

ORDINANCE NO. 2002- 03

**AN ORDINANCE ESTABLISHING A
STORM WATER ENTERPRISE
OF THE TOWN OF CASTLE ROCK, COLORADO**

WHEREAS, the Town of Castle Rock (the "Town"), in the County of Douglas and State of Colorado, is a municipal corporation duly organized and existing under the Town's Charter adopted pursuant to Article XX of the Constitution and the laws of the State of Colorado; and

WHEREAS, the Town Council of the Town (the "Council") has determined and hereby determines that it is in the best interests of the Town and its inhabitants to establish a storm water enterprise to be known as the Town of Castle Rock Storm Water Enterprise (the "Enterprise") that shall be operated as an enterprise within the meaning of Article X, Section 20 of the Colorado Constitution (the "Amendment"); and

WHEREAS, the Council has determined that the establishment of the Enterprise will be in the best interests of the Town's inhabitants and promote the health, safety, prosperity, security and general welfare of the Town's inhabitants.

NOW, THEREFORE, IT IS ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF CASTLE ROCK, COLORADO AS FOLLOWS:

Section 1. Enterprise Declaration and Creation. The Council hereby finds and determines that it will provide storm water services by means of the Town's storm water enterprise in conformity with all applicable Colorado laws. The Council further (i) recognizes and confirms that the Enterprise is an "enterprise" within the meaning of the Amendment; and (ii) declares its intent that the Enterprise be operated and maintained so as to exclude its activities from the application of the Amendment. Therefore, the Council hereby creates the "Town of Castle Rock Storm Water Enterprise" as of January 1, 2002. The Town shall take all actions on behalf of the Enterprise as hereinafter further provided.

Section 2. Governing Board. The Town Council of the Town shall constitute the governing board of the Enterprise (the "Governing Board"). The Governing Board shall conduct the business of the Enterprise in the same manner and follow the same procedures as the Town Council of the Town. All official business of the Enterprise shall be conducted at regularly scheduled or special meetings of the Town Council of the Town. The record of the proceedings of the Governing Board may be incorporated in the minutes of the Town and shall not be required to be recorded separately. No additional oath of office, qualification or procedure shall apply with respect to service as a member of the Governing Board. All business and actions of the Governing Board shall be governed by and made subject to all requirements, privileges, immunities, protections, limitations, and other provisions of law.

Section 3. Enterprise Powers. The Enterprise shall exercise the powers of an Enterprise

under the Amendment, including, without limitation, the power to issue or reissue bonds, notes, or other obligations, payable from revenues derived or to be derived from its provision of services. The Enterprise also shall be entitled to exercise such powers as are set forth in any applicable Colorado law, including the power to set rates, fees and charges for services provided by the Enterprise; provided, however, in no event shall the Enterprise have the authority to levy or collect taxes, whether sales taxes, uses taxes or ad valorem taxes, nor shall the Enterprise have the power to direct the Town to exercise its taxing power on behalf of the Enterprise.

Section 4. Assets. Assets to be operated and maintained by the Enterprise shall either remain in the ownership of the Town or be owned by the Enterprise, as the Council determines. The Town hereby assigns the use and management of all assets owned by the Town, whether real or personal, to the Enterprise. The Enterprise shall hold title to assets it owns in the name of the "Town of Castle Rock acting by and through its Storm Water Enterprise."

Section 5. Enterprise Fund. An Enterprise Fund shall be established to separately account for all revenues and expenditures incurred by the Enterprise. The Enterprise shall prepare an annual budget which may be included in the budget prepared for the Town. All budgets, reports, audits, and financial operations of the Enterprise shall conform to and be prepared in accordance with generally accepted accounting principles applicable to governmental units and other requirements of law.

Section 6. Repealer. All acts, orders, ordinances, or resolutions, or parts thereof, in conflict herewith are hereby repealed to the extent of such conflict.

Section 7. Severability. Should any one or more sections or provisions of this Ordinance be judicially determined invalid or unenforceable, such determination shall not affect, impair, or invalidate the remaining provisions hereof, the intention being that the various provisions hereof are severable.

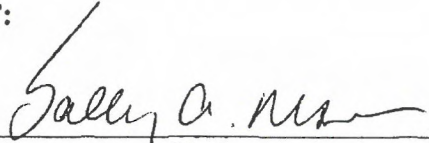
Section 8. Safety Clause. The Town Council finds and declares that this ordinance is promulgated and adopted for the public health, safety and welfare and this ordinance bears a rational relation to the legislative object sought to be obtained.

SUBMITTED this 28th day of January, 2002, and approved for publication and further reading by a vote of the Town Council of the Town of Castle Rock of 6 for and 0 against.

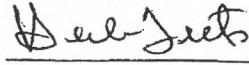
PASSED, APPROVED AND ADOPTED this 25th day of February, 2002, by the
Town Council of the Town of Castle Rock by a vote of 7 for and 0 against.

ATTEST:

TOWN OF CASTLE ROCK

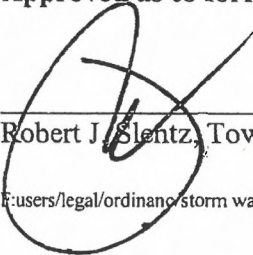


Sally A. Misare, Town Clerk



Herb Teets, Mayor

Approved as to form:



Robert J. Slentz, Town Attorney

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