

The Carl Junction City Council met in special session on Wednesday December 29, 2010 at 6:00 PM at City Hall. Mayor Michael Moss called the meeting to order with the following present: Richard Zaccardelli, Carl Skaggs, Mark Powers, Steve Daniels, Dee Lynn Davey, Walter Hayes and Wayne Smith. Alderman Don Marshall was absent. Also present were City Administrator Steve Lawver, City Attorney Mike Talley and City Clerk Maribeth Matney.

**AGENDA**

Carl Skaggs motioned to approve the agenda as presented. Mark Powers seconded. All in favor. No opposed.

**ORDINANCES**

The council then considered the ordinance approving a promissory note with Community Bank & Trust to purchase the 95 acres in Briarbrook. Mark Powers motioned to put "AN ORDINANCE AUTHORIZING THE CITY OF CARL JUNCTION, MISSOURI TO EXECUTE A PROMISSORY NOTE IN THE AMOUNT OF \$305,000.00 TO COMMUNITY BANK AND TRUST, NEOSHO, MISSOURI, LENDER, FOR THE PURPOSE OF FINANCING THE PURCHASE OF CERTAIN TRACTS OF LAND COMMONLY KNOWN AS THE LAKESIDE PROPERTY OR THE +/- 95 ACRES OF BRIARBROOK GOLF AND COUNTRY CLUB; AUTHORIZING THE CITY TO MAKE SEVENTY-TWO MONTHLY PAYMENTS OF \$4,737.12, CONTINGENT UPON BUDGETING SUCH PAYMENTS FOR EACH FISCAL YEAR, WITH A BALLOON PAYMENT OF THE BALANCE UPON DEFAULT BY THE CITY; AUTHORIZING THE MAYOR AND/OR CITY ADMINISTRATOR TO CERTIFY THAT THE CITY HAS SUFFICIENT UNENCUMBERED INCOME AND REVENUE FROM THE CURRENT YEAR AND UNENCUMBERED BALANCES FROM PREVIOUS YEARS IN ITS BUDGET TO PAY OFF THE PROMISSORY NOTE ON APRIL 30, 2011 IN FULL IF THE PAYMENTS DUE IN FISCAL YEAR 2011 ARE NOT BUDGETED FOR PAYMENT; AND AUTHORIZING THE MAYOR AND/OR CITY ADMINISTRATOR TO EXECUTE SAID PROMISSORY NOTE FOR AND ON BEHALF OF THE CITY OF CARL JUNCTION, MISSOURI" on first reading by title only. Richard Zaccardelli seconded. Mayor Moss asked for discussion. Mike Talley stated that he spent some time with CBT and after reviewing State Statutes it meets their requirements. If we fail to make the payments the note is accelerated. We have to certify that we have unencumbered funds each year to pay the balance. The bank is protected if we fail to budget for the note. The council needs to be self disciplined that we have enough reserves to pay the note in full if we fail to budget the payment each year. He then received a phone call this afternoon from Mr. Gehrs. We are set to close on this tomorrow morning at 9:30 AM but he raised the question about prior unpaid Real Estate taxes. Mr. Gehrs indicated it was their stand that when we close that all taxes will no longer be due. It was Mr. Talley's understanding that they had only been talking about the current year of 2010 and he had not reviewed about prior years taxes being included in the state statute that he had reviewed. This could be a hiccup. The note is independent of this matter. Dee Lynn stated she is getting frustrated, first we were getting 95 acres and now it is 85 acres and we are still paying the same price. She feels like they are calling all the shots. Mark Powers said that those lots were sold 2 years ago. The other part is part of the golf course and it needed to be carved out. There was a lot of discussion on what was appraised and how much acreage we were really getting. Walter stated he thought it was 93 acres before the 1<sup>st</sup> hole was carved out. Steve said that the appraisal was for 90.44 acres. Mike Talley pointed out that the 2009 and prior taxes are in our contract that they would be paid. That is independent of the note. If the ordinance is approved then the City Administrator and the mayor need direction from the council on how they want this handled at closing. The prior year's tax for this land is around \$2000.00. Mark Powers motioned to put it on second reading by title only with a roll call vote. Richard Zaccardelli seconded. Mayor Moss asked for discussion. There was no discussion. Mark Powers motioned for passage of the ordinance. Richard Zaccardelli seconded. All in favor. No opposed. Zaccardelli-y, Marshall-absent, Skaggs-n, Powers-y, Daniels-y, Davey-y, Hayes-y, W Smith-n. Motion on Ordinance #10-48 was approved by roll call vote, signed by the Mayor, attested by the City Clerk and made a part of the permanent records of the City of Carl Junction.

Mark Powers motioned that the seller needs to pay all unpaid delinquent taxes (2009 and prior) on the 95 acres. Richard Zaccardelli seconded. All in favor. No opposed.

**ADJOURNMENT**

Carl Skaggs motioned to adjourn the meeting. Mark Powers seconded. All in favor. No opposed. Meeting adjourned at 6:40 PM.

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CITY CLERK

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MAYOR