to the delay in getting the former police building leased.

The following chart identifies where the City is focusing its resources. The chart shows year-to-date spending for 2005 –2007.

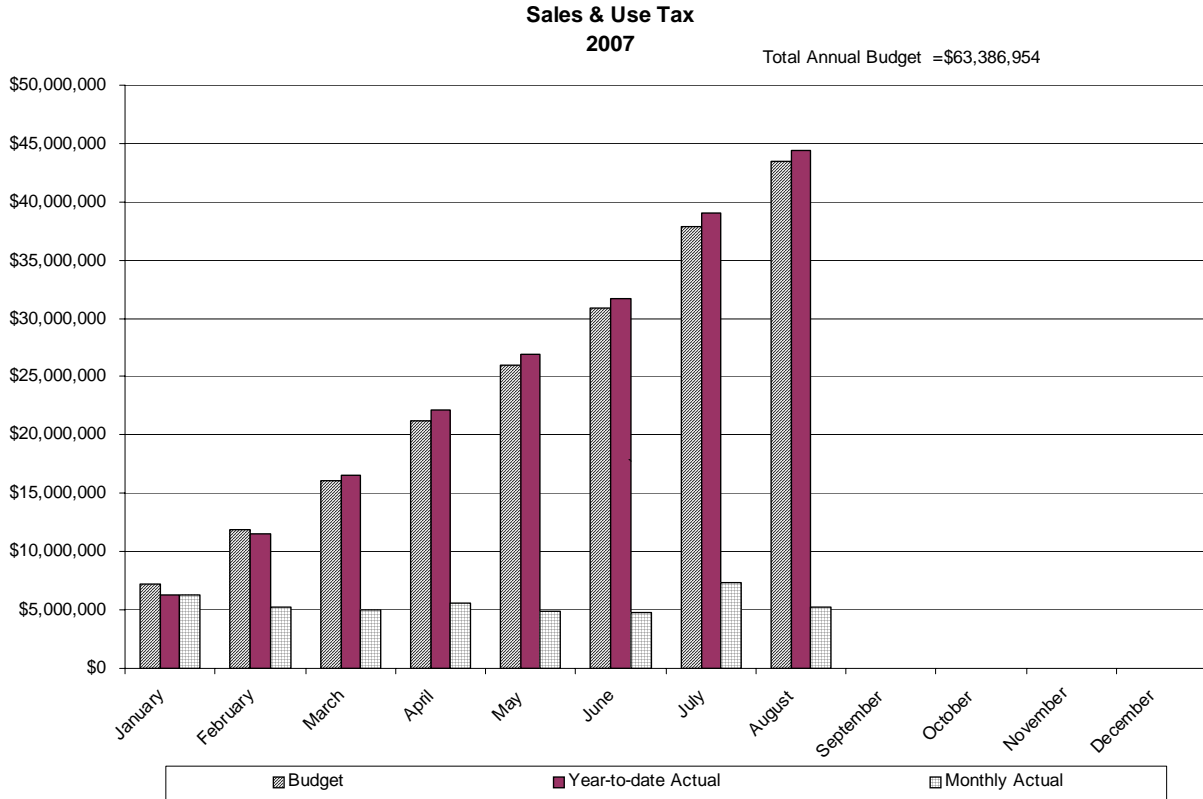


The positive variances seen on the attached spreadsheets (page 1), in CMO, Police and Fire are mostly related to salary savings. The savings reflected in Parks, Recreation and Libraries is related to utility savings as well as some salary savings. Although one particular area does not stand out, City Council's budget reflects a positive variance due to overall less spending.

Sales and Use Tax Funds (Sales & Use Tax Fund and Open Space Sales & Use Tax Fund)

These funds are the repositories for the 3.85% City Sales & Use Tax for the City. The Sales & Use Tax Fund provides monies for the General Fund, the Capital Project Fund and the Debt Service Fund. The Open Space Sales & Use Tax Fund revenues are pledged to meet debt service on the POST bonds, buy open space, and make park improvements on a pay-as-you-go basis. The Public Safety Tax (PST) is a 0.6% sales and use tax to be used to fund public safety-related expenses.

This chart indicates how the City's Sales and Use Tax revenues are being collected on a monthly basis. This chart does not include Open Space Sales & Use Tax.

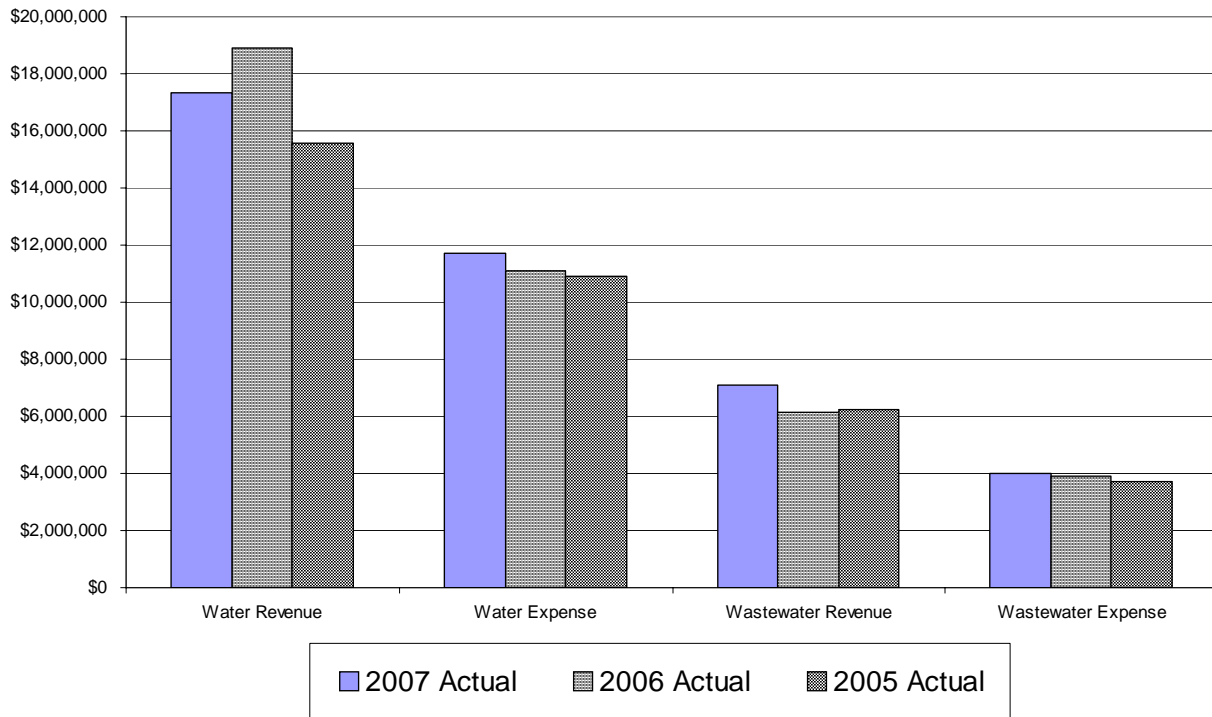


Water, Wastewater and Storm Water Drainage Funds (The Utility Enterprise)

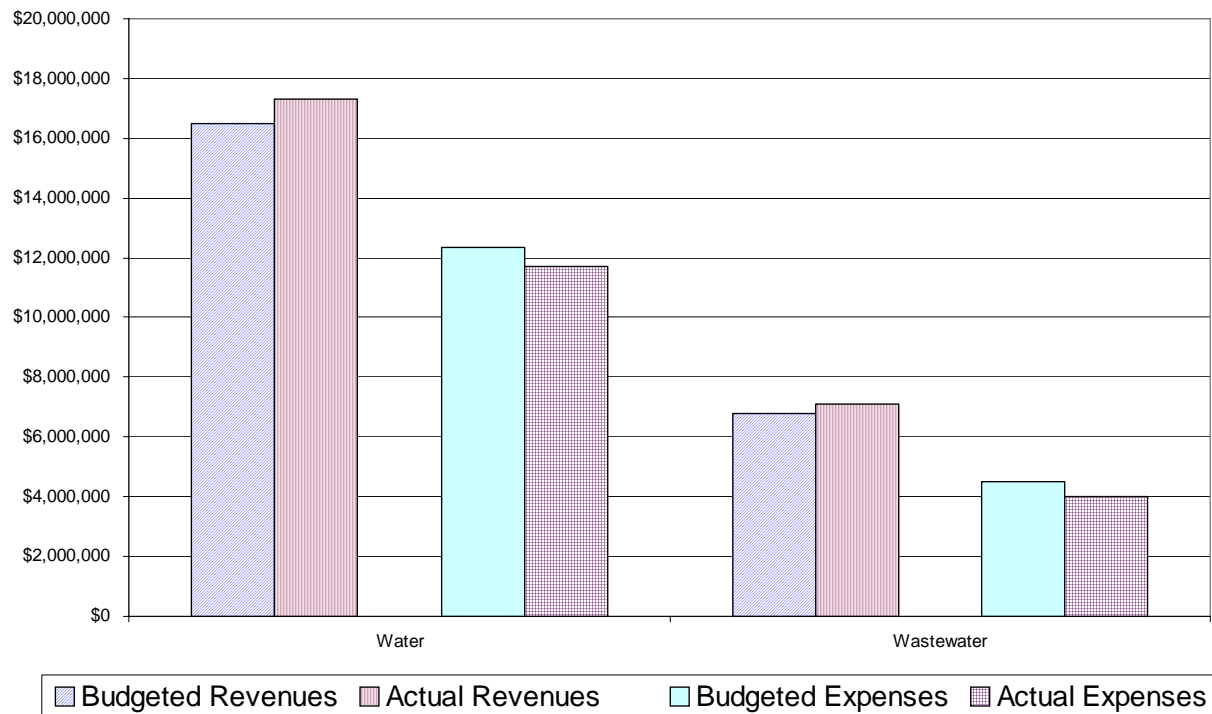
This fund reflects the operating results of the City’s water, wastewater and storm water systems. It is important to note that net operating revenues are used to fund capital projects. The variance between 2006 and 2007 can be attributed to an unusually high 2006 and a slightly low 2007.

These graphs represent the segment information for the Water and Wastewater funds.

**Water and Wastewater Funds
Operating Revenue and Expenses 2005-2007**



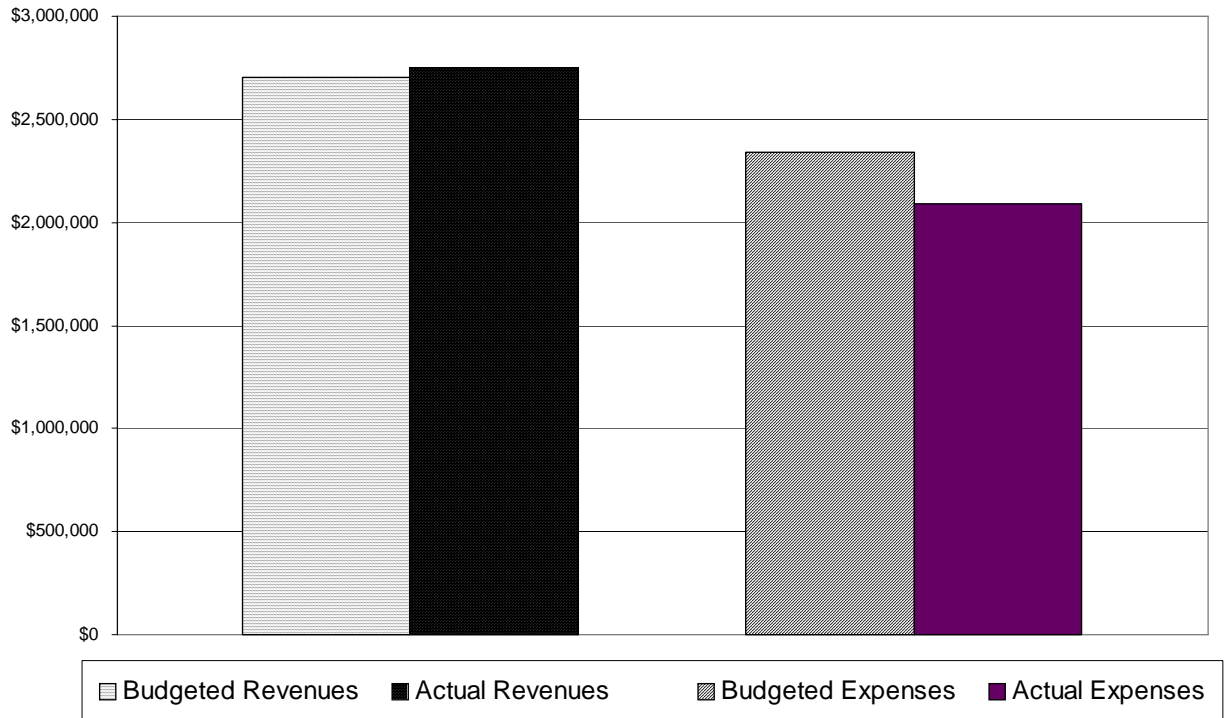
**Water and Wastewater Funds
2007 Operating Budget vs Actual**



Golf Course Enterprise (Legacy and Heritage Golf Courses)

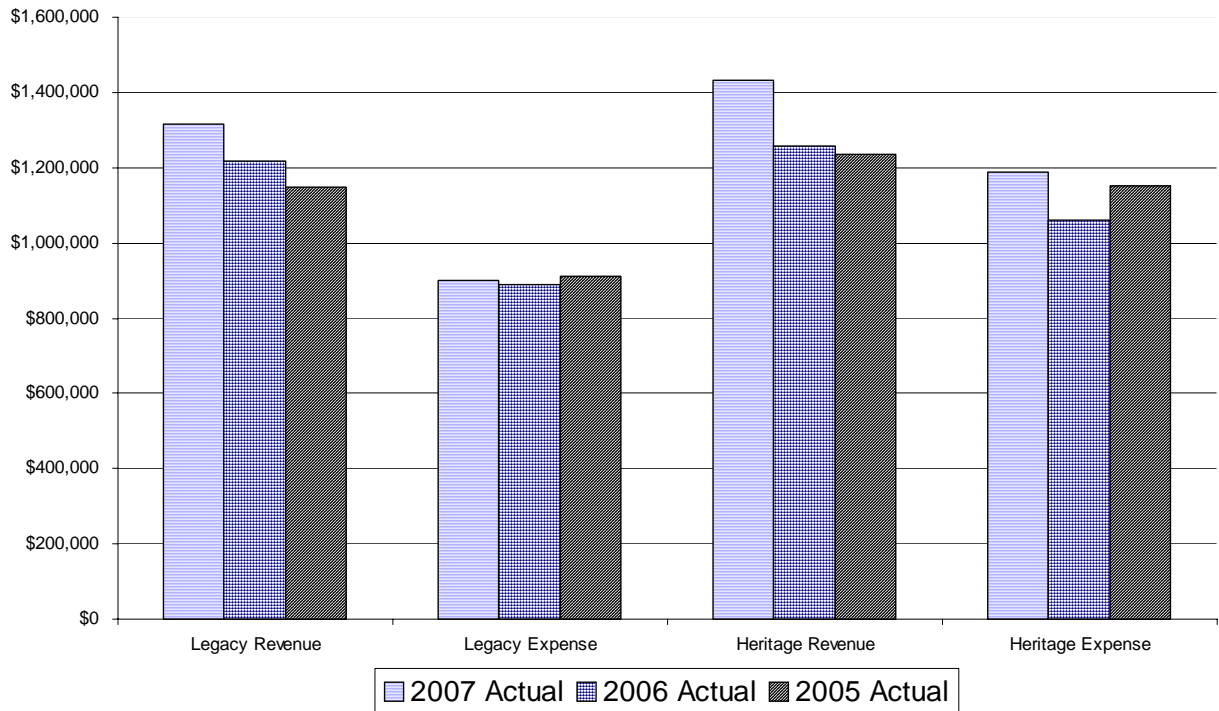
This enterprise reflects the operations of the City's two municipal golf courses.

**Combined Golf Courses
2007 Budget vs Actual**



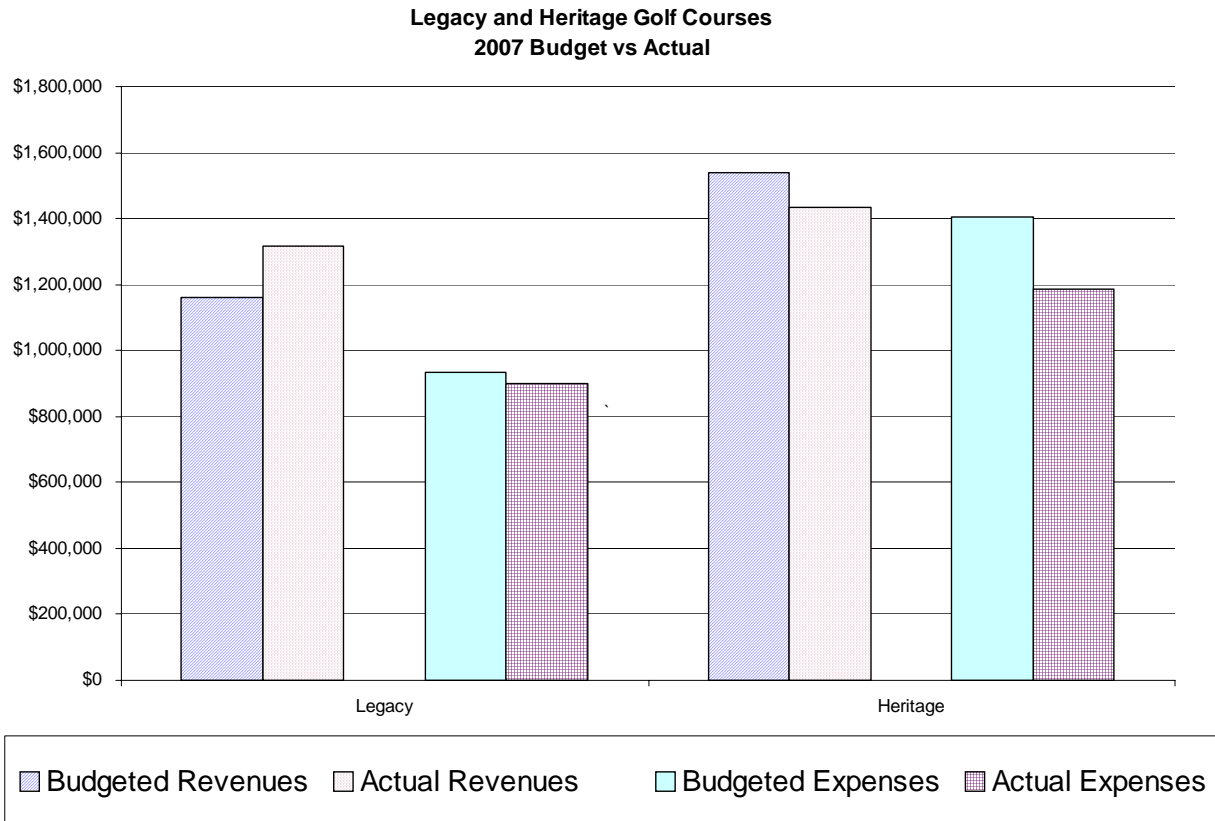
The following graphs represent the information for each of the golf courses.

**Legacy and Heritage Golf Courses
Revenue and Expenses 2005-2007**



Heritage's expenses reflect the lease payments that were started in July of 2006. A one time Other Financing Source and Use of \$547,000, which was a lease purchase of maintenance equipment, is omitted from 2007. A one time Other Financing Source and Use of \$582,144, which was a lease purchase of golf carts, is omitted from 2006 Heritage Revenue and Expense for comparison purposes. The increase in revenue can be attributed to the sale of corporate passes and an increase in transfers in.

The financial statements reflect a positive variance in Recreation Facilities versus the budget. This is primarily due to salary and utility savings.



Respectfully submitted,

J. Brent McFall
City Manager

Attachment 1 Attachment 2

**City of Westminster
Financial Report
For Eight Months Ending August 31, 2007**

Description General Fund	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
Revenues and Carryover						
Taxes	4,870,787	4,629,674		4,537,383	(92,291)	98.0%
Licenses & Permits	1,675,000	1,146,100		1,662,116	516,016	145.0%
Intergovernmental Revenue	4,744,235	3,107,482		3,378,388	270,906	108.7%
Recreation Services	5,666,336	3,827,810		4,071,262	243,452	106.4%
Other Services	8,420,624	5,133,169		5,201,247	68,078	101.3%
Fines	2,311,250	1,527,736		1,560,452	32,716	102.1%
Interest Income	374,875	249,917		397,500	147,583	159.1%
Misc	727,652	305,987		792,214	486,227	258.9%
Leases	1,564,170	821,947		654,300	(167,647)	79.6%
Interfund Transfers	58,637,996	39,221,507		39,221,507	-	100.0%
Other Financing Sources	46,634	46,634	(2)	40,626	(6,008)	87.1%
Sub-total Revenues	<u>89,039,559</u>	<u>60,017,963</u>		<u>61,516,995</u>	<u>1,499,032</u>	<u>102.5%</u>
Carryover	8,278,290	8,278,290		8,278,290	0	100.0%
Revenues and Carryover	<u>97,317,849</u>	<u>68,296,253</u>		<u>69,795,285</u>	<u>1,499,032</u>	<u>102.2%</u>
Expenditures						
City Council	205,023	140,769		117,142	(23,627)	83.2%
City Attorney's Office	1,064,790	696,025		662,227	(33,798)	95.1%
City Manager's Office	1,171,996	764,844		640,916	(123,928)	83.8%
Central Charges	31,007,926	20,037,514	(1)	18,718,261	(1,319,253)	93.4%
General Services	5,084,431	3,322,989		3,131,028	(191,961)	94.2%
Finance	1,814,924	1,186,684		1,147,928	(38,756)	96.7%
Police	19,853,515	12,975,463		12,260,712	(714,751)	94.5%
Fire Emergency Services	10,675,644	6,971,933		6,750,695	(221,238)	96.8%
Community Development	4,672,743	3,050,678		2,963,550	(87,128)	97.1%
Public Works & Utilities	7,795,132	5,028,744	(2)	5,176,154	147,410	102.9%
Parks, Recreation & Libraries	13,971,725	9,146,221		9,027,670	(118,551)	98.7%
Total Expenditures	<u>97,317,849</u>	<u>63,321,864</u>		<u>60,596,283</u>	<u>(2,725,581)</u>	<u>95.7%</u>
Revenues and Carryover Over(Under) Expenditures	<u>0</u>	<u>4,974,389</u>		<u>9,199,002</u>	<u>4,224,613</u>	

(1) Other financing sources and & uses of \$32,944,900 relate to refunding of the 1998 & 1999 COPs. They have been omitted from this statement in order to better reflect results of operations.

(2) Public Works and Utilities has incurred unusually high costs related to the snow storms in early 2007.

CITY OF WESTMINSTER

GENERAL RECEIPTS BY CENTER - SUMMARY (CC)
MONTH OF AUGUST 2007

Center Location Major Tenant	/----- Current Month -----/			/----- Last Year -----/			/--- %Change ---/		
	General Sales	General Use	Total	General Sales	General Use	Total	Sales	Use	Total
WESTFIELD SHOPPING CENTER NW CORNER 92ND & SHER WALMART	384,892	1,571	386,463	370,717	10,498	381,215	4	-85	1
NORTHWEST PLAZA SW CORNER 92 & HARLAN COSTCO	346,713	792	347,505	194,045	666	194,711	79	19	78
WESTMINSTER MALL 88TH & SHERIDAN 4 DEPARTMENT STORES	263,606	3,601	267,206	296,183	13,882	310,065	-11	-74	-14
WESTMINSTER CROSSING 136TH & I-25 LOWE'S	255,112	1,915	257,027	53,298	508	53,806	379	277	378
CITY CENTER MARKETPLACE NE CORNER 92ND & SHERIDAN COMP USA/CIRCUIT CITY	222,199	1,974	224,173	216,043	12,704	228,747	3	-84	-2
BROOKHILL I & II N SIDE 88TH OTIS TO WADS HOME DEPOT	207,360	808	208,168	207,840	746	208,586	0	8	0
PROMENADE SOUTH/NORTH S/N SIDES OF CHURCH RANCH BLVD SHANE/AMC	151,871	20,813	172,684	134,320	43,355	177,674	13	-52	-3
SHOPS AT WALNUT CREEK 104TH & REED TARGET	164,681	2,074	166,755	140,888	11,801	152,689	17	-82	9
SHERIDAN CROSSING SE CORNER 120TH & SHER	106,573	1,372	107,945	164,649	1,042	165,691	-35	32	-35
THE ORCHARD 144TH & I-25 JC PENNEY	101,608	1,303	102,911	0	7,429	7,429	*****	-82	1285
NORTH PARK PLAZA SW CORNER 104TH & FEDERAL KING SOOPERS	94,228	478	94,706	89,940	313	90,253	5	53	5
VILLAGE AT THE MALL S SIDE 88TH DEPEW-HARLAN TOYS 'R US	90,791	447	91,237	91,081	903	91,985	0	-51	-1
STANDLEY SHORES CENTER SW CORNER 100TH & WADS KING SOOPERS	62,070	108	62,178	56,900	130	57,031	9	-17	9
ROCKY MOUNTAIN PLAZA SW CORNER 88TH & SHER GUITAR STORE	59,433	1,015	60,448	58,772	1,036	59,807	1	-2	1
WESTMINSTER PLAZA FEDERAL-IRVING 72ND-74TH	55,288	264	55,552	56,392	528	56,920	-2	-50	-2

CITY OF WESTMINSTER

GENERAL RECEIPTS BY CENTER - SUMMARY (CC)
MONTH OF AUGUST 2007

Center Location Major Tenant	Current Month			Last Year			%Change			
	General Sales	General Use	Total	General Sales	General Use	Total	Sales	Use	Total	
SAFeway										
STANDLEY LAKE MARKETPLACE NE CORNER 99TH & WADSWORTH	54,187	115	54,302	56,832	79	56,912	-5	45	-5	
SAFeway										
WILLOW RUN 128TH & ZUNI	50,753	54	50,808	55,047	6	55,053	-8	827	-8	
SAFeway										
VILLAGE AT PARK CENTRE NW CORNER 120TH & HURON CB & POTTS	41,774	1,907	43,682	42,145	401	42,546	-1	376	3	
LUCENT/KAISER CORRIDOR 112-120 HURON - FEDERAL LUCENT TECHNOLOGY	6,977	23,645	30,622	10,246	24,362	34,609	-32	-3	-12	
FEDERAL STRIP W SIDE FEDERAL 68TH-72ND BOVAS	29,762	17	29,779	34,136	12	34,147	-13	48	-13	
MISSION COMMONS W SIDE WADSWORTH 88-90TH BIG 5 SPORTS	29,658	106	29,764	33,714	237	33,951	-12	-55	-12	
ELWAY/DOUGLAS CORRIDOR NE CORNER 104TH & FED ELWAY MOTORS	28,729	526	29,255	32,947	118	33,065	-13	347	-12	
NORTHVIEW S SIDE 92ND YATES-SHER	26,220	93	26,313	51,927	588	52,515	-50	-84	-50	
BOULEVARD SHOPS 94TH & WADSWORTH CORRIDOR AMERICAN FURNITURE WAREHOUSE	25,216	326	25,543	26,728	666	27,394	-6	-51	-7	
STANDLEY PLAZA SW CORNER 88TH & WADS WALGREENS	24,916	267	25,183	30,220	520	30,740	-18	-49	-18	
	2,884,619	65,591	2,950,210	2,505,009	132,529	2,637,538	15	-51	12	

CITY OF WESTMINSTER

GENERAL RECEIPTS BY CENTER - SUMMARY YTD (CC)
MONTH OF AUGUST 2007

Center Location Major Tenant	YTD 2007			YTD 2006			%Change		
	General Sales	General Use	Total	General Sales	General Use	Total	Sales	Use	Total
WESTFIELD SHOPPING CENTER NW CORNER 92ND & SHER WALMART	3,359,521	16,669	3,376,190	3,207,409	29,849	3,237,258	5	-44	4
WESTMINSTER MALL 88TH & SHERIDAN 4 DEPARTMENT STORES	2,925,961	29,728	2,955,689	3,243,168	36,090	3,279,259	-10	-18	-10
CITY CENTER MARKETPLACE NE CORNER 92ND & SHERIDAN COMP USA/CIRCUIT CITY	1,999,796	13,442	2,013,239	1,837,446	17,052	1,854,499	9	-21	9
NORTHWEST PLAZA SW CORNER 92 & HARLAN COSTCO	1,729,579	8,949	1,738,528	1,854,948	4,133	1,859,081	-7	117	-6
WESTMINSTER CROSSING 136TH & I-25 LOWE'S	1,628,453	56,332	1,684,785	376,776	40,957	417,733	332	38	303
BROOKHILL I & II N SIDE 88TH OTIS TO WADS HOME DEPOT	1,509,894	14,100	1,523,994	1,563,917	16,150	1,580,066	-3	-13	-4
SHOPS AT WALNUT CREEK 104TH & REED TARGET	1,472,174	15,412	1,487,585	1,090,014	28,274	1,118,288	35	-45	33
PROMENADE SOUTH/NORTH S/N SIDES OF CHURCH RANCH BLVD SHANE/AMC	1,459,427	126,532	1,585,959	1,077,591	154,638	1,232,229	35	-18	29
SHERIDAN CROSSING SE CORNER 120TH & SHER	1,060,545	10,508	1,071,053	1,380,447	11,231	1,391,678	-23	-6	-23
THE ORCHARD 144TH & I-25 JC PENNEY	872,603	5,553	878,156	0	32,219	32,219	*****	-83	2626
NORTH PARK PLAZA SW CORNER 104TH & FEDERAL KING SOOPERS	806,203	12,512	818,715	756,992	2,766	759,758	7	352	8
VILLAGE AT THE MALL S SIDE 88TH DEPEW-HARLAN TOYS 'R US	793,387	2,548	795,934	826,183	9,745	835,928	-4	-74	-5
STANDLEY SHORES CENTER SW CORNER 100TH & WADS KING SOOPERS	550,858	1,824	552,682	568,355	3,068	571,422	-3	-41	-3
ROCKY MOUNTAIN PLAZA SW CORNER 88TH & SHER GUITAR STORE	478,615	5,026	483,641	486,166	2,885	489,051	-2	74	-1
STANDLEY LAKE MARKETPLACE NE CORNER 99TH & WADSWORTH	430,816	1,919	432,735	433,181	1,284	434,465	-1	49	0

CITY OF WESTMINSTER

GENERAL RECEIPTS BY CENTER - SUMMARY YTD (CC)
MONTH OF AUGUST 2007

Center Location Major Tenant	YTD 2007			YTD 2006			%Change		
	General Sales	General Use	Total	General Sales	General Use	Total	Sales	Use	Total
SAFEWAY WESTMINSTER PLAZA FEDERAL-IRVING 72ND-74TH SAFEWAY	428,982	1,830	430,812	400,485	5,341	405,826	7	-66	6
WILLOW RUN 128TH & ZUNI SAFEWAY	417,659	1,554	419,213	445,387	1,848	447,234	-6	-16	-6
VILLAGE AT PARK CENTRE NW CORNER 120TH & HURON CB & POTTS	321,953	13,985	335,938	344,693	8,980	353,673	-7	56	-5
NORTHVIEW S SIDE 92ND YATES-SHER	266,773	6,015	272,788	335,324	4,505	339,829	-20	34	-20
MISSION COMMONS W SIDE WADSWORTH 88-90TH BIG 5 SPORTS	262,332	1,504	263,836	274,209	1,609	275,818	-4	-7	-4
ELWAY/DOUGLAS CORRIDOR NE CORNER 104TH & FED ELWAY MOTORS	234,311	15,434	249,745	233,492	5,625	239,117	0	174	4
BOULEVARD SHOPS 94TH & WADSWORTH CORRIDOR AMERICAN FURNITURE WAREHOUSE	213,472	3,616	217,088	139,365	5,898	145,263	53	-39	49
STANDLEY PLAZA SW CORNER 88TH & WADS WALGREENS	201,372	7,650	209,022	199,368	5,515	204,882	1	39	2
SUMMIT SQUARE NE CORNER 84TH & FED SAFEWAY	170,949	703	171,652	163,972	1,163	165,135	4	-40	4
FEDERAL STRIP W SIDE FEDERAL 68TH-72ND BOVAS	167,681	773	168,454	193,169	6,671	199,841	-13	-88	-16
	23,763,316	374,117	24,137,433	21,432,057	437,494	21,869,552	11	-14	10



WESTMINSTER
COLORADO

Agenda Memorandum

City Council Meeting
September 24, 2007



SUBJECT: Landscape Maintenance Contract

Prepared By: Richard Dahl, Park Services Manager

Recommended City Council Action

Based on the report and recommendation of the City Manager, determine that the public interest will be best served by awarding a contract for landscape maintenance to JPL Inc. for the remainder of 2007 in the amount of \$150,000 to include maintenance on all medians, streetscapes, rights-of-way and identified greenbelt and drainage ways, and ratify the expenditure authorizing the City Manager to pay any past invoices not previously authorized to this firm beginning September 1, 2007.

Summary Statement

- Effective August 31, 2007, the City's previous landscape contractor who is responsible for rights-of-way, medians, and miscellaneous other maintenance went out of business with four months remaining on their contract.
- Parks, Recreation and Libraries Staff along with the City's Purchasing Officer have negotiated a contract with JPL Inc. to complete the remainder of the 2007 landscape maintenance contract.
- Staff believes the \$150,000 price from JPL Inc. is reasonable given the circumstances of the current situation.
- Adequate funds are available in the Park Services budget to fund this contract.

Expenditure Required: \$150,000

Source of Funds: General Fund - Park Services Operating Budget
Community Enhancement Fund

Policy Issue

Should the City award a sole source landscape maintenance contract to JPL Inc. for the remainder of 2007?

Alternatives

1. City Council could require Staff to solicit formal bids for the remainder of the 2007 maintenance season. Staff does not recommend this as this process could not be completed within the next 30 days when the bulk of the maintenance needs to be performed.
2. Direct the Park Services Division to perform maintenance on all the work sites with the resources currently at hand. Staff does not recommend this option as compliance would mean Park Services would have to suspend mowing and maintenance operations on all park areas and public facilities for the next 45 days in order to complete the work.

Background Information

The Parks, Recreation and Libraries Department previously contracted with TruGreen Landcare for landscape maintenance on rights-of-way, medians, 136th and I-25 interchange and streetscapes throughout the City. The 2007 contract agreement for this work was \$379,777.

Since the beginning of the 2007 maintenance season, City Staff experienced issues with the quality of work being performed by TruGreen Landcare. Recent changes in TruGreen’s maintenance and supervisory personnel led to lower performance levels in all areas of the contract, especially those in median, irrigation and rights-of-way maintenance.

In the August billing statement from TruGreen the Department received notification that TruGreen was unable to complete the remainder of their contract and would be ceasing all operations in Colorado effective August 31, 2007.

Open Space and Right-of-way personnel have pulled back from their duties and are attempting to control the weeds in some of the more noticeable median areas, but Staff is extremely limited in their resources to perform ongoing maintenance.

Park Services Staff contacted numerous landscapes maintenance firms to find alternative contractors to complete the remainder of the agreement, which goes through December 2007. Because of the large number of sites (over 60), there are few contractors who have the time, personnel and equipment necessary to take on this task so late in the season.

The following contractors were solicited for bids:

JPL Inc.	All specific portions of the contract	\$150,000
Valley Crest Landscape	Cited lack of personnel and equipment	No bid received
T2 Construction	Cited lack of personnel and equipment	No bid received
Grass Roots	Limited bid received on specific medians	
Green Plan	Bid did not include right-of-way or drainageways	\$95,000

The 136th Avenue and I-25 interchange will be handled separately by Custom Landscape who has a working relationship with the City of Thornton and have agreed to take on both Westminster’s and Thornton’s responsibilities in this area. The approximate cost of this maintenance contract is \$12,000.

Respectfully submitted,

J. Brent McFall
City Manager



WESTMINSTER
COLORADO

Agenda Memorandum

City Council Meeting
September 24, 2007



SUBJECT: 2008 Property and Liability Excess Insurance Renewal

Prepared By: Martee Erichson, Risk Management Officer

Recommended City Council Action

Authorize the City Manager to enter into an agreement with the Colorado Intergovernmental Risk Sharing Agency for the purchase of excess stop loss insurance, and for claims management and other administration services in the amount of \$479,195 along with a 10% contingency amount (\$48,000) in the event the final quote comes in higher.

Summary Statement

- City Council action is requested to authorize the annual expenditure for the 2008 contribution to the Colorado Intergovernmental Risk Sharing Agency (CIRSA) for property and liability insurance.
- The City annually purchases insurance to cover assets (buildings, vehicles, equipment, and parks) and to protect itself from liability exposure resulting from claims brought against the City and its employees. This insurance is purchased through CIRSA. The preliminary quote from CIRSA for 2008 for property and liability coverage is \$479,195, which represents a contribution of \$482,747 minus a Loss Control Standards Audit credit of \$3,552.
- The final cost of coverage in 2007, before credits, was \$500,619. The preliminary quote for next year of \$482,747 represents a decrease in contribution of \$17,872 (3.57%). In general the reduction is due to the benefits of pooling. CIRSA is closer to reaching its target surplus balance to cover any catastrophic losses the pool might experience and there was a reduction in the administrative fees of the pool for 2008. The City continues to maintain a good individual loss experience.
- As has been past practice, City Council is being asked to authorize this preliminary quote from CIRSA and continuation in the pool so that CIRSA can determine final contributions based on membership response in time for the start of the 2008 policy period.
- The Risk Management Staff is in the process of hiring a consultant/broker to conduct an analysis of the City's Property and Liability program as well as a market study of other options available to the City for insurance coverage for 2009.

Expenditure Required: Not to exceed \$527,195

Source of Funds: Property and Liability Self Insurance Fund

Policy Issue

Should the City continue to use a municipal insurance pool for placement of its property and liability coverage?

Alternative

City Council could reject Staff's recommendations to utilize CIRSA for this insurance coverage and direct Staff to seek proposals on the open insurance market. Staff does not recommend this action until we complete a thorough study of alternatives, which we are currently pursuing for the 2009 policy period.

Background Information

The City of Westminster has been a member of the Colorado Intergovernmental Risk Sharing Agency since its inception in 1982. Since that time, this intergovernmental risk sharing pool has grown from its original 18 cities to 236 members in 2007. CIRSA provides property and liability coverage that is tailored to meet municipal exposures. On January 1, 1988, the City implemented a large deductible program, electing to pay the first \$100,000 of each property claim and the first \$150,000 of each liability claim. In 2004, Risk Management Staff recommended and City Council approved increasing the City's deductible levels to \$200,000 per line of coverage to save on contribution costs. In 2007, Risk Management Staff recommended and City Council approved increasing the City's large deductible to \$250,000 to again save on contribution costs. With the decrease in contribution for 2008, Risk Management Staff looked at decreasing the City's deductible; however, the result would be an increase over contributions paid in 2007. The contribution to purchase coverage with a \$200,000 deductible for 2008 would be \$517,812 – an increase in contribution of \$17,193 (3.4%) from 2007. A reserve fund insures that funds are available to cover expenses under the self insured retention level in the event of a catastrophic year or a year in which multiple, large claims occur that fall within the retention level. The City's audited Property and Liability Fund balance at the end of 2006 was \$1,320,846.

The City has continued to purchase its excess property and liability coverage from CIRSA for several reasons:

- CIRSA has provided competitive quotes for its insurance
- CIRSA was established by municipalities specifically to provide insurance that meets the unique needs of Colorado cities and towns
- Unlike all brokers or private insurance companies, CIRSA does not charge commissions

The services provided by CIRSA include all claims handling, loss control, administrative services and the following excess coverage:

- Property coverage in excess of \$250,000 to \$500,500,000 (limits shared with all pool members)
- \$1,000,000 per occurrence/aggregate business interruption coverage
- Public Officials Liability coverage from \$250,000 to \$5,000,000 per occurrence and \$10,000,000 per aggregate
- Police Professional Liability insurance from \$250,000 to \$5,000,000 per occurrence/aggregate
- Motor vehicle physical damage from \$250,000 to \$1,000,000 per occurrence
- Motor vehicle liability coverage from \$250,000 to \$1,500,000 per claim/occurrence
- General Liability Insurance coverage from \$250,000 to \$5,000,000 per claim/occurrence

Risk Management Staff sent out a Request for Proposal to hire a consultant to undertake a study of the City's current Property and Liability program as well as a market analysis to determine available alternatives to CIRSA. Risk Management plans to have the consultant hired by the end of 2007 and to conduct the study in 2008. Prior to the 2009 policy year, Staff will have a recommendation for whether or not the City should remain with CIRSA or develop another program to protect the City's interests. The study will also evaluate the ongoing safety efforts of the City.

Currently, through on-going employee safety training and other loss control practices initiated by the individual departments and the Risk Management Staff, the efforts of the Citywide Safety Committee and the City's effective working relationship with CIRSA claims adjusting staff, Staff continues to improve on the success of the program as demonstrated by the loss control credit the City received on the 2008 quote. Loss control activities include:

- Safety inspections of facilities
- Annual Defensive Driving, Risk Management 101, Risk Management for Supervisors and Safety 101 training classes.
- Citywide Safety Committee review and analysis of all Workers' Compensation Injury Report forms involving safety failures
- The annual snowplow rodeo and training sponsored by the Public Works and Utilities Department
- Safety SPIRIT Awards incentive program

The quote for the 2008 property and liability insurance contribution is preliminary at this time. CIRSA members are being asked to approve the contribution and continuation of membership at this time so that CIRSA can calculate final contribution quotes based on all members responses. It is anticipated that final contribution quotes will be distributed in December. To avoid having to return to City Council in the event the final contributions come in higher than this preliminary quote, Staff's recommended action includes a 10% contingency factor of approximately \$48,000 with the total final contribution not to exceed \$527,195.

Funds for the requested increase are available in the City's Property and Liability Fund.

Respectfully submitted,

J. Brent McFall
City Manager



WESTMINSTER
COLORADO

Agenda Memorandum

City Council Meeting
September 24, 2007



SUBJECT: Wadsworth Boulevard Sanitary and Storm Sewer Improvements Project - Construction Contract

Prepared By: David W. Loseman, Senior Projects Engineer
Abel Moreno, Capital Projects and Budget Manager

Recommended City Council Action:

Authorize the City Manager to sign a contract with Twin Peaks Utilities & Infrastructure, Inc. for the construction of the Wadsworth Boulevard Sanitary and Storm Sewer Improvements Project in the amount of \$477,976, authorize a construction contingency of \$25,000 and authorize the transfer of \$360,628 from the PACP Sanitary Sewer Line Rehabilitation to the 99th/Wadsworth Sewer Line Improvements capital improvement project accounts.

Summary Statement:

- The Sanitary Sewer Line Project is being undertaken in conjunction with the Big Dry Creek Trail at Wadsworth Boulevard (old Wadsworth) Project. In addition, a storm sewer line that parallels this sanitary sewer line will be installed as part of the Big Dry Creek Trail Project since construction of this line is in the same corridor as the sanitary line making it advantageous to install both lines at the same time.
- Requests for bids for the construction were advertised in the Daily Journal for three weeks and bids were opened on September 6. Three bids were received and opened and the lowest bidder is Twin Peaks Utilities & Infrastructure, Inc. with a bid of \$ 477,976.
- The construction of the bridge and trail will be advertised in January 2008 with construction scheduled to begin in early spring 2008. The earlier completion of this sanitary sewer line work will help accelerate the construction of the bridge project.
- The amount requested to be transferred, \$360,628, will be added to the existing Utility Fund project account to pay for construction and a portion of the construction management fees. Muller Engineering will be performing construction management on this project as an addendum to their existing contract. The amount of this addendum does not require Council action. The Utility Fund breakdown is as follows:

Item	Amount
Construction Management Services	\$32,700
Construction	\$427,928
Total	\$460,628
Current Authorized Budget	\$100,000
Budget Surplus/(Shortfall)	(\$360,628)

Expenditure Required: \$502,976

Source of Funds: Utility Fund – PACP Sanitary Sewer Line Rehabilitation Account \$427,928
General Capital Improvement Fund – Big Dry Creek Trail Project \$75,048

Policy Issue

Should the City proceed with this sanitary and storm sewer construction work?

Alternatives

One alternative would be to include this work with the larger bridge construction project. This is not recommended since constructing the sanitary sewer replacement in advance of the bridge project will allow the bridge project to be completed more quickly. This accelerated bridge construction will mean less disruption time to the traveling public.

A second alternative includes postponing or abandoning the construction of the entire project. Given the amount of federal participation in this project (\$2,145,000), which would be lost if the City doesn't proceed with this project, this alternative is not recommended.

Background Information

The current Utility Fund budget includes a project to slip line the existing sanitary sewer line in the vicinity of the bridge project and approximately 1000 feet upstream of the bridge project. After further investigation Staff determined that the existing sanitary sewer line is severely deteriorated downstream and requires an additional 1000 feet to be replaced with an open cut line. The added benefit in doing this sanitary project now is that it will allow the conflicts of the bridge and sanitary sewer line construction to be avoided now so the bridge construction can proceed more quickly in 2008. The additional funding for the open cut sanitary sewer line is available in the PACP Sanitary Sewer Line Rehabilitation Account.

Requests for Bids for the utility project were advertised for three weeks in the Daily Journal. Bids were opened on September 6 with three contractors submitting bids on this project. The low bid of \$ 477,976 was submitted by Twin Peaks Utilities & Infrastructure, Inc. It is recommended that City Council award the construction contract to Twin Peaks Utilities & Infrastructure, Inc. The bid results are as follows:

Bidder	Amount of Bid
Twin Peaks Utilities & Infrastructure, Inc.	\$477,976.00
B.T. Construction	\$540,136.50
Tierdahl Construction	\$788,578.00
Engineer's Estimate (Muller Engineering, Inc.)	\$542,977.00

The City and Muller Engineering, Inc. (the City's consultant) have reviewed the results of the bidding procedure and recommend that the low bidder, Twin Peaks Utilities & Infrastructure, Inc. be awarded the contract for construction of the project in the amount of \$ 477,976. Staff and Muller are familiar with Twin Peaks Utilities & Infrastructure, Inc. and are confident that this firm will complete this project in a timely and professional manner.

The requested total construction contingency of \$25,000 is 5.2% of the construction bid. This is an adequate contingency for a project of this size and complexity.

Respectfully submitted,

J. Brent McFall
City Manager



Agenda Item 8 E

WESTMINSTER
COLORADO

Agenda Memorandum

City Council Meeting
September 24, 2007



SUBJECT: Second Reading of Councillor's Bill No. 30 re Municipal Code Modifications for the Industrial Pretreatment Program

Prepared By: Mike Happe, P.E., Water Resources and Treatment Manager
David Meyer, Water Quality Specialist

Recommended City Council Action

Pass Councillor's Bill No. 30 on second reading approving modifications to the Municipal Code relating to the Industrial Pretreatment Program.

Summary Statement

- The City administers an industrial pretreatment program in order to regulate discharges by industrial users into the sewage collection system.
- The program protects the City's wastewater treatment facility and reduces the possibility of release of contaminants to the environment.
- The proposed modifications to the Municipal Code consolidate and clarify existing industrial pretreatment program regulations, update local wastewater discharge limitations, incorporate new federal regulations, and follow model ordinance language recently developed by the United States Environmental Protection Agency (U.S. EPA).
- Currently four businesses in the City are issued Industrial Discharge Permits. Existing businesses in the City will not be negatively impacted and new businesses will not be at a competitive disadvantage because of the proposed changes.
- The proposed modifications to the Code were reviewed with City Council at their May 7 Study Session.
- This item was passed by City Council on first reading on June 11, 2007.
- Second reading of this item had to be delayed until the U. S. Environmental Protection Agency (EPA) gave their approval of the modifications. This approval from EPA has been received.

Expenditure Required: \$0

Source of Funds: N/A

Respectfully submitted,

J. Brent McFall
City Manager

BY AUTHORITY

ORDINANCE NO. **3381**

COUNCILLOR'S BILL NO. **30**

SERIES OF 2007

INTRODUCED BY COUNCILLORS

Major - Price

A BILL

FOR AN ORDINANCE AMENDING SECTIONS 8-8-4 AND 8-8-7 OF THE WESTMINSTER MUNICIPAL CODE CONCERNING USE OF THE SANITARY SEWERS AND REPEALING AND REENACTING CHAPTER 10 OF TITLE VIII OF THE WESTMINSTER MUNICIPAL CODE CONCERNING INDUSTRIAL PRETREATMENT OF WASTEWATER

THE CITY OF WESTMINSTER ORDAINS:

Section 1. Section 8-8-4, subsection (A), W.M.C., is hereby AMENDED to read as follows:

8-8-4: USE OF THE SANITARY SEWERS:

(A) The discharge of ~~non-acceptable~~ wastes, LISTED IN THIS SUBSECTION, into the sanitary sewer system, whether directly or indirectly, is prohibited and where investigation reveals the presence in the system of ~~non-acceptable~~ SUCH wastes emanating from any lot, land, building, or premise, the owner, lessor, renter, or occupant of same shall, at his own expense, treat, neutralize, or in any other way prepare the non-acceptable wastes to the satisfaction of the City Manager in order to convert the same into acceptable wastes. No person(s) shall discharge or cause to be discharged any of the following described waters or wastes to the waste treatment system from any source of ~~non-domestic discharge~~:

Section 2. Section 8-8-7, subsection (C), W.M.C., is hereby AMENDED to read as follows:

8-8-7: POWERS AND AUTHORITY OF INSPECTORS:

(C) While performing the necessary work on private properties, the City Manager or a duly authorized representative shall observe all safety rules applicable to the premises established by the company. The City shall provide insurance coverage against liability for injury or death of City representatives while on the premises of the company, except as such may be caused by negligence or failure of the company to maintain safe conditions as required in Section 8-8-4(E). ~~The company may request the City to add the company as an additional insured for purposes of this section.~~

Section 3. Chapter 10 of Title VIII, W.M.C., is hereby REPEALED AND REENACTED by the adoption of Exhibit "A," herein incorporated by reference, a revision of the Federal Environmental Protection Agency's model pretreatment ordinance in the form attached hereto.

Section 4. Severability. If any provision of this ordinance is invalidated by any court of competent jurisdiction, the remaining provisions shall not be affected and shall continue in full force and effect.

Section 5. This ordinance shall take effect upon its passage after second reading.

Section 6. The title and purpose of this ordinance shall be published prior to its consideration on second reading. The text of this ordinance shall be published within ten (10) days after its enactment after second reading; however, pursuant to Westminster City Charter section 8.6, Enactment of Code by Reference, the exhibit hereto need not be published in full, but a copy thereof shall be available for public review in the Office of the City Clerk.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED
PUBLISHED this 11th day of June, 2007.

PASSED, ENACTED ON SECOND READING, AND ORDERED PUBLISHED PURSUANT
TO CITY CHARTER SECTION 8.6 this 24th day of September, 2007.

Mayor

ATTEST:

APPROVED AS TO LEGAL FORM:

City Clerk

City Attorney's Office

EXHIBIT "A"

**CHAPTER 10
INDUSTRIAL PRETREATMENT**

8-10-1:	GENERAL PROVISIONS - DEFINITIONS
8-10-2:	GENERAL SEWER USE REQUIREMENTS – PRETREATMENT STANDARDS
8-10-3:	PRETREATMENT OF WASTEWATER
8-10-4:	WASTEWATER DISCHARGE PERMITS
8-10-5:	REGULATION OF WASTE RECEIVED FROM OTHER JURISDICTIONS
8-10-6:	REPORTING REQUIREMENTS
8-10-7:	COMPLIANCE MONITORING
8-10-8:	CONFIDENTIAL INFORMATION
8-10-9:	PUBLICATION OF USERS IN SIGNIFICANT NONCOMPLIANCE
8-10-10:	ADMINISTRATIVE ENFORCEMENT REMEDIES
8-10-11:	JUDICIAL ENFORCEMENT REMEDIES
8-10-12:	SUPPLEMENTAL ENFORCEMENT ACTION
8-10-13:	AFFIRMATIVE DEFENSES TO DISCHARGE VIOLATIONS
8-10-14:	PRETREATMENT CHARGES AND FEES

8-10-1: GENERAL PROVISIONS - DEFINITIONS:

(A) **PURPOSE AND POLICY:** This Chapter sets forth uniform requirements for users of the Publicly Owned Treatment Works for the City of Westminster and enables the City to comply with all applicable State and Federal laws, including the Clean Water Act (33 United States Code Section 1251 et seq.) and the General Pretreatment Regulations (40 Code of Federal Regulations Part 403). The objectives of this Chapter are:

1. To prevent the introduction of pollutants into the Publicly Owned Treatment Works that will interfere with its operation;
2. To prevent the introduction of pollutants into the Publicly Owned Treatment Works that will pass through the Publicly Owned Treatment Works, inadequately treated, into receiving waters, or otherwise be incompatible with the Publicly Owned Treatment Works;
3. To protect both Publicly Owned Treatment Works personnel who may be affected by wastewater and sludge in the course of their employment and the general public;
4. To promote reuse and recycling of industrial wastewater and sludge from the Publicly Owned Treatment Works;
5. To provide for fees for the equitable distribution of the cost of operation, maintenance, and improvement of the City of Westminster pretreatment program; and
6. To enable the City to comply with its National Pollutant Discharge Elimination System permit conditions, sludge use and disposal requirements, and any other Federal or State laws to which the Publicly Owned Treatment Works is subject.

This Chapter shall apply to all users of the Publicly Owned Treatment Works. This Chapter authorizes the issuance of wastewater discharge permits; provides for monitoring, compliance, and enforcement activities; establishes administrative review procedures; requires user reporting; and provides for the setting of fees for the equitable distribution of costs resulting from the program established herein.

(B) **ADMINISTRATION:** Except as otherwise provided herein, the City Manager shall administer, implement, and enforce the provisions of this ordinance. Any powers granted to or duties imposed upon the City Manager may be delegated by the City Manager to other City personnel.

(C) ABBREVIATIONS: The following abbreviations, when used in this ordinance, shall have the designated meanings:

BOD - Biochemical Oxygen Demand
BMP - Best Management Practice
CFR - Code of Federal Regulations
EPA - U.S. Environmental Protection Agency
gpd - gallons per day
IU – Industrial User
mg/l - milligrams per liter
NPDES - National Pollutant Discharge Elimination System
POTW - Publicly Owned Treatment Works
RCRA - Resource Conservation and Recovery Act
SIU - Significant Industrial User
TSS - Total Suspended Solids
U.S.C. -United States Code

(D) DEFINITIONS: Unless a provision explicitly states otherwise, the following terms and phrases, as used in this chapter, shall have the meanings hereinafter designated:

1. Act or "the Act." The Federal Water Pollution Control Act, also known as the Clean Water Act, as amended, 33 U.S.C. Section 1251 et seq.

2. Authorized Representative of the User.

(a) If the user is a corporation:

(1) The president, secretary, treasurer, or a vice-president of the corporation in charge of a principal business function, or any other person who performs similar policy or decision-making functions for the corporation; or

(2) The manager of one or more manufacturing, production, or operating facilities, provided the manager is authorized to make management decisions which govern the operation of the regulated facility including having the explicit or implicit duty of making major capital investment recommendations, and initiate and direct other comprehensive measures to assure long-term environmental compliance with environmental laws and regulations; can ensure that the necessary systems are established or actions taken to gather complete and accurate information for control mechanism requirements; and where authority to sign documents has been assigned or delegated to the manager in accordance with corporate procedures.

(b) If the user is a partnership or sole proprietorship: a general partner or proprietor, respectively.

(c) If the user is a Federal, State, or local governmental facility: a director or highest official appointed or designated to oversee the operation and performance of the activities of the government facility, or their designee.

(d) The individuals described in paragraphs (a) through (c), above, may designate another authorized representative if the authorization is in writing, the authorization specifies the individual or position responsible for the overall operation of the facility from which the discharge originates or having overall responsibility for environmental matters for the company, and the written authorization is submitted to the City.

3. Best Management Practices or BMPs means schedules of activities, prohibitions of practices, maintenance procedures, and other management practices to implement the prohibitions listed in Section 8-10-2(A)(1) and 8-10-2(A)(2). BMPs also include treatment requirements, operating procedures, and practices to control plant site runoff, spillage or leaks, sludge or waste disposal, or drainage from raw materials storage.

4. Biochemical Oxygen Demand or BOD. The quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedures for five (5) days at 20 degrees centigrade, usually expressed as a concentration (e.g., mg/l).

5. Categorical Pretreatment Standard or Categorical Standard. Any regulation containing pollutant discharge limits promulgated by EPA in accordance with Sections 307(b) and (c) of the Act (33 U.S.C. Section 1317) which apply to a specific category of users and which appear in 40 CFR Chapter I, Subchapter N, Parts 405-471.

6. Categorical Industrial User. An Industrial User subject to a Categorical Pretreatment Standard or Categorical Standard.
7. City. The City of Westminster.
8. Daily Maximum Limit or Daily Maximum. The maximum allowable discharge of a pollutant during a calendar day. Where daily maximum limitations are expressed in units of mass, the daily discharge is the total mass discharged over the course of the day. Where daily maximum limitations are expressed in terms of a concentration, the daily discharge is the arithmetic average measurement of the pollutant concentration derived from all measurements taken that day.
9. Environmental Protection Agency or EPA. The U.S. Environmental Protection Agency or, where appropriate, the Regional Water Management Division Director, the Regional Administrator, or other duly authorized official of said agency.
10. Existing Source. Any source of discharge that is not a "New Source".
11. Grab Sample. A sample which is taken from a wastestream without regard to the flow in the wastestream and over a period of time not to exceed fifteen (15) minutes.
12. Indirect Discharge or Discharge. The introduction of pollutants into the POTW from any nondomestic source regulated under section 307(b), (c) or (d) of the Act.
13. Instantaneous Maximum Allowable Discharge Limit. The maximum concentration of a pollutant allowed to be discharged at any time, determined from the analysis of any discrete or composited sample collected, independent of the industrial flow rate and the duration of the sampling event.
14. Interference. A discharge, which alone or in conjunction with a discharge or discharges from other sources, inhibits or disrupts the POTW, its treatment processes or operations or its sludge processes, use or disposal; and therefore, is a cause of a violation of the City's NPDES permit or of the prevention of sewage sludge use or disposal in compliance with any of the following statutory/regulatory provisions or permits issued thereunder, or any more stringent State or local regulations: Section 405 of the Act; the Solid Waste Disposal Act, including Title II commonly referred to as the Resource Conservation and Recovery Act (RCRA); any State regulations contained in any State sludge management plan prepared pursuant to Subtitle D of the Solid Waste Disposal Act; the Clean Air Act; the Toxic Substances Control Act; and the Marine Protection, Research, and Sanctuaries Act.
15. Local Limit. Effluent limitation developed for Industrial Users by the City Manager to specifically protect the "Publicly Owned Treatment Plant" (POTW) from "Interference" and "Pass through" based on site-specific design and disposal limits and conditions of the POTW. Local limits are developed to assure that IU discharges to POTWs do not cause the POTW to violate its permit limits, upset the POTW's biological, chemical or physical treatment processes, prevent the disposal of biosolids (sludge), impact worker health and safety or harm the collection system infrastructure.
16. Medical Waste. Isolation wastes, infectious agents, human blood and blood products, pathological wastes, sharps, body parts, contaminated bedding, surgical wastes, potentially contaminated laboratory wastes, and dialysis wastes.
17. Monthly Average Limit or Monthly Average. The arithmetic mean of the effluent samples collected during a calendar month or specified 30-day period.
18. New Source.
 - (a) Any building, structure, facility, or installation from which there is (or may be) a discharge of pollutants, the construction of which commenced after the publication of proposed pretreatment standards under Section 307(c) of the Act which will be applicable to such source if such standards are thereafter promulgated in accordance with that section, provided that:
 - (1) The building, structure, facility, or installation is constructed at a site at which no other source is located; or
 - (2) The building, structure, facility, or installation totally replaces the process or production equipment that causes the discharge of pollutants at an existing source; or
 - (3) The production or wastewater generating processes of the building, structure, facility, or installation are substantially independent of an existing source at the same site. In determining whether these are substantially independent, factors such as the extent to which the new facility is integrated with the existing plant, and the extent to which the new facility is engaged in the same general type of activity as the existing source, should be considered.
 - (b) Construction on a site at which an existing source is located results in a modification rather than a new source if the construction does not create a new building, structure, facility, or

installation meeting the criteria of subsection (a)(2) or (3) above but otherwise alters, replaces, or adds to existing process or production equipment.

(c) Construction of a new source as defined under this paragraph has commenced if the owner or operator has:

(1) Begun, or caused to begin, as part of a continuous onsite construction program

(i) any placement, assembly, or installation of facilities or equipment; or

(ii) significant site preparation work including clearing, excavation, or removal of existing buildings, structures, or facilities which is necessary for the placement, assembly, or installation of new source facilities or equipment; or

(2) Entered into a binding contractual obligation for the purchase of facilities or equipment which are intended to be used in its operation within a reasonable time. Options to purchase or contracts which can be terminated or modified without substantial loss, and contracts for feasibility, engineering, and design studies do not constitute a contractual obligation under this paragraph.

19. Noncontact Cooling Water. Water used for cooling which does not come into direct contact with any raw material, intermediate product, waste product, or finished product.

20. Pass Through. A discharge which exits the POTW into waters of the United States in quantities or concentrations which, alone or in conjunction with a discharge or discharges from other sources, is a cause of a violation of any requirement of the City's NPDES permit, including an increase in the magnitude or duration of a violation.

21. Person. Any individual, partnership, copartnership, firm, company, corporation, association, joint stock company, trust, estate, governmental entity, or any other legal entity; or their legal representatives, agents, or assigns. This definition includes all Federal, State, and local governmental entities.

22. pH. A measure of the acidity or alkalinity of a solution, expressed in standard units.

23. Pollutant. Dredged spoil, solid waste, incinerator residue, filter backwash, sewage, garbage, sewage sludge, munitions, medical wastes, chemical wastes, biological materials, radioactive materials, heat, wrecked or discarded equipment, rock, sand, cellar dirt, municipal, agricultural and industrial wastes, and certain characteristics of wastewater (e.g., pH, temperature, TSS, turbidity, color, BOD, toxicity, or odor).

24. Pretreatment. The reduction of the amount of pollutants, the elimination of pollutants, or the alteration of the nature of pollutant properties in wastewater prior to, or in lieu of, introducing such pollutants into the POTW. This reduction or alteration can be obtained by physical, chemical, or biological processes; by process changes; or by other means, except by diluting the concentration of the pollutants unless allowed by an applicable pretreatment standard.

25. Pretreatment Requirements. Any substantive or procedural requirement related to pretreatment imposed on a user, other than a pretreatment standard.

26. Pretreatment Standards or Standards. Pretreatment standards shall mean any regulation containing pollutant discharge limits promulgated by the EPA in accordance with section 307 (b) and (c) of the Act, which applies to industrial users. The term includes prohibitive discharge limits established pursuant to 40 CFR 403.5, categorical pretreatment standards, local limits, and best management practices.

27. Prohibited Discharge Standards or Prohibited Discharges. Absolute prohibitions against the discharge of certain substances; these prohibitions appear in Section 8-10-2(A) of this ordinance.

28. Publicly Owned Treatment Works or POTW. A treatment works, as defined by Section 212 of the Act (33 U.S.C. Section 1292), which is owned by the City. This definition includes any devices or systems used in the collection, storage, treatment, recycling, and reclamation of sewage or industrial wastes of a liquid nature and any conveyances, which convey wastewater to a treatment plant.

29. Septic Tank Waste. Any sewage from holding tanks such as vessels, chemical toilets, campers, trailers, and septic tanks.

30. Sewage. Human excrement and gray water (household showers, dishwashing operations, etc.).

31. Significant Industrial User (SIU). Except as provided in paragraphs (c) and (d) of this section, a significant industrial user is:

(a) A user subject to categorical pretreatment standards; or

(b) A user that:

(1) Discharges an average of twenty-five thousand (25,000) gpd or more of process wastewater to the POTW (excluding sanitary, noncontact cooling, and boiler blowdown wastewater);

(2) Contributes a process wastestream which makes up five (5) percent or more of the average dry weather hydraulic or organic capacity of the POTW treatment plant; or

(3) Is designated as such by the City on the basis that it has a reasonable potential for adversely affecting the POTW's operation or for violating any pretreatment standard or requirement.

(c) The City may determine that an Industrial User subject to categorical pretreatment standards is a Non-Significant Categorical Industrial User rather than a Significant Industrial User on a finding that the Industrial User never discharges more than 100 gallons per day (gpd) of total categorical wastewater (excluding sanitary, non-contact cooling and boiler blowdown wastewater, unless specifically included in the Pretreatment Standard) and the following conditions are met:

(1) the Industrial User, prior to City's finding, has consistently complied with all applicable categorical Pretreatment Standards and Requirements;

(2) the Industrial User annually submits the certification statement required in Section 8-10-6(N)(2), together with any additional information necessary to support the certification statement; and

(3) the Industrial User never discharges any untreated concentrated wastewater.

(d) Upon a finding that a user meeting the criteria in Subsection (b) of this part has no reasonable potential for adversely affecting the POTW's operation or for violating any pretreatment standard or requirement, the City may at any time, on its own initiative or in response to a petition received from a user, and in accordance with procedures in 40 CFR 403.8(f) (6), determine that such user should not be considered a significant industrial user.

32. Slug Load or Slug Discharge. Any discharge at a flow rate or concentration, which could cause a violation of the prohibited discharge standards in Section 8-10-2(A) of this ordinance. A Slug Discharge is any discharge of a non-routine, episodic nature, including but not limited to an accidental spill or a non-customary batch Discharge, which has a reasonable potential to cause Interference or Pass Through, or in any other way violate the POTW's regulations, local limits or Permit conditions.

33. State. State of Colorado.

34. Storm Water. Any flow occurring during or following any form of natural precipitation, and resulting from such precipitation, including snowmelt.

35. Suspended Solids. The total suspended matter that floats on the surface of, or is suspended in, water, wastewater, or other liquid, and which is removable by laboratory filtering.

36. User or Industrial User. A source of indirect discharge.

37. Wastewater. Liquid and water-carried industrial wastes and sewage from residential dwellings, commercial buildings, industrial and manufacturing facilities, and institutions, whether treated or untreated, which are contributed to the POTW.

38. Wastewater Treatment Plant or Treatment Plant. That portion of the POTW which is designed to provide treatment of municipal sewage and industrial waste.

8-10-2: GENERAL SEWER USE REQUIREMENTS – PRETREATMENT STANDARDS:

(A) PROHIBITED DISCHARGE STANDARDS:

1. General Prohibitions. No user shall introduce or cause to be introduced into the POTW any pollutant or wastewater which causes pass through or interference. These general prohibitions apply to all users of the POTW whether or not they are subject to categorical pretreatment standards or any other National, State, or local pretreatment standards or requirements.

2. Specific Prohibitions. No user shall introduce or cause to be introduced into the POTW the following pollutants, substances, or wastewater:

(a) Pollutants which create a fire or explosive hazard in the POTW, including, but not limited to, wastestreams with a closed-cup flashpoint of less than 140 degrees F (60 degrees C) using the test methods specified in 40 CFR 261.21;

(b) Wastewater having a pH less than 5.5 or more than 10, or otherwise causing corrosive structural damage to the POTW or equipment. Limitations on pH are instantaneous discharge limitations;

(c) Solid or viscous substances in amounts which will cause obstruction of the flow in the POTW resulting in interference;

(d) Pollutants, including oxygen-demanding pollutants (BOD, etc.), released in a discharge at a flow rate and/or pollutant concentration which, either singly or by interaction with other pollutants, will cause interference with the POTW;

(e) Wastewater having a temperature which will inhibit biological activity in the treatment plant resulting in interference, but in no case wastewater which causes the temperature at the introduction into the treatment plant to exceed 104 degrees F (40 degrees C);

(f) Petroleum oil, nonbiodegradable cutting oil, or products of mineral oil origin, in amounts that will cause interference or pass through;

(g) Pollutants which result in the presence of toxic gases, vapors, or fumes within the POTW in a quantity that may cause acute worker health and safety problems;

(h) Noxious or malodorous liquids, gases, solids, or other wastewater which, either singly or by interaction with other wastes, are sufficient to create a public nuisance or a hazard to life, or to prevent entry into the sewers for maintenance or repair;

(i) Wastewater which imparts color which cannot be removed by the treatment process, such as, but not limited to, dye wastes and vegetable tanning solutions, which consequently imparts color to the treatment plant's effluent, thereby violating the City's NPDES permit;

(j) Wastewater causing, alone or in conjunction with other sources, the treatment plant's effluent to fail toxicity testing;

(k) Wastewater containing any radioactive wastes or isotopes except in compliance with applicable State or Federal regulations;

(l) Storm water, surface water, ground water, artesian well water, roof runoff, and subsurface drainage, unless specifically authorized by the City Manager;

(m) Sludges, screenings, or other residues from the pretreatment of industrial wastes;

(n) Fats, oils, or greases of animal or vegetable origin in amounts that will cause interference or pass through;

(o) Trucked or hauled pollutants, except at discharge points designated by the City Manager and in accordance with Section 8-10-3(D) of this chapter;

Pollutants, substances, or wastewater prohibited by this section shall not be processed or stored in such a manner that they could be discharged to the POTW.

