

Grand Junction, Colorado

June 2, 1943

The City Council of the City of Grand Junction, Colorado, met in regular session at 7:30 o'clock P. M. Councilmen present and answering at roll call were: Carson, Ross, Hoisington, Boston, Treece, Campbell and President Robb. City Manager Brownson, City Attorney Banks, and City Clerk Tomlinson were present also.

The minutes of the regular meeting held May 19th were read and approved.

Mr. Bill J. McKelvey made an offer for the tax sale certificates for the N. 51 ft. of the South half of the South half of Block 21, Capitol Hill Sub. He offered \$2.00 for the certificates. There is \$79.62 in City specials and \$55.23 in delinquent County taxes against this property, and also \$3.49 in current taxes and \$2.16 current specials.

It was moved by Councilman Carson and seconded by Councilman Treece that the City Treasurer be authorized to sell and assign Special Assessment Tax Sale Certificates Nos. 30847, 31026, 46180 for an amount equal to the same percentage of the face value of said Certificates as the Board of County Commissioners authorize for the sale of the General Property Tax Certificates held by Mesa County on the property in question; provided that the said Special Assessment Tax Certificates shall not be sold for less than \$1.00; and provided further that the purchaser or assignee thereof shall pay or settle for the General Tax Certificates and after the date authorized by the Board of County Commissioners for the sale of the said General Property Tax Certificates; and provided also that the purchaser or assignee shall pay the current special assessments against this property. Roll was called on the motion with all members of the Council voting AYE. The President declared the motion carried.

Mr. Brownson reported that the tax certificates against the property at 402 Rockaway had been lost and would like for the Council to authorize the issuance of duplicate certificates. It was moved by Councilman Carson and seconded by Councilman Ross that the County Treasurer be authorized to issue duplicate certificates Nos. 24734-5; 24747-8; 24828-9, to replace the ones that had become lost. Roll was called on the motion with all members of the Council voting AYE. The President declared the motion carried. (Certificates were later found, so that duplicates were not issued).

It was reported that the party who had requested an option to lease one of the Warehouses for a potato dehydrating plant, had requested an extension of thirty days, as he had been unable to get to Washington to complete his arrangements for the plant here. It was moved by Councilman Carson and seconded by Councilman Treece that the thirty-day extension be granted. Motion carried.

A letter from the Fruita City Council was read, in which they thanked the Council of the City of Grand Junction for letting them get water this past winter.

Beer licenses for Moslander Cigar Store and N. W. Bryant were presented for renewal. It was moved by Councilman Carson and seconded by Councilman Treece that the applications be approved and licenses granted when the State licenses are approved. Motion carried.

President Robb appointed the following Committees to act during his term of office - Committee on Water - Treece and Carson; Finance - Hoisington and Campbell and Fire and Police - Ross and Boston.

It was moved by Councilman Carson and seconded by Councilman Ross that the City Attorney attend the Colorado Municipal League Convention in Boulder. Motion carried.

It was moved by Councilman Ross and seconded by Councilman Carson that the following resolution be passed and adopted as read. Roll was called on the motion with all members of the Council voting AYE. The President declared the motion carried.

RESOLUTION

Whereas Section 72 of the Charter of the City of Grand Junction contains the following provision:

"The cash balance of the city in the hands of the city treasurer shall be deposited by the same in each of the banks of the City of Grand Junction, without discrimination, in proportion to their capital stock and surplus as far as possible. Such banks shall pay interest on the average daily balances at the rate of two per cent per annum and shall credit the same monthly to the account of such treasurer; provided, however, that such banks shall be required to furnish a good and sufficient surety bond for the securing of such deposits. Nothing herein shall prevent said treasurer, under the orders of the city council, from temporarily having such funds otherwise deposited; provided that, as soon as practicable, he shall re-deposit such deposits."

And Whereas the First National Bank in Grand Junction and The United States Bank of Grand Junction, the only banks in this city, have advised said city that they are not able to obtain and furnish good and sufficient surety bonds for the securing of deposits of funds of said city, as required by the provisions of its Charter;

And Whereas the First National Bank in Grand Junction has proposed to said city that it will specially secure deposits of city funds in said bank up to \$70,000.00, in addition to that covered by Federal Deposit Insurance, under the same plan and

arrangement formerly effected between said city and said bank, which said plan and arrangement is hereinafter set forth, but that The United States Bank of Grand Junction has not proposed to the city any such plan or other arrangement to secure deposits of said city;

And Whereas it is impossible for the city to deposit its funds in each of the banks, without discrimination, in proportion to their capital stock and surplus, and with good and sufficient surety bonds securing such deposits;

