EXECUTE CHECK FOR \$3,000.00 TO PAY FOR PROCEEDINGS CONTRACT COMMISSION, AND TO ISSUE CHECK FOR \$500.00 TO PAY FOR SPECIAL COMPENSATION OF STEIN-BROS. & BOYCE, AND AUTHORIZING THE CITY TREASURER TO PLACE SAME, TOGETHER WITH \$6,000.00 OF 4% GAS DISTRIBUTION SYSTEM REVENUE BONDS IN THE HANDS OF A.F. CHILDERS FOR THE PURPOSE OF DELIVERING SAME TO THE PARTIES EN-TITLED THERETO, AND AUTHORIZING A.F. CHILDERS TO ACCEPT DELIVERY OF PURCHASE PRICE OF SAID BONDS ON BEHALF OF THE CITY AND TO ACCEPT THE INSTRUMENTS PASSING TITLE TO THE GAS DISTRIBUTION SYSTEM OF THE CITY, AND AUTHORIZING THE SIGNING OF CERTIFICATE OF INCUMBENCY OF OFFICERS, ABSENCE OF LITIGATION AND IDENTIFICATION OF SIGNATURES, AND TREASURER'S RECEIPT.

A roll call of the vote on the above ordinance, as follows:

Charles Childers, Yes Hayes Jones, Yes Charles Sowards, Yes Yes W.S. Wells, T.J. Howell, Yes,

Thereupon the Mayor declared the above ordinance duly passed and adopted.

\* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \*

No further business before the Board, on motion meeting was adjourned until next regular meeting.

AAG97

At a specially called meeting of the common council of Pikeville, Ky. held in the City Hall, on Tuesday October, 22, 1940, 7-30-P.M. The following members were present.

> Hi Pauley, Charles Sowars, Hayes Jones, T. J. Howell, G.C.Leslie,

Mayor, Councilman,

no worrent esent

We the undersigned hereby waive written notice of this specially called Council Meeting.

Hi Pauley, Mayor, Hayes Jones, Councilman, Charles Sowards, T.J. Howell, G.C.Leslie,

ORDERED THAT:

A.F. Childers is hereby allowed the sum of \$827.81 for expenses and Attorney Fee as assistant counsel to city Attorney, in, working try to secure a lower gas rate for Pikeville, Ky. before the Utilities Commossion in Frankfort no warrant and Ky. beginning in 1937, and forwork as assistant counsel for city of Pikeville, in case of Bowles & Jacobs, Vs/ Southern Public Service Co., City of Pikeville, the six City councilmen, The Mayor, Et-Al. recently tried in the Pike Circuit Court, and for expenses and Attorney fee in Lat ter case, appearing at taking of depositions in latter case inLouisville, Ky. and for trip to Chicago L'11. on October 16,17,& 18, 1940, in connection with closing of Gas purchase contract. Payable, out of Gas Bond funds.

ORDERED THAT:

V.E.Bevins be and he is hereby allowed the sum of \$40.00 for expenses on trip to Chicago I'll. in closing Gas purchase contract for City of Pikeville, Ky. Payable out of Gas bond funds.

ORDERED THAT:

Harmon Francis & Hobson, be allowed the sum of \$75.00 for Attorney fee in case of City of Pikeville, Vs/ A.D. Cline, City Hall property Division Street. Payable out of General funds.

ORDERED THAT:

Deed from Public Service Co.a Kentucky Corporation, to the City of Pikeville, Ky. The Natural gas franchise in Pikeville, The Natural Gas Distribution System in Pikeville, such easements of rights of way, Et-Al. Pated Oct .-17,1940, Is hereby accepted and said deed is hereby ordered recorded in the office of the Clerk of the Pike County Court,

The vote on the above order as follows; Hayes Jones, Yes T. J. Howell, Yes Charles Sowards. Yes G.C.Leslie, Yes.

ORDERED THAT:

The deed from Allen D. Cline and Marie D. Cline, his wife, to the City of Pikeville, Kentucky, a Municipal Corporation Dated Oct. 17, 1940, conveying to said City the lot and building now used as a City Halls and situated on the

South side of Division street same situated between C.& O.Railroad Company rightof way, Division street and on the East and South by the lot now owned by the City of Pikeville (but which latter adjacent property wasformerly owned by Sam M. Caudill) is hereby accepted, said deed is ordered to be recorded in the Pike County Court Clerk's office.