(B) NATIONAL CATEGORICAL PRETREATMENT STANDARDS:

The categorical pretreatment standards found at 40 CFR Chapter I, Subchapter N, Parts 405-471 are hereby incorporated. Users must comply with applicable categorical standards.

1. Where a categorical pretreatment standard is expressed only in terms of either the mass or the concentration of a pollutant in wastewater, the City Manager may impose equivalent concentration or mass limits in accordance with Section 8-10-2(B)(4) and (B)(5).

2. When the limits in a categorical Pretreatment Standard are expressed only in terms of mass of pollutant per unit of production, the City Manager may convert the limits to equivalent limitations expressed either as mass of pollutant discharged per day or effluent concentration for purposes of calculating effluent limitations applicable to individual Industrial Users.

3. When wastewater subject to a categorical pretreatment standard is mixed with wastewater not regulated by the same standard, the City Manager shall impose an alternate limit in accordance with 40 CFR 403.6(e).

4. When a categorical pretreatment standard is expressed only in terms of pollutant concentrations, an Industrial User may request that the City convert the limits to equivalent mass limits. The determination to convert concentration limits to mass limits is within the discretion of the City Manager. The City may establish equivalent mass limits only if the Industrial User meets all of the conditions set forth in Sections 8-10-2(B)(4)(a)(1) through 8-10-2(B)(4)(a)(5) below.

(a) To be eligible for equivalent mass limits, the Industrial User must:

(1) Employ, or demonstrate that it will employ, water conservation methods and technologies that substantially reduce water use during the term of its control mechanism;

(2) Currently use control and treatment technologies adequate to achieve compliance with the applicable categorical Pretreatment Standard, and not have used dilution as a substitute for treatment;

(3) Provide sufficient information to establish the facility's actual average daily flow rate for all wastestreams, based on data from a continuous effluent flow monitoring device, as well as the facility's long-term average production rate. Both the actual average daily flow rate and the long-term average production rate must be representative of current operating conditions;

(4) Not have daily flow rates, production levels, or pollutant levels that vary so significantly that equivalent mass limits are not appropriate to control the Discharge; and

(5) Have consistently complied with all applicable categorical Pretreatment Standards during the period prior to the Industrial User's request for equivalent mass limits.

(b) An Industrial User subject to equivalent mass limits must:

(1) Maintain and effectively operate control and treatment technologies adequate to achieve compliance with the equivalent mass limits;

(2) Continue to record the facility's flow rates through the use of a continuous effluent flow monitoring device;

(3) Continue to record the facility's production rates and notify the City Manager whenever production rates are expected to vary by more than 20 percent from its baseline production rates determined in section 8-10-2(B)(4)(a)(3) of this section. Upon notification of a revised production rate, the City Manager must reassess the equivalent mass limit and revise the limit as necessary to reflect changed conditions at the facility; and

(4) Continue to employ the same or comparable water conservation methods and technologies as those implemented pursuant to paragraphs 2.2D(1)(a) of this section so long as it discharges under an equivalent mass limit.

(c) When developing equivalent mass limits, the City Manager:

(1) Will calculate the equivalent mass limit by multiplying the actual average daily flow rate of the regulated process(es) of the Industrial User by the concentration-based daily maximum and monthly average standard for the applicable categorical pretreatment standard and the appropriate unit conversion factor;

(2) Upon notification of a revised production rate, will reassess the equivalent mass limit and recalculate the limit as necessary to reflect changed conditions at the facility; and

(3) May retain the same equivalent mass limit in subsequent control mechanism terms if the Industrial User's actual average daily flow rate was reduced solely as a result of the implementation of water conservation methods and technologies, and the actual average daily flow rates used in the original calculation of the equivalent mass limit were not based on the use of dilution as a substitute for treatment pursuant to Section 8-10-2(F). The Industrial User must also be in compliance with Section 8-10-13(C) regarding the prohibition of bypass.

5. The City Manager may convert the mass limits of the categorical pretreatment standards of 40 CFR Parts 414 and 455 to concentration limits for purposes of calculating limitations applicable to individual Industrial Users. The conversion is at the discretion of the City Manager. When converting such limits to concentration limits, the City Manager must use the concentrations listed in the applicable subparts of 40 CFR Parts 414, 419, and 455 and document that dilution is not being substituted for treatment as prohibited by Section 8-10-2(F) of this ordinance.

6. The City Manager must document how the equivalent limits were derived for any changes from concentration to mass limits or vice versa and make this information publicly available.

7. Once incorporated into its control mechanism, the Industrial User must comply with the equivalent limitations developed in this Section 8-10-2(B) in lieu of the promulgated categorical standards from which the equivalent limitations were derived.

8. Where categorical Pretreatment Standards specify one limit for calculating maximum daily discharge limitations and a second limit for calculating maximum monthly average, or 4-day average, limitations, the same production or flow figure shall be used in calculating both the average and the maximum equivalent limitation.

9. Any Industrial User operating under a control mechanism incorporating equivalent mass or concentration limits calculated from a production based standard shall notify the City Manager within two (2) business days after the User has a reasonable basis to know that the production level will significantly change within the next calendar month. Any User not notifying the City Manager of such anticipated change will be required to meet the mass or concentration limits in its control mechanism that were based on the original estimate of the long term average production rate.

(C) STATE PRETREATMENT STANDARDS: (reserved)

(D) LOCAL LIMITS:

1. The City Manager is authorized to establish local limits pursuant to 40 CFR 403.5(c).
2. The following pollutant limits are established to protect against pass through and interference.
3. Daily Maximum Discharge Limits: No person shall discharge wastewater containing in excess of the following maximum limits. These limits apply at the point where the wastewater is discharged to the POTW. The City Manager may impose mass-based limitations in addition to the concentration-based limits below.

0.09	mg/l arsenic (total)
0.14	mg/l cadmium (total)
19.93	mg/l chromium (total)
1.44	mg/l chromium (VI)
2.90	mg/l copper (total)
0.35	mg/l lead (total)
0.0007	mg/l mercury (total)
0.56	mg/l molybdenum (total)
2.53	mg/l nickel (total)
0.04	mg/l selenium (total)
0.19	mg/l silver (total)
9.24	mg/l zinc (total)

4. Pollutant Loadings: The following are the total cumulative pollutant loadings allowed from all commercial dischargers. The City manager may limit the discharge of pollutants from commercial dischargers as necessary to meet the following daily allowable loadings.

0.15	lbs/day arsenic (total)
0.24	lbs/day cadmium (total)
33.15	lbs/day chromium (total)
2.40	lbs/day chromium (VI)
4.83	lbs/day copper (total)
0.59	lbs/day lead (total)
0.021	lbs/day mercury (total)
0.93	lbs/day molybdenum (total)
4.20	lbs/day nickel (total)
0.07	lbs/day selenium (total)
0.31	lbs/day silver (total)
15.37	lbs/day zinc (total)

5. The City Manager may develop Best Management Practices (BMPs), by ordinance or in wastewater discharge permits, to implement local limits and the requirements of Section 8-10-2(A) and 8-10-2(D).

(E) CITY'S RIGHT OF REVISION: The City reserves the right to establish, by ordinance or in wastewater discharge permits, more stringent standards or requirements on discharges to the POTW consistent with the purposes of this chapter.

(F) DILUTION: No user shall ever increase the use of process water, or in any way attempt to dilute a discharge, as a partial or complete substitute for adequate treatment to achieve compliance with a discharge limitation unless expressly authorized by an applicable pretreatment standard or requirement. The City Manager may impose mass limitations on users who are using dilution to meet applicable pretreatment standards or requirements, or in other cases when the imposition of mass limitations is appropriate.

8-10-3: PRETREATMENT OF WASTEWATER:

(A) PRETREATMENT FACILITIES: Users shall provide wastewater treatment as necessary to comply with this ordinance and shall achieve compliance with all categorical pretreatment standards, local limits, and the prohibitions set out in Section 8-10-2(A) of this ordinance within the time limitations specified by EPA, the State, or the City Manager, whichever is more stringent. Any facilities necessary for compliance shall be provided, operated, and maintained at the user's expense. Detailed plans describing such facilities and operating procedures shall be submitted to the City Manager for review, and shall be acceptable to the City Manager before such facilities are constructed. The review of such plans and operating procedures shall in no way relieve the user from the responsibility of modifying such

facilities as necessary to produce a discharge acceptable to the City of Westminster under the provisions of this ordinance.

(B) ADDITIONAL PRETREATMENT MEASURES:

1. Whenever deemed necessary, the City Manager may require users to restrict their discharge during peak flow periods, designate that certain wastewater be discharged only into specific sewers, relocate and/or consolidate points of discharge, separate domestic sewage wastestreams from industrial wastestreams, and such other conditions as may be necessary to protect the POTW and determine the user's compliance with the requirements of this ordinance.

2. The City Manager may require any person discharging into the POTW to install and maintain, on their property and at their expense, a suitable storage and flow-control facility to ensure equalization of flow. A wastewater discharge permit may be issued solely for flow equalization.

3. Grease, oil, and sand interceptors shall be provided when, in the opinion of the City Manager, they are necessary for the proper handling of wastewater containing excessive amounts of grease and oil, or solids; except that such interceptors shall not be required for residential users. All interceptors shall be of type and capacity approved by the City Manager, and shall be so located to be easily accessible for cleaning and inspection. Such interceptors shall be inspected, cleaned, and repaired by the user at their expense. Cleaning and maintenance requirements may be specified by the City Manager.

4. Users with the potential to discharge flammable substances may be required to install and maintain an approved combustible gas detection meter.

(C) ACCIDENTAL DISCHARGE/SLUG DISCHARGE CONTROL PLANS: The City Manager shall evaluate whether each SIU needs an accidental discharge/slug discharge control plan or other action to control slug discharges. The City Manager may require any user to develop, submit for approval, and implement such a plan or take such other action that may be necessary to control slug discharges. An accidental discharge/slug discharge control plan shall address, at a minimum, the following:

1. Description of discharge practices, including nonroutine batch discharges;

2. Description of stored chemicals;

3. Procedures for immediately notifying the City Manager of any accidental or slug discharge, as required by Section 8-10-6(F) of this ordinance; and

4. Procedures to prevent adverse impact from any accidental or slug discharge. Such procedures include, but are not limited to, inspection and maintenance of storage areas, handling and transfer of materials, loading and unloading operations, control of plant site runoff, worker training, building of containment structures or equipment, measures for containing toxic organic pollutants, including solvents, and/or measures and equipment for emergency response.

(D) HAULED WASTEWATER:

1. Domestic wastewater from privately owned recreational vehicles may be introduced into the POTW only at locations, and at times, designated by the City Manager.

2. The discharge into the POTW of hauled septic tank waste, hauled commercial waste or hauled industrial waste is prohibited.

8-10-4: WASTEWATER DISCHARGE PERMITS:

(A) WASTEWATER ANALYSIS:

When requested by the City Manager, a user must submit information on the nature and characteristics of its wastewater within 30 days of the request or within such other time period specified by the City Manager. The City Manager may periodically require users to update this information and may specify the format of the information submitted.

(B) WASTEWATER DISCHARGE PERMIT REQUIREMENT:

1. No significant industrial user shall discharge wastewater into the POTW without first obtaining an individual wastewater discharge permit from the City of Westminster, except that a significant industrial user that has filed a timely application pursuant to Section 8-10-4(C) of this ordinance may continue to discharge for the time period specified therein.

2. The City Manager may require other users to obtain wastewater discharge permits as necessary to carry out the purposes of this ordinance.

3. Any violation of the terms and conditions of a wastewater discharge permit shall be deemed a violation of this ordinance and subjects the wastewater discharge permittee to the sanctions set out in Sections 8-10-10 through 8-10-12 of this ordinance. Obtaining a wastewater discharge permit does not

relieve a permittee of its obligation to comply with all Federal and State pretreatment standards or requirements or with any other requirements of Federal, State, and local law.

(C) **WASTEWATER DISCHARGE PERMITTING: EXISTING CONNECTIONS:** Any user required to obtain a wastewater discharge permit who was discharging wastewater into the POTW prior to the effective date of this ordinance and who wishes to continue such discharges, shall apply for a wastewater discharge permit in accordance with Section 8-10-4(E) within 30 days of the requirement, or within such other time period specified by the City Manager.

(D) **WASTEWATER DISCHARGE PERMITTING: NEW CONNECTIONS:** Any user required to obtain a wastewater discharge permit who proposes to begin discharging into the POTW must obtain such permit prior to beginning such discharge. An application for this wastewater discharge permit, in accordance with Section 8-10-4(E), must be filed at least 30 days prior to the date upon which any discharge will begin or recommence.

(E) **WASTEWATER DISCHARGE PERMIT APPLICATION CONTENTS:**

1. All users required to obtain a wastewater discharge permit must submit a permit application. The City Manager may require users to submit all or some of the following information as part of a permit application.

(a) Identifying Information.

(1) The name and address of the facility, including the name of the operator and owner.

(2) Contact information, description of activities, facilities, and plant production processes on the premises;

(b) Environmental Permits. A list of any environmental control permits held by or for the facility.

(c) Description of Operations.

(1) The standard industrial classification(s) and a brief description of the nature of the operation(s) carried out by the user. This description should include each process used, each product produced by type, amount, rate of production and a schematic process diagram, which indicates points of discharge to the POTW from the regulated processes.

(2) Types of wastes generated, and a list of all raw materials and chemicals used or stored at the facility which are, or could accidentally or intentionally be, discharged to the POTW;

(3) Number and type of employees, hours of operation, and proposed or actual hours of operation;

(4) Type and amount of raw materials processed (average and maximum per day);

(5) Site plans, floor plans, mechanical and plumbing plans, and details to show all sewers, floor drains, and appurtenances by size, location, and elevation, and all points of discharge;

(d) Time and duration of discharges;

(e) The location for monitoring all wastes covered by the permit;

(f) Flow Measurement. Information showing the measured average daily and maximum daily flow, in gallons per day, to the POTW from regulated process streams and other streams, as necessary, to allow use of the combined wastestream formula set out in 40 CFR 403.6(e).

(g) Measurement of Pollutants.

(1) The categorical pretreatment standards and/or local limits applicable to each regulated process.

(2) The results of sampling and analysis identifying the nature and concentration, and/or mass, where required by the standard or by the City Manager, of regulated pollutants in the discharge from each regulated process.

(3) Instantaneous, daily maximum, and long-term average concentrations, or mass, where required, shall be reported.

(4) The sample shall be representative of daily operations and shall be analyzed in accordance with procedures set out in Section 8-10-6(J) of this ordinance. Where the standard requires compliance with a BMP or pollution prevention alternative, the User shall submit documentation as required by the the City Manager or the applicable standards to determine compliance with the standard.

(5) Sampling must be performed in accordance with procedures set out in Section 8-10-6(K) of this ordinance.

(h) Any requests for a monitoring waiver (or a renewal of an approved monitoring waiver) for a pollutant neither present nor expected to be present in the discharge based on Section 8-10-6(D)(2).

(i) Any other information as may be deemed necessary by the City Manager to evaluate the wastewater discharge permit application.

2. Incomplete or inaccurate applications will not be processed and will be returned to the user for revision.

(F) SIGNATURES AND CERTIFICATIONS:

1. All wastewater discharge permit applications, user reports and user certification statements must be signed by an authorized representative of the user and contain the certification statement in Section 8-10-6(N)(1).

2. If the designation of an authorized representative is no longer accurate because a different individual or position has responsibility for the overall operation of the facility, or overall responsibility for environmental matters for the company, a new authorization satisfying the requirements of this section must be submitted to the City Manager prior to, or together with, any reports to be signed by an authorized representative.

3. A facility determined to be a Non-Significant Categorical Industrial User by the City Manager pursuant to Section 8-10-1(D)(31)(c) must annually submit the signed certification statement in Section 8-10-6(N)(2).

(G) WASTEWATER DISCHARGE PERMIT DECISIONS: The City Manager will evaluate the data furnished by the user and may require additional information. The City Manager will determine whether or not to issue a wastewater discharge permit and may deny any application for a wastewater discharge permit. The City Manager may also issue a Zero Discharge Permit to a user. Zero Discharge Permits prohibit the discharge of wastewater from all, or from specific, commercial or industrial processes of a user.

(H) WASTEWATER DISCHARGE PERMIT DURATION: A wastewater discharge permit shall be issued for a specified time period, not to exceed five (5) years from the effective date of the permit. A wastewater discharge permit may be issued for a period less than five (5) years, at the discretion of the City Manager. Each wastewater discharge permit will indicate a specific date upon which it will expire.

(I) WASTEWATER DISCHARGE PERMIT CONDITIONS: A wastewater discharge permit shall include such conditions as are deemed reasonably necessary by the City Manager to prevent pass through or interference, protect the quality of the water body receiving the treatment plant's effluent, protect worker health and safety, facilitate sludge management and disposal, and protect against damage to the POTW.

1. Wastewater discharge permits must contain:

(a) A statement that indicates the wastewater discharge permit issuance date, expiration date and effective date;

(b) A statement that the wastewater discharge permit is nontransferable;

(c) Effluent limits, including Best Management Practices, based on applicable pretreatment standards;

(d) Self monitoring, sampling, reporting, notification, and record-keeping requirements. These requirements shall include representative sampling, an identification of pollutants (or best management practice) to be monitored, sampling location, sampling frequency, and sample type based on Federal, State, and local law.

(e) A requirement for industrial users subject to the reporting requirements in section 8-10-6(D) of this chapter to include the results of any monitoring of regulated pollutants done by the industrial user that exceeds the frequency required by the City, if such monitoring uses procedures prescribed by section 8-10-6(J) of this chapter.

(f) The process for seeking a waiver from monitoring for a pollutant neither present nor expected to be present in the discharge in accordance with Section 8-10-6(D)(2).

(g) A statement of applicable civil and criminal penalties for violation of pretreatment standards and requirements, and any applicable compliance schedule. Such schedule may not extend the time for compliance beyond that required by applicable Federal, State, or local law.

(h) Requirements to notify the POTW immediately of any changes to its facility affecting the potential for a slug discharge and requirements to control slug discharge, if determined by the City Manager to be necessary.

(i) Any grant of a monitoring waiver by the City Manager.

2. Wastewater discharge permits may contain, but need not be limited to, the following conditions:

- (a) Limits on the average and/or maximum rate of discharge, time of discharge, and/or requirements for flow regulation and equalization;
- (b) Requirements for the installation of pretreatment technology, pollution control, or construction of appropriate containment devices, designed to reduce, eliminate, or prevent the introduction of pollutants into the treatment works;
- (c) Requirements for the development and implementation of spill control plans or other special conditions including management practices necessary to adequately prevent accidental, unanticipated, or nonroutine discharges;
- (d) Development and implementation of waste minimization plans to reduce the amount of pollutants discharged to the POTW;
- (e) The unit charge or schedule of user charges and fees for the management of the wastewater discharged to the POTW;
- (f) Requirements for installation and maintenance of inspection and sampling facilities and equipment, including flow measurement devices;
- (g) A statement that compliance with the wastewater discharge permit does not relieve the permittee of responsibility for compliance with all applicable Federal and State pretreatment standards, including those which become effective during the term of the wastewater discharge permit; and
- (h) Other conditions as deemed appropriate by the City Manager to ensure compliance with this ordinance, and State and Federal laws, rules, and regulations.

(J) **PERMIT APPEAL PROCESS:** The permittee may petition the City Manager to reconsider the terms of a wastewater discharge permit within thirty (30) days of its issuance.

1. Failure to submit a timely petition for review shall be deemed to be a waiver of the administrative appeal.

2. In its petition, the appealing party must indicate the wastewater discharge permit provisions objected to, the reasons for this objection, and the alternative condition, if any, it seeks to place in the wastewater discharge permit.

3. The provisions and effectiveness of the wastewater discharge permit shall not be stayed pending the appeal.

4. If the City Manager fails to act within thirty (30) days, a request for reconsideration shall be deemed to be denied. Decisions not to reconsider a wastewater discharge permit, not to issue a wastewater discharge permit, or not to modify a wastewater discharge permit shall be considered final administrative actions for purposes of judicial review.

5. Aggrieved parties seeking judicial review of the final administrative wastewater discharge permit decision must do so by filing a complaint with the District Court within thirty (30) days.

(K) **WASTEWATER DISCHARGE PERMIT MODIFICATION:** The City Manager may modify a wastewater discharge permit for good cause, including, but not limited to, the following reasons:

1. To incorporate any new or revised Federal, State, or local pretreatment standards or requirements;

2. To address significant alterations or additions to the user's operation, processes, or wastewater volume or character since the time of wastewater discharge permit issuance;

3. A change in the POTW that requires either a temporary or permanent reduction or elimination of the authorized discharge;

4. Information indicating that the permitted discharge poses a threat to the POTW, City personnel, or the receiving waters;

5. Violation of any terms or conditions of the wastewater discharge permit;

6. Misrepresentations or failure to fully disclose all relevant facts in the wastewater discharge permit application or in any required reporting;

7. Revision of, or a grant of, a variance from categorical pretreatment standards pursuant to 40 CFR 403.13;

8. To correct typographical or other errors in the wastewater discharge permit.

(L) **WASTEWATER DISCHARGE PERMIT REVOCATION:** The City Manager may revoke a wastewater discharge permit for good cause, including, but not limited to, the following reasons:

1. Failure to notify the City Manager of significant changes to the wastewater prior to the changed discharge;

2. Failure to provide prior notification to the City Manager of changed conditions pursuant to Section 8-10-6(E) of this ordinance;
3. Misrepresentation or failure to fully disclose all relevant facts in the wastewater discharge permit application;
4. Falsifying self-monitoring reports;
5. Tampering with monitoring equipment;
6. Refusing to allow the City Manager timely access to the facility premises and records;
7. Failure to meet effluent limitations;
8. Failure to pay fines;
9. Failure to pay sewer charges;
10. Failure to meet compliance schedules;
11. Failure to complete a wastewater survey or the wastewater discharge permit application;
12. Violation of any pretreatment standard or requirement, or any terms of the wastewater discharge permit or this ordinance.

All wastewater discharge permits issued to a particular user are void upon the issuance of a new wastewater discharge permit to that user.

(M) **WASTEWATER DISCHARGE PERMIT REISSUANCE:** A user with an expiring wastewater discharge permit shall apply for wastewater discharge permit reissuance by submitting a complete permit application, in accordance with Section 8-10-4(E) of this ordinance, a minimum of 60 days prior to the expiration of the user's existing wastewater discharge permit.

8-10-5: REGULATION OF WASTE RECEIVED FROM OTHER JURISDICTIONS:

(A) If another municipality, or user located within another municipality, contributes wastewater to the POTW, the City Manager shall enter into an intermunicipal agreement with the contributing municipality.

(B) Prior to entering into an agreement required by paragraph 1, above, the City Manager shall request the following information from the contributing municipality:

1. A description of the quality and volume of wastewater discharged to the POTW by the contributing municipality;
2. An inventory of all users located within the contributing municipality that are discharging to the POTW; and
3. Such other information as the City Manager may deem necessary.

(C) An intermunicipal agreement, as required by paragraph 1, above, shall contain the following conditions:

1. A requirement for the contributing municipality to adopt a sewer use ordinance which is at least as stringent as this ordinance and local limits which are at least as stringent as those set out in Section 8-10-2(D) of this ordinance. The requirement shall specify that such ordinance and limits must be revised as necessary to reflect changes made to the City of Westminster's ordinance or local limits;
2. A requirement for the contributing municipality to submit a revised user inventory on at least an annual basis;
3. A provision specifying which pretreatment implementation activities, including wastewater discharge permit issuance, inspection and sampling, and enforcement, will be conducted by the contributing municipality; which of these activities will be conducted by the City Manager; and which of these activities will be conducted jointly by the contributing municipality and the City Manager;
4. A requirement for the contributing municipality to provide the City Manager with access to all information that the contributing municipality obtains as part of its pretreatment activities;
5. Limits on the nature, quality, and volume of the contributing municipality's wastewater at the point where it discharges to the POTW;
6. Requirements for monitoring the contributing municipality's discharge;
7. A provision ensuring the City Manager access to the facilities of users located within the contributing municipality's jurisdictional boundaries for the purpose of inspection, sampling, and any other duties deemed necessary by the City Manager; and
8. A provision specifying remedies available for breach of the terms of the intermunicipal agreement.

8-10-6: REPORTING REQUIREMENTS:

(A) BASELINE MONITORING REPORTS:

1. Within either one hundred eighty (180) days after the effective date of a categorical pretreatment standard, or the final administrative decision on a category determination under 40 CFR 403.6(a)(4), whichever is later, existing categorical users currently discharging to or scheduled to discharge to the POTW shall submit to the City Manager a report which contains the information listed in paragraph 2, below. At least ninety (90) days prior to commencement of their discharge, new sources, and sources that become categorical users subsequent to the promulgation of an applicable categorical standard, shall submit to the City Manager a report which contains the information listed in paragraph 2, below. A new source shall report the method of pretreatment it intends to use to meet applicable categorical standards. A new source also shall give estimates of its anticipated flow and quantity of pollutants to be discharged.

2. Users described above shall submit the information set forth below.

(a) All information required in Section 8-10-4(E)(1)(a)(1), Section 8-10-4(E)(1)(b), Section 8-10-4(E)(1)(c)(1), Section 8-10-4(E)(1)(f) and Section 8-10-4(E)(1)(g)(1).

(b) Measurement of pollutants.

(1) The results of sampling and analysis identifying the nature and concentration and/or mass, where required by the standard or by the City Manager, of regulated pollutants in the discharge from each regulated process. Instantaneous, daily maximum, and long-term average concentrations, or mass, where required, shall be reported.

(2) The user shall take a minimum of one sample representative of daily operations to compile that data necessary to comply with the requirements of this section.

(3) Samples should be taken immediately downstream from pretreatment facilities if such exist or immediately downstream from the regulated process if no pretreatment exists. If other wastewaters are mixed with the regulated wastewater prior to pretreatment the User should measure the flows and concentrations necessary to allow use of the combined wastestream formula of 40 CFR 403.6(e) in order to evaluate compliance with the Pretreatment Standards. Where an alternate concentration or mass limit has been calculated in accordance with 40 CFR 403.6(e) this adjusted limit along with supporting data shall be submitted to the City;

(4) Sampling and analysis shall be performed in accordance with section 8-10-6(J).

(5) The City Manager may allow the submission of a baseline report which utilizes only historical data so long as the data provides information sufficient to determine the need for industrial pretreatment measures;

(6) The baseline report shall indicate the time, date and place, of sampling, and methods of analysis, and shall certify that such sampling and analysis is representative of normal work cycles and expected pollutant discharges to the POTW.

(c) Compliance Certification. A statement, reviewed by the user's authorized representative as defined in Section 8-10-1(D)(2) and certified by a qualified professional, indicating whether pretreatment standards are being met on a consistent basis, and, if not, whether additional operation and maintenance (O&M) and/or additional pretreatment is required to meet the pretreatment standards and requirements.

(d) Compliance Schedule. If additional pretreatment and/or O&M will be required to meet the pretreatment standards, the shortest schedule by which the user will provide such additional pretreatment and/or O&M must be provided. The completion date in this schedule shall not be later than the compliance date established for the applicable pretreatment standard. A compliance schedule pursuant to this section must meet the requirements set out in Section 8-10-6(B) of this ordinance.

(e) Signature and Report Certification. All baseline monitoring reports must be certified in accordance with Section 8-10-6(N)(1) of this ordinance and signed by an authorized representative as defined by Section 8-10-1(D)(3).

(B) COMPLIANCE SCHEDULE PROGRESS REPORTS: The following conditions shall apply to the compliance schedule required by Section 8-10-6(A)(2)(d) of this ordinance:

1. The schedule shall contain progress increments in the form of dates for the commencement and completion of major events leading to the construction and operation of additional pretreatment required for the user to meet the applicable pretreatment standards (such events include, but are not limited to, hiring an engineer, completing preliminary and final plans, executing contracts for major components, commencing and completing construction, and beginning and conducting routine operation);

2. No increment referred to above shall exceed nine (9) months;

3. The user shall submit a progress report to the City Manager no later than fourteen (14) days following each date in the schedule and the final date of compliance including, as a minimum, whether or not it complied with the increment of progress, the reason for any delay, and, if appropriate, the steps being taken by the user to return to the established schedule; and

4. In no event shall more than nine (9) months elapse between such progress reports to the City Manager.

(C) **REPORTS ON COMPLIANCE WITH CATEGORICAL PRETREATMENT STANDARD DEADLINE:** Within ninety (90) days following the date for final compliance with applicable categorical pretreatment standards, or in the case of a new source following commencement of the introduction of wastewater into the POTW, any user subject to such pretreatment standards and requirements shall submit to the City Manager a report containing the information described in Section 8-10-4(E)(1)(f) and (g) and 8-10-6(A)(2)(b) of this ordinance. For users subject to equivalent mass or concentration limits established in accordance with the procedures in Section 8-10-2(B), this report shall contain a reasonable measure of the user's long-term production rate. For all other users subject to categorical pretreatment standards expressed in terms of allowable pollutant discharge per unit of production (or other measure of operation), this report shall include the user's actual production during the appropriate sampling period. All compliance reports must be signed and certified in accordance with Section 8-10-6(N)(1) of this ordinance. All sampling will be done in conformance with Section 8-10-6(K).

(D) **PERIODIC COMPLIANCE REPORTS:**

1. All significant industrial users must submit reports no less than twice per year (in June and December or on other dates specified by the City Manager), indicating the nature, concentration, and flow of pollutants in the discharge which are limited by pretreatment standards and the measured or estimated average and maximum daily flows for the reporting period. In cases where the Pretreatment Standard requires compliance with a Best Management Practice (BMP) or pollution prevention alternative, the User must submit documentation required by the City Manager or the Pretreatment Standard necessary to determine the compliance status of the User. The City Manager may require reporting more frequently than twice per year.

2. The City may authorize an Industrial User subject to a categorical Pretreatment Standard to forego sampling of a pollutant regulated by a categorical Pretreatment Standard if the Industrial User has demonstrated through sampling and other technical factors that the pollutant is neither present nor expected to be present in the Discharge, or is present only at background levels from intake water and without any increase in the pollutant due to activities of the Industrial User. This authorization is subject to the following conditions:

(a) The waiver may be authorized where a pollutant is determined to be present solely due to sanitary wastewater discharged from the facility provided that the sanitary wastewater is not regulated by an applicable categorical Standard and otherwise includes no process wastewater.

(b) The monitoring waiver is valid only for the duration of the effective period of the Permit, but in no case longer than 5 years. The User must submit a new request for the waiver before the waiver can be granted for each subsequent control mechanism.

(c) In making a demonstration that a pollutant is not present, the Industrial User must provide data from at least one sampling of the facility's process wastewater prior to any treatment present at the facility that is representative of all wastewater from all processes.

(d) The request for a monitoring waiver must be signed in accordance with Section 8-10-1(D)(2), and include the certification statement in 8-10-6(N)(1).

(e) Non-detectable sample results may only be used as a demonstration that a pollutant is not present if the EPA approved method from 40 CFR Part 136 with the lowest minimum detection level for that pollutant was used in the analysis.

(f) Any grant of the monitoring waiver by the City Manager must be included as a condition in the User's permit. The reasons supporting the waiver and any information submitted by the User in its request for the waiver must be maintained by the City Manager for 3 years after expiration of the waiver.

(g) Upon approval of the monitoring waiver and revision of the User's permit by the City Manager, the Industrial User must certify on each report with the statement in Section 8-10-6(N)(3), that there has been no increase in the pollutant in its wastestream due to activities of the Industrial User:

(h) In the event that a waived pollutant is found to be present or is expected to be present based on changes that occur in the User's operations, the User must immediately: Notify the City manager and comply with the monitoring requirements of Section 8-10-6(D)(1), or other more frequent monitoring requirements imposed by the City Manager.

(i) This provision does not supercede certification processes and requirements established in categorical Pretreatment Standards, except as otherwise specified in the categorical Pretreatment Standard.

3. All periodic compliance reports must be signed and certified in accordance with Section 8-10-6(N)(1) of this ordinance.

4. All wastewater samples must be representative of the user's discharge. Wastewater monitoring and flow measurement facilities shall be properly operated, kept clean, and maintained in good working order at all times. The failure of a user to keep its monitoring facility in good working order shall not be grounds for the user to claim that sample results are unrepresentative of its discharge.

5. If a user subject to the reporting requirement in this section monitors any regulated pollutant at the appropriate sampling location more frequently than required by the City Manager, using the procedures prescribed in Section 8-10-6(K) of this ordinance, the results of this monitoring shall be included in the report.

(E) **REPORTS OF CHANGED CONDITIONS:** Each user must notify the City Manager of any significant changes to the user's operations or system which might alter the nature, quality, or volume of its wastewater at least thirty (30) days before the change. A significant change for the purposes of this paragraph is an increase in the volume of wastewater of 20% or more, an increase in pollutant concentration or pollutant mass of 20% or more, or the addition any new regulated pollutant.

1. The City Manager may require the user to submit such information as may be deemed necessary to evaluate the changed condition, including the submission of a wastewater discharge permit application under Section 8-10-4(E) of this chapter.

2. The City Manager may issue a wastewater discharge permit or modify an existing wastewater discharge permit in response to changed conditions or anticipated changed conditions.

(F) **REPORTS OF POTENTIAL PROBLEMS:**

1. In the case of any discharge, including, but not limited to, accidental discharges, discharges of a nonroutine, episodic nature, a noncustomary batch discharge, a slug discharge or slug load, that may cause potential problems for the POTW, the user shall immediately telephone and notify the POTW of the incident. This notification shall include the location of the discharge, type of waste, concentration and volume, if known, and corrective actions taken by the user.

2. Within five (5) days following such discharge, the user shall, unless waived by the City Manager, submit a detailed written report describing the cause(s) of the discharge and the measures to be taken by the user to prevent similar future occurrences. Such notification shall not relieve the user of any expense, loss, damage, or other liability which may be incurred as a result of damage to the POTW, natural resources, or any other damage to person or property; nor shall such notification relieve the user of any fines, penalties, or other liability which may be imposed pursuant to this ordinance.

3. A notice shall be permanently posted on the user's bulletin board or other prominent place advising employees who to call in the event of a discharge described in paragraph 1, above. Employers shall ensure that all employees, who may cause such a discharge to occur, are advised of the emergency notification procedure.

4. Significant Industrial Users are required to notify the City Manager immediately of any changes at its facility affecting potential for a slug discharge.

(G) **REPORTS FROM UNPERMITTED USERS:** All users not required to obtain a wastewater discharge permit shall provide appropriate reports to the City Manager as the City Manager may require.

(H) **NOTICE OF VIOLATION/REPEAT SAMPLING AND REPORTING:** If sampling performed by a user indicates a violation, the user must notify the POTW within twenty-four (24) hours of becoming aware of the violation. The user shall also repeat the sampling and analysis and submit the results of the repeat analysis to the City Manager within thirty (30) days after becoming aware of the violation. Resampling by the Industrial User is not required if the City performs sampling at the user's facility at least once a month, or if the City performs sampling at the user between the time when the initial sampling was conducted and the time when the user or the City receives the results of this sampling.

(I) NOTIFICATION OF THE DISCHARGE OF HAZARDOUS WASTE:

1. Any user who commences the discharge of hazardous waste shall notify the POTW, the EPA Regional Waste Management Division Director, and State hazardous waste authorities, in writing, of any discharge into the POTW of a substance which, if otherwise disposed of, would be a hazardous waste under 40 CFR Part 261. Such notification must include the name of the hazardous waste as set forth in 40 CFR Part 261, the EPA hazardous waste number, and the type of discharge (continuous, batch, or other). If the user discharges more than one hundred (100) kilograms of such waste per calendar month to the POTW, the notification also shall contain the following information to the extent such information is known and readily available to the user: an identification of the hazardous constituents contained in the wastes, an estimation of the mass and concentration of such constituents in the wastestream discharged during that calendar month, and an estimation of the mass of constituents in the wastestream expected to be discharged during the following twelve (12) months. All notifications must take place no later than one hundred and eighty (180) days after the discharge commences. Any notification under this paragraph need be submitted only once for each hazardous waste discharged. However, notifications of changed conditions must be submitted under Section 8-10-6(E) of this ordinance. The notification requirement in this section does not apply to pollutants already reported by users subject to categorical pretreatment standards under the self-monitoring requirements of Sections 8-10-6(A), 8-10-6(C), and 8-10-6(D) of this ordinance.

2. Dischargers are exempt from the requirements of paragraph A, above, during a calendar month in which they discharge no more than fifteen (15) kilograms of hazardous wastes, unless the wastes are acute hazardous wastes as specified in 40 CFR 261.30(d) and 261.33(e). Discharge of more than fifteen (15) kilograms of nonacute hazardous wastes in a calendar month, or of any quantity of acute hazardous wastes as specified in 40 CFR 261.30(d) and 261.33(e), requires a one-time notification. Subsequent months during which the user discharges more than such quantities of any hazardous waste do not require additional notification.

3. In the case of any new regulations under Section 3001 of RCRA identifying additional characteristics of hazardous waste or listing any additional substance as a hazardous waste, the user must notify the POTW, the EPA Regional Waste Management Waste Division Director, and State hazardous waste authorities of the discharge of such substance within ninety (90) days of the effective date of such regulations.

4. In the case of any notification made under this section, the user shall certify that it has a program in place to reduce the volume and toxicity of hazardous wastes generated to the degree it has determined to be economically practical.

5. This provision does not create a right to discharge any substance not otherwise permitted to be discharged by this ordinance, a permit issued thereunder, or any applicable Federal or State law.

(J) ANALYTICAL REQUIREMENTS: All pollutant analyses, including sampling techniques, to be submitted as part of a wastewater discharge permit application or report shall be performed in accordance with the techniques prescribed in 40 CFR Part 136 and amendments thereto, unless otherwise specified in an applicable categorical pretreatment standard. If 40 CFR Part 136 does not contain sampling or analytical techniques for the pollutant in question, or where the EPA determines that the Part 136 sampling and analytical techniques are inappropriate for the pollutant in question, sampling and analyses shall be performed by using validated analytical methods or any other applicable sampling and analytical procedures, including procedures suggested by the City Manager or other parties approved by EPA.

(K) SAMPLE COLLECTION: Samples collected to satisfy reporting requirements must be based on data obtained through appropriate sampling and analysis performed during the period covered by the report, based on data that is representative of conditions occurring during the reporting period. The City Manager shall require that frequency of monitoring necessary to assess and assure compliance by the user with applicable pretreatment standards and requirements.

1. Except as indicated in Section 2 and 3 below, the user must collect wastewater samples using 24-hour flow-proportional composite sampling techniques, unless time-proportional composite sampling or grab sampling is authorized by the City Manager. Where time-proportional composite sampling or grab sampling is authorized by the City, the samples must be representative of the discharge. Using protocols (including appropriate preservation) specified in 40 CFR Part 136 and appropriate EPA guidance, multiple grab samples collected during a 24-hour period may be composited prior to the analysis as follows: for cyanide, total phenols, and sulfides the samples may be composited in the laboratory or in the field; for volatile organics and oil & grease the samples may be composited in the

laboratory. Composite samples for other parameters unaffected by the compositing procedures as documented in approved EPA methodologies may be authorized by the City, as appropriate.

2. Samples for oil and grease, temperature, pH, cyanide, total phenols, sulfides, and volatile organic compounds must be obtained using grab collection techniques.

3. For sampling required in support of baseline monitoring and 90-day compliance reports required in Section 8-10-6(A) and 8-10-6(C), a minimum of four (4) grab samples must be used for pH, cyanide, total phenols, oil and grease, sulfide and volatile organic compounds for facilities for which historical sampling data do not exist; for facilities for which historical sampling data are available, the City Manager may authorize a lower minimum. For the reports required by Section 8-10-6(D), the City shall require the number of grab samples necessary to assess and assure compliance by industrial users with applicable pretreatment standards and requirements.

(L) DATE OF RECEIPT OF REPORTS: Written reports delivered by mail or other carrier will be deemed to have been submitted on the date postmarked. Other reports will be deemed submitted on the date of receipt.

(M) RECORD KEEPING:

Users subject to the reporting requirements of this ordinance shall retain, and make available for inspection and copying, all records of information obtained pursuant to any monitoring activities required by this ordinance, any additional records of information obtained pursuant to monitoring activities undertaken by the user independent of such requirements, and documentation associated with Best Management Practices established under Section 8-10-2(D)(3). Records shall include the date, exact place, method, and time of sampling, and the name of the person(s) taking the samples; the dates analyses were performed; who performed the analyses; the analytical techniques or methods used; and the results of such analyses. These records shall remain available for a period of at least three (3) years. This period shall be automatically extended for the duration of any litigation concerning the user or the City, or where the user has been specifically notified of a longer retention period by the City Manager.

(N) CERTIFICATION STATEMENTS:

1. Certification of Permit Applications, User Reports and Initial Monitoring Waiver – The following certification statement is required to be signed and submitted by users submitting permit applications in accordance with Section 8-10-4(G); users submitting baseline monitoring reports under Section 8-10-6(A); users submitting reports on compliance with the categorical pretreatment standard deadlines under Section 8-10-6(C); users submitting periodic compliance reports required by Section 8-10-6(D), and users submitting an initial request to forego sampling of a pollutant based on Section 8-10-6(D)(2). The following certification statement must be signed by an authorized representative as defined by Section 8-10-1(D)(2):

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

2. Annual Certification for Non-Significant Categorical Industrial Users - A facility determined to be a Non-Significant Categorical Industrial User by the City Manager pursuant to 8-10-1(D)(31)(c) and 8-10-4(G)(3) must annually submit the following certification statement signed in accordance with the signatory requirements in 8-10-1(D)(2). This certification must accompany an alternative report required by the City Manager:

Based on my inquiry of the person or persons directly responsible for managing compliance with the categorical Pretreatment Standards under 40 CFR ____, I certify that, to the best of my knowledge and belief that during the period from _____, _____ to _____, _____ [months, days, year]:

(a) The facility described as _____ [facility name] met the definition of a non-significant categorical Industrial User as described in section 8-10-1(D)(31)(c) [40 CFR 403.3(v)(2)];

(b) the facility complied with all applicable Pretreatment Standards and requirements during this reporting period; and (c) the facility never discharged more than 100 gallons of total categorical wastewater on any given day during this reporting period.

This compliance certification is based upon the following information.

3. Certification of Pollutants Not Present. Users that have an approved monitoring waiver based on Section 8-10-6(D)(2) must certify on each report with the following statement that there has been no increase in the pollutant in its wastestream due to activities of the user.

Based on my inquiry of the person or persons directly responsible for managing compliance with the Pretreatment Standard for 40 CFR _____ [specify applicable National Pretreatment Standard part(s)], I certify that, to the best of my knowledge and belief, there has been no increase in the level of _____ [list pollutant(s)] in the wastewaters due to the activities at the facility since filing of the last periodic report under Section 8-10-6.

8-10-7: COMPLIANCE MONITORING:

(A) RIGHT OF ENTRY: INSPECTION AND SAMPLING: The City Manager shall have the right to enter the premises of any user to determine whether the user is complying with all requirements of this ordinance and any wastewater discharge permit or order issued hereunder. Users shall allow the City Manager ready access to all parts of the premises for the purposes of inspection, whether announced or unannounced, sampling, records examination and copying, and the performance of any additional duties.

1. Where a user has security measures in force which require proper identification and clearance before entry into its premises, the user shall make necessary arrangements with its security guards so that, upon presentation of suitable identification, the City Manager will be permitted to enter without delay for the purposes of performing specific responsibilities.

2. The City Manager shall have the right to set up on the user's property, or require installation of, such devices as are necessary to conduct sampling and/or metering of the user's operations.

3. The City Manager may require the user to install monitoring equipment as necessary. The facility's sampling and monitoring equipment shall be maintained at all times in a safe and proper operating condition by the user at its own expense. All devices used to measure wastewater flow and quality shall be calibrated to ensure their accuracy. The City manager may specify the frequency of required calibrations.

4. Any temporary or permanent obstruction to safe and easy access to the facility to be inspected and/or sampled shall be promptly removed by the user at the written or verbal request of the City Manager and shall not be replaced. The costs of clearing such access shall be born by the user.

5. Delays in allowing the City Manager access to the user's premises shall be a violation of this ordinance.

(B) SEARCH WARRANTS:

If the City Manager has been refused access to a building, structure, or property, or any part thereof, and is able to demonstrate probable cause to believe that there may be a violation of this ordinance, or that there is a need to inspect and/or sample as part of a routine inspection and sampling program of the City designed to verify compliance with this ordinance or any permit or order issued hereunder, or to protect the overall public health, safety and welfare of the community, then the City Manager may seek issuance of a search warrant from the Municipal Court.

8-10-8: CONFIDENTIAL INFORMATION:

Information and data on a user obtained from reports, surveys, wastewater discharge permit applications, wastewater discharge permits, and monitoring programs, and from the City Manager's inspection and sampling activities, shall be available to the public without restriction, unless the user specifically requests, and is able to demonstrate to the satisfaction of the City Manager, that the release of such information would divulge information, processes, or methods of production entitled to protection as trade secrets under applicable State and federal law. Any such request must be asserted at the time of submission of the information or data. When requested and demonstrated by the user furnishing a report that such information should be held confidential, the portions of a report which might disclose trade

secrets or secret processes shall not be made available for inspection by the public, but shall be made available immediately upon request to governmental agencies for uses related to the NPDES program or pretreatment program, and in enforcement proceedings involving the person furnishing the report. Wastewater constituents and characteristics and other effluent data, as defined by 40 CFR 2.302 will not be recognized as confidential information and will be available to the public without restriction.

8-10-9: PUBLICATION OF USERS IN SIGNIFICANT NONCOMPLIANCE:

The City Manager shall publish at least annually, in a newspaper of general circulation that provides meaningful public notice within the jurisdictions served by the POTW, a list of the users which, at any time during the previous twelve (12) months, were in significant noncompliance with applicable pretreatment standards and requirements. The term significant noncompliance shall be applicable to any significant industrial user that meets any of the criteria in paragraphs (A) through (H) below and any other user that meets the definition in paragraphs (C), (D) or (H) below. Significant noncompliance shall mean:

(A) Chronic violations of wastewater discharge limits, defined here as those in which sixty-six percent (66%) or more of all of the measurements taken for the same pollutant parameter taken during a six- (6-) month period exceed (by any magnitude) a numeric pretreatment standard or requirement;

(B) Technical Review Criteria (TRC) violations, defined here as those in which thirty-three percent (33%) or more of wastewater measurements taken for each pollutant parameter during a six- (6-) month period equals or exceeds the product of the numeric pretreatment standard multiplied by the applicable criteria (1.4 for BOD, TSS, fats, oils and grease, and 1.2 for all other pollutants except pH);

(C) Any other violation of a pretreatment standard or requirement, as defined by Section 8-10-1(D), (daily maximum, long-term average, instantaneous limit, or narrative standard) that the City Manager determines has caused, alone or in combination with other discharges, interference or pass through, including endangering the health of POTW personnel or the general public;

(D) Any discharge of a pollutant that has caused imminent endangerment to the public or to the environment, or has resulted in the City Manager's exercise of its emergency authority to halt or prevent such a discharge;

(E) Failure to meet, within ninety (90) days of the scheduled date, a compliance schedule milestone contained in a wastewater discharge permit or enforcement order for starting construction, completing construction, or attaining final compliance;

(F) Failure to provide within thirty (30) days after the due date, any required reports, including baseline monitoring reports, reports on compliance with categorical pretreatment standard deadlines, periodic self-monitoring reports, and reports on compliance with compliance schedules;

(G) Failure to accurately report noncompliance; or

(H) Any other violation(s), which may include a violation of Best Management Practices, which the City Manager determines will adversely affect the operation or implementation of the local pretreatment program.

8-10-10: ADMINISTRATIVE ENFORCEMENT REMEDIES:

(A) NOTIFICATION OF VIOLATION: When the City Manager finds that a user has violated, or continues to violate, any provision of this ordinance, a wastewater discharge permit or order issued hereunder, or any other pretreatment standard or requirement, the City Manager may serve upon that user a written Notice of Violation. The Notice of Violation may include specific required actions and may require the user to submit an explanation of the violation and a plan for the satisfactory correction and prevention thereof. Submission of this plan in no way relieves the user of liability for any violations occurring before or after receipt of the Notice of Violation. Nothing in this section shall limit the authority of the City Manager to take any action, including emergency actions or any other enforcement action, without first issuing a Notice of Violation.

(B) CONSENT ORDERS: The City Manager may enter into Consent Orders, assurances of voluntary compliance, or other similar documents establishing an agreement with any user responsible for noncompliance. Such documents will include specific action to be taken by the user to correct the noncompliance within a time period specified by the document. Such documents shall have the same force and effect as the administrative orders issued pursuant to Sections 8-10-10(D) and 8-10-10(E) of this ordinance and shall be judicially enforceable.

(C) **SHOW CAUSE HEARING:** The City Manager may order a user which has violated, or continues to violate, any provision of this ordinance, a wastewater discharge permit or order issued hereunder, or any other pretreatment standard or requirement, to appear before the City Manager and show cause why the proposed enforcement action should not be taken. Notice shall be served on the user specifying the time and place for the meeting, the proposed enforcement action, the reasons for such action, and a request that the user show cause why the proposed enforcement action should not be taken. The notice of the meeting shall be served personally or by registered or certified mail (return receipt requested) at least fourteen (14) days prior to the hearing. Such notice may be served on any authorized representative of the user as defined in Section 8-10-1(D)(2). A show cause hearing shall not be a bar against, or prerequisite for, taking any other action against the user.

(D) **COMPLIANCE ORDERS:** When The City Manager finds that a user has violated, or continues to violate, any provision of this ordinance, a wastewater discharge permit or order issued hereunder, or any other pretreatment standard or requirement, the City Manager may issue an order to the user responsible for the discharge, directing that the user come into compliance within a specified time. If the user does not come into compliance within the time provided, sewer service may be discontinued unless adequate treatment facilities, devices, or other related appurtenances are installed and properly operated. Compliance orders also may contain other requirements to address the noncompliance, including additional self-monitoring and management practices designed to minimize the amount of pollutants discharged to the sewer. A compliance order may not extend the deadline for compliance established for a pretreatment standard or requirement, nor does a compliance order relieve the user of liability for any violation, including any continuing violation. Issuance of a compliance order shall not be a bar against, or a prerequisite for, taking any other action against the user.

(E) **CEASE AND DESIST ORDERS:** When the City Manager finds that a user has violated, or continues to violate, any provision of this ordinance, a wastewater discharge permit or order issued hereunder, or any other pretreatment standard or requirement, or that the user's past violations are likely to recur, the City Manager may issue an order to the user directing it to cease and desist all such violations and directing the user to:

1. Immediately comply with all requirements; and
2. Take such appropriate remedial or preventive action as may be needed to properly address a continuing or threatened violation, including halting operations and/or terminating the discharge. Issuance of a cease and desist order shall not be a bar against, or a prerequisite for, taking any other action against the user.

(F) **ADMINISTRATIVE FINES:**

1. When the City Manager finds that a user has violated, or continues to violate, any provision of this ordinance, a wastewater discharge permit or order issued hereunder, or any other pretreatment standard or requirement, the City Manager may fine such user in an amount not to exceed \$1000.00. Such fines shall be assessed on a per-violation, per-day basis. In the case of monthly or other long-term average discharge limits, fines shall be assessed for each day during the period of violation.

2. Unpaid charges, fines, and penalties shall be assessed and accrue interest in accordance with the provisions of Chapter 8 of Title 1, Westminster Municipal Code, entitled "Penalties and Interest," as it may be amended from time to time.

3. Users desiring to dispute such fines must file a written request for the City Manager to reconsider the fine along with full payment of the fine amount within thirty (30) days of being notified of the fine. Where a request has merit, the City Manager may convene a hearing on the matter. In the event the user's appeal is successful, the payment, together with any interest accruing thereto, shall be returned to the user. The City Manager may add the costs of preparing administrative enforcement actions, such as notices and orders, to the fine.

4. Issuance of an administrative fine shall not be a bar against, or a prerequisite for, taking any other action against the user.

(G) **EMERGENCY SUSPENSIONS:** The City Manager may immediately suspend a user's discharge, after informal notice to the user, whenever such suspension is necessary to stop an actual or threatened discharge, which reasonably appears to present, or cause an imminent or substantial endangerment to the health or welfare of persons, or threatens to interfere with the operation of the POTW, or which presents, or may present, an endangerment to the environment.

1. Any user notified of a suspension of its discharge shall immediately stop or eliminate its contribution. In the event of a user's failure to immediately comply voluntarily with the suspension order, the City Manager may take such steps as deemed necessary, including immediate severance of the sewer

connection, to prevent or minimize damage to the POTW, its receiving stream, or endangerment to any individuals. The City Manager may allow the user to recommence its discharge when the user has demonstrated to the satisfaction of the City Manager that the period of endangerment has passed, unless the termination proceedings in Section 8-10-10(H) of this ordinance are initiated against the user.

2. A user that is responsible, in whole or in part, for any discharge presenting imminent endangerment shall submit a detailed written statement, describing the causes of the harmful contribution and the measures taken to prevent any future occurrence, to the City Manager prior to the date of any show cause or termination hearing under Sections 8-10-10(C) or 8-10-10(H) of this ordinance.

Nothing in this section shall be interpreted as requiring a hearing prior to any Emergency Suspension under this section.

(H) **TERMINATION OF DISCHARGE:** In addition to the provisions in Section 8-10-4(L) of this ordinance, any user who violates the following conditions is subject to discharge termination:

1. Violation of wastewater discharge permit conditions;
2. Failure to accurately report the wastewater constituents and characteristics of its discharge;
3. Failure to report significant changes in operations or wastewater volume, constituents, and characteristics prior to discharge;
4. Refusal of reasonable access to the user's premises for the purpose of inspection, monitoring, or sampling; or
5. Violation of the pretreatment standards in Section 8-10-2 of this ordinance.

Such user will be notified of the proposed termination of its discharge and be offered an opportunity to show cause under Section 8-10-10(C) of this ordinance why the proposed action should not be taken. Exercise of this option by the City Manager shall not be a bar to, or a prerequisite for, taking any other action against the user.

8-10-11: JUDICIAL ENFORCEMENT REMEDIES:

(A) **INJUNCTIVE RELIEF:** When the City Manager finds that a user has violated, or continues to violate, any provision of this ordinance, a wastewater discharge permit, or order issued hereunder, or any other pretreatment standard or requirement, the City Manager may petition the District Court through the City's Attorney for the issuance of a temporary or permanent injunction, as appropriate, which restrains or compels the specific performance of the wastewater discharge permit, order, or other requirement imposed by this ordinance on activities of the user. The City Manager may also seek such other action as is appropriate for legal and/or equitable relief, including a requirement for the user to conduct environmental remediation. A petition for injunctive relief shall not be a bar against, or a prerequisite for, taking any other action against a user.

(B) **CIVIL PENALTIES:**

1. A user who has violated, or continues to violate, any provision of this ordinance, a wastewater discharge permit, or order issued hereunder, or any other pretreatment standard or requirement shall be liable to the City for a maximum civil penalty of \$1,000 per violation, per day. In the case of a monthly or other long-term average discharge limit, penalties shall accrue for each day during the period of the violation.

2. The City may recover reasonable attorneys' fees, court costs, and other expenses associated with enforcement activities, including sampling and monitoring expenses, and the cost of any actual damages incurred by the City.

3. In determining the amount of civil liability, the Court shall take into account all relevant circumstances, including, but not limited to, the extent of harm caused by the violation, the magnitude and duration of the violation, any economic benefit gained through the user's violation, corrective actions by the user, the compliance history of the user, and any other factor as justice requires.

4. Filing a suit for civil penalties shall not be a bar against, or a prerequisite for, taking any other action against a user.

(C) **CRIMINAL PROSECUTION:**

1. A user who willfully or negligently violates any provision of this ordinance, a wastewater discharge permit, or order issued hereunder, or any other pretreatment standard or requirement shall, upon conviction, be guilty of a misdemeanor, punishable by a fine of not more than \$1000.00 per violation, per day, or imprisonment for not more than one (1) year, or both.

2. A user who willfully or negligently introduces any substance into the POTW which causes personal injury or property damage shall be subject to the penalty provisions of State law. This penalty shall be in addition to any other civil cause of action for personal injury or property damage available under State law.

3. A user who knowingly makes any false statements, representations, or certifications in any application, record, report, plan, or other documentation filed, or required to be maintained, pursuant to this ordinance, wastewater discharge permit, or order issued hereunder, or who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required under this ordinance shall, upon conviction, be punished by a fine of not more than \$1000.00 per violation, per day, or imprisonment for not more than one (1) year, or both.

(D) REMEDIES NONEXCLUSIVE: The remedies provided for in this ordinance are not exclusive. The City Manager may take any, all, or any combination of these actions against a noncompliant user. Enforcement of pretreatment violations will generally be in accordance with the City's enforcement response plan. However, the City Manager may take other action against any user when the circumstances warrant. Further, the City Manager is empowered to take more than one enforcement action against any noncompliant user.

8-10-12: SUPPLEMENTAL ENFORCEMENT ACTION:

(A) LIABILITY INSURANCE: The City Manager may decline to issue or reissue a wastewater discharge permit to any user who has failed to comply with any provision of this ordinance, a previous wastewater discharge permit, or order issued hereunder, or any other pretreatment standard or requirement, unless the user first submits proof that it has obtained financial assurances sufficient to restore or repair damage to the POTW caused by its discharge.

(B) PAYMENT OF OUTSTANDING FEES AND PENALTIES: The City Manager may decline to issue or reissue a wastewater discharge permit to any user who has failed to pay any outstanding fees, fines or penalties incurred as a result of any provision of this ordinance, a previous wastewater discharge permit, or order issued hereunder.

(C) WATER SUPPLY SEVERANCE: Whenever a user has violated or continues to violate any provision of this ordinance, a wastewater discharge permit, or order issued hereunder, or any other pretreatment standard or requirement, water service to the user may be severed. Service will only recommence, at the user's expense, after it has satisfactorily demonstrated its ability to comply.

(D) PUBLIC NUISANCES:

A violation of any provision of this ordinance, a wastewater discharge permit, or order issued hereunder, or any other pretreatment standard or requirement is hereby declared a public nuisance and shall be corrected or abated as directed by the City Manager. Any person(s) creating a public nuisance shall be subject to the provisions of the Westminster Municipal Code governing such nuisances, including reimbursing the City for any costs incurred in removing, abating, or remedying said nuisance.

8-10-13: AFFIRMATIVE DEFENSES TO DISCHARGE VIOLATIONS:

(A) UPSET:

1. For the purposes of this section, upset means an exceptional incident in which there is unintentional and temporary noncompliance with categorical pretreatment standards because of factors beyond the reasonable control of the user. An upset does not include noncompliance to the extent caused by operational error, improperly designed treatment facilities, inadequate treatment facilities, lack of preventive maintenance, or careless or improper operation.

2. An upset shall constitute an affirmative defense to an action brought for noncompliance with categorical pretreatment standards if the requirements of paragraph 3., below, are met.

3. A user who wishes to establish the affirmative defense of upset shall demonstrate, through properly signed, contemporaneous operating logs, or other relevant evidence that:

(a) An upset occurred and the user can identify the cause(s) of the upset;

(b) The facility was at the time being operated in a prudent and workman-like manner and in compliance with applicable operation and maintenance procedures; and

(c) The user has submitted the following information to the City Manager within twenty-four (24) hours of becoming aware of the upset if this information is provided orally, a written submission must be provided within five (5) days containing the following information:

- (1) A description of the indirect discharge and cause of noncompliance;
- (2) The period of noncompliance, including exact dates and times or, if not corrected, the anticipated time the noncompliance is expected to continue; and
- (3) Steps being taken and/or planned to reduce, eliminate, and prevent recurrence of the noncompliance.

4. In any enforcement proceeding, the user seeking to establish the occurrence of an upset shall have the burden of proof.

5. Users will have the opportunity for a judicial determination on any claim of upset only in an enforcement action brought for noncompliance with categorical pretreatment standards.

6. Users shall control production of all discharges to the extent necessary to maintain compliance with categorical pretreatment standards upon reduction, loss, or failure of its treatment facility until the facility is restored or an alternative method of treatment is provided. This requirement applies in the situation where, among other things, the primary source of power of the treatment facility is reduced, lost, or fails.

(B) **PROHIBITED DISCHARGE STANDARDS:** A user shall have an affirmative defense to an enforcement action brought against it for noncompliance with the general prohibitions in Section 8-10-2(A)(1) of this ordinance or the specific prohibitions in Sections 8-10-2(A)(2)(c) through 8-10-2(A)(2)(j) of this ordinance if it can prove that it did not know, or have reason to know, that its discharge, alone or in conjunction with discharges from other sources, would cause pass through or interference and that either:

1. A local limit exists for each pollutant discharged and the user was in compliance with each limit directly prior to, and during, the pass through or interference; or

2. No local limit exists, but the discharge did not change substantially in nature or constituents from the user's prior discharge when the City was regularly in compliance with its NPDES permit, and in the case of interference, was in compliance with applicable sludge use or disposal requirements.

(C) **BYPASS:**

1. For the purposes of this section:

(a) "Bypass" means the intentional diversion of wastestreams from any portion of a user's treatment facility.

(b) "Severe property damage" means substantial physical damage to property, damage to the treatment facilities which causes them to become inoperable, or substantial and permanent loss of natural resources, which can reasonably be expected to occur in the absence of a bypass. Severe property damage does not mean economic loss caused by delays in production.

2. A user may allow any bypass to occur which does not cause pretreatment standards or requirements to be violated, but only if it also is for essential maintenance to assure efficient operation. These bypasses are not subject to the provision of paragraphs 3 and 4 of this section.

3. Bypass Notifications:

(a) If a user knows in advance of the need for a bypass, it shall submit prior notice to the City Manager, at least ten (10) days before the date of the bypass, if possible.

(b) A user shall submit oral notice to the City Manager of an unanticipated bypass that exceeds applicable pretreatment standards within twenty-four (24) hours from the time it becomes aware of the bypass. A written submission shall also be provided within five (5) days of the time the user becomes aware of the bypass. The written submission shall contain a description of the bypass and its cause; the duration of the bypass, including exact dates and times, and, if the bypass has not been corrected, the anticipated time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent reoccurrence of the bypass. The City Manager may waive the written report on a case-by-case basis if the oral report has been received within twenty-four (24) hours.

4. Bypass:

(a) Bypass is prohibited, and the City may take an enforcement action against a user for a bypass, unless:

(1) Bypass was unavoidable to prevent loss of life, personal injury, or severe property damage;

(2) There were no feasible alternatives to the bypass, such as the use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if adequate back-up equipment should have been installed in the exercise of reasonable engineering judgment to prevent a bypass which occurred during normal periods of equipment downtime or preventive maintenance; and

- (3) The user submitted notices as required under paragraph 3 of this section.
- (b) The City Manager may approve an anticipated bypass, after considering its adverse effects, if the City Manager determines that it will meet the three conditions listed in paragraph (C)(4)(a) of this section.

8-10-14: PRETREATMENT CHARGES AND FEES:

(A) The City may adopt reasonable fees for reimbursement of costs of setting up and operating the City's Pretreatment Program which may include:

1. Fees for wastewater discharge permit applications including the cost of processing such applications;
2. Fees for monitoring, inspection, and surveillance procedures including the cost of collection and analyzing a user's discharge, and reviewing monitoring reports submitted by users;
3. Fees for reviewing and responding to accidental discharge procedures and construction;
4. Fees for filing appeals;
5. Fees to recover administrative and legal costs associated with the enforcement activity taken by the City to address IU noncompliance; and
6. Other fees as the City may deem necessary to carry out the requirements contained herein.

(B) These fees relate solely to the matters covered by this ordinance and are separate from all other fees, fines, and penalties chargeable by the City.



WESTMINSTER

COLORADO

Agenda Memorandum

City Council Meeting
September 24, 2007



SUBJECT: Second Reading of Councillor’s Bill No. 53 re Colorado Division of Criminal Justice, 2007 Justice Assistance Grant Program

Prepared By: Lee Birk, Chief of Police
Jeri Elliott, Senior Management Analyst

Recommended City Council Action

Pass Councillor’s Bill No. 53 on second reading appropriating \$83,087 from the Colorado division of Criminal Justice, 2007 Justice Assistance Grant Program (JAG) to the Police Department Investigations and Technical Services General Fund budget.

Summary Statement

- City Council action is requested to pass the attached Councillor’s Bill on second reading authorizing a supplemental appropriation to the 2007 budget of the Police Department’s General Fund.
- The Police Department was approved for a Colorado Division of Criminal Justice JAG Grant, which will provide funding for specialized computer equipment and software for the Crime Lab and for the Sex Offender Unit, Liquor Investigations Officer, and Report Specialists.
- Councillor’s Bill No. 53 was passed on first reading September 10, 2007.

This appropriation will amend General Fund revenue and expense accounts as follows:

REVENUES

Description	Account Number	Current Budget	Amendment	Revised Budget
State Grant	1000.40620.0000	\$0	\$83,087	\$83,087
Total Change to Revenues			<u>\$83,087</u>	

EXPENSES

Description	Account Number	Current Budget	Amendment	Revised Budget
Other Equipment – Technical Services	10020300.76000.0343	\$125,000	\$83,087	\$208,087
Total Change to Expenses			<u>\$83,087</u>	

Expenditure Required: \$83,087 / No City Match

Source of Funds: Colorado Division of Criminal Justice 2007 Justice Assistance Grant Program

Respectfully submitted,

J. Brent McFall
City Manager
Attachment

BY AUTHORITY

ORDINANCE NO. **3382**

COUNCILLOR'S BILL NO. **53**

SERIES OF 2007

INTRODUCED BY COUNCILLORS
Dittman - Lindsey

**A BILL
FOR AN ORDINANCE AMENDING THE 2007 BUDGETS OF THE GENERAL FUND AND
AUTHORIZING A SUPPLEMENTAL APPROPRIATION FROM THE 2007 ESTIMATED
REVENUES IN THE FUNDS**

THE CITY OF WESTMINSTER ORDAINS:

Section 1. The 2007 appropriation for the General Fund initially appropriated by Ordinance No. 3316 is hereby increased by \$83,087. This appropriation is due to the receipt of Grant Funds.

Section 2. The \$83,087 increase shall be allocated to City Revenue and Expense accounts as described in the City Council Agenda Item 10 G&H, dated September 10, 2007 (a copy of which may be obtained from the City Clerk) increasing City fund budgets as follows:

General Fund	\$83,087
Total	<u>\$83,087</u>

Section 3 – Severability. The provisions of this Ordinance shall be considered as severable. If any section, paragraph, clause, word, or any other part of this Ordinance shall for any reason be held to be invalid or unenforceable by a court of competent jurisdiction, such part shall be deemed as severed from this ordinance. The invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect the construction or enforceability of any of the remaining provisions, unless it is determined by a court of competent jurisdiction that a contrary result is necessary in order for this Ordinance to have any meaning whatsoever.

Section 4. This ordinance shall take effect upon its passage after the second reading.

Section 5. This ordinance shall be published in full within ten days after its enactment.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 10th day of September, 2007.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 24th day of September, 2007.