And Whereas it is essential to the proper conduct of the business of said city that its funds be deposited temporarily otherwise than under surety bond security, as above mentioned, until such time as said banks, or either of them, are able to furnish good and sufficient surety bonds to secure payment of such deposits;

And Whereas it appears to the City Council, and it finds, that the above mentioned proposal of the First National Bank in Grand Junction affords the only practicable arrangement for such deposit of its funds now available, and that an emergency exists which justifies the acceptance of such proposal;

And Whereas the plan proposed by the First National Bank in Grand Junction provides that said bank will secure deposits of funds in said city in its General Account, Sewage Construction Fund, Firemen's Pension Fund, and Perpetual Care Fund, Orchard Mesa Cemetery, to the amount of \$70,000.00, by its bond secured by a pledge of bonds of the United States of America, in lieu of a surety bond; that such pledged securities will be deposited with the Federal Reserve Bank at Kansas City, Missouri, or the Denver branch thereof at Denver, Colorado, which bank or banks will issue therefor their non-negotiable and non-assignable joint custody receipts; that said joint custody receipts will be delivered to the City Treasurer and retained by him; and that the said bank will execute power of attorney to the City Treasurer giving him the power to sell or transfer said securities.

And Whereas in conformity with said plan the said bank has submitted the following executed and certified records and instruments, to-wit:

RESOLUTION

IT IS HEREBY RESOLVED, By the Board of Directors of the First National Bank in Grand Junction that it does hereby authorize and empower John J. Bridges as President and Dale E. Bebee as Cashier of said Bank for and on behalf of said Bank to execute and deliver to the City of Grand Junction, Colorado, a bond in the penal sum of Seventy Thousand (\$70,000.00) Dollars to secure certain funds which have been and which may be hereafter deposited in said Bank, said deposits being designated as follows:

City of Grand Junction, General Account
City of Grand Junction, Sewage Construction Fund
City of Grand Junction, Firemens Pension Fund
City of Grand Junction, Perpetual Care Fund, Orchard Mesa
Cemetery.

and that said officers be and the same are hereby duly authorized and empowered to bind said Bank to a full and complete performance of any and all obligations contained therein, and to pledge certain United States Bonds to the aggregate amount and value of said bond obligation as security therefor; and they are further authorized and empowered to execute any and all instruments in writing required by said City in connection with the execution of said bond and the deposit of such collateral as security therefor and to deliver same, together with as many duly executed counterparts thereof as may be required, to the order of said City in consummation and performance of the purposes herein authorized.

We, John J. Bridges, President, and Dale E. Bebee, Cashier, of the First National Bank in Grand Junction, do hereby certify that the foregoing is a true and correct copy of a certain Resolution duly adopted by the Board of Directors of said Bank at a meeting thereof held at Grand Junction, Colorado, on the 26th day of May, 1943.

Dale E. Bebee
Cashier

John J. Bridges
President

BOND

KNOW ALL MEN BY THESE PRESENTS, That the First National Bank in Grand Junction, Colorado, a corporation duly organized and existing under and by virtue of the laws of the United States of America, having its office and principal place of business at the City of Grand Junction, in the State of Colorado, as obligor, is held and firmly bound unto said City of Grand Junction, a municipal corporation, in the penal sum of Seventy Thousand Dollars (\$70,000.00) lawful money of the United States, for the payment of which, well and truly to be made, it binds itself, its successors and assigns, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, That whereas the City has deposited in said Bank various funds of said City in the following designated accounts:

City of Grand Junction, General Account
City of Grand Junction, Sewage Construction Fund
City of Grand Junction, Firemens Pension Fund
(Savings Account)

City of Grand Junction, Perpetual Care Fund,
Orchard Mesa Cemetery (Savings Account)

which said deposits will be subject to withdrawal and the further deposit of funds therein as may be provided by said City, and will be deposited under the condition that said Bank shall furnish satisfactory security to guarantee the safety of such deposits and the day to day balances therein; and

WHEREAS, John J. Bridges, President, and Dale E. Bebee, Cashier, of said Bank, were duly authorized and empowered to enter into this obligation by a certain resolution of the Board of Directors of said Bank, adopted the 26th day of May, 1943;

NOW THEREFORE, If the above bounden, The First National Bank in Grand Junction, shall well and truly account for all such deposits of the aforesaid funds and all additional deposits made in said accounts, and shall hold said City of Grand Junction and the officers thereof, including the City Treasurer of said City and his successors in office, harmless from all loss by reason of such deposits, and shall well and truly pay over the same to the person or persons entitled thereto on demand by check of said depositor, then the foregoing obligation shall be void, otherwise it shall remain in full force and effect.