Vote on above order as follows:

Hayes Jones, Yes T. J. Howell, Yes ... Charles Sowards, Yes G?C?Lesliem Yes.

ORDERED THAT:

The maps of Peachorchard road (1) from station 25 plus 50 to station 35 plus 68.3 made by Alonzo Ford, and Dated June 1940, be accepted, (2) that map showing showing said Peach orchard road, from station 35 plus 68.3 to station 45 plus 02.8, be accepted same Dated June, 1940. and made by Alonzo Ford, and thaat (3) map of Peach orchard road from station 42 plus 60.8 to station 50 plus 50 be accepted. Same made by Alonzo Ford.

ORDERED THAT:

In as much as the bid of Chicago Bridge and Iron Company, Cleveland Ohio, to sell one 300,000 gallon steel stand pipe water tank, to the City of Pikeville, to haul same up on the Water Department lot on Smith Hill, and to erect same, to proper usable condition, was accepted by the common council, of the City of Pikeville, Ky. Oct, 15, 1940 (at a bid of \$6,480.00) all other bids for same having been

NOW THEREFORE, it is ordered by the common council of the city of Pikeville, rejected That Hi Pauley Mayor, execute and sign a contract in behalf of and in the name of the City of Pikeville, KY. same of even Date. With Chicago Bridge and Iron Company, and that said contract be Attested by H.S. Damron, City Clerk, same to be done in duplicate.

Vote on above ordinance as follows:

Hayes Jones, Yes Charles Sowards, Yes Yes G.C.Leslie, Yes/ T. J. Howell,

RATE FILED WITH PUBLIC SERVICE COMMISSION OF KENTUCKY,

Southern Public Service Company Name of Comany

Applies to Pikeville, Kentucky,

Type of service, General Gas Service

Available for: Any residential or commercial customer who uses the company's natural gas service for lighting, Cooking, heating or any other purpose.

RATE:

First 3,000 cu. ft. used per month @ 53 ¢ per MCF net Next 17,000 cu. ft. used per month @ 43¢ per MCF net 30,000 cu. ft. used per month @ 33 ¢ per MCF net Next 50,000 cu. ft. used per month @ 29 ¢ per MCF net cu. ft. used per month @ 26 ¢ per MCF net Excess

Discount or penalty: The above Schedule is net. On all accounts not paid in full within 12 days of date of bill, 5% will be added to the net amount shown.

\$1.00 per meter per month. MINIMUM BILL:

SPECIAL TERMS OR CONDITIONS: This rate applies only to consumers living in or immediately adjacent to the city of Pikeville, Kentucky, and who, in the opinion of the company, can be served directly from the local distribution System without special line construction.

Date effective November 25, 1937.

\$ 16.00 This Day came Hi Pauley and paid into the City treaury for Two days work, done by Lon Ford City Engineer.

J.M.AUXIER CITY ATTORNEY PRESENTED THE FOLLOWING ORDINANCE:

AN ORDINANCE PROVIDING FOR GRADING OF PEACH ORCHARD ROAD FROM STATION 25PLUS 19 TO STATION 50PLUS 50 SO AS TO BE GRADED 18 FEETWIDE, WITH A DITCH 3 FEET WIDE ON THE UPPER SIDE OR ON BOTH SIDES WHERE NECESSARY, FOR SURFACING SAID PEACH ORCHARD ROAD BETWEEN SAID STATIONS, 16 FEET WIDE, WITH 8 INCHES OF CRUSHED SAND STONE AS PER MAPS MADE BY LON FORD DATED JUNE, 1940.

ARTICLE OF AGREEMENT made and entered into this 22, Day of October, A.D. 1940, by and between the CHICAGO BRIDGE AND IRON COMPANY of Chicago, Illinois, party of the First part, hereinafter called "the contractor" and City of Pikeville of Phkeville, County of Pike, State of Kentucky, party of the second part, hereinafter called "the purchaser."