ATTEST:

Mayor

City Clerk



Agenda Item 10 A

WESTMINSTER
COLORADO

Agenda Memorandum

City Council Meeting
September 24, 2007



SUBJECT: Resolution No. 33 re Application to State Historical Fund for Rodeo Market
Façade Restoration

Prepared By: Vicky Bunsen, Community Development Programs Coordinator

Recommended City Council Action

Adopt Resolution No. 33 authorizing the City Manager to execute a grant application to the State Historical Fund for \$80,027 to combine with a proposed cash match of \$28,000 to complete the Rodeo Market façade restoration.

Summary Statement

- The Rodeo Market is a designated local historic landmark located at 3915 West 73rd Avenue.
- As an early supermarket, the Rodeo Market represents the commercial history of 20th century Westminster and the City's first "downtown" district.
- Staff is proposing to use \$28,000 in South Westminster Redevelopment funds as a required cash match and apply to the State Historical Fund for a grant in the amount of \$80,027 to restore the supermarket façade of the Rodeo Market.

Expenditure Required: \$28,000 (City matching funds)

Source of Funds: General Capital Improvement Fund - South Westminster account

Policy Issue

Should the City Council authorize a grant application in the amount of \$80,027 to the State Historical Fund, to be combined with \$28,000 in matching City funds, to restore the supermarket façade of the historic Rodeo Market?

Alternative

Do not authorize the grant application. This alternative is not recommended because there is no other source of available funding to begin restoration work on the Rodeo Market.

Background Information

The Rodeo Super Market was owned and operated by grocer Fred Valente from late 1953 until the early 1970s, when the property was sold to Niles Dingman and the Valente operations were relocated to 72nd and Meade Street, where the Valente family continues its grocery and Italian delicatessen business today. During the 1970s, the façade was severely altered, so that the building is not recognizable as an early grocery supermarket.

The Rodeo Market was the first “supermarket” format grocery store in Westminster, established in 1953 on West 73rd Avenue, which served at that time as Westminster’s “Main Street.” All of the public and commercial buildings on the south side of 73rd during the late 19th and early 20th century were demolished by 1961, so the City has been working to preserve and restore the few remaining historic buildings on the north side of the street.

The State Historic Fund awarded a \$10,000 grant in 2004 to develop a structure assessment of the Rodeo Market and then awarded a grant in 2006 in the amount of \$7,310 to prepare construction documents for the façade restoration. Using these construction documents, a building contractor prepared a cost estimate for the work. A 20% contingency and fees for architectural support and development of a maintenance plan were added to form the total project cost of \$106,703 that is included in the grant application.

The State Historical Fund requires a minimum of a 25% cash match in order to apply for grants. The proposed \$28,000 cash match is 26% of the total, slightly higher than the minimum requirement. A larger cash match strengthens the competitiveness of the grant application.

The façade restoration is a step in the long-term project of improving the Rodeo Market and Westminster Grange Hall as a community arts center.

Respectfully submitted,

J. Brent McFall
City Manager

Attachments



Rodeo Market Historic Façade.

RESOLUTION

RESOLUTION NO. **33**

INTRODUCED BY COUNCILLORS

SERIES OF 2007

A RESOLUTION AUTHORIZING A GRANT APPLICATION TO THE STATE HISTORICAL FUND FOR \$80,027 TO COMPLETE THE RODEO MARKET FAÇADE RESTORATION

WHEREAS, the Rodeo Market, 3915 West 73rd Avenue, is a designated local historic landmark, and

WHEREAS, the Rodeo Market is one of the few remaining commercial buildings from Westminster's early downtown area, and

WHEREAS, the façade of the Rodeo Market was severely altered during the 1970s, preventing interpretation of its historical significance, and

WHEREAS, construction documents and cost estimates have been prepared for the restoration of the historic supermarket façade of the Rodeo Market,

NOW, THEREFORE, the City Council of the City of Westminster resolves that the City Manager is authorized to execute a grant application to the State Historical Fund for \$80,027, to be combined with \$28,000 in City funds to restore the façade of the Rodeo Market.

PASSED AND ADOPTED this 24th day of September, 2007.

Mayor

ATTEST:

City Clerk



WESTMINSTER
COLORADO

Agenda Memorandum

City Council Meeting
September 24, 2007



SUBJECT: Resolution No. 34 re Purchase Approximately 38-acres of Doulos Ministries Property at Federal Parkway and 122nd Avenue for Open Space and Street Right-of-way

Prepared By: Heather Cronenberg, Open Space Coordinator

Recommended City Council Action

Adopt Resolution No. 34 authorizing the City Manager to execute a Purchase and Sale Agreement with Doulos Ministries, Inc. to purchase approximately 36 acres for open space and approximately 2 acres for right of way required for the widening of Federal Parkway for a total of \$2,650,000, subject to a determination by the City Manager's Office that sufficient funds have been received by Adams County to support the purchase of the property and a determination of reasonable demolition and environmental costs, and authorizing the City Manager to execute all documents required to close on the purchase of the property.

Summary Statement

- Staff has negotiated the purchase of approximately 38 acres located within the Big Dry Creek Trail Corridor at Federal Parkway and 122nd Avenue for a total purchase price of \$2,650,000 (or \$1.60 per square foot). (See attached vicinity map.) This acquisition will close in January, 2008 using bond proceeds from the planned December, 2007 Open Space bond sale. The Doulos Ministries property is a Priority 1 acquisition for the City's Open Space Advisory Board. Acquisition would allow the City to gain control over one of the last remaining private properties along the Big Dry Creek Trail Corridor that runs from Interstate 25 to Standley Lake.
- The City of Westminster has applied for a grant from the Adams County Open Space Program to assist with the purchase of this property. The grant request is for 50% of the purchase price on the open space portion of the property, or \$1,255,000. The purchase of this property is subject to a determination by the City Manager's Office that sufficient funds have been received by Adams County to support the purchase of the property. Receipt of funds from Adams County will require the City to donate a conservation easement over the property to protect the conservation values and limit development and subdivision.
- The City will perform an Environmental Assessment prior to purchasing the property to determine if there are any recognized environmental conditions. This assessment will also cover the seven structures and improvements that are located on the property and the costs associated with demolishing these improvements. Before closing, a determination regarding the costs and any recognized environmental conditions will be made and the City will move to closing only if the costs for environmental remediation and demolishing the structures are financially feasible and reasonable. The City also plans to search for outside parties that may be interested in moving the structures for off-site use, which would lower the cost to the City.

Expenditure Required: Up to \$2,650,000 plus closing costs not to exceed \$10,000

Source of Funds: City of Westminster Open Space Bond proceeds

Policy Issue

Should the City use open space bond proceeds for the purchase of the approximately 38-acre Doulos Ministries parcel at West 122nd Avenue and Federal Parkway subject to a determination from the City Manager's Office that sufficient funds have been received from Adams County to support the purchase of the property and a satisfactory environmental assessment?

Alternative

City Council could choose not to authorize the acquisition or the expenditure at this time. Staff does not recommend this option because the acquisition of this property is considered a number one priority by the Open Space Advisory Board and the property is under intense development pressure. Negotiations to purchase this property have been on-going for many years. The City of Westminster has applied for a grant from Adams County to assist with the purchase price of the property. The Adams County Open Space Advisory Board will recommend the grants to be awarded in November, 2007. As a condition for its financial participation, Adams County requires that the City of Westminster donate a conservation easement over the property. This is consistent with the City's desire to preserve this property as open space and staff feels this is a reasonable condition for Adams County's substantial financial participation.

Background Information

The Doulos Ministries property is one of the last remaining privately held parcels along the Big Dry Creek corridor. The Big Dry Creek flows through this property and provides recreation to the citizens of Westminster through a temporary recreational trail easement. Acquisition of this property would make this temporary trail permanent and will allow the City to enhance the trail. This property is surrounded by City open space on the northeast and southwest corners of the property. It is east of the Metzger Farm property and directly north of the Purebred Arabian Trust open space property, both of which were purchased for open space in 2006. Preservation of this parcel will prevent development from interfering with the substantial open space acquisition investments that have been made in the Big Dry Creek corridor by the City of Westminster and Adams County.

Acquiring this property will also help meet the City of Westminster's goal to preserve a wildlife corridor along the Big Dry Creek, as recommended by the Colorado Division of Wildlife. It would protect significant natural resources, including Big Dry Creek wetlands, which provide a major wildlife sanctuary and passageway, and dry uplands that provide habitat for frequently visiting raptors that are attracted by a prairie dog colony. It would also protect the viewshed west of Federal Parkway across the Big Dry Creek valley to the mountains. Acquisition of this property will protect a tributary to Big Dry Creek located on the northern edge of this property. This tributary is lined with trees and provides additional habitat for wildlife.

Doulos Ministries has been actively negotiating the sale of this property with multiple developers who are interested in developing the property for either residential or business park uses. This property is designated Business Park, Public/Quasi Public, and Major Creek Corridor Non Public in the Westminster Comprehensive Land Use Plan. If the City of Westminster is not able to purchase this property, the seller will continue negotiations with the developers. There has been significant interest and development pressure on this property.

The Doulos Ministries property currently has 7 buildings in active use on the property along with a swimming pool and tennis court located in the northeast corner of the property and east of Big Dry Creek. A ropes course and ball field are located west of the Creek on the northwest part of the property. The Ministry owns property in Kansas and intends to move their youth programs there in 2008 after selling this property. The City has agreed in the Purchase and Sale Agreement to let the current owners of the property lease this portion of the property for use as a camp through October, 2008. Staff will present a proposed ordinance approving the lease, per City Charter requirements prior to closing on this acquisition.

The City plans to either demolish these improvements once the property is vacated or find a suitable third party that will move the structures for off-site use and reclaim this developed area for open space.

The seller's appraisal valued this property at \$2,750,000 or \$72,368 per acre. The City of Westminster hired an appraiser to review the seller's appraisal. The City's review appraiser found the seller's appraisal and value conclusion to be credible. City Staff and the seller were able to negotiate a purchase price of \$2,650,000 which is \$100,000 less than the appraised value. The seller indicated that they agreed to sell the property below appraised value to offset costs associated with the demolition of the structures located on the property and in exchange for the right to remain on the property through October, 2008. Staff will present a proposed ordinance approving the lease, per City Charter requirements prior to closing on this acquisition. The City has a signed Letter of Intent from the seller agreeing to this purchase price and terms of the acquisition.

The City plans to widen Federal Parkway at some point in the future and will require approximately 2 acres of right of way from the Doulos Ministries property. The City's Open Space Fund will purchase the right-of-way for approximately \$140,000 but will be reimbursed by the City's General Capital Improvement Fund once funds are budgeted and allocated to the road widening project. The final amount of acreage and the corresponding price may be adjusted slightly once the project is designed.

This acquisition is subject to a determination by the City Manager's Office that sufficient funds have been received by Adams County to support the purchase of the property. The City hopes to receive 50% of the purchase price for the open space area or \$1,255,000. As a condition to financial participation, Adams County requires that the City donate a conservation easement over the property restricting its use as open space and protecting the Conservation Values of the property.

Respectfully submitted,

J. Brent McFall
City Manager

Attachments

- Resolution
- Vicinity map

RESOLUTION

RESOLUTION NO. **34**

INTRODUCED BY COUNCILLORS

SERIES OF 2007

**A RESOLUTION AUTHORIZING THE PURCHASE OF THE APPROXIMATELY 38-ACRE
DOULOS MINISTRIES PROPERTY AT FEDERAL PARKWAY AND WEST 122ND AVENUE
FOR OPEN SPACE**

WHEREAS, the City of Westminster has negotiated with representatives of Doulos Ministries to purchase the approximately 38-acre parcel at Federal Parkway and 122nd Avenue (the "Property") for \$2,650,000; and

WHEREAS, the terms of the purchase provide that the City Manager's Office will determine if sufficient funds have been received from Adams County to support the purchase of the property; and

WHEREAS, as a condition to its participation, Adams County requires that the City of Westminster donate a conservation easement over the property to protect the conservation values of the property and limit development and subdivision.

NOW, THEREFORE, be it resolved by the City Council of the City of Westminster that:

Section 1: The City Council hereby authorizes the purchase of the Property for \$2,650,000, subject to a determination by the City Manager's Office that sufficient funds were received from Adams County to support the purchase of the property.

Section 2. The City Council authorizes the City Manager to negotiate and sign the Conservation Easement and authorizes the City Manager to execute other required documentation to complete the purchase of the Property.

Section 3: This Resolution to be in full force and effect from and after its passage and approval.

PASSED AND ADOPTED this 24th day of September, 2007.

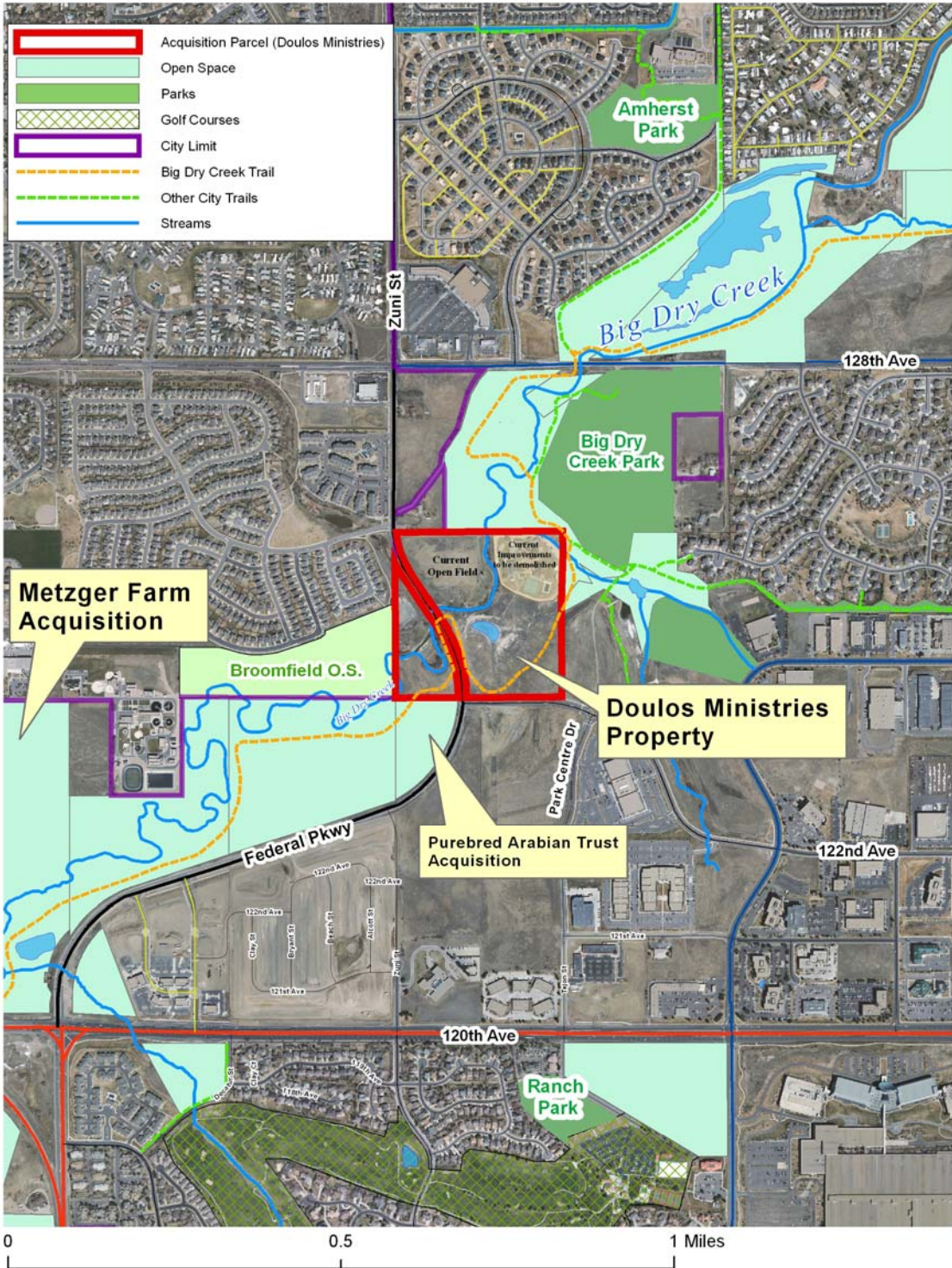
ATTEST:

Mayor

City Clerk

**Doulos Ministries
Open Space Acquisition**

Attachment A





WESTMINSTER
COLORADO

Agenda Memorandum

City Council Meeting
September 24, 2007



SUBJECT: Resolution No. 35 re Federal Heights Wholesale Water Rate
Prepared By: Mike Happe, Water Resources and Treatment Manager
Robert Smith, Treasury Manager
Martin R. McCullough, City Attorney
Robert Byerhof, Financial Analyst

Recommended City Council Action

1. Adopt Resolution No. 35 approving the new wholesale water rate charged to Federal Heights in the amount of \$3.01 per thousand gallons from October 1, 2007 until December 31, 2007 and \$3.45 per thousand gallons thereafter.
2. Authorize the City Manager to execute the 2007 Interim Amendment to the “Amended and Restated Distributor’s Contract” in substantially the same form as the attached agreement.

Summary Statement

- The City of Westminster’s wholesale water agreement with the City of Federal Heights is updated annually. Last fall Staff apprised Council of the inequity in past interpretations of the existing contract and Staff’s intent to seek a fairer rate that reflects the cost to deliver water to Federal Heights, including a fair rate of return for the risk of providing this wholesale water delivery service.
- The City hired the FCS Group to complete the wholesale rate analysis. The consultant derived a rate of \$3.45 per thousand gallons, based on the interpretation of both the existing contract and the City Charter.
- Staffs from Westminster and Federal Heights have been working on a permanent amendment to the “Amended and Restated Distributor Contract;” however, these discussions will require more time in order to reach a final agreement.
- While negotiations proceed on a final agreement, Westminster and Federal Heights Staff have agreed to recommend approval of an Interim Amendment to the “Amended and Restated Distributor’s Contract” to their respective City Councils, which sets a temporary new rate for Federal Heights wholesale water effective on October 1st. This temporary rate is \$3.01 per thousand gallons. This rate represents the first step in a 3 year phase in of the Consultant’s recommended rate of \$3.45 at \$0.22 per year. The current billed rate is \$2.79 per thousand gallons.
- The parties have agreed to continue negotiations in good faith with the intention of reaching agreement on a permanent amendment to the “Amended and restated Distributor’s Contract” by January 1st, 2008. Per the attached resolution, if Westminster and Federal Heights are unable to agree on a permanent amendment then the rate will revert to the recommended amount of \$3.45 as of January 1, 2008.
- The attached Interim Agreement has been shared with Federal Heights’ staff, but as of the date of this memo, Staff has yet to hear if the proposed terms are acceptable to Federal Heights. In order to move forward with the process and avoid additional delays, Staff is seeking City Councils approval of this agreement as proposed to Federal Heights in substantially the form as attached, however, there may be some minor modifications based on Federal Heights comments.
- The proposed Interim Amendment provides that the accumulated escrow amount of \$372,364 will be released to Westminster by October 1, 2007. This amount represents the accumulated difference between what was charged to Federal Heights and the amount paid due to Federal Heights’ dispute of the calculation, between January, 2003, and August, 2007.

Expenditure Required: \$0
Source of Funds: N/A

Policy Issue

Should the wholesale water rate for Federal Heights be temporarily set at \$3.01 per thousand gallons effective October 1, 2007 and should the 2007 Interim Amendment to the “Amended and Restated Distributor’s Contract” be approved to allow for the parties to complete negotiations over a permanent amendment to the Distributor’s Contract?

Alternatives

1. Do not approve the temporary wholesale water rate of \$3.01 and set the rate at \$3.45. This is not recommended as an interim measure will allow the parties to negotiate an agreement between Westminster and Federal Heights setting forth a new water rate calculation and avoiding litigation.
2. Do not alter the current water rate. This alternative is not recommended as this would result in a loss of revenue to Westminster until a permanent amendment to the “Amended and Restated Distributor’s Contract” could be finalized.

Background Information

The City of Westminster provides wholesale water service to the City of Federal Heights under an existing agreement that was originally established in 1968, but amended several times (most recently in 1992). In the fall of 2005, the City signed a contract with the consulting firm FCS Group to complete an analysis of the water and wastewater enterprise’s fiscal policies and rate structure. In addition, the firm created a long range fiscal model. As a result of the analysis, FCS confirmed Staff’s concern that the current wholesale rate calculation as interpreted by the City of Federal Heights insufficiently recovers the cost to deliver water to them. This discrepancy was reported to City Council on September 12, 2006, who then directed Staff to complete an in-depth analysis and recommend a rate calculation that complies with the City Charter which requires, for extraterritorial water service, the recovery of operation and maintenance expenses, an additional amount for the payment of water debt, and a return on investment.

FCS recommended that the Utility Basis method be used to calculate the wholesale water rate for Federal Heights. The Utility Basis method is often used by private utilities to set rates and is utilized in many municipal contractual rates for wholesale or industrial customers.

Westminster and Federal Heights Staff have been discussing the potential to amend the existing wholesale water contract to adopt the Utility Basis method for future rate calculations. These discussions are ongoing and require some analysis and agreement on various assumptions and factors that go into this new rate calculation. Staff is hopeful that a permanent amendment that incorporates the new rate calculation can be concluded by the end of 2007. Until that time, it is Staff’s recommendation that the rate be temporarily set at \$3.01 per thousand gallons until a new agreement is worked out or January 1, 2008, whichever ever comes first. Since the rate increase is significant from the current level of \$2.79 to \$3.45 per thousand gallons of water, the 2007 Interim Amendment to the “Amended and Restated Distributor’s Contract” provides Federal Heights a phased in rate of \$0.66 per thousand gallon increase over the next three years or \$0.22 per year. Thus, commencing on October 1, 2007, the effective rate Federal Heights will pay will be \$3.01 per thousand gallons based on the current wholesale rate of \$2.79.

If no agreement is reached by January 1, 2008, the full rate of \$3.45 per thousand gallons will take effect on January 1, 2008.

Respectfully submitted,

J. Brent McFall
City Manager
Attachment

RESOLUTION

RESOLUTION NO. **35**

INTRODUCED BY COUNCILLORS

SERIES OF 2007

A RESOLUTION AUTHORIZING THE 2007 WHOLESALE WATER DELIVERY RATE TO FEDERAL HEIGHTS IN THE AMOUNT OF \$3.01 PER THOUSAND GALLONS OF WATER

WHEREAS, the City of Westminster has provided outside City water service to the City of Federal Heights since 1968;

WHEREAS, pursuant to its Distributor Contract, the City may adjust the rate per 1,000 gallons no more than once a year after providing Federal Heights notice of any increase; and

WHEREAS, the City has provided Federal Heights with more than 90 days notice; and

WHEREAS, the City of Westminster engaged the services of a consultant to determine an adequate wholesale rate that complies with the City Charter for the provision of water delivery outside the City's limits; and

WHEREAS, the previous wholesale rate calculation methodology inadequately recovered the City's costs to deliver water to Federal Heights;

NOW, THEREFORE, the City Council determines that in compliance with the requirements of Chapter 14 of the City Charter, the rate of \$3.45 per thousand gallons is established as the rate for the quantity of water sold to Federal Heights commencing October 1, 2007; however, this rate is adjusted per the 2007 Interim Amendment to the "Amended and Restated Distributor's Contract" to be \$3.01 per thousand gallons from October 1, 2007 until December 31, 2007.

PASSED AND ADOPTED this 24th day of September, 2007.

Mayor

ATTEST:

City Clerk

**2007 INTERIM AMENDMENT TO
THE “AMENDED AND RESTATED DISTRIBUTOR’S CONTRACT”**

THIS Interim Amendment (“Agreement”) to the Amended and Restated Distributor’s Contract between the CITY OF WESTMINSTER, COLORADO (“Westminster”) and THE CITY OF FEDERAL HEIGHTS, COLORADO (“Federal Heights”), is entered into and effective upon the last date approved by the parties.

RECITALS

A. The parties initially entered into a contract entitled, “Distributor’s Contract”, dated February 12, 1968, which provided for the sale of treated water by Westminster to Federal Heights. That contract was amended several times and was superseded in 1985 by the parties executing an “Amended and Restated Distributor’s Contract.”

B. In 1982, the distributor’s contract was amended again by a document entitled, “1992 Amendment to Amended and Restated Distributor’s Contract.” The distributor’s contract as amended in 1989 and 1992 is the operative contract (“Contract”) under which Westminster has been selling treated water to Federal Heights.

C. Over the succeeding years, the parties have entered into various amendments from time to time that memorialized changes in the rate under the Contract. In 2007, the parties commenced discussions on a revised rate methodology based upon Westminster’s completion, in 2006, of a comprehensive rate study.

D. The parties have agreed that further discussions are necessary to achieve a revised distributor’s contract addressing all the issues between the parties, including but not limited to a restructuring of the method of calculating the wholesale rate. The parties agree to continue such negotiations in good faith and in a timely manner with the intention of amending certain terms of the Contract by the end of 2007.

E. Until the parties agree on more extensive changes to the distributor’s contract, the parties have reached an interim agreement on the rate to be charged Federal Heights from October 1, 2007, to January 1, 2008.

NOW, THEREFORE, the parties agree as follows:

1. For the period beginning October 1, 2007, and continuing until December 31, 2007, the rate paid by Federal Heights shall be \$3.01 per thousand gallons.

2. The parties agree to continue good faith discussions on the rate calculation methodology and related issues with a goal of clarifying and restating the existing Contract.

3. This Agreement supersedes and replaces the method of rate calculation for the period of time from October 1, 2007, to January 1, 2008.

4. Federal Heights will pay the accumulated escrow amount of \$372,364.76 to Westminster by October 1, 2007. This amount represents the accumulated difference between the amount the City of Westminster has billed Federal Heights for water and the amount that Federal Heights paid for water consumed up to and including August 13, 2007

and paid for August 27, 2007. Federal Heights agrees to pay the City of Westminster for water consumed from August 13 to October 1, 2007 at the rate charged by the City.

5. This agreement shall automatically terminate without further action of the parties on January 1, 2008.

6. All other provisions of the underlying Distributor's Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused the above Agreement to be executed by proper authority and duly authorized signatures below.

APPROVED BY the Westminster City Council this _____ day of September, 2007.

CITY OF WESTMINSTER

By: _____

Its: Mayor

ATTEST:

By: _____

Its: City Clerk

APPROVED BY:

City Attorney

APPROVED BY the Federal Heights City Council this _____ day of September, 2007.

CITY OF FEDERAL HEIGHTS

By: _____

Its: Mayor

ATTEST:

By: _____

Its: City Clerk

APPROVED BY:

City Attorney



WESTMINSTER
COLORADO

Agenda Memorandum

City Council Meeting
September 24, 2007



SUBJECT: Councillor's Bill No. 54 re Refunding of Series 1997A (Streets) Sales and Use Tax Revenue Bonds in the amount not to exceed \$12,000,000

Prepared By: Tammy Hitchens, Finance Director
Bob Smith, Treasury Manager

Recommended City Council Action

Pass Councillor's Bill No. 54 as an emergency ordinance, approving the sale of Revenue Refunding Bonds to refund the Series 1997A (Streets) Sales and Use Tax Revenue Bonds, and direct the Mayor Pro Tem, Finance Director and City Clerk to sign necessary documents on behalf of the City.

Summary Statement

Staff has identified an opportunity to significantly reduce the City's future debt service costs by refunding the outstanding principal of the Series 1997A (Streets) Sales and Use Tax Revenue Bonds that the City issued to fund capital projects. Staff anticipates the following result from refunding these issues:

- Reduce combined debt service payments by approximately \$515,000 over the remaining life of the issue after deducting all costs of issuance.
- Reduce net interest rates on the debt issue.
- Accomplish the reduction of debt service cost without extending the final maturity of the original issue to be refunded.
- The General Fund will enjoy the benefit of this refunding over the coming years in the amount of approximately \$515,150 for the General Fund after deducting all costs of issuance.
- The City's financial advisor and underwriter were involved in the analysis of this refinancing and concur with Staff's recommendation to proceed.
- This ordinance is proposed as an emergency ordinance in order to complete the issuance and sale of the bonds while favorable market conditions exist.

Expenditure Required: Not to exceed \$158,000

Source of Funds: All fees are included in the refunding issue; no additional funds need to be budgeted.

Policy Issue

Should the City refund the Series 1997A (Streets) Sales and Use Tax Revenue Bonds?

Alternatives

1. Do not refund the bonds. This option is not recommended. The proposed refunding will save approximately \$515,000 in interest costs without extending the final maturity of the original debt issue.
2. Delay the refunding in hopes that the Federal Reserve Board (Fed) will reduce short-term rates that may lead to further interest expense savings. This option is not recommended. While it is possible the Fed will again reduce short-term rates, the impact would be in the short-term (two years and under) market. The risk to the City is that long-term rates will rise, due to inflation expectations. In this case, the total savings could be less than the anticipated \$515,000.

Background Information

The City's staff financial advisor and underwriter analyzed the potential financial benefit of refunding the remaining portion of the Series 1997A (Streets) Sales and Use Tax Revenue Bonds. In March, the City refunded a portion of the 1997A bonds, which led to a savings of \$712,947. At the time, the City was unable to refund the remaining outstanding bonds due to this principal amount requiring a call within 90 days of their call date, which is December 1, 2007. The Sales and Use Tax refunding was analyzed assuming current market conditions. Given current interest rate market conditions, they concurred that it would be in the City's best financial interest to refund the aforementioned obligation; thereby, lowering the overall interest rate cost inclusive of all closing fees and without extending the maturity dates beyond the original issue's horizon.

It is projected that by refunding the Series 1997A (Streets) Sales and Use Tax Revenue Bonds the City can reduce its future interest costs by about \$515,000. This savings represents approximately 4.63% of the refunded bonds. National guidelines suggest that to initiate refunding a prior bond issue the savings should at a minimum be in excess of three percent.

The net interest cost for the outstanding Series 1997A (Streets) issue is 5.53%. It is estimated that the refunding may result in a net interest rate of about 4.03%, which is a significant reduction from the net interest cost of the debt to be refunded.

Staff projects the combined savings of the refunding will reduce the City's future debt service by approximately \$515,000 after deducting all costs of issuance. As with all debt issuance, costs are paid at closing from the proceeds of the bond issue; therefore, no out of pocket costs are incurred.

The proceeds of the sale of this new issue will be appropriated in a separate City Council action in October 2007, after the closing is held and the sale proceeds are received by the City.

Respectfully submitted,

J. Brent McFall
City Manager

Attachments - Ordinance Bond Purchase Agreement Agent Escrow Disclosure Statement

BY AUTHORITY

ORDINANCE NO. **3384**

COUNCILLOR'S BILL NO. **54**

SERIES OF 2007

INTRODUCED BY COUNCILLORS
Major - Dittman

A BILL

FOR AN ORDINANCE AUTHORIZING THE ISSUANCE OF SALES AND USE TAX REVENUE REFUNDING BONDS, SERIES 2007C, OF THE CITY OF WESTMINSTER, COLORADO, PROVIDING OTHER DETAILS IN CONNECTION THEREWITH; AND DECLARING AN EMERGENCY

THE CITY OF WESTMINSTER ORDAINS:

Section 1. Definitions. As used herein, unless the context clearly indicates otherwise, the following terms shall have the respective meanings set forth below:

Beneficial Owner: any Person for which a Participant acquires an interest in the Bonds.

Bond Fund: offsetting revenue and expense accounts within the General Debt Service Fund of the City, designated as the "2007C Sales and Use Tax Revenue Bonds" created by the provisions of this Ordinance.

Bond Insurance Policy: the financial guaranty insurance policy or municipal bond insurance policy issued by the Bond Insurer guaranteeing the payment when due of the principal of and interest on the Bonds, if set forth in the Sale Certificate.

Bond Insurer: means the provider of any financial guaranty insurance policy or municipal bond insurance policy, or any successor thereto, if set forth in the Sale Certificate.

Bond Purchase Agreement: the agreement between the City and the Underwriter, concerning the purchase of the Bonds by the Underwriter.

Bonds: the Sales and Use Tax Revenue Refunding Bonds, Series 2007C, as authorized by this Ordinance.

Cede: Cede & Co., the nominee of DTC as record owner of the Bonds, or any successor nominee of DTC with respect to the Bonds.

Charter: the home rule charter of the City adopted in accordance with Article XX of the Colorado Constitution.

City: the City of Westminster, Adams and Jefferson Counties, Colorado.

Code: the Internal Revenue Code of 1986, as in effect on the date of delivery of the Bonds.

Combined Average Annual Principal and Interest Requirements: with regard to any two or more particular issues of bonds or other obligations, the aggregate of all future payments of principal of and interest on all of said issues (excluding redemption premiums) to become due from the date of computation to the date of maturity of the latest maturing obligation of any of said issues, divided by the number of years between said dates; provided that if any particular issue has a single principal payment date and is issued as interim notes or securities in anticipation of permanent financing, such principal amount shall be excluded from this computation; provided further that such computation shall assume the redemption and payment of bonds or other obligations subject to mandatory redemption, but shall be made without regard to optional redemption.

Continuing Disclosure Certificate: the undertaking executed by officers of the City simultaneous with the delivery of the Bonds which enables the Underwriter to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission.

Council: the City Council of the City of Westminster, Colorado.

C.R.S.: the Colorado Revised Statutes, as amended and supplemented as of the date hereof.

Depository: any securities depository as the City may provide and appoint to act as securities depository for the Bonds in accordance with the guidelines of the Securities and Exchange Commission.

DTC: the Depository Trust Company, New York, New York, and its successors and assigns.

Escrow Account: the account created and maintained by the Escrow Bank pursuant to the Escrow Agreement.

Escrow Agreement: the Escrow Agreement dated as of its date, between the City and the Escrow Bank.

Escrow Bank: American National Bank, or its successors and assigns, acting as Escrow Bank under the Escrow Agreement.

Event of Default: any one or more of the events set forth in Section 22 of this Ordinance.

Federal Securities: direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, provided, that the full faith and credit of the United States of America must be pledged to any such direct obligation or guarantee.

Finance Director: the Finance Director of the City.

General Debt Service Fund: the “General Debt Service Fund” heretofore established as a governmental fund of the City.

Insurance Trustee: the commercial bank appointed by the Bond Insurer to act as insurance trustee under the Bond Insurance Policy, or its successors.

Letter of Representations: the letter of representations from the City to DTC to induce DTC to accept the Bonds as eligible for deposit at DTC.

Maximum Annual Combined Debt Service Requirement: the maximum amount of all required payments of principal and interest on the 1997 Bonds, the 2001 Bonds, the 2002 Bonds, the 2007A Bonds, the Bonds, and any Parity Lien Bonds proposed to be issued which will become due in any Fiscal Year; provided that if any particular issue has a single principal payment date and is issued as interim notes or securities in anticipation of permanent financing, such principal amount shall be excluded from this computation; provided further that such computation shall assume the redemption and payment of bonds or other obligations subject to mandatory redemption, but shall be made without regard to optional redemption.

1997 Bonds: the City’s Sales and Use Tax Revenue Refunding and Improvement Bonds, Series 1997A, dated March 1, 1997.

Ordinance: this Ordinance which authorizes the issuance of the Bonds.

Owners: the Beneficial Owners and the Registered Owners; provided however, that for purposes of Section 23 and Section 24 hereof, and to the extent provided in any ordinance authorizing the 1997 Bonds, the 2001 Bonds, the 2002 Bonds, the 2007A Bonds, and any Parity Lien Bonds, any bond insurer which is not in default in its obligations under its bond insurance policy insuring payment of any of the 1997 Bonds, the 2001 Bonds, the 2002 Bonds, the 2007A Bonds, the Bonds, and any Parity Lien Bonds shall be deemed the Owner thereof.

Parity Lien Bonds: one or more series of additional bonds, notes, interim securities, or other obligations issued by the City in accordance with the provisions hereof, having a lien on the Pledged Revenue which is on a parity with the lien of the Bonds.

Participant: any broker-dealer, bank, or other financial institution from time to time for which DTC or another Depository holds the Bonds.

Paying Agent: American National Bank, in Denver, Colorado or its successor which shall perform the function of paying agent as set forth in this Ordinance.

Paying Agent Agreement: the Registrar and Paying Agent Agreement dated as of the date of delivery of the Bonds, between the City and the Registrar and Paying Agent.

Permitted Investments: any investment or deposit permitted for the City under the laws of the State and approved by the Bond Insurer.

Person: any natural person, firm, partnership, association, corporation, trust, public body, or other entity.

Pledged Revenue: so long as the rate of the Sales and Use Tax is three and eighty-five hundredths percent (3.85%), the revenue derived from the Sales and Use Tax, after deducting (i) 6.49% thereof for deposit to the City's Open Space Fund, (ii) 15.58% thereof which is reserved for the City's public safety related expenditures and (iii) all costs of administering and collecting the Sales and Use Tax; and so long as the rate of the Sales and Use Tax is three and sixty-hundredths percent (3.60%), the revenue derived from the Sales and Use Tax, (i) 16.67% thereof which is reserved for the City's public safety related expenditures and (ii) after deducting all costs of administering and collecting the Sales and Use Tax.

Preliminary Official Statement: the Preliminary Official Statement prepared in connection with the issuance of the Bonds.

Record Date: the fifteenth (15th) day of the calendar month next preceding each interest payment date of the Bonds.

Redemption Date: the earliest date after delivery of the Bonds on which the Refunded Bonds may be called for prior redemption.

Refunded Bonds: any or all of the 1997 Bonds and the 2002 Bonds as designated in the Sale Certificate.

Refunded Bond Requirements: means: (i) the payment of the interest due on the Refunded Bonds, both accrued and not accrued, as the same become due on and after the date of delivery of the Bonds and on and before the Redemption Date; (ii) the payment of principal of the Refunded Bonds as the same becomes due upon prior redemption on the Redemption Date; and (iii) the payment of any required redemption premium;

Refunding Project: the issuance of the Bonds for the purpose of defraying the costs of refunding the Refunded Bonds and payment of the costs of issuance of the Bonds.

Registered Owner: the registered owner of any Bond, as shown by the registration books maintained by the Registrar on behalf of the City.

Registrar: American National Bank, in Denver, Colorado or its successor, which shall perform the registration and transfer functions of bond registrar as set forth in this Ordinance.

Required Reserve: the amount of the Reserve Fund required by Section 19(e) hereof.

Reserve Fund: offsetting revenue and expense accounts within the General Debt Service Fund of the City, designated as the “Sales and Use Tax Revenue Bonds Reserve,” created by the provisions of Section 19(e) of this Ordinance.

Sale Certificate: the certificate executed by the City Manager or the Finance Director dated on or before the date of delivery of the Bonds, setting forth (i) that portion of the Refunded Bonds to be refunded; (ii) the rates of interest on the Bonds, (iii) the conditions on which and the prices at which the Bonds may be called for redemption; (iv) the existence and amount of any capitalized interest or reserve fund; (v) the price at which the Bonds will be sold; (vi) the principal amount of the Bonds; (vii) the amount of principal of the Bonds maturing on each date; (viii) the dates on which principal and interest will be paid and the first interest payment date; (ix) whether the Bonds will be secured by a municipal bond insurance policy or financial guaranty insurance policy; and (x) any other matters which may be determined by the City Manager or the Finance Director pursuant to Section 11-57-205 of the Supplemental Act.

Sales and Use Tax: the sales and use tax of the City, as imposed by Title IV in effect as of the date hereof. The term “Sales and Use Tax” does not include any increases in the rate of sale and use taxes from the present rate of 3.85%, nor does it include any other excise taxes which may now or hereafter be imposed by the City, whether contained in Title IV or any other Chapter or ordinance of the City.

Sales and Use Tax Fund: the “Sales and Use Tax Special Revenue Fund” heretofore established as a governmental fund of the City.

Special Record Date: a special date fixed to determine the names and addresses of registered owners of Bonds for purposes of paying interest on a special interest payment date for the payment of defaulted interest.

Subordinate Lien Bonds: one or more series of additional bonds, notes, interim securities, or other obligations issued by the City in accordance with the provisions hereof, having a lien on the Pledged Revenue which is subordinate or junior to the lien of the Bonds.

Supplemental Act: the Supplemental Public Securities Act, constituting Title 11, Article 57, Part 2, C.R.S.

Term Bonds : The Bonds that are payable on or before their specified maturity dates from sinking fund payments established for that purpose and calculated to retire such Bonds on or before their specified maturity dates.

Title IV: Chapters 1 and 2 of Title IV of the Municipal Code of the City governing the imposition, collection, distribution, and enforcement of the Sales and Use Tax, and any successor or other ordinance pertaining to the Sales and Use Tax.

2001 Bonds: the City’s Sales and Use Tax Revenue Refunding and Improvement Bonds, Series 2001, dated September 1, 2001.

2002 Bonds: The City’s Sales and Use Tax Revenue Bonds, Series 2002, dated December 1, 2002.

2007A Bonds: The City’s Sales and Use Tax Revenue Refunding Bonds, Series 2007A, dated March 6, 2007.

Underwriter: Stifel, Nicolaus & Company, Incorporated, Denver, Colorado, the original purchaser of the Bonds, or its successor.

Section 2. Recitals.

A. This Ordinance shall be known as and may be cited by the short title “2007C Sales and Use Tax Bond Ordinance.”

B. The City is a duly organized and existing home rule municipality of the State of Colorado, created and operating pursuant to Article XX of the Colorado Constitution and the Charter.

C. Pursuant to Section 10.2 of the Charter and Title IV of the City’s Municipal Code, the City has heretofore imposed and is collecting a sales and use tax upon the sale or use of tangible personal property and certain services.

D. Pursuant to said Title IV, for transactions consummated or contracts entered into on or after January 1, 2004, but prior to January 1, 2033, the rate of the sales and use tax shall be three and eighty-five hundredths percent (3.85%), and for transactions consummated or contracts entered into prior to January 1, 1986, or on or after January 1, 2033, the rate of the sales and use tax shall be three and sixty-hundredths percent (3.60%).

E. Pursuant to said Title IV, six and forty-nine hundredths percent (6.49%) of all sales and use taxes collected at the rate of three and eighty-five hundredths percent (3.85%) shall be distributed to the City’s Open Space Fund and 15.58% thereof is reserved for the City’s public safety related expenditures.

F. Pursuant to Chapter XI of the Charter, the Council has the power to issue, without the vote of the qualified electors of the City, revenue bonds for any public purpose payable in whole or in part from the available proceeds of sales and use taxes which may be imposed pursuant to Chapter X of the Charter.

G. Pursuant to Chapter XI of the Charter, the City has heretofore duly authorized, sold, issued, and delivered to the purchasers thereof its 1997 Bonds, 2001 Bonds, 2002 Bonds, and 2007A Bonds payable solely from certain sales and use tax and other excise tax revenues to be derived by the City.

H. Pursuant to Chapter XI of the Charter, the Council has the power to issue, without the vote of the qualified electors of the City, bonds for the purpose of refunding outstanding bonds of the City.

I. Article X, Section 20 of the Colorado Constitution permits the City to issue bonds without an election to refund outstanding bonds at a lower rate of interest.

J. The 1997 Bonds maturing on and after December 1, 2008 are subject to redemption at the option of the City on December 1, 2007, or on any date thereafter, at a redemption price equal to the principal amount so redeemed, accrued interest to the redemption date, plus a premium of 2% of the principal amount so redeemed if redeemed on or before November 30, 2008.

K. The 2002 Bonds maturing on and after December 1, 2013, are subject to redemption at the option of the City on December 1, 2012, or on any date thereafter, at a redemption price equal to the principal amount so redeemed plus accrued interest to the Redemption Date.

L. The City has determined that the issuance of the Refunding Bonds and undertaking the Refunding Project will result in a lower the interest rate paid by the City.

M. The Bonds shall have an irrevocable and first lien, but not necessarily an exclusive such lien, on certain sales and use tax revenues of the City, as set forth herein.

N. The City has received a proposal in the form of a Bond Purchase Agreement from the Underwriter concerning the purchase of the Bonds.

O. The Council has determined that the Bonds shall be sold to the Underwriter in accordance with its proposal, and that such sale is to the best advantage of the City.

P. There are on file with the City Clerk the forms of the following documents: (i) the form of the Escrow Agreement; (ii) the form of the Bond Purchase Agreement; (iii) the form of the Paying Agent Agreement; (iv) the form of a Preliminary Official Statement for the Bonds; (v) the Letter of Representations; and (vi) the form of the Continuing Disclosure Certificate.

Q. It is necessary to provide for the form of the Bonds, the Bond details, the payment of the Bonds, and other provisions relating to the authorization, issuance, and sale of the Bonds.

R. Except for the Mayor who has disclosed a potential conflict of interest and abstained from voting on this Ordinance, no member of the Council has any conflict of interest or is interested in any pecuniary manner in the issuance of the Bonds.

Section 3. Authorization. In accordance with the Constitution of the State of Colorado; the Charter; and all other laws of the State of Colorado thereunto enabling, and pursuant to the provisions of this Ordinance, the City hereby authorizes, for the purpose of paying the costs of the Refunding Project, the issuance of its "Sales and Use Tax Revenue Refunding Bonds, Series 2007C." Section 11-57-204 of the Supplemental Act provides that a public entity, including the City, may elect in an act of issuance to apply all or any of the provisions of the Supplemental Act to the Bonds. The Council hereby elects to apply all of the Supplemental Act to the Bonds. The Bonds are issued under the authority of the Acts and shall so recite as provided in Section 9 hereof. Pursuant to Section 11-57-210, C.R.S., such recital conclusively imparts full compliance with all the provisions of said sections, and the Bonds issued containing such recital shall be incontestable for any cause whatsoever after their delivery for value.

Either the City Manager or the Finance Director is hereby independently authorized and directed to execute and deliver the Sale Certificate and to make and approve the final determinations contained therein, subject to the parameters and restrictions of this Ordinance. Either the City Manager or the Finance Director is hereby authorized to determine if obtaining municipal bond insurance or financial guaranty insurance is in the best interests of the City, and if so, to select a bond insurer to issue a municipal bond insurance policy or financial guaranty insurance policy, execute a commitment relating to the same and execute any related documents or agreements required by such commitment. If it is determined that the Bonds will be sold without municipal bond or financial guaranty insurance, all references herein to Bond Insurer, Bond Insurance Policy and Insurance Trustee are of no force and effect.

Section 4. Special Obligations. All of the Bonds, together with the interest thereon and any premium due in connection therewith, and any payments due to the Bond Insurer under the Bond Insurance Policy shall be payable only out of the Bond Fund, into which the City covenants to deposit the Pledged Revenue in amounts sufficient to pay promptly, when due, the principal of, premium, if any, and interest on the Bonds. The Bonds shall constitute an irrevocable and first lien upon the Pledged Revenue to the extent provided herein, but not necessarily an exclusive such lien, and the Pledged Revenue is hereby pledged to the payment of the Bonds as provided herein. Neither the Bond Insurer nor Owners may look to any general or other revenue of the City, including without limitation the proceeds of ad valorem taxes, for the payment of the principal of, premium, if any, and interest on the Bonds, or any payments due to the Bond Insurer under the Bond Insurance Policy. The Bonds and any payments under the Bond Insurance Policy shall not constitute a debt or an indebtedness of the City within the meaning of any constitutional, Charter, or statutory provision or limitation; nor shall they be considered or held to be general obligations of the City.

Section 5. Bond Details. The Bonds shall be issued only as fully registered Bonds, without coupons, in the denomination of \$5,000 each or any integral multiple thereof. Unless the City shall otherwise direct, the registered Bonds of each series shall be numbered separately from 1 upward,

with the number of each Bond preceded by "R-" and such other series designation as the Registrar deems necessary.

The Bonds shall be dated as of the date of their delivery to the Underwriter. The Bonds shall mature, bear interest from their dated date to maturity and be sold, all as provided in the Sale Certificate; provided that (i) the aggregate principal amount of the Bonds shall not exceed the outstanding principal amount of the Refunded Bonds; (ii) the maximum net effective interest rate of the Bonds shall not exceed 5.0%; (iii) the Bonds shall mature no later than December 1, 2022; (iv) the purchase price of the Bonds, shall not be less than 98.5%; (vii) the first optional redemption date on the Bonds, if any, shall not be later than December 1, 2017; (viii) the net present value savings as a result of the Refunding Project shall be at least 3% of the principal amount of the Bonds so redeemed; and (ix) the optional redemption price shall not exceed 100% of the principal amount of the Bonds so redeemed. Interest on the Bonds shall be calculated on the basis of a 360-day year of twelve 30-day months, payable semiannually on June 1 and December 1, commencing on the date provided in the Sale Certificate.

Section 6. Payment of Bonds; Paying Agent and Registrar. The principal of and premium, if any, on each Bond is payable in lawful money of the United States of America to the Registered Owner of such Bond upon maturity and presentation of the Bond, at the principal office of the Paying Agent. If any Bond shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the interest rate borne by said Bond until the principal thereof is paid in full. Payment of interest on any Bond shall be made to the Registered Owner thereof by check or draft mailed by the Paying Agent, on or before each interest payment date, to the Registered Owner thereof at his or her address as it last appears on the registration records kept by the Registrar on the Record Date; but any such interest not so timely paid shall cease to be payable to the person who is the Registered Owner thereof at the close of business on the Record Date and shall be payable to the person who is the Registered Owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest. Such Special Record Date shall be fixed by the Registrar whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the Registered Owners of the Bonds not less than ten days prior to the Special Record Date by first-class mail to each such Registered Owner as shown on the Registrar's registration records on a date selected by the Registrar, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. The Paying Agent may make payments of interest on any Bond by such alternative means as may be mutually agreed to between the registered owner of such Bond and the Paying Agent; provided, however, that the City shall not be required to make funds available to the Paying Agent prior to the payment dates stated in this Ordinance. All such payments shall be made in lawful money of the United States of America without deduction for the services of the Paying Agent or Registrar.

If the date for making any payment or performing any action hereunder shall be a legal holiday or a day on which the principal office of the Paying Agent or Registrar is authorized or required by law to remain closed, such payment may be made or act performed on the next succeeding day which is not a legal holiday or a day on which the principal office of the Paying Agent or Registrar is authorized or required by law to remain closed.

The principal of, premium, if any, and interest on the Bonds shall be paid in accordance with the terms of the Letter of Representations.

Section 7. Book-Entry System. The Bonds shall be initially issued in the form of a single, certificated, fully registered Bond for each maturity bearing the same interest rate. Upon initial issuance, the ownership of each such Bond shall be registered in the registration books kept by the Registrar in the name of Cede.

With respect to Bonds registered in the name of Cede or held by a Depository, the City, the Registrar, and the Paying Agent shall have no responsibility or obligation to any Participant or Beneficial Owner including, without limitation, any responsibility or obligation with respect to: (i) the accuracy of the records of the Depository or any Participant concerning any ownership interest in the Bonds; (ii) the delivery to any Participant, Beneficial Owner, or Person other than the Registered Owner, of any notice concerning the Bonds, including notice of redemption; (iii) the payment to any Participant, Beneficial Owner, or Person other than the Registered Owner, of the principal of, premium if any, and

interest on the Bonds. The City, the Registrar, and the Paying Agent may treat the Registered Owner of a Bond as the absolute owner of such Bond for the purpose of payment of the principal of, premium if any, and interest with respect to such Bond, for purposes of giving notices of redemption and other matters with respect to such Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium if any, and interest on the Bonds only to or upon the order of the Registered Owners, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the payment of the same. No Person, other than a Registered Owner, shall receive a certificated Bond evidencing the obligations of the City pursuant to this Ordinance.

DTC may determine to discontinue providing its service as Depository with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law. Additionally, the Finance Director may terminate the services of DTC if she determines, in her sole and absolute discretion, that DTC is unable to discharge its responsibilities with respect to the Bonds or that continuation of the system of book entry transfers through DTC is not in the best interests of the Beneficial Owners or the City. Such termination shall be effected by written notice of the same from the City to DTC and to the Registrar and Paying Agent. Upon the termination of the services of DTC, a substitute Depository which is willing and able to undertake the system of book-entry transfers upon reasonable and customary terms may be engaged by the City or, if the Finance Director determines in her sole and absolute discretion that it is in the best interests of the Beneficial Owners or the City that the Beneficial Owners be able to obtain certificated Bonds, the Bonds shall no longer be restricted to being registered in the name of Cede or other nominee of a Depository but shall be registered in whatever name or names the Beneficial Owners shall designate at that time, and fully registered Bond certificates shall be delivered to the Beneficial Owners.

Section 8. Prior Redemption.

(a) Optional Prior Redemption. The Bonds designated in the Sale Certificate, if any, will be subject to redemption at the option of the City from any legally available funds on the dates set forth in the Sale Certificate in whole, or in part from any maturities, in any order of maturity and by lot within a maturity from Bonds of the same maturity and interest rate, in such manner as the City may determine (giving proportionate weight to Bonds in denominations larger than \$5,000), at the price set forth in the Sale Certificate, subject to the parameters and restrictions of this Ordinance.

The Registrar shall not be required to give notice of any such optional redemption unless it has received written instructions from the City in regard thereto at least sixty days prior to such redemption date.

(b) Mandatory Redemption. The Term Bonds, if any, are subject to mandatory sinking fund redemption, at the times, in the amounts and at the prices provided in the Sale Certificate.

On or before thirty (30) days prior to each sinking fund installment date, the Registrar shall, without any notice or instruction from the City, proceed to call the Term Bonds (or any Term Bond or Term Bonds issued to replace such Term Bonds) for redemption from the sinking fund on the next December 1, and give notice of such call without other instruction or notice from the City.

At its option, to be exercised on or before the sixtieth (60th) day next preceding each such sinking fund redemption date, the City may (a) deliver to the Registrar for cancellation Term Bonds subject to mandatory sinking fund redemption on such date in an aggregate principal amount desired or (b) receive a credit in respect of its sinking fund redemption obligation for any Term Bonds of the same maturity subject to mandatory sinking fund redemption on such date, which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and canceled by the Registrar and not theretofore applied as a credit against any sinking fund redemption obligation. Each Term Bond so delivered or previously redeemed will be credited by the Registrar at the principal amount thereof on the obligation of the City on such sinking fund redemption date and the principal amount of Term Bonds to be redeemed by operation of such sinking fund on such date will be accordingly reduced. The City will on or before the sixtieth day next preceding each sinking fund redemption date furnish the Registrar with its certificate indicating whether or not and to what extent the provisions of (a) and (b) of the preceding

sentence are to be availed with respect to such sinking fund payment. Failure of the City to deliver such certificate shall not affect the Registrar's duty to give notice of sinking fund redemption as provided in this paragraph.

(c) Notice. Notice of redemption shall be given by the Registrar in the name of the City by sending a copy of such official notice by first-class, postage prepaid mail, not more than sixty nor less than thirty days prior to the redemption date to the Bond Insurer and each Registered Owner at his address as it last appears on the registration books kept by the Registrar; but neither failure to give such notice nor any defect therein shall affect the redemption of any Bond. Such notice shall identify the Bonds to be so redeemed (if less than all are to be redeemed) and the redemption date, and shall further state that on such redemption date there will become and be due and payable upon each Bond so to be redeemed, at the Paying Agent, the principal amount thereof, any redemption premium, and accrued interest to the redemption date and that from and after such date interest will cease to accrue. Prior to any redemption date, the City shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Paying Agent at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. All Bonds which have been redeemed shall be promptly canceled by the Paying Agent and such canceled Bonds shall be delivered by the Paying Agent or Registrar to the City if requested by the City, and shall not be reissued.

(d) Partial Redemption. In the case of Bonds of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any integral multiple thereof) may be redeemed, in which case the Registrar shall, without charge to the owner of such Bond, authenticate and issue a replacement Bond or Bonds for the unredeemed portion thereof of the same maturity in the amount of the unpaid principal.

(e) Conditional Call Provision. Notwithstanding the provisions of this section, any notice of optional redemption may contain a statement that the redemption is conditioned upon the receipt by the Paying Agent of funds on or before the date fixed for redemption sufficient to pay the redemption price of the Bonds so called for redemption, and that if such funds are not available, such redemption shall be canceled by written notice to the owners of the Bonds called for redemption in the same manner as the original redemption notice was mailed.

Section 9. Form and Execution of Bonds. The Bonds shall be signed with the facsimile or manual signature of the Mayor Pro Tem, sealed with a facsimile or manual impression of the seal of the City, countersigned by the facsimile or manual signature of the Finance Director, and attested by the facsimile or manual signature of the City Clerk. Should any officer whose facsimile or manual signature appears on the Bonds cease to be such officer before delivery of the Bonds to the Underwriter, such facsimile or manual signature shall nevertheless be valid and sufficient for all purposes.

No Bond shall be valid or obligatory for any purpose unless the certificate of authentication, substantially in the form hereinafter provided, has been duly manually executed by the Registrar. The Registrar's certificate of authentication shall be deemed to have been duly executed by it if manually signed by an authorized representative of the Registrar, but it shall not be necessary that the same representative sign the certificate of authentication on all of the Bonds issued hereunder. By authenticating any of the Bonds initially delivered pursuant to this Ordinance, the Registrar shall be deemed to have assented to the provisions of this Ordinance.

The Bonds shall be in substantially the following form:

[Form of Bond]

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered Owner hereof, Cede & Co., has an interest herein.

No. R- _____

\$ _____

UNITED STATES OF AMERICA
STATE OF COLORADO
COUNTIES OF ADAMS AND JEFFERSON
CITY OF WESTMINSTER
SALES AND USE TAX REVENUE BOND, SERIES 2007C

INTEREST RATE

MATURITY DATE

DATED DATE

CUSIP

December 1, 20__

Date of Delivery

REGISTERED OWNER: CEDE & COMPANY

PRINCIPAL AMOUNT:

DOLLARS

The City of Westminster, in the Counties of Adams and Jefferson and the State of Colorado, for value received, hereby promises to pay from the special fund hereafter designated, but not otherwise, to the registered owner named above, or registered assigns, on the maturity date specified above or on the date of prior redemption, the principal amount specified above. This bond will bear interest from the most recent interest payment date to which interest has been paid or provided for, or, if no interest has been paid, from the date of this bond. This bond is one of an authorized series issued pursuant to an ordinance of the City Council of the City adopted on September 24, 2007 (the "Bond Ordinance"). This bond bears interest, matures, is payable, is subject to redemption and is transferable as provided in the Bond Ordinance. To the extent not defined herein, terms used in this bond shall have the same meanings as set forth in the Bond Ordinance.

This Bond is one of a series aggregating [PAR AMOUNT] dollars (\$_____) par value, all of like date, tenor, and effect except as to number, principal amount, interest rate, and date of maturity, issued by the City Council of the City of Westminster, in the Counties of Adams and Jefferson and the State of Colorado, for the purpose of paying the costs of certain street improvements in the City, in accordance with the Constitution of the State of Colorado, the Charter of the City, Title 11, Article 57, Part 2, C.R.S. and all other laws of the State of Colorado thereunto enabling, and pursuant to the Bond Ordinance duly adopted prior to the issuance of this Bond. Pursuant to Section 11-57-210, C.R.S., this recital conclusively imparts full compliance with all of the provisions and limitations of said sections and this bond shall be incontestable for any cause whatsoever after its delivery for value.

The principal of, premium, if any, and interest on this Bond are payable only out of a special fund of the City created in full conformity with law and designated as the "2007C Sales and Use Tax Revenue Bonds" (the "Bond Fund"), into which the City covenants and agrees to credit, from certain sales and use tax proceeds defined hereafter as the "Pledged Revenue," and other legally available revenues, amounts sufficient to pay the principal of, premium, if any, and interest on the Bonds when the same become due and payable, all as is more particularly set forth in the authorizing Bond Ordinance. The Pledged Revenue consists only of the revenue derived from the City's existing 3.85% sales and use tax, after deducting 22.07% thereof for deposit to other accounts of the City and after deducting all costs of administering and collecting the sales and use tax; or to the extent the sales and use tax rate is reduced

to 3.60% (as is presently provided by City ordinances), the Pledged Revenue will consist only of the revenue derived from the City's 3.60% sales and use tax, after deducting 16.67% thereof which is reserved for the City's public safety related expenditures and all costs of administering and collecting the sales and use tax. In the authorizing Bond Ordinance the City has covenanted that it will not amend or repeal the ordinance imposing the sales and use tax in any way which would materially adversely affect the amount of Pledged Revenue which would be otherwise available for credit to the Bond Fund. The Bonds of this issue constitute an irrevocable and first lien upon the Pledged Revenue to the extent provided in the Bond Ordinance, but not necessarily an exclusive such lien. Subject to expressed conditions, obligations in addition to the Bonds of this issue may be issued and made payable from the Pledged Revenue having a lien thereon subordinate and junior to the lien of the Bonds of this issue or, subject to additional expressed conditions, having a lien on the Pledged Revenue on a parity with the lien of the Bonds of this issue, in accordance with the provisions of said Bond Ordinance.

THIS BOND DOES NOT CONSTITUTE A DEBT OR INDEBTEDNESS OF THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL, CHARTER, OR STATUTORY PROVISION OR LIMITATION, AND SHALL NOT BE CONSIDERED OR HELD TO BE A GENERAL OBLIGATION OF THE CITY.

It is hereby recited, certified, and warranted that all the requirements of law have been complied with fully by the proper officers of the City in the issuance of this Bond; that it is issued pursuant to and in strict conformity with the constitution and laws of the State, with the Charter of the City, and with the Bond Ordinance; and that this Bond does not contravene any constitutional, statutory, or Charter limitation.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the authorizing Bond Ordinance until the certificate of authentication hereon shall have been signed by the Registrar.

IN TESTIMONY WHEREOF, the City Council of the City of Westminster, Colorado, has caused this Bond to be signed by the manual or facsimile signature of the Mayor Pro Tem, sealed with a facsimile of the seal of the City, countersigned with the manual or facsimile signature of the Finance Director, and attested by the manual or facsimile signature of the City Clerk, all as of October 16, 2007.

CITY OF WESTMINSTER, COLORADO

(S E A L)

(Manual or Facsimile Signature)

Mayor Pro Tem

ATTESTED:

COUNTERSIGNED:

By: (Manual or Facsimile Signature)
City Clerk

By: (Manual or Facsimile Signature)
Finance Director

[End Form of Bond]

[Form of Registrar's Certificate of Authentication]

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue described in the within mentioned Bond Ordinance.

Date of Registration and Authentication: _____

AMERICAN NATIONAL BANK,
in Denver, Colorado, as Registrar

By: _____
Authorized Officer or Employee

[End Form of Registrar's Certificate of Authentication]

[Form of Transfer]

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns, and transfers unto

Social Security or Federal Employer
Identification Number of Assignee:

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint attorney, to transfer said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature of Registered Owner:

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Signature guaranteed:

(Bank, Trust Company, or Firm)

[End Form of Transfer]

STATEMENT OF INSURANCE

[To be inserted if bond insurance is obtained]

Section 10. Authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until a certificate of authentication on such Bond substantially in the form hereinabove set forth shall have been duly executed by the Registrar, and such executed certificate of the Registrar upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The Registrar's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer or signatory of the Registrar, but it shall not be necessary that the same officer or signatory sign the certificate of authentication on all of the Bonds issued hereunder.

Section 11. Delivery of Bonds. Upon the adoption of this Ordinance, the City shall execute the Bonds and deliver them to the Registrar, and the Registrar shall authenticate the Bonds and deliver them to the Underwriter, as directed by the City, and in accordance with the Bond Purchase Agreement and the Letter of Representations.

Section 12. Registration, Transfer and Exchange of Bonds.

(a) Records for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender for transfer of any Bond at the Registrar, with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney, the Registrar shall enter such transfer in the registration records and shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount and of the same maturity and interest rate, bearing a number or numbers not previously assigned. Bonds may be exchanged at the Registrar for an equal aggregate principal amount of Bonds of the same maturity and interest rate of other authorized denominations. The Registrar shall authenticate and deliver a Bond or Bonds which the registered owner making the exchange is entitled to receive, bearing a number or numbers not previously assigned. The Registrar may impose reasonable charges in connection with exchanges or transfers of Bonds which charges (as well as any tax or other governmental charge required to be paid with respect to such transfer) shall be paid by the registered owner requesting such exchange or transfer.

(b) The Registrar shall not be required (1) to transfer or exchange all or a portion of any Bond subject to prior redemption during the period beginning at the opening of business fifteen days preceding the mailing of notice calling any Bonds for prior redemption as herein provided and ending at the close of business on the day of such mailing or (2) to transfer or exchange all or a portion of a Bond after the mailing of notice calling such Bond or portion thereof for prior redemption except for the unredeemed portion of Bonds redeemed in part.

(c) Except as herein provided with respect to Record Dates and Special Record Dates for the payment of interest, the person in whose name any Bond shall be registered on the registration records kept by the Registrar shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof and for all other purposes; and payment of either principal or interest on any Bond shall be made only to upon the written order of the registered owner thereof or his legal representative, but such registration may be changed in the manner and subject to the conditions and limitations provided herein. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

(d) The officers of the City are authorized to deliver to the Registrar fully executed but unauthenticated Bonds in such quantities as may be convenient to be held in the custody of the Registrar pending use as herein provided.

(e) Whenever any Bond shall be surrendered to the Paying Agent upon payment thereof, or to the Registrar for transfer, exchange or replacement as provided herein, such Bond shall be

promptly canceled by the Paying Agent or Registrar, and counterparts of a certificate of such cancellation shall be furnished by the Paying Agent or Registrar to the City.

Section 13. Destruction of Bonds. Whenever any outstanding Bond shall be delivered to the Registrar for cancellation pursuant to this Ordinance, and upon payment of the principal amount and interest represented thereby, or whenever any outstanding Bond shall be delivered to the Registrar for transfer pursuant to the provisions hereof, such Bond shall be canceled and destroyed by the Registrar and counterparts of a certificate of destruction evidencing such destruction shall be furnished by the Registrar to the City. In the event a Bond is registered in the name of a Depository, cancellation may consist of the notation thereof on the registration books of the Registrar. The Registrar shall notify the Depository of all Bonds, or portions thereof, canceled in accordance with this Section.

Section 14. Lost Bonds. Any Bond that is lost, stolen, destroyed, or mutilated may be replaced or paid by the Registrar in accordance with and subject to the limitations of applicable law. The applicant for any such replacement Bond shall post such security, pay such costs, and present such proof of ownership and loss as may be required by applicable law, or in the absence of specific requirements, as may be required by the Registrar.

Section 15. Disposition and Investment of Bond Proceeds. The Bonds shall be issued and sold for the purposes of paying the costs of the Refunding Project. Accrued interest on the Bonds shall be deposited to the Bond Fund. All other Bond proceeds shall be deposited to such fund or account as the Finance Director determines and applied to pay the costs of the Refunding Project. Neither the Underwriter nor any subsequent owners of the Bonds shall be responsible for the application or disposal by the City or any of its officers of the funds derived from the sale thereof.

Section 16. Creation of Fund and Accounts. There are hereby created and established the following funds and accounts which shall be established as book accounts and maintained in accordance with this Ordinance:

- (a) the Bond Fund; and
- (b) the Reserve Fund pursuant to Section 19(e).

In accordance with generally accepted accounting principles, for the purpose of accounting for the moneys provided for in this Ordinance the Finance Director may create offsetting revenue and expense accounts not inconsistent with the provisions hereof, all as may be determined by the Finance Director.

Section 17. Payment of Principal and Interest; Attachment of Lien. The City shall credit to the Sales and Use Tax Fund all revenue derived from the Sales and Use Tax immediately upon receipt. Thereafter, the City shall apply the Pledged Revenue in the following order of priority:

FIRST: To the credit of the Bond Fund the amounts required by Section 18 hereof, and to the credit of any other fund or account established for the 1997 Bonds, the 2001 Bonds, the 2002 Bonds, the 2007A Bonds, or hereafter established for the payment of the principal of, premium if any, and interest on Parity Lien Bonds, in the amounts required by the ordinance or other enactment authorizing issuance of the 1997 Bonds, the 2001 Bonds, the 2002 Bonds, the 2007A Bonds and the Parity Lien Bonds.

SECOND: To the credit of any sinking fund, reserve fund, or similar fund or account established in connection with the 1997 Bonds, the 2001 Bonds, the 2002 Bonds, the 2007A Bonds, the Bonds or any Parity Lien Bonds, in the amounts required by this Ordinance or the ordinance or other enactment authorizing issuance of the 1997 Bonds, the 2001 Bonds, the 2002 Bonds, the 2007A Bonds and the Parity Lien Bonds.

