

RESOLUTION NO. CLIV

A RESOLUTION RELATING TO A LOAN FROM THE CITY OF CANBY'S SEWER SINKING FUND TO THE CANBY UTILITY BOARD.

WHEREAS, Ordinance No. 409 enacted by the Canby City Council March 3, 1958, created a SEWER SINKING FUND to be used and expended by the Canby City Council from time to time as the Council determines advisable or necessary for the maintenance, extension, operation or enlargement of the City's public sanitary sewer system; and

WHEREAS, the said Ordinance also authorizes the Canby City Council to deposit all or any part of the said Sewer Sinking Fund to an interest-paying savings account as the Council may designate, and the Council has on hand at the present time a total of \$38,253.41, and the account is maintained at the Canby Union Bank and designated as "SEWER SINKING FUND ACCOUNT NO. 2602-270-61611*"; and

WHEREAS, the voters of the City of Canby approved a Charter Amendment at the general election on November 3, 1970, creating a Utility Department of Water and Electric services for the City of Canby which shall be responsible for the development, production, purchase and distribution of all water and electric revenue producing utility services of the City. The Charter Amendment as approved was by the addition of a new Charter Chapter XIII entitled "UTILITIES"; and

WHEREAS, Subsection (b) of Section 6 of the Charter Chapter XIII provides that: "Contracts, obligations and bond issues relating to the utility systems of the City incurred, approved or authorized prior to the taking effect of this Charter provision shall not be impaired and shall be binding upon the Board insofar as they apply to the Department."; and

WHEREAS, the Canby City Council, acting as administrators of its Water Utility Department, had incurred contract obligations

under its Water Improvement bonds after the creation by Charter change of the Canby Utility Board, and the following obligations are justly due and owing by the City of Canby and were incurred for materials and services for the Water Utility Department which are now the physical assets of the Canby Utility Board; and

WHEREAS, the Canby City Council and the Canby Utility Board have conferred extensively on the fiscal affairs of the two departments, including overlapping debts and transfers of assets and accountings between the two, so that each can become independent of the other and perform its own separate functions as authorized by the City's Charter, and it is agreed that the following claims against the City are now due and payable:

Olson Electric Co.	\$ 74.25
Keystone Engineering Co.	13,476.32
Clark & Groff - Engineers.	4,455.37
Worthington Corporation.	102.40
North American Contractors, Inc.	<u>3,906.48</u>
Total.	\$22,014.82

WHEREAS, the Canby Utility Board does not have the immediate cash or funds otherwise with which to pay the above listed claims, but it does have credit and sufficient income with which to repay a loan to it by the City, and from the proceeds of the loan could discharge immediately the said obligations of the City; and

WHEREAS, the Canby Utility Board has applied to the Canby City Council for a loan for a short term to be repaid with interest and with which to fully pay all of the claims and bills as listed and itemized above and totalling \$22,014.82; and the City Council has determined that it is in the best interests of the City and the Canby Utility Board to cooperate in this matter and for the aforesaid purposes, and being fully advised in the premises and all things being considered, it is hereby,


RESOLVED by the Canby City Council that the sum of \$22,014.82 be transferred on a loan basis immediately from the City's Sewer Sinking Fund Account created by Ordinance No. 409 and maintained

at the Canby Union Bank as Account No. 2602-270-61611 to the Canby Utility Board and for the purpose of enabling the Canby Utility Board to pay immediately and in full the following bills and obligations of the City which were incurred for and on behalf of the Water Utility Department and which is now being managed and operated by the Canby Utility Board under the provisions and authority of the Canby City Charter:

Olson Electric Co.	\$ 74.25
Keystone Engineering Co.	13,476.32
Clark & Groff - Engineers.	4,455.37
Worthington Corporation.	102.40
North American Contractors, Inc.	<u>3,906.48</u>
Total	\$22,014.82


BE IT FURTHER RESOLVED that the total of the loan to the Canby Utility Board in the sum of \$22,014.82 as hereby authorized shall be repaid to the City and redeposited to the Sewer Sinking Fund Account by June 30, 1973, with interest thereon at the rate of 4-1/2% per annum from March 1, 1973, until repaid; and that the City Recorder and City Treasurer are hereby authorized and directed to do all things necessary for the transfer of such funds as a loan to the Canby Utility Board, and that the proceeds of the loan be delivered to the Canby Utility Board upon its unanimous ratification and approval of the terms and provisions of the loan as set forth herein and as indicated by the endorsed approval of the Utility Board on this Resolution.

Adopted by the Canby City Council at a special meeting thereof on Tuesday, February 27, 1973.



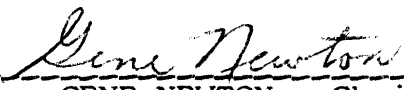
HOWARD J. GIGER - President of the Council

ATTEST:



J. R. RICHARDSON - City Recorder

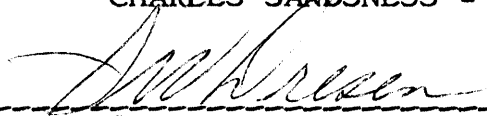
The Canby Utility Board of the City of Canby hereby ratifies and approves all of the terms, conditions and provisions of the foregoing Resolution No. CLIV which was adopted by the Canby City Council at a special meeting on the date as indicated and which meeting was also attended by the entire Canby Utility Board who participated in the discussions and debate concerning the matters related in said Resolution; and the undersigned, being all of the duly appointed, qualified and acting members of the Canby Utility Board, hereby ratify, confirm and approve of the requested loan to the Utility Board in the sum of \$22,014.82 by the Canby City Council, and we hereby promise and agree as a Board to repay to the City of Canby on or before June 30, 1973, the total sum of \$22,014.82, together with interest thereon at the rate of 4-1/2% per annum from March 1, 1973, until paid.



GENE NEWTON - Chairman



CHARLES SANDSNESS - Member



S. W. DRESEN - Member

ATTEST:



LEE COX - Manager, Canby Utility Board