WITNESSETH. That the said parties hereto in consideration of their mutual undertakings and promises, covenant and agree with each other, as follows:

FIRST, That "the contractor" shall furnish all material and manufacture, deliver and erect at Pikeville, Kentucky, for "the purchaser" according to the plans No, 3722 Dated Oct. 15, 1940, and specifications No 40-W attached hereto and made a part hereof as much as though fully recited herein, the following works to-wit:

One (1) 300,000 gallon 38'0' diameter by 35'6' high WaterStorage Tank with fittings and construction in accordance with Purchaser's specifications dated 9-17-40, and attached specification sheet#3722, all in accordance with contractor's proposal of October 15th 1940, except that butt welding or lap welding of bottom shall be at option of the contractor. contractor's specifications #40-W attached, shall apply only where they do not conflict with purchaser's specifications. There will be field painting only which shall red lead paint on interior surfaces and (20 coats consist of Two (2) coats of alluminum paint or One (1) coat of red lead followed by One (1) coat of aluminum paint on exterior surfaces, and that all materials for said works shall be of good and suitable quality and the work shall be executed in a thorough and workman like manner.

SCOND, THAT "The Purchaser" shall pay to "the Contractor" for said works in funds current at par in New York or Chicago, U.S.A., the sum of SIXTY-FOUR HUNDRED EIGHTY- (\$6,480.00) Dollars, free of all collection charges, the same to be paid as follows:

- (a) Sixty per cent (60%) of the full contract price is due on shipment of the material and is payable before the erection of said works is started.
- (b) Thirty per cent (30%) of the full contract price is due and payable upon completion of said works.
- (c) The balance of the full contract price is due and payable as soon as the said works are tested or inspected and found to be in accordance with the specifications; or if for any reason on the part of the purchaser such test or inspection cannot be made, then the balance of the full contract price shall be due and payable within Thirty days after the structure is ready for test or inspection.

THIRD. That "the Purchaser" shall build the foundation for the said works in accordance with the said plans and specifications,

IN WITNESS WHEREOF the said parties have hereunto subscribed their names and attached their respective seals the day and year first above written.

CHICAGO BRIDGE & IRON COMPANY, (seal)

By Wm, R.Fidsett, contracting, Engineer.
CITY OF PIKEVILLE, KENTUCKY, (seal)

ATTEST;

H.S. Damron, City Clerk.

By Hi Pauley, MAYOR.

CHICAGO BRIDGE & IRON COMPANY,
HORTON STEEL TANKS,
45 Prospect Avenue, West.

October 14,1940.

H.S. Damron, City Clerk, City of Pikeville? Kentucky.

Dear Sir:-

We submit herewith our bid in conjunction with the construction of a new standpipe for the City of Pikeville, Kentucky. for the sum of Sixty Four Hundred and Eighty Dollars We will furnish, deliver, unload, haul and erect One 300,000 gallon standpipe on foundation provided by others at Pikeville,

Kentucky. This tank would be furnished and erected in accordance with the specifications prepared by the city of Pikeville, dated September 17, 1940, In addition to the tank proper, We include the following items of equipment in our

lo" Mushroom type vent with screen Inside and outside tank ladders, Roof door, Shell manhole in bottom ring, Two coats of red lead on inside of tank, Bottom, shell, and roof; 2 coats of aluminum paint on the outside

of the tank shell and roof,

4" Wrought iron overflow extending from the capacity line of the tank
to the tank bottom with flanged intermediate connections and properly
secured to tank
4" Wrought iron neck fastened to lower side of tank at overflow connection,

10" Cast iron outlet connection complete with 10" lead joint in bottom of as shown on our sketch 3722,
10" Flanged Foot Elbow Z 10" Flg'd cast Iron pipe Ab't 5'0" long,

10" Flanged Foot Elbow E 10" Flg'd cast Iron pipe Ab't 5'0" long
4" Flanged Foot Elbow E 4" Flg'd cast Iron pipe Ab't 5'0" long
1-4" F 1-10" Flg'd C I Body gate valves,

We are attaching our blue print No. 3722, dated 10-15-40 which will show the general design of the structure quoted upon, This structure would be of butt welded construction in the roof, shell and bottom, We are also attaching our standard specifications No.40-W for welded storage tanks which specifications shall apply where they do not conflict with the City's specifications.

Seveny five (75) calendar days will be required for the completion of this structure.

We attaching hereto our certified check NO.1088 in the amount of \$650.00 drawn on the National City Bank of Cleveland, Ohio.

