

MINUTES } CITY OF PIKEVILLE

At a special meeting of the Board of Commissioners of the City of Pikeville, Kentucky, a City of the fourth class operating under Commission--City Manager form of government, held at City Hall on March 19th, 1963, all members of the Board were present and participating as follows:

W. C. Hambley, Mayor
W. E. Venters, Commissioner
E. Bruce Walters, Commissioner
Richard Wells, Commissioner
B. P. Bogardus, Commissioner

The Mayor announced that he had received from Housing and Home Finance Agency of the United States Government, a Grant Offer under the Accelerated Public Works Program, dated March 13, 1963, on Form CFA--1121, offering the grant of aid in financing the construction of essential public works and facilities estimated to cost \$2,391,000.00, therein described and designated as project number APW--Ky.--50, dated October 12, 1962.

The Mayor Presented formal acceptance of the grant, a copy of which is attached to these minutes and recommended that said grant offer be accepted in accordance with the terms and conditions thereof and the acceptance above mentioned.

Moved by Richard Wells, seconded by B. P. Bogardus, that said Grant Offer be accepted in accordance with the Mayor's recommendation and that W. C. Hambley, Mayor, be authorized and directed to execute and return the formal acceptance on behalf of the City of Pikeville, Kentucky

Roll call on this motion was as follows:

B. P. Bogardus	Aye
W. E. Venters	Aye
E. Bruce Walters	Aye
Richard Wells	Aye
W. C. Hambley	Aye

The motion is declared carried unanimously.

W. C. Hambley, Mayor
(W. C. Hambley)

Attest: Charles L. Huffman Clerk
(Charles Huffman)

The undersigned certifies that the above is a true and correct copy of the proceedings of the Board of Commissioners of the City of Pikeville, Kentucky as it appears upon the minute book of the Board.

Witness my signature this 19th day of March, 1963.

Charles L. Huffman Clerk

ACCEPTANCE OF THE GRANT OFFER

WHEREAS, There has been filed with the Government in behalf of the _____
CITY OF PIKEVILLE, KENTUCKY

(herein called the Applicant) an application, Project Number APW-Ky-50
dated October 12, 1962, for Federal assistance under the Public Works

Acceleration Act, Public Law 87-658, and the UNITED STATES OF AMERICA, acting
by and through the Regional Director of Community Facilities, has transmitted
to the Applicant for acceptance a Grant Offer dated March 13, 1963 of
Federal Assistance in Connection with the Project referred to in said applica-
tion and described in said Offer; and

WHEREAS, said Grant Offer has been fully considered in accordance with all
pertinent rules of procedure and legal requirements, and made a part of the
Applicant's public records; and

WHEREAS, it is deemed advisable and in the public interest that said Grant Offer
be accepted;

NOW, THEREFORE, be it resolved by the Board of Commissioners
(Name of Applicant)

that the said Grant Offer, a true and correct copy of which, including the
Special Conditions and the Terms and Conditions, is hereto attached, be and
the same hereby is accepted without reservation or qualifications, and the Ap-
plicant agrees to comply with the provisions thereof.

Passed by the aforementioned governing body of the Applicant on the 19th day
of March.

Date March 19, 1963 (Signed) /s/ Dr. W. C. Hambley
(Name of Officer Required to Approve)

Title Mayor

Approved as a Valid Acceptance of the
above-mentioned Grant Offer

/s/ O. T. Hinton
(Applicant's Attorney)

ADDRESS:

Pikeville, Kentucky

Housing and Home Finance Agency
Community Facilities Administration

CPA-1122
(2-63)

<p>HOUSING AND HOME FINANCE AGENCY COMMUNITY FACILITIES ADMINISTRATION</p> <p>ACCELERATED PUBLIC WORKS PROGRAM</p>	<p>Project No. <u>APW-KY-50</u></p> <p>Offer Date <u>March 13, 1963</u></p> <p>Contract No. <u>H-302-1270</u></p>
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GRANT OFFER

Subject to the Terms and Conditions, dated 11-62, attached hereto and made a part hereof as Exhibit "A," and the Special Conditions attached hereto and made a part hereof as Exhibit "B," the Housing and Home Finance Agency, hereinafter referred to as the Government, hereby offers to make a grant of \$ 379,300 or 66 percent of the eligible project cost, whichever is the lesser, to the CITY OF PIKEVILLE, KENTUCKY

(herein called the "Applicant"), in order to aid in financing the construction of essential public works or facilities presently estimated to cost \$ 2,391,000, consisting of a sewerage system including collection, interceptor, outfall lines, pumping stations, force mains and sewage treatment plant, also extensions to the existing water lines, all with appurtenant facilities

(herein called the "Project"): Provided, that in the event the actual eligible project cost as determined by the Government upon completion is less than \$ 574,600, the amount of the grant shall be reduced so that the grant amount shall not exceed the above percentage of the actual eligible project cost.

