

MINUTES OF THE CITY COUNCIL MEETING, GALENA, KANSAS, SEPTEMBER 1, 1970

The Council met in regular session September 1, 1970, at 7 o'clock, p.m., in the council-room, at the city building.

Present: Councilmen Pittman, Brown, Kitch, Sturgis, Noe, Watkins, Bogle, Kaehler, and Tackett.

Absent: Councilman Martin.

Presiding: Frank P. Dillon, Mayor

Also present: City Attorney Yount, City Marshal Karr, N. I. Leighton, Resident Engineer, and Clerk Chesnutt.

Invocation: Mayor Dillon

Councilman Watkins moved, seconded by Councilman Pittman, that the reading of the minutes be dispensed with and placed on file as approved. Motion carried by a show of hands.

Noting the presence of members of the Housing Authority present, Mayor Dillon requested Jack Murray, Chairman, for a report on the progress of the housing authority's activities. Mr. Murray filed with the Clerk a Housing Authority Financial Statement dated May 1, 1969 - August 21, 1970, which stated a total expenditure of \$13,870.56 and balance of \$2,129.44. He also filed with the City an estimate of total development cost of \$755,528 and/or \$18,889 per unit. Mr. Murray stressed that the final plans had not been completed and could not be completed prior to execution of the Annual Contributions Contract by the City. He asked that the Governing Body examine the instruments relating to the annual contributions contract and project loan note and give them their serious consideration. He also presented the Governing Body schematic plans for the forty (40) units. A breakdown of the annual payment in lieu of taxes Mr. Murray explained would result in \$1200 being received by the City. A letter from Paul E. Hardwick, Executive Director, was read to the Governing Body in full wherein he advised and confirmed the \$1200 in lieu of taxes and the annual amount of taxes which would be levied were the project privately owned to be \$21,840.00.

Raymond Carlisle, Lions Club representative, addressed the Governing Body and requested their aid and assistance in securing land for a ball diamond for boys ages 18 and over. Mayor Dillon assured Mr. Carlisle and other members of the Club that the matter was under consideration and when a determination was finalized they would advise the Lions Club of their findings.

Councilman Pittman introduced the following entitled resolution:

RESOLUTION AUTHORIZING EXECUTION OF ANNUAL CONTRIBUTION CONTRACT
AND ISSUANCE OF PROJECT LOAN AND PERMANENT NOTES

WHEREAS the City of Galena, Kansas (herein called the "Local Authority") proposes (1) to enter into an Annual Contributions Contract (herein called the "Contract") with the United States of America (herein called the "Government"); (2) to authorize the issuance of its notes as evidence of advances to be made to the Local Authority pursuant to the Contract; all with respect to any "Project" as defined in the Contract and which at any time now or hereafter is incorporated under the terms of such Contract.

NOW, THEREFORE, BE IT RESOLVED by the Local Authority as follows:

Section 1. The Contract, substantially in the form of contract hereto attached and marked "Exhibit A" is hereby approved and accepted both as to form and substance and the Mayor or Mayor Pro Tem is hereby authorized

and directed to execute said Contract in seven copies on behalf of the Local Authority, and the City Clerk is hereby authorized and directed to impress and attest the official seal of the Local Authority on each such counterpart and to forward said executed counterparts, or any of them, to the Government together with such other documents evidencing the approval and authorizing the execution thereof as may be required by the Government.

Section 2. The Chairman or Vice Chairman or the Secretary of the Housing Authority is hereby authorized to file with the Government from time to time, as monies are required requisitions together with the necessary supporting documents requesting advances to be made on account of the loan provided in the Contract, and the proper officers of the Local Authority shall prepare, execute and deliver to the Government Notes hereinafter authorized and shall accept payment therefor from the Government in cash and/or exchange for other Notes of the Local Authority, and such persons are authorized to do and perform all other things and acts required to be done or performed in order to obtain such advances. Cash proceeds from the sale of all Notes shall be deposited and disbursed only in accordance with the provisions of the Contract.