Terms of payment- 60% of the full contact price is due upon shipment of material and is payable before erection of said work is started. 30% of the full contract price is due and payable upon completion of said work, The balance of the full contract price is due and payable as soon as the said work is tested or inspected and found to be in accordance with the specifications, If for any reason on the part of the purchaser, test or inspection cannot be made, then the balance of the full contract price is due and payable within thirty days after the structure is ready for test or inspection.

We appreciate the opporunity of submitting this proposal and trust we may be favored with your award for this work.

Respectfully submitted,

CHICAGO BRIDGE & IRON COMPANY,

By: Wm.R.Fidsett, Contracting Engineer.

WRF/ rl 3722.

ORDERED THAT:

Harman Francis & Hobson, be and they are allowed the sum of \$203.35

for legal services in the case of Bowles & Jacobs, Vs/City of

Pikeville, The Mayor, and City councilmen, Et-Al. Payable out of

City of Pikeville, Gas system Purchasing Account.

ORDERED THAT:

Harman Francis & Hobson, be allowed the sum of \$75.00 for Services

Harman Francis & Hobson, be allowed the sum of \$75.00 for Services

Case. Payable out of General funds.

ORDERED THAT:

G.F.Ford be allowed the sum of \$9.75 for plumbing work in city Hall, Payable out of Water Department funds.

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY of CHICAGO,

RECEIVED Oct. 15,1940, Ref'd to H.H.

October 14,1940.

Mr. Charles H. Bliss, President, American Utilities Service Corporation, 327 South La Salle Street, Chicago, Illinois.

Dear Mr. Bliss:

We have your letters of August 5, and October 2, requesting our consent as Trustee under Indenture of American Utilities Service Corporation dated November 1,1934, to the sale by Southern Public Service Company of the gas distribution system in and about the City of Pikeville, Kentucky, to the City of Pikeville, Kentucky, for the sum of \$51,000.

We hereby indicate our consent, pursuant to the provisions of Article Eight, to the sale of the above mentioned property at the price stated, with the provision that the sales proceeds will be deposited with us as Trustee under the above mentioned Indenture when the transaction has been completed.

Yours very truly,

SIGNED: E. B.

E. B. Stofft, E. B. Stofft, Trust Officer.

EBS : HJG: EK.

AAG976

SOUTHERN PUBLIC SERVICE COMPANY,

ASHLAND, KENTUCKY, October 14,1940.

Mr. Hi Pauley, Mayor, City of Pikeville, Pikeville, Kentucky.

Dear Sir:

At the suggestion of your representatives, Messrs. Akers and Burke, who arrived at our office this afternoon for purpose of discussing various matters in connection with your impending purchase of Pikeville gas distribution system, we are outlining our views in letter form for your consideration.

#### 1 Final Gas Billing.

The meters are now being read and as soon as reading is completed, which will probably be today, the bills will be computed. Since this is the billing which normally would be delivered to the customers as of November 1, 1940, and due NET by November 12th, we would like to sell you this billing so that we can wind up our affairs in Pikeville with October.

### 2. 1940 Property and Franchise Taxes.

Based on year 1939, since 1940 assessment is not available for the property in Pike County were \$1,416.11. Assuming that your formal purchase will take place on October 17th, your portion of the taxes for 1940, accruing under your ownership, would be 7/24 of \$1,416.11 or \$413.00.

We desire to work out some arrangment whereby we will be assured of your share of the 1940 taxes when same become known and payable.

### 3. Consumers! Deposits.

As of September 30,1490, our liability to the Pikeville consumers thru customers' Deposits Amounts to \$3,610.00.

In order to protect you for the contingent liability involved we are willing to place the above sum in escrow until such a time as we are able to compute the accrued interest and principal and render to you a detailed list of depositors as of date settled upon.

Should you be agreeable to the purchase of our final billing as mentioned per Item 1, above, so that we would not be required to collect this billing ourselves, we will be able to make all necessary computations and prepare list of depositors as of October 31,1940. However, should you not care to purchase our final billing and we have to stay on in Pikeville, during November to collect it ourselves, then we will require until November 30, 1940, to clear up this liability and turn aggregate amount of outstanding

deposits and accrued interest over to you, to gether with itemized list of depositors of our record as of November 30,1940.

