

RESOLUTION NO. LIV

A RESOLUTION REVOKING RESOLUTION NO. LIII; AND PROVIDING FOR A SPECIAL ELECTION TO BE HELD IN THE CITY OF CANBY, CLACKAMAS COUNTY, OREGON, FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED LEGAL VOTERS OF SAID CITY THE QUESTION OF AMENDING THE CANBY CITY CHARTER, FOR THE PURPOSE OF GRANTING TO THE CITY COUNCIL THE POWER TO CONSTRUCT, OWN AND OPERATE A GAS UTILITY SYSTEM, AND PAY THE COSTS THEREOF BY ISSUING AND SELLING NEGOTIABLE REVENUE BONDS, PAYABLE ONLY FROM NET REVENUES DERIVED FROM OPERATING SAID GAS SYSTEM.

BE IT RESOLVED that Resolution No. LIII, adopted by the Canby City Council on April 19, 1965, shall be and the same is hereby revoked.

BE IT FURTHER RESOLVED that a special election be and the same is hereby called to be held in the City of Canby, Clackamas County, State of Oregon, on Monday, May 24, 1965, at which time there will be submitted to the qualified legal voters of said City a proposed Amendment to the Charter of the City of Canby, and which proposed Amendment shall consist of a new Chapter, which shall be designated as Chapter XIII, which shall be entitled "SPECIAL POWERS", and shall consist of five (5) sections, the said Amendment to be submitted shall be as follows:

CHARTER AMENDMENT SUBMITTED TO THE VOTERS
BY THE COMMON COUNCIL

BE IT ENACTED BY THE PEOPLE OF THE CITY OF CANBY,
OREGON:

That the Charter of the City of Canby, Oregon, adopted by the people December 6, 1948, and which became effective January 1, 1949, be and the same is hereby amended by adding thereto the following new Chapter, to-wit:

"