Upon acceptance, this Offer, together with the Terms and Conditions and the Special Conditions referred to, shall become the "Grant Agreement."

Prior to disbursement of any Government grant monies hereunder, the Applicant shall have the right to terminate this Grant Agreement effective fifteen days after giving notice of termination to the Government. The Government shall have the right to terminate this Grant Agreement, effective upon fifteen days notice thereof to the Applicant, whenever it determines that the Applicant has failed to proceed promptly with the construction and financing of the project.

This Offer must be accepted within fifteen days from the date of receipt.

Housing and Home Finance Agency
Community Facilities Administration

By James A. Carson
Regional Director of Community Facilities
Acting

CFA-1120
(11-62)

HOUSING AND HOME FINANCE AGENCY
COMMUNITY FACILITIES ADMINISTRATION

TERMS AND CONDITIONS

Constituting Part of the Grant Agreement Providing for the Financing and Construction of Public Works or Facilities Under Title II of the Housing Amendments of 1955, as Amended by the Public Works Acceleration Act, Public Law 87-658.

Section 1. Definitions. As used in these Terms and Conditions:

"Government" means the United States of America.

"Project" means the Public Works or Facilities covered by the Grant Agreement.

"Grant Agreement" means the contract between the Government and the Applicant covering the Project and includes both these Terms and Conditions and other contract instruments.

"Applicant" means the public entity designated in the Grant Agreement.

"Project Costs" means the cost of construction work for the Project, cost of necessary architectural/engineering services, legal, administrative and clerical costs, cost of land acquisition, necessary travel expenses, interest during construction and development, and other necessary miscellaneous expenses, all as determined by the Government.

"Eligible Project Costs" means Project Costs less the costs of land, rights-of-way, initial operating supplies and equipment with the exception of those items directly or reasonably required for the completion of construction, planning financed by a Planning Advance under Section 702 of the Housing Act of 1954, as amended, and any other ineligible miscellaneous expenses, all as determined by the Government.

"Depository Bank" means a bank or trust company which is a member of the Federal Deposit Insurance Corporation.

Section 2. Prerequisites to Government's Obligations. The Government shall be under no obligation to disburse funds under the Grant Agreement if:

- (a) Representations. Any representation made by the Applicant to the Government in connection with the application shall be incorrect or incomplete in any material respect, or the Government determines that the Applicant has failed to proceed promptly with Project financing or construction;

- (b) Concurrence by Government. The Applicant, having submitted to the Government any of the documents mentioned in Section 10 hereof which under the established procedures require the Government's prior approval, shall have proceeded to make related expenditures or incur related obligations without having been advised by the Government that the same are satisfactory; it being the purpose of this provision to insure that no action will be taken in the development of the Project which would result in legal or contractual violation rendering it impossible for the Government to make the grant hereunder or for the parties to accomplish the objects of the Grant Agreement;
- (c) Prohibited Interests. If any official of the Applicant who is authorized in such capacity and on behalf of the Applicant to negotiate, make, accept or approve, or to take any part in negotiating, making, accepting, or approving any architectural, engineering, inspection, construction, materials, supply, or equipment contract or any subcontract in connection with the construction of the Project, shall become directly or indirectly interested personally in any such contract or subcontract, or if any official, employee, architect, attorney, engineer or inspector of or for the Applicant who is authorized in such capacity and on behalf of the Applicant to exercise any legislative, executive, supervisory or other functions in connection with the construction of the Project, shall become directly or indirectly interested personally in any construction, materials, supply, equipment or insurance contract, in any subcontract or any other contract pertaining to the Project.

Section 3. Applicant's Funds. The Applicant shall initiate and prosecute to completion all proceedings necessary to enable the Applicant to provide its share of the Project Costs on or prior to the time that such funds are needed to meet project costs.

Section 4. Legal Matters. The Applicant shall take all actions necessary to enable it to finance, construct, and develop the Project in due time, form, and manner as required by law and the Grant Agreement.