#### 4. Triplicate Utility Bills

We have on hand approximately 25,000 utility bills designed for single operation billing, which we would like to sell you if you are interested. These bills are in triplicate and suitable for dual utility billing, giving an office record, a cashier's stub and a copy for retention by customer as his receipt. These bills cost us \$9.18 per 1000. They would be suitable for your gas-water billing requiring minimum of clerical labor to prepare.

#### 5. Inventory of Materials and Supplies.

Mr. W. T. Riggs has been instructed to supply you with a list of all pipe, fittings, valves, et cetere, and will do so as soon as he completes his physical count of such items on hand.

We would be glad to have your re-action to our proposals as outlined above with the idea of having all detail matters well in hand when we go to Chicago for the formal transfer of the property.

Very truly yours,

SOUTHERN PUBLIC SERVICE CO.

By T. W. Hodge, Vice President.

T. W. Hodge, G.

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY, OF CHICAGO

October 17,1940.

Mr. F. A. O'Neill, Treasurer, American Utilities Service Corporation, 327 South La Salle Street, Chicago, Illinois.

Dear Mr. O'Neill:

We wish to acknowledge receipt from you of check for \$51,000 drawn by the City of Pikeville, against the Pikeville National Bank and Trust Company, Pikeville, Kentucky, payable to Southern Public Service Company, endorsed by them to order of American Utilities Service Corporation and by said corporation to this bank as Trustee under mortgage of American Utilities Service Corporation.

We understand that this is in payment of the purchase price of the gas distribution system in Pikeville, Kentucky, sold by Southern Public Service Company to the City of Pikeville, The money will be applied as indicated in your letter of October 17 transmitting the check and will be held and disbursed in accordance with the provisions of the Indenture of American Utilities Service Corporation to this bank as Trustee.

Yours very truly,

Signed E. B. Stofft, E. B. Stofft Trust Officer.

EBS: EK.

October 17, 1940.

Pikeville National Bank & Trust Company, Pikeville, Hentucky.

Gentlemen:

The City of Pikeville, Kentucky has today pruchased the Cas Distribution System of Southern Public Bervice Company in Pikeville, As a part of this transaction Southern Public Service Company has agreed to pay the taxes assessed against such property to October 17,1940. It is estimated that the taxes due and payable as of that date will be \$1,125.00. There is accordingly handed you herewith our certified check in that amount, drawn on the City National Bank & Trust Company of Chicago, Illinois, payable to your order. You are hereby instructed to deposit such check in your bank in an escrow account, and at the time that such taxes have been properly certified by the proper taxing authority to the different taxing units, you are to pay the same, take the receipt of the collector therefore and deliver such receipt to the undersigned. In the event that the taxes for such period exceed the amount of the escrow deposit, the undersigned agrees to deliver to you such additional amount as may be necessary to pay such taxes to October 17,1940. In the event the amount of the taxes due and payable is less than \$1,125.00, the difference held by you shall be returned to the undersigned.

The undersigned has agreed to deliver to the City of Pikeville, within

thirty days from the date hereof, all Pikeville gas customer's deposits held by it not delinquent in the payment of their gas bills, for the period of not more than sixty days, together with the accrured interest thereon, if any. Within such thirty days from the date hereof, the undersigned will deliver to you a list of all Pikeville customer's deposits, showing the amounts due, including interest, less the amount owing by any gas customer. There is also handed you herewith our certified check in the amount of #3,610.00 drawn on the City National Bank & Trust Company of Chicago, Illinois, payable to your order, to be deposited by you in your bank in an escrow account. Upon the delivery to you by the undersigned of such list of customer deposits, you are to deduct any sum owing by any individual customer for a delinquent gas bill prior to October 17,1940, and pay the same to the undersigned. Any amounts then remaining shall be delivered by you to the City of Pikeville, which will receipt therefore and resume full responsibility for the due accounting thereof to the customers having made such deposits.

Yours very truly,

SOUTHERN PUBLIC SERVICE COMPANY

F. A. O'Neill, Treasurer.

The foregoing escrow arrangement is accepted by the City of Pikeville, Kentucky.

V. B. Bevins.

Receipt of the above described checks for, the purposes of the two escrow arrangements above set forth is acknowledged this 17 day of October, 1940.