THIRD: To the credit of any other fund or account hereafter established for the payment of the principal of, premium if any, and interest on Subordinate Lien Bonds, including any sinking fund, reserve fund, or similar fund or account established therefor,

in the amounts required by the ordinance or other enactment authorizing issuance of the Subordinate Lien Bonds.

FOURTH: To the credit of any other fund as may be designated by the City, to be used for any lawful purpose, any Pledged Revenue remaining after the payments and accumulations set forth in Section 17 FIRST through THIRD hereof.

The lien of the Bonds on the Pledged Revenue shall attach immediately upon receipt of any Sales and Use Tax proceeds, shall remain in effect so long as such Pledged Revenue is credited to the Sales and Use Tax Fund or the Bond Fund or the Reserve Fund, and shall be extinguished with respect to any Pledged Revenue not required to be credited to the Bond Fund pursuant to Section 18 hereof or the Reserve Fund pursuant to Section 19(e) hereof and which is transferred to other funds of the City for other purposes.

Section 18. Bond Fund. The City shall credit to the Bond Fund from the Pledged Revenue, or other legally available moneys, in substantially equal monthly installments of the total principal to become due and interest to accrue on the Bonds on the next principal payment date and interest payment date, respectively. Notwithstanding the foregoing, the City shall credit to the Bond Fund from the Pledged Revenue an amount which, when combined with other legally available moneys credited thereto, will be sufficient to pay when due the principal of and interest on the Bonds.

Moneys credited to the Bond Fund may be invested or deposited in accordance with the Charter. The investment of moneys in the Bond Fund shall, however, be subject to the tax covenants and provisions of Section 19(f) hereof. Except to the extent otherwise required by Section 19(f) hereof, any investment income earned on amounts credited to the Bond Fund shall be credited to the Bond Fund, and for purposes of making the deposits required by this Section, any investment income so credited to the Bond Fund shall be deemed the credit of Pledged Revenue to the Bond Fund.

Section 19. Additional Covenants of the City. The City hereby irrevocably covenants and agrees with each and every Registered Owner and Beneficial Owner, that so long as any of said Bonds remain outstanding:

(a) It will not amend or repeal Title IV in any way that would materially adversely affect the amount of Pledged Revenue which would be otherwise available for credit to the Bond Fund. Nothing shall prevent the City from amending said Title IV in order to increase the rate of tax above that currently imposed by said Title IV, or to make certain changes in the administration, collection, or enforcement of such Sales or Use Tax, provided that such changes do not materially adversely affect the amount of Pledged Revenue which would be otherwise available for credit to the Bond Fund.

(b) It will administer, enforce, and collect, or cause to be administered, enforced, and collected, the Sales and Use Tax authorized by Title IV, and shall take such reasonable, necessary action to collect delinquent payments in accordance with law.

(c) It will keep or cause to be kept such books and records showing the proceeds of the Sales and Use Tax, in which complete entries shall be made in accordance with generally accepted accounting principles, as applicable to governments, and any Owner shall have the right at all reasonable times to inspect the records and accounts relating to the collection and receipts of such Sales and Use Tax. The City will permit the Bond Insurer to discuss the affairs, finances and accounts of the City or any information the Bond Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the City. The City will permit the Bond Insurer to have access to and to make copies of all books and records relating to the Bonds at any reasonable time.

(d) It will, at least once a year, cause an audit of the records relating to the collection and receipts of the Sales and Use Tax revenues. Such audit may be made part of and included within the general audit of the City, and made at the same time as such audit. While the Bond Insurance Policy is in effect, the Bond Insurer shall receive, as soon as practicable after the filing thereof, a copy of the City's annual audited financial statements and annual budget.

(e) In the event the City does not receive Pledged Revenue in any fiscal year in an amount at least equal to 200% of the Combined Average Annual Principal and Interest Requirements for the 1997 Bonds, the 2001 Bonds, 2002 Bonds, the 2007A Bonds, the Bonds and any Parity Lien Bonds, the City shall establish and maintain a reserve fund solely for the 1997 Bonds, the 2001 Bonds, 2002 Bonds, the 2007A Bonds, the Bonds and Parity Lien Bonds (the "Reserve Fund"), in an amount equal to 10% of the outstanding aggregate principal amount of the 1997 Bonds, the 2001 Bonds, 2002 Bonds, the 2007A Bonds, the Bonds and Parity Lien Bonds (the "Required Reserve"). The City shall accumulate the Required Reserve in the Reserve Fund by twelve equal monthly deposits. The City shall make the initial deposit into the Reserve Fund of Pledged Revenue within 90 days after the end of the fiscal year in which such deficiency occurs. Such Reserve Fund shall not be released after it has been established. Draws on the Reserve Fund must be replenished within one year. Investments purchased with funds on deposit in the Reserve Fund shall have an average aggregate weighted term to maturity not greater than five years.

(f) It will not take any action or omit to take any action with respect to the Bonds, the proceeds of the Bonds, any other funds of the City or the facilities financed or refinanced with the proceeds of the Bonds if such action or omission (i) would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as in effect on the date of delivery of the Bonds (the "Code"), (ii) would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under Section 55(b)(2) of the Code, except to the extent such interest is required to be included in the adjusted current earnings adjustment applicable to corporations under Section 56 of the Code in calculating corporate alternative minimum taxable income, or (iii) would cause interest on the Bonds to lose the exclusion from Colorado taxable income or Colorado alternative minimum taxable income under present Colorado law. The foregoing covenants shall remain in full force and effect notwithstanding the payment in full or defeasance of the Bonds until the date on which all obligations of the City in fulfilling the above covenants under the Code and State law have been met.

(g) It will comply with the provisions of the Continuing Disclosure Certificate to be executed by City officers and delivered in connection with the delivery of the Bonds.

(h) It will provide such additional information as the Bond Insurer may reasonably request from time to time.

(i) The Bond Insurer shall have the right to direct an accounting at the City's expense, and the City's failure to comply with such direction within thirty (30) days after receipt of written notice of the direction from the Bond Insurer shall be deemed an Event of Default hereunder; provided, however, that if compliance cannot occur within such period, then such period will be extended so long as compliance is begun within such period and diligently pursued, but only if such extension would not materially adversely affect the interests of any Owner of the Bonds.

Section 20. Additional Bonds.

(a) No additional bonds, notes, interim securities, or other obligations shall be issued payable from the Pledged Revenue and having a lien thereon which is superior to the lien of the Bonds.

(b) The City may issue Parity Lien Bonds if:

(i) No Event of Default has occurred and is continuing.

(ii) The City is then current in the accumulation of all amounts required to be then accumulated in the Bond Fund as required by this Ordinance.

(iii) The Pledged Revenue for the twelve (12) month period immediately preceding the date of issuance of such Parity Lien Bonds is sufficient to pay an amount representing not less than 200% of the Maximum Annual Combined Debt Service Requirement.

(c) A written certificate signed by the Finance Director that the requirements of Section 20(b) hereof are met shall conclusively determine the right of the City to authorize, issue, sell, and deliver Parity Lien Bonds.

(d) So long as no Event of Default shall have occurred and be continuing, nothing herein shall prevent the City from issuing Subordinate Lien Bonds.

Section 21. Delegated Powers; Authorization to Execute Collateral Documents. The officers of the City and the members of the Council be, and hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance, including, without limiting the generality of the foregoing: the execution and delivery of the Letter of Representations, the Escrow Agreement, the Bond Purchase Agreement, the Paying Agent Agreement, the Continuing Disclosure Certificate, the printing of the Bonds; the procuring of bond insurance, if in the best interests of the City; entering into and executing appropriate agreements with The Depository Trust Company as to its services hereunder; the printing, distribution and execution of the Official Statement for the Bonds in substantially the form of the Preliminary Official Statement now before the Council, but with such amendments, additions and deletions as are in accordance with facts and not inconsistent herewith; and the execution of such certificates as may be required by the Underwriter, including, but not limited to, the absence and existence of factors affecting the exclusion of interest on the Bonds from gross income for federal income tax purposes. The execution of any instrument by the aforementioned officers or members of the Council shall be conclusive evidence of the approval by the City of such instrument in accordance with the terms hereof and thereof.

The form, terms and provisions of the Escrow Agreement, the Bond Purchase Agreement, the Paying Agent Agreement and the Continuing Disclosure Certificate are hereby approved, and the City shall enter into and perform its obligations under the Escrow Agreement, the Bond Purchase Agreement, the Paying Agent Agreement and the Continuing Disclosure Certificate in the forms of such documents presented to the Council at this meeting, with only such changes therein as are required by the circumstances and are not inconsistent herewith.

The City Manager or the Finance Director are hereby independently authorized to make the final pricing determinations as authorized in Section 3 hereof subject to the parameters set forth in Section 5 and execute the Bond Purchase Agreement and Sale Certificate relating to same. Additionally, the City Manager or the Finance Director are independently authorized to execute and deliver any documents necessary to obtain a municipal bond insurance policy or financial guaranty insurance to secure the payment of the principal of and interest on the Bonds or a reserve fund insurance policy to fund the Required Reserve.

Section 22. Events of Default. It is an Event of Default if:

(a) Payment of the principal of or premium due on any Bond is not made by the City when due at maturity or upon prior redemption;

(b) Payment of the interest on any Bond is not made by the City when due; or

(c) The City defaults in the punctual performance of its covenants hereunder for sixty (60) days after written notice shall have been given by the Owners of not less than 25% of the outstanding principal amount of the Bonds.

Section 23. Remedies. Upon the happening of any Event of Default, any Owner, or a trustee therefor, may protect and enforce the rights of such Owner by proper legal or equitable remedy deemed most effectual including mandamus, specific performance of any covenants, the appointment of a receiver (the consent to such appointment being hereby granted), injunctive relief, or requiring the Council to act as if it were the trust of an express trust, or any combination of such remedies. All proceedings shall be maintained for the benefit of the Owners; provided however, that any action brought pursuant to an Event of Default under Section 22(c) hereof may be brought only upon the written consent of the Owner or Owners of not less than 25% of the outstanding principal amount of the Bonds. All

proceedings shall be maintained for the equal benefit and protection of all Owners. The failure of any Owner to proceed does not relieve the City or any person of any liability for failure to perform any duty hereunder. The foregoing rights are in addition to any other right which may exist under applicable law, and the exercise of any right by any Owner shall not be deemed a waiver of any other right. If any remedial action is discontinued, the Owners shall be restored to their positions prior to taking such action.

Section 24. Amendment.

(a) The City may, without the consent of, or notice to the Owners of the Bonds, but with the prior written consent of the Bond Insurer, so long as the Bond Insurer is not in default of its payment obligations under the Bond Insurance Policy, adopt such ordinances supplemental hereto (which supplemental amendments shall thereafter form a part hereof) for any one or more or all of the following purposes:

(i) to cure any ambiguity, or to cure, correct or supplement any defect or omission or inconsistent provision contained in this Ordinance, or to make any provisions with respect to matters arising under this Ordinance or for any other purpose if such provisions are necessary or desirable and do not materially adversely affect the interests of the Owners of the Bonds;

(ii) to subject to the lien of this Ordinance additional revenues, properties or collateral;

(iii) to grant or confer upon the Paying Agent or Registrar for the benefit of the Owners of the Bonds any additional rights, remedies, powers, or authority that may lawfully be granted to or conferred upon the Owners of the Bonds; or

(iv) to qualify this Ordinance under the Trust Indenture Act of 1939.

(b) Exclusive of the amendatory ordinances permitted by paragraph (a) of this Section, this Ordinance may be amended or supplemented by ordinance adopted by the Council in accordance with the law, without receipt by the City of any additional consideration but with the prior written consent of the Owners of at least 66% in aggregate principal amount of the Bonds Outstanding at the time of the adoption of such amendatory or supplemental ordinance.

(c) Written consent of the Owners of all of the Bonds adversely affected thereby is required for any Ordinance that shall have the effect of permitting:

(i) An extension of the maturity of any of the Bonds authorized by this Ordinance; or

(ii) A reduction in the principal amount of any of the Bonds, the rate of interest thereon, or the prior redemption premium thereon; or

(iii) The creation of a lien upon or pledge of the Pledged Revenues ranking prior to the lien or pledge created by this Ordinance; or

(iv) A reduction of the principal amount of the Bonds required for consent to such amendatory or supplemental ordinance; or

(v) The establishment of priorities as between outstanding 1997 Bonds, 2001 Bonds, 2002 Bonds, 2007A Bonds, any Parity Lien Bonds and the Bonds or the establishment of priorities as between Bonds issued and outstanding under the provisions of this Ordinance; or

(vi) The modification of or otherwise affecting the rights of the Owners of less than all of the Bonds then outstanding.

Copies of any waiver, modification or amendment to this Ordinance shall be delivered to any entity then maintaining a rating on the Bonds at least 15 days prior to its execution or adoption.

Section 25. Notices to and Reports to Bond Insurer. The Paying Agent and Registrar shall give the Bond Insurer copies of any notice to be given by it to the Owners of Bonds, including, without limitation, notice of any redemption of or defeasance of Bonds, and notices required pursuant to the Continuing Disclosure Certificate. The City shall give to the Bond Insurer any certificate delivered by the City pursuant to this Ordinance relating to the security for the Bonds. Notwithstanding any other provision of this Ordinance, the Paying Agent shall promptly notify the Bond Insurer if at any time there are insufficient moneys to make any payments of principal and/or interest as required hereunder and promptly upon the occurrence of any other Event of Default hereunder. The Paying Agent shall also notify the Bond Insurer of the City's failure to provide the Paying Agent with any notice, certificate or other item required to be given to the Paying Agent hereunder.

Section 26. Rights of the Bond Insurer Suspended Upon Default Under Bond Insurance Policy. Notwithstanding any other provision hereof, any rights granted to or conferred upon the Bond Insurer hereunder shall be in effect only so long as the Bond Insurer is not in default in its payment obligation under the Bond Insurance Policy, and upon any such default by the Bond Insurer, its rights hereunder shall be suspended (except to the extent of subrogation for any payments under the Bond Insurance Policy theretofore made by the Bond Insurer); provided, however, that such rights shall be reinstated when the Bond Insurer has cured such default under the Bond Insurance Policy.

Section 27. Bond Insurer As Third Party Beneficiary. To the extent that this Ordinance confers upon or gives or grants to the Bond Insurer any right, remedy, or claim under or by reason of this Ordinance, the Bond Insurer is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

Section 28. Parties Interested Herein. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any Person, other than the City, the Bond Insurer, the Registrar, the Paying Agent, and the Owners of the Bonds, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Bond Insurer, the Registrar, the Paying Agent, and the Owners of the Bonds.

Section 29. Successor Registrar or Paying Agent. American National Bank, in Denver, Colorado is hereby appointed as Registrar and Paying Agent. If the Registrar or Paying Agent initially appointed hereunder shall resign, or if the City shall determine to remove the Registrar or Paying Agent, the City may, upon notice mailed to the Bond Insurer and each Registered Owner of Bonds at the address last shown on the registration records, appoint a successor Registrar or Paying Agent. No resignation or removal of the Registrar or Paying Agent may take effect until a successor, acceptable to the Bond Insurer, is appointed by the City and has accepted such appointment. Every such successor Paying Agent shall be either the City or a bank or trust company having a shareholders' equity (e.g., capital stock, surplus and undivided profits), however denominated, not less than \$10,000,000. The Registrar and Paying Agent may be removed at any time at the request of the Bond Insurer for any breach of trust set forth herein.

Section 30. Defeasance. When all principal, premium, if any, and interest in connection with a Bond have been duly paid, the pledge and lien and all obligations hereunder shall thereby be discharged and said Bond shall no longer be deemed to be outstanding within the meaning of this Ordinance. There shall be deemed to be such due payment of a Bond when the City has placed in escrow and in trust with a commercial bank located within or without the State of Colorado, and exercising trust powers, an amount sufficient (including the known minimum yield from Federal Securities in which such amount may be initially invested) to meet all requirements of principal, premium, if any, and interest with respect to said Bond as the same become due at final maturity or upon designated prior redemption dates. The Federal Securities shall become due at or prior to the respective

times at which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the City and such bank at the time of the creation of the escrow, or the Federal Securities shall be subject to redemption at the option of the holder thereof to assure such availability as so needed to meet such schedule.

In the event that there is a defeasance of only part of the Bonds, the Paying Agent shall, if requested by the City, institute a system to preserve the identity of the individual Bonds or portions thereof so defeased, regardless of changes in Bond numbers attributable to transfers and exchanges of Bonds and the Paying Agent shall be entitled to reasonable compensation and reimbursement of expenses from the City in connection with such system.

Notwithstanding anything herein to the contrary, in the event that the principal and or interest due on the Bonds shall be paid by the Bond Insurer pursuant to the Bond Insurance Policy, the Bonds shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not considered paid by the City, and the assignment and pledge of the Pledged Revenues and all covenants, agreements and other obligations of the City to the Owners shall continue to exist and shall run to the benefit of the Bond Insurer, and the Bond Insurer shall be subrogated to the rights of such Owners.

Section 31. Costs and Expenses. All costs and expenses incurred in connection with the issuance and payment of the Bonds, including without limitation the Underwriter's discount and all expenses related to issuing the Bonds, shall be paid either from the proceeds of the Bonds or from legally available moneys of the City, or from a combination thereof, and such moneys are hereby appropriated for that purpose.

Section 32. Ratification and Approval of Prior Actions. All actions heretofore taken by the officers of the City and members of the Council, not inconsistent with the provisions of this Ordinance, relating to the authorization, sale, issuance, and delivery of the Bonds, and the qualification of the Bonds for book-entry with DTC, are hereby ratified, approved, and confirmed.

Section 33. Approval of the Bond Purchase Agreement. The Council does hereby accept and approve the Bond Purchase Agreement as submitted by the Underwriter, and the Bonds shall be sold to the Underwriter upon the terms, conditions, and provisions as set forth in the Bond Purchase Agreement.

Section 34. Approval of Official Statement. The Council hereby approves the Preliminary Official Statement, in the form presented at this meeting. The Council hereby authorizes and directs the Finance Director to approve on behalf of the City a final Official Statement containing any updated information regarding items described in the Preliminary Official Statement which become known to the City prior to the date of delivery of the Bonds. Copies of said Preliminary Official Statement and final Official Statement are hereby authorized to be distributed by the Underwriter to all interested persons in connection with the sale of the Bonds. The Preliminary Official Statement is hereby deemed to be final as of its date within the meaning of Rule 15c2-12(b)(1) of the U.S. Securities and Exchange Commission. The execution of a final Official Statement by an officer of the City shall be conclusively deemed to evidence the approval of the form and contents thereof by the City.

Section 35. No Recourse against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Act, if a member of the Council, or any officer or agent of the City acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the principal or interest on the Bonds. Such recourse shall not be available either directly or indirectly through the Council or the City, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the Bonds and as a part of the consideration of their sale or purchase, any person purchasing or selling such Bond specifically waives any such recourse.

Section 36. Creation and Maintenance of Escrow Account: The Escrow Account is created pursuant to the Escrow Agreement and shall be maintained in an amount at the time of those initial deposits therein and at all times subsequently at least sufficient, together with the known minimum yield to be derived from the initial investment and any temporary reinvestment of the deposits therein or

any part thereof in Federal Securities to pay the principal of, redemption premium, if any, and interest on the Refunded Bonds on the Redemption Date.

Section 37. Use of Escrow Account. Moneys shall be withdrawn by the Escrow Bank from the Escrow Account in sufficient amounts and at such times to permit the payment without default of the principal of, redemption premium, if any, and interest on the Refunded Bonds on the Redemption date. Any moneys remaining in the Escrow Account after provision shall have been made for the payment in full of the Refunded Bonds shall be applied to any lawful purpose of the City as the Council may hereafter determine.

Section 38. Exercise of Option. The Council has elected and does hereby declare its intent to exercise on the behalf and in the name of the City its option to redeem the Refunded Bonds on the Redemption Date. Upon the issuance of the Bonds, the Council shall be obligated to exercise such option, which option shall be deemed to have been exercised when notice is duly given and completed as herein provided.

Section 39. Limitation of Actions. Pursuant to Section 11-57-212 of the Supplemental Act, no legal or equitable action brought with respect to any legislative acts or proceedings of the City in connection with the authorization or issuance of the Bonds, including but not limited to the adoption of this Ordinance, shall be commenced more than thirty days after the authorization of the Bonds.

Section 40. Pecuniary Interest. The Mayor is an employee of the Underwriter. The Mayor has disclosed this and abstained from voting on this Ordinance. Pursuant to Section 5.12(c) of the City Charter, the Council determines that the best interests of the City are served by entering into the Bond Purchase Agreement and that obtaining comparative prices is not feasible in this case.

Section 41. Ordinance Irrepealable. After any of the Bonds have been issued, this Ordinance shall constitute an irrevocable contract between the City and the Owners, and shall be and remain irrepealable until the Bonds and the interest accruing thereon shall have been fully paid, satisfied, and discharged as herein provided.

Section 42. Severability. If any section, paragraph, clause, or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Ordinance, the intent being that the same are severable.

Section 43. Repealer. All orders, ordinances, resolutions, bylaws, and regulations of the City, or parts thereof, inconsistent with this Ordinance are hereby repealed to the extent only of such inconsistency.

Section 44. Holidays. If the date for making any payment or the last date for performing any act or exercising any right, as provided in this Ordinance, shall be a legal holiday or a day on which banking institutions in the city in which is located the principal office of the Registrar and Paying Agent are authorized by law to remain closed, such payment may be made, act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed, with the same force and effect as if done on the nominal date provided in this Ordinance, and no interest shall accrue for the period after such nominal date.

Section 45. Declaration of Emergency. In order to complete the issuance and sale of the Bonds while favorable market conditions exist to effect the Refunding Project, it is hereby declared that an emergency exists and that this ordinance is necessary for the immediate preservation of the public peace, health, safety and financial well-being of the City. This Ordinance is hereby declared, pursuant to Section 8.14 of the Charter, exempt from referendum.

Section 46. Effective Date, Recording and Authentication. This Ordinance shall be in full force and effect immediately upon enactment following final passage. This Ordinance shall be

recorded in the City Book of Ordinances kept for that purpose, and shall be authenticated by the signatures of the Mayor Pro Tem and City Clerk, and published in accordance with law.

INTRODUCED, PASSED AND ADOPTED AS AN EMERGENCY ORDINANCE on September 24, 2007.

(S E A L)

Mayor Pro Tem

ATTESTED:

City Clerk

APPROVED AS TO LEGAL FORM:

City Attorney

STATE OF COLORADO)
)
 COUNTIES OF ADAMS) SS.
 AND JEFFERSON)
)
 CITY OF WESTMINSTER)

I, the duly appointed, qualified and acting Deputy City Clerk of the City of Westminster, Colorado (the "City") do hereby certify:

1. That the foregoing pages are a true, correct, and complete copy of an ordinance adopted by the City Council (the "Council") of the City at a regular meeting of the Council held at the City Hall on September 24, 2007.

2. The Ordinance has been signed by the Mayor Pro Tem, sealed with the corporate seal of the City, attested by me as Deputy City Clerk, and duly recorded in the books of the City; and that the same remains of record in the book of records of the City.

3. The passage of the Ordinance as an emergency was duly moved and seconded and the Ordinance was approved by vote of a 6 of 9 of the members of the Council as follows:

Name	"Yes"	"No"	Absent	Abstain
Chris Dittman	X			
Mark L. Kaiser	X			
Tim Kauffman	X			
Mary Lindsey	X			
Scott Major	X			
Nancy McNally				X
Jo Ann Price	X			

4. That notice of the meeting of September 24, 2007, in the form, attached hereto as Exhibit A, was duly given to the Council members and was posted in a designated public place within the boundaries of the City no less than twenty-four hours prior to the meeting as required by law.

5. That the ordinance was published in full after adoption in Westminster Window, a newspaper of general circulation within the City on _____, 2007. The affidavit of publication is attached hereto as Exhibit B.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said City this ____ day of _____, 2007.

(SEAL)

 Deputy City Clerk

EXHIBIT A

(Attach Notice of September 24, 2007 Meeting)

EXHIBIT B

(Attach Affidavit of Publication)

\$11,380,000
CITY OF WESTMINSTER, COLORADO
SALES AND USE TAX REVENUE REFUNDING BONDS, SERIES 2007C

BOND PURCHASE AGREEMENT

City Council
City of Westminster
Westminster, Colorado

Ladies and Gentlemen:

1. Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) hereby offers to enter into this Bond Purchase Agreement (this “Agreement”) with City of Westminster, Colorado (the “City”). This offer is made subject to the City’s execution of this Agreement and delivery of it to the Underwriter on the Date of this Agreement. Upon the City’s acceptance of this offer, this Agreement shall be binding upon the Underwriter and the City, subject to the further provisions hereof. Capitalized terms not otherwise defined herein shall have the meanings set forth for such terms in paragraph 10 below or in the Ordinance of the City finally adopted on September 24, 2007, authorizing the issuance of the Bonds (the “Bond Ordinance”).

2. Subject to the further provisions hereof, the Underwriter agrees to purchase from the City, and the City agrees to sell and deliver to the Underwriter, all of the City of Westminster, Colorado, Sales and Use Tax Revenue Refunding Bonds, Series 2007C (the “Bonds”), at the Purchase Price. The Bonds will mature, bear interest and be sold at the prices indicated in Exhibit A hereto.

3. The City shall deliver the duly issued and executed Bonds to The Depository Trust Company in New York, New York, prior to, and the Underwriter shall deliver the Purchase Price to the City in federal funds by, 9:00 a.m., Denver Time, on the Closing Date, or at such other place and time as shall be mutually agreed upon by the City and the Underwriter. (Such deliveries are referred to as the “Closing.”) The documents to support the Closing will be held and may be examined at the offices of Sherman & Howard LLC in Denver, Colorado at the same time on the Closing Date.

4. The City shall cooperate with, and shall take all actions reasonably requested by, the Underwriter to facilitate the Underwriter’s offer and sale of the Bonds to third parties, including but not limited to (i) the preparation of the Preliminary Official Statement relating to the Bonds dated September __, 2007, and any supplements or amendments thereto that the Underwriter reasonably determines are necessary (the “Preliminary Official Statement”) and the final Official Statement relating to the Bonds to be dated prior to the date of the Closing and any supplements or amendments thereto that the Underwriter reasonably determines are necessary (the “Official Statement”) and (ii) all actions necessary under the securities or “blue sky” laws of the jurisdictions specified by the Underwriter to enable it to offer and sell the Bonds in or to residents of such jurisdictions. In addition, in order to facilitate compliance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934 (“Rule 15c2-12”), the City (A) has certified, and hereby affirms its certification, that the Preliminary Official Statement is “final” as of its date as required by Rule 15c2-12, (B) hereby authorizes and ratifies the distribution of the Preliminary Official Statement to any potential

customers (as defined in Rule 15c2-12) until the Official Statement is available, (C) hereby agrees to make available to the Underwriter, within seven business days of the Date of this Agreement, as many copies of the Official Statement as the Underwriter deems sufficient for purposes of complying with Rule 15c2-12, (D) hereby authorizes and approves the distribution and use of the Official Statement in connection with the offering and sale of the Bonds and (E) hereby agrees to enter into a written agreement or contract, constituting an undertaking (the “Continuing Disclosure Undertaking”) to provide ongoing disclosure about the City, for the benefit of the owners of the Bonds on or before the date of delivery of the Bonds as required by Rule 15c2-12, which Undertaking shall be in the form attached as Appendix B to the Preliminary Official Statement, with such changes as may be agreed to in writing by the Underwriter.

5. The Underwriter’s obligation to purchase the Bonds shall be subject to the Underwriter’s receipt of each of the following in form and substance satisfactory to the Underwriter:

- (a) Certified copies of the Bond Ordinance;
- (b) An executed copy of the Escrow Agreement and the Continuing Disclosure Undertaking;
- (c) The unqualified approving opinion or opinions of Sherman & Howard LLC, Bond Counsel and a letter from said firm as to their participation in the preparation of, and as to certain material set forth in, the Official Statement;
- (d) A letter from Kutak Rock LLP as to their participation in the preparation of, and as to the material set forth in, the Official Statement;
- (e) Certificates of the City as to (i) the facts necessary to support the opinions referred to in clauses (c) and (d) above, (ii) the accuracy of the Preliminary Official Statement and the Official Statement, (iii) litigation affecting the City and (iv) such other matters as are customary with respect to the issuance of obligations such as the Bonds or as the Underwriter may reasonably request;
- (f) Evidence that there has been issued and duly delivered a standard form of financial guaranty insurance policy issued by _____ insuring the payment of the principal of and interest on the Bonds when due;
- (g) Evidence that the Bonds have been rated “____” by Standard & Poor’s (“S&P”) and by Fitch Ratings (“Fitch”) and evidence that the Bonds have underlying ratings of “____” by S&P and “____” by Fitch; and
- (h) Such additional agreements, documents, instruments, opinions and certificates as the Underwriter may reasonably request.

6. The Underwriter’s obligation to purchase the Bonds also shall be subject to the Underwriter’s right, in its absolute discretion, to elect to terminate this Agreement by written notice to the City if at any time after the Date of this Agreement and prior to the Closing:

- (a) Any event shall have occurred, or information becomes known, which, in the Underwriter’s opinion, makes untrue, in any material respect, any statement or information

contained in the Official Statement or the Preliminary Official Statement (except as modified by the Official Statement), or has the effect that the Official Statement or the Preliminary Official Statement (except as modified by the Official Statement) contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading;

(b) Additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange;

(c) The United States shall have become engaged in hostilities, whether or not a war shall have been declared, or there shall have occurred an escalation of any hostilities involving the armed forces of any country, or any other national emergency or other national calamity relating to the effective operation of government or of the financial community shall have occurred, which, in the Underwriter's opinion, materially adversely affects the market price of the Bonds;

(d) There shall have occurred a general suspension or material limitation of trading on The New York Stock Exchange or any other national securities exchange as the result of an event affecting the national economy, or minimum or maximum prices for trading shall have been established on any exchange and be in force, or maximum ranges for prices for securities shall be in force on any such exchange;

(e) The New York Stock Exchange, any other national securities exchange or any governmental authority shall impose, as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force or being enforced, or increase materially those now in force or being enforced, with respect to the extension of credit by, or charges to the net capital requirement of, or financial responsibility requirements of, the Underwriter;

(f) A general banking moratorium shall have been established by federal, New York or Colorado authorities;

(g) Any rating of any obligations of the City shall have been downgraded or withdrawn by any rating service, which, in the Underwriter's opinion, materially adversely affects the market price of the Bonds;

(h) Legislation is adopted by either house of the United States Congress, or favorably reported for passage to either house of the United States Congress by any committee of such house to which such legislation has been referred for consideration, legislation is actively considered for enactment by the United States Congress, legislation is recommended to the United States Congress for passage by the President of the United States, a decision by a court of the United States or the United States Tax Court is rendered, or a ruling, regulation or official statement by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency is made, with respect to federal taxation upon revenues or other income of the City or upon interest payable on obligations of the general character of the Bonds or which would change directly or indirectly the federal income tax consequences of interest on obligations of the general

character of the Bonds in the hands of the owners thereof, which, in the Underwriter's opinion, materially adversely affects the market price of the Bonds; or

(i) Any change shall have occurred which, in the reasonable judgment of the Underwriter, makes unreasonable or unreliable any of the financing assumptions upon which payment of debt service on the Bonds is predicated.

7. The City shall pay or cause to be paid, from the proceeds from the sale of the Bonds or other funds available to it, the expenses incident to the issuance and sale of the Bonds (the "Costs of Issuance"), including but not limited to the Underwriter's Discount and expenses of the Underwriter otherwise agreed to be paid by the City, the fees and disbursements of Sherman & Howard LLC, Kutak Rock LLP and any other attorneys, accountants or other experts or consultants retained in connection with the issuance and sale of the Bonds (including but not limited to the City's independent accountants), fees and charges of any paying agent or other agent retained in connection with the payment of, or the administration of the payment of, the Bonds, fees to register the Bonds with The Depository Trust Company of New York, CUSIP fees, clearing and delivery fees, the costs of printing and distributing the Preliminary Official Statement and the Official Statement, the premium associated with the issuance of the financial guaranty insurance policy by Ambac Assurance Corporation, and any costs incurred in connection with the rating of the Bonds.

8. This Agreement may be executed in several counterparts, which together shall constitute one and the same instrument. Photostatic copies of executed counterparts hereof or copies of executed counterparts hereof transmitted by facsimile transmission shall be binding to the same effect as originally signed counterparts.

9. This Agreement shall be governed by the laws of the State of Colorado.

10. For purposes of this Agreement, the following terms have the meanings specified:

Date of this Agreement:	October ____, 2007
Aggregate Principal Amount:	\$11,380,000.00
Original Issue Premium:	\$ _____
Underwriter's Discount:	(\$ _____)
Purchase Price (Aggregate Principal Amount, Plus Original Issue Premium, Minus Underwriter's Discount):	\$ _____
Closing Date:	October ____, 2007

Stifel, Nicolaus & Company, Incorporated

By _____
Authorized Officer

ACCEPTED:

City of Westminster

[CITY SEAL]

By _____
Finance Director

Date of Signature: October ____, 2007

Time of Signature: _____ a.m./p.m.

[Signature Page to Bond Purchase Agreement]

EXHIBIT A

ATTACH SCHEDULE

(Schedule indicating maturity dates, interest rates and prices for Bonds)

**CITY OF WESTMINSTER, COLORADO
SALES AND USE TAX REVENUE REFUNDING BONDS
SERIES 2007C**

REGISTRAR AND PAYING AGENT AGREEMENT

THIS AGREEMENT, dated as of October 16, 2007, is by and between the City of Westminster, Colorado (the "City") and American National Bank, in Denver, Colorado (the "Bank").

WITNESSETH:

WHEREAS, by Ordinance of the City Council of the City duly adopted on September 24, 2007 (the "Bond Ordinance"), the City has authorized the issuance of its Sales and Use Tax Revenue Refunding Bonds, Series 2007C in the aggregate principal amount of \$[_____] (the "Bonds"); and

WHEREAS, it is mutually desirable to the City and the Bank that the Bank, through its Corporate Trust Department located in Denver, Colorado, act as Registrar and Paying Agent (as such terms are defined and used in the Bond Ordinance) for the Bonds; and

WHEREAS, it is mutually desirable that this agreement (the "Agreement") be entered into between the City and the Bank to provide for certain aspects of such Registrar and Paying Agent services.

NOW, THEREFORE, the City and the Bank, in consideration of the mutual covenants herein contained, agree as follows:

1. The Bank hereby accepts all duties and responsibilities of the Bank as provided in the Bond Ordinance. The Bank shall cause the Bonds to be honored in accordance with their terms, provided that the City causes to be made available to the Bank all funds necessary in order to so honor the Bonds. Nothing in this Agreement shall require the Bank to pay or disburse any funds in excess of the amount then on deposit in the "Principal and Interest Payment Account" provided for in Section 2 of this Agreement. Nothing in this Agreement shall require the City to pay or disburse any funds for payment of the principal of the Bonds or interest or redemption premium, if any, thereon except at the times and in the manner provided in the Bond Ordinance. In addition, the Bank hereby accepts all duties and responsibilities of the Registrar as provided in the Bond Ordinance, including without limitation, the authentication, transfer, exchange and replacement of the Bonds.

2. Not less than (a) one business day prior to each payment date, if funds are delivered by wire transfer, or (b) three business days prior to each payment date if funds are delivered by another method of payment, funds for the payment of the Bonds and interest thereon are to be deposited by the City with the Bank in an account designated "2007C Principal and Interest Payment Account." The funds so deposited shall be held and applied by the Bank through its Corporate Trust Department solely for the payment of principal of, interest on and redemption premium, if any, on the Bonds. From such funds, the Bank agrees to pay at the times

and in the manner provided in the Bond Ordinance, the principal of, interest on and redemption premium, if any, on the Bonds.

3. The City shall pay to the Bank fees in accordance with its then existing fee schedule. Attached to this Agreement is the Bank's current fee schedule. No new fee schedule shall become effective until 30 days after the Bank has given the City notice thereof.

4. Unless waived by the Bank, the City agrees to provide the Bank with not less than 60 days notice of any prior redemption of the Bonds.

5. Any moneys held by the Bank for the owners of the Bonds remaining unclaimed for one year after principal of, interest and redemption premium, if any, on the respective Bonds with respect to which such moneys have been set aside has become due and payable shall, without further request by the City, be paid to the City.

6. The Bank agrees to annually notify the City, in writing, of the City's obligation to file its Annual Report (as such term is defined in the Continuing Disclosure Certificate dated October 16, 2007, relating to the issuance of the Bonds) at least 30 but not more than 60 days prior to the time when the Annual Report is required to be filed pursuant to the terms of the Continuing Disclosure Certificate.

7. At least 30 but not more than 60 days prior to October 16, 2012, [October 16, 2017, October 16, 2022,] and on the date on which the last Bond is discharged, the Bank will send written notice to the City stating that the City must: (i) compute the amount of rebatable arbitrage, if any, which is due the federal government pursuant to Sections 103 and 148(f) of the Internal Revenue Code of 1986, as amended, and (ii) pay such amount no later than sixty (60) days from October 16, 2012, [October 16, 2017, October 16, 2022,] and on the date on which the last Bond is discharged.

8. On or before December 1, 2007, and December 1, 2012, the Bank agrees to notify the District of its obligation to complete its final rebate calculation on the Refunded Bonds within 60 days after December 1, 2007, and December 1, 2012 (such dates being the redemption dates of the Refunded 1997 Bonds and the Refunded 2002 Bonds).

9. The Agreement may be terminated as provided in the Bond Ordinance.

10. In the event of any conflict between the provisions of this Agreement and the provisions of the Bond Ordinance, the provisions of the Bond Ordinance shall be controlling.

11. The rights of the City under this Agreement shall be deemed to be a contract made under and shall be construed in accordance with and governed by the laws of the State of Colorado. Jurisdiction and venue for any disputes related to this Agreement shall be in United States District Court for the District of Colorado.

12. The Bank qualifies as a "contractor" pursuant to §8-17.5-101(2), C.R.S. and the Bank hereby certifies that, as of the date hereof, the Bank does not knowingly employ or contract with an illegal alien, and the Bank has participated or attempted to participate in the "Basic Pilot Program" (as defined in §8-17.5-101(1), C.R.S.) in order to confirm the employment eligibility

of all employees who are newly hired for employment in the United States. In compliance with §8-17.5-102(2), C.R.S., it is hereby agreed:

(a) The Bank shall not knowingly employ or contract with an illegal alien to perform work described in this Agreement (the “Banking Services”) or enter into a contract with a subcontractor that fails to certify to the Bank that the subcontractor shall not knowingly employ or contract with an illegal alien to perform the Banking Services.

(b) The Bank has confirmed or attempt to confirm the employment eligibility of al employees who are newly hired for employment in the United States through participation in the Basic Pilot Program or shall apply to participate in the Basic Pilot Program every three months until the Bank is accepted or until termination of this Agreement, whichever is earlier.

(c) The Bank shall not use Basic Pilot Program procedures to undertake pre-employment screening of job applicants while performing the Banking Services.

(d) If the Bank obtains actual knowledge that a subcontractor performing Banking Services knowingly employs or contracts with an illegal alien, the Bank shall be required to: (i) notify the subcontractor and the City within three days that the Bank has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and (ii) terminate the subcontract with the subcontractor if within three days of receiving the notice required pursuant to subparagraph (i) the subcontractor does not stop employing or contracting with the illegal alien; except that the Bank shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

(e) The Bank shall comply with any reasonable request by the Department of Labor and Employment made in the course of an investigation that such department is undertaking pursuant to §8-17.5-102(5) C.R.S.

IN WITNESS WHEREOF, the Bank and the City have caused this Agreement to be duly executed and delivered as of the day and year first above written.

CITY OF WESTMINSTER, COLORADO

(SEAL)

By: _____
Mayor Pro Tem

ATTESTED:

City Clerk

AMERICAN NATIONAL BANK

By: _____
Senior Vice President

EXHIBIT A
(Attach Fee Schedule)

**CITY OF WESTMINSTER, COLORADO
SALES AND USE TAX REVENUE REFUNDING BONDS
SERIES 2007C**

ESCROW AGREEMENT

DATED as of October 16, 2007, made by and between City of Westminster, Colorado, a legally and regularly created, established, organized and existing municipal corporation under the Constitution of the State of Colorado (the “City”), and American National Bank, in Denver, Colorado, a national banking association having and exercising full and complete trust powers, duly organized and existing under and by virtue of the laws of the United States, being a member of the Federal Deposit Insurance Corporation and the Federal Reserve System (the “Escrow Bank”).

(1) **WHEREAS**, the City is duly organized and existing under the Constitution and laws of the State of Colorado (the “State”) and its City Charter and its officers from time to time have been duly chosen and qualified; and

(2) **WHEREAS**, the City has heretofore issued its Sales and Use Tax Revenue Refunding and Improvement Bonds, Series 1997A in the aggregate principal amount of \$30,190,000, currently outstanding in the aggregate principal amount of \$12,585,000 (the “Series 1997 Bonds”). The Series 1997 Bonds bear interest from the date thereof until their respective maturities at the rates set forth below, and mature on the first day of December in each of the designated amounts of principal and designated years, as follows:

<u>Maturity</u> <u>December 1</u>	<u>Principal</u> <u>Maturing</u>	<u>Interest Rate</u> <u>(Per Annum)</u>
2007	\$1,520,000	5.00%
2008	740,000	5.05
2011	3,370,000	5.25
2016	6,955,000	5.60

(3) **WHEREAS**, the City now desires to refund, pay and discharge all the outstanding Series 1997 Bonds maturing on and after December 1, 2008 (the “Refunded 1997 Bonds”) on December 1, 2007 (the “1997 Redemption Date”) at a redemption price equal to the principal amount so redeemed, accrued interest to the Redemption Date and a redemption premium of 2% of the principal amount so redeemed; and

(4) **WHEREAS**, the City has heretofore issued its Sales and Use Tax Revenue Bonds, Series 2002 in the aggregate principal amount of \$15,090,000, currently outstanding in the aggregate principal amount of \$13,885,000 (the “Series 2002 Bonds”). The Series 2002 Bonds bear interest from the date thereof until their respective maturities at the rates set forth below, and mature on the first day of December in each of the designated amounts of principal and designated years, as follows:

<u>Maturity</u> <u>December 1</u>	<u>Principal</u> <u>Maturing</u>	<u>Interest Rate</u> <u>(Per Annum)</u>
2007	\$ 630,000	3.00%
2008	650,000	3.25
2009	670,000	3.40
2010	690,000	3.75
2011	715,000	4.00
2012	745,000	4.00
2013	775,000	5.00
2015	1,670,000	5.00
2017	1,835,000	5.00
2018	1,000,000	5.25
2019	1,040,000	5.25
2020	1,095,000	5.25
2021	1,155,000	5.25
2022	1,215,000	5.25

(5) **WHEREAS**, the City now desires to refund, pay and discharge the outstanding Series 2002 Bonds maturing on and after December 1, 2013 in the aggregate principal amount of \$9,785,000 (the “Refunded 2002 Bonds,” or, together with the Refunded 1997 Bonds, the “Refunded Bonds”), and to redeem the Refunded 2002 Bonds on December 1, 2012 (the “2002 Redemption Date,” or, together with the 1997 Redemption Date, the “Redemption Date”) at a redemption price equal to the principal amount so redeemed plus accrued interest to the 2002 Redemption Date; and

(6) **WHEREAS**, the City intends to issue its “Sales and Use Tax Revenue Refunding Bonds, Series 2007C” (the “Series 2007C Bonds” or the “Bonds”) in the aggregate principal amount of \$[_____] for the purpose of paying (i) the interest due on the Refunded Bonds, both accrued and not accrued, as the same becomes due on and after the date of delivery of the Bonds and on and before prior redemption on the Redemption Date; (ii) the principal of the Refunded Bonds upon prior redemption on the Redemption Date and (iii) a redemption premium of 2% of the principal amount of 1997 Refunded Bonds (collectively, the “Refunded Bond Requirements”) as more particularly described in the certified public accountant’s report attached as Exhibit 1 to this Agreement (the “Report”); and

(7) **WHEREAS**, the City is not delinquent in the payment of the principal of and interest on the Refunded Bonds; and

(8) **WHEREAS**, the Series 2007C Bonds are issued by the City pursuant to an ordinance passed by the City on September 24, 2007 (the “Bond Ordinance”); and

(9) **WHEREAS**, the City, by the Bond Ordinance, among other matters:
A. Created the Escrow Account (as defined below);
B. Authorized the Escrow Account (as defined below) to be maintained at the Escrow Bank;

C. Provided for the deposit in the Escrow Account of a portion of the net proceeds of the Series 2007C Bonds and any other moneys in an aggregate amount fully

sufficient, together with the known minimum yield from the investment of such moneys in bills, certificates of indebtedness, notes, bonds, or similar securities which are direct obligations of, or the principal and interest of which are unconditionally guaranteed by, the United States, which obligations are not callable at the option of the issuer thereof ("Federal Securities"), to pay the Refunded Bond Requirements, as set forth therein and herein (in no circumstances shall the term "Federal Securities" include money market investments even if the money market fund in which the investment is made invests only in Federal Securities);

D. Provided for the purchase of Federal Securities with such moneys credited to the Escrow Account; and

E. Authorized the completion and execution of this Agreement; and

(10) **WHEREAS**, a copy of the Bond Ordinance has been delivered to the Escrow Bank, and the provisions therein set forth are herein incorporated by reference as if set forth herein verbatim in full; and

(11) **WHEREAS**, the Federal Securities described in the Report, have appropriate maturities and yields to insure, together with the initial cash (as defined below), the payment of the Refunded Bond Requirements, as the same becomes due; and

(12) **WHEREAS**, a schedule of receipts from such Federal Securities and a schedule of payments and disbursements in the Report demonstrate the sufficiency of the Federal Securities and initial cash, if any, for such purpose; and

(13) **WHEREAS**, the Escrow Bank is empowered to undertake the obligations and commitments on its part herein set forth; and

(14) **WHEREAS**, the undersigned officer of the Escrow Bank is duly authorized to execute and deliver this Agreement in the Escrow Bank's name and on its behalf; and

(15) **WHEREAS**, the City is empowered to undertake the obligations and commitments on its part herein set forth; and

(16) **WHEREAS**, the undersigned officers of the City are duly authorized to execute and deliver this Agreement in the City's name and on its behalf.

NOW, THEREFORE, THIS ESCROW AGREEMENT WITNESSETH:

That in consideration of the mutual agreements herein contained, and the payment of the fees and costs specified in Section 9 hereof, duly paid by the City to the Escrow Bank at or before the ensembling and delivery of these presents, the receipt of which is hereby acknowledged, and in order to secure the payment of the Refunded Bond Requirements, as the same become due, the parties hereto mutually undertake, promise, and agree for themselves and their respective representatives, successors, and assigns, as follows:

Section 1. Creation of Escrow.

A. Simultaneously with the delivery of the Series 2007C Bonds, and subject to their issuance, the City, with \$[_____] of the proceeds of the Series 2007C Bonds, and other available moneys, shall purchase (to the extent not heretofore purchased) the Federal Securities described in Exhibit 1 to this Agreement (the “Initial Federal Securities”) and shall cause the Initial Federal Securities, if any, and an initial cash balance of \$[_____] (the “initial cash”) to be irrevocably credited to and accounted for in a separate trust account designated as the “City of Westminster, Colorado, Sales and Use Tax Revenue Refunding Bonds, Series 2007C, Escrow Account” (the “Escrow Account”). Receipt of \$[_____] by the Escrow Bank to be applied as provided herein is hereby acknowledged.

B. Other Federal Securities may be substituted for any Initial Federal Securities if such Initial Federal Securities are unavailable for purchase at the time of issuance of the Series 2007C Bonds or other Federal Securities may be substituted for any Federal Securities held in the Escrow Account if such substitution is required or permitted by Section 148 of the Internal Revenue Code of 1986, as amended (the “Tax Code”), and the applicable regulations thereunder, subject in any case to sufficiency demonstrations and yield proofs in a certified public accountant’s report, and subject to a favorable opinion of the City’s bond counsel as to the legality of any such substitution, and the continued exemption of interest on the Bonds from federal income taxation (except certain alternative minimum taxes described in bond counsel’s opinion), and in any event in such a manner so as not to increase the price which the City pays for the initial acquisition of Federal Securities for the Escrow Account. The certified public accountant’s report must indicate that the receipts from the substitute securities are sufficient without any need for reinvestment to fully pay the Refunded Bond Requirements. In lieu of, or in addition to, substituting other Federal Securities pursuant to the preceding sentence, moneys in an amount equal to the principal of and interest on all or any portion of such Initial Federal Securities may be credited to the Escrow Account subject to the provisions of Section 5 hereof. Any such cash shall be deemed to be part of the initial cash, if any. Any Federal Securities temporarily substituted may be withdrawn from the Escrow Account when the Initial Federal Securities are purchased and credited to the Escrow Account. Similarly any temporary advancement of moneys to the Escrow Account to pay designated Refunded Bond Requirements, because of a failure to receive promptly the principal of and interest on any Federal Securities at their respective fixed maturity dates, or otherwise, may be repaid to the person advancing such moneys upon the receipt by the Escrow Bank of such principal and interest payments on such Federal Securities.

C. The initial cash, the proceeds of the Initial Federal Securities, if any, (and of any other Federal Securities acquired as an investment or reinvestment of moneys accounted for in the Escrow Account), and any such Federal Securities themselves (other than Federal Securities, including the Initial Federal Securities, held as book-entries), shall be deposited with the Escrow Bank and credited to and accounted for in the Escrow Account. The securities and moneys accounted for therein shall be redeemed and paid out and otherwise administered by the Escrow Bank for the benefit of the City as provided in this Agreement and the Bond Ordinance.

Section 2. Purpose of Escrow.

A. The Escrow Bank shall hold the initial cash and all Federal Securities, if any, accounted for in the Escrow Account (other than Federal Securities, including the Initial Federal Securities, held as book-entries), and all moneys received from time to time as interest

on and principal of any such Federal Securities, in trust to secure and for the payment of the Refunded Bond Requirements, as the same become due.

B. Except as provided in paragraph B of Section 1 hereof, the Escrow Bank shall collect the principal of and interest on such Federal Securities promptly as such principal and interest become due and shall apply all money so collected to the payment of the Refunded Bond Requirements as aforesaid.

Section 3. Accounting for Escrow.

A. The moneys and the Federal Securities, if any, accounted for in the Escrow Account shall not be subject to checks drawn by the City or otherwise subject to its order except as otherwise provided in paragraph B of Section 1 hereof.

B. The Escrow Bank, however, shall transfer from time to time, sufficient moneys to pay, without any default, the Refunded Bond Requirements, as the same become due, as provided herein.

C. Except as otherwise provided in paragraph B of Section 1 of this Agreement, there shall be no sale of any Federal Securities held hereunder, and no Federal Securities held hereunder and callable for prior redemption at the City's option shall be called at any time for prior redemption, except if necessary to avoid a default in the payment of the Refunded Bond Requirements.

Section 4. Maturities of Federal Securities.

A. Any Federal Securities shall be purchased in such manner:

(1) So that such Federal Securities may be redeemed in due season at their respective maturities to meet such Refunded Bond Requirements as the same become due, and

(2) So that any sale or prior redemption of such Federal Securities shall be unnecessary.

B. There shall be no substitution of any Federal Securities except as otherwise provided in paragraph B of Section 1 of this Agreement.

Section 5. Reinvestments.

A. The Escrow Bank shall reinvest the cash balances listed in the Report for the period designated in the Report in state and local government series securities ("slgs") purchased directly from the United States Government by the Escrow Bank in the name of the City. All of the slgs in which such reinvestments are made shall bear interest at the rate of zero percent (0%) per annum. The Escrow Bank agrees to comply with Part 344 of Title 31, Code of Federal Regulations, and with such other regulations of the United States Treasury, Bureau of Public Debt, as are from time to time in effect in subscribing for and purchasing such slgs, including without limitation, requirements with respect to submitting subscriptions to a Federal Reserve Bank or Branch in advance (currently between 60 and 15 days in advance) of the date of purchase of the slgs.

B. In addition to or, as the case may be, in lieu of the reinvestments required by paragraph A of this Section, the Escrow Bank, at the written direction of the City, shall invest the initial cash, if any, and shall reinvest in Federal Securities any moneys received in payment of the principal of and interest on any Federal Securities accounted for in the Escrow Account, subject to the limitations of Section 1, Section 4, and Section 6 hereof and the following limitations:

(1) Any such Federal Securities shall not be subject to redemption prior to their respective maturities at the option of their issuer.

(2) Any such Federal Securities shall mature on or prior to the date when the proceeds thereof must be available for the prompt payment of the Refunded Bond Requirements, as the same become due.

(3) Under no circumstances shall any reinvestment be made under this Section if such reinvestment, alone or in combination with any other investment or reinvestment, violates the applicable provisions of § 148 of the Tax Code, and the rules and regulations thereunder.

(4) The Escrow Bank shall make no such reinvestment unless the City first obtains and furnishes to the Escrow Bank a written opinion of the City's bond counsel to the effect that such reinvestment, as described in the opinion, complies with paragraph B of this Section.

Section 6. Sufficiency of Escrow.

The moneys and Federal Securities accounted for in the Escrow Account shall be in an amount (or have appropriate maturities and yields to produce an amount) which at all times shall be sufficient to pay the Refunded Bond Requirements as they become due.

Section 7. Transfers and Redemption Notice for Refunded Bond Requirements.

A. The Escrow Bank shall make such arrangements and transfers to the paying agent for the Refunded Bonds as will assure, to the extent of money in the Escrow Account properly allocable to and available therefor, the timely payment of the Refunded Bond Requirements at the maturity or prior redemption date.

B. The City directs the Escrow Bank to cause notice of prior redemption of the Refunded Bonds to be given in the manner required by the bond ordinances authorizing the Refunded Bonds. The Escrow Bank shall cause notice of redemption of the Refunded Bonds to be given to the registered owners of the Refunded Bonds upon the issuance of the Series 2007C Bonds, to the registered owners of the Refunded 2002 Bonds again not more than 60 days and not less than 30 days prior to the 2002 Redemption Date, and to the bond insurer of the Series 2002 Bonds in the manner provided in the bond ordinance authorizing the Series 2002 Bonds.

Section 8. Termination of Escrow Account.

When payment or provisions for payment shall have been made so that all Refunded Bond Requirements shall be or shall have been paid in full and discharged, this Escrow Agreement and any obligations hereunder shall terminate.

Section 9. Fees and Costs.

A. The Escrow Bank's total fees and costs for and in carrying out the provisions of this Agreement, have been fixed at \$[____], which amount is to be paid at or prior to the time of the issuance of the Series 2007C Bonds by the City directly to the Escrow Bank as payment in full of all charges of the Escrow Bank pertaining to this Agreement for services performed hereunder.

B. Such payment for services rendered and to be rendered by the Escrow Bank shall not be for deposit in the Escrow Account, and the fees of and the costs incurred by the Escrow Bank shall not be deducted from such account.

Section 10. Status Report.

A. On or before January 1, 2008, and each January 1 thereafter through and including January 1, 2013, the Escrow Bank shall submit to the City a report covering all money which the Escrow Bank shall have received and all payments which it shall have made or caused to be made hereunder.

B. The report shall indicate for which period and in which trust bank any Federal Securities (other than Federal Securities held as book-entries) and any uninvested moneys were transferred for safekeeping or any Federal Securities (other than Federal Securities held as book-entries) pledged to secure the repayment to the City of any uninvested moneys were placed in pledge, as permitted by Section 12 hereof.

Section 11. Character of Deposit.

A. It is recognized that title to the Federal Securities and money accounted for in the Escrow Account from time to time shall remain vested in the Escrow Bank for the benefit of the City but subject always to the prior charge and lien thereon of the Bond Ordinance and this Agreement and the use thereof required to be made by the provisions of this Agreement and the Bond Ordinance.

B. The Escrow Bank shall hold all such Federal Securities (except as they may be held as book-entries) and money in the Escrow Account as a special trust fund and account separate and wholly segregated from all other securities and funds of the Escrow Bank or deposited therein, and shall never commingle such securities or money with other securities or money.

Section 12. Securing Deposit.

A. The Escrow Bank may cause the Federal Securities accounted for in the Escrow Account to be registered in the name of the Escrow Bank for payment, if they are registrable for payment.

B. No money paid into and accounted for in the Escrow Account shall ever be considered as an asset of the Escrow Bank and the Escrow Bank shall have no right or title with respect thereto except as provided herein.

Section 13. Purchaser's Responsibility.

The holders from time to time of the Series 2007C Bonds shall in no manner be responsible for the application or disposition of the proceeds thereof or any moneys or Federal Securities accounted for in the Escrow Account. This clause shall not relieve the Escrow Bank (if it is a holder of the Series 2007C Bonds), in its capacity as Escrow Bank, from its duties under this Agreement.

Section 14. Amendment.

A. The Series 2007C Bonds shall be issued in reliance upon this Agreement and except as herein provided this Agreement shall be irrevocable and not subject to amendment after any of the Series 2007C Bonds shall have been issued.

B. The provisions of this Agreement may be amended, waived or modified upon approval the holders of all of the then-outstanding Refunded Bonds and Series 2007C Bonds. The provisions of this Agreement also may be amended, waived or modified, without the consent of or notice to the holders of the Refunded Bonds or the Series 2007C Bonds, for one or more of the following purposes:

(1) to cure any ambiguity, or to cure, correct or supplement any formal defect or omission or inconsistent provision contained in this Agreement;

(2) to pledge additional revenues, properties or collateral as security for the Refunded Bonds; or

(3) to deposit additional monies or Federal Securities to the Escrow Account.

Notwithstanding any other provision hereof no amendment, modification or waiver shall be effective if it is materially prejudicial to the owners of the Refunded Bonds or affects the exclusion of the interest on the Refunded Bonds or the Series 2007C Bonds from gross income from federal income tax purposes, unless such amendment, waiver or modification is approved by the holders of all of the then-outstanding Refunded Bonds and Series 2007C Bonds affected thereby.

C. The City hereby agrees for the benefit of the registered owners of the Refunded Bonds that it will not avail itself of any statutory or other right it may have to terminate or cancel this Agreement unless and until a successor Escrow Bank has been appointed and the Escrow Account has been transferred to such successor.

Section 15. Exculpatory Provisions.

A. The duties and responsibilities of the Escrow Bank are limited to those expressly and specifically stated in this Agreement.

B. The Escrow Bank shall not be liable or responsible for any loss resulting from any investment or reinvestment made pursuant to this Escrow Agreement and made in compliance with the provisions hereof.

C. The Escrow Bank shall not be personally liable or responsible for any act which it may do or omit to do hereunder, while acting with reasonable care, except for duties expressly imposed upon the Escrow Bank hereunder or as otherwise expressly provided herein.

D. The Escrow Bank shall neither be under any obligation to inquire into or be in any way responsible for the performance or nonperformance by the City of any of its obligations, nor shall the Escrow Bank be responsible in any manner for the recitals or statements contained in this Agreement, in the Bond Ordinance, in the Refunded Bonds, or in any proceedings taken in connection therewith, such recitals and statements being made solely by the City.

E. Nothing in this Agreement creates any obligation or liabilities on the part of the Escrow Bank to anyone other than the City and the holders of the Refunded Bonds.

Section 16. Time of Essence.

Time is of the essence in the performance of the obligations from time to time imposed upon the Escrow Bank by this Agreement.

Section 17. Successors.

A. Whenever in this Agreement the City or the Escrow Bank is named or is referred to, such provision is deemed to include any successor of the City or the Escrow Bank, respectively, immediate or intermediate, whether so expressed or not. The rights and obligations under this Agreement may be transferred by the Escrow Bank to a successor. Any corporation or association into which the Escrow Bank may be merged or converted or with which the Escrow Bank may be consolidated or any corporation or association resulting from any merger, conversion, sale, consolidation or transfer to which the Escrow Bank may be a party or any corporation or association to which the Escrow Bank may sell or transfer all or substantially all of its corporate trust business shall be the successor to the Escrow Bank without the execution or filing of any document or any further act, anything herein to the contrary notwithstanding.

B. All of the stipulations, obligations, and agreements by or on behalf of and other provisions for the benefit of the City or the Escrow Bank contained in this Agreement:

- (1) Shall bind and inure to the benefit of any such successor, and
- (2) Shall bind and inure to the benefit of any officer, board, city, agent, or instrumentality to whom or to which there shall be transferred by or in accordance with law any relevant right, power, or duty of the City or the Escrow Bank, respectively, or of its successor.

Section 18. Required Provisions Concerning Illegal Aliens.

The Escrow Bank qualifies as a “contractor” pursuant to §8-17.5-101(2), C.R.S. and the Escrow Bank hereby certifies that, as of the date hereof, the Escrow Bank does not knowingly employ or contract with an illegal alien, and the Escrow Bank has participated or attempted to participate in the “Basic Pilot Program” (as defined in §8-17.5-101(1), C.R.S.) in order to confirm the employment eligibility of all employees who are newly hired for employment in the United States. In compliance with §8-17.5-102(2), C.R.S., it is hereby agreed:

(a) The Escrow Bank shall not knowingly employ or contract with an illegal alien to perform work described in this Agreement (the “Banking Services”) or enter into a contract with a subcontractor that fails to certify to the Escrow Bank that the subcontractor shall not knowingly employ or contract with an illegal alien to perform the Banking Services.

(b) The Escrow Bank has confirmed or attempted to confirm the employment eligibility of all employees who are newly hired for employment in the United States through participation in the Basic Pilot Program or shall apply to participate in the Basic Pilot Program every three months until the Escrow Bank is accepted or until termination of this Agreement, whichever is earlier.

(c) The Escrow Bank shall not use Basic Pilot Program procedures to undertake pre-employment screening of job applicants while performing the Banking Services.

(d) If the Escrow Bank obtains actual knowledge that a subcontractor performing Banking Services knowingly employs or contracts with an illegal alien, the Escrow Bank shall be required to: (i) notify the subcontractor and the City within three days that the Escrow Bank has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and (ii) terminate the subcontract with the subcontractor if within three days of receiving the notice required pursuant to subparagraph (i) the subcontractor does not stop employing or contracting with the illegal alien; except that the Escrow Bank shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

(e) The Escrow Bank shall comply with any reasonable request by the Department of Labor and Employment made in the course of an investigation that such department is undertaking pursuant to §8-17.5-102(5) C.R.S.

Section 19. Severability.

If any section, paragraph, clause, or provision of this Escrow Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Agreement.

Section 20. Notices.

Any notice to be given hereunder shall be delivered personally or mailed postage prepaid, return receipt requested, to the following addresses:

If to the City: City of Westminster, Colorado
4800 West 92nd Avenue
Westminster, Colorado 80030
Attn: Finance Director

If to the Escrow Bank: American National Bank.
3033 East First Avenue
Denver, Colorado 80206

If to 2002 Bond Insurer: Ambac Assurance Corporation.
One State Street Plaza
New York, New York 10004

or such other address as either party may, by written notice to the other party, hereafter specify. Any notice shall be deemed to be given upon mailing.

Section 21. Jurisdiction and Venue. The rights of the City under this Agreement shall be deemed to be a contract made under and shall be construed in accordance with and governed by the laws of the State of Colorado. Jurisdiction and venue for any disputes related to this Agreement shall be in United States District Court for the District of Colorado.

Section 22. Exercise of Option. The City Council has elected and does hereby declare its intent to exercise on the behalf and in the name of the City its option to redeem the Refunded Bonds on the respective Redemption Dates. The City hereby authorizes and directs the registrar for such Refunded Bonds to give notice of refunding, defeasance and redemption of the Refunded Bonds to the registered owners of the Refunded Bonds in accordance with the provisions of the ordinances authorizing the issuance of the Refunded Bonds.

Section 23. Form of Notice. The notices so to be given shall be in substantially the following forms:

(Form of Notices)

**NOTICE OF REFUNDING, DEFEASANCE AND REDEMPTION
CITY OF WESTMINSTER, COLORADO**

**SALES AND USE TAX REVENUE REFUNDING AND IMPROVEMENT BONDS
SERIES 1997A
CUSIP NOS: _____**

NOTICE IS HEREBY GIVEN that City of Westminster, Colorado, (the "City") will cause to be deposited in escrow with American National Bank, Denver, Colorado, refunding bond proceeds and other moneys which will be invested (except for a small initial cash balance remaining uninvested) in certificates of indebtedness, notes, bonds and similar securities which are direct obligations of, or obligations the principal or and interest on which are unconditionally guaranteed by, the United States of America to refund, pay, redeem and discharge the City's Sales and Use Tax Revenue Refunding and Improvement Bonds, Series 1997A maturing on and after December 1, 2008 (the "Refunded Bonds"). The Refunded Bonds will be called for redemption on December 1, 2007 (the "Redemption Date"). On the Redemption Date, the principal of such Refunded Bonds, accrued interest to the date of redemption, and a prior redemption premium of 2% of the principal amount so redeemed will become due and payable at the principal office of the paying agent, American National Bank, Denver, Colorado (the "Paying Agent"), and thereafter interest will cease to accrue.

According to a report of a firm of certified public accountants, licensed to practice in Colorado, the escrow, including the known minimum yield from such investments and any temporary reinvestments and the initial cash balance remaining uninvested, will be fully sufficient at the time of the deposit and at all times subsequent, to pay the principal of the Refunded Bonds and accrued interest thereon to the Redemption Date plus a redemption premium of 2% of the principal amount so redeemed, on and after the date of the deposit and on and before the Redemption Date.

In compliance with the federal law, the Paying Agent is required to withhold at the current backup withholding rate a percentage from payments of principal to individuals who fail to furnish valid Taxpayer Identification Numbers. A completed Form W-9 should be presented with your bond.

The above-referenced CUSIP numbers were assigned to this issue by Standard & Poor's Corporation and are intended solely for bondholders' convenience. Neither the Paying Agent nor the City shall be responsible for selection or use of the CUSIP numbers, nor is any representation made as to their correctness on the Refunded Bonds or as indicated in any redemption notice.

Dated _____.

AMERICAN NATIONAL BANK,
Registrar

By: _____

(End of Form of Notice)

**NOTICE OF PARTIAL REFUNDING, DEFEASANCE AND REDEMPTION
CITY OF WESTMINSTER, COLORADO**

**SALES AND USE TAX REVENUE BONDS
SERIES 2002**

CUSIP NOS: _____

NOTICE IS HEREBY GIVEN that City of Westminster, Colorado, (the "City") will cause to be deposited in escrow with American National Bank, Denver, Colorado, refunding bond proceeds and other moneys which will be invested (except for a small initial cash balance remaining uninvested) in certificates of indebtedness, notes, bonds and similar securities which are direct obligations of, or obligations the principal or and interest on which are unconditionally guaranteed by, the United States of America to refund, pay, redeem and discharge portions of the principal and interest in connection with the City's Sales and Use Tax Revenue Bonds, Series 2002 (the "Series 2002 Bonds") as more particularly described below.

The Series 2002 Bonds maturing on and after December 1, 2013 in the aggregate principal amount of \$9,785,000 (the "Refunded Bonds"), will be called for redemption on December 1, 2012 (the "Redemption Date"). On the Redemption Date, the principal of such Refunded Bonds and accrued interest thereon to the Redemption Date, will become due and payable at the principal office of the paying agent, American National Bank, Denver, Colorado (the "Paying Agent"), and thereafter interest will cease to accrue.

According to a report of a firm of certified public accountants, licensed to practice in Colorado, the escrow, including the known minimum yield from such investments and any temporary reinvestments and the initial cash balance remaining uninvested, will be fully sufficient at the time of the deposit and at all times subsequent, to pay the principal of the Refunded Bonds and accrued interest thereon to the Redemption Date, on and after the date of the deposit and on and before the Redemption Date.

In compliance with the federal law, the Paying Agent is required to withhold at the current backup withholding rate a percentage from payments of principal to individuals who fail to furnish valid Taxpayer Identification Numbers. A completed Form W-9 should be presented with your bond.

The above-referenced CUSIP numbers were assigned to this issue by Standard & Poor's Corporation and are intended solely for bondholders' convenience. Neither the Paying Agent nor the City shall be responsible for selection or use of the CUSIP numbers, nor is any representation made as to their correctness on the Refunded Bonds or as indicated in any redemption notice.