The above bounden obligor, in order to more fully secure said City of Grand Junction in the payment of the aforesaid sum, hereby pledges as security therefor certain bonds of the United States of America in the aggregate principal sum of \$70,000.00, as more particularly described in a schedule thereof which is hereto attached and made a part hereof.

Contemporaneously herewith the undersigned has also executed and delivered a power of attorney and agreement in favor of said City of Grand Junction, also attached hereto and made a part hereof, authorizing and empowering the City Treasurer of said City to collect or to sell, assign and transfer said bonds, or any part thereof, in case of any default in the performance of any of the above stated conditions or stipulations.

IN WITNESS WHEREOF, This bond has been signed and sealed by the above named obligor this 26th day of May, 1943.

FIRST NATIONAL BANK IN GRAND JUNCTION

By John J. Bridges
President

ATTEST:

Dale E. Bebee
Cashier

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, That the First National Bank in Grand Junction, Colorado, a corporation duly organized under the laws of the United States of America and having its principal office in the City of Grand Junction, State of Colorado, in pursuance of a resolution of the Board of Directors of said Bank, adopted the 26th day of May, 1943, does hereby constitute and appoint the City Treasurer of the City of Grand Junction, Colorado, and his successor in office, As Attorney for said corporation, for and in its name, to collect, or to sell, assign and transfer, certain United States Bonds, described as follows:

\$10,000.00 par value Home Owners' Loan Corporation
Series A. 3% Bonds, due 5/1/44-52

\$15,000.00 par value U. S. Treasury 2 1/2% Bonds,
due 9/15/-50-52

\$30,000.00 par value U. S. Treasury 2 1/2% Bonds, due 1948

\$15,000.00 par value U. S. Treasury 2 1/2% Bonds, due 1948

such bonds having been deposited and pledged by it as security for the faithful performance by it of any and all the conditions and stipulations of a certain depository bond obligation entered into by it with said City on the 26th day of May, 1943, which said bond is hereby made a part hereof, and the undersigned agrees that in case of any default in the performance of any of the conditions and stipulations of such undertaking its said attorney shall have full power to collect said bonds or to sell, assign and transfer the same or any part thereof without notice, at public or private sale, free from any equity of redemption and without appraisalment of valuation, notice of right to redeem being waived, and to apply the proceeds of such sale or collection, in whole or in part, to the satisfaction of any damages and/or deficiencies arising by reason of such default, as its attorney may deem best; and said corporation, for itself, its successors and assigns, hereby ratifies and confirms whatever its said attorney shall do by virtue of these presents.

IN WITNESS WHEREOF, The First National Bank in Grand Junction by John J. Bridges, its President and Dale E. Bebee, its Cashier, duly authorized to act in the premises, have executed this instrument, and caused the seal of the said corporation to be hereto affixed, this 26th day of May, 1943.

FIRST NATIONAL BANK IN GRAND JUNCTION

By John J. Bridges
President

ATTEST:

Dale E. Bebee

Cashier

STATE OF COLORADO)
)SS
COUNTY OF MESA)

Before me, the undersigned Notary Public within and for the County of Mesa, in the State of Colorado, personally appeared John J. Bridges, President, and Dale E. Bebee, Cashier, of the First National Bank in Grand Junction, a banking Corporation, and for and in behalf of said bank, duly acknowledged the execution of the foregoing power of attorney.

Witness my hand and seal this 26th day of May, 1943.

My commission expires November 20, 1943.

Dorothy M. Ottman
Notary Public

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Grand Junction that the City Treasurer be and he is hereby authorized, directed and ordered to deposit funds of said city in the several accounts of funds above designated up to the sum of \$70,000.00, exclusive of the amount covered and guaranteed by the Federal Deposit Insurance Corporation, in the First National Bank in Grand Junction, under and in pursuance of the aforesaid plan and agreement, temporarily, until the further order of the Council; that the said City Treasurer be and he is hereby authorized to permit said Bank to withdraw said joint custody receipts provided that it substitutes therefor other receipts covering a similar deposit of bonds of an equal value and furnishes to said City Treasurer an additional Power of Attorney covering the same; and that in the event that the City Treasurer has funds for and on deposit at any time in excess of the sum of \$75,000.00, he is directed and ordered to report such situation to the City Council for further instructions and orders relative to such excess deposits.

It was moved by Councilman Carson and seconded by Councilman Treece that the meeting adjourn. Motion carried.

/s/ Helen C. Tomlinson
City Clerk