Section 3. (A) In order to provide monies to finance the Development Cost of each Project and to refund, renew, extend or substitute for any Project Loan Notes (in the Contract called "Advance Notes") or Permanent Notes by this Resolution authorized to be issued (or any such Notes by any other resolution authorized to be issued and which are outstanding, or on deposit for delivery pending payment therefor, as of the date this Resolution becomes effective), or for any Project Notes (in the Contract called "Temporary Notes") issued by the Local Authority in anticipation of the delivery of Project Loan or Permanent Notes, there are hereby authorized to be issued, from time to time, Project Loan and Permanent Notes of the Local Authority in an aggregate principal amount outstanding at any other time (whether authorized by this Resolution or any other resolution authorizing the issuance of Project Loan or Permanent Notes) equal to the Maximum Development Cost (or the Actual Development Cost if such amount has then been determined) of each Project, less the sum of (1) the principal amount of Bonds issued to finance such Development Cost and (2) the principal amount of Project Loan, Permanent, or Project Notes issued to finance such Development Cost and which has then been retired from funds other than the proceeds of any loan obtained by the Local Authority.

(B) Each Note shall bear interest and be payable in form and manner prescribed by the Contract and this Resolution; shall be signed in the name of the Local Authority by the Mayor or Mayor Pro Tem; and shall have the official seal of the Local Authority impressed thereon attested by the City Clerk. Each Project Loan Note shall be in substantially the form of Form No. HUD-9204 and each Permanent Note shall be in substantially the form of Form No. HUD-52250, each of which forms is incorporated herein by reference and made a part hereof. Project Loan Notes and Permanent Notes shall be issued to finance the Development Cost of Non-Permanently Financed Projects and Permanently Financed Projects, respectively.

(C) Each Note issued with respect to any Project shall be secured by (1) a first pledge of the annual contributions payable to the Local Authority and authorized to be pledged to such payment pursuant to the Contract and (2) a first pledge of and lien on the Residual Receipts of such Project.

(D) As additional security for the equal and ratable payment of the principal of and interest on each Note issued with respect to any Project, together with each other Note issued with respect to such Project, the Local Authority, to the fullest extent permitted by the Laws of the State, hereby pledges, mortgages, conveys and grants unto the Government all property described in the Contract constituting such Project, including that certain real property relating to each such Project and more particularly described in the trust instrument or any amendment thereto as executed and recorded by the Local Authority pursuant to the Contract: Provided, That in respect to Permanently Financed Projects the lien of such pledge and mortgage and rights granted and conveyed pursuant to this paragraph shall (1) be junior to the Bonds and junior to the pledge of Residual Receipts securing the Bonds, and (2) not be foreclosable until all Bonds shall have been paid and discharged in the manner provided in the Bond Resolutions.

If the preceding sentence shall be adjudged by a court of competent jurisdiction to be invalid or ineffective it is the intention of the Local Authority to be fully obligated under the other provisions of this Resolution and that such judgment shall not impair or invalidate the obligation of the Local Authority to pay the principal of and interest on each Note from other funds of the Local Authority as herein provided.

Section 4. Whenever the following terms, or any of them, are used in this Resolution, the same, unless the context shall indicate another or different meaning or intent, shall be construed, and are intended to have meanings as follows:

- (1) The term "Resolution" shall mean this Resolution.
- (2) All other terms used in this Resolution and which are defined in the Contract shall have the respective meanings ascribed thereto in the Contract.

Section 5. All resolutions or parts of resolutions heretofore adopted by the Local Authority which authorize the issuance and/or delivery of Advance, Project Loan or Permanent Notes pursuant to the Contract are hereby repealed: Provided, however, That such repeal shall in no way affect the validity of Advance, Project Loan or Permanent Notes issued pursuant to said resolutions which are outstanding or on deposit for delivery pending payment therefor on the date this Resolution becomes effective; Provided further, That the Project Loan Notes authorized by this Resolution shall be exchanged for any Advance Notes heretofore issued pursuant to any previous resolution.

Section 6. This Resolution shall take effect immediately.

Councilman Pittman moved, seconded by Councilman Note, that the foregoing Resolution be adopted by roll call vote. On roll call the vote was as follows: Yeas - Councilmen Pittman, Brown, Kitch, Sturgis, Noe, Watkins, Bogle, Kaehler, and Tackett; Nays - none. Mayor Dillon declared passage of the resolution.