Dated _____.

AMERICAN NATIONAL BANK,
Registrar

By: _____

(End of Form of Notices)

IN WITNESS WHEREOF, THE CITY OF WESTMINSTER, COLORADO, has caused this Escrow Agreement to be signed in the City’s name by the Mayor Pro Tem, and to be attested by the City Clerk, with the seal thereof hereunto affixed; and **AMERICAN NATIONAL BANK**, Denver, Colorado, has caused this Escrow Agreement to be signed in its corporate name by one of its Senior Vice Presidents, all as of the day and year first above written.

CITY OF WESTMINSTER, COLORADO

By _____
Mayor Pro Tem

(SEAL)

Attest:

City Clerk

AMERICAN NATIONAL BANK

By: _____
Senior Vice President

EXHIBIT 1

(Attach Certified Public Accountant’s Report)

**CITY OF WESTMINSTER, COLORADO
SALES AND USE TAX REVENUE REFUNDING BONDS
SERIES 2007C**

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the City of Westminster, Colorado (the “City”) in connection with the issuance of the City of Westminster, Colorado, Sales and Use Tax Revenue Refunding Bonds, Series 2007C dated as of October 16, 2007, in the aggregate principal amount of \$_____ (the “2007C Bonds”). The 2007C Bonds are being issued pursuant to an ordinance adopted by the City Council of the City on September 24, 2007 (the “Ordinance”). The City covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the 2007C Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the “SEC”).

SECTION 2. Definitions. In addition to the definitions set forth in the Ordinance or parenthetically defined herein, which apply to any capitalized terms used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Dissemination Agent” shall mean, initially, the City, or any successor Dissemination Agent designated in writing by the City and which has filed with the City a written acceptance of such designation.

“Material Events” shall mean any of the events listed in Section 5 of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“National Repositories” shall mean all of the Nationally Recognized Municipal Securities Information Repositories for purposes of the Rule, as recognized from time to time by the SEC and as currently listed on the Internet at the website www.sec.gov/info/municipal/nrmsir.htm.

“Participating Underwriter” shall mean the original underwriter of the 2007C Bonds required to comply with the Rule in connection with an offering of the 2007C Bonds.

“Repositories” shall mean the National Repositories and any State Repository.

“Repository Agent” shall mean any filing system approved by the SEC for transmission of filings under the Rule for submission to the Repositories, including without limitation the central post office known as DisclosureUSA, currently managed by the Municipal Advisory Council of Texas and located on the Internet at the website www.DisclosureUSA.org.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State Repository” shall mean any public or private repository or entity designated by the State of Colorado as a state information depository for the purpose of the Rule. As of the date of this Disclosure Certificate, there is no State Repository.

SECTION 3. Provision of Annual Reports.

a. The City shall, or shall cause the Dissemination Agent to, not later than nine (9) months following the end of the City’s fiscal year of each year, commencing nine (9) months following the end of the City’s fiscal year ending December 31, 2007, provide to the (i) the Repositories or (ii) a Repository Agent, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than five (5) business days prior to said date, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report.

b. If the City is unable to provide to the Repositories or the Repository Agent an Annual Report by the date required in subsection (a), the City shall send or cause to be sent a notice in substantially the form attached as Exhibit “A” to any of the following: (i) MSRB and the State Repository, if any; or (ii) the National Repositories and the State Repository, if any; or (iii) a Repository Agent.

The Dissemination Agent shall:

- (1) determine each year prior to the date for providing the Annual Report the name and address of the Repositories and any Repository Agent;
- (2) if the Dissemination Agent is other than the City, send written notice to the City at least 45 days prior to the date the Annual Report is due stating that the Annual Report is due as provided in Section 3(a) hereof; and
- (3) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided and listing all the entities to which it was provided.

SECTION 4. Content of Annual Reports. The City’s Annual Report shall contain or incorporate by reference the following:

a. A copy of its annual financial statements prepared in accordance with generally accepted accounting principles audited by a firm of certified public accountants. If audited annual financial statements are not available by the time specified in Section 3(a) above, unaudited

financial statements will be provided as part of the Annual Report and audited financial statements will be provided when and if available.

b. An update of the type of information identified in Exhibit “B” hereto, which is contained in the tables in the Official Statement with respect to the 2007C Bonds.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the City or related public entities, which have been submitted to the Repositories or the SEC. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The City shall clearly identify each such document incorporated by reference.

SECTION 5. Reporting of Material Events. The City shall provide or cause to be provided, in a timely manner, notice of any of the following events with respect to the 2007C Bonds, if such event is material to any of the following: (i) the MSRB and the State Repository, if any; or (ii) the National Repositories and the State Repository, if any; or (iii) a Repository Agent:

- a. Principal and interest payment delinquencies;
- b. Non-payment related defaults;
- c. Unscheduled draws on debt service reserves reflecting financial difficulties;
- d. Unscheduled draws on credit enhancements reflecting financial difficulties;
- e. Substitution of credit or liquidity providers or their failure to perform;
- f. Adverse tax opinions or events affecting the tax-exempt status of the 2007C Bonds;
- g. Modifications to rights of bondholders;
- h. Bond calls;
- i. Defeasances;
- j. Release, substitution or sale of property securing repayment of the 2007C Bonds; or
- k. Rating changes.

SECTION 6. Termination of Reporting Obligation. The City’s obligations under this Disclosure Certificate shall terminate upon the earliest of: (i) the date of legal defeasance, prior redemption or payment in full of all of the 2007C Bonds; (ii) the date that the City shall no longer constitute an “obligated person” within the meaning of the Rule; or (iii) the date on which those portions of the Rule which require this written undertaking are held to be invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the 2007C Bonds.

SECTION 7. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist the City in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate and may waive any provision of this Disclosure Certificate, without the consent of the holders and beneficial owners of the 2007C Bonds, if such amendment or waiver does not, in and of itself, cause the undertakings herein (or action of any Participating Underwriter in reliance on the undertakings herein) to violate the Rule, but taking into account any subsequent change in or official interpretation of the Rule. The City will provide notice of such amendment or waiver to the Repositories or Repository Agent.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Material Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

SECTION 10. Default. In the event of a failure of the City to comply with any provision of this Disclosure Certificate, any holder or beneficial owner of the 2007C Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Ordinance, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the holders and beneficial owners from time to time of the 2007C Bonds, and shall create no rights in any other person or entity.

DATE: October 16, 2007.

CITY OF WESTMINSTER, COLORADO

By: _____
Mayor Pro Tem

EXHIBIT "A"

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of Westminster, Colorado

Name of Bond Issue: City of Westminster, Colorado, Sales and Use Tax Revenue Refunding Bonds, Series 2007C, dated as of October 16, 2007, in the aggregate principal amount of \$_____.

Date of Issuance: October 16, 2007

CUSIP No. _____

NOTICE IS HEREBY GIVEN that the City has not provided an Annual Report with respect to the above-named Bonds as required by Section 19(g) of the Ordinance, adopted on September 24, 2007, and the Continuing Disclosure Certificate executed on October 16, 2007, by the City. The City anticipates that the Annual Report will be filed by _____.

Dated: _____, _____

CITY OF WESTMINSTER, COLORADO

By: _____

Its: _____

EXHIBIT "B"

INDEX OF OFFICIAL STATEMENT TABLES TO BE UPDATED

TABLE

[To be added]

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER __, 2007

NEW ISSUE
BOOK-ENTRY ONLY

RATINGS: Fitch “__”
Standard & Poor’s “__”

INSURANCE: _____
UNDERLYING RATINGS: Fitch “__”
Standard & Poor’s “__”
(See “MISCELLANEOUS—Ratings”)

In the opinion of Sherman & Howard L.L.C., Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds (the “Tax Code”), interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except that such interest is required to be included in calculating the “adjusted current earnings” adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations, and interest on the Bonds is excluded from Colorado taxable income and Colorado alternative minimum taxable income under Colorado income tax laws in effect on the date of delivery of the Bonds as described herein. See “TAX MATTERS.”

\$11,380,000*
CITY OF WESTMINSTER, COLORADO
SALES AND USE TAX REVENUE REFUNDING BONDS, SERIES 2007C

KUTAK ROCK LLP
DRAFT 09/__/07

Dated: Date of Delivery

Due: December 1 as shown below

The Bonds are issued in fully registered form in denominations of \$5,000 or integral multiples thereof. Interest on the Bonds, at the rates set forth below, is payable semi-annually on June 1 and December 1 each year, commencing on December 1, 2007. Capitalized terms used on this cover page are defined in the Introduction to this Official Statement. DTC will act as securities depository for the Bonds and payments of principal of and interest on the Bonds will be made by the Paying Agent, initially American National Bank, Denver, Colorado, directly to DTC, which will remit such payments to Participants for subsequent distribution to Beneficial Owners of the Bonds.

MATURITY SCHEDULE*
(CUSIP^{1c} 960668)

Maturity Date (December 1)	Principal Amount*	Interest Rate	Yield	CUSIP ^{1c}	Maturity Date (December 1)	Principal Amount*	Interest Rate	Yield	CUSIP ^{1c}
2008	\$ 575,000				2013	\$1,370,000			
2009	1,160,000				2014	1,430,000			
2010	1,215,000				2015	1,490,000			
2011	1,260,000				2016	1,555,000			
2012	1,325,000								

Payment of the principal of and interest on the Bonds when due will be insured by a financial guaranty insurance policy to be issued by _____ simultaneously with the delivery of the Bonds.

[INSURER LOGO]

The net proceeds from the sale of the Bonds will be used to refund certain of the City’s outstanding Series 1997A Bonds and to pay costs of issuance on the Bonds.

The Bonds are revenue obligations of the City payable solely from and secured by an irrevocable and first lien, but not necessarily an exclusive such lien, on the net revenues derived from the City’s 3.85% sales and use tax after the deduction of (i) the costs of administering and collecting such tax, (ii) 0.25% of the rate identified as the Open Space Tax which is reserved for open space acquisition, parks, and recreation enhancements and (iii) 0.60% of the rate identified as the Public Safety Tax which is reserved for public safety related expenditures. The Bonds and any payments under the Bond Insurance Policy shall not constitute a debt or an indebtedness of the City within the meaning of any constitutional, Charter, or statutory provision or limitation; nor shall they be considered or held to be general obligations of the City.

The Bonds are not subject to redemption prior to maturity.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read this entire Official Statement to obtain information essential to the making of an informed investment decision and should consider carefully the information contained in the section entitled “RISK FACTORS.”

The Bonds are offered when, as, and if issued, and accepted by the Underwriter named below, subject to the approval of legality and certain other matters by Sherman & Howard L.L.C., Denver, Colorado, as Bond Counsel. Certain matters will be passed upon by Kutak Rock LLP, Denver, Colorado, as Special Counsel to the City for purposes of assisting the City with the preparation of this Official Statement. James Capital Advisors, Inc., Denver, Colorado, is acting as financial advisor to the City with respect to this financing. It is expected that the Bonds will be available for delivery through the facilities of DTC on or about October __, 2007.

STIFEL, NICOLAUS

This Official Statement is dated _____, 2007.

*Preliminary; subject to change.

¹ The City takes no responsibility for the accuracy of CUSIP numbers, which are included solely for the convenience of owners of the Bonds.

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4811-7251-0209.5

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

**City of Westminster
City Council**

Nancy McNally, Mayor
Tim Kauffman, Mayor Pro Tem
Chris Dittman
Mark L. Kaiser
Mary Lindsey
Scott Major
Jo Ann Price

City Officials

J. Brent McFall, City Manager
Stephen P. Smithers, Assistant City Manager
Tammy A. Hitchens, CPA, Finance Director
Robert C. Smith, Treasury Manager
Martin R. McCullough, Esq., City Attorney
Linda Yeager, City Clerk

Paying Agent

American National Bank
Denver, Colorado

Underwriter

Stifel, Nicolaus & Company, Incorporated
Denver, Colorado

City Financial Advisor

James Capital Advisors, Inc.
Denver, Colorado

Bond Counsel

Sherman & Howard L.L.C.
Denver, Colorado

Special Counsel

Kutak Rock LLP
Denver, Colorado

No dealer, salesman, or other person has been authorized to give any information or to make any representation, other than the information contained in this Official Statement, in connection with the offering of the Bonds, and, if given or made, such information or representation must not be relied upon as having been authorized by the City or the Underwriter. The information in this Official Statement is subject to change without notice, and neither the delivery of this Official Statement nor any sale hereunder will, under any circumstances, create any implication that there has been no change in the affairs of the City or the Underwriter since the date hereof. This Official Statement does not constitute an offer or solicitation in any jurisdiction in which such offer or solicitation is not authorized, or in which any person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, their responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

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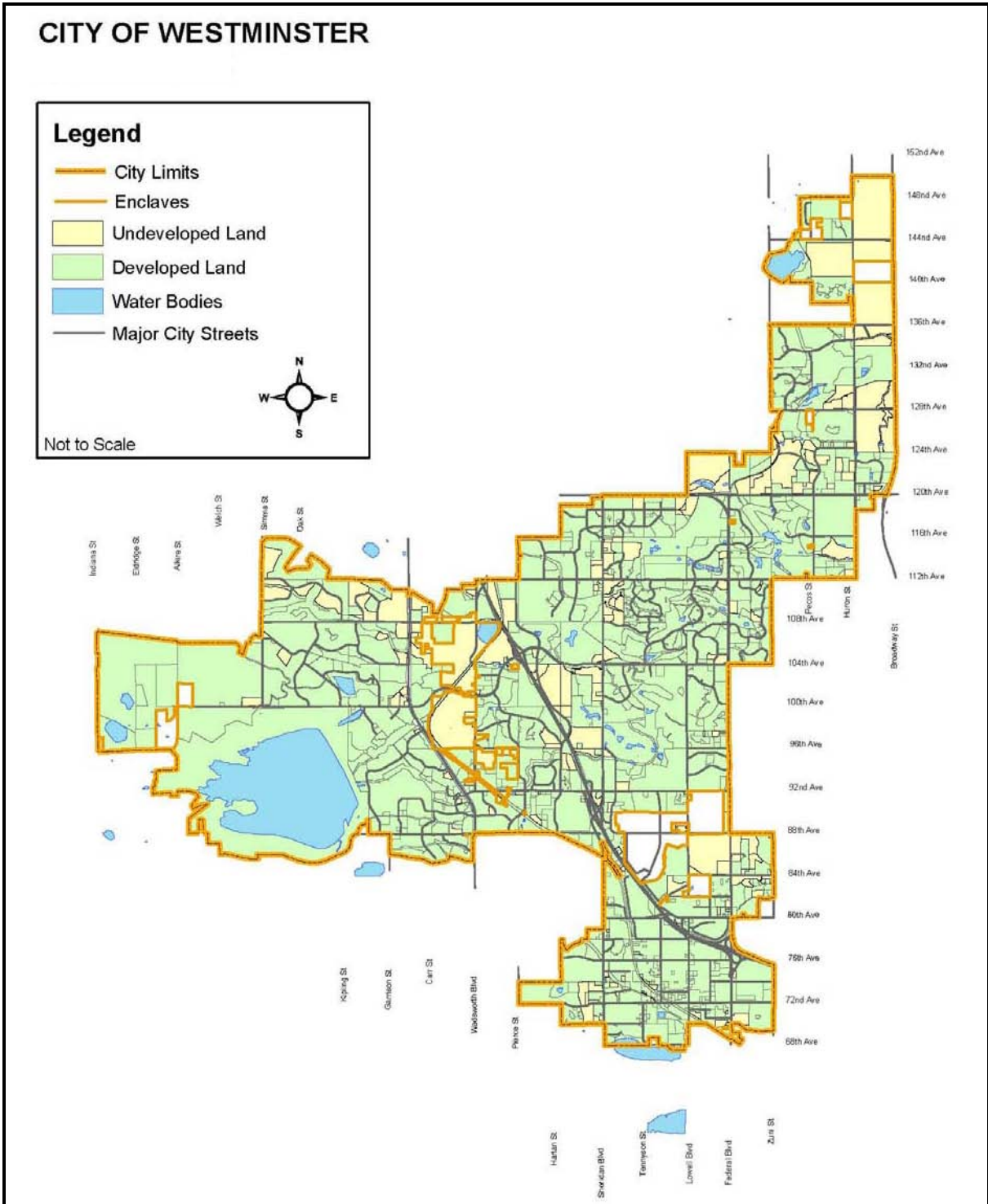
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Neither the Securities and Exchange Commission nor any securities regulatory authority of any state has approved or disapproved the Certificates or this Official Statement. Any representation to the contrary is unlawful.

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CITY MAP



INTRODUCTION

This Official Statement is furnished to prospective purchasers of \$11,380,000* Sales and Use Tax Revenue Refunding Bonds, Series 2007C (the “Bonds”), issued by the City of Westminster, Colorado (the “City”). The offering of the Bonds is made only by way of this Official Statement, which supersedes any other information or materials used in connection with the offer or sale of the Bonds. This Official Statement speaks only as of its date, and the information contained herein is subject to change.

The following introductory material is only a brief description of, and is qualified by, the more complete information contained throughout this Official Statement. A full review should be made of the entire Official Statement and the documents summarized or described herein.

Issuer The City of Westminster, Colorado, is a home rule city located approximately two miles from the northwestern boundary of the City and County of Denver in Adams and Jefferson Counties. The City encompasses approximately 33 square miles and, according to Colorado Department of Regulatory Agencies, the City has a current estimated population of 107,363. See “THE CITY” and the preceding “CITY MAP.”

Security The Bonds are special revenue obligations of the City payable solely from the revenues derived from the City’s presently existing 3.85% sales and use tax (the “Sales and Use Tax” or the “Tax”) after deducting (i) 6.49 percent thereof (representing the 0.25% tax described hereafter) which is deposited to the City’s Open Space Fund (ii) 15.58 percent thereof (representing the 0.60% tax described hereafter) which is reserved for the City’s public safety related expenditures, and (iii) all costs of administering and collecting the sales and use tax (the “Pledged Revenue”). The portion of the sales and use tax imposed by the City at the rate of 0.25% and deposited solely to the Open Space Fund expires on January 1, 2033; however, the Public Safety Tax portion of the sales and use tax rate (0.60%) does not have a sunset provision. The Pledged Revenue does not include future increases in the rate of the sales and use tax, if any, or any other excise taxes which may now or hereafter be imposed by the City. The 3.0% portion of the sales and use tax not including the 0.25% Open Space Tax and the 0.60% Public Safety Tax is referred to herein as the General Sales and Use Tax. Chapters 1 and 2 of Title IV of the City’s Municipal Code (“Title IV”) governs the imposition, collection, distribution and enforcement of the sales and use tax. See “THE BONDS—Security for the Bonds” and “THE SALES AND USE TAX.”

The Bonds constitute an irrevocable and first lien upon the Pledged Revenue to the extent set forth hereafter, but not necessarily an exclusive such lien, and the Pledged Revenue is pledged to the payment of the Bonds. The first lien of the Bonds on the Pledged Revenue is on a parity with the City’s Sale and Use Tax Revenue Refunding and Improvement Bonds, Series 2001 (the “Series 2001 Bonds”), the City’s Sales and Use Tax Revenue Bonds, Series 2002 (the “Series 2002 Bonds”) and the

* Preliminary; subject to change.

City's Sales and Use Tax Revenue Refunding Bonds, Series 2007A (the "Series 2007A Bonds") (collectively the Series 2007A Bonds, the Series 2001 Bonds and the Series 2002 Bonds are referred to herein as the "Outstanding Parity Bonds"). On the date of issuance, the Outstanding Parity Bonds will be outstanding in the aggregate principal amount of \$31,725,000.

The Bonds are issued in compliance and conformity with the parity lien bond requirements established in the ordinances authorizing the Outstanding Parity Bonds. The ordinance of the City providing for the issuance of the Bonds (the "Bond Ordinance") provides conditions for the issuance of one or more series of additional bonds, notes, interim securities or other obligations (a) having a lien on the Pledged Revenue which is on a parity with the lien of the Bonds (the "Parity Lien Bonds") and (b) having a lien on the Pledged Revenue which is subordinate or junior to the lien of the Bonds (the "Subordinate Lien Bonds"). See "THE BONDS—Security for the Bonds" and "—Debt Service Coverage."

No reserve fund will be funded for the Bonds upon the date of their issuance; however, the Bond Ordinance sets forth a test which requires the funding of a reserve fund for the Bonds, the Outstanding Parity Bonds, and Parity Lien Bonds, if any, if the debt service coverage requirement of such test is not met. See "THE BONDS—Security for the Bonds."

Bond Insurance _____ ("_____") or the "Bond Insurer") has committed to issue, on the date of issuance of the Bonds, a financial guaranty insurance policy (the "Financial Guaranty Insurance Policy") insuring the payment of the principal of and interest on the Bonds when due. See "BOND INSURANCE."

Use of Bond Proceeds The net proceeds from the sale of the Bonds will be used to refund the City's outstanding Series 1997A Bonds and to pay costs of issuance on the Bonds. See "THE BONDS—Application of Bond Proceeds."

Payment Provisions.....The Bonds mature and bear interest at the rates (computed on the basis of a 360-day year of twelve 30-day months) as set forth on the cover page hereof. Interest on the Bonds is payable semiannually on June 1 and December 1 each year, commencing on December 1, 2007. Payments to Beneficial Owners will be made as described in "APPENDIX E—Book-Entry-Only System."

Book-Entry-Only Registration..... The Bonds will be issued in fully registered form and will be registered initially in the name of "Cede & Co." as nominee for The Depository Trust Company, New York, New York ("DTC"), a securities depository. Beneficial ownership interests in the Bonds may be acquired in principal denominations of \$5,000 or integral multiples thereof through brokers and dealers who are, or who act through, participants in the DTC system

(the “Participants”). Such beneficial ownership interests will be recorded on the records of the Participants. Persons for which Participants acquire interests in the Bonds (the “Beneficial Owners”) will not receive certificates evidencing their interests in the Bonds so long as DTC or a successor securities depository acts as the securities depository with respect to the Bonds. See “APPENDIX E—Book-Entry-Only System” for a discussion of the operating procedures of the DTC system with respect to payments, registration, transfers, notices, and other matters. Except as otherwise provided in this Official Statement, the term “Owner” shall refer to the registered owner of any Bond, as shown by the registration books maintained by the Bond Registrar.

No Prior Redemption..... The Bonds are not subject to redemption prior to maturity.

Registration and

Denominations..... The Bonds will be issued in denominations of \$5,000 or any integral multiple thereof.

Tax Status In the opinion of Sherman & Howard L.L.C., Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds (the “Tax Code”), interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except that such interest is required to be included in calculating the “adjusted current earnings” adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations, and interest on the Bonds is excluded from Colorado taxable income and Colorado alternative minimum taxable income under Colorado income tax laws in effect on the date of delivery of the Bonds as described herein. See “TAX MATTERS.”

**Undertaking to
Provide Ongoing**

Disclosure..... Pursuant to the requirements of Securities and Exchange Commission Rule 15c2-12 (17 CFR Part 240, § 240.15c2-12) (the “Rule”), the City has agreed for the benefit of the holders of the Bonds to provide certain financial information, other operating data and notices of material events after the Bonds are issued (the “Continuing Disclosure Certificate”). The form of the City’s Continuing Disclosure Certificate is attached as an appendix to this Official Statement. The City has not failed to comply with any prior undertaking under the Rule. A failure by the City to comply with the Continuing Disclosure Certificate will not constitute an event of default under the Bond Ordinance. Nevertheless, if such a failure occurs it must be reported in accordance with the Rule and must be considered by any broker, dealer, or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market.

Authority for

Issuance..... The Bonds are issued in accordance with the Constitution of the State of Colorado; the City’s home rule charter (“Charter”); and all other laws of the State of Colorado thereunto enabling, and pursuant to the Bond Ordinance adopted by the Westminster City Council (the “Council”).

Delivery

Information..... The Bonds are offered when, as, and if executed and delivered, and accepted by the Underwriter, subject to prior sale and the approving legal opinion of Bond Counsel. It is expected that the Bonds will be available for delivery on or about October __, 2007, against payment therefor.

Exchange and

Transfer While the Bonds remain in book-entry-only form, transfer of ownership by Beneficial Owners may be made as described under the caption “APPENDIX E—Book-Entry-Only System.” In the event that DTC ceases to act as securities depository for the Bonds, the Bond Ordinance provides for the transfer of Bonds by the Registrar pursuant to specified terms and provisions.

Financial

Statements..... Appended hereto are the audited general purpose financial statements of the City as of and for the year ended December 31, 2006, being the most recent audited financial statements available.

ALL OF THE SUMMARIES OF THE STATUTES, ORDINANCES, RESOLUTIONS, OPINIONS, CONTRACTS, AND AGREEMENTS DESCRIBED IN THIS OFFICIAL STATEMENT ARE SUBJECT TO THE ACTUAL PROVISIONS OF SUCH DOCUMENTS. The summaries do not purport to be complete statements of such provisions and reference is made to such documents, copies of which are either publicly available or available upon request and the payment of a reasonable copying, mailing, and handling charge from: City of Westminster Finance Department, 4800 W. 92nd Avenue, Westminster, Colorado 80031, telephone: 303.430.2400 extension 2043; or Stifel, Nicolaus & Company, Incorporated, 1125 Seventeenth Street, Suite 1600, Denver, Colorado 80202, telephone: 303.296.2300.

THE BONDS

No Prior Redemption

The Bonds are not subject to redemption prior to maturity.

Application of Bond Proceeds

The Refunding Plan. Bond proceeds will be used to currently refund the City’s Sales and Use Tax Refunding and Improvement Bonds, Series 1997A. The Series 1997A Bonds being currently refunded include: the Series 1997A Bonds maturing on December 1, 2008 in the amount of \$740,000; the Series 1997A Bonds maturing on December 1, 2011 in the amount of \$3,370,000; and the Series 1997A Bonds maturing on December 1, 2016 in the amount of \$6,955,000 (collectively, the “1997A Refunded Bonds”). Such maturities bear interest at rates which range from 5.00% to 5.60% per annum. The Series 1997A Bonds maturing on December 1, 2007, which bonds are collectively outstanding in the aggregate principal amount of \$1,520,000, are not part of the refunding, and will be redeemed on December 1, 2007. The 1997A Refunded Bonds are subject to prior redemption on December 1, 2007 at a price of par

and accrued interest to the redemption date, plus a redemption premium of 2% of the principal amount so redeemed. As provided in the Bond Ordinance, the City is refinancing the 1997A Refunded Bonds at lower interest rates and therefore advance voter approval is not required pursuant to Section 20 of Article X of the Colorado Constitution.

Upon issuance of the Bonds, the proceeds of the Bonds, together with legally available moneys of the City, will be deposited into the Escrow Account (the “Escrow Account”) created pursuant to an Escrow Agreement (the “Escrow Agreement”) between the City and American National Bank, as Escrow Agent. The moneys in the Escrow Account will be used by the Escrow Agent to acquire direct, noncallable obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (“U.S. Government Obligations”), the maturing principal of and interest on which when due, together with cash held in the Escrow Account, will be sufficient to pay the interest on the 1997A Refunded Bonds as the same become due and to redeem the 1997A Refunded Bonds on their optional redemption dates at their redemption prices, on which dates the refunded bonds have been called by the City for prior redemption.

A certified public accountant will deliver a report verifying (a) the adequacy of the maturing principal of and interest on the U.S. Government Obligations when due and the cash on deposit in the Escrow Account will be sufficient to pay the interest on the 1997A Refunded Bonds as the same become due and to redeem the 1997A Refunded Bonds on their respective optional redemption dates and (b) certain computations supporting the conclusion of Bond Counsel that the Bonds are not “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

Application of Bond Proceeds. The source and uses of the proceeds of the Bonds is as follows:

SOURCES

Bond proceeds.....
Legally available funds
Original issue premium
Total.....

USES

Deposit into Escrow Account.....
Bond issuance costs, including bond insurance and underwriting discount ¹
Total.....

¹See “Miscellaneous—Underwriting.”

Security for the Bonds

Special Revenue Obligations. The Bonds are special revenue obligations of the City payable only out of the Bond Fund, into which the City covenants to deposit the Pledged Revenue in amounts sufficient to pay promptly, when due, the principal of, premium, if any, and interest on the Bonds. The Bonds constitute an irrevocable and first lien upon the Pledged Revenue to the extent set forth hereafter, but not necessarily an exclusive such lien, and the Pledged Revenue is pledged to the payment of the Bonds. The Outstanding Parity Bonds, which on the date of issuance of the Bonds will be outstanding in the aggregate principal amount of \$31,725,000, have a lien on the Pledged Revenue which is on a parity with the lien of the Bonds.

Bond Fund. The Bond Ordinance creates and establishes the Bond Fund, which will comprise offsetting revenue and expense accounts within the General Debt Service Fund of the City designated as the “2007C Sales and Use Tax Revenue Bonds.” Moneys in the Bond Fund are to be used solely for the purpose of paying the principal of, premium if any, and interest on the Bonds. On a monthly basis, the City agrees to credit the Pledged Revenue or other legally available moneys to the Bond Fund in substantially equal installments of the total principal to become due and interest to accrue on the Bonds on the next principal payment date and interest payment date, respectively.

Reserve Fund Covenant. No reserve fund for the Bonds will be funded on the date of issuance of the Bonds and no reserve fund exists for the Outstanding Parity Bonds; rather, the City covenants that in the event it does not receive Pledged Revenues in any fiscal year in an amount at least equal to 200% of the Combined Average Annual Principal and Interest Requirements (defined in the following paragraph), the City shall establish and maintain a reserve fund solely for the Bonds, the Outstanding Parity Bonds and Parity Lien Bonds (the “Reserve Fund”), in an amount equal to 10% of the outstanding aggregate principal amount of said bonds (the “Required Reserve”). The City agrees to accumulate the Required Reserve in the Reserve Fund by 12 equal monthly deposits. The City is to make the initial deposit into the Reserve Fund of Pledged Revenues, within 90 days after the end of the fiscal year in which such deficiency occurs. Once established, the Reserve Fund cannot be released and draws on the Reserve Fund are to be replenished within one year.

The “Combined Average Annual Principal and Interest Requirements” is defined in the Bond Ordinance to mean the aggregate of all future payments of principal and interest on the Bonds, the Outstanding Parity Bonds and any Parity Lien Bonds issued in the future (excluding redemption premiums) to become due from the date of computation to the date of maturity of the latest maturing obligation of any of said issues, divided by the number of years between said dates; provided that if any particular issue has a single principal payment date and is issued as interim notes or securities in anticipation of permanent financing, such principal amount shall be excluded from this computation; provided further that such computation shall assume the redemption and payment of bonds or other obligations subject to mandatory redemption, but shall be made without regard to optional redemption.

Flow of Funds. The City previously established the Sales and Use Tax Fund as a governmental fund of the City. Pursuant to the Bond Ordinance, all revenue derived from the Sales and Use Tax must, immediately upon their receipt, be credited by the City to the Sales and Use Tax Fund. After deducting (i) 6.49% of such revenue (which is deposited to the City’s Open Space Fund), (ii) 15.58% of such revenue (which is reserved for the City’s public safety related expenditures), and (iii) all costs of administering and collecting the Sales and Use Tax, the City must apply the Pledged Revenue in the following order of priority:

First, to the credit of the Bond Fund the amounts described above in “Bond Fund,” and to the credit of any other fund or account established for the Outstanding Parity Bonds or hereafter established for the payment of the principal of, premium, if any, and interest on Parity Lien Bonds, in the amount required by the ordinance or other enactment authorizing issuance of the Outstanding Parity Bonds and the Parity Lien Bonds.

Second, to the credit of any sinking fund, reserve fund or similar fund or account established in connection with the Outstanding Parity Bonds, the Bonds or any Parity Lien Bonds, in the amounts required by the Bond Ordinance or the ordinance or other enactment authorizing issuance of the Outstanding Parity Bonds and the Parity Lien Bonds.

Third, to the credit of any other fund or account hereafter established for the payment of the principal of, premium if any, and interest on Subordinate Lien Bonds, including any sinking fund, reserve

fund or similar fund or account established therefore, in the amounts required by the ordinance or other enactment authorizing issuance of the Subordinate Lien Bonds.

Fourth, to the credit of any other fund as may be designated by the City, to be used for any lawful purpose, and Pledged Revenue remaining after the payments and accumulations set forth in First through Third above.

The lien of the Bonds on the Pledged Revenue attaches immediately upon receipt of any Sales and Use Tax proceeds, remains in effect so long as such Pledged Revenue is credited to the Sales and Use Tax Fund or the Reserve Fund, and is extinguished with respect to any Pledged Revenue not required to be credited to the Bond Fund or the Reserve Fund (if established as described in the following paragraph) and is transferred to other funds of the City.

Additional Obligations. The Bond Ordinance provides that no additional bonds, notes, interim securities or other obligations may be issued payable from the Pledged Revenue and having a lien thereon which is superior to the lien thereon of the Bonds.

The Bond Ordinance permits the City to issue Parity Lien Bonds if: (a) no Event of Default has occurred and is continuing; (b) the City is then current in the accumulation of all amounts required to be then accumulated in the Bond Fund as required by the Bond Ordinance; and (c) the Pledged Revenue for the 12-month period immediately preceding the date of such Parity Lien Bonds is sufficient to pay an amount representing not less than 200% of the Maximum Annual Combined Debt Service Requirement (defined in the following paragraph). A written certificate signed by the City Finance Director that the foregoing requirements have been met conclusively determines the right of the City to authorize, issue, sell and deliver Parity Lien Bonds.

The “Maximum Annual Combined Debt Service Requirement” is defined in the Bond Ordinance to mean the maximum amount of all required payments of principal and interest on the Outstanding Parity Bonds, the Bonds, any Parity Lien Bonds and the Parity Lien Bonds proposed to be issued which will become due in any fiscal year; provided that if any particular issue has a single principal payment date and is issued as interim notes or securities in anticipation of permanent financing, such principal amount shall be excluded from the computation; provided further that such computation shall assume the redemption and payment of bonds or other obligations subject to mandatory redemption, but shall be made without regard to optional redemption.

So long as no Event of Default under the Bond Ordinance shall have occurred and be continuing, the Bond Ordinance does not restrict the City from issuing Subordinate Lien Bonds.

The issuance of either Parity Lien Bonds or Subordinate Lien Bonds which are not refunding obligations issued at a lower interest rate would require prior voter approval. See “DEBT STRUCTURE—Required Elections.” See “RISK FACTORS—Issuance of Additional Bonds.”

Additional Covenants of the City. The City irrevocably covenants and agrees in the Bond Ordinance that so long as any of the Bonds remain outstanding:

- (a) It will not amend or repeal Title IV in any way that would materially adversely affect the amount of Pledged Revenue which would be otherwise available for credit to the Bond Fund. Nothing shall prevent the City from amending Title IV in order to increase the rate of tax above that currently imposed, or to make certain changes in the administration, collection or enforcement of such Sales and Use Tax, provided that such changes do not materially adversely

affect the amount of Pledged Revenue which would be otherwise available for credit to the Bond Fund. See "THE SALES AND USE TAX."

(b) It will administer, enforce and collect or cause to be administered, enforced and collected, the Sales and Use Tax authorized by Title IV, and will take reasonable, necessary action to collect delinquent payments in accordance with law.

(c) It will keep or cause to be kept such books and records showing the proceeds of the Sales and Use Tax, in which complete entries shall be made in accordance with generally accepted accounting principles, as applicable to governments, and any Bond owner shall have the right at all reasonable times to inspect the records and accounts relating to the collection and receipts of such Sales and Use Tax.

(d) It will, at least once a year, cause an audit of the records relating to the collection and receipts of the Sales and Use Tax. Such audit may be made part of and included within the general audit of the City, and made at the same time as such audit.

With respect to the above covenants, it should be noted that the City Code Title providing for the imposition, collection and enforcement of the Sales and Use Tax contains a confidentiality provision regarding tax information that states in part "[a]ll specific information gained under the provisions of this Title which is used to determine the total tax liability from a taxpayer, whether furnished by the taxpayer or obtained through audit, shall be treated by the City and its officers, employees or legal representatives as confidential".

Bonds Not a Debt. The owners of the Bonds may not look to any general or other revenue of the City, including without limitation the proceeds of ad valorem taxes, for the payment of the debt service on the Bonds, and the Bonds do not constitute a debt or indebtedness of the City within the meaning of any constitutional, Charter or statutory provision or limitation; nor shall they be considered or held to be general obligations of the City.

Events of Default and Remedies. The Bond Ordinance provides that it is an "Event of Default" if: (a) payment of the principal of or redemption premium on any Bond is not made by the City when due at maturity or upon prior redemption; (b) payment of the interest on any Bond is not made by the City when due; or (c) the City defaults in the performance of its covenants in the Bond Ordinance for 60 days after written notice has been given by the Owners of not less than 25% of the outstanding principal amount of the Bonds.

Upon the happening of an Event of Default, the Beneficial Owners or Registered Owners of any Bond, or a trustee therefor, may protect and enforce the rights such Owner by proper legal or equitable remedy deemed most effectual including mandamus, specific performance of any covenants, the appointment of a receiver (the consent to such appointment being granted pursuant to the terms of the Bond Ordinance), injunctive relief or requiring the Council to act as if it were the trustee of an express trust, or any combination of such remedies; provided however, that any action brought pursuant to the Event of Default enumerated "c" in the preceding paragraph may be brought only upon the written consent of the Owners of not less than 25% of the outstanding principal amount of the Bonds. All proceedings shall be maintained for the equal benefit and protection of all Bond owners. The failure of any Bond owner to proceed does not relieve the City or any person of any liability for failure to perform any duty under the Bond Ordinance. The foregoing rights are in addition to any other right, and the exercise of any right by any Bond owner shall not be deemed a waiver of any other right.

Amendments to the Bond Ordinance. Within the limits of applicable law, any provision of the Bond Ordinance may be waived or modified by the written consent of the Registered Owners or Beneficial Owners of not less than 66% of the outstanding principal amount of the Bonds; except that the written consent of the Registered Owners or Beneficial Owners of 100% of the outstanding principal amount of the Bonds is required to: (a) extend the maturity of any Bond; (b) reduce the principal amount or interest rate of any Bond; (c) create a lien upon the Pledged Revenue ranking prior to the lien created by the Bond Ordinance; (d) reduce the principal amount of the Bonds required for consent to any waiver or modifications; or (e) establish priorities between Bonds. The Bond Ordinance may be amended without the consent of the Registered Owners or Beneficial Owners for the purpose of, among other things, (i) curing ambiguities or curing, correcting or supplementing any defect or omission or inconsistent provision contained in the Bond Ordinance or (ii) for any other purpose if such provisions are necessary or desirable and do not materially adversely affect the interests of the Owners of the Bonds.

Bond Ordinance Irrepealable. The Bond Ordinance provides that after any of the Bonds are issued, the Bond Ordinance shall constitute an irrevocable contract between the Bond owners and the City and shall be and remain irrepealable until the Bonds and the interest accruing thereon shall have been fully paid, satisfied and discharged as provided in the Bond Ordinance.

Debt Service Coverage

The following table sets forth coverage factors which would have been provided by the Pledged Revenue for 2002-2006 (audited) for the estimated maximum annual coverage (such factor representing the coverage provided for the estimated combined maximum annual debt service on the Bonds and the Outstanding Parity Bonds), which occurs in 2009, to the final maturity date of the Bonds (\$5,673,915). The maximum annual coverage factor is used in the determination of the City's ability to issue Parity Lien Bonds. See "THE BONDS—Security for the Bonds." The debt service requirements for the Bonds and the Outstanding Parity Bonds are set forth in "Debt Service Requirements" hereafter.

TABLE I
Debt Service Coverage

	2002	2003	2004	2005	2006
Collected Revenue ¹	\$47,863,679	\$48,562,246	\$49,306,412	\$49,659,495	\$51,643,755
Administrative Expenses	\$(335,176)	\$(342,094)	\$(289,190)	\$(279,048)	\$(319,232)
Pledged Revenue	\$47,528,503	\$48,220,152	\$49,017,222	\$49,380,447	\$51,324,523
Estimated Maximum Annual Debt Service ^{2,*}	\$5,673,915	\$5,673,915	\$5,673,915	\$5,673,915	\$5,673,915
Maximum Annual Coverage Factor ^{2,*}	8.38x	8.50x	8.64x	8.70x	9.05x

¹The collected revenue does not include the portion of the sales and use tax deposited into the City's Open Space Fund nor the portion designated as the Public Safety Tax. See Table III hereof for additional information regarding the Pledged Revenues.

²See the following Table II for the debt service requirements for the Outstanding Parity Bonds and the Bonds.

*Preliminary; subject to change.

Source: City of Westminster Finance Department

The receipt of Pledged Revenue is subject to the elastic nature of consumer spending. This causes sales tax revenue to increase along with the higher prices brought about by inflation, but also causes collections to be vulnerable to adverse economic conditions and reduced consumer confidence

which would result in reduced spending. Such changes in economic conditions may cause actual sales tax collections to fluctuate. Accordingly, there can be no assurance that collections of sales tax revenue will continue at the levels stated above, or that coverage factors in future years will remain at such levels. See “THE SALES AND USE TAX.”

Debt Service Requirements

Set forth in the following table is the debt service requirements for the Bonds and the City’s Outstanding Parity Bonds. See the cover page of this Official Statement for the actual interest rates for each maturity of the Bonds.

TABLE II
Bond Debt Service Requirements

Year	Series 2007C Bonds ^{1,*}		Outstanding Parity Bonds ^{1,2}	Annual Total
	Principal	Interest		
2007	--		\$ 4,276,014	
2008	\$ 575,000		4,322,928	
2009	1,160,000		4,043,040	
2010	1,215,000		3,186,260	
2011	1,260,000		3,187,185	
2012	1,325,000		3,192,990	
2013	1,370,000		3,192,478	
2014	1,430,000		3,186,233	
2015	1,490,000		3,189,408	
2016	1,555,000		3,186,883	
2017	--		1,601,263	
2018	--		1,611,513	
2019	--		1,600,763	
2020	--		1,602,163	
2021	--		1,604,925	
2022	--		1,278,788	
Total	<u>\$11,380,000</u>		<u>\$44,262,829</u>	

¹Assumes no optional redemptions prior to maturity.

²Includes both principal and interest.

*Preliminary; subject to change.

Source: The Underwriter

BOND INSURANCE

The following information is not complete and reference is made to Appendix D for a specimen of the financial guaranty insurance policy to be issued concurrently with the delivery of the Bonds by the Bond Insurer.

The Bond Insurer accepts no responsibility for the accuracy or completeness of this Official Statement or any other information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding the Bond Insurer and its affiliates set forth under this heading. In addition, the Bond Insurer makes no representation regarding the Bonds or the advisability of investing in the Bonds.

[to be provided by Insurer]

RISK FACTORS

THE PURCHASE OF THE BONDS IS SUBJECT TO CERTAIN RISKS. EACH PROSPECTIVE INVESTOR IN THE BONDS IS ENCOURAGED TO READ THIS OFFICIAL STATEMENT IN ITS ENTIRETY. PARTICULAR ATTENTION SHOULD BE GIVEN TO THE FACTORS DESCRIBED BELOW WHICH, AMONG OTHERS, COULD AFFECT THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS, AND COULD ALSO AFFECT THE MARKET PRICE OF THE BONDS TO AN EXTENT THAT CANNOT BE DETERMINED.

Limited Obligations

The Bonds do not constitute a lien upon any real or personal property of the City. Rather, the Bonds constitute an irrevocable but nonexclusive first lien upon the Pledged Revenue and the moneys on deposit from time to time in the Bond Fund. Therefore, the payment of the principal of and interest on the Bonds is dependent on the City's receipt of revenues from the Sales and Use Tax. Bondholders may not look to any general or other revenues of the City, including without limitation the proceeds of ad valorem taxes, for the payment of the principal of and interest on the Bonds, and the Bonds do not constitute a general obligation of the City.

Economic Factors

Due to the character of the taxes which comprise the Pledged Revenue, the amount of Pledged Revenue collected by the City will be subject to various economic factors. The amount of sales tax revenues is dependent upon the level of sales of tangible personal property in the City and the amount of use tax revenues is principally dependant upon the use of construction materials within the City and purchase of automobiles by City residents. See "THE SALES AND USE TAX—Description of the Sales and Use Tax" for a complete description of said taxes. Therefore, changes in national and local economic conditions, the rates of employment and economic growth, the availability of consumer credit and the level of consumer spending, and the level of residential and commercial development, among other things, will directly affect the amount of Pledged Revenue. Further, the cyclical nature of such factors generally causes sales tax revenues to increase along with higher prices brought about by inflation, but also causes receipts to be vulnerable to adverse economic conditions and reduced consumer confidence which may result in reduced consumer spending. Future sales and use tax receipts may fluctuate from historical levels and affect the level of debt service coverage provided by the Pledged Revenue for the Bonds.

Concentration of Sales Tax Generators

While the City has approximately 5,105 active business licenses outstanding for the collection of the Sales and Use Tax, the City's ten largest generators of sales tax revenues comprised approximately 35% of the City's total sales tax receipts in 2006. While no one generator accounted for more than seven percent of such amount, a significant portion of the generators are discount retailers and department stores. The closure of one or more of said generators or substantial reductions in retail sales by a few of

generators, for whatever reason, could have a material, adverse effect on the amount of Pledged Revenues. However, it should be noted that four of the top ten 3.0% Sales Tax generators are located within urban renewal areas within the City and over one-third of the 3.0% Sales Tax receipts attributable to such generators do not represent Pledged Revenues. Taking out the 3.0% Sales Tax generators located within urban renewal areas and including the next four largest generators, the ten largest generators of the 3.0% Sales Tax would account for less than 25% of the total annual collections in 2006. See the caption “THE SALES AND USE TAX—History of General Sales and Use Tax Receipts” herein.

Sales Tax Not Collected on Sales Over the Internet

The sales tax is currently not imposed on purchases made over the internet, as well as purchases made from catalogues unless the business has nexus in the City. The future level of taxable retail sales which occurs within the City may be affected by the future level of internet sales (also known as e-commerce). Such remote commerce vendors compete with local retail businesses and in the future could materially reduce the level taxable retail sales which otherwise would occur within the City. The use of the internet by consumers for their purchases is subject to various market factors as well as consumer behavior and preferences. The ultimate impact of internet sales on the level of taxable retail sales which occurs within the City cannot be determined at this time. Additionally, the increasing popularity of gift cards, the sales and resulting taxes from which are not realized until the gifted amounts are spent by the recipient, may impact monthly sales tax receipts in a manner which cannot be determined at this time.

Issuance of Additional Bonds

The City has the right to issue additional bonds payable from the Pledged Revenue and secured by a lien on the Pledged Revenue on a parity with the lien of the Bonds; however, specific conditions and requirements which are set forth in an additional bonds test must be met by the City prior to the issuance of such Parity Lien Bonds. See “THE BONDS—Security for the Bonds” for the test for additional bonds. In calendar year 2006, the Pledged Revenue was \$51,324,543 and such amount would provide a coverage factor for the maximum annual debt service for the Bonds and Outstanding Parity Bonds of approximately 6.53 times. See “THE BONDS—Debt Service Coverage.” The issuance of Parity Lien Bonds would dilute such coverage and, in the event of a decline in the Pledged Revenue, could ultimately affect the ability of the City to meet the debt service requirements on the Bonds. The issuance of Parity Lien Bonds or Subordinate Lien Bonds which are not refunding obligations issued at a lower interest rate would require prior voter approval. See “DEBT STRUCTURE—Required Elections.”

Enforceability of Bondholders’ Remedies Upon Default

In the event of a default in the payment of principal of or interest on the Bonds, there is no provision for acceleration of maturity of the principal of the Bonds. Consequently, remedies available to registered owners and Beneficial Owners of the Bonds may have to be enforced from year to year. Moreover, there is no bond trustee or similar person or entity to monitor or enforce the provisions of the Bond Ordinance on behalf of the registered owners and Beneficial Owners of the Bonds, and therefore such registered owners and Beneficial Owners of the Bonds should be prepared to enforce such provisions themselves if the need to do so ever arises.

The remedies available to the owners of the Bonds upon a default are in many respects dependent upon judicial action, which is often subject to discretion and delay under existing constitutional law, statutory law and judicial decisions, including specifically the federal Bankruptcy Code. The legal opinions to be delivered concurrently with delivery of the Bonds will be qualified as to enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization and insolvency or

other similar laws affecting the rights of creditors generally, now or hereafter in effect; as to usual principles of equity which may limit the specific enforcement under State law of certain remedies; as to the exercise by the United States of America of the powers delegated to it by the federal Constitution; and as to the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State and its governmental bodies in the interest of serving an important public purpose.

Future Changes in Laws

Various Colorado laws and constitutional provisions, apply to the imposition and collection of the Pledged Revenue and the financing of City operations in general. Other state and federal laws, constitutional provisions and regulations apply to the obligations created by the issuance of the Bonds. There is no assurance that there will not be any change in, interpretation of, or addition to the applicable laws, provisions and regulations which would have a material effect, directly or indirectly, on the affairs of the City.

THE SALES AND USE TAX

The Pledged Revenue consists of the revenues derived from the City's 3.85% Sales and Use Tax after deducting (i) 0.25% of the rate which is deposited to the City's Open Space Fund, (ii) 0.60% of the rate designated for Public Safety Tax related expenditures, and (iii) all costs of administering and collecting the Sales and Use Tax. The following information includes a description of the collection, administration and enforcement procedures for the Sales and Use Tax.

Description of the Sales and Use Tax

Generally. The Sales Tax is levied on all sales of tangible personal property and taxable services as provided in Title IV, with specific exemptions. The Use Tax is levied upon the privilege of using, storing, distributing or otherwise consuming in the City any article of tangible personal property or taxable services purchased, leased or rented from sources inside or outside the City, with specific exemptions, on which the Sales Tax has not been paid. The transactions and items subject to the Tax are generally set forth below. Copies of Title IV may be obtained upon written request from the sources listed in "MISCELLANEOUS—Additional Information" or at the City's internet website www.ci.westminster.co.us.

The Sales and Use Tax is imposed on the purchaser, and the seller must collect and remit the Sales Tax to the City under the penalties for failure to do so as prescribed in Title IV. The Sales and Use Tax collections are distributed first for the costs of administration and collection of the Sales and Use Tax, next for the fulfillment of any sales and use tax bond covenants, and finally for any lawful purpose of the City.

Transactions and Items Subject to Tax. The Sales Tax is levied on the "price" of the following: tangible personal property sold, leased or rented, whether or not such property has been included in a previous transaction; telecommunication services, except carrier access services and interstate private communications services, for all international, interstate and intrastate telecommunications service in the City; installation in the City of equipment required to receive or transmit telecommunication service; meals sold to the public or to employees; gas, electricity and steam furnished for domestic, commercial or industrial consumption; pay television; automotive vehicles sold, leased or rented in the City; services of an operator when furnished with the lease or rental of tangible personal property if such services are not separately stated; coin- and card- operated devices that dispense tangible personal property; and, rentals of storage space in the City.

The exemptions from the Sales Tax generally include the following: automotive vehicles sold to non residents of the City for registration outside the City; tangible personal property when the sales are to those who reside or do business outside the City and the articles purchased are delivered and used outside the City; prescription drugs, prosthetic devices and items dispensed pursuant to a written order of a licensed practitioner of the healing arts; cigarettes; direct sales, except of construction materials used in a project for which a building permit is required, to charitable organizations in the conduct of their regular exempt organizational functions and activities, and to the federal government, the state of Colorado and political subdivisions thereof in their governmental capacities only; construction materials used in construction projects undertaken and managed directly by the City; all sales the City is prohibited from taxing under the federal or State of Colorado constitution or laws; tangible personal property sold to a public utility or railroad doing business both inside and outside the City, for use in its business operations outside the City; motor fuel subject to a specified gasoline tax or special fuel tax; farm implements, and parts and accessories for the same; certain farm animals and feed and bedding for the same; farm closeout sales; all wholesale sales; tangible personal property sold to a person engaged in manufacturing or processing for sale when such property becomes a constituent part of the finished product; commercial packaging materials; napkins, straws or eating utensils sold to a retailer when specified conditions are met; newspapers; newsprint and printers' ink; tangible personal property sold for rental or leasing inventory; labor sold with tangible personal property, if such labor is stated separately; construction materials, if a use tax has been paid or is required to be paid on such materials; tangible personal property sold through coin- and card- operated devices for a price of fifteen cents (15¢) or less; certain food and meals purchased with federal food stamps or with specified federal funds; access services; private communication services; modified or customized computer programs; garage sales, yard sales or estate sales in a residential area not exceeding a consecutive three day period, but not including sales conducted by a professional or compensated agent of the owner of the items to be sold; sales by a recognized youth group affiliated with a charitable organization or a governmental entity; transactions subject to the admissions or accommodations tax; insulin in all forms, including glucose, diabetic urine and blood testing kit and materials, and insulin measuring and injecting devices; and water sold by the City.

The Use Tax is levied on the "price" of the following: non-exempt tangible personal property purchased for use without payment of the Sales Tax and used, stored or consumed inside the City either personally or in conjunction with the rendering of a service; tangible personal property purchased at wholesale or component parts purchased for manufacture which are subsequently used by the taxpayer; taxable services purchased without payment of the Sales Tax; the cost of meals given without charge to employees or others; and automotive vehicles required to be registered at an address inside the City on which municipal sales tax has not been paid.

The exemptions from the Use Tax include the exemptions set forth above for the Sales Tax in addition to the following: the storage of construction materials; tangible personal property which was purchased by a taxpayer on or after January 1, 1986 during a time when the taxpayer was located outside the City and was used by the taxpayer for a period of at least three years prior to the taxpayer's relocation to the City; tangible personal property which was purchased by a taxpayer during a time when the taxpayer was located outside the City and was first used inside the City on or after January 1, 1994 and was used by the taxpayer for at least six months prior to the taxpayer's relocation to the City; and automotive vehicles if the owner is or was, at the time of purchase, a non-resident of the City who purchased the vehicle for use outside the City and, if the vehicle was previously registered, titled and licensed outside the City.

Assistance Agreements. From time to time, the City has entered into assistance agreements with the owners of proposed retail, office, and manufacturing facilities for purposes of securing the location of projects, advancing employment, expanding the tax base and expanding economic development within the City. Such agreements may, among other things, provide for the waiver or rebate of certain of the

City's use tax revenues on construction materials or the use tax imposed upon tenants for limited periods of time and subject to stated conditions. The City has a number of agreements waiving City use tax outstanding from time to time and, while the City does not specifically account for the amount of use taxes which have historically been waived, the annual amount of such waivers when compared to the total amount of Pledged Revenues is not believed to be material by the City. Additionally, for purposes stated above, the City has entered into agreements wherein the sales tax collected by a sales tax generator is rebated back to said entity for defined periods and defined dollar amounts. In 2006, revenues subject to rebate pursuant to such agreements totaled approximately \$1,692,117. Currently, the aggregate amount of future sales, use, admission, and accommodations tax revenues subject to rebate pursuant to such agreements (which amount is calculated, in most instances, based upon various formulas which require the generation of new or additional revenues for the City) is approximately \$29,276,890 over a period which does not exceed 27 years. See "CITY FINANCIAL INFORMATION—Major Sources of General Fund Revenues" for a description of an agreement which comprises approximately one-half of said amount.

Manner of Collection and Administration

The collection, administration and enforcement of the Sales and Use Tax is performed by the City Finance Director. Chapters 1 and 2 of Title IV and all rules and regulations promulgated thereunder, govern the collection, administration and enforcement of the Sales and Use Tax. The City Finance Director prescribes the forms and administration procedures for the ascertainment, assessment and collection of the Tax. Additionally, the Finance Director formulates and promulgates the appropriate regulations to effectuate the purpose of Title IV.

With specified exceptions, any person engaged in any enterprise in the City with the object of gain, benefit or advantage must first obtain a Sales and Use Tax license. Further, such retailers are liable and responsible for payment of the Tax and must file a return periodically as required by Title IV. All Sales Tax collected by a retailer is the property of the City and remains public money in the hands of the retailer, who holds the same in trust for the sole use and benefit of the City until paid by the City.

Every retailer not delinquent in the payment of the Sales Tax may deduct the lessor of 2.5% of the sum of the Sales Tax computed or \$100 to cover the retailer's expense of collection and remittance of the Tax. In addition, the counties deduct a 5% collection fee from the Tax on automobiles prior to remittance to the City. Consumers who have not paid the Sales Tax to a retailer must complete a Use Tax schedule of a return and pay any Tax due directly to the City.

After a Tax return is filed, it is examined by the City. The Finance Director may require any person to make additional returns, render statements, furnish records or make informational reports to determine whether or not such person is liable for payment or collection of the Tax. Additionally, the Finance Director may issue a subpoena to command a person to attend and give testimony or produce books, accounts and records. For the purpose of ascertaining the correct amount of Tax due from any person engaged in business in the City, the Finance Director may authorize an agent to conduct an audit by examining any relevant books, accounts and records of such person. Any Tax deficiency or overpayment ascertained through an audit is computed by specified methods as the agent of the Finance Director deems appropriate.

A notice of assessment is issued by the City for any Tax deficiency, penalties or interest due as discussed below. The payment due date for the Tax due pursuant to a notice of assessment is 20 days after the date of the notice of assessment. Such notices may be protested by a taxpayer to whom it is issued and timely protests entitle a taxpayer to a hearing thereon. When a taxpayer has failed or refused to file a return, the Tax due may be assessed and collected at any time.

A penalty is levied by the City on any Tax deficiency. Such penalty is the greater of \$15 or 10% of the Tax deficiency. The penalty is 50% of the total Tax deficiency for any deficiency due to fraud or the intent to evade the Tax. Further, if three notices of assessment have been issued to a taxpayer within a 36-month period, a special penalty equal to the greater of \$25 or 15% of the Tax due is levied. Finally, the Finance Director is authorized to waive any penalty if the Finance Director finds good cause therefore. With the exception of specified periods of time wherein a timely protest is made, a monthly interest charge must be levied by the City on any tax deficiency, at a rate established by the State Commissioner of Banking.

History of General Sales and Use Tax Receipts

No forecasts, projections or similar reports or studies have been prepared by or for the City for inclusion in this Official Statement. The following table sets forth the City's annual General Sales and Use Tax receipts, not including the Open Space Tax or the Public Safety Tax. City officials believe that the increases experienced in General Sales and Use Tax receipts since 2001 are due in part to increased retail development activity within the City.

TABLE III
History of City 3% General Sales and Use Tax Receipts (Net)

Year	Sales Tax Collections	Use Tax Collections	Total Gross Sales and Use Tax Collections	Administration and Collection Costs	Pledged Revenue	Percent Change of Pledged Revenue
2002	\$38,419,706	\$9,443,973	\$47,863,679	\$(335,176)	\$47,528,503	--
2003	38,731,265	9,830,981	48,562,246	(342,094)	48,220,152	1.46%
2004	40,361,115	8,945,297	49,306,412	(289,190)	49,017,222	1.65
2005	40,579,145	9,080,350	49,659,495	(279,048)	49,380,447	0.74
2006	41,738,272	9,905,503	51,643,775	(319,232)	51,324,543	3.94

Source: City of Westminster Finance Department

In 2006, the City experienced a 4% increase in Net Sales and Use Tax revenues as compared to 2005. The following table presents a comparison of the City's monthly General Sales and Use Tax receipts for each of the last three 12-month periods ending on July 31. Sales Tax receipts generally lag retail sales by one month.

TABLE IV
Comparison of Monthly Receipts of City Sales and Use Tax (Gross) ¹

	2004-2005 Current Month	2005-2006 Current Month	Current Month Percent Change from Prior Year	2006-2007 Current Month	Current Month Percent Change from Prior Year
August	\$ 3,931,554	\$ 3,690,504	(6.1)%	\$ 3,633,007	(1.6)%
September	3,929,471	4,247,775	8.1	4,424,997	4.2
October	4,017,332	4,130,246	2.8	3,957,043	(4.2)
November	3,848,206	3,896,595	1.3	3,636,758	(6.7)
December	4,397,225	4,306,225	(2.1)	5,127,382	19.1
January	5,542,620	5,755,432	3.8	5,138,912	(10.7)
February	3,748,478	4,089,036	9.1	4,251,968	4.0
March	4,005,030	4,118,621	2.8	4,151,334	0.8
April	4,102,380	4,684,189	14.2	4,536,670	(3.2)
May	3,669,881	4,020,321	9.5	3,903,803	(2.9)
June	4,013,438	4,140,613	3.2	3,835,644	(7.8)
July	<u>4,306,323</u>	<u>4,056,376</u>	<u>(5.8)</u>	<u>4,518,771</u>	<u>11.4</u>
Total	\$49,511,938	\$51,135,933	<u>3.3%</u>	\$51,116,289	0.0%

¹Figures presented on a cash basis. The City experiences a variety of differences in the remittance of sales and use taxes by licensed businesses which are not common when making short-term comparisons; therefore, significant increases or decreases reflected by comparison of collections for certain months from one calendar year to the next will not be representative of the aggregate financial trend which is experienced for the entire calendar year.

Source: City of Westminster Finance Department

The City's finance department reports that 5,105 businesses are licensed to remit General Sales and Use Taxes to the City in 2007. As hereinafter described, 10 of these licensees accounted for approximately 35% of the City's Sales Tax revenues in 2006. The discontinuation or substantial reduction in retail sales by a significant number of these businesses for whatever reason, could have a material adverse effect on the Pledged Revenue.

TABLE V
Net Active Business Licenses Outstanding¹

Year End	Licenses Outstanding	Percent Change
2002	4,418	--
2003	4,682	5.98%
2004	4,839	3.35
2005	5,018	3.70
2006	5,099	1.61
2007 ²	5,105	0.12

¹Net of deletions.

²As of July 31, 2007.

Source: City of Westminster Finance Department

TABLE VI
City's Largest Generators by Category of 3.0% Sales Tax Revenue – 2006

Business Type ¹	Sales Tax Receipts	Percent of Total Collections ²
Discount Retailer ³	\$ 8,531,250	20.4
Utility	2,879,633	6.9
Department Store ⁴	2,357,403	5.7
Grocery Store	<u>789,363</u>	<u>1.9</u>
Total	<u>\$14,569,105</u>	<u>34.9%</u>

¹ Because of the confidential nature of the gross sales of the individual entities, Title IV provides that the identity of the vendors cannot be divulged. No individual vendor accounts for greater than 7.0% of the City's total Sales Tax collections. In addition, all or portion of the 3.0% Sales Tax collected from some entities may be allocable to an urban renewal area and not part of the Pledged Revenues. According to City officials such reported 3.0% Sales Tax collections attributable to urban renewal areas accounts for approximately 38.2% of the 3.0% Sales Tax collected by such generators.

² The total 3% General Sales Tax amount used in computing the above was \$41,738,272.

³ Represents the aggregate receipts for four discount retailers.

⁴ Represents the aggregate receipts for two department stores.

⁵ Represents the aggregate receipts for two home improvement stores.

Source: City of Westminster Finance Department

THE CITY

The City of Westminster is located in western Adams and northeastern Jefferson Counties, two miles from the northwestern boundary of the City and County of Denver. The City encompasses approximately 33 square miles and, according to the Colorado Department of Regulatory Agencies, the City's current estimated population is 107,363. Incorporated as a municipal corporation in 1911, the City became a home rule municipality in 1958 upon adoption of its Charter.

City Powers

Pursuant to the Charter, the City has the power of local self government and home rule, as well as all municipal powers established by the constitution and laws of the State of Colorado. Among those powers, rights and liabilities specifically granted by the Charter are the following: perpetual succession; to own, possess and hold real and personal property; to succeed to all rights and liabilities, to acquire all benefits and to assume payment of all bonds, obligations and indebtedness of the City; to sue and defend, plead and be impleaded in all courts and places and in all matters and proceedings; to purchase, receive, hold and enjoy, or sell and dispose of real and personal property; to acquire, hold and manage property outside City limits by gift, lease or purchase for park or recreation purposes and to adopt rules, regulations and schedules of charges for the use of such property; and to have and use a common seal. Pursuant to Chapter XIV of the Charter, the City has the power to fix from time to time such just and reasonable rates and other charges as may be deemed advisable for supplying the inhabitants of the City and others with such public utility services as the City may provide. In addition, the powers granted to municipalities by the constitution and laws of the State of Colorado include the powers relating to the assessment of property and the levy and collection of general taxes.

Governing Body

The City operates under a council manager form of government whereby, except as otherwise provided by the Charter or statute, the City Council exercises all powers conferred upon or possessed by the City and has the power and authority to adopt such laws, ordinances and resolutions as it deems

proper in the exercise thereof, and the City Manager serves as the chief administrative officer of the City government. The Council consists of seven members, six councillors and the mayor, all of whom are elected from the City at large. The mayor is the presiding officer of the Council and has an equal voice and vote in all proceedings of the Council, but has no veto power. The mayor pro tem is appointed from the Council membership to serve in the event of absence or disability of the mayor. One City councillor serves in the additional capacity of representative to the Denver Regional Council of Governments.

Name	Principal Occupation	Years of Service	Term Expires
Nancy McNally ¹	Assistant Vice President and Office Manager	5	2009
Tim Kauffman	Business Executive	6	2007
Chris Dittman	Education—Retired	4	2007
Jo Ann Price	Real Estate Appraiser	3	2007
Mark Kaiser	Fleet, Tire Sales	1	2009
Mary Lindsey	Realtor	1	2009
Scott Major	Test Engineer	1	2009

¹ Nancy McNally has abstained from voting on matters relating to the Certificates because she is an employee of the Underwriter, Stifel, Nicolaus & Company, Incorporated.

Administration

The council-manager form of government vests responsibility for City operations in the City Manager and City staff. The City Manager is appointed by the City Council and, pursuant to an employment contract, serves for an indefinite term at the pleasure of the Council. During his tenure in office, the City Manager must reside within the City's boundaries. The staff functions through the City's various departments which are under the direction of the City Manager. The following is a list of the administrative and management personnel most directly involved in the issuance of the 2007 Certificates, their duties within the City government and their background experience.

City Manager. The City Manager is the chief administrative officer of the City. He is responsible to the Council for all City affairs placed in his charge by the Charter or by law, including responsibility for the efficient operation of all administrative departments of the City government with the exception of those under the direction of the City Attorney and the municipal court. He is further required to perform such other duties as requested by the Council.

J. Brent McFall began as the City Manager on May 21, 2001. Prior to assuming his duties in Westminister, Mr. McFall was the Chief Administrative Officer of the City of Kent, Washington (a Seattle suburb with approximately 75,000 residents) since 1994. Mr. McFall also served as the City Manager in Federal Way, Washington and Emporia, Kansas, and as Chief Administrator in Merriam, Kansas. He received his bachelor's degree in personnel administration in 1974 and his master's degree in public administration in 1976, both from the University of Kansas. Mr. McFall was twice recognized by the Washington City Management Association with its Award for Excellence for progressive and innovative management, and in 2005 received the University of Kansas Edwin O. Stene Award for Managerial Excellence. His professional affiliations include active membership in the International City and County Managers' Association, and the Colorado City & County Management Association. Mr. McFall is a member of the Board of Directors of the Metro North Chamber of Commerce, and is on the Board of Directors of the Westminister Legacy Foundation.

Assistant City Manager. The Assistant City Manager is the second highest administrative officer of the City generally responsible for daily City operations. In the absence of the City Manager, he performs all duties of the City Manager. Specific responsibilities include production of the City's annual budget, developing and monitoring the capital improvement program, tracking and projecting City revenues, and managing special projects.

Stephen P. Smithers returned to the City as the Assistant City Manager in June 2000. He also has served the City in several roles from 1983 to 1989 as Management Intern, Management Assistant and as the Assistant to the City Manager. Prior to his current position with the City, he was Manager of Special Programs for the Colorado Municipal League. In addition, Mr. Smithers has served on the Public Utilities Commission E 911 Task Force, as a board member of the Colorado Association of Commerce and Industry's Business Council for Healthcare Competition, president of the Colorado Municipal Management Assistants' Association, served on the Advisory Committee for the Colorado Telecommunications Infrastructure Fund, and during 2005, served as Chairman of the US 36 Transportation Management Organization. His professional affiliations include the International City and County Managers' Association, Colorado City and County Management Association and the National League of Cities. Mr. Smithers holds a Bachelor of Arts degree from Boston University and a master's degree in public administration from the University of Colorado.