Section 5. Prerequisites to Grant Disbursements. Prior to the Government disbursing any portion of the grant proceeds, the Applicant shall present satisfactory evidence that:

- (a) It has obtained, or can obtain, all land, rights-of-way, easements, permits, franchises, Federal, State, County, and Municipal approvals required in connection with the construction and operation of the Project, including approval of the final plans and specifications by the appropriate State authorities;
- (b) It has the funds or a firm and binding commitment to provide its share of the Project costs;

- (c) It has deposited into the Construction Account, in addition to the grant proceeds, any portion then available of the funds to be furnished by the Applicant to meet its share of the Project costs and that it will promptly deposit any remaining portion of its share of Project costs in order that all payments in connection with the Project can be made as the same become due;
- (d) The Project can be completed at a total cost satisfactory to the Government which will be within the amount of funds available therefor;
- (e) The Applicant (1) has formally amended its capital improvement plan, budget or other schedule, or is in the process of so amending it, to incorporate the increase in its planned net expenditures for capital improvements pursuant to the resolution furnished with the grant application; (2) has secured, or is in the process of securing, approval of the amendments by any State or other public body having authority in such matters; and (3) has arranged for, or is proceeding expeditiously to obtain, the funds needed for such increase in expenditures.

Section 6. Grant Disbursements. The Applicant may requisition disbursements against the grant as follows:

- (1) 25% upon approval of the award of the construction contract(s).
- (2) 50% when construction is 50% complete.
- (3) 15% upon final inspection.
- (4) 10% after Project completion and audit, subject to adjustment to reflect the actual cost as determined by the Government.

Such requisitions shall be accompanied by such supporting data as the Government may require and shall be honored by the Government, subject to the provisions of the Grant Agreement. No request for review of a determination of the Government affecting the grant payable under the Agreement will be considered unless such request is received by the Government not later than three months following notice to the Applicant of such determination.

All accounting records including bank deposit slips, cancelled checks and other supporting documents and construction contract awards shall be retained intact for audit or inspection by the Government's authorized representatives.

Section 7. Construction Account. The Applicant shall set up in a Depository Bank, or with the fiscal agency of the Applicant fixed by law, a separate account or accounts (herein collectively called the "Construction Account") into which shall be deposited the proceeds of the Government grant and the funds required by the provisions of the Grant Agreement to be furnished by the Applicant to assure the payment of all Project costs. Moneys in the Construction Account shall be expended only for such purposes as shall have been previously specified in the project cost estimates approved by the Government. The Applicant shall pay all Project costs from the Construction Account.

Moneys in the Construction Account shall be secured by the Depository Bank in the manner prescribed by statutes relating to the securing of public funds. Where the moneys on deposit in the Construction Account exceed the estimated disbursements on account of the Project for the next 90 days, the Applicant may direct the Depository Bank to invest such excess funds in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States Government, which shall mature not later than 18 months after the date of such investment and which shall be subject to redemption at any time by the holder thereof. The earnings from any such investments shall be deposited in the Construction Account by the Applicant.

After completion of construction and payment of all costs of the Project, any balance in the Construction Account shall remain therein pending determination by the Government of the total Project cost and the Federal grant. Such balance shall be used to refund promptly to the Government any overpayment made with respect to the Federal grant; any amount thereafter remaining shall be available for disposition by the Applicant in accordance with its other contractual agreements, applicable State or local law or other governing conditions.

Section 8. Prompt Procedure--Economic Construction. The Applicant covenants and agrees that it will proceed promptly with all matters necessary to the financing and the development of the Project; and that the Project will be undertaken and developed in such manner that economy will be promoted in such development and in the construction work.

Section 9. Approvals and Permits. The Applicant shall obtain approvals and permits required by law as a condition precedent to the acquisition, construction, development, and operation of the Project.

Section 10. Submission of Proceedings, Contract and Other Documents. The Applicant shall submit to the Government such data, reports, records and documents relating to the construction, financing, and operation of the Project as the Government may require. Approval of the Government must be obtained prior to the assignment of any interest in or part of any contract relating to the Project.

Section 11. Construction by Contract. All work on the Project shall be done under contract and every opportunity shall be given for free, open and competitive bidding for each and every construction, material, and equipment contract. The Applicant shall give such publicity by advertisement or calls for bids by it for the furnishing to it of work, labor, materials, and equipment as required by applicable law and as will provide adequate competition; and the award of each contract therefor shall be made, after approval by the Government, to the lowest responsible bidder as soon as practicable; Provided, that in the selection of equipment or materials the Applicant may, in the interest of standardization or ultimate economy, if the advantage of such standardization or such ultimate economy is clearly evident, award a contract to a responsible bidder other than the lowest in price. The Applicant shall obtain the concurrence of the Government before approving subcontracts relating to the Project.

