

Cities and Towns.
November 17, 1933.

Senate File No. 62.
By CHRYSTAL.
x

*v. Grand Junction
v. legalizing*

A BILL FOR

An Act to legalize the proceedings relating to an election held in the Town of Grand Junction, Greene County, Iowa, on the proposition of establishing a municipal electric light plant within said town; and to legalize the proceedings taken by the Council of said town in letting a contract for the construction of said municipal electric light plant, under Sections 6134-d1 to 6134-d7, inclusive, of the Code of Iowa; and to legalize the contract entered into between said Town of Grand Junction, Iowa, and Fairbanks, Morse & Company for the construction of said municipal electric light plant, and the issuance of pledge-orders in payment thereof; and declaring said contract, and the pledge-orders issued thereunder as valid.

WHEREAS the Town of Grand Junction, in Greene County, Iowa, ordered a special election in said town to be held on May 12, 1933, on the proposition of establishing and constructing a municipal electric light plant under the provisions of Chapter 312 of the Code of Iowa; and which election was carried by a favorable vote of 230 to 10; and

WHEREAS the Council of said town did thereupon proceed to comply with the provisions of Sections 6134-d1 to 6134-d7, inclusive of the Code, in filing proposed plans and specifications, and proposed form of contract, and advertised for bids thereon; and

WHEREAS on the 12th day of July, 1933, the Council of said town did receive bids upon said plans and specifications, and on July 19, 1933, let a contract to Fairbanks, Morse & Company, they being the low bidder, for the construction of said municipal electric light plant, for the sum of \$75,500.00. Payment of said contract to be made only from the earnings of said light plant, and said payments being evidenced by the issuance of certain pledge-orders of the Town of Grand Junction; and

WHEREAS said municipal electric light plant has been constructed and completed under said contract, and has been in operation for several months, furnishing electric service to practically all of the residents of Grand Junction, lighting streets and pumping water for said town. Said plant having been accepted by said town, and said pledge-orders have been issued, and sold to innocent parties, and the terms of said contract have been fully performed to this date; and

WHEREAS action was brought in Court by the Iowa Electric Light and

Power Company to enjoin the construction of said plant, and to enjoin the said Town of Grand Junction, and Fairbanks, Morse & Company, from complying with said contract, or enforcing or making payments thereon; and

WHEREAS the Supreme Court of Iowa has held that the plans and specifications under which said contract was let to said Fairbanks, Morse & Company, were not in substantial compliance with the proposed plans and specifications filed by the Town, and entered a decree holding that said contract between the Town of Grand Junction and Fairbanks, Morse & Company was invalid; and

WHEREAS the said Town of Grand Junction, on a cross-petition in said suit, alleged that the franchise of the said Iowa Electric Light and Power Company had expired, and asked that said company be ousted from the Town of Grand Junction, and be required to discontinue the distribution of electricity in said Town, and be required to remove its poles, wires and other equipment from the streets, alleys and public places in said town; and

WHEREAS in said action, the Supreme Court sustained the contention of said Town, and entered a decree ordering the Iowa Electric Light and Power Company to discontinue the distribution of electricity within said Town, and to remove its poles, wires and other equipment from the streets, alleys and public places of said town, within four months from September 26, 1933, unless it secured a new franchise; and

WHEREAS the furnishing and distribution of electricity in Grand Junction is a public necessity; and in the event the Iowa Electric Light & Power Company neglects or fails to secure a new franchise from the voters, and is required to remove its poles, wires, etc., pursuant to the order of the Supreme Court, the Town of Grand Junction will have no electrical service unless the municipal electric light plant is kept in operation, and its establishment legalized; and

WHEREAS notice of intention to file petition for rehearing by the Town of Grand Junction has been filed, asking a rehearing on that part of the decree of the Supreme Court which holds the contract to be void; and

WHEREAS doubts have arisen as to the legal sufficiency of said election, and the subsequent proceedings taken by the Council of the Town of Grand Junction, to authorize the establishment and construction of said municipal electric light plant, and the letting of a contract for the construction thereof, and it is deemed advisable to put said doubts, and all others that may arise, forever at rest; and

WHEREAS the Town of Grand Junction, Iowa, and the Council, desire to assume and fulfill the obligations and benefits of said contract with Fair-

banks, Morse & Company, and to validate said contract, and the pledge-orders issued thereunder; now **THEREFORE**

Be It Enacted by the General Assembly of the State of Iowa:

1 Section 1. That all proceedings relating to the election
2 held May 12, 1933 in the Town of Grand Junction, Greene County,
3 Iowa, on the proposition of establishing and constructing a
4 municipal electric light plant; and all proceedings taken by
5 the Council of the Town of Grand Junction, subsequent to said
6 election, in advertising for bids, filing plans and
7 specifications, and the letting of a contract to Fairbanks,
8 Morse & Company, under the provisions of Sections 6134-d1 to
9 6134-d7, inclusive; and the contract entered into between the
10 Town of Grand Junction and Fairbanks, Morse & Company, on
11 July 19, 1933 for the construction of said municipal electric
12 light plant, and the pledge-orders issued in connection therewith,
13 are hereby declared to be legal and valis notwithstanding any
14 irregularity, ommission or defect in connection therewith, and
15 that said contract entered into between the Town of Grand
16 Junction, Iowa, and Fairbanks, Morse & Company, and the pledge-
17 orders issued in connection therewith, shall be and are hereby
18 declared to be valid, and the said Town of Grand Junction is
19 hereby authorized to accept said municipal electric light plant,
20 and pay for the same as provided in said contract and pledge-
21 orders.

1 Sec. 2. This act, being deemed of immediate

2 importance, shall be in full force and effect from and after
3 its publication in the Grand Junction Globe, a newspaper
4 published in Grand Junction, Iowa, and in the Jefferson Bee,
5 a newspaper published in Jefferson, Greene County, Iowa,
6 without expense to the State.