Finance Director. The City Finance Director is the chief financial officer of the City and acts as the City Treasurer pursuant to the City Charter and Code. The responsibilities of the Finance Director include, but are not limited to, accounting and financial reporting, debt management, sales tax administration, revenue collection, investments, pension administration.

Tammy A. Hitchens, CPA, was appointed Finance Director in April 2005. Prior to her appointment as Finance Director, she served as the Accounting Manager for the City of Westminster for seven years. She also served the City as the Accounting Manager or Investment Officer from 1989 to 1995. Prior to returning to the City in 1998, she served as the Assistant Director of Budget and Finance for two and one-half years at Jefferson County School District in Colorado. She holds a Master of Science Degree in Finance from the University of Colorado and a Bachelor of Science degree in Business Administration—Accounting from the University of Northern Colorado. She is a Certified Public Accountant in the State of Colorado and a Certified Public Finance Officer. Ms. Hitchens is an active member of the Government Finance Officers Association of the United States and Canada ("GFOA").

Treasury Manager. The Treasury Manager reports to the Finance Director and the responsibilities of the Treasury Manager include, but are not limited to, revenue collection, all aspects of debt management, cash and portfolio management, utility billing and financial analysis.

Robert C. Smith was appointed as the Treasury Manager of the Finance Department in 2002. Prior to his appointment to the City of Westminster, Mr. Smith was a private financial consultant engaged on a wide range of corporate planning and treasury matters for two years, and a Treasury Manager for the Coors Brewing Company for 10 years. He holds a Bachelor of Arts degree in Economics from Earlham College and a Master's in Business Administration in Finance from the John M. Olin School of Business at Washington University. Mr. Smith is an active member of the Government Finance Officers Association of the United States and Canada ("GFOA").

City Attorney. The Office of the City Attorney acts as the legal advisor to the City Council and the Authority and is responsible solely to the City Council pursuant to the City Charter. The City Attorney is appointed by the City Council for an indefinite period and serves at the pleasure of the City Council.

Martin R. McCullough was appointed City Attorney on February 10, 1986, after holding the position of acting City Attorney since September 1985. Mr. McCullough received his Juris Doctor degree in 1982 from the University of Houston in Houston, Texas. He is admitted to practice law in Texas and Colorado and is a member of the Colorado and Denver Bar Associations, and past president of the Metro City Attorney's Association and the Attorney's Section of the Colorado Municipal League. In 2004 he was designated a Fellow in Local Government Law by the International Municipal Lawyers Association.

Capital Improvement Program

The projects budgeted in the General CIP are expected to be financed primarily with moneys from the General Fund, park development fees, Lottery funds, interest income, sales and use tax revenues available after payment of debt service on sales and use tax bonds, grants and revenue bonds or other obligations. The following table sets forth the pay-as-you-go portion of the City's capital improvement programs.

TABLE VII
Five-Year General Capital Improvement Program
(In Thousands of Dollars)

	2007 Adopted	2008 Adopted	2009 Recommended	2010 Recommended	2011 Recommended
Streets and traffic	\$ 2,351	\$ 2,130	\$ 2,240	\$ 2,426	\$2,064
Non-Park and public safety	1,711	1,953	2,113	1,775	1,600
Park improvements	<u>4,083</u>	<u>4,351</u>	<u>4,018</u>	<u>4,047</u>	<u>4,004</u>
Total	<u>\$8,145</u>	<u>\$8,434</u>	<u>\$8,371</u>	<u>\$8,248</u>	<u>\$7,668</u>

Source: City of Westminster

Services Provided by the City

Westminster is a full-service city, providing a broad range of municipal services to the community including police and fire protection; emergency medical and ambulance; water and wastewater utilities; parks, recreation and libraries; street maintenance and construction; cultural and general administrative services; and planning and community development.

CITY FINANCIAL INFORMATION

Accounting Policies and Financial Statements

The accounts of the City are organized on the basis of funds which are segregated for the purpose of accounting for the operation of specific activities or attaining certain objectives. Each fund is considered a separate accounting entity. The operations of each fund include its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. For a description of the various funds and account groups, see the City's financial statements appended hereto.

The City Charter requires that an independent audit shall be made of all City accounts at least annually, and more frequently if deemed necessary by the Council. The audited financial statements must be filed with the state auditor by July 31st of each year. Failure to comply with this requirement to file an audit report may result in the withholding of the City's property tax revenues by the county treasurers pending compliance.

The general purpose financial statements from the City's 2006 Comprehensive Annual Financial Report are appended hereto. Such financial statements are the most current audited financial information available for the City.

For the past 23 years, including 2005, Westminster has received the Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association. Such certificate is the highest form of recognition for excellence in state and local government financial reporting and is awarded to governmental entities whose comprehensive annual financial reports are judged to conform substantially to program standards. To receive the award, the report must be easily readable and understandable. It must include all funds and financial transactions during the fiscal year and it must go beyond the requirements of generally accepted accounting principles to provide the many users of government financial statements with a wide variety of information using standard formatting conventions. The City's 2006 Comprehensive Annual Financial Report has been submitted for consideration for the award.

Major Sources of General Fund Revenues

The governmental fund utilized for the administration and operation of the City is the General Fund. The following are the major sources of revenue to such fund.

Sales and Use Taxes. Sales and Use Tax revenues have represented the largest single source of revenue, in the form of transfers from the Sales and Use Tax Fund, in the City's General Fund over the past five years, comprising \$54,674,442 (62%) of total 2005 General Fund revenues and transfers in and comprising \$55,756,916 (64%) of total 2006 General Fund revenues and transfers in. Sales and Use Tax revenues are transferred to the General Fund from the City's Sales and Use Tax Fund after sufficient credits are made for the payment of the City's sales and use tax revenue bond obligations.

Other Revenue Sources. The City also receives General Fund revenues from several additional sources including ad valorem property taxes, admissions taxes, franchise fees, licenses and permits, recreation fees, park development fees, fines and forfeits, interest income and fleet maintenance billings. Several intergovernmental revenue sources are also included in the General Fund; among these are State highway users' taxes, specific ownership taxes, motor vehicle registration fees, cigarette taxes, road and bridge revenues, library rebates, victim's assistance funding and revenues received from Hyland Hills Park and Recreation District pursuant to an agreement with said district.

In 1997, the City entered into an agreement with Inland Pacific Colorado, L.L.C., a Colorado Limited Liability Company ("Inland LLC") regarding the development and construction of the 367-room Westin Hotel and an adjoining conference center located within the Westminster Promenade. The City financially participated in the development by, among other things, constructing, equipping and furnishing a municipally owned conference center (which conference center was completed in March 2000 and contains approximately 44,000 square feet of net space and approximately 50,000 square feet of gross area) and providing Inland LLC with a business assistance rebate of \$13,750,000 payable solely from that portion of the City's accommodations tax, sales and use tax, and conference center fees attributable to the hotel and conference center operations. In 1998, the City entered into a lease agreement with Inland LLC pursuant to which the City agrees to lease the conference center, pavilion and equipment to Inland LLC for rent, over the initial 25-year term, of approximately \$40,000,000. Said lease agreement sets forth various provisions regarding the use and operation of the premises, maintenance and repair of the facility, insurance, assignment and subletting, and events of default by the parties.

Historical General Fund Operations

Set forth in the following table is a comparative statement of revenues and expenditures of the City's General Fund, including the December 31 fund balance for each year. The following information should be read together with the general purpose financial statements and accompanying notes of the City appended hereto. Preceding years' audited financial statements of the City may be obtained from the sources designated in "MISCELLANEOUS—Additional Information."

TABLE VIII
Historical General Fund Revenues, Expenditures
and Changes in Fund Balance

	2002	2003	2004	2005	2006	2007 ²
Revenues						
Property taxes	\$ 3,602,179	\$ 3,773,028	\$ 3,887,254	\$ 3,942,328	\$ 4,133,127	\$ 4,071,683
Business fees and other taxes	3,183,267	3,621,391	3,950,630	4,298,336	4,300,682	2,516,623
Licenses and permits	1,971,068	2,293,599	2,321,833	2,101,468	2,616,662	1,374,367
Intergovernmental	5,007,730	4,778,467	4,907,730	4,780,392	5,202,571	3,038,675
Recreation fees	5,360,607	5,352,397	5,072,051	5,311,991	5,867,809	3,610,847
Fines and forfeits	1,714,040	1,628,840	1,978,450	2,212,981	2,475,564	1,362,659
Interest	583,000	533,347	328,519	472,941	958,095	597,212
Fleet maintenance billings and other	<u>3,542,839</u>	<u>4,448,203</u>	<u>4,480,890</u>	<u>5,240,097</u>	<u>5,636,838</u>	<u>5,090,788</u>
Total revenues	<u>24,964,730</u>	<u>26,429,272</u>	<u>26,927,357</u>	<u>28,360,534</u>	<u>31,191,348</u>	<u>21,662,854</u>
Expenditures						
General government	20,004,576	23,551,054	29,780,602	30,298,995	28,937,319	48,623,679
Public safety	21,127,822	20,876,684	24,053,416	27,316,618	28,162,155	16,703,110
Public works	6,418,668	6,208,225	6,635,754	6,644,285	7,071,716	4,045,372
Community development	3,434,298	3,368,849	4,377,784	4,357,104	3,913,803	2,634,283
Culture and recreation	<u>11,775,664</u>	<u>11,346,622</u>	<u>11,560,470</u>	<u>12,508,632</u>	<u>12,868,421</u>	<u>7,717,678</u>
Total expenditures	<u>62,761,028</u>	<u>65,351,434</u>	<u>76,408,026</u>	<u>81,125,634</u>	<u>80,953,414</u>	<u>79,724,122</u>
Excess of revenues over (under) expenditures	(37,796,298)	(38,922,162)	(49,480,669)	(52,765,100)	(49,762,066)	(58,061,268)
Other financing sources (uses)						
Operating transfers in	40,902,000	41,849,652	54,393,710	57,386,506	55,756,916	34,367,384
Operating transfers out	(8,400,931)	(379,000)	(3,226,925)	(8,256,684)	(6,360,977)	(7,743,792)
Proceeds from Lease	<u>354,785</u>	<u>250,523</u>	<u>488,414</u>	<u>2,984,418</u>	<u>125,733</u>	<u>32,944,900</u>
Total	<u>32,855,854</u>	<u>41,721,175</u>	<u>51,655,199</u>	<u>52,114,240</u>	<u>49,521,672</u>	<u>59,568,492</u>
Excess of revenues and other sources over (under) expenditures and other (uses)	(4,940,444)	2,799,013	2,174,530	(650,860)	(240,394)	1,507,224
Beginning Fund Balance	<u>18,413,386</u>	<u>13,472,942</u> ¹	<u>16,271,955</u>	<u>18,446,485</u>	<u>17,795,625</u>	<u>17,555,231</u>
Ending Fund Balance	<u>\$13,742,942</u> ¹	<u>\$16,271,955</u>	<u>\$18,446,485</u>	<u>\$17,795,625</u>	<u>\$17,555,231</u>	<u>\$19,062,455</u>

¹The 2003 ending fund balance was restated to include \$157,626 in interest and \$682,000 in fee revenues related to an intergovernmental agreement.

²Unaudited and unadjusted through July 31, 2007.

Source: City of Westminster Comprehensive Audited Financial Statements 2002-2006; and the Westminster Finance Department

TABLE IX
General Fund Balances 2001-2006

	2002	2003	2004	2005	2006
Actual Expenditures	\$62,761,028	\$65,351,434	\$76,408,026	\$81,125,634	\$80,953,414
Total Fund Balance	\$13,472,942	\$16,271,955	\$18,446,485	\$17,795,625	\$17,555,231
Percent of Fund Balance to Expenditures	21.5%	24.9%	24.1%	21.9%	21.69%

Source: Westminster Finance Department

Budget Process

The City of Westminster's budget is a fiscal blueprint for service delivery. Per the City Charter, the City Council must adopt a balanced budget for the next fiscal year. The City's budget is constructed on a calendar year as required by the City Charter. The voters approved a charter amendment in November 2000 that allows City Council to adopt a two-year budget; the City Council began officially implementing a two year budget with the adoption of the 2003/2004 Biennial Budget.

On or before September 15th of each year the City Manager must prepare and submit a recommended budget to the City Council. The recommended budget must provide detailed estimates of proposed expenditures for each City department, office and agency, and for the court for the ensuing fiscal year. In addition, the budget must set forth the corresponding actual expenditures for the last full fiscal year, the current fiscal year through September 1st and estimates of expenditures for the balance of the current fiscal year. The budget also must set forth all actual and anticipated revenues from sources other than taxes for the equivalent periods, and the estimated balance or deficit for the end of the current fiscal year. If required by the City Council, by resolution or ordinance, the City Manager shall submit to the City Council, simultaneously with his recommended budget, a schedule showing all recommended capital outlay expenditures during the following five fiscal years. Debt service requirements for the budget year must be stated separately. The Charter further requires the budget to set forth the amount to be raised from current and delinquent taxes and the amount to be raised from bond issues during the upcoming fiscal year which, together with any unappropriated revenue surplus and any revenues from other sources, will be necessary to meet the proposed expenditures. The budget must also contain such additional information as the Council may request.

A public hearing on the proposed budget must be held before its final adoption. Notice of the hearing must be published at least one week prior to its scheduled date, stating that the proposed budget is available for public inspection. The budget is to be adopted no later than the fourth Monday of October. On or before the last day of the current fiscal year, the Council shall appropriate by ordinance, based upon the budget as adopted, the moneys needed for municipal purposes during the next fiscal year. The City Council can adopt a budget for two (2) fiscal years instead of one (1) fiscal year, according to such procedures as City Council shall prescribe by ordinance. The City Council adopted the City's 2007-2008 biennial budget in a timely manner pursuant to the above described procedure.

Subject to the restriction discussed below, the adopted budget must provide for a levy on real and personal property which will result in the collection of revenues in the amount necessary to be raised from ad valorem property taxes for municipal purposes. Following adoption of the budget, the Council certifies to the county assessors the amount to be levied on taxable property within the City for collection by the county treasurers.

At the end of each month during the fiscal year, the City Manager submits to the Council data comparing the estimated and actual revenues and appropriated expenditures to date. If accrued revenues are less than anticipated, the Council may reduce appropriations, except amounts required for debt and interest charges, as is necessary to keep expenditures within revenues.

With the exception of expenditures to be financed by the issuance of bonds or by special assessment, no expenditure may be made from City funds unless a specific appropriation has been made for such purpose. The City Council must approve all purchases and contracts in excess of \$50,000, with the City Manager having the authority to approve purchases and contracts in lesser amounts if funds have previously been budgeted to cover such expenses. In the case of an emergency or other unforeseeable event, money designated for contingencies may be transferred without additional appropriation by ordinance but does require the adoption of a resolution; the City Manager may order the transfer of funds within a departmental budget; or the Council may transfer any unencumbered appropriation balance, or any portion thereof, from one account or department (by motion) to another, and from one fund or agency (by ordinance) to another, at any time during the year. If the City receives revenues which were unanticipated at the time of adoption of the budget, the City Council may authorize, by ordinance, the expenditure thereof by adopting supplemental appropriations. The balance of any budget appropriation which has not been spent at the end of the year reverts to the fund from which the appropriation was made.

General Fund Budget Summary and Comparison. The City implemented a two-year budget format in calendar year 2002. The budgets for 2007 and 2008 were adopted by City Council on October 23, 2006 and are compared in the following table.

TABLE X
General Fund Budget Summary and Comparison

	2007 Budget (Adopted)	2008 Budget (Adopted)¹
<i>Revenues</i>		
Property tax	\$ 4,204,787	\$ 4,356,546
Business tax	4,090,654	4,190,489
Admissions tax	506,000	517,000
Licenses	190,000	192,000
Building Permits	1,485,000	1,380,000
Intergovernmental	4,740,500	4,777,500
Recreation charges	5,611,336	5,731,166
Fines & forfeitures	2,311,250	2,353,275
Total reimbursement	55,000	55,000
Interest income	360,000	360,000
Contributions	5,000	5,000
General miscellaneous	<u>7,493,125</u>	<u>7,967,324</u>
Total Revenue	<u>31,052,652</u>	<u>31,885,300</u>
Transfer payments		
From Sales/Use Tax	55,760,254	57,243,969
From Utility Fund	<u>2,489,214</u>	<u>2,540,500</u>
Total Funds Available	<u>\$89,302,120</u>	<u>\$91,669,769</u>
<i>Expenditures</i>		
City Council	\$ 205,023	\$ 206,348
City Attorney	1,064,790	1,065,807
City Manager	1,121,996	1,126,326
Central Charges	21,268,702	23,363,038
General Services	5,030,427	5,078,192
Finance	1,806,674	1,806,204
Police	19,752,848	19,809,725
Fire	10,648,095	10,691,821
Community Development	4,594,371	4,570,622
Public Works & Utilities	7,418,362	7,209,602
Parks, Recreation, & Libraries	<u>13,867,983</u>	<u>14,168,087</u>
Total Operating	<u>86,779,271</u>	<u>89,095,772</u>
Transfer Payments	1,522,849	1,573,997
Contingency	<u>1,000,000</u>	<u>1,000,000</u>
Total Expenditures	<u>\$89,302,120</u>	<u>\$91,669,769</u>

¹ As adopted in October of 2006. The City utilizes a 2-year budget as described above in “—Budget Process.” In October of 2007, the City will be considering adoption of a revision to the 2008 Budget as well as adoption of its 2009 budget.

Source: Westminster Finance Department

Retirement and Pension Matters

See Notes G, H and I to the City’s financial statements appended hereto for a discussion of the City’s pension plans.

Insurance Coverage

The Council acts to protect the City against loss and liability by maintaining certain insurance coverages. The City is insured as a member of CIRSA, a property and liability insurance pool established for Colorado municipalities on January 1, 1982. CIRSA provides liability coverage, including errors and omissions; property coverage; and specific catastrophe coverage, which is renewable annually on January 1st. See Notes 4.A and 4.B to the City's financial statements appended hereto for a discussion of CIRSA. The City Manager believes the City's present insurance coverage to be adequate. However, there can be no assurance that the City will continue to maintain this level of coverage.

Deposit and Investment of City Funds

State statutes set forth requirements for the deposit of City funds in eligible depositories and for the collateralization of such deposited funds. See also 2.A to the City's financial statements appended hereto. The City also may invest available funds in accordance with applicable state statutes. The investment of the proceeds of this issue also is subject to the provisions of the Federal Tax Code. See "TAX EXEMPTION."

DEBT STRUCTURE

Required Elections

Article X, Section 20 of the Colorado Constitution requires that, with certain exceptions, the City must have voter approval in advance for the creation of any multiple-fiscal year direct or indirect City debt or other financial obligation whatsoever without adequate present cash reserves pledged irrevocably and held for payments in all future fiscal years. Enterprises, as defined in Article X, Section 20, refundings at a lower interest rate, and obligations subject to annual appropriation are excluded from the application of said Section and the voter approval requirements established therein. For a discussion of Article X, Section 20 see "Constitutional Amendment Limiting Taxes and Spending."

Revenue Bonds

The City Council has the power to issue revenue bonds, subject to the election requirements described above in "Required Elections," payable from the revenues derived from the operation of facilities to be acquired, constructed or improved with the proceeds of the bonds, or payable in whole or part from available proceeds of sales and use taxes. The City provides for the operation of certain of its services, such as water and wastewater, and certain of its recreational facilities as enterprises which are not subject to the provisions of Article X, Section 20, see "—Constitutional Amendment Limiting Taxes and Spending." The following table sets forth the City's outstanding revenue obligations upon issuance of the Bonds.

TABLE XI
Outstanding Revenue Obligations¹

Issue	Outstanding Principal	Principal Totals
<i>Sales and Use Tax Obligations</i>		
Sales and Use Tax Revenue Refunding and Improvement Bonds, Series 2001	\$ 7,125,000	
Sales and Use Tax Revenue Bonds (136 th Ave, & I 25 Project), Series 2002	13,885,000	
Sales and Use Tax Revenue Refunding Bonds, Series 2007A	10,715,000	
Sales and Use Tax Revenue Refunding Bonds, Series 2007C	11,380,000*	
Subtotal		\$43,105,000*
Special Purpose Sales and Use Tax Revenue Bonds (POST Project), Series 1997B	1,055,000	
Special Purpose Sales and Use Tax Revenue Bonds (POST Project), Series 1999	400,000	
Special Purpose Sales and Use Tax Revenue Refunding Bonds (POST Project), Series 2007B	13,680,000	
Subtotal		15,135,000 ²
<i>Utility Fund Obligations</i>		
Water and Wastewater Revenue Refunding Bonds, Series 2001	14,050,000	
Variable Rate Demand Water and Wastewater Revenue Bonds, Series 2002	6,425,000	
Subtotal		20,475,000
Subordinate Water and Wastewater Revenue Bonds, Series 1997	8,716,814	
Subordinate Water and Wastewater Revenue Bonds, Series 1998	2,501,765	
Subordinate Water and Wastewater Revenue Bonds, Series 2000A	11,082,905	
Subordinate Water and Wastewater Revenue Bonds, Series 2005	14,555,000	
Subtotal		36,856,484
<i>Golf Course Fund Obligations</i>		
Golf Course Enterprise Revenue Bonds (Heritage Golf Course Project) Series 1998	<u>5,425,000</u>	
Subtotal		<u>5,425,000</u>
Total		<u>\$120,996,484*</u>

¹ As of August 2007.

² At the November 7, 2006 election, in addition to extending the Open Space Tax through January 1, 2033, City voters authorized the creation of indebtedness not to exceed \$20,000,000 to finance a portion of the acquisition and development of open space, parks, recreation and trails by the City with revenues received from the Open Space Tax. The City expects to issue such indebtedness in the Fall of 2007.

*Preliminary; subject to change.

Source: Westminster Finance Department

Leases and Long-Term Contracts

The City Council has the authority to enter into installment or lease option contracts, subject to annual appropriation, for the purchase of property or capital equipment without prior electoral approval as described above in “—Required Elections.” The term of any such contract may not extend over a period greater than the estimated useful life of the property or equipment. The following table sets forth the City’s outstanding leases and long term contracts.

TABLE XII
Outstanding Leases and Long-Term Contracts
Issue

Issue	Outstanding Principal
Certificates of Participation, Series 1998 (Various Capital Facilities)	\$ 2,045,000
Certificates of Participation, Series 1999 (Various Capital Facilities)	1,595,000
Certificates of Participation, Series 2001 (Public Safety Building)	16,070,000
Certificates of Participation, Series 2005 (144th Avenue & I-25 Project)	17,130,000
Refunding Certificates of Participation, Series 2007	<u>32,210,000</u>
Subtotal (for parity lien certificates secured by the same revenue source)	<u>69,050,000</u>
Joint Ventures	
Certificates of Participation, Series 1998 (Ice Centre) ²	11,395,000
Certificates of Participation, Series 2006 (Metzger Property) ³	4,920,000
Equipment Leases	<u>3,964,291</u>
Subtotal (other lease and long-term contracts)	<u>15,359,291</u>
Total (all outstanding leases and long-term contracts)	<u>\$89,329,291</u>

¹ As of August 2007.

²The City entered into an intergovernmental agreement with Hyland Hills Park and Recreation District to assist in financing and constructing a three sheet ice arena through the Westminster Building Authority and the issuance of certificates of participation.

³The City entered into an intergovernmental agreement with the City of Broomfield to create the Broomfield-Westminster Open Space Foundation (the "Foundation") to acquire, finance, own and operate approximately 150 acres of undeveloped land known as the Metzler Property through the issuance of financial obligations of the Foundation.

Source: Westminster Finance Department

General Obligation Debt

“Debt” or “indebtedness” as used in this section means, generally, obligations backed by the City’s full faith and credit and secured by the unlimited power of the City to levy ad valorem property taxes for the payment of bonds and the interest thereon. Any general obligation indebtedness of the City is subject to the election requirements described above in “—Required Elections.” The City does not have any outstanding general obligation debt.

Other Financial Obligations

Subject to the election requirements described above in “—Required Elections,” the Council also has the power to issue special assessment bonds payable from assessments levied against specially benefited properties within special assessment districts. At this time, there are no special assessment bonds outstanding.

Moral Obligations

The City has entered into moral obligations, which represent non binding declarations of the present intent of the City Council to replenish funds securing bond payments, with respect to \$6,460,000 of Tax Increment Adjustable Rate Revenue Bonds (Westminster Plaza Urban Renewal Project) issued by the Westminster Urban Renewal Authority in calendar year 1997, currently outstanding in the principal amount of \$5,930,000; \$68,300,000 of Tax Increment Adjustable Rate Revenue Bonds (North Huron Urban Renewal Project) issued by the Westminster Urban Renewal Authority in calendar year 2005 currently outstanding in the principal amount of \$68,300,000; \$38,455,000 of Tax Increment Adjustable

Rate Revenue Refunding Bonds (Mandalay Urban Renewal Project) issued by the Westminster Urban Renewal Authority in calendar year 2006 currently outstanding in the principal amount of \$38,455,000; \$8,320,000 of Tax Increment Adjustable Rate Revenue Refunding Bonds (South Sheridan Urban Renewal Project) issued by the Westminster Urban Renewal Authority in June 2007 currently outstanding in the principal amount of \$ 8,320,000 and the \$6,300,000 Golf Course Enterprise Revenue Bonds, Series 1998, currently outstanding in the principal amount of \$5,620,000 as referenced above. Payments, if any, required pursuant to such obligations are subject to annual appropriation by the City Council.

Constitutional TABOR Limiting Taxes and Spending

General. A citizen initiated amendment which added Article X Section 20 to the State constitution was passed on November 3, 1992 (“TABOR”). TABOR applies to the State and any local governments (but excluding government owned enterprises as defined in the TABOR and certain other entities, including urban renewal authorities which satisfy certain legal conditions hereafter described), and among other things, provides significant restrictions regarding taxes, spending, revenue increases, and borrowing. The applicable limitations established pursuant to TABOR can be exceeded with prior voter approval.

With certain exceptions concerning general obligation bonds, pensions, final court judgments, and emergency taxes, TABOR requires local governments to obtain voter approval prior to the imposition of any new tax, tax rate increase, mill levy above that for the prior year, assessed valuation ratio increase, or extension of an expiring tax, or a tax policy change directly causing a net revenue gain to the local government.

Unless otherwise approved by the voters, TABOR also limits the annual percentage increases in both property tax revenue and local government “fiscal year spending,” with certain adjustments, to inflation (defined as the Denver Boulder consumer price index) in the prior calendar year plus “local growth.” Local growth is defined as the net percentage change in actual value of all real property in the local government from construction of improvements and additions to taxable real property less destruction of improvements and deletions to taxable real property. Fiscal year spending includes all the local government’s expenditures and reserve increases and excludes reserve transfers or expenditures, refunds made in the current or next fiscal year, gifts, federal funds, collections for another government, pension contributions by employees and pension fund earnings, damage awards, and property sales. Any revenue collected in excess of the limit on spending and property tax revenue is required to be refunded during the next fiscal year.

Enterprises. Enterprises are excluded from the provisions of the Amendment. As defined in the Amendment, enterprise means a government owned business authorized to issue its own revenue bonds and receiving under 10% of annual revenue in grants from all Colorado state and local governments combined.

De-Brucing. At the election held on November 5, 2002, the City received voter approval to exempt all City revenues not previously exempted pursuant to voter approval, which moneys would otherwise be subject to the TABOR’s fiscal year spending limitation (which revenues are comprised primarily of non-tax revenues such as user-charged fees and state and local grant moneys).

LEGAL MATTERS

Sovereign Immunity

The Governmental Immunity Act, Title 24, Article 10, Part 1, C.R.S. (the “Act”), provides that, with certain specified exceptions, sovereign immunity acts as a bar to any action against a public entity, such as the City, for injuries which lie in tort or could lie in tort.

The Act provides that sovereign immunity does not apply to injuries occurring as a result of certain specified actions or conditions. In such instances, the public entity may be liable for injuries arising from an act or omission of the public entity, or an act or omission of its public employees, which are not willful and wanton, and which occur during the performance of their duties and within the scope of their employment. The maximum amounts that may be recovered under the Act, whether from one or more public entities and public employees, are as follows: (a) for any injury to one person in any single occurrence, the sum of \$150,000; (b) for an injury to two or more persons in any single occurrence, the sum of \$600,000; except in such instance, no person may recover in excess of \$150,000. Suits against both the City and a public employee do not increase such maximum amounts which may be recovered. For injuries occurring prior to July 1, 1986, sovereign immunity limits are deemed to be waived to the extent that the City’s insurance covers such injury. With regard to injuries occurring on and after such date, the City may, by resolution, increase any maximum amount that may be recovered from the City for the type of injury described in the resolution. The City has not adopted such a resolution to date. The City may not be held liable either directly or by indemnification for punitive or exemplary damages. In the event that the City is required to levy an ad valorem property tax to discharge a settlement or judgment, such tax may not exceed a total of ten mills per annum for all outstanding settlements or judgments.

The City may be subject to civil liability and may not be able to claim sovereign immunity for actions founded upon various federal laws. Examples of such civil liability include, but are not limited to, suits filed pursuant to 42 U.S.C. §1983 alleging the deprivation of federal constitutional or statutory rights of an individual. In addition, the City may be enjoined from engaging in anti competitive practices which violate the antitrust laws.

Pending and Threatened Litigation Involving the City

The City Attorney is expected to render an opinion or deliver a certificate upon delivery of the Bonds stating that, to the best of his actual knowledge, there is no action, suit or proceeding now pending or threatened against the City that will materially and adversely affect the financial condition or operations of the City, or the City’s power to issue and deliver the Bonds, or to execute and perform the obligations of the City in the Bond Ordinance.

Legal Representation

Legal matters incident to the authorization and issuance of the Bonds are subject to approval by Sherman & Howard L.L.C., Denver, Colorado, as Bond Counsel. In addition Kutak Rock LLP has been retained to advise the City concerning, and has assisted the City in the preparation of, this Official Statement. Certain legal matters will be passed upon for the City by Martin R. McCullough, Esq., as City Attorney.

The legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to legal issues expressly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of the

result indicated by that expression of professional judgment, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

TAX EXEMPTION

In the opinion of Sherman & Howard L.L.C., Bond Counsel, assuming continuous compliance with certain covenants described below, interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds (the "Tax Code"), interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except that such interest is required to be included in calculating the "adjusted current earnings" adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations as described below, and interest on the Bonds is excluded from Colorado taxable income and Colorado alternative minimum taxable income under Colorado income tax laws in effect on the date of delivery of the Bonds.

The Tax Code and Colorado law impose several requirements which must be met with respect to the Bonds in order for the interest thereon to be excluded from gross income, alternative minimum taxable income (except to the extent of the aforementioned adjustment applicable to corporations), Colorado taxable income and Colorado alternative minimum taxable income. Certain of these requirements must be met on a continuous basis throughout the term of the Bonds. These requirements include: (a) limitations as to the use of proceeds of the Bonds; (b) limitations on the extent to which proceeds of the Bonds may be invested in higher yielding investments; and (c) a provision, subject to certain limited exceptions, that requires all investment earnings on the proceeds of the Bonds above the yield on the Bonds to be paid to the United States Treasury. The City will covenant and represent in the Indenture that it will take all steps to comply with the requirements of the Tax Code and Colorado law (in effect on the date of delivery of the Bonds) to the extent necessary to maintain the exclusion of interest on the Bonds from gross income and alternative minimum taxable income (except to the extent of the aforementioned adjustments applicable to corporations) under such federal income tax laws and Colorado taxable income and Colorado alternative minimum taxable income under such Colorado income tax laws. Bond Counsel's opinion as to the exclusion of interest on the Bonds from gross income, alternative minimum taxable income (to the extent described above), Colorado taxable income and Colorado alternative minimum taxable income is rendered in reliance on these covenants, and assumes continuous compliance therewith. The failure or inability of the City to comply with these requirements could cause the interest on the Bonds to be included in gross income, alternative minimum taxable income, Colorado taxable income or Colorado alternative minimum taxable income, or a combination thereof, from the date of issuance. Bond Counsel's opinion also is rendered in reliance upon certifications of the City and other certifications furnished to Bond Counsel. Bond Counsel has not undertaken to verify such certifications by independent investigation.

Section 55 of the Tax Code contains a 20% alternative minimum tax on the alternative minimum taxable income of corporations. Under the Tax Code, 75% of the excess of a corporation's "adjusted current earnings" over the corporation's alternative minimum taxable income (determined without regard to this adjustment and the alternative minimum tax net operating loss deduction) is included in the corporation's alternative minimum taxable income for purposes of the alternative minimum tax applicable to the corporation. "Adjusted current earnings" includes interest on the Bonds.

The Tax Code contains numerous provisions which may affect an investor's decision to purchase the Bonds. Owners of the Bonds should be aware that the ownership of tax-exempt obligations by particular persons and entities, including, without limitation, financial institutions, insurance companies,

recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, foreign corporations doing business in the United States and certain “subchapter S” corporations may result in adverse federal and Colorado tax consequences. Certain of the Bonds may be sold at a premium, representing a difference between the original offering price of those Bonds and the principal amount thereof payable at maturity. Under certain circumstances, an initial owner of such bonds (if any) may realize a taxable gain upon their disposition, even though such bonds are sold or redeemed for an amount equal to the owner’s acquisition cost. Bond Counsel’s opinion relates only to the exclusion of interest on the Bonds from gross income, alternative minimum taxable income, Colorado taxable income and Colorado alternative minimum taxable income as described above and will state that no opinion is expressed regarding other federal or Colorado tax consequences arising from the receipt or accrual of interest on or ownership of the Bonds. Owners of the Bonds should consult their own tax advisors as to the applicability of these consequences.

The opinions expressed by Bond Counsel are based upon existing law as of the delivery date of the Bonds. No opinion is expressed as of any subsequent date nor is any opinion expressed with respect to any pending or proposed legislation. Amendments to federal and Colorado tax laws may be pending now or could be proposed in the future which, if enacted into law, could adversely affect the value of the Bonds, the exclusion of interest on the Bonds from gross income, alternative minimum taxable income, Colorado taxable income, Colorado alternative minimum taxable income or any combination thereof from the date of issuance of the Bonds or any other date, or which could result in other adverse federal or Colorado tax consequences. Bondowners are advised to consult with their own tax advisors with respect to such matters.

The Internal Revenue Service (the “Service”) has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. No assurances can be given as to whether or not the Service will commence an audit of the Bonds. If an audit is commenced, the market value of the Bonds may be adversely affected. Under current audit procedures, the Service will treat the City as the taxpayer and the Owners may have no right to participate in such procedures. The City has covenanted in the Resolution not to take any action that would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes or lose its exclusion from alternative minimum taxable income except to the extent described above for the owners thereof for federal income tax purposes. None of the City, the Underwriter, the Financial Advisor or Bond Counsel is responsible for paying or reimbursing any Registered Owner or Beneficial Owner for any audit or litigation costs relating to the Bonds.

MISCELLANEOUS

Ratings

Standard & Poor’s Ratings Services, a Division of The McGraw Hill Companies, Inc. (“S&P”) has assigned the ratings to the Bonds shown on the cover page hereof, with the understanding that, upon delivery of the Bonds, the Policy will be issued by the Insurer. S&P has also assigned the underlying rating shown on the cover page. The underlying rating is reflective of the capacity of the City to fulfill its payment obligations under the Bond Ordinance, without giving effect to the additional security provided by the Policy.

Such ratings reflect only the view of such rating agency. Any explanations of the significance of such ratings should be obtained from S&P at 25 Broadway, New York, New York 10004. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations,

studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the applicable rating agency if in the judgment of such rating agency circumstances so warrant. Any downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

Registration of Bonds

Registration or qualification of the offer and sale of the Bonds (as distinguished from registration of the ownership of the Bonds) is not required under the federal Securities Act of 1933, as amended, the Colorado Securities Act, as amended, pursuant to an exemption from registration provided in said act. **THE CITY ASSUMES NO RESPONSIBILITY FOR QUALIFICATION OR REGISTRATION OF THE BONDS FOR SALE UNDER THE SECURITIES LAWS OF ANY JURISDICTION IN WHICH THE BONDS MAY BE SOLD, ASSIGNED, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED.**

Financial Advisor

James Capital Advisors, Inc. (“James Capital”) served as financial advisor to the City with respect to the sale of the Bonds. As the City’s financial advisor, James Capital has assisted in the preparation of this Official Statement and in other matters relating to the planning, structuring, rating and issuance of the Bonds. In its role of financial advisor to the City, James Capital has not undertaken either to make an independent verification of or to assume responsibility for the accuracy or completeness of the information contained in the Official Statement and the Appendices hereto.

Interest of Certain Persons Named in this Official Statement

The legal fees to be paid to Sherman & Howard L.L.C. and to Kutak Rock LLP are contingent upon the sale and delivery of the Bonds.

Underwriting

The Bonds are being sold by the City at an underwriting discount of \$_____ to the Underwriter pursuant to a purchase contract. See “THE BONDS—Application of Bond Proceeds.” Expenses associated with the issuance of the Bonds are being paid by the City from proceeds of the issue. The right of the Underwriter to receive compensation in connection with this issue is contingent upon the actual sale and delivery of the Bonds. The Underwriter has initially offered the Bonds to the public at the prices or yields set forth on the cover page of this Official Statement. Such prices or yields, as the case may be, may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with dealers and other investment banking firms in offering the Bonds to the public.

Independent Auditors

The general purpose financial statements of the City as of and for the year ended December 31, 2006, included in this Official Statement, have been audited by independent auditors, Swanhorst & Company LLC, Greenwood Village, Colorado, as stated in their report appearing therein.

Additional Information

Copies of statutes, ordinances, resolutions, opinions, contracts, agreements, financial and statistical data, and other related reports and documents described in this Official Statement are either publicly available or available upon request and the payment of a reasonable copying, mailing, and

handling charge from: City of Westminster Finance Department, 4800 W. 92nd Avenue, Westminster, Colorado 80031, telephone: 303.430.2400 extension 2040; or Stifel, Nicolaus & Company, Incorporated, 1125 Seventeenth Street, Suite 1600, Denver, Colorado 80202, telephone: 303.296.2300.

Official Statement Certification

The preparation of this Official Statement and its distribution have been authorized by the Council. This Official Statement is hereby duly approved by the Council as of the date on the cover page hereof. This Official Statement is not to be construed as an agreement or contract between the City and the purchasers or holders of any Bond.

CITY OF WESTMINSTER, COLORADO

By /s/
Mayor Pro Tem

APPENDIX A

**AUDITED GENERAL PURPOSE FINANCIAL STATEMENTS OF THE CITY
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2006**

APPENDIX B

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the City of Westminster, Colorado (the “City”) in connection with the issuance of the City of Westminster, Colorado, Sales and Use Tax Revenue Refunding Bonds, Series 2007C dated as of October 16, 2007, in the aggregate principal amount of \$_____ (the “2007C Bonds”). The 2007C Bonds are being issued pursuant to an ordinance adopted by the City Council of the City on September 24, 2007 (the “Ordinance”). The City covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the 2007C Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the “SEC”).

SECTION 2. Definitions. In addition to the definitions set forth in the Ordinance or parenthetically defined herein, which apply to any capitalized terms used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Dissemination Agent” shall mean, initially, the City, or any successor Dissemination Agent designated in writing by the City and which has filed with the City a written acceptance of such designation.

“Material Events” shall mean any of the events listed in Section 5 of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“National Repositories” shall mean all of the Nationally Recognized Municipal Securities Information Repositories for purposes of the Rule, as recognized from time to time by the SEC and as currently listed on the Internet at the website www.sec.gov/info/municipal/nrmsir.htm.

“Participating Underwriter” shall mean the original underwriter of the 2007C Bonds required to comply with the Rule in connection with an offering of the 2007C Bonds.

“Repositories” shall mean the National Repositories and any State Repository.

“Repository Agent” shall mean any filing system approved by the SEC for transmission of filings under the Rule for submission to the Repositories, including without limitation the central post office known as DisclosureUSA, currently managed by the Municipal Advisory Council of Texas and located on the Internet at the website www.DisclosureUSA.org.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State Repository” shall mean any public or private repository or entity designated by the State of Colorado as a state information depository for the purpose of the Rule. As of the date of this Disclosure Certificate, there is no State Repository.

SECTION 3. Provision of Annual Reports.

a. The City shall, or shall cause the Dissemination Agent to, not later than nine (9) months following the end of the City’s fiscal year of each year, commencing nine (9) months following the end of the City’s fiscal year ending December 31, 2007, provide to the (i) the Repositories or (ii) a Repository Agent, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than five (5) business days prior to said date, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report.

b. If the City is unable to provide to the Repositories or the Repository Agent an Annual Report by the date required in subsection (a), the City shall send or cause to be sent a notice in substantially the form attached as Exhibit “A” to any of the following: (i) MSRB and the State Repository, if any; or (ii) the National Repositories and the State Repository, if any; or (iii) a Repository Agent.

The Dissemination Agent shall:

- (1) determine each year prior to the date for providing the Annual Report the name and address of the Repositories and any Repository Agent;
- (2) if the Dissemination Agent is other than the City, send written notice to the City at least 45 days prior to the date the Annual Report is due stating that the Annual Report is due as provided in Section 3(a) hereof; and
- (3) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided and listing all the entities to which it was provided.

SECTION 4. Content of Annual Reports. The City’s Annual Report shall contain or incorporate by reference the following:

a. A copy of its annual financial statements prepared in accordance with generally accepted accounting principles audited by a firm of certified public accountants. If audited annual financial statements are not available by the time specified in Section 3(a) above, unaudited financial statements will be provided as part of the Annual Report and audited financial statements will be provided when and if available.

b. An update of the type of information identified in Exhibit “B” hereto, which is contained in the tables in the Official Statement with respect to the 2007C Bonds.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the City or related public entities, which have been submitted to the Repositories or the SEC. If the document incorporated by reference is a final official

statement, it must be available from the MSRB. The City shall clearly identify each such document incorporated by reference.

SECTION 5. Reporting of Material Events. The City shall provide or cause to be provided, in a timely manner, notice of any of the following events with respect to the 2007C Bonds, if such event is material to any of the following: (i) the MSRB and the State Repository, if any; or (ii) the National Repositories and the State Repository, if any; or (iii) a Repository Agent:

- a. Principal and interest payment delinquencies;
- b. Non-payment related defaults;
- c. Unscheduled draws on debt service reserves reflecting financial difficulties;
- d. Unscheduled draws on credit enhancements reflecting financial difficulties;
- e. Substitution of credit or liquidity providers or their failure to perform;
- f. Adverse tax opinions or events affecting the tax-exempt status of the 2007C Bonds;
- g. Modifications to rights of bondholders;
- h. Bond calls;
- i. Defeasances;
- j. Release, substitution or sale of property securing repayment of the 2007C Bonds; or
- k. Rating changes.

SECTION 6. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the earliest of: (i) the date of legal defeasance, prior redemption or payment in full of all of the 2007C Bonds; (ii) the date that the City shall no longer constitute an "obligated person" within the meaning of the Rule; or (iii) the date on which those portions of the Rule which require this written undertaking are held to be invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the 2007C Bonds.

SECTION 7. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist the City in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate and may waive any provision of this Disclosure Certificate, without the consent of the holders and beneficial owners of the 2007C Bonds, if such amendment or waiver does not, in and of itself, cause the undertakings herein (or action of any Participating Underwriter in reliance on the undertakings herein) to violate the Rule, but taking into account any subsequent change in or official interpretation of the Rule. The City will provide notice of such amendment or waiver to the Repositories or Repository Agent.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Material Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

SECTION 10. Default. In the event of a failure of the City to comply with any provision of this Disclosure Certificate, any holder or beneficial owner of the 2007C Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Ordinance, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the holders and beneficial owners from time to time of the 2007C Bonds, and shall create no rights in any other person or entity.

DATE: October 16, 2007.

CITY OF WESTMINSTER, COLORADO

By: _____
Mayor Pro Tem

APPENDIX C

ECONOMIC AND DEMOGRAPHIC INFORMATION

The following information is provided to give prospective investors general information concerning selected economic and demographic conditions existing in the larger metropolitan area within which the City is located. The statistics presented below have been obtained from the referenced sources and represent the most current information available from such sources; however, certain of the information is released only after a significant amount of time has passed since the most recent date of the reported data and therefore, such information may not be indicative of economic and demographic conditions as they currently exist or conditions which may be experienced in the near future. Further, the reported data has not been adjusted to reflect economic trends, notably inflation. Finally, other economic and demographic information not presented herein may be available concerning the area in which the City is located and prospective investors may want to review such information prior to making their investment decision. *The following information is not to be relied upon as a representation or guarantee of the City or its officers, employees, or advisors.*

Population and Median Age

The following table sets forth the population of the City of Westminster, Adams County, Jefferson County and the Denver metropolitan statistical area (the "DMA") which includes the counties of Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas and Jefferson.

Population

Year	City of Westminster	Percent Change	Adams County ¹	Jefferson County	DMA
1960	13,850	--	120,296	127,520	934,199
1970	19,634	41.8%	185,789	235,300	1,238,273
1980	50,211	155.7	245,944	371,753	1,618,461
1990	74,625	48.6	265,038	438,430	1,848,319
2000	100,940	35.3	363,857	527,056	2,400,570
2001	102,905	0.0	361,262	529,404	2,195,883
2002	104,011	3.0	375,380	530,821	2,236,522
2003	104,522	0.5	385,262	529,479	2,553,636
2004	105,177	0.6	394,257	532,723	2,592,441
2005	105,944	0.7	405,561	532,608	2,627,322
2006 ²	107,363	1.3	unavailable	unavailable	unavailable

¹ The City of Westminster is located in both Adams and Jefferson Counties and therefore information for both counties is included herein as pertinent to the City.

² As provided by the City of Westminster.

Source: The 1960-2000 population figures were obtained from the U.S. Department of Commerce, Bureau of the Census; the 2001-2005 figures were obtained from the Division of Local Government, Demographic Division

According to the United States Census Bureau, Adams County's median age in 1990 was 30.5 years as compared with 31.4 years in 2000. Westminster's median age was 30.1 in 1990 compared with 32.6 for 2000. The State's median age for the same period increased from 31.4 in 1990 to 34.3 years in 2000, with the median age of the United States being 33.0 and 35.3 years in 1990 and 2000, respectively.

Income

The following tables set forth historical median household effective buying income, the percentage of households by classification of effective buying income (“EBI”) levels, and per capita personal income for Adams County, Jefferson County, the Denver-Aurora-Boulder Consolidated Area, the State and the United States.

Median Household Effective Buying Income ¹

	2002	2003	2004	2005	2006
Adams County	\$42,802	\$43,981	\$42,738	\$43,561	\$44,281
Jefferson County	54,470	50,830	51,688	52,289	53,236
CBSA ¹	48,397	46,613	47,567	48,539	49,100
Colorado	44,050	43,510	43,544	44,489	45,594
United States	38,365	38,035	38,201	39,324	40,529

Note: A household consists of all the people occupying a house, an apartment, room or group of rooms regarded as a housing unit according to the 2000 Census definitions. Members of the household need not be related.

¹ Historically the Survey of Buying Power reported data for the Denver-Boulder-Greeley consolidated metropolitan statistical area (“MSA”) which included the counties of Adams, Arapahoe, Boulder, Denver, Douglas, Jefferson, and Weld. Beginning with the 2004 Survey of Buying Power, data is now being reported for the newly defined core based statistical areas (“CBSA”) instead of MSA, which data is based on the census. The newly created Denver-Aurora-Boulder CBSA includes the counties of Adams, Arapahoe, Broomfield, Boulder, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson, and Park, therefore; CBSA figures are not directly comparable to historical MSA data presented herein.

Source: “Survey of Buying Power,” *Sales & Marketing Management*, 2002-2006

Percent of Households by Effective Buying Income Groups—2006

	Less Than \$15,000	\$15,000- \$24,999	\$25,000- \$49,999	\$50,000- \$74,999	\$75,000- \$99,999	\$100,000- \$149,999	\$150,000 or more
Adams County	9.1%	11.0%	38.2%	24.7%	11.0%	4.5%	1.5%
Jefferson County	6.5	8.4	31.1	25.7	15.5	9.1	3.7
CBSA-	8.7	9.8	32.7	23.8	13.5	7.8	3.7
Colorado	10.4	11.5	33.7	22.4	12.1	6.7	3.2
United States	14.1	13.5	34.2	20.3	9.7	5.7	2.5

Source: *Total Dimensions International, Inc.-Demographics USA 2002-2006*

Per Capita Personal Income

	2001	2002	2003	2004	2005
Adams County	\$27,464	\$27,605	\$27,438	\$28,119	\$29,001
Jefferson County	39,382	38,098	38,230	40,703	42,709
DMA	39,525	38,796	38,640	40,583	42,369
Colorado	34,481	34,014	34,059	35,810	37,510
United States	30,562	30,795	31,466	33,090	34,471

Source: State of Colorado, Division of Local Government, Demographic Section

School Enrollment

The following table presents a five year history of school enrollment for Adams County School District No. 12, Adams County School District No. 50 and Jefferson County School District R-1, the school districts serving the City.

School Enrollment

Year	Adams County School District No. 12	Adams County School District No. 50	Jefferson County School District R-1
2002/2003	33,522	11,012	87,925
2003/2004	34,869	10,562	87,180
2004/2005	36,430	10,671	86,877
2005/2006	36,994	10,049	85,043
2006/2007	37,433	10,683	84,790

Source: Colorado Department of Education, *State Trends in Colorado Public School Membership by School District* and individual school districts

Building Activity

The following tables set forth building permit activity for the City of Westminster.

Building Permit Activity in the City of Westminster

Year	Residential			Commercial	Valuation for All Permits
	Multi-Family Units	Single-Family Units	Total Residential Units		
2002	374	463	857	17	\$171,559,369
2003	16	497	513	31	182,245,326
2004	24	489	513	21	124,281,747
2005	87	183	270	30	151,800,465
2006	109	155	264	55	191,445,758
2007 ¹	1	101	102	28	110,813,870

¹Building permits issued through August 27, 2007.
Source: City of Westminster Building Department

Foreclosure Activity

The number of foreclosures filed in Adams County and in Jefferson County are set forth in the following table.

History of Foreclosures

Year	Adams County	Percent Change	Jefferson County	Percent Change
2002	927	--	1,130	--
2003	1,899	4.9%	1,532	35.6%
2004	2,499	31.6	1,880	22.7
2005	3,281	31.3	2,120	12.8
2006	4,330	32.0	2,971	40.1
2007 ¹	3,190	--	1,981	--

¹Foreclosures filed through June 30, 2007.

Source: Adams County and Jefferson County Public Trustees

Employment

The following tables set forth employment statistics by industry and the most recent historical labor force estimates for Adams County and Jefferson County.

Total Business Establishments and Employment—Adams County

Industry ¹	Third Quarter 2005		Third Quarter 2006		Quarterly Change	
	Units	Average Employment	Units	Average Employment	Units	Average Employment
Agriculture, forestry, fishing and hunting	49	1,518	48	1,610	1	92
Mining	29	248	35	242	6	(6)
Utilities	12	919	13	605	1	(314)
Construction	1,464	18,449	1,500	19,043	36	594
Manufacturing	501	14,200	508	14,187	7	(13)
Wholesale trade	968	13,721	987	14,377	19	656
Retail trade	1,001	15,947	1,007	16,169	6	222
Transportation and warehousing	487	13,773	484	13,550	(3)	(223)
Information	121	1,966	123	2,407	2	81
Finance and insurance	480	2,889	498	3,050	18	161
Real estate and rental and leasing	466	2,890	491	2,920	25	30
Professional and technical services	744	3,897	828	3,951	84	54
Management of companies and enterprises	53	1,425	59	1,582	6	157
Administrative and waste services	548	10,106	581	11,475	33	1,369
Educational services	89	1,491	103	1,664	14	173
Health care and social assistance	509	9,548	531	10,101	22	553
Arts, entertainment, and recreation	86	1,026	84	1,036	(2)	10
Accommodation and food services	627	11,079	637	11,545	10	466
Other services, except public administration	745	4,676	750	4,908	5	232
Non-classifiable	-- ²	-- ²	8	17	-- ²	-- ²
Government	<u>95</u>	<u>19,976</u>	<u>97</u>	<u>20,535</u>	<u>2</u>	<u>559</u>
Total	<u>9,076</u>	<u>149,748</u>	<u>9,372</u>	<u>154,613</u>	<u>296</u>	<u>4,865</u>

¹ Information provided herein reflects only those employers who are subject to state unemployment insurance law.

² Data suppressed.

Source: Colorado Department of Labor and Employment, Labor Market Information, ES-202

Total Business Establishments and Employment—Jefferson County

Industry ¹	Third Quarter 2005		Third Quarter 2006		Quarterly Change	
	Units	Average Employment	Units	Average Employment	Units	Average Employment
Agriculture, forestry, fishing and hunting	43	415	38	402	(5)	(13)
Mining	74	291	83	365	9	74
Utilities	38	825	40	871	2	46
Construction	2,461	16,017	2,405	15,804	(56)	(213)
Manufacturing	574	18,589	583	18,811	9	222
Wholesale trade	1,499	5,973	1,477	6,111	(22)	138
Retail trade	2,102	29,148	2,108	29,354	6	206
Transportation and warehousing	255	2,134	248	2,140	(7)	6
Information	328	4,129	336	4,451	8	322
Finance and insurance	1,375	8,400	1,395	8,357	20	(43)
Real estate and rental and leasing	966	4,243	992	4,037	26	(206)
Professional and technical services	3,245	15,470	3,477	16,042	232	572
Management of companies and enterprises	140	2,410	162	2,595	22	185
Administrative and waste services	1,110	15,442	1,137	19,519	27	4077
Educational services	234	2,338	246	2,350	12	12
Health care and social assistance	1,389	19,012	1,375	19,519	(14)	507
Arts, entertainment, and recreation	238	3,642	233	3,515	(5)	(127)
Accommodation and food services	1,101	20,186	1,104	20,986	3	800
Other services, except public administration	1,449	6,212	1,433	6,338	(16)	126
Non-classifiable	5	6	10	18	5	12
Government	161	32,113	162	31,945	1	(168)
Total	<u>18,787</u>	<u>207,002</u>	<u>19,044</u>	<u>208,163</u>	<u>257</u>	<u>1,161</u>

¹ Information provided herein reflects only those employers who are subject to state unemployment insurance law.
Source: Colorado Department of Labor and Employment, Labor Market Information, ES-202

Labor Force Estimates

Year	Adams County		Jefferson County		DMSA		Colorado	
	Labor Force	Percent Unemployed	Labor Force	Percent Unemployed	Labor Force	Percent Unemployed	Labor Force	Percent Unemployed
2002	196,440	6.2%	309,536	5.3%	1,215,905	5.9%	2,437,413	5.7%
2003	201,891	7.1	310,080	5.6	1,252,299	6.3	2,477,874	6.0
2004	199,128	6.5	303,628	5.5	1,275,498	5.9	2,522,225	5.5
2005	202,472	5.8	308,500	5.0	1,306,362	5.2	2,547,895	5.1
2006	216,237	5.0	317,140	4.5	1,354,492	4.4	2,651,718	4.3
2007 ¹	216,370	4.5	313,777	3.7	1,354,271	4.0	2,650,775	3.9

¹ Labor force estimates through May 31, 2007.
Source: State of Colorado, Division of Employment and Training, Labor Market Information, Colorado Labor Force Review

The following table sets forth selected major employers within the City of Westminster. No independent investigation has been made of and there can be no representation as to the stability or financial condition of the entities listed below, or the likelihood that they will maintain their status as major employers in the City. Three school districts are represented within Westminster: Adams County School District No. 12, Adams County School District No. 50 and Jefferson County School District R-1. The breakdown of employees within facilities within Westminster is not readily available.

City of Westminster-Selected Major Employers

Employer	Product or Service	Estimated Number of Employees ¹
Avaya	Business Communication Systems, Research & Development	1,860 ²
City of Westminster	City Government	1,665
Ball Corporation	Packaging Operations, Research & Development, Aerospace	659
Centura Health/ St. Anthony North	Full Service Hospital	570
Access Distribution (GE Access)	Computer Systems & Networks Vendor	390
Tri State Generation	Electric Utility Wholesaler	355
Alliance Data Systems	Network Credit Authorization Services and Equipment	323
Kaiser Permanente	Health Care Provider	263
Corporate Express	Office Supplies Provider	263
LaFarge North America	Construction Materials	190
Finali	ECRM Solutions Service Provider	175
Global Healthcare Exchange	Supply Chain Solutions and Services Provider	140
Trimble Navigation	Satellite Navigation Equipment	132
Celestica Services, Inc.	Communications Systems Research and Development	107

¹As of March 2006.

²As of January 2007.

Source: City of Westminster and individual employers

APPENDIX D

SPECIMEN FINANCIAL GUARANTY INSURANCE POLICY

APPENDIX E

BOOK-ENTRY ONLY SYSTEM

The information in this section concerning DTC and DTC's book entry-only system has been obtained from sources that the City believes to be reliable, but the City and the Underwriter take no responsibility for the accuracy thereof.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered bond certificate will be issued for the Bonds, as set forth on the cover page hereof, in the aggregate principal amount of each maturity of the Bonds and deposited with DTC.

DTC, the world's largest securities depository, is a limited purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation and Emerging Markets Clearing Corporation, (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC. and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others both as U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The rules applicable to DTC and its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants remain responsible for keeping accounts of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant on accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds are to be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners are governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other name as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered to DTC.

APPENDIX F

FORM OF BOND COUNSEL OPINION

[to be provided by Bond Counsel]

Summary of Proceedings

Summary of proceedings of the regular meeting of the Westminster City Council held Monday, September 24, 2007. Mayor McNally, Mayor Pro Tem Kauffman, and Councillors Dittman, Kaiser, Lindsey, Major, and Price were present at roll call.

The minutes of the September 10, 2007 regular meeting were approved.

Council approved the following: financial report for August 2007; landscape maintenance contract; 2008 property and liability excess insurance renewal; Wadsworth Boulevard Sanitary and Storm Sewer Improvements Project construction contract; final passage of Councillor's Bill No. 30 re Municipal Code modifications for the Industrial Pretreatment Program; final passage of Councillor's Bill No. 53 re Colorado Division of Criminal Justice, 2007 Justice Assistance Grant Program; and the 2007 interim amendment to the "Amended and Restated Distributor's Contract" with Federal Heights.

Council adopted the following Resolutions: Resolution No. 33 re application to State Historical Fund for Rodeo Market façade restoration; Resolution No. 34 re purchase of approximately 38-acres of Doulos Ministries property at Federal Parkway and 122nd Avenue for open space and street right-of way; and Resolution No. 35 re Federal Heights wholesale water rate.

Council passed the following Councillor's Bill as an emergency ordinance:

A BILL FOR AN ORDINANCE AUTHORIZING THE ISSUANCE OF SALES AND USE TAX REVENUE REFUNDING BONDS, SERIES 2007C, OF THE CITY OF WESTMINSTER, COLORADO, PROVIDING OTHER DETAILS IN CONNECTION THEREWITH; AND DECLARING AN EMERGENCY Purpose: reduce future debt service costs by refunding the outstanding principal of the Series 1997A (Streets) Sales and Use Tax Revenue Bonds.

The meeting adjourned at 7:30 p.m.

By Order of the Westminster City Council
Carla Koeltzow, Deputy City Clerk
Published in the Westminster Window on October 4, 2007

A BILL FOR AN ORDINANCE AMENDING SECTIONS 8-8-4 AND 8-8-7 OF THE WESTMINSTER MUNICIPAL CODE CONCERNING USE OF THE SANITARY SEWERS AND REPEALING AND REENACTING CHAPTER 10 OF TITLE VIII OF THE WESTMINSTER MUNICIPAL CODE CONCERNING INDUSTRIAL PRETREATMENT OF WASTEWATER THE CITY OF WESTMINSTER ORDAINS:

Section 1. Section 8-8-4, subsection (A), W.M.C., is hereby AMENDED to read as follows:

8-8-4: USE OF THE SANITARY SEWERS:

(A) The discharge of ~~non-acceptable~~ wastes, LISTED IN THIS SUBSECTION, into the sanitary sewer system, whether directly or indirectly, is prohibited and where investigation reveals the presence in the system of ~~non-acceptable~~ SUCH wastes emanating from any lot, land, building, or premise, the owner, lessor, renter, or occupant of same shall, at his own expense, treat, neutralize, or in any other way prepare the non-acceptable wastes to the satisfaction of the City Manager in order to convert the same into acceptable wastes. No person(s) shall discharge or cause to be discharged any of the following described waters or wastes to the waste treatment system from any source of ~~non-domestic discharge~~:

Section 2. Section 8-8-7, subsection (C), W.M.C., is hereby AMENDED to read as follows:

8-8-7: POWERS AND AUTHORITY OF INSPECTORS:

(C) While performing the necessary work on private properties, the City Manager or a duly authorized representative shall observe all safety rules applicable to the premises established by the company. The City shall provide insurance coverage against liability for injury or death of City representatives while on the premises of the company, except as such may be caused by negligence or failure of the company to maintain safe conditions as required in Section 8-8-4(E). ~~The company may request the City to add the company as an additional insured for purposes of this section.~~

Section 3. Chapter 10 of Title VIII, W.M.C., is hereby REPEALED AND REENACTED by the adoption of Exhibit "A," herein incorporated by reference, a revision of the Federal Environmental Protection Agency's model pretreatment ordinance in the form attached hereto.

Section 4. Severability. If any provision of this ordinance is invalidated by any court of competent jurisdiction, the remaining provisions shall not be affected and shall continue in full force and effect.

Section 5. This ordinance shall take effect upon its passage after second reading.

Section 6. The title and purpose of this ordinance shall be published prior to its consideration on second reading. The text of this ordinance shall be published within ten (10) days after its enactment after second reading; however, pursuant to Westminster City Charter section 8.6, Enactment of Code by Reference, the exhibit hereto need not be published in full, but a copy thereof shall be available for public review in the Office of the City Clerk.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 11th day of June, 2007. PASSED, ENACTED ON SECOND READING, AND ORDERED PUBLISHED PURSUANT TO CITY CHARTER SECTION 8.6 this 24th day of September, 2007.

EXHIBIT "A"

CHAPTER 10
INDUSTRIAL PRETREATMENT

8-10-1:	GENERAL PROVISIONS - DEFINITIONS
8-10-2:	GENERAL SEWER USE REQUIREMENTS – PRETREATMENT STANDARDS
8-10-3:	PRETREATMENT OF WASTEWATER
8-10-4:	WASTEWATER DISCHARGE PERMITS
8-10-5:	REGULATION OF WASTE RECEIVED FROM OTHER JURISDICTIONS
8-10-6:	REPORTING REQUIREMENTS
8-10-7:	COMPLIANCE MONITORING
8-10-8:	CONFIDENTIAL INFORMATION
8-10-9:	PUBLICATION OF USERS IN SIGNIFICANT NONCOMPLIANCE
8-10-10:	ADMINISTRATIVE ENFORCEMENT REMEDIES
8-10-11:	JUDICIAL ENFORCEMENT REMEDIES
8-10-12:	SUPPLEMENTAL ENFORCEMENT ACTION
8-10-13:	AFFIRMATIVE DEFENSES TO DISCHARGE VIOLATIONS
8-10-14:	PRETREATMENT CHARGES AND FEES

8-10-1: GENERAL PROVISIONS - DEFINITIONS:

(A) **PURPOSE AND POLICY:** This Chapter sets forth uniform requirements for users of the Publicly Owned Treatment Works for the City of Westminster and enables the City to comply with all applicable State and Federal laws, including the Clean Water Act (33 United States Code Section 1251 et seq.) and the General Pretreatment Regulations (40 Code of Federal Regulations Part 403). The objectives of this Chapter are:

1. To prevent the introduction of pollutants into the Publicly Owned Treatment Works that will interfere with its operation;
2. To prevent the introduction of pollutants into the Publicly Owned Treatment Works that will pass through the Publicly Owned Treatment Works, inadequately treated, into receiving waters, or otherwise be incompatible with the Publicly Owned Treatment Works;
3. To protect both Publicly Owned Treatment Works personnel who may be affected by wastewater and sludge in the course of their employment and the general public;
4. To promote reuse and recycling of industrial wastewater and sludge from the Publicly Owned Treatment Works;
5. To provide for fees for the equitable distribution of the cost of operation, maintenance, and improvement of the City of Westminster pretreatment program; and
6. To enable the City to comply with its National Pollutant Discharge Elimination System permit conditions, sludge use and disposal requirements, and any other Federal or State laws to which the Publicly Owned Treatment Works is subject.

This Chapter shall apply to all users of the Publicly Owned Treatment Works. This Chapter authorizes the issuance of wastewater discharge permits; provides for monitoring, compliance, and enforcement activities; establishes administrative review procedures; requires user reporting; and provides for the setting of fees for the equitable distribution of costs resulting from the program established herein.

(B) **ADMINISTRATION:** Except as otherwise provided herein, the City Manager shall administer, implement, and enforce the provisions of this ordinance. Any powers granted to or duties imposed upon the City Manager may be delegated by the City Manager to other City personnel.

(C) **ABBREVIATIONS:** The following abbreviations, when used in this ordinance, shall have the designated meanings:

BOD - Biochemical Oxygen Demand
BMP - Best Management Practice
CFR - Code of Federal Regulations
EPA - U.S. Environmental Protection Agency
gpd - gallons per day
IU – Industrial User

mg/l - milligrams per liter

NPDES - National Pollutant Discharge Elimination System

POTW - Publicly Owned Treatment Works

RCRA - Resource Conservation and Recovery Act

SIU - Significant Industrial User

TSS - Total Suspended Solids

U.S.C. -United States Code

(D) DEFINITIONS: Unless a provision explicitly states otherwise, the following terms and phrases, as used in this chapter, shall have the meanings hereinafter designated:

1. Act or "the Act." The Federal Water Pollution Control Act, also known as the Clean Water Act, as amended, 33 U.S.C. Section 1251 et seq.

2. Authorized Representative of the User.

(a) If the user is a corporation:

(1) The president, secretary, treasurer, or a vice-president of the corporation in charge of a principal business function, or any other person who performs similar policy or decision-making functions for the corporation; or

(2) The manager of one or more manufacturing, production, or operating facilities, provided the manager is authorized to make management decisions which govern the operation of the regulated facility including having the explicit or implicit duty of making major capital investment recommendations, and initiate and direct other comprehensive measures to assure long-term environmental compliance with environmental laws and regulations; can ensure that the necessary systems are established or actions taken to gather complete and accurate information for control mechanism requirements; and where authority to sign documents has been assigned or delegated to the manager in accordance with corporate procedures.

(b) If the user is a partnership or sole proprietorship: a general partner or proprietor, respectively.

(c) If the user is a Federal, State, or local governmental facility: a director or highest official appointed or designated to oversee the operation and performance of the activities of the government facility, or their designee.

(d) The individuals described in paragraphs (a) through (c), above, may designate another authorized representative if the authorization is in writing, the authorization specifies the individual or position responsible for the overall operation of the facility from which the discharge originates or having overall responsibility for environmental matters for the company, and the written authorization is submitted to the City.

3. Best Management Practices or BMPs means schedules of activities, prohibitions of practices, maintenance procedures, and other management practices to implement the prohibitions listed in Section 8-10-2(A)(1) and 8-10-2(A)(2). BMPs also include treatment requirements, operating procedures, and practices to control plant site runoff, spillage or leaks, sludge or waste disposal, or drainage from raw materials storage.

4. Biochemical Oxygen Demand or BOD. The quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedures for five (5) days at 20 degrees centigrade, usually expressed as a concentration (e.g., mg/l).

5. Categorical Pretreatment Standard or Categorical Standard. Any regulation containing pollutant discharge limits promulgated by EPA in accordance with Sections 307(b) and (c) of the Act (33 U.S.C. Section 1317) which apply to a specific category of users and which appear in 40 CFR Chapter I, Subchapter N, Parts 405-471.

6. Categorical Industrial User. An Industrial User subject to a Categorical Pretreatment Standard or Categorical Standard.