- (a) Contracts and subcontracts shall provide for submission of such employment and other data relating to construction of the project as the Applicant may require.
- (b) The Applicant shall include in each of its construction contracts a provision requiring the contractor, insofar as practicable, to give preference, in the hiring of workers for the Project, to qualified local labor. The provision also will require each contractor to insert the same or a similar provision in each subcontract for the Project.

Section 12. Changes in Construction Contract. Any change in a construction contract shall be submitted to the Government for approval. Construction contracts shall include a provision specifying that the above requirement will be met.

Section 13. Contract Security. The Applicant shall require that each construction contractor shall furnish a performance bond in an amount at least equal to 100 percent of his contract price as security for the faithful performance of his contract and also a payment bond in an amount not less than 50 percent of his contract price or in a penal sum not less than that prescribed by State, territorial, or local law, as security for the payment of all persons performing labor on the Project under his contract and furnishing materials in connection with his contract. The performance bond and the payment bond may be in one or in separate instruments in accordance with local law.

Section 14. Insurance During Construction. The Applicant shall require that each of its construction contractors and his subcontractors shall maintain, during the life of his contract, Workmen's Compensation Insurance, Public Liability and Property Damage Insurance in amounts and on terms satisfactory to the Government. The Applicant shall maintain Builders' Risk Insurance (fire and extended coverage) on a 100 percent basis on the insurable portions of the Project for the benefit of the owner, prime contractor, and all subcontractors as their interests may appear, until the Project is completed and is accepted by the Applicant.

Section 15. (a) Wage Rates: Upon receipt of the list of wage rates determined by the Secretary of Labor in accordance with the Act of March 3, 1931, (Davis-Bacon Act, as amended), the Applicant shall include such list in all contracts calling for work on the Project and require adherence thereto. The Applicant shall also require of each of its contractors that such list shall be posted at appropriate conspicuous points on the site of the Project. Unless otherwise required by law, wage rates need not be listed for non-manual workers, including executive, supervisory, administrative and clerical employees.

If, after the award of the contract, it becomes necessary to employ any person in a trade or occupation not classified in the above list, such person shall be paid at not less than a rate to be determined by the Secretary of Labor. Such approved minimum rate shall be retroactive to the time of the initial employment of such person in such trade or occupation. The contractor shall notify the Applicant of his intention to employ persons in trades or occupations not classified in sufficient time for the Applicant to obtain approved rates for such trades or occupations.

(b) Contract Work Hours: The Applicant shall comply with the provisions of the Contract Work Hours Standards Act (P.L. 87-581) which provides that the Applicant will also require of its contractors that no laborer or mechanic shall be required or permitted to be employed in such work in excess of eight hours in any calendar day or in excess of forty hours in any workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any calendar day or in excess of forty hours in such workweek as the case may be.

Section 16. Payment of Employees. The Applicant shall require of its contractors that all employees engaged in work on the Project be paid in full (less deductions made mandatory by law) not less often than once each week.

Section 17. Wage Underpayments and Adjustments. The Applicant shall require of each of its contractors that, in cases of underpayment of wages by the contractor, the Applicant may withhold from such contractor out of payments due, an amount sufficient to pay workers employed on the work covered by his contract the difference between the wages required to be paid under the contract and the wages actually paid such workers for the total number of hours worked and may disburse such amounts so withheld by it for and on account of the contractor to the respective employees to whom they are due.

Section 18. Anti-Kickback Statute. The so-called Anti-Kickback Statute, Public Law No. 324, 73rd Congress, approved June 13, 1934 (48 Stat. 1948 as amended), and the regulations issued pursuant thereto, are a part of the Grant Agreement, and the Applicant shall comply, and require each of its contractors employed in the construction, prosecution, or completion of the Project to comply therewith, and to cause his subcontractors to do likewise.

Section 19. Accident Prevention. The Applicant shall require of its contractors that precaution shall be exercised at all times for the protection of persons (including employees) and property, and that hazardous conditions be guarded against or eliminated.

Section 20. Supervision and Inspection. The Applicant shall provide and maintain on its own behalf competent and adequate architectural or engineering services covering the supervision and inspection of the development and construction of the Project.