Following the reading of an application for cereal malt beverage license submitted by Rosina Steelman, Councilman Watkins moved, seconded by Councilman Bogle, that the license be granted immediately to the applicant following the surrendering of her license at 117 West Seventh Street and that the licensee's new address to be 400 Main Street. On roll call the vote was as follows: Yeas - Councilmen Pittman, Kitch, Sturgis, Watkins, and Bogle; Nays - Councilmen Brown, Noe, Kaehler, and Tackett. Motion carried.

Councilman Tackett moved, seconded by Councilman Pittman, that Supt. Piercefield grade the field west of the Junior League Baseball Diamond for a practice football field. On roll call the vote was as follows: Yeas - Councilmen Pittman, Brown, Kitch, Sturgis, Noe, Watkins, Bogle, Kaehler, and Tackett; Nays - none. Carried.

Councilman Tackett moved, seconded by Councilman Watkins, that the field west of the parking area at the Galena City Park be used for a practice field until the Housing Authority began construction at the site. Motion carried by a show of hands.

Councilman Pittman moved, seconded by Councilman Bogle, that five (5) five-gallon containers of foam be purchased to be used in the Fire Department. Motion carried on roll call vote as follows: Yeas - Councilmen Pittman, Brown, Kitch, Sturgis, Noe, Watkins, Bogle, Kaehler, and Tackett; Nays - none.

Councilman Pittman moved, seconded by Councilman Noe, that the City purchase the fire truck bought by the Fire Department through the Township Fire Funds of \$2,000 per year for approximately seven (7) years and to be carried by the Citizens State Bank of Galena. Mayor Dillon declared the motion out of order and such a purchase to be illegal on advice of counsel but requested a vote on the motion in order to assess the intention of the Governing Body. On roll call the vote the vote was as follows: Yeas -

Councilmen Pittman, Brown, Kitch, Sturgis, Bogle, Kaehler, and Tackett;
Nays - Councilman Watkins.

Mr. Jim Cowan, State Highway Commission representative, presented the City with a Traffic Safety Award as the City had not had a fatality during the year of 1969. City Marshal Karr accepted the placques in behalf of the City.

Mayor Dillon read correspondence from the Eagle-Picher Co. wherein they notified the City of their newly organized office of Environmental Control in order that they might achieve better total efforts and uniformity of approach for their various divisional efforts on environmental control. They requested ordinances or Laws relating to same of the City and/or any suggestions or comments regarding the situation.

Councilman Noe moved, seconded by Councilman Tackett, that the city attorney be instructed to draw an ordinance relating to the regulation and control of air and water pollution. On roll call vote the vote was as follows: Yeas - Councilmen Pittman, Brown, Kitch, Sturgis, Noe, Watkins, Bogle, Kaehler, and Tackett; Nays - none. Carried.

Councilman Watkins moved, seconded by Councilman Pittman, that Ordinance No. 624, an ordinance making appropriation for the payment of certain claims, be placed on roll call vote for adoption. On roll call the vote was as follows: Yeas - Councilmen Pittman, Brown, Sturgis, Noe, Watkins, Bogle, and Tackett; Nays - Councilman Kitch and Councilman Kaehler. Carried.

Councilman Watkins moved, seconded by Councilman Pittman, that Ordinance No. 625, Sewerage Facilities, an ordinance making payment for certain claims, be placed on roll call vote for adoption. On roll call the vote was as follows: Yeas - Councilmen Pittman, Brown, Kitch, Sturgis, Noe, Bogle, Kaehler, and Tackett; Nays - none. Carried.

Councilman Pittman moved, seconded by Councilman Brown, that the city attorney notify the owners of the property located between Second and Third Streets on Short Street that the weeds and debris constituted a nuisance and request that the lots be cleaned up. Motion carried by a show of hands.

Councilman Pittman moved, seconded by Councilman Tackett, that the meeting be adjourned until the next regular session. Motion carried on a standing vote.

Mayor

Betty B. Cleanall
City Clerk