PIKEVILLE NATIONAL BANK & TRUST COMPANY,

By V. E. Bevins.

AAG976

October 17,1940.

Received of A. F. Childers, and V. E. Bevins of Pikeville, Kentucky, gas distribution system revenue bonds of the City of Pikeville, dated August 1,1940, numbered as follows:

1---3 Inclusive 5---21 Inclusive 23---28 Inclusive 30---35 Inclusive 37---50 inclusive 53---56 inclusive

STEIN BROS. & BOYCE

By Milton S. Trost.

FOR VALUE RECEIVED, the undersigned, American Utilities Service Corpotation, as successor by reorganization to Federal Public Service Corporation, assigns all of its right, title and interest in and to the attached pipe line crossing agreement with The Chesapeake & Ohio Railway Company, dated January 10,1940, to\_\_\_\_\_\_

AMERICAN UTILITIES SERVICE CORPORATION

By Charles H. Bliss, President.

( SEAL)

F. A. O'Neill, Secretary.

Dated October 1940.

#### CERTIFIED COPY OF RESOLUTIONS

#### OF STOCKHOLDERS OF

SOUTHERN PUBLIC SERVICE COMPANY,

August 5,1940.

RESOLVED that the action of the Officers of the Company in arranging for the sale of the gas distribution system of the company located in and about the city of Pike ville, Pike County, Kentucky, excluding from such sale all accounts receivable and cash on hand, for the sum of \$51,000 in cash be and the same is hereby ratified, approved and confirmed.

BE IT FURTHER RESOLVED that in connection with the consummation of the sale contemplated by the foregoing resolution and upon the receipt of the purchase price, the President or a Vice-President and the Secretary or an Assistant Secretary of this company be and they are hereby authorized and directed to execute and deliver such deeds, bills of sale, assignments or other conveyances as may be required for the purpose of effecting the transfer and conveyance of such property to purchaser thereof and,

BE IT FURTHER RESOLVED that the President or a Vice President and the Secretary or an Assistant Secretary of this Company be and they are hereby authorized to prepare or cause to be prepared and to execute and to file or to become parties thereto any petitions, applications or other documents, and any or all amendments thereto or supplements thereof as may be required to be filed with any regulatory commission having jurisdiction with respect to the sale and conveyance of such assets.

I, F. A. O'NEILL, do hereby certify that I am the duly elected, qualified and acting Secretary of Southern Public Service Company, a corporation duly organized and existing under and by virtue of the laws of the State of Kentucky; that as such Secretary I have access to all original records of said corporation; and I do hereby further certify that at a special meeting of the Stockholders of said Corporation, duly called, held and convened according to law and the by-laws of said corporation on the 5th day of August, 1940, a quorum being present and voting at said meeting, all of the issued and outstanding capital stock of said corporation was voted in favor of the foregoing resolutions and said resolutions were unanimously adopted; that the foregoing is a full, true and correct copy of said resolutions as they appear on the records of said corporation; that the same have not been altered, amended or repealed and are now in full force and effect; and that I am the duly authorized and proper officer of said corporation to make certified copies of its records in its behalf.

IN WITNESS WHEREOF I have hereunto set my hand and affixed the seal of said corporation this 17th day of October, 1940.

(SEAL) F. A. O'NEILL, Secretary.

No further business before the Board, on motion duly carried, meeting Was adjourned until, Tuesday November, 5, 1940, 7-30-P.M.

ATEST:

AS. Dannon
City Clerk.

APPROVED:

Mayor.

At a regular meeting of the common council convened in the city Hall, on Tuesday November 5, 1940, at 7-30, P.M. Two councilmen present T.J. Howell & W.S. Wells, There not being a quorum, meeting was adjourned until, 7-30 P.M. Friday Nov. 8, 1940.

ATTEST: AS Danner City Clerk.

Approved: A Sanction Mayor.

At a regular adjourned meeting of the common council convened in the City Hall, on Friday November &th 1940,7-30- P.M. Present, Hi Pauley, Mayor, Councilmen, Hayes Jones, & Charles Childers, Ther not being a quorum, Meeting was adjourned until Tuesday, Nov. 12, 1940. 7-30, P.M.

ATTEST: AS Danner City Clerk. APPROVED: Mayor