Section 21. Nondiscrimination. The Applicant shall require that there shall be no discrimination against any employee who is employed in carrying out the Project, or against any applicant for such employment, because of race, religion, color or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

The Applicant shall insert the foregoing provision of this Section in all its contracts for Project work and will require all of its contractors for such work to insert a similar provision in all subcontracts for Project work; Provided, that the foregoing provision of this Section shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

The Applicant shall post at the Project, in conspicuous places available to employees and applicants for employment, notices to be provided by the Government setting forth the provisions of this nondiscrimination clause.

Section 22. Payments to Contractors. Not later than the fifteenth day of each calendar month the Applicant shall make a partial payment to each construction contractor on the basis of a duly certified and approved estimate of the work performed during the preceding calendar month by the particular contractor, but shall retain until final completion and acceptance of all work covered by the particular contract a reasonable amount, specified in the contract, sufficient to insure the proper performance of the contract.

Section 23. Audit and Inspection. The Applicant shall require of its contractors that the Government's authorized representatives be permitted, and it will itself permit them to inspect all work, materials, payrolls, records of personnel, invoices of materials and other relevant data and records appertaining to the development of the Project; and shall permit the Government's authorized representatives to inspect or audit the books, records, and accounts of the Applicant pertaining to the Grant and the development of the Project.

Section 24. Signs. The Applicant shall cause to be erected at the site of the Project, and maintained during construction, signs satisfactory to the Government identifying the Project and indicating the fact that the Government is participating in the development of the Project.

Section 25. Operation of Project. The Applicant covenants that it will operate and maintain the Project or provide for the operation and maintenance thereof, to serve the objects and purposes for which the Grant has been made available under the Federal law and the terms of the Grant Agreement.

Section 26. Surety. The Applicant covenants that each of its officials or employees having custody of Project funds during acquisition, construction, and development of the Project, shall be bonded at all times in an amount at least equal to the total funds in his custody at any one time.

Section 27. Interest of Third Parties. The Grant Agreement is not for the benefit of third parties. The Government shall not be obligated or liable hereunder to any party other than the Applicant.

Section 28. Interest of Members of or Delegates to Congress. No member of or delegate to the Congress of the United States shall be admitted to any share or part of this Grant Agreement or to any benefit arising therefrom.

Section 29. Bonus or Commission. By execution of the Grant Agreement the Applicant represents that it has not paid and, also, agrees not to pay, any bonus or commission for the purpose of obtaining an approval of its application for the Grant hereunder.

Section 30. State or Territorial Law. Anything in the Grant Agreement to the contrary notwithstanding, nothing in the Grant Agreement shall require the Applicant to observe or enforce compliance with any provision thereof, perform any other act or do any other thing in contravention of any applicable State or territorial law: Provided, That if any of the provisions of the Grant Agreement violate any applicable State or territorial law, or if compliance with the provisions of the Grant Agreement would require the Applicant to violate any applicable State or territorial law, the Applicant will at once notify the Government in writing in order that appropriate changes and modifications may be made by the Government and the Applicant to the end that the Applicant may proceed as soon as possible with the construction of the Project.

EXHIBIT "B"

SPECIAL CONDITIONS

Project No. APW-Ky-50

The following Special Conditions are made a part of the Grant Agreement for the above-numbered project.

1. The applicant agrees that:

- (a) Within sixty (60) days from the date of receipt of the Grant Offer, it will furnish the Government satisfactory evidence that its share of the project cost is available or that firm and binding arrangements have been entered into to provide such funds as they are needed to meet project costs.
- (b) Within 120 days from the date of receipt of the Grant Offer, it will cause on-site labor to be employed in the construction of the project.

Failure of the applicant to comply with the foregoing shall give the Government the right to terminate the Grant Agreement.

- 2. Final plans and specifications are approved by the Kentucky Department of Public Health.
- 3. The cost of labor will represent more than 20% of the total construction cost.
- 4. Grant funds will not be used for the purchase of land or rights-of-way, movable and expendable equipment and supplies.
- 5. Before any disbursements of Grant Funds, the Applicant will show evidence that it has authority from the U. S. Public Health Service to award contracts on a project which together with this project will constitute a complete operating system satisfactory to the Kentucky Department of Public Health.
- 6. Applicant must receive a commitment from the U. S. Public Health Service for a grant of not less than \$1,192,200 before any disbursements of Grant Funds will be made.