7. City. The City of Westminster.

8. Daily Maximum Limit or Daily Maximum. The maximum allowable discharge of a pollutant during a calendar day. Where daily maximum limitations are expressed in units of mass, the daily discharge is the total mass discharged over the course of the day. Where daily maximum limitations are expressed in terms of a concentration, the daily discharge is the arithmetic average measurement of the pollutant concentration derived from all measurements taken that day.

9. Environmental Protection Agency or EPA. The U.S. Environmental Protection Agency or, where appropriate, the Regional Water Management Division Director, the Regional Administrator, or other duly authorized official of said agency.

10. Existing Source. Any source of discharge that is not a "New Source".

11. Grab Sample. A sample which is taken from a wastestream without regard to the flow in the wastestream and over a period of time not to exceed fifteen (15) minutes.

12. Indirect Discharge or Discharge. The introduction of pollutants into the POTW from any nondomestic source regulated under section 307(b), (c) or (d) of the Act.

13. Instantaneous Maximum Allowable Discharge Limit. The maximum concentration of a pollutant allowed to be discharged at any time, determined from the analysis of any discrete or composited sample collected, independent of the industrial flow rate and the duration of the sampling event.

14. Interference. A discharge, which alone or in conjunction with a discharge or discharges from other sources, inhibits or disrupts the POTW, its treatment processes or operations or its sludge processes, use or disposal; and therefore, is a cause of a violation of the City's NPDES permit or of the prevention of sewage sludge use or disposal in compliance with any of the following statutory/regulatory provisions or permits issued thereunder, or any more stringent State or local regulations: Section 405 of the Act; the Solid Waste Disposal Act, including Title II commonly referred to as the Resource Conservation and Recovery Act (RCRA); any State regulations contained in any State sludge management plan prepared pursuant to Subtitle D of the Solid Waste Disposal Act; the Clean Air Act; the Toxic Substances Control Act; and the Marine Protection, Research, and Sanctuaries Act.

15. Local Limit. Effluent limitation developed for Industrial Users by the City Manager to specifically protect the "Publicly Owned Treatment Plant" (POTW) from "Interference" and "Pass through" based on site-specific design and disposal limits and conditions of the POTW. Local limits are developed to assure that IU discharges to POTWs do not cause the POTW to violate its permit limits, upset the POTW's biological, chemical or physical treatment processes, prevent the disposal of biosolids (sludge), impact worker health and safety or harm the collection system infrastructure.

16. Medical Waste. Isolation wastes, infectious agents, human blood and blood products, pathological wastes, sharps, body parts, contaminated bedding, surgical wastes, potentially contaminated laboratory wastes, and dialysis wastes.

17. Monthly Average Limit or Monthly Average. The arithmetic mean of the effluent samples collected during a calendar month or specified 30-day period.

18. New Source.

(a) Any building, structure, facility, or installation from which there is (or may be) a discharge of pollutants, the construction of which commenced after the publication of proposed pretreatment standards under Section 307(c) of the Act which will be applicable to such source if such standards are thereafter promulgated in accordance with that section, provided that:

(1) The building, structure, facility, or installation is constructed at a site at which no other source is located; or

(2) The building, structure, facility, or installation totally replaces the process or production equipment that causes the discharge of pollutants at an existing source; or

(3) The production or wastewater generating processes of the building, structure, facility, or installation are substantially independent of an existing source at the same site. In determining whether these are substantially independent, factors such as the extent to which the new facility is integrated with the existing plant, and the extent to which the new facility is engaged in the same general type of activity as the existing source, should be considered.

(b) Construction on a site at which an existing source is located results in a modification rather than a new source if the construction does not create a new building, structure, facility, or installation meeting the criteria of subsection (a)(2) or (3) above but otherwise alters, replaces, or adds to existing process or production equipment.

(c) Construction of a new source as defined under this paragraph has commenced if the owner or operator has:

(1) Begun, or caused to begin, as part of a continuous onsite construction program

(i) any placement, assembly, or installation of facilities or equipment; or

(ii) significant site preparation work including clearing, excavation, or removal of existing buildings, structures, or facilities which is necessary for the placement, assembly, or installation of new source facilities or equipment; or

(2) Entered into a binding contractual obligation for the purchase of facilities or equipment which are intended to be used in its operation within a reasonable time. Options to purchase or contracts which can be terminated or modified without substantial loss, and contracts for feasibility, engineering, and design studies do not constitute a contractual obligation under this paragraph.

19. Noncontact Cooling Water. Water used for cooling which does not come into direct contact with any raw material, intermediate product, waste product, or finished product.

20. Pass Through. A discharge which exits the POTW into waters of the United States in quantities or concentrations which, alone or in conjunction with a discharge or discharges from other sources, is a cause of a violation of any requirement of the City's NPDES permit, including an increase in the magnitude or duration of a violation.

21. Person. Any individual, partnership, copartnership, firm, company, corporation, association, joint stock company, trust, estate, governmental entity, or any other legal entity; or their legal representatives, agents, or assigns. This definition includes all Federal, State, and local governmental entities.

22. pH. A measure of the acidity or alkalinity of a solution, expressed in standard units.

23. Pollutant. Dredged spoil, solid waste, incinerator residue, filter backwash, sewage, garbage, sewage sludge, munitions, medical wastes, chemical wastes, biological materials, radioactive materials, heat, wrecked or discarded equipment, rock, sand, cellar dirt, municipal, agricultural and industrial wastes, and certain characteristics of wastewater (e.g., pH, temperature, TSS, turbidity, color, BOD, toxicity, or odor).

24. Pretreatment. The reduction of the amount of pollutants, the elimination of pollutants, or the alteration of the nature of pollutant properties in wastewater prior to, or in lieu of, introducing such pollutants into the POTW. This reduction or alteration can be obtained by physical, chemical, or biological processes; by process changes; or by other means, except by diluting the concentration of the pollutants unless allowed by an applicable pretreatment standard.

25. Pretreatment Requirements. Any substantive or procedural requirement related to pretreatment imposed on a user, other than a pretreatment standard.

26. Pretreatment Standards or Standards. Pretreatment standards shall mean any regulation containing pollutant discharge limits promulgated by the EPA in accordance with section 307 (b) and (c) of the Act, which applies to industrial users. The term includes prohibitive discharge limits established pursuant to 40 CFR 403.5, categorical pretreatment standards, local limits, and best management practices.

27. Prohibited Discharge Standards or Prohibited Discharges. Absolute prohibitions against the discharge of certain substances; these prohibitions appear in Section 8-10-2(A) of this ordinance.

28. Publicly Owned Treatment Works or POTW. A treatment works, as defined by Section 212 of the Act (33 U.S.C. Section 1292), which is owned by the City. This definition includes any devices or systems used in the collection, storage, treatment, recycling, and reclamation of sewage or industrial wastes of a liquid nature and any conveyances, which convey wastewater to a treatment plant.

29. Septic Tank Waste. Any sewage from holding tanks such as vessels, chemical toilets, campers, trailers, and septic tanks.

30. Sewage. Human excrement and gray water (household showers, dishwashing operations, etc.).

31. Significant Industrial User (SIU). Except as provided in paragraphs (c) and (d) of this section, a significant industrial user is:

(a) A user subject to categorical pretreatment standards; or

(b) A user that:

(1) Discharges an average of twenty-five thousand (25,000) gpd or more of process wastewater to the POTW (excluding sanitary, noncontact cooling, and boiler blowdown wastewater);

(2) Contributes a process wastestream which makes up five (5) percent or more of the average dry weather hydraulic or organic capacity of the POTW treatment plant; or

(3) Is designated as such by the City on the basis that it has a reasonable potential for adversely affecting the POTW's operation or for violating any pretreatment standard or requirement.

(c) The City may determine that an Industrial User subject to categorical pretreatment standards is a Non-Significant Categorical Industrial User rather than a Significant Industrial User on a finding that the Industrial User never discharges more than 100 gallons per day (gpd) of total categorical wastewater (excluding sanitary, non-contact cooling and boiler blowdown wastewater, unless specifically included in the Pretreatment Standard) and the following conditions are met:

(1) the Industrial User, prior to City's finding, has consistently complied with all applicable categorical Pretreatment Standards and Requirements;

(2) the Industrial User annually submits the certification statement required in Section 8-10-6(N)(2), together with any additional information necessary to support the certification statement; and

(3) the Industrial User never discharges any untreated concentrated wastewater.

(d) Upon a finding that a user meeting the criteria in Subsection (b) of this part has no reasonable potential for adversely affecting the POTW's operation or for violating any pretreatment standard or requirement, the City may at any time, on its own initiative or in response to a petition received from a user, and in accordance with procedures in 40 CFR 403.8(f)(6), determine that such user should not be considered a significant industrial user.

32. Slug Load or Slug Discharge. Any discharge at a flow rate or concentration, which could cause a violation of the prohibited discharge standards in Section 8-10-2(A) of this ordinance. A Slug Discharge is any discharge of a non-routine, episodic nature, including but not limited to an accidental spill or a non-customary batch Discharge, which has a reasonable potential to cause Interference or Pass Through, or in any other way violate the POTW's regulations, local limits or Permit conditions.

33. State. State of Colorado.

34. Storm Water. Any flow occurring during or following any form of natural precipitation, and resulting from such precipitation, including snowmelt.

35. Suspended Solids. The total suspended matter that floats on the surface of, or is suspended in, water, wastewater, or other liquid, and which is removable by laboratory filtering.

36. User or Industrial User. A source of indirect discharge.

37. Wastewater. Liquid and water-carried industrial wastes and sewage from residential dwellings, commercial buildings, industrial and manufacturing facilities, and institutions, whether treated or untreated, which are contributed to the POTW.

38. Wastewater Treatment Plant or Treatment Plant. That portion of the POTW which is designed to provide treatment of municipal sewage and industrial waste.

8-10-2: GENERAL SEWER USE REQUIREMENTS – PRETREATMENT STANDARDS:

(A) PROHIBITED DISCHARGE STANDARDS:

1. General Prohibitions. No user shall introduce or cause to be introduced into the POTW any pollutant or wastewater which causes pass through or interference. These general prohibitions apply to all users of the POTW whether or not they are subject to categorical pretreatment standards or any other National, State, or local pretreatment standards or requirements.

2. Specific Prohibitions. No user shall introduce or cause to be introduced into the POTW the following pollutants, substances, or wastewater:

(a) Pollutants which create a fire or explosive hazard in the POTW, including, but not limited to, wastestreams with a closed-cup flashpoint of less than 140 degrees F (60 degrees C) using the test methods specified in 40 CFR 261.21;

(b) Wastewater having a pH less than 5.5 or more than 10, or otherwise causing corrosive structural damage to the POTW or equipment. Limitations on pH are instantaneous discharge limitations;

(c) Solid or viscous substances in amounts which will cause obstruction of the flow in the POTW resulting in interference;

(d) Pollutants, including oxygen-demanding pollutants (BOD, etc.), released in a discharge at a flow rate and/or pollutant concentration which, either singly or by interaction with other pollutants, will cause interference with the POTW;

(e) Wastewater having a temperature which will inhibit biological activity in the treatment plant resulting in interference, but in no case wastewater which causes the temperature at the introduction into the treatment plant to exceed 104 degrees F (40 degrees C);

(f) Petroleum oil, nonbiodegradable cutting oil, or products of mineral oil origin, in amounts that will cause interference or pass through;

(g) Pollutants which result in the presence of toxic gases, vapors, or fumes within the POTW in a quantity that may cause acute worker health and safety problems;

(h) Noxious or malodorous liquids, gases, solids, or other wastewater which, either singly or by interaction with other wastes, are sufficient to create a public nuisance or a hazard to life, or to prevent entry into the sewers for maintenance or repair;

(i) Wastewater which imparts color which cannot be removed by the treatment process, such as, but not limited to, dye wastes and vegetable tanning solutions, which consequently imparts color to the treatment plant's effluent, thereby violating the City's NPDES permit;

(j) Wastewater causing, alone or in conjunction with other sources, the treatment plant's effluent to fail toxicity testing;

(k) Wastewater containing any radioactive wastes or isotopes except in compliance with applicable State or Federal regulations;

(l) Storm water, surface water, ground water, artesian well water, roof runoff, and subsurface drainage, unless specifically authorized by the City Manager;

(m) Sludges, screenings, or other residues from the pretreatment of industrial wastes;

(n) Fats, oils, or greases of animal or vegetable origin in amounts that will cause interference or pass through;

(o) Trucked or hauled pollutants, except at discharge points designated by the City Manager and in accordance with Section 8-10-3(D) of this chapter;

Pollutants, substances, or wastewater prohibited by this section shall not be processed or stored in such a manner that they could be discharged to the POTW.

(B) NATIONAL CATEGORICAL PRETREATMENT STANDARDS:

The categorical pretreatment standards found at 40 CFR Chapter I, Subchapter N, Parts 405-471 are hereby incorporated. Users must comply with applicable categorical standards.

1. Where a categorical pretreatment standard is expressed only in terms of either the mass or the concentration of a pollutant in wastewater, the City Manager may impose equivalent concentration or mass limits in accordance with Section 8-10-2(B)(4) and (B)(5).

2. When the limits in a categorical Pretreatment Standard are expressed only in terms of mass of pollutant per unit of production, the City Manager may convert the limits to equivalent limitations expressed either as mass of pollutant discharged per day or effluent concentration for purposes of calculating effluent limitations applicable to individual Industrial Users.

3. When wastewater subject to a categorical pretreatment standard is mixed with wastewater not regulated by the same standard, the City Manager shall impose an alternate limit in accordance with 40 CFR 403.6(e).

4. When a categorical pretreatment standard is expressed only in terms of pollutant concentrations, an Industrial User may request that the City convert the limits to equivalent mass limits. The determination to convert concentration limits to mass limits is within the discretion of the City Manager. The City may establish equivalent mass limits only if the Industrial User meets all of the conditions set forth in Sections 8-10-2(B)(4)(a)(1) through 8-10-2(B)(4)(a)(5) below.

(a) To be eligible for equivalent mass limits, the Industrial User must:

(1) Employ, or demonstrate that it will employ, water conservation methods and technologies that substantially reduce water use during the term of its control mechanism;

(2) Currently use control and treatment technologies adequate to achieve compliance with the applicable categorical Pretreatment Standard, and not have used dilution as a substitute for treatment;

(3) Provide sufficient information to establish the facility's actual average daily flow rate for all wastestreams, based on data from a continuous effluent flow monitoring device, as well as the facility's long-term average production rate. Both the actual average daily flow rate and the long-term average production rate must be representative of current operating conditions;

(4) Not have daily flow rates, production levels, or pollutant levels that vary so significantly that equivalent mass limits are not appropriate to control the Discharge; and

(5) Have consistently complied with all applicable categorical Pretreatment Standards during the period prior to the Industrial User's request for equivalent mass limits.

(b) An Industrial User subject to equivalent mass limits must:

(1) Maintain and effectively operate control and treatment technologies adequate to achieve compliance with the equivalent mass limits;

(2) Continue to record the facility's flow rates through the use of a continuous effluent flow monitoring device;

(3) Continue to record the facility's production rates and notify the City Manager whenever production rates are expected to vary by more than 20 percent from its baseline production rates determined in section 8-10-2(B)(4)(a)(3) of this section. Upon notification of a revised production rate, the City Manager must reassess the equivalent mass limit and revise the limit as necessary to reflect changed conditions at the facility; and

(4) Continue to employ the same or comparable water conservation methods and technologies as those implemented pursuant to paragraphs 2.2D(1)(a) of this section so long as it discharges under an equivalent mass limit.

(c) When developing equivalent mass limits, the City Manager:

(1) Will calculate the equivalent mass limit by multiplying the actual average daily flow rate of the regulated process(es) of the Industrial User by the concentration-based daily maximum and monthly average standard for the applicable categorical pretreatment standard and the appropriate unit conversion factor;

(2) Upon notification of a revised production rate, will reassess the equivalent mass limit and recalculate the limit as necessary to reflect changed conditions at the facility; and

(3) May retain the same equivalent mass limit in subsequent control mechanism terms if the Industrial User's actual average daily flow rate was reduced solely as a result of the implementation of water conservation methods and technologies, and the actual average daily flow rates used in the original calculation of the equivalent mass limit were not based on the use of dilution as a substitute for treatment pursuant to Section 8-10-2(F). The Industrial User must also be in compliance with Section 8-10-13(C) regarding the prohibition of bypass.

5. The City Manager may convert the mass limits of the categorical pretreatment standards of 40 CFR Parts 414 and 455 to concentration limits for purposes of calculating limitations applicable to individual Industrial Users. The conversion is at the discretion of the City Manager. When converting such limits to concentration limits, the City Manager must use the concentrations listed in the applicable subparts of 40 CFR Parts 414, 419, and 455 and document that dilution is not being substituted for treatment as prohibited by Section 8-10-2(F) of this ordinance.

6. The City Manager must document how the equivalent limits were derived for any changes from concentration to mass limits or vice versa and make this information publicly available.

7. Once incorporated into its control mechanism, the Industrial User must comply with the equivalent limitations developed in this Section 8-10-2(B) in lieu of the promulgated categorical standards from which the equivalent limitations were derived.

8. Where categorical Pretreatment Standards specify one limit for calculating maximum daily discharge limitations and a second limit for calculating maximum monthly average, or 4-day average, limitations, the same production or flow figure shall be used in calculating both the average and the maximum equivalent limitation.

9. Any Industrial User operating under a control mechanism incorporating equivalent mass or concentration limits calculated from a production based standard shall notify the City Manager within two (2) business days after the User has a reasonable basis to know that the production level will significantly change within the next calendar month. Any User not notifying the City Manager of such anticipated change will be required to meet the mass or concentration limits in its control mechanism that were based on the original estimate of the long term average production rate.

(C) STATE PRETREATMENT STANDARDS: (reserved)

(D) LOCAL LIMITS:

1. The City Manager is authorized to establish local limits pursuant to 40 CFR 403.5(c).

2. The following pollutant limits are established to protect against pass through and interference.

3. Daily Maximum Discharge Limits: No person shall discharge wastewater containing in excess of the following maximum limits. These limits apply at the point where the wastewater is discharged to

the POTW. The City Manager may impose mass-based limitations in addition to the concentration-based limits below.

0.09	mg/l arsenic (total)
0.14	mg/l cadmium (total)
19.93	mg/l chromium (total)
1.44	mg/l chromium (VI)
2.90	mg/l copper (total)
0.35	mg/l lead (total)
0.0007	mg/l mercury (total)
0.56	mg/l molybdenum (total)
2.53	mg/l nickel (total)
0.04	mg/l selenium (total)
0.19	mg/l silver (total)
9.24	mg/l zinc (total)

4. Pollutant Loadings: The following are the total cumulative pollutant loadings allowed from all commercial dischargers. The City manager may limit the discharge of pollutants from commercial dischargers as necessary to meet the following daily allowable loadings.

0.15	lbs/day arsenic (total)
0.24	lbs/day cadmium (total)
33.15	lbs/day chromium (total)
2.40	lbs/day chromium (VI)
4.83	lbs/day copper (total)
0.59	lbs/day lead (total)
0.021	lbs/day mercury (total)
0.93	lbs/day molybdenum (total)
4.20	lbs/day nickel (total)
0.07	lbs/day selenium (total)
0.31	lbs/day silver (total)
15.37	lbs/day zinc (total)

5. The City Manager may develop Best Management Practices (BMPs), by ordinance or in wastewater discharge permits, to implement local limits and the requirements of Section 8-10-2(A) and 8-10-2(D).

(E) CITY'S RIGHT OF REVISION: The City reserves the right to establish, by ordinance or in wastewater discharge permits, more stringent standards or requirements on discharges to the POTW consistent with the purposes of this chapter.

(F) DILUTION: No user shall ever increase the use of process water, or in any way attempt to dilute a discharge, as a partial or complete substitute for adequate treatment to achieve compliance with a discharge limitation unless expressly authorized by an applicable pretreatment standard or requirement. The City Manager may impose mass limitations on users who are using dilution to meet applicable pretreatment standards or requirements, or in other cases when the imposition of mass limitations is appropriate.

8-10-3: PRETREATMENT OF WASTEWATER:

(A) PRETREATMENT FACILITIES: Users shall provide wastewater treatment as necessary to comply with this ordinance and shall achieve compliance with all categorical pretreatment standards, local limits, and the prohibitions set out in Section 8-10-2(A) of this ordinance within the time limitations specified by EPA, the State, or the City Manager, whichever is more stringent. Any facilities necessary for compliance shall be provided, operated, and maintained at the user's expense. Detailed plans describing such facilities and operating procedures shall be submitted to the City Manager for review, and shall be acceptable to the City Manager before such facilities are constructed. The review of such plans and operating procedures shall in no way relieve the user from the responsibility of modifying such facilities as necessary to produce a discharge acceptable to the City of Westminster under the provisions of this ordinance.

(B) ADDITIONAL PRETREATMENT MEASURES:

1. Whenever deemed necessary, the City Manager may require users to restrict their discharge during peak flow periods, designate that certain wastewater be discharged only into specific sewers, relocate and/or consolidate points of discharge, separate domestic sewage wastestreams from industrial wastestreams, and such other conditions as may be necessary to protect the POTW and determine the user's compliance with the requirements of this ordinance.

2. The City Manager may require any person discharging into the POTW to install and maintain, on their property and at their expense, a suitable storage and flow-control facility to ensure equalization of flow. A wastewater discharge permit may be issued solely for flow equalization.

3. Grease, oil, and sand interceptors shall be provided when, in the opinion of the City Manager, they are necessary for the proper handling of wastewater containing excessive amounts of grease and oil, or solids; except that such interceptors shall not be required for residential users. All interceptors shall be of type and capacity approved by the City Manager, and shall be so located to be easily accessible for cleaning and inspection. Such interceptors shall be inspected, cleaned, and repaired by the user at their expense. Cleaning and maintenance requirements may be specified by the City Manager.

4. Users with the potential to discharge flammable substances may be required to install and maintain an approved combustible gas detection meter.

(C) ACCIDENTAL DISCHARGE/SLUG DISCHARGE CONTROL PLANS: The City Manager shall evaluate whether each SIU needs an accidental discharge/slugg discharge control plan or other action to control slug discharges. The City Manager may require any user to develop, submit for approval, and implement such a plan or take such other action that may be necessary to control slug discharges. An accidental discharge/slugg discharge control plan shall address, at a minimum, the following:

1. Description of discharge practices, including nonroutine batch discharges;

2. Description of stored chemicals;

3. Procedures for immediately notifying the City Manager of any accidental or slug discharge, as required by Section 8-10-6(F) of this ordinance; and

4. Procedures to prevent adverse impact from any accidental or slug discharge. Such procedures include, but are not limited to, inspection and maintenance of storage areas, handling and transfer of materials, loading and unloading operations, control of plant site runoff, worker training, building of containment structures or equipment, measures for containing toxic organic pollutants, including solvents, and/or measures and equipment for emergency response.

(D) HAULED WASTEWATER:

1. Domestic wastewater from privately owned recreational vehicles may be introduced into the POTW only at locations, and at times, designated by the City Manager.

2. The discharge into the POTW of hauled septic tank waste, hauled commercial waste or hauled industrial waste is prohibited.

8-10-4: WASTEWATER DISCHARGE PERMITS:

(A) WASTEWATER ANALYSIS:

When requested by the City Manager, a user must submit information on the nature and characteristics of its wastewater within 30 days of the request or within such other time period specified by the City Manager. The City Manager may periodically require users to update this information and may specify the format of the information submitted.

(B) WASTEWATER DISCHARGE PERMIT REQUIREMENT:

1. No significant industrial user shall discharge wastewater into the POTW without first obtaining an individual wastewater discharge permit from the City of Westminster, except that a significant industrial user that has filed a timely application pursuant to Section 8-10-4(C) of this ordinance may continue to discharge for the time period specified therein.

2. The City Manager may require other users to obtain wastewater discharge permits as necessary to carry out the purposes of this ordinance.

3. Any violation of the terms and conditions of a wastewater discharge permit shall be deemed a violation of this ordinance and subjects the wastewater discharge permittee to the sanctions set out in Sections 8-10-10 through 8-10-12 of this ordinance. Obtaining a wastewater discharge permit does not relieve a permittee of its obligation to comply with all Federal and State pretreatment standards or requirements or with any other requirements of Federal, State, and local law.

(C) **WASTEWATER DISCHARGE PERMITTING: EXISTING CONNECTIONS:** Any user required to obtain a wastewater discharge permit who was discharging wastewater into the POTW prior to the effective date of this ordinance and who wishes to continue such discharges, shall apply for a wastewater discharge permit in accordance with Section 8-10-4(E) within 30 days of the requirement, or within such other time period specified by the City Manager.

(D) **WASTEWATER DISCHARGE PERMITTING: NEW CONNECTIONS:** Any user required to obtain a wastewater discharge permit who proposes to begin discharging into the POTW must obtain such permit prior to beginning such discharge. An application for this wastewater discharge permit, in accordance with Section 8-10-4(E), must be filed at least 30 days prior to the date upon which any discharge will begin or recommence.

(E) **WASTEWATER DISCHARGE PERMIT APPLICATION CONTENTS:**

1. All users required to obtain a wastewater discharge permit must submit a permit application. The City Manager may require users to submit all or some of the following information as part of a permit application.

(a) Identifying Information.

(1) The name and address of the facility, including the name of the operator and owner.

(2) Contact information, description of activities, facilities, and plant production processes on the premises;

(b) Environmental Permits. A list of any environmental control permits held by or for the facility.

(c) Description of Operations.

(1) The standard industrial classification(s) and a brief description of the nature of the operation(s) carried out by the user. This description should include each process used, each product produced by type, amount, rate of production and a schematic process diagram, which indicates points of discharge to the POTW from the regulated processes.

(2) Types of wastes generated, and a list of all raw materials and chemicals used or stored at the facility which are, or could accidentally or intentionally be, discharged to the POTW;

(3) Number and type of employees, hours of operation, and proposed or actual hours of operation;

(4) Type and amount of raw materials processed (average and maximum per day);

(5) Site plans, floor plans, mechanical and plumbing plans, and details to show all sewers, floor drains, and appurtenances by size, location, and elevation, and all points of discharge;

(d) Time and duration of discharges;

(e) The location for monitoring all wastes covered by the permit;

(f) Flow Measurement. Information showing the measured average daily and maximum daily flow, in gallons per day, to the POTW from regulated process streams and other streams, as necessary, to allow use of the combined wastestream formula set out in 40 CFR 403.6(e).

(g) Measurement of Pollutants.

(1) The categorical pretreatment standards and/or local limits applicable to each regulated process.

(2) The results of sampling and analysis identifying the nature and concentration, and/or mass, where required by the standard or by the City Manager, of regulated pollutants in the discharge from each regulated process.

(3) Instantaneous, daily maximum, and long-term average concentrations, or mass, where required, shall be reported.

(4) The sample shall be representative of daily operations and shall be analyzed in accordance with procedures set out in Section 8-10-6(J) of this ordinance. Where the standard requires compliance with a BMP or pollution prevention alternative, the User shall submit documentation as required by the the City Manager or the applicable standards to determine compliance with the standard.

(5) Sampling must be performed in accordance with procedures set out in Section 8-10-6(K) of this ordinance.

(h) Any requests for a monitoring waiver (or a renewal of an approved monitoring waiver) for a pollutant neither present nor expected to be present in the discharge based on Section 8-10-6(D)(2).

(i) Any other information as may be deemed necessary by the City Manager to evaluate the wastewater discharge permit application.

2. Incomplete or inaccurate applications will not be processed and will be returned to the user for revision.

(F) SIGNATURES AND CERTIFICATIONS:

1. All wastewater discharge permit applications, user reports and user certification statements must be signed by an authorized representative of the user and contain the certification statement in Section 8-10-6(N)(1).

2. If the designation of an authorized representative is no longer accurate because a different individual or position has responsibility for the overall operation of the facility, or overall responsibility for environmental matters for the company, a new authorization satisfying the requirements of this section must be submitted to the City Manager prior to, or together with, any reports to be signed by an authorized representative.

3. A facility determined to be a Non-Significant Categorical Industrial User by the City Manager pursuant to Section 8-10-1(D)(31)(c) must annually submit the signed certification statement in Section 8-10-6(N)(2).

(G) WASTEWATER DISCHARGE PERMIT DECISIONS: The City Manager will evaluate the data furnished by the user and may require additional information. The City Manager will determine whether or not to issue a wastewater discharge permit and may deny any application for a wastewater discharge permit. The City Manager may also issue a Zero Discharge Permit to a user. Zero Discharge Permits prohibit the discharge of wastewater from all, or from specific, commercial or industrial processes of a user.

(H) WASTEWATER DISCHARGE PERMIT DURATION: A wastewater discharge permit shall be issued for a specified time period, not to exceed five (5) years from the effective date of the permit. A wastewater discharge permit may be issued for a period less than five (5) years, at the discretion of the City Manager. Each wastewater discharge permit will indicate a specific date upon which it will expire.

(I) WASTEWATER DISCHARGE PERMIT CONDITIONS: A wastewater discharge permit shall include such conditions as are deemed reasonably necessary by the City Manager to prevent pass through or interference, protect the quality of the water body receiving the treatment plant's effluent, protect worker health and safety, facilitate sludge management and disposal, and protect against damage to the POTW.

1. Wastewater discharge permits must contain:

(a) A statement that indicates the wastewater discharge permit issuance date, expiration date and effective date;

(b) A statement that the wastewater discharge permit is nontransferable;

(c) Effluent limits, including Best Management Practices, based on applicable pretreatment standards;

(d) Self monitoring, sampling, reporting, notification, and record-keeping requirements. These requirements shall include representative sampling, an identification of pollutants (or best management practice) to be monitored, sampling location, sampling frequency, and sample type based on Federal, State, and local law.

(e) A requirement for industrial users subject to the reporting requirements in section 8-10-6(D) of this chapter to include the results of any monitoring of regulated pollutants done by the industrial user that exceeds the frequency required by the City, if such monitoring uses procedures prescribed by section 8-10-6(J) of this chapter.

(f) The process for seeking a waiver from monitoring for a pollutant neither present nor expected to be present in the discharge in accordance with Section 8-10-6(D)(2).

(g) A statement of applicable civil and criminal penalties for violation of pretreatment standards and requirements, and any applicable compliance schedule. Such schedule may not extend the time for compliance beyond that required by applicable Federal, State, or local law.

(h) Requirements to notify the POTW immediately of any changes to its facility affecting the potential for a slug discharge and requirements to control slug discharge, if determined by the City Manager to be necessary.

(i) Any grant of a monitoring waiver by the City Manager.

2. Wastewater discharge permits may contain, but need not be limited to, the following conditions:

- (a) Limits on the average and/or maximum rate of discharge, time of discharge, and/or requirements for flow regulation and equalization;
- (b) Requirements for the installation of pretreatment technology, pollution control, or construction of appropriate containment devices, designed to reduce, eliminate, or prevent the introduction of pollutants into the treatment works;
- (c) Requirements for the development and implementation of spill control plans or other special conditions including management practices necessary to adequately prevent accidental, unanticipated, or nonroutine discharges;
- (d) Development and implementation of waste minimization plans to reduce the amount of pollutants discharged to the POTW;
- (e) The unit charge or schedule of user charges and fees for the management of the wastewater discharged to the POTW;
- (f) Requirements for installation and maintenance of inspection and sampling facilities and equipment, including flow measurement devices;
- (g) A statement that compliance with the wastewater discharge permit does not relieve the permittee of responsibility for compliance with all applicable Federal and State pretreatment standards, including those which become effective during the term of the wastewater discharge permit; and
- (h) Other conditions as deemed appropriate by the City Manager to ensure compliance with this ordinance, and State and Federal laws, rules, and regulations.

(J) **PERMIT APPEAL PROCESS:** The permittee may petition the City Manager to reconsider the terms of a wastewater discharge permit within thirty (30) days of its issuance.

1. Failure to submit a timely petition for review shall be deemed to be a waiver of the administrative appeal.

2. In its petition, the appealing party must indicate the wastewater discharge permit provisions objected to, the reasons for this objection, and the alternative condition, if any, it seeks to place in the wastewater discharge permit.

3. The provisions and effectiveness of the wastewater discharge permit shall not be stayed pending the appeal.

4. If the City Manager fails to act within thirty (30) days, a request for reconsideration shall be deemed to be denied. Decisions not to reconsider a wastewater discharge permit, not to issue a wastewater discharge permit, or not to modify a wastewater discharge permit shall be considered final administrative actions for purposes of judicial review.

5. Aggrieved parties seeking judicial review of the final administrative wastewater discharge permit decision must do so by filing a complaint with the District Court within thirty (30) days.

(K) **WASTEWATER DISCHARGE PERMIT MODIFICATION:** The City Manager may modify a wastewater discharge permit for good cause, including, but not limited to, the following reasons:

1. To incorporate any new or revised Federal, State, or local pretreatment standards or requirements;

2. To address significant alterations or additions to the user's operation, processes, or wastewater volume or character since the time of wastewater discharge permit issuance;

3. A change in the POTW that requires either a temporary or permanent reduction or elimination of the authorized discharge;

4. Information indicating that the permitted discharge poses a threat to the POTW, City personnel, or the receiving waters;

5. Violation of any terms or conditions of the wastewater discharge permit;

6. Misrepresentations or failure to fully disclose all relevant facts in the wastewater discharge permit application or in any required reporting;

7. Revision of, or a grant of, a variance from categorical pretreatment standards pursuant to 40 CFR 403.13;

8. To correct typographical or other errors in the wastewater discharge permit.

(L) **WASTEWATER DISCHARGE PERMIT REVOCATION:** The City Manager may revoke a wastewater discharge permit for good cause, including, but not limited to, the following reasons:

1. Failure to notify the City Manager of significant changes to the wastewater prior to the changed discharge;

2. Failure to provide prior notification to the City Manager of changed conditions pursuant to Section 8-10-6(E) of this ordinance;
3. Misrepresentation or failure to fully disclose all relevant facts in the wastewater discharge permit application;
4. Falsifying self-monitoring reports;
5. Tampering with monitoring equipment;
6. Refusing to allow the City Manager timely access to the facility premises and records;
7. Failure to meet effluent limitations;
8. Failure to pay fines;
9. Failure to pay sewer charges;
10. Failure to meet compliance schedules;
11. Failure to complete a wastewater survey or the wastewater discharge permit application;
12. Violation of any pretreatment standard or requirement, or any terms of the wastewater discharge permit or this ordinance.

All wastewater discharge permits issued to a particular user are void upon the issuance of a new wastewater discharge permit to that user.

(M) **WASTEWATER DISCHARGE PERMIT REISSUANCE:** A user with an expiring wastewater discharge permit shall apply for wastewater discharge permit reissuance by submitting a complete permit application, in accordance with Section 8-10-4(E) of this ordinance, a minimum of 60 days prior to the expiration of the user's existing wastewater discharge permit.

8-10-5: REGULATION OF WASTE RECEIVED FROM OTHER JURISDICTIONS:

(A) If another municipality, or user located within another municipality, contributes wastewater to the POTW, the City Manager shall enter into an intermunicipal agreement with the contributing municipality.

(B) Prior to entering into an agreement required by paragraph 1, above, the City Manager shall request the following information from the contributing municipality:

1. A description of the quality and volume of wastewater discharged to the POTW by the contributing municipality;
2. An inventory of all users located within the contributing municipality that are discharging to the POTW; and
3. Such other information as the City Manager may deem necessary.

(C) An intermunicipal agreement, as required by paragraph 1, above, shall contain the following conditions:

1. A requirement for the contributing municipality to adopt a sewer use ordinance which is at least as stringent as this ordinance and local limits which are at least as stringent as those set out in Section 8-10-2(D) of this ordinance. The requirement shall specify that such ordinance and limits must be revised as necessary to reflect changes made to the City of Westminster's ordinance or local limits;
2. A requirement for the contributing municipality to submit a revised user inventory on at least an annual basis;
3. A provision specifying which pretreatment implementation activities, including wastewater discharge permit issuance, inspection and sampling, and enforcement, will be conducted by the contributing municipality; which of these activities will be conducted by the City Manager; and which of these activities will be conducted jointly by the contributing municipality and the City Manager;
4. A requirement for the contributing municipality to provide the City Manager with access to all information that the contributing municipality obtains as part of its pretreatment activities;
5. Limits on the nature, quality, and volume of the contributing municipality's wastewater at the point where it discharges to the POTW;
6. Requirements for monitoring the contributing municipality's discharge;
7. A provision ensuring the City Manager access to the facilities of users located within the contributing municipality's jurisdictional boundaries for the purpose of inspection, sampling, and any other duties deemed necessary by the City Manager; and
8. A provision specifying remedies available for breach of the terms of the intermunicipal agreement.

8-10-6: REPORTING REQUIREMENTS:

(A) BASELINE MONITORING REPORTS:

1. Within either one hundred eighty (180) days after the effective date of a categorical pretreatment standard, or the final administrative decision on a category determination under 40 CFR 403.6(a)(4), whichever is later, existing categorical users currently discharging to or scheduled to discharge to the POTW shall submit to the City Manager a report which contains the information listed in paragraph 2, below. At least ninety (90) days prior to commencement of their discharge, new sources, and sources that become categorical users subsequent to the promulgation of an applicable categorical standard, shall submit to the City Manager a report which contains the information listed in paragraph 2, below. A new source shall report the method of pretreatment it intends to use to meet applicable categorical standards. A new source also shall give estimates of its anticipated flow and quantity of pollutants to be discharged.

2. Users described above shall submit the information set forth below.

(a) All information required in Section 8-10-4(E)(1)(a)(1), Section 8-10-4(E)(1)(b), Section 8-10-4(E)(1)(c)(1), Section 8-10-4(E)(1)(f) and Section 8-10-4(E)(1)(g)(1).

(b) Measurement of pollutants.

(1) The results of sampling and analysis identifying the nature and concentration and/or mass, where required by the standard of by the City Manager, of regulated pollutants in the discharge from each regulated process. Instantaneous, daily maximum, and long-term average concentrations, or mass, where required, shall be reported.

(2) The user shall take a minimum of one sample representative of daily operations to compile that data necessary to comply with the requirements of this section.

(3) Samples should be taken immediately downstream from pretreatment facilities if such exist or immediately downstream from the regulated process if no pretreatment exists. If other wastewaters are mixed with the regulated wastewater prior to pretreatment the User should measure the flows and concentrations necessary to allow use of the combined wastestream formula of 40 CFR 403.6(e) in order to evaluate compliance with the Pretreatment Standards. Where an alternate concentration or mass limit has been calculated in accordance with 40 CFR 403.6(e) this adjusted limit along with supporting data shall be submitted to the City;

(4) Sampling and analysis shall be performed in accordance with section 8-10-6(J).

(5) The City Manager may allow the submission of a baseline report which utilizes only historical data so long as the data provides information sufficient to determine the need for industrial pretreatment measures;

(6) The baseline report shall indicate the time, date and place, of sampling, and methods of analysis, and shall certify that such sampling and analysis is representative of normal work cycles and expected pollutant discharges to the POTW.

(c) Compliance Certification. A statement, reviewed by the user's authorized representative as defined in Section 8-10-1(D)(2) and certified by a qualified professional, indicating whether pretreatment standards are being met on a consistent basis, and, if not, whether additional operation and maintenance (O&M) and/or additional pretreatment is required to meet the pretreatment standards and requirements.

(d) Compliance Schedule. If additional pretreatment and/or O&M will be required to meet the pretreatment standards, the shortest schedule by which the user will provide such additional pretreatment and/or O&M must be provided. The completion date in this schedule shall not be later than the compliance date established for the applicable pretreatment standard. A compliance schedule pursuant to this section must meet the requirements set out in Section 8-10-6(B) of this ordinance.

(e) Signature and Report Certification. All baseline monitoring reports must be certified in accordance with Section 8-10-6(N)(1) of this ordinance and signed by an authorized representative as defined by Section 8-10-1(D)(3).

(B) COMPLIANCE SCHEDULE PROGRESS REPORTS: The following conditions shall apply to the compliance schedule required by Section 8-10-6(A)(2)(d) of this ordinance:

1. The schedule shall contain progress increments in the form of dates for the commencement and completion of major events leading to the construction and operation of additional pretreatment required for the user to meet the applicable pretreatment standards (such events include, but are not limited to, hiring an engineer, completing preliminary and final plans, executing contracts for major components, commencing and completing construction, and beginning and conducting routine operation);

2. No increment referred to above shall exceed nine (9) months;
3. The user shall submit a progress report to the City Manager no later than fourteen (14) days following each date in the schedule and the final date of compliance including, as a minimum, whether or not it complied with the increment of progress, the reason for any delay, and, if appropriate, the steps being taken by the user to return to the established schedule; and
4. In no event shall more than nine (9) months elapse between such progress reports to the City Manager.

(C) **REPORTS ON COMPLIANCE WITH CATEGORICAL PRETREATMENT STANDARD DEADLINE:** Within ninety (90) days following the date for final compliance with applicable categorical pretreatment standards, or in the case of a new source following commencement of the introduction of wastewater into the POTW, any user subject to such pretreatment standards and requirements shall submit to the City Manager a report containing the information described in Section 8-10-4(E)(1)(f) and (g) and 8-10-6(A)(2)(b) of this ordinance. For users subject to equivalent mass or concentration limits established in accordance with the procedures in Section 8-10-2(B), this report shall contain a reasonable measure of the user's long-term production rate. For all other users subject to categorical pretreatment standards expressed in terms of allowable pollutant discharge per unit of production (or other measure of operation), this report shall include the user's actual production during the appropriate sampling period. All compliance reports must be signed and certified in accordance with Section 8-10-6(N)(1) of this ordinance. All sampling will be done in conformance with Section 8-10-6(K).

(D) **PERIODIC COMPLIANCE REPORTS:**

1. All significant industrial users must submit reports no less than twice per year (in June and December or on other dates specified by the City Manager), indicating the nature, concentration, and flow of pollutants in the discharge which are limited by pretreatment standards and the measured or estimated average and maximum daily flows for the reporting period. In cases where the Pretreatment Standard requires compliance with a Best Management Practice (BMP) or pollution prevention alternative, the User must submit documentation required by the City Manager or the Pretreatment Standard necessary to determine the compliance status of the User. The City Manager may require reporting more frequently than twice per year.

2. The City may authorize an Industrial User subject to a categorical Pretreatment Standard to forego sampling of a pollutant regulated by a categorical Pretreatment Standard if the Industrial User has demonstrated through sampling and other technical factors that the pollutant is neither present nor expected to be present in the Discharge, or is present only at background levels from intake water and without any increase in the pollutant due to activities of the Industrial User. This authorization is subject to the following conditions:

- (a) The waiver may be authorized where a pollutant is determined to be present solely due to sanitary wastewater discharged from the facility provided that the sanitary wastewater is not regulated by an applicable categorical Standard and otherwise includes no process wastewater.
- (b) The monitoring waiver is valid only for the duration of the effective period of the Permit, but in no case longer than 5 years. The User must submit a new request for the waiver before the waiver can be granted for each subsequent control mechanism.
- (c) In making a demonstration that a pollutant is not present, the Industrial User must provide data from at least one sampling of the facility's process wastewater prior to any treatment present at the facility that is representative of all wastewater from all processes.
- (d) The request for a monitoring waiver must be signed in accordance with Section 8-10-1(D)(2), and include the certification statement in 8-10-6(N)(1).
- (e) Non-detectable sample results may only be used as a demonstration that a pollutant is not present if the EPA approved method from 40 CFR Part 136 with the lowest minimum detection level for that pollutant was used in the analysis.
- (f) Any grant of the monitoring waiver by the City Manager must be included as a condition in the User's permit. The reasons supporting the waiver and any information submitted by the User in its request for the waiver must be maintained by the City Manager for 3 years after expiration of the waiver.
- (g) Upon approval of the monitoring waiver and revision of the User's permit by the City Manager, the Industrial User must certify on each report with the statement in Section 8-10-6(N)(3), that there has been no increase in the pollutant in its wastestream due to activities of the Industrial User:

(h) In the event that a waived pollutant is found to be present or is expected to be present based on changes that occur in the User's operations, the User must immediately: Notify the City manager and comply with the monitoring requirements of Section 8-10-6(D)(1), or other more frequent monitoring requirements imposed by the City Manager.

(i) This provision does not supercede certification processes and requirements established in categorical Pretreatment Standards, except as otherwise specified in the categorical Pretreatment Standard.

3. All periodic compliance reports must be signed and certified in accordance with Section 8-10-6(N)(1) of this ordinance.

4. All wastewater samples must be representative of the user's discharge. Wastewater monitoring and flow measurement facilities shall be properly operated, kept clean, and maintained in good working order at all times. The failure of a user to keep its monitoring facility in good working order shall not be grounds for the user to claim that sample results are unrepresentative of its discharge.

5. If a user subject to the reporting requirement in this section monitors any regulated pollutant at the appropriate sampling location more frequently than required by the City Manager, using the procedures prescribed in Section 8-10-6(K) of this ordinance, the results of this monitoring shall be included in the report.

(E) **REPORTS OF CHANGED CONDITIONS:** Each user must notify the City Manager of any significant changes to the user's operations or system which might alter the nature, quality, or volume of its wastewater at least thirty (30) days before the change. A significant change for the purposes of this paragraph is an increase in the volume of wastewater of 20% or more, an increase in pollutant concentration or pollutant mass of 20% or more, or the addition any new regulated pollutant.

1. The City Manager may require the user to submit such information as may be deemed necessary to evaluate the changed condition, including the submission of a wastewater discharge permit application under Section 8-10-4(E) of this chapter.

2. The City Manager may issue a wastewater discharge permit or modify an existing wastewater discharge permit in response to changed conditions or anticipated changed conditions.

(F) **REPORTS OF POTENTIAL PROBLEMS:**

1. In the case of any discharge, including, but not limited to, accidental discharges, discharges of a nonroutine, episodic nature, a noncustomary batch discharge, a slug discharge or slug load, that may cause potential problems for the POTW, the user shall immediately telephone and notify the POTW of the incident. This notification shall include the location of the discharge, type of waste, concentration and volume, if known, and corrective actions taken by the user.

2. Within five (5) days following such discharge, the user shall, unless waived by the City Manager, submit a detailed written report describing the cause(s) of the discharge and the measures to be taken by the user to prevent similar future occurrences. Such notification shall not relieve the user of any expense, loss, damage, or other liability which may be incurred as a result of damage to the POTW, natural resources, or any other damage to person or property; nor shall such notification relieve the user of any fines, penalties, or other liability which may be imposed pursuant to this ordinance.

3. A notice shall be permanently posted on the user's bulletin board or other prominent place advising employees who to call in the event of a discharge described in paragraph 1, above. Employers shall ensure that all employees, who may cause such a discharge to occur, are advised of the emergency notification procedure.

4. Significant Industrial Users are required to notify the City Manager immediately of any changes at its facility affecting potential for a slug discharge.

(G) **REPORTS FROM UNPERMITTED USERS:** All users not required to obtain a wastewater discharge permit shall provide appropriate reports to the City Manager as the City Manager may require.

(H) **NOTICE OF VIOLATION/REPEAT SAMPLING AND REPORTING:** If sampling performed by a user indicates a violation, the user must notify the POTW within twenty-four (24) hours of becoming aware of the violation. The user shall also repeat the sampling and analysis and submit the results of the repeat analysis to the City Manager within thirty (30) days after becoming aware of the violation. Resampling by the Industrial User is not required if the City performs sampling at the user's facility at least once a month, or if the City performs sampling at the user between the time when the initial sampling was conducted and the time when the user or the City receives the results of this sampling.

(I) **NOTIFICATION OF THE DISCHARGE OF HAZARDOUS WASTE:**

1. Any user who commences the discharge of hazardous waste shall notify the POTW, the EPA Regional Waste Management Division Director, and State hazardous waste authorities, in writing, of any discharge into the POTW of a substance which, if otherwise disposed of, would be a hazardous waste under 40 CFR Part 261. Such notification must include the name of the hazardous waste as set forth in 40 CFR Part 261, the EPA hazardous waste number, and the type of discharge (continuous, batch, or other). If the user discharges more than one hundred (100) kilograms of such waste per calendar month to the POTW, the notification also shall contain the following information to the extent such information is known and readily available to the user: an identification of the hazardous constituents contained in the wastes, an estimation of the mass and concentration of such constituents in the wastestream discharged during that calendar month, and an estimation of the mass of constituents in the wastestream expected to be discharged during the following twelve (12) months. All notifications must take place no later than one hundred and eighty (180) days after the discharge commences. Any notification under this paragraph need be submitted only once for each hazardous waste discharged. However, notifications of changed conditions must be submitted under Section 8-10-6(E) of this ordinance. The notification requirement in this section does not apply to pollutants already reported by users subject to categorical pretreatment standards under the self-monitoring requirements of Sections 8-10-6(A), 8-10-6(C), and 8-10-6(D) of this ordinance.

2. Dischargers are exempt from the requirements of paragraph A, above, during a calendar month in which they discharge no more than fifteen (15) kilograms of hazardous wastes, unless the wastes are acute hazardous wastes as specified in 40 CFR 261.30(d) and 261.33(e). Discharge of more than fifteen (15) kilograms of nonacute hazardous wastes in a calendar month, or of any quantity of acute hazardous wastes as specified in 40 CFR 261.30(d) and 261.33(e), requires a one-time notification. Subsequent months during which the user discharges more than such quantities of any hazardous waste do not require additional notification.

3. In the case of any new regulations under Section 3001 of RCRA identifying additional characteristics of hazardous waste or listing any additional substance as a hazardous waste, the user must notify the POTW, the EPA Regional Waste Management Waste Division Director, and State hazardous waste authorities of the discharge of such substance within ninety (90) days of the effective date of such regulations.

4. In the case of any notification made under this section, the user shall certify that it has a program in place to reduce the volume and toxicity of hazardous wastes generated to the degree it has determined to be economically practical.

5. This provision does not create a right to discharge any substance not otherwise permitted to be discharged by this ordinance, a permit issued thereunder, or any applicable Federal or State law.

(J) **ANALYTICAL REQUIREMENTS:** All pollutant analyses, including sampling techniques, to be submitted as part of a wastewater discharge permit application or report shall be performed in accordance with the techniques prescribed in 40 CFR Part 136 and amendments thereto, unless otherwise specified in an applicable categorical pretreatment standard. If 40 CFR Part 136 does not contain sampling or analytical techniques for the pollutant in question, or where the EPA determines that the Part 136 sampling and analytical techniques are inappropriate for the pollutant in question, sampling and analyses shall be performed by using validated analytical methods or any other applicable sampling and analytical procedures, including procedures suggested by the City Manager or other parties approved by EPA.

(K) **SAMPLE COLLECTION:** Samples collected to satisfy reporting requirements must be based on data obtained through appropriate sampling and analysis performed during the period covered by the report, based on data that is representative of conditions occurring during the reporting period. The City Manager shall require that frequency of monitoring necessary to assess and assure compliance by the user with applicable pretreatment standards and requirements.

1. Except as indicated in Section 2 and 3 below, the user must collect wastewater samples using 24-hour flow-proportional composite sampling techniques, unless time-proportional composite sampling or grab sampling is authorized by the City Manager. Where time-proportional composite sampling or grab sampling is authorized by the City, the samples must be representative of the discharge. Using protocols (including appropriate preservation) specified in 40 CFR Part 136 and appropriate EPA guidance, multiple grab samples collected during a 24-hour period may be composited prior to the analysis as follows: for cyanide, total phenols, and sulfides the samples may be composited in the laboratory or in the field; for volatile organics and oil & grease the samples may be composited in the

laboratory. Composite samples for other parameters unaffected by the compositing procedures as documented in approved EPA methodologies may be authorized by the City, as appropriate.

2. Samples for oil and grease, temperature, pH, cyanide, total phenols, sulfides, and volatile organic compounds must be obtained using grab collection techniques.

3. For sampling required in support of baseline monitoring and 90-day compliance reports required in Section 8-10-6(A) and 8-10-6(C), a minimum of four (4) grab samples must be used for pH, cyanide, total phenols, oil and grease, sulfide and volatile organic compounds for facilities for which historical sampling data do not exist; for facilities for which historical sampling data are available, the City Manager may authorize a lower minimum. For the reports required by Section 8-10-6(D), the City shall require the number of grab samples necessary to assess and assure compliance by industrial users with applicable pretreatment standards and requirements.

(L) DATE OF RECEIPT OF REPORTS: Written reports delivered by mail or other carrier will be deemed to have been submitted on the date postmarked. Other reports will be deemed submitted on the date of receipt.

(M) RECORD KEEPING:

Users subject to the reporting requirements of this ordinance shall retain, and make available for inspection and copying, all records of information obtained pursuant to any monitoring activities required by this ordinance, any additional records of information obtained pursuant to monitoring activities undertaken by the user independent of such requirements, and documentation associated with Best Management Practices established under Section 8-10-2(D)(3). Records shall include the date, exact place, method, and time of sampling, and the name of the person(s) taking the samples; the dates analyses were performed; who performed the analyses; the analytical techniques or methods used; and the results of such analyses. These records shall remain available for a period of at least three (3) years. This period shall be automatically extended for the duration of any litigation concerning the user or the City, or where the user has been specifically notified of a longer retention period by the City Manager.

(N) CERTIFICATION STATEMENTS:

1. Certification of Permit Applications, User Reports and Initial Monitoring Waiver – The following certification statement is required to be signed and submitted by users submitting permit applications in accordance with Section 8-10-4(G); users submitting baseline monitoring reports under Section 8-10-6(A); users submitting reports on compliance with the categorical pretreatment standard deadlines under Section 8-10-6(C); users submitting periodic compliance reports required by Section 8-10-6(D), and users submitting an initial request to forego sampling of a pollutant based on Section 8-10-6(D)(2). The following certification statement must be signed by an authorized representative as defined by Section 8-10-1(D)(2):

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

2. Annual Certification for Non-Significant Categorical Industrial Users - A facility determined to be a Non-Significant Categorical Industrial User by the City Manager pursuant to 8-10-1(D)(31)(c) and 8-10-4(G)(3) must annually submit the following certification statement signed in accordance with the signatory requirements in 8-10-1(D)(2). This certification must accompany an alternative report required by the City Manager:

Based on my inquiry of the person or persons directly responsible for managing compliance with the categorical Pretreatment Standards under 40 CFR ____, I certify that, to the best of my knowledge and belief that during the period from _____, _____ to _____, _____ [months, days, year]:

(a) The facility described as _____

[facility name] met the definition of a non-significant categorical Industrial User as described in section 8-10-1(D)(31)(c) [40 CFR 403.3(v)(2)];

(b) the facility complied with all applicable Pretreatment Standards and requirements during this reporting period; and (c) the facility never discharged more than 100 gallons of total categorical wastewater on any given day during this reporting period.

This compliance certification is based upon the following information.

3. Certification of Pollutants Not Present. Users that have an approved monitoring waiver based on Section 8-10-6(D)(2) must certify on each report with the following statement that there has been no increase in the pollutant in its wastestream due to activities of the user.

Based on my inquiry of the person or persons directly responsible for managing compliance with the Pretreatment Standard for 40 CFR _____ [specify applicable National Pretreatment Standard part(s)], I certify that, to the best of my knowledge and belief, there has been no increase in the level of _____ [list pollutant(s)] in the wastewaters due to the activities at the facility since filing of the last periodic report under Section 8-10-6.

8-10-7: COMPLIANCE MONITORING:

(A) RIGHT OF ENTRY: INSPECTION AND SAMPLING: The City Manager shall have the right to enter the premises of any user to determine whether the user is complying with all requirements of this ordinance and any wastewater discharge permit or order issued hereunder. Users shall allow the City Manager ready access to all parts of the premises for the purposes of inspection, whether announced or unannounced, sampling, records examination and copying, and the performance of any additional duties.

1. Where a user has security measures in force which require proper identification and clearance before entry into its premises, the user shall make necessary arrangements with its security guards so that, upon presentation of suitable identification, the City Manager will be permitted to enter without delay for the purposes of performing specific responsibilities.

2. The City Manager shall have the right to set up on the user's property, or require installation of, such devices as are necessary to conduct sampling and/or metering of the user's operations.

3. The City Manager may require the user to install monitoring equipment as necessary. The facility's sampling and monitoring equipment shall be maintained at all times in a safe and proper operating condition by the user at its own expense. All devices used to measure wastewater flow and quality shall be calibrated to ensure their accuracy. The City manager may specify the frequency of required calibrations.

4. Any temporary or permanent obstruction to safe and easy access to the facility to be inspected and/or sampled shall be promptly removed by the user at the written or verbal request of the City Manager and shall not be replaced. The costs of clearing such access shall be born by the user.

5. Delays in allowing the City Manager access to the user's premises shall be a violation of this ordinance.

(B) SEARCH WARRANTS:

If the City Manager has been refused access to a building, structure, or property, or any part thereof, and is able to demonstrate probable cause to believe that there may be a violation of this ordinance, or that there is a need to inspect and/or sample as part of a routine inspection and sampling program of the City designed to verify compliance with this ordinance or any permit or order issued hereunder, or to protect the overall public health, safety and welfare of the community, then the City Manager may seek issuance of a search warrant from the Municipal Court.

8-10-8: CONFIDENTIAL INFORMATION:

Information and data on a user obtained from reports, surveys, wastewater discharge permit applications, wastewater discharge permits, and monitoring programs, and from the City Manager's inspection and sampling activities, shall be available to the public without restriction, unless the user specifically requests, and is able to demonstrate to the satisfaction of the City Manager, that the release of such

information would divulge information, processes, or methods of production entitled to protection as trade secrets under applicable State and federal law. Any such request must be asserted at the time of submission of the information or data. When requested and demonstrated by the user furnishing a report that such information should be held confidential, the portions of a report which might disclose trade secrets or secret processes shall not be made available for inspection by the public, but shall be made available immediately upon request to governmental agencies for uses related to the NPDES program or pretreatment program, and in enforcement proceedings involving the person furnishing the report. Wastewater constituents and characteristics and other effluent data, as defined by 40 CFR 2.302 will not be recognized as confidential information and will be available to the public without restriction.

8-10-9: PUBLICATION OF USERS IN SIGNIFICANT NONCOMPLIANCE:

The City Manager shall publish at least annually, in a newspaper of general circulation that provides meaningful public notice within the jurisdictions served by the POTW, a list of the users which, at any time during the previous twelve (12) months, were in significant noncompliance with applicable pretreatment standards and requirements. The term significant noncompliance shall be applicable to any significant industrial user that meets any of the criteria in paragraphs (A) through (H) below and any other user that meets the definition in paragraphs (C), (D) or (H) below. Significant noncompliance shall mean:

(A) Chronic violations of wastewater discharge limits, defined here as those in which sixty-six percent (66%) or more of all of the measurements taken for the same pollutant parameter taken during a six- (6-) month period exceed (by any magnitude) a numeric pretreatment standard or requirement;

(B) Technical Review Criteria (TRC) violations, defined here as those in which thirty-three percent (33%) or more of wastewater measurements taken for each pollutant parameter during a six- (6-) month period equals or exceeds the product of the numeric pretreatment standard multiplied by the applicable criteria (1.4 for BOD, TSS, fats, oils and grease, and 1.2 for all other pollutants except pH);

(C) Any other violation of a pretreatment standard or requirement, as defined by Section 8-10-1(D), (daily maximum, long-term average, instantaneous limit, or narrative standard) that the City Manager determines has caused, alone or in combination with other discharges, interference or pass through, including endangering the health of POTW personnel or the general public;

(D) Any discharge of a pollutant that has caused imminent endangerment to the public or to the environment, or has resulted in the City Manager's exercise of its emergency authority to halt or prevent such a discharge;

(E) Failure to meet, within ninety (90) days of the scheduled date, a compliance schedule milestone contained in a wastewater discharge permit or enforcement order for starting construction, completing construction, or attaining final compliance;

(F) Failure to provide within thirty (30) days after the due date, any required reports, including baseline monitoring reports, reports on compliance with categorical pretreatment standard deadlines, periodic self-monitoring reports, and reports on compliance with compliance schedules;

(G) Failure to accurately report noncompliance; or

(H) Any other violation(s), which may include a violation of Best Management Practices, which the City Manager determines will adversely affect the operation or implementation of the local pretreatment program.

8-10-10: ADMINISTRATIVE ENFORCEMENT REMEDIES:

(A) **NOTIFICATION OF VIOLATION:** When the City Manager finds that a user has violated, or continues to violate, any provision of this ordinance, a wastewater discharge permit or order issued hereunder, or any other pretreatment standard or requirement, the City Manager may serve upon that user a written Notice of Violation. The Notice of Violation may include specific required actions and may require the user to submit an explanation of the violation and a plan for the satisfactory correction and prevention thereof. Submission of this plan in no way relieves the user of liability for any violations occurring before or after receipt of the Notice of Violation. Nothing in this section shall limit the authority of the City Manager to take any action, including emergency actions or any other enforcement action, without first issuing a Notice of Violation.

(B) **CONSENT ORDERS:** The City Manager may enter into Consent Orders, assurances of voluntary compliance, or other similar documents establishing an agreement with any user responsible for

noncompliance. Such documents will include specific action to be taken by the user to correct the noncompliance within a time period specified by the document. Such documents shall have the same force and effect as the administrative orders issued pursuant to Sections 8-10-10(D) and 8-10-10(E) of this ordinance and shall be judicially enforceable.

(C) **SHOW CAUSE HEARING:** The City Manager may order a user which has violated, or continues to violate, any provision of this ordinance, a wastewater discharge permit or order issued hereunder, or any other pretreatment standard or requirement, to appear before the City Manager and show cause why the proposed enforcement action should not be taken. Notice shall be served on the user specifying the time and place for the meeting, the proposed enforcement action, the reasons for such action, and a request that the user show cause why the proposed enforcement action should not be taken. The notice of the meeting shall be served personally or by registered or certified mail (return receipt requested) at least fourteen (14) days prior to the hearing. Such notice may be served on any authorized representative of the user as defined in Section 8-10-1(D)(2). A show cause hearing shall not be a bar against, or prerequisite for, taking any other action against the user.

(D) **COMPLIANCE ORDERS:** When The City Manager finds that a user has violated, or continues to violate, any provision of this ordinance, a wastewater discharge permit or order issued hereunder, or any other pretreatment standard or requirement, the City Manager may issue an order to the user responsible for the discharge, directing that the user come into compliance within a specified time. If the user does not come into compliance within the time provided, sewer service may be discontinued unless adequate treatment facilities, devices, or other related appurtenances are installed and properly operated. Compliance orders also may contain other requirements to address the noncompliance, including additional self-monitoring and management practices designed to minimize the amount of pollutants discharged to the sewer. A compliance order may not extend the deadline for compliance established for a pretreatment standard or requirement, nor does a compliance order relieve the user of liability for any violation, including any continuing violation. Issuance of a compliance order shall not be a bar against, or a prerequisite for, taking any other action against the user.

(E) **CEASE AND DESIST ORDERS:** When the City Manager finds that a user has violated, or continues to violate, any provision of this ordinance, a wastewater discharge permit or order issued hereunder, or any other pretreatment standard or requirement, or that the user's past violations are likely to recur, the City Manager may issue an order to the user directing it to cease and desist all such violations and directing the user to:

1. Immediately comply with all requirements; and
2. Take such appropriate remedial or preventive action as may be needed to properly address a continuing or threatened violation, including halting operations and/or terminating the discharge. Issuance of a cease and desist order shall not be a bar against, or a prerequisite for, taking any other action against the user.

(F) **ADMINISTRATIVE FINES:**

1. When the City Manager finds that a user has violated, or continues to violate, any provision of this ordinance, a wastewater discharge permit or order issued hereunder, or any other pretreatment standard or requirement, the City Manager may fine such user in an amount not to exceed \$1000.00. Such fines shall be assessed on a per-violation, per-day basis. In the case of monthly or other long-term average discharge limits, fines shall be assessed for each day during the period of violation.

2. Unpaid charges, fines, and penalties shall be assessed and accrue interest in accordance with the provisions of Chapter 8 of Title 1, Westminster Municipal Code, entitled "Penalties and Interest," as it may be amended from time to time.

3. Users desiring to dispute such fines must file a written request for the City Manager to reconsider the fine along with full payment of the fine amount within thirty (30) days of being notified of the fine. Where a request has merit, the City Manager may convene a hearing on the matter. In the event the user's appeal is successful, the payment, together with any interest accruing thereto, shall be returned to the user. The City Manager may add the costs of preparing administrative enforcement actions, such as notices and orders, to the fine.

4. Issuance of an administrative fine shall not be a bar against, or a prerequisite for, taking any other action against the user.

(G) **EMERGENCY SUSPENSIONS:** The City Manager may immediately suspend a user's discharge, after informal notice to the user, whenever such suspension is necessary to stop an actual or threatened discharge, which reasonably appears to present, or cause an imminent or substantial

endangerment to the health or welfare of persons, or threatens to interfere with the operation of the POTW, or which presents, or may present, an endangerment to the environment.

1. Any user notified of a suspension of its discharge shall immediately stop or eliminate its contribution. In the event of a user's failure to immediately comply voluntarily with the suspension order, the City Manager may take such steps as deemed necessary, including immediate severance of the sewer connection, to prevent or minimize damage to the POTW, its receiving stream, or endangerment to any individuals. The City Manager may allow the user to recommence its discharge when the user has demonstrated to the satisfaction of the City Manager that the period of endangerment has passed, unless the termination proceedings in Section 8-10-10(H) of this ordinance are initiated against the user.

2. A user that is responsible, in whole or in part, for any discharge presenting imminent endangerment shall submit a detailed written statement, describing the causes of the harmful contribution and the measures taken to prevent any future occurrence, to the City Manager prior to the date of any show cause or termination hearing under Sections 8-10-10(C) or 8-10-10(H) of this ordinance. Nothing in this section shall be interpreted as requiring a hearing prior to any Emergency Suspension under this section.

(H) **TERMINATION OF DISCHARGE:** In addition to the provisions in Section 8-10-4(L) of this ordinance, any user who violates the following conditions is subject to discharge termination:

1. Violation of wastewater discharge permit conditions;
2. Failure to accurately report the wastewater constituents and characteristics of its discharge;
3. Failure to report significant changes in operations or wastewater volume, constituents, and characteristics prior to discharge;
4. Refusal of reasonable access to the user's premises for the purpose of inspection, monitoring, or sampling; or
5. Violation of the pretreatment standards in Section 8-10-2 of this ordinance.

Such user will be notified of the proposed termination of its discharge and be offered an opportunity to show cause under Section 8-10-10(C) of this ordinance why the proposed action should not be taken. Exercise of this option by the City Manager shall not be a bar to, or a prerequisite for, taking any other action against the user.

8-10-11: JUDICIAL ENFORCEMENT REMEDIES:

(A) **INJUNCTIVE RELIEF:** When the City Manager finds that a user has violated, or continues to violate, any provision of this ordinance, a wastewater discharge permit, or order issued hereunder, or any other pretreatment standard or requirement, the City Manager may petition the District Court through the City's Attorney for the issuance of a temporary or permanent injunction, as appropriate, which restrains or compels the specific performance of the wastewater discharge permit, order, or other requirement imposed by this ordinance on activities of the user. The City Manager may also seek such other action as is appropriate for legal and/or equitable relief, including a requirement for the user to conduct environmental remediation. A petition for injunctive relief shall not be a bar against, or a prerequisite for, taking any other action against a user.

(B) **CIVIL PENALTIES:**

1. A user who has violated, or continues to violate, any provision of this ordinance, a wastewater discharge permit, or order issued hereunder, or any other pretreatment standard or requirement shall be liable to the City for a maximum civil penalty of \$1,000 per violation, per day. In the case of a monthly or other long-term average discharge limit, penalties shall accrue for each day during the period of the violation.

2. The City may recover reasonable attorneys' fees, court costs, and other expenses associated with enforcement activities, including sampling and monitoring expenses, and the cost of any actual damages incurred by the City.

3. In determining the amount of civil liability, the Court shall take into account all relevant circumstances, including, but not limited to, the extent of harm caused by the violation, the magnitude and duration of the violation, any economic benefit gained through the user's violation, corrective actions by the user, the compliance history of the user, and any other factor as justice requires.

4. Filing a suit for civil penalties shall not be a bar against, or a prerequisite for, taking any other action against a user.

(C) **CRIMINAL PROSECUTION:**

1. A user who willfully or negligently violates any provision of this ordinance, a wastewater discharge permit, or order issued hereunder, or any other pretreatment standard or requirement shall, upon conviction, be guilty of a misdemeanor, punishable by a fine of not more than \$1000.00 per violation, per day, or imprisonment for not more than one (1) year, or both.

2. A user who willfully or negligently introduces any substance into the POTW which causes personal injury or property damage shall be subject to the penalty provisions of State law. This penalty shall be in addition to any other civil cause of action for personal injury or property damage available under State law.

3. A user who knowingly makes any false statements, representations, or certifications in any application, record, report, plan, or other documentation filed, or required to be maintained, pursuant to this ordinance, wastewater discharge permit, or order issued hereunder, or who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required under this ordinance shall, upon conviction, be punished by a fine of not more than \$1000.00 per violation, per day, or imprisonment for not more than one (1) year, or both.

(D) REMEDIES NONEXCLUSIVE: The remedies provided for in this ordinance are not exclusive. The City Manager may take any, all, or any combination of these actions against a noncompliant user. Enforcement of pretreatment violations will generally be in accordance with the City's enforcement response plan. However, the City Manager may take other action against any user when the circumstances warrant. Further, the City Manager is empowered to take more than one enforcement action against any noncompliant user.

8-10-12: SUPPLEMENTAL ENFORCEMENT ACTION:

(A) LIABILITY INSURANCE: The City Manager may decline to issue or reissue a wastewater discharge permit to any user who has failed to comply with any provision of this ordinance, a previous wastewater discharge permit, or order issued hereunder, or any other pretreatment standard or requirement, unless the user first submits proof that it has obtained financial assurances sufficient to restore or repair damage to the POTW caused by its discharge.

(B) PAYMENT OF OUTSTANDING FEES AND PENALTIES: The City Manager may decline to issue or reissue a wastewater discharge permit to any user who has failed to pay any outstanding fees, fines or penalties incurred as a result of any provision of this ordinance, a previous wastewater discharge permit, or order issued hereunder.

(C) WATER SUPPLY SEVERANCE: Whenever a user has violated or continues to violate any provision of this ordinance, a wastewater discharge permit, or order issued hereunder, or any other pretreatment standard or requirement, water service to the user may be severed. Service will only recommence, at the user's expense, after it has satisfactorily demonstrated its ability to comply.

(D) PUBLIC NUISANCES:

A violation of any provision of this ordinance, a wastewater discharge permit, or order issued hereunder, or any other pretreatment standard or requirement is hereby declared a public nuisance and shall be corrected or abated as directed by the City Manager. Any person(s) creating a public nuisance shall be subject to the provisions of the Westminster Municipal Code governing such nuisances, including reimbursing the City for any costs incurred in removing, abating, or remedying said nuisance.

8-10-13: AFFIRMATIVE DEFENSES TO DISCHARGE VIOLATIONS:

(A) UPSET:

1. For the purposes of this section, upset means an exceptional incident in which there is unintentional and temporary noncompliance with categorical pretreatment standards because of factors beyond the reasonable control of the user. An upset does not include noncompliance to the extent caused by operational error, improperly designed treatment facilities, inadequate treatment facilities, lack of preventive maintenance, or careless or improper operation.

2. An upset shall constitute an affirmative defense to an action brought for noncompliance with categorical pretreatment standards if the requirements of paragraph 3., below, are met.

3. A user who wishes to establish the affirmative defense of upset shall demonstrate, through properly signed, contemporaneous operating logs, or other relevant evidence that:

(a) An upset occurred and the user can identify the cause(s) of the upset;

(b) The facility was at the time being operated in a prudent and workman-like manner and in compliance with applicable operation and maintenance procedures; and

(c) The user has submitted the following information to the City Manager within twenty-four (24) hours of becoming aware of the upset if this information is provided orally, a written submission must be provided within five (5) days containing the following information:

(1) A description of the indirect discharge and cause of noncompliance;

(2) The period of noncompliance, including exact dates and times or, if not corrected, the anticipated time the noncompliance is expected to continue; and

(3) Steps being taken and/or planned to reduce, eliminate, and prevent recurrence of the noncompliance.

4. In any enforcement proceeding, the user seeking to establish the occurrence of an upset shall have the burden of proof.

5. Users will have the opportunity for a judicial determination on any claim of upset only in an enforcement action brought for noncompliance with categorical pretreatment standards.

6. Users shall control production of all discharges to the extent necessary to maintain compliance with categorical pretreatment standards upon reduction, loss, or failure of its treatment facility until the facility is restored or an alternative method of treatment is provided. This requirement applies in the situation where, among other things, the primary source of power of the treatment facility is reduced, lost, or fails.

(B) **PROHIBITED DISCHARGE STANDARDS:** A user shall have an affirmative defense to an enforcement action brought against it for noncompliance with the general prohibitions in Section 8-10-2(A)(1) of this ordinance or the specific prohibitions in Sections 8-10-2(A)(2)(c) through 8-10-2(A)(2)(j) of this ordinance if it can prove that it did not know, or have reason to know, that its discharge, alone or in conjunction with discharges from other sources, would cause pass through or interference and that either:

1. A local limit exists for each pollutant discharged and the user was in compliance with each limit directly prior to, and during, the pass through or interference; or

2. No local limit exists, but the discharge did not change substantially in nature or constituents from the user's prior discharge when the City was regularly in compliance with its NPDES permit, and in the case of interference, was in compliance with applicable sludge use or disposal requirements.

(C) **BYPASS:**

1. For the purposes of this section:

(a) "Bypass" means the intentional diversion of wastestreams from any portion of a user's treatment facility.

(b) "Severe property damage" means substantial physical damage to property, damage to the treatment facilities which causes them to become inoperable, or substantial and permanent loss of natural resources, which can reasonably be expected to occur in the absence of a bypass. Severe property damage does not mean economic loss caused by delays in production.

2. A user may allow any bypass to occur which does not cause pretreatment standards or requirements to be violated, but only if it also is for essential maintenance to assure efficient operation. These bypasses are not subject to the provision of paragraphs 3 and 4 of this section.

3. Bypass Notifications:

(a) If a user knows in advance of the need for a bypass, it shall submit prior notice to the City Manager, at least ten (10) days before the date of the bypass, if possible.

(b) A user shall submit oral notice to the City Manager of an unanticipated bypass that exceeds applicable pretreatment standards within twenty-four (24) hours from the time it becomes aware of the bypass. A written submission shall also be provided within five (5) days of the time the user becomes aware of the bypass. The written submission shall contain a description of the bypass and its cause; the duration of the bypass, including exact dates and times, and, if the bypass has not been corrected, the anticipated time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent reoccurrence of the bypass. The City Manager may waive the written report on a case-by-case basis if the oral report has been received within twenty-four (24) hours.

4. Bypass:

(a) Bypass is prohibited, and the City may take an enforcement action against a user for a bypass, unless:

(1) Bypass was unavoidable to prevent loss of life, personal injury, or severe property damage;

(2) There were no feasible alternatives to the bypass, such as the use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if adequate back-up equipment should have been installed in the exercise of reasonable engineering judgment to prevent a bypass which occurred during normal periods of equipment downtime or preventive maintenance; and

(3) The user submitted notices as required under paragraph 3 of this section.

(b) The City Manager may approve an anticipated bypass, after considering its adverse effects, if the City Manager determines that it will meet the three conditions listed in paragraph (C)(4)(a) of this section.

8-10-14: PRETREATMENT CHARGES AND FEES:

(A) The City may adopt reasonable fees for reimbursement of costs of setting up and operating the City's Pretreatment Program which may include:

1. Fees for wastewater discharge permit applications including the cost of processing such applications;

2. Fees for monitoring, inspection, and surveillance procedures including the cost of collection and analyzing a user's discharge, and reviewing monitoring reports submitted by users;

3. Fees for reviewing and responding to accidental discharge procedures and construction;

4. Fees for filing appeals;

5. Fees to recover administrative and legal costs associated with the enforcement activity taken by the City to address IU noncompliance; and

6. Other fees as the City may deem necessary to carry out the requirements contained herein.

(B) These fees relate solely to the matters covered by this ordinance and are separate from all other fees, fines, and penalties chargeable by the City.

ORDINANCE NO. 3382
SERIES OF 2007

COUNCILLOR'S BILL NO. 53
INTRODUCED BY COUNCILLORS
Dittman - Lindsey

**A BILL FOR AN ORDINANCE AMENDING THE 2007 BUDGETS OF THE GENERAL FUND
AND AUTHORIZING A SUPPLEMENTAL APPROPRIATION FROM THE 2007 ESTIMATED
REVENUES IN THE FUNDS**

THE CITY OF WESTMINSTER ORDAINS:

Section 1. The 2007 appropriation for the General Fund initially appropriated by Ordinance No. 3316 is hereby increased by \$83,087. This appropriation is due to the receipt of Grant Funds.

Section 2. The \$83,087 increase shall be allocated to City Revenue and Expense accounts as described in the City Council Agenda Item 10 G&H, dated September 10, 2007 (a copy of which may be obtained from the City Clerk) increasing City fund budgets as follows:

General Fund	\$83,087
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Total	<u>\$83,087</u>
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Section 3 – Severability. The provisions of this Ordinance shall be considered as severable. If any section, paragraph, clause, word, or any other part of this Ordinance shall for any reason be held to be invalid or unenforceable by a court of competent jurisdiction, such part shall be deemed as severed from this ordinance. The invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect the construction or enforceability of any of the remaining provisions, unless it is determined by a court of competent jurisdiction that a contrary result is necessary in order for this Ordinance to have any meaning whatsoever.

Section 4. This ordinance shall take effect upon its passage after the second reading.

Section 5. This ordinance shall be published in full within ten days after its enactment.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 10th day of September, 2007. PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 24th day of September, 2007.

**A BILL FOR AN ORDINANCE AUTHORIZING THE ISSUANCE OF SALES AND USE TAX
REVENUE REFUNDING BONDS, SERIES 2007C, OF THE CITY OF WESTMINSTER,
COLORADO, PROVIDING OTHER DETAILS IN CONNECTION THEREWITH; AND
DECLARING AN EMERGENCY**

THE CITY OF WESTMINSTER ORDAINS:

Definitions. As used herein, unless the context clearly indicates otherwise, the following terms shall have the respective meanings set forth below:

Beneficial Owner: any Person for which a Participant acquires an interest in the Bonds.

Bond Fund: offsetting revenue and expense accounts within the General Debt Service Fund of the City, designated as the "2007C Sales and Use Tax Revenue Bonds" created by the provisions of this Ordinance.

Bond Insurance Policy: the financial guaranty insurance policy or municipal bond insurance policy issued by the Bond Insurer guaranteeing the payment when due of the principal of and interest on the Bonds, if set forth in the Sale Certificate.

Bond Insurer: means the provider of any financial guaranty insurance policy or municipal bond insurance policy, or any successor thereto, if set forth in the Sale Certificate.

Bond Purchase Agreement: the agreement between the City and the Underwriter, concerning the purchase of the Bonds by the Underwriter.

Bonds: the Sales and Use Tax Revenue Refunding Bonds, Series 2007C, as authorized by this Ordinance.

Cede: Cede & Co., the nominee of DTC as record owner of the Bonds, or any successor nominee of DTC with respect to the Bonds.

Charter: the home rule charter of the City adopted in accordance with Article XX of the Colorado Constitution.

City: the City of Westminster, Adams and Jefferson Counties, Colorado.

Code: the Internal Revenue Code of 1986, as in effect on the date of delivery of the Bonds.

Combined Average Annual Principal and Interest Requirements: with regard to any two or more particular issues of bonds or other obligations, the aggregate of all future payments of principal of and interest on all of said issues (excluding redemption premiums) to become due from the date of computation to the date of maturity of the latest maturing obligation of any of said issues, divided by the number of years between said dates; provided that if any particular issue has a single principal payment date and is issued as interim notes or securities in anticipation of permanent financing, such principal amount shall be excluded from this computation; provided further that such computation shall assume the redemption and payment of bonds or other obligations subject to mandatory redemption, but shall be made without regard to optional redemption.

Continuing Disclosure Certificate: the undertaking executed by officers of the City simultaneous with the delivery of the Bonds which enables the Underwriter to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission.

Council: the City Council of the City of Westminster, Colorado.

C.R.S.: the Colorado Revised Statutes, as amended and supplemented as of the date hereof.

Depository: any securities depository as the City may provide and appoint to act as securities depository for the Bonds in accordance with the guidelines of the Securities and Exchange Commission.

DTC: the Depository Trust Company, New York, New York, and its successors and assigns.

Escrow Account: the account created and maintained by the Escrow Bank pursuant to the Escrow Agreement.

Escrow Agreement: the Escrow Agreement dated as of its date, between the City and the Escrow Bank.

Escrow Bank: American National Bank, or its successors and assigns, acting as Escrow Bank under the Escrow Agreement.

Event of Default: any one or more of the events set forth in 0 of this Ordinance.

Federal Securities: direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, provided, that the full faith and credit of the United States of America must be pledged to any such direct obligation or guarantee.

Finance Director: the Finance Director of the City.

General Debt Service Fund: the “General Debt Service Fund” heretofore established as a governmental fund of the City.

Insurance Trustee: the commercial bank appointed by the Bond Insurer to act as insurance trustee under the Bond Insurance Policy, or its successors.

Letter of Representations: the letter of representations from the City to DTC to induce DTC to accept the Bonds as eligible for deposit at DTC.

Maximum Annual Combined Debt Service Requirement: the maximum amount of all required payments of principal and interest on the 1997 Bonds, the 2001 Bonds, the 2002 Bonds, the 2007A Bonds, the Bonds, and any Parity Lien Bonds proposed to be issued which will become due in any Fiscal Year; provided that if any particular issue has a single principal payment date and is issued as interim notes or securities in anticipation of permanent financing, such principal amount shall be excluded from this computation; provided further that such computation shall assume the redemption and payment of bonds or other obligations subject to mandatory redemption, but shall be made without regard to optional redemption.

1997 Bonds: the City’s Sales and Use Tax Revenue Refunding and Improvement Bonds, Series 1997A, dated March 1, 1997.

Ordinance: this Ordinance which authorizes the issuance of the Bonds.

Owners: the Beneficial Owners and the Registered Owners; provided however, that for purposes of 0 and 0 hereof, and to the extent provided in any ordinance authorizing the 1997 Bonds, the 2001 Bonds, the 2002 Bonds, the 2007A Bonds, and any Parity Lien Bonds, any bond insurer which is not in default in its obligations under its bond insurance policy insuring payment of any of the 1997 Bonds, the 2001 Bonds, the 2002 Bonds, the 2007A Bonds, the Bonds, and any Parity Lien Bonds shall be deemed the Owner thereof.

Parity Lien Bonds: one or more series of additional bonds, notes, interim securities, or other obligations issued by the City in accordance with the provisions hereof, having a lien on the Pledged Revenue which is on a parity with the lien of the Bonds.

Participant: any broker-dealer, bank, or other financial institution from time to time for which DTC or another Depository holds the Bonds.

Paying Agent: American National Bank, in Denver, Colorado or its successor which shall perform the function of paying agent as set forth in this Ordinance.

Paying Agent Agreement: the Registrar and Paying Agent Agreement dated as of the date of delivery of the Bonds, between the City and the Registrar and Paying Agent.

Permitted Investments: any investment or deposit permitted for the City under the laws of the State and approved by the Bond Insurer.

Person: any natural person, firm, partnership, association, corporation, trust, public body, or other entity.

Pledged Revenue: so long as the rate of the Sales and Use Tax is three and eighty-five hundredths percent (3.85%), the revenue derived from the Sales and Use Tax, after deducting (i) 6.49% thereof for deposit to the City’s Open Space Fund, (ii) 15.58% thereof which is reserved for the City’s public safety related expenditures and (iii) all costs of administering and collecting the Sales and Use Tax; and so long as the rate of the Sales and Use Tax is three and sixty-hundredths percent (3.60%), the revenue derived from the Sales and Use Tax, (i) 16.67% thereof which is reserved for the City’s public safety related expenditures and (ii) after deducting all costs of administering and collecting the Sales and Use Tax.

Preliminary Official Statement: the Preliminary Official Statement prepared in connection with the issuance of the Bonds.

Record Date: the fifteenth (15th) day of the calendar month next preceding each interest payment date of the Bonds.

Redemption Date: the earliest date after delivery of the Bonds on which the Refunded Bonds may be called for prior redemption.

Refunded Bonds: any or all of the 1997 Bonds and the 2002 Bonds as designated in the Sale Certificate.

Refunded Bond Requirements: means: (i) the payment of the interest due on the Refunded Bonds, both accrued and not accrued, as the same become due on and after the date of delivery of the Bonds and on and before the Redemption Date; (ii) the payment of principal of the Refunded Bonds as the same becomes due upon prior redemption on the Redemption Date; and (iii) the payment of any required redemption premium;

Refunding Project: the issuance of the Bonds for the purpose of defraying the costs of refunding the Refunded Bonds and payment of the costs of issuance of the Bonds.

Registered Owner: the registered owner of any Bond, as shown by the registration books maintained by the Registrar on behalf of the City.

Registrar: American National Bank, in Denver, Colorado or its successor, which shall perform the registration and transfer functions of bond registrar as set forth in this Ordinance.

Required Reserve: the amount of the Reserve Fund required by 0(e) hereof.

Reserve Fund: offsetting revenue and expense accounts within the General Debt Service Fund of the City, designated as the “Sales and Use Tax Revenue Bonds Reserve,” created by the provisions of 0(e) of this Ordinance.

Sale Certificate: the certificate executed by the City Manager or the Finance Director dated on or before the date of delivery of the Bonds, setting forth (i) that portion of the Refunded Bonds to be refunded; (ii) the rates of interest on the Bonds, (iii) the conditions on which and the prices at which the Bonds may be called for redemption; (iv) the existence and amount of any capitalized interest or reserve fund; (v) the price at which the Bonds will be sold; (vi) the principal amount of the Bonds; (vii) the amount of principal of the Bonds maturing on each date; (viii) the dates on which principal and interest will be paid and the first interest payment date; (ix) whether the Bonds will be secured by a municipal bond insurance policy or financial guaranty insurance policy; and (x) any other matters which may be determined by the City Manager or the Finance Director pursuant to Section 11-57-205 of the Supplemental Act.

Sales and Use Tax: the sales and use tax of the City, as imposed by Title IV in effect as of the date hereof. The term “Sales and Use Tax” does not include any increases in the rate of sale and use taxes from the present rate of 3.85%, nor does it include any other excise taxes which may now or hereafter be imposed by the City, whether contained in Title IV or any other Chapter or ordinance of the City.

Sales and Use Tax Fund: the “Sales and Use Tax Special Revenue Fund” heretofore established as a governmental fund of the City.

Special Record Date: a special date fixed to determine the names and addresses of registered owners of Bonds for purposes of paying interest on a special interest payment date for the payment of defaulted interest.

Subordinate Lien Bonds: one or more series of additional bonds, notes, interim securities, or other obligations issued by the City in accordance with the provisions hereof, having a lien on the Pledged Revenue which is subordinate or junior to the lien of the Bonds.

Supplemental Act: the Supplemental Public Securities Act, constituting Title 11, Article 57, Part 2, C.R.S.

Term Bonds : The Bonds that are payable on or before their specified maturity dates from sinking fund payments established for that purpose and calculated to retire such Bonds on or before their specified maturity dates.

Title IV: Chapters 1 and 2 of Title IV of the Municipal Code of the City governing the imposition, collection, distribution, and enforcement of the Sales and Use Tax, and any successor or other ordinance pertaining to the Sales and Use Tax.

2001 Bonds: the City’s Sales and Use Tax Revenue Refunding and Improvement Bonds, Series 2001, dated September 1, 2001.

2002 Bonds: The City’s Sales and Use Tax Revenue Bonds, Series 2002, dated December 1, 2002.

2007A Bonds: The City’s Sales and Use Tax Revenue Refunding Bonds, Series 2007A, dated March 6, 2007.

Underwriter: Stifel, Nicolaus & Company, Incorporated, Denver, Colorado, the original purchaser of the Bonds, or its successor.

Recitals.

A. This Ordinance shall be known as and may be cited by the short title “2007C Sales and Use Tax Bond Ordinance.”

B. The City is a duly organized and existing home rule municipality of the State of Colorado, created and operating pursuant to Article XX of the Colorado Constitution and the Charter.

C. Pursuant to Section 10.2 of the Charter and Title IV of the City’s Municipal Code, the City has heretofore imposed and is collecting a sales and use tax upon the sale or use of tangible personal property and certain services.

D. Pursuant to said Title IV, for transactions consummated or contracts entered into on or after January 1, 2004, but prior to January 1, 2033, the rate of the sales and use tax shall be three and eighty-five hundredths percent (3.85%), and for transactions consummated or contracts entered into prior to January 1, 1986, or on or after January 1, 2033, the rate of the sales and use tax shall be three and sixty-hundredths percent (3.60%).

E. Pursuant to said Title IV, six and forty-nine hundredths percent (6.49%) of all sales and use taxes collected at the rate of three and eighty-five hundredths percent (3.85%) shall be distributed to the City's Open Space Fund and 15.58% thereof is reserved for the City's public safety related expenditures.

F. Pursuant to Chapter XI of the Charter, the Council has the power to issue, without the vote of the qualified electors of the City, revenue bonds for any public purpose payable in whole or in part from the available proceeds of sales and use taxes which may be imposed pursuant to Chapter X of the Charter.

G. Pursuant to Chapter XI of the Charter, the City has heretofore duly authorized, sold, issued, and delivered to the purchasers thereof its 1997 Bonds, 2001 Bonds, 2002 Bonds, and 2007A Bonds payable solely from certain sales and use tax and other excise tax revenues to be derived by the City.

H. Pursuant to Chapter XI of the Charter, the Council has the power to issue, without the vote of the qualified electors of the City, bonds for the purpose of refunding outstanding bonds of the City.

I. Article X, Section 20 of the Colorado Constitution permits the City to issue bonds without an election to refund outstanding bonds at a lower rate of interest.

J. The 1997 Bonds maturing on and after December 1, 2008 are subject to redemption at the option of the City on December 1, 2007, or on any date thereafter, at a redemption price equal to the principal amount so redeemed, accrued interest to the redemption date, plus a premium of 2% of the principal amount so redeemed if redeemed on or before November 30, 2008.

K. The 2002 Bonds maturing on and after December 1, 2013, are subject to redemption at the option of the City on December 1, 2012, or on any date thereafter, at a redemption price equal to the principal amount so redeemed plus accrued interest to the Redemption Date.

L. The City has determined that the issuance of the Refunding Bonds and undertaking the Refunding Project will result in a lower the interest rate paid by the City.

M. The Bonds shall have an irrevocable and first lien, but not necessarily an exclusive such lien, on certain sales and use tax revenues of the City, as set forth herein.

N. The City has received a proposal in the form of a Bond Purchase Agreement from the Underwriter concerning the purchase of the Bonds.

O. The Council has determined that the Bonds shall be sold to the Underwriter in accordance with its proposal, and that such sale is to the best advantage of the City.

P. There are on file with the City Clerk the forms of the following documents: (i) the form of the Escrow Agreement; (ii) the form of the Bond Purchase Agreement; (iii) the form of the Paying Agent Agreement; (iv) the form of a Preliminary Official Statement for the Bonds; (v) the Letter of Representations; and (vi) the form of the Continuing Disclosure Certificate.

Q. It is necessary to provide for the form of the Bonds, the Bond details, the payment of the Bonds, and other provisions relating to the authorization, issuance, and sale of the Bonds.

R. Except for the Mayor who has disclosed a potential conflict of interest and abstained from voting on this Ordinance, no member of the Council has any conflict of interest or is interested in any pecuniary manner in the issuance of the Bonds.

Authorization. In accordance with the Constitution of the State of Colorado; the Charter; and all other laws of the State of Colorado thereunto enabling, and pursuant to the provisions of this Ordinance, the City hereby authorizes, for the purpose of paying the costs of the Refunding Project, the issuance of its "Sales and Use Tax Revenue Refunding Bonds, Series 2007C." Section 11-57-204 of the Supplemental Act provides that a public entity, including the City, may elect in an act of issuance to apply all or any of the provisions of the Supplemental Act to the Bonds. The Council hereby elects to apply all of the Supplemental Act to the Bonds. The Bonds are issued under the authority of the Acts and shall so recite as provided in 0 hereof. Pursuant to Section 11-57-210, C.R.S., such recital conclusively imparts full compliance with all the provisions of said sections, and the Bonds issued containing such recital shall be incontestable for any cause whatsoever after their delivery for value.

Either the City Manager or the Finance Director is hereby independently authorized and directed to execute and deliver the Sale Certificate and to make and approve the final determinations contained therein, subject to the parameters and restrictions of this Ordinance. Either the City Manager or the Finance Director is hereby authorized to determine if obtaining municipal bond insurance or financial guaranty insurance is in the best interests of the City, and if so, to select a bond insurer to issue a

municipal bond insurance policy or financial guaranty insurance policy, execute a commitment relating to the same and execute any related documents or agreements required by such commitment. If it is determined that the Bonds will be sold without municipal bond or financial guaranty insurance, all references herein to Bond Insurer, Bond Insurance Policy and Insurance Trustee are of no force and effect.

Special Obligations. All of the Bonds, together with the interest thereon and any premium due in connection therewith, and any payments due to the Bond Insurer under the Bond Insurance Policy shall be payable only out of the Bond Fund, into which the City covenants to deposit the Pledged Revenue in amounts sufficient to pay promptly, when due, the principal of, premium, if any, and interest on the Bonds. The Bonds shall constitute an irrevocable and first lien upon the Pledged Revenue to the extent provided herein, but not necessarily an exclusive such lien, and the Pledged Revenue is hereby pledged to the payment of the Bonds as provided herein. Neither the Bond Insurer nor Owners may look to any general or other revenue of the City, including without limitation the proceeds of ad valorem taxes, for the payment of the principal of, premium, if any, and interest on the Bonds, or any payments due to the Bond Insurer under the Bond Insurance Policy. The Bonds and any payments under the Bond Insurance Policy shall not constitute a debt or an indebtedness of the City within the meaning of any constitutional, Charter, or statutory provision or limitation; nor shall they be considered or held to be general obligations of the City.

Bond Details. The Bonds shall be issued only as fully registered Bonds, without coupons, in the denomination of \$5,000 each or any integral multiple thereof. Unless the City shall otherwise direct, the registered Bonds of each series shall be numbered separately from 1 upward, with the number of each Bond preceded by "R-" and such other series designation as the Registrar deems necessary.

The Bonds shall be dated as of the date of their delivery to the Underwriter. The Bonds shall mature, bear interest from their dated date to maturity and be sold, all as provided in the Sale Certificate; provided that (i) the aggregate principal amount of the Bonds shall not exceed the outstanding principal amount of the Refunded Bonds; (ii) the maximum net effective interest rate of the Bonds shall not exceed 5.0%; (iii) the Bonds shall mature no later than December 1, 2022; (iv) the purchase price of the Bonds, shall not be less than 98.5%; (vii) the first optional redemption date on the Bonds, if any, shall not be later than December 1, 2017; (viii) the net present value savings as a result of the Refunding Project shall be at least 3% of the principal amount of the Bonds so redeemed; and (ix) the optional redemption price shall not exceed 100% of the principal amount of the Bonds so redeemed. Interest on the Bonds shall be calculated on the basis of a 360-day year of twelve 30-day months, payable semiannually on June 1 and December 1, commencing on the date provided in the Sale Certificate.

Payment of Bonds; Paying Agent and Registrar. The principal of and premium, if any, on each Bond is payable in lawful money of the United States of America to the Registered Owner of such Bond upon maturity and presentation of the Bond, at the principal office of the Paying Agent. If any Bond shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the interest rate borne by said Bond until the principal thereof is paid in full. Payment of interest on any Bond shall be made to the Registered Owner thereof by check or draft mailed by the Paying Agent, on or before each interest payment date, to the Registered Owner thereof at his or her address as it last appears on the registration records kept by the Registrar on the Record Date; but any such interest not so timely paid shall cease to be payable to the person who is the Registered Owner thereof at the close of business on the Record Date and shall be payable to the person who is the Registered Owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest. Such Special Record Date shall be fixed by the Registrar whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the Registered Owners of the Bonds not less than ten days prior to the Special Record Date by first-class mail to each such Registered Owner as shown on the Registrar's registration records on a date selected by the Registrar, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. The Paying Agent may make payments of interest on any Bond by such alternative means as may be mutually agreed to between the registered owner of such Bond and the Paying Agent; provided, however, that the City shall not be required to make funds available to the Paying Agent prior to the payment dates stated in this Ordinance. All such payments shall be made in lawful money of the United States of America without deduction for the services of the Paying Agent or Registrar.

If the date for making any payment or performing any action hereunder shall be a legal holiday or a day on which the principal office of the Paying Agent or Registrar is authorized or required by law to remain closed, such payment may be made or act performed on the next succeeding day which is not a legal holiday or a day on which the principal office of the Paying Agent or Registrar is authorized or required by law to remain closed.

The principal of, premium, if any, and interest on the Bonds shall be paid in accordance with the terms of the Letter of Representations.

Book-Entry System. The Bonds shall be initially issued in the form of a single, certificated, fully registered Bond for each maturity bearing the same interest rate. Upon initial issuance, the ownership of each such Bond shall be registered in the registration books kept by the Registrar in the name of Cede.

With respect to Bonds registered in the name of Cede or held by a Depository, the City, the Registrar, and the Paying Agent shall have no responsibility or obligation to any Participant or Beneficial Owner including, without limitation, any responsibility or obligation with respect to: (i) the accuracy of the records of the Depository or any Participant concerning any ownership interest in the Bonds; (ii) the delivery to any Participant, Beneficial Owner, or Person other than the Registered Owner, of any notice concerning the Bonds, including notice of redemption; (iii) the payment to any Participant, Beneficial Owner, or Person other than the Registered Owner, of the principal of, premium if any, and interest on the Bonds. The City, the Registrar, and the Paying Agent may treat the Registered Owner of a Bond as the absolute owner of such Bond for the purpose of payment of the principal of, premium if any, and interest with respect to such Bond, for purposes of giving notices of redemption and other matters with respect to such Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium if any, and interest on the Bonds only to or upon the order of the Registered Owners, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the payment of the same. No Person, other than a Registered Owner, shall receive a certificated Bond evidencing the obligations of the City pursuant to this Ordinance.

DTC may determine to discontinue providing its service as Depository with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law. Additionally, the Finance Director may terminate the services of DTC if she determines, in her sole and absolute discretion, that DTC is unable to discharge its responsibilities with respect to the Bonds or that continuation of the system of book entry transfers through DTC is not in the best interests of the Beneficial Owners or the City. Such termination shall be effected by written notice of the same from the City to DTC and to the Registrar and Paying Agent. Upon the termination of the services of DTC, a substitute Depository which is willing and able to undertake the system of book-entry transfers upon reasonable and customary terms may be engaged by the City or, if the Finance Director determines in her sole and absolute discretion that it is in the best interests of the Beneficial Owners or the City that the Beneficial Owners be able to obtain certificated Bonds, the Bonds shall no longer be restricted to being registered in the name of Cede or other nominee of a Depository but shall be registered in whatever name or names the Beneficial Owners shall designate at that time, and fully registered Bond certificates shall be delivered to the Beneficial Owners.

Prior Redemption.

Optional Prior Redemption. The Bonds designated in the Sale Certificate, if any, will be subject to redemption at the option of the City from any legally available funds on the dates set forth in the Sale Certificate in whole, or in part from any maturities, in any order of maturity and by lot within a maturity from Bonds of the same maturity and interest rate, in such manner as the City may determine (giving proportionate weight to Bonds in denominations larger than \$5,000), at the price set forth in the Sale Certificate, subject to the parameters and restrictions of this Ordinance.

The Registrar shall not be required to give notice of any such optional redemption unless it has received written instructions from the City in regard thereto at least sixty days prior to such redemption date.

Mandatory Redemption. The Term Bonds, if any, are subject to mandatory sinking fund redemption, at the times, in the amounts and at the prices provided in the Sale Certificate.

On or before thirty (30) days prior to each sinking fund installment date, the Registrar shall, without any notice or instruction from the City, proceed to call the Term Bonds (or any Term Bond or Term Bonds issued to replace such Term Bonds) for redemption from the sinking fund on the next December 1, and give notice of such call without other instruction or notice from the City.

At its option, to be exercised on or before the sixtieth (60th) day next preceding each such sinking fund redemption date, the City may (a) deliver to the Registrar for cancellation Term Bonds subject to mandatory sinking fund redemption on such date in an aggregate principal amount desired or (b) receive a credit in respect of its sinking fund redemption obligation for any Term Bonds of the same maturity subject to mandatory sinking fund redemption on such date, which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and canceled by the Registrar and not theretofore applied as a credit against any sinking fund redemption obligation. Each Term Bond so delivered or previously redeemed will be credited by the Registrar at the principal amount thereof on the obligation of the City on such sinking fund redemption date and the principal amount of Term Bonds to be redeemed by operation of such sinking fund on such date will be accordingly reduced. The City will on or before the sixtieth day next preceding each sinking fund redemption date furnish the Registrar with its certificate indicating whether or not and to what extent the provisions of (a) and (b) of the preceding sentence are to be availed with respect to such sinking fund payment. Failure of the City to deliver such certificate shall not affect the Registrar's duty to give notice of sinking fund redemption as provided in this paragraph.

Notice. Notice of redemption shall be given by the Registrar in the name of the City by sending a copy of such official notice by first-class, postage prepaid mail, not more than sixty nor less than thirty days prior to the redemption date to the Bond Insurer and each Registered Owner at his address as it last appears on the registration books kept by the Registrar; but neither failure to give such notice nor any defect therein shall affect the redemption of any Bond. Such notice shall identify the Bonds to be so redeemed (if less than all are to be redeemed) and the redemption date, and shall further state that on such redemption date there will become and be due and payable upon each Bond so to be redeemed, at the Paying Agent, the principal amount thereof, any redemption premium, and accrued interest to the redemption date and that from and after such date interest will cease to accrue. Prior to any redemption date, the City shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Paying Agent at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. All Bonds which have been redeemed shall be promptly canceled by the Paying Agent and such canceled Bonds shall be delivered by the Paying Agent or Registrar to the City if requested by the City, and shall not be reissued.

Partial Redemption. In the case of Bonds of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any integral multiple thereof) may be redeemed, in which case the Registrar shall, without charge to the owner of such Bond, authenticate and issue a replacement Bond or Bonds for the unredeemed portion thereof of the same maturity in the amount of the unpaid principal.

Conditional Call Provision. Notwithstanding the provisions of this section, any notice of optional redemption may contain a statement that the redemption is conditioned upon the receipt by the Paying Agent of funds on or before the date fixed for redemption sufficient to pay the redemption price of the Bonds so called for redemption, and that if such funds are not available, such redemption shall be canceled by written notice to the owners of the Bonds called for redemption in the same manner as the original redemption notice was mailed.

Form and Execution of Bonds. The Bonds shall be signed with the facsimile or manual signature of the Mayor Pro Tem, sealed with a facsimile or manual impression of the seal of the City, countersigned by the facsimile or manual signature of the Finance Director, and attested by the facsimile or manual signature of the City Clerk. Should any officer whose facsimile or manual signature appears on the Bonds cease to be such officer before delivery of the Bonds to the Underwriter, such facsimile or manual signature shall nevertheless be valid and sufficient for all purposes.

No Bond shall be valid or obligatory for any purpose unless the certificate of authentication, substantially in the form hereinafter provided, has been duly manually executed by the Registrar. The Registrar's certificate of authentication shall be deemed to have been duly executed by it if manually signed by an authorized representative of the Registrar, but it shall not be necessary that the same representative sign the certificate of authentication on all of the Bonds issued hereunder. By authenticating any of the Bonds

initially delivered pursuant to this Ordinance, the Registrar shall be deemed to have assented to the provisions of this Ordinance.

The Bonds shall be in substantially the following form:

[Form of Bond]

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the City or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered Owner hereof, Cede & Co., has an interest herein.

No. R-_____

\$_____

UNITED STATES OF AMERICA
STATE OF COLORADO
COUNTIES OF ADAMS AND JEFFERSON
CITY OF WESTMINSTER
SALES AND USE TAX REVENUE BOND, SERIES 2007C

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED DATE</u>	<u>CUSIP</u>
	December 1, 20__	Date of Delivery	
REGISTERED OWNER: CEDE & COMPANY			
PRINCIPAL AMOUNT:		DOLLARS	

The City of Westminster, in the Counties of Adams and Jefferson and the State of Colorado, for value received, hereby promises to pay from the special fund hereafter designated, but not otherwise, to the registered owner named above, or registered assigns, on the maturity date specified above or on the date of prior redemption, the principal amount specified above. This bond will bear interest from the most recent interest payment date to which interest has been paid or provided for, or, if no interest has been paid, from the date of this bond. This bond is one of an authorized series issued pursuant to an ordinance of the City Council of the City adopted on September 24, 2007 (the “Bond Ordinance”). This bond bears interest, matures, is payable, is subject to redemption and is transferable as provided in the Bond Ordinance. To the extent not defined herein, terms used in this bond shall have the same meanings as set forth in the Bond Ordinance.

This Bond is one of a series aggregating [PAR AMOUNT] dollars (\$_____) par value, all of like date, tenor, and effect except as to number, principal amount, interest rate, and date of maturity, issued by the City Council of the City of Westminster, in the Counties of Adams and Jefferson and the State of Colorado, for the purpose of paying the costs of certain street improvements in the City, in accordance with the Constitution of the State of Colorado, the Charter of the City, Title 11, Article 57, Part 2, C.R.S. and all other laws of the State of Colorado thereunto enabling, and pursuant to the Bond Ordinance duly adopted prior to the issuance of this Bond. Pursuant to Section 11-57-210, C.R.S., this recital conclusively imparts full compliance with all of the provisions and limitations of said sections and this bond shall be incontestable for any cause whatsoever after its delivery for value.

The principal of, premium, if any, and interest on this Bond are payable only out of a special fund of the City created in full conformity with law and designated as the “2007C Sales and Use Tax Revenue Bonds” (the “Bond Fund”), into which the City covenants and agrees to credit, from certain sales and use tax proceeds defined hereafter as the “Pledged Revenue,” and other legally available revenues, amounts sufficient to pay the principal of, premium, if any, and interest on the Bonds when the same become due and payable, all as is more particularly set forth in the authorizing Bond Ordinance. The Pledged Revenue consists only of the revenue derived from the City’s existing 3.85% sales and use tax, after deducting 22.07% thereof for deposit to other accounts of the City and after deducting all costs of administering and collecting the sales and use tax; or to the extent the sales and use tax rate is reduced to 3.60% (as is presently provided by City ordinances), the Pledged Revenue will consist only of the revenue derived from the City’s 3.60% sales and use tax, after deducting 16.67% thereof which is

reserved for the City's public safety related expenditures and all costs of administering and collecting the sales and use tax. In the authorizing Bond Ordinance the City has covenanted that it will not amend or repeal the ordinance imposing the sales and use tax in any way which would materially adversely affect the amount of Pledged Revenue which would be otherwise available for credit to the Bond Fund. The Bonds of this issue constitute an irrevocable and first lien upon the Pledged Revenue to the extent provided in the Bond Ordinance, but not necessarily an exclusive such lien. Subject to expressed conditions, obligations in addition to the Bonds of this issue may be issued and made payable from the Pledged Revenue having a lien thereon subordinate and junior to the lien of the Bonds of this issue or, subject to additional expressed conditions, having a lien on the Pledged Revenue on a parity with the lien of the Bonds of this issue, in accordance with the provisions of said Bond Ordinance.

THIS BOND DOES NOT CONSTITUTE A DEBT OR INDEBTEDNESS OF THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL, CHARTER, OR STATUTORY PROVISION OR LIMITATION, AND SHALL NOT BE CONSIDERED OR HELD TO BE A GENERAL OBLIGATION OF THE CITY.

It is hereby recited, certified, and warranted that all the requirements of law have been complied with fully by the proper officers of the City in the issuance of this Bond; that it is issued pursuant to and in strict conformity with the constitution and laws of the State, with the Charter of the City, and with the Bond Ordinance; and that this Bond does not contravene any constitutional, statutory, or Charter limitation.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the authorizing Bond Ordinance until the certificate of authentication hereon shall have been signed by the Registrar.

IN TESTIMONY WHEREOF, the City Council of the City of Westminster, Colorado, has caused this Bond to be signed by the manual or facsimile signature of the Mayor Pro Tem, sealed with a facsimile of the seal of the City, countersigned with the manual or facsimile signature of the Finance Director, and attested by the manual or facsimile signature of the City Clerk, all as of October 16, 2007.

CITY OF WESTMINSTER, COLORADO

(S E A L)

(Manual or Facsimile Signature)
Mayor Pro Tem

ATTESTED:

COUNTERSIGNED:
By: _____
Finance Director

By: _____
City Clerk

[End Form of Bond]

[Form of Registrar's Certificate of Authentication]

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue described in the within mentioned Bond Ordinance.

Date of Registration and Authentication: _____

AMERICAN NATIONAL BANK,
in Denver, Colorado, as Registrar

By: _____
Authorized Officer or Employee

[End Form of Registrar's Certificate of Authentication]

[Form of Transfer]

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns, and transfers unto

Social Security or Federal Employer Identification Number of Assignee:

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint attorney, to transfer said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature of Registered Owner: _____

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Signature guaranteed: _____

(Bank, Trust Company, or Firm)

[End Form of Transfer]

STATEMENT OF INSURANCE

[To be inserted if bond insurance is obtained]

Authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until a certificate of authentication on such Bond substantially in the form hereinabove set forth shall have been duly executed by the Registrar, and such executed certificate of the Registrar upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The Registrar's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer or signatory of the Registrar, but it shall not be necessary that the same officer or signatory sign the certificate of authentication on all of the Bonds issued hereunder.

Delivery of Bonds. Upon the adoption of this Ordinance, the City shall execute the Bonds and deliver them to the Registrar, and the Registrar shall authenticate the Bonds and deliver them to the Underwriter, as directed by the City, and in accordance with the Bond Purchase Agreement and the Letter of Representations.

Registration, Transfer and Exchange of Bonds.

Records for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender for transfer of any Bond at the Registrar, with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney, the Registrar shall enter such transfer in the registration records and shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount and of the same maturity and interest rate, bearing a number or numbers not previously assigned. Bonds may be exchanged at the Registrar for an equal aggregate principal amount of Bonds of the same maturity and interest rate of other authorized denominations. The Registrar shall authenticate and deliver a Bond or Bonds which the registered owner making the exchange is entitled to receive, bearing a number or numbers not previously assigned. The Registrar may impose reasonable charges in connection with exchanges or transfers of Bonds which charges (as well as any tax or other governmental charge required to be paid with respect to such transfer) shall be paid by the registered owner requesting such exchange or transfer.

The Registrar shall not be required (1) to transfer or exchange all or a portion of any Bond subject to prior redemption during the period beginning at the opening of business fifteen days preceding the mailing of notice calling any Bonds for prior redemption as herein provided and ending at the close of business on the day of such mailing or (2) to transfer or exchange all or a portion of a Bond after the mailing of notice calling such Bond or portion thereof for prior redemption except for the unredeemed portion of Bonds redeemed in part.

Except as herein provided with respect to Record Dates and Special Record Dates for the payment of interest, the person in whose name any Bond shall be registered on the registration records kept by the Registrar shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof and for all other purposes; and payment of either principal or interest on any

Bond shall be made only to upon the written order of the registered owner thereof or his legal representative, but such registration may be changed in the manner and subject to the conditions and limitations provided herein. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

The officers of the City are authorized to deliver to the Registrar fully executed but unauthenticated Bonds in such quantities as may be convenient to be held in the custody of the Registrar pending use as herein provided.

Whenever any Bond shall be surrendered to the Paying Agent upon payment thereof, or to the Registrar for transfer, exchange or replacement as provided herein, such Bond shall be promptly canceled by the Paying Agent or Registrar, and counterparts of a certificate of such cancellation shall be furnished by the Paying Agent or Registrar to the City.

Destruction of Bonds. Whenever any outstanding Bond shall be delivered to the Registrar for cancellation pursuant to this Ordinance, and upon payment of the principal amount and interest represented thereby, or whenever any outstanding Bond shall be delivered to the Registrar for transfer pursuant to the provisions hereof, such Bond shall be canceled and destroyed by the Registrar and counterparts of a certificate of destruction evidencing such destruction shall be furnished by the Registrar to the City. In the event a Bond is registered in the name of a Depository, cancellation may consist of the notation thereof on the registration books of the Registrar. The Registrar shall notify the Depository of all Bonds, or portions thereof, canceled in accordance with this Section.

Lost Bonds. Any Bond that is lost, stolen, destroyed, or mutilated may be replaced or paid by the Registrar in accordance with and subject to the limitations of applicable law. The applicant for any such replacement Bond shall post such security, pay such costs, and present such proof of ownership and loss as may be required by applicable law, or in the absence of specific requirements, as may be required by the Registrar.

Disposition and Investment of Bond Proceeds. The Bonds shall be issued and sold for the purposes of paying the costs of the Refunding Project. Accrued interest on the Bonds shall be deposited to the Bond Fund. All other Bond proceeds shall be deposited to such fund or account as the Finance Director determines and applied to pay the costs of the Refunding Project. Neither the Underwriter nor any subsequent owners of the Bonds shall be responsible for the application or disposal by the City or any of its officers of the funds derived from the sale thereof.

Creation of Fund and Accounts. There are hereby created and established the following funds and accounts which shall be established as book accounts and maintained in accordance with this Ordinance:

- the Bond Fund; and
- the Reserve Fund pursuant to 0(e).

In accordance with generally accepted accounting principles, for the purpose of accounting for the moneys provided for in this Ordinance the Finance Director may create offsetting revenue and expense accounts not inconsistent with the provisions hereof, all as may be determined by the Finance Director.

Payment of Principal and Interest; Attachment of Lien. The City shall credit to the Sales and Use Tax Fund all revenue derived from the Sales and Use Tax immediately upon receipt. Thereafter, the City shall apply the Pledged Revenue in the following order of priority:

FIRST: To the credit of the Bond Fund the amounts required by 0 hereof, and to the credit of any other fund or account established for the 1997 Bonds, the 2001 Bonds, the 2002 Bonds, the 2007A Bonds, or hereafter established for the payment of the principal of, premium if any, and interest on Parity Lien Bonds, in the amounts required by the ordinance or other enactment authorizing issuance of the 1997 Bonds, the 2001 Bonds, the 2002 Bonds, the 2007A Bonds and the Parity Lien Bonds.

SECOND: To the credit of any sinking fund, reserve fund, or similar fund or account established in connection with the 1997 Bonds, the 2001 Bonds, the 2002 Bonds, the 2007A Bonds, the Bonds or any Parity Lien Bonds, in the amounts required by this Ordinance or the ordinance or other enactment authorizing issuance of the 1997 Bonds, the 2001 Bonds, the 2002 Bonds, the 2007A Bonds and the Parity Lien Bonds.

THIRD: To the credit of any other fund or account hereafter established for the payment of the principal of, premium if any, and interest on Subordinate Lien Bonds, including any sinking fund, reserve fund, or similar fund or account established therefor,

in the amounts required by the ordinance or other enactment authorizing issuance of the Subordinate Lien Bonds.

FOURTH: To the credit of any other fund as may be designated by the City, to be used for any lawful purpose, any Pledged Revenue remaining after the payments and accumulations set forth in 0 FIRST through THIRD hereof.

The lien of the Bonds on the Pledged Revenue shall attach immediately upon receipt of any Sales and Use Tax proceeds, shall remain in effect so long as such Pledged Revenue is credited to the Sales and Use Tax Fund or the Bond Fund or the Reserve Fund, and shall be extinguished with respect to any Pledged Revenue not required to be credited to the Bond Fund pursuant to 0 hereof or the Reserve Fund pursuant to 0(e) hereof and which is transferred to other funds of the City for other purposes.

Bond Fund. The City shall credit to the Bond Fund from the Pledged Revenue, or other legally available moneys, in substantially equal monthly installments of the total principal to become due and interest to accrue on the Bonds on the next principal payment date and interest payment date, respectively. Notwithstanding the foregoing, the City shall credit to the Bond Fund from the Pledged Revenue an amount which, when combined with other legally available moneys credited thereto, will be sufficient to pay when due the principal of and interest on the Bonds.

Moneys credited to the Bond Fund may be invested or deposited in accordance with the Charter. The investment of moneys in the Bond Fund shall, however, be subject to the tax covenants and provisions of 0(f) hereof. Except to the extent otherwise required by 0(f) hereof, any investment income earned on amounts credited to the Bond Fund shall be credited to the Bond Fund, and for purposes of making the deposits required by this Section, any investment income so credited to the Bond Fund shall be deemed the credit of Pledged Revenue to the Bond Fund.

Additional Covenants of the City. The City hereby irrevocably covenants and agrees with each and every Registered Owner and Beneficial Owner, that so long as any of said Bonds remain outstanding:

It will not amend or repeal Title IV in any way that would materially adversely affect the amount of Pledged Revenue which would be otherwise available for credit to the Bond Fund. Nothing shall prevent the City from amending said Title IV in order to increase the rate of tax above that currently imposed by said Title IV, or to make certain changes in the administration, collection, or enforcement of such Sales or Use Tax, provided that such changes do not materially adversely affect the amount of Pledged Revenue which would be otherwise available for credit to the Bond Fund.

It will administer, enforce, and collect, or cause to be administered, enforced, and collected, the Sales and Use Tax authorized by Title IV, and shall take such reasonable, necessary action to collect delinquent payments in accordance with law.

It will keep or cause to be kept such books and records showing the proceeds of the Sales and Use Tax, in which complete entries shall be made in accordance with generally accepted accounting principles, as applicable to governments, and any Owner shall have the right at all reasonable times to inspect the records and accounts relating to the collection and receipts of such Sales and Use Tax. The City will permit the Bond Insurer to discuss the affairs, finances and accounts of the City or any information the Bond Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the City. The City will permit the Bond Insurer to have access to and to make copies of all books and records relating to the Bonds at any reasonable time.

It will, at least once a year, cause an audit of the records relating to the collection and receipts of the Sales and Use Tax revenues. Such audit may be made part of and included within the general audit of the City, and made at the same time as such audit. While the Bond Insurance Policy is in effect, the Bond Insurer shall receive, as soon as practicable after the filing thereof, a copy of the City's annual audited financial statements and annual budget.

In the event the City does not receive Pledged Revenue in any fiscal year in an amount at least equal to 200% of the Combined Average Annual Principal and Interest Requirements for the 1997 Bonds, the 2001 Bonds, 2002 Bonds, the 2007A Bonds, the Bonds and any Parity Lien Bonds, the City shall establish and maintain a reserve fund solely for the 1997 Bonds, the 2001 Bonds, 2002 Bonds, the 2007A Bonds, the Bonds and Parity Lien Bonds (the "Reserve Fund"), in an amount equal to 10% of the outstanding aggregate principal amount of the 1997 Bonds, the 2001 Bonds, 2002 Bonds, the 2007A Bonds, the Bonds and Parity Lien Bonds (the "Required Reserve"). The City shall accumulate the Required Reserve in the Reserve Fund by twelve equal monthly deposits. The City shall make the initial deposit into the Reserve Fund of Pledged Revenue within 90 days after the end of the fiscal year in which

such deficiency occurs. Such Reserve Fund shall not be released after it has been established. Draws on the Reserve Fund must be replenished within one year. Investments purchased with funds on deposit in the Reserve Fund shall have an average aggregate weighted term to maturity not greater than five years.

It will not take any action or omit to take any action with respect to the Bonds, the proceeds of the Bonds, any other funds of the City or the facilities financed or refinanced with the proceeds of the Bonds if such action or omission (i) would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as in effect on the date of delivery of the Bonds (the "Code"), (ii) would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under Section 55(b)(2) of the Code, except to the extent such interest is required to be included in the adjusted current earnings adjustment applicable to corporations under Section 56 of the Code in calculating corporate alternative minimum taxable income, or (iii) would cause interest on the Bonds to lose the exclusion from Colorado taxable income or Colorado alternative minimum taxable income under present Colorado law. The foregoing covenants shall remain in full force and effect notwithstanding the payment in full or defeasance of the Bonds until the date on which all obligations of the City in fulfilling the above covenants under the Code and State law have been met.

It will comply with the provisions of the Continuing Disclosure Certificate to be executed by City officers and delivered in connection with the delivery of the Bonds.

It will provide such additional information as the Bond Insurer may reasonably request from time to time.

The Bond Insurer shall have the right to direct an accounting at the City's expense, and the City's failure to comply with such direction within thirty (30) days after receipt of written notice of the direction from the Bond Insurer shall be deemed an Event of Default hereunder; provided, however, that if compliance cannot occur within such period, then such period will be extended so long as compliance is begun within such period and diligently pursued, but only if such extension would not materially adversely affect the interests of any Owner of the Bonds.

Additional Bonds.

No additional bonds, notes, interim securities, or other obligations shall be issued payable from the Pledged Revenue and having a lien thereon which is superior to the lien of the Bonds.

The City may issue Parity Lien Bonds if:

No Event of Default has occurred and is continuing.

The City is then current in the accumulation of all amounts required to be then accumulated in the Bond Fund as required by this Ordinance.

The Pledged Revenue for the twelve (12) month period immediately preceding the date of issuance of such Parity Lien Bonds is sufficient to pay an amount representing not less than 200% of the Maximum Annual Combined Debt Service Requirement.

A written certificate signed by the Finance Director that the requirements of 0(b) hereof are met shall conclusively determine the right of the City to authorize, issue, sell, and deliver Parity Lien Bonds.

So long as no Event of Default shall have occurred and be continuing, nothing herein shall prevent the City from issuing Subordinate Lien Bonds.

Delegated Powers; Authorization to Execute Collateral Documents. The officers of the City and the members of the Council be, and hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance, including, without limiting the generality of the foregoing: the execution and delivery of the Letter of Representations, the Escrow Agreement, the Bond Purchase Agreement, the Paying Agent Agreement, the Continuing Disclosure Certificate, the printing of the Bonds; the procuring of bond insurance, if in the best interests of the City; entering into and executing appropriate agreements with The Depository Trust Company as to its services hereunder; the printing, distribution and execution of the Official Statement for the Bonds in substantially the form of the Preliminary Official Statement now before the Council, but with such amendments, additions and deletions as are in accordance with facts and not inconsistent herewith; and the execution of such certificates as may be required by the Underwriter, including, but not limited to, the absence and existence of factors affecting the exclusion of interest on the Bonds from gross income for federal income tax purposes. The execution of any instrument by the aforementioned officers or members of the Council shall be conclusive evidence of the approval by the City of such instrument in accordance with the terms hereof and thereof.

The form, terms and provisions of the Escrow Agreement, the Bond Purchase Agreement, the Paying Agent Agreement and the Continuing Disclosure Certificate are hereby approved, and the City shall enter into and perform its obligations under the Escrow Agreement, the Bond Purchase Agreement, the Paying Agent Agreement and the Continuing Disclosure Certificate in the forms of such documents presented to the Council at this meeting, with only such changes therein as are required by the circumstances and are not inconsistent herewith.

The City Manager or the Finance Director are hereby independently authorized to make the final pricing determinations as authorized in Section 3 hereof subject to the parameters set forth in Section 5 and execute the Bond Purchase Agreement and Sale Certificate relating to same. Additionally, the City Manager or the Finance Director are independently authorized to execute and deliver any documents necessary to obtain a municipal bond insurance policy or financial guaranty insurance to secure the payment of the principal of and interest on the Bonds or a reserve fund insurance policy to fund the Required Reserve.

Events of Default. It is an Event of Default if:

Payment of the principal of or premium due on any Bond is not made by the City when due at maturity or upon prior redemption;

Payment of the interest on any Bond is not made by the City when due; or

The City defaults in the punctual performance of its covenants hereunder for sixty (60) days after written notice shall have been given by the Owners of not less than 25% of the outstanding principal amount of the Bonds.

Remedies. Upon the happening of any Event of Default, any Owner, or a trustee therefor, may protect and enforce the rights of such Owner by proper legal or equitable remedy deemed most effectual including mandamus, specific performance of any covenants, the appointment of a receiver (the consent to such appointment being hereby granted), injunctive relief, or requiring the Council to act as if it were the trust of an express trust, or any combination of such remedies. All proceedings shall be maintained for the benefit of the Owners; provided however, that any action brought pursuant to an Event of Default under 0(c) hereof may be brought only upon the written consent of the Owner or Owners of not less than 25% of the outstanding principal amount of the Bonds. All proceedings shall be maintained for the equal benefit and protection of all Owners. The failure of any Owner to proceed does not relieve the City or any person of any liability for failure to perform any duty hereunder. The foregoing rights are in addition to any other right which may exist under applicable law, and the exercise of any right by any Owner shall not be deemed a waiver of any other right. If any remedial action is discontinued, the Owners shall be restored to their positions prior to taking such action.

Amendment.

The City may, without the consent of, or notice to the Owners of the Bonds, but with the prior written consent of the Bond Insurer, so long as the Bond Insurer is not in default of its payment obligations under the Bond Insurance Policy, adopt such ordinances supplemental hereto (which supplemental amendments shall thereafter form a part hereof) for any one or more or all of the following purposes:

to cure any ambiguity, or to cure, correct or supplement any defect or omission or inconsistent provision contained in this Ordinance, or to make any provisions with respect to matters arising under this Ordinance or for any other purpose if such provisions are necessary or desirable and do not materially adversely affect the interests of the Owners of the Bonds;

to subject to the lien of this Ordinance additional revenues, properties or collateral;

to grant or confer upon the Paying Agent or Registrar for the benefit of the Owners of the Bonds any additional rights, remedies, powers, or authority that may lawfully be granted to or conferred upon the Owners of the Bonds; or

to qualify this Ordinance under the Trust Indenture Act of 1939.

Exclusive of the amendatory ordinances permitted by paragraph (a) of this Section, this Ordinance may be amended or supplemented by ordinance adopted by the Council in accordance with the law, without receipt by the City of any additional consideration but with the prior written consent of the Owners of at least 66% in aggregate principal amount of the Bonds Outstanding at the time of the adoption of such amendatory or supplemental ordinance.

Written consent of the Owners of all of the Bonds adversely affected thereby is required for any Ordinance that shall have the effect of permitting:

An extension of the maturity of any of the Bonds authorized by this Ordinance;
or

A reduction in the principal amount of any of the Bonds, the rate of interest thereon, or the prior redemption premium thereon; or

The creation of a lien upon or pledge of the Pledged Revenues ranking prior to the lien or pledge created by this Ordinance; or

A reduction of the principal amount of the Bonds required for consent to such amendatory or supplemental ordinance; or

The establishment of priorities as between outstanding 1997 Bonds, 2001 Bonds, 2002 Bonds, 2007A Bonds, any Parity Lien Bonds and the Bonds or the establishment of priorities as between Bonds issued and outstanding under the provisions of this Ordinance; or

The modification of or otherwise affecting the rights of the Owners of less than all of the Bonds then outstanding.

Copies of any waiver, modification or amendment to this Ordinance shall be delivered to any entity then maintaining a rating on the Bonds at least 15 days prior to its execution or adoption.

Notices to and Reports to Bond Insurer. The Paying Agent and Registrar shall give the Bond Insurer copies of any notice to be given by it to the Owners of Bonds, including, without limitation, notice of any redemption of or defeasance of Bonds, and notices required pursuant to the Continuing Disclosure Certificate. The City shall give to the Bond Insurer any certificate delivered by the City pursuant to this Ordinance relating to the security for the Bonds. Notwithstanding any other provision of this Ordinance, the Paying Agent shall promptly notify the Bond Insurer if at any time there are insufficient moneys to make any payments of principal and/or interest as required hereunder and promptly upon the occurrence of any other Event of Default hereunder. The Paying Agent shall also notify the Bond Insurer of the City's failure to provide the Paying Agent with any notice, certificate or other item required to be given to the Paying Agent hereunder.

Rights of the Bond Insurer Suspended Upon Default Under Bond Insurance Policy. Notwithstanding any other provision hereof, any rights granted to or conferred upon the Bond Insurer hereunder shall be in effect only so long as the Bond Insurer is not in default in its payment obligation under the Bond Insurance Policy, and upon any such default by the Bond Insurer, its rights hereunder shall be suspended (except to the extent of subrogation for any payments under the Bond Insurance Policy theretofore made by the Bond Insurer); provided, however, that such rights shall be reinstated when the Bond Insurer has cured such default under the Bond Insurance Policy.

Bond Insurer As Third Party Beneficiary. To the extent that this Ordinance confers upon or gives or grants to the Bond Insurer any right, remedy, or claim under or by reason of this Ordinance, the Bond Insurer is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

Parties Interested Herein. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any Person, other than the City, the Bond Insurer, the Registrar, the Paying Agent, and the Owners of the Bonds, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Bond Insurer, the Registrar, the Paying Agent, and the Owners of the Bonds.

Successor Registrar or Paying Agent. American National Bank, in Denver, Colorado is hereby appointed as Registrar and Paying Agent. If the Registrar or Paying Agent initially appointed hereunder shall resign, or if the City shall determine to remove the Registrar or Paying Agent, the City may, upon notice mailed to the Bond Insurer and each Registered Owner of Bonds at the address last shown on the registration records, appoint a successor Registrar or Paying Agent. No resignation or removal of the Registrar or Paying Agent may take effect until a successor, acceptable to the Bond Insurer, is appointed by the City and has accepted such appointment. Every such successor Paying Agent shall be either the City or a bank or trust company having a shareholders' equity (e.g., capital stock, surplus and undivided profits), however denominated, not less than \$10,000,000. The Registrar and Paying Agent may be removed at any time at the request of the Bond Insurer for any breach of trust set forth herein.

Defeasance. When all principal, premium, if any, and interest in connection with a Bond have been duly paid, the pledge and lien and all obligations hereunder shall thereby be discharged and

said Bond shall no longer be deemed to be outstanding within the meaning of this Ordinance. There shall be deemed to be such due payment of a Bond when the City has placed in escrow and in trust with a commercial bank located within or without the State of Colorado, and exercising trust powers, an amount sufficient (including the known minimum yield from Federal Securities in which such amount may be initially invested) to meet all requirements of principal, premium, if any, and interest with respect to said Bond as the same become due at final maturity or upon designated prior redemption dates. The Federal Securities shall become due at or prior to the respective times at which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the City and such bank at the time of the creation of the escrow, or the Federal Securities shall be subject to redemption at the option of the holder thereof to assure such availability as so needed to meet such schedule.

In the event that there is a defeasance of only part of the Bonds, the Paying Agent shall, if requested by the City, institute a system to preserve the identity of the individual Bonds or portions thereof so defeased, regardless of changes in Bond numbers attributable to transfers and exchanges of Bonds and the Paying Agent shall be entitled to reasonable compensation and reimbursement of expenses from the City in connection with such system.

Notwithstanding anything herein to the contrary, in the event that the principal and or interest due on the Bonds shall be paid by the Bond Insurer pursuant to the Bond Insurance Policy, the Bonds shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not considered paid by the City, and the assignment and pledge of the Pledged Revenues and all covenants, agreements and other obligations of the City to the Owners shall continue to exist and shall run to the benefit of the Bond Insurer, and the Bond Insurer shall be subrogated to the rights of such Owners.

Costs and Expenses. All costs and expenses incurred in connection with the issuance and payment of the Bonds, including without limitation the Underwriter's discount and all expenses related to issuing the Bonds, shall be paid either from the proceeds of the Bonds or from legally available moneys of the City, or from a combination thereof, and such moneys are hereby appropriated for that purpose.

Ratification and Approval of Prior Actions. All actions heretofore taken by the officers of the City and members of the Council, not inconsistent with the provisions of this Ordinance, relating to the authorization, sale, issuance, and delivery of the Bonds, and the qualification of the Bonds for book-entry with DTC, are hereby ratified, approved, and confirmed.

Approval of the Bond Purchase Agreement. The Council does hereby accept and approve the Bond Purchase Agreement as submitted by the Underwriter, and the Bonds shall be sold to the Underwriter upon the terms, conditions, and provisions as set forth in the Bond Purchase Agreement.

Approval of Official Statement. The Council hereby approves the Preliminary Official Statement, in the form presented at this meeting. The Council hereby authorizes and directs the Finance Director to approve on behalf of the City a final Official Statement containing any updated information regarding items described in the Preliminary Official Statement which become known to the City prior to the date of delivery of the Bonds. Copies of said Preliminary Official Statement and final Official Statement are hereby authorized to be distributed by the Underwriter to all interested persons in connection with the sale of the Bonds. The Preliminary Official Statement is hereby deemed to be final as of its date within the meaning of Rule 15c2-12(b)(I) of the U.S. Securities and Exchange Commission. The execution of a final Official Statement by an officer of the City shall be conclusively deemed to evidence the approval of the form and contents thereof by the City.

No Recourse against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Act, if a member of the Council, or any officer or agent of the City acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the principal or interest on the Bonds. Such recourse shall not be available either directly or indirectly through the Council or the City, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the Bonds and as a part of the consideration of their sale or purchase, any person purchasing or selling such Bond specifically waives any such recourse.

Creation and Maintenance of Escrow Account: The Escrow Account is created pursuant to the Escrow Agreement and shall be maintained in an amount at the time of those initial deposits therein and at all times subsequently at least sufficient, together with the known minimum yield to be derived from the initial investment and any temporary reinvestment of the deposits therein or any part thereof in Federal Securities to pay the principal of, redemption premium, if any, and interest on the Refunded Bonds on the Redemption Date.

Use of Escrow Account. Moneys shall be withdrawn by the Escrow Bank from the Escrow Account in sufficient amounts and at such times to permit the payment without default of the principal of, redemption premium, if any, and interest on the Refunded Bonds on the Redemption date. Any moneys remaining in the Escrow Account after provision shall have been made for the payment in full of the Refunded Bonds shall be applied to any lawful purpose of the City as the Council may hereafter determine.

Exercise of Option. The Council has elected and does hereby declare its intent to exercise on the behalf and in the name of the City its option to redeem the Refunded Bonds on the Redemption Date. Upon the issuance of the Bonds, the Council shall be obligated to exercise such option, which option shall be deemed to have been exercised when notice is duly given and completed as herein provided.

Limitation of Actions. Pursuant to Section 11-57-212 of the Supplemental Act, no legal or equitable action brought with respect to any legislative acts or proceedings of the City in connection with the authorization or issuance of the Bonds, including but not limited to the adoption of this Ordinance, shall be commenced more than thirty days after the authorization of the Bonds.

Pecuniary Interest. The Mayor is an employee of the Underwriter. The Mayor has disclosed this and abstained from voting on this Ordinance. Pursuant to Section 5.12(c) of the City Charter, the Council determines that the best interests of the City are served by entering into the Bond Purchase Agreement and that obtaining comparative prices is not feasible in this case.

Ordinance Irrepealable. After any of the Bonds have been issued, this Ordinance shall constitute an irrevocable contract between the City and the Owners, and shall be and remain irrepealable until the Bonds and the interest accruing thereon shall have been fully paid, satisfied, and discharged as herein provided.

Severability. If any section, paragraph, clause, or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Ordinance, the intent being that the same are severable.

Repealer. All orders, ordinances, resolutions, bylaws, and regulations of the City, or parts thereof, inconsistent with this Ordinance are hereby repealed to the extent only of such inconsistency.

Holidays. If the date for making any payment or the last date for performing any act or exercising any right, as provided in this Ordinance, shall be a legal holiday or a day on which banking institutions in the city in which is located the principal office of the Registrar and Paying Agent are authorized by law to remain closed, such payment may be made, act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed, with the same force and effect as if done on the nominal date provided in this Ordinance, and no interest shall accrue for the period after such nominal date.

Declaration of Emergency. In order to complete the issuance and sale of the Bonds while favorable market conditions exist to effect the Refunding Project, it is hereby declared that an emergency exists and that this ordinance is necessary for the immediate preservation of the public peace, health, safety and financial well-being of the City. This Ordinance is hereby declared, pursuant to Section 8.14 of the Charter, exempt from referendum.

Effective Date, Recording and Authentication. This Ordinance shall be in full force and effect immediately upon enactment following final passage. This Ordinance shall be recorded in the City Book of Ordinances kept for that purpose, and shall be authenticated by the signatures of the Mayor Pro Tem and City Clerk, and published in accordance with law.

INTRODUCED, PASSED AND ADOPTED AS AN EMERGENCY ORDINANCE on September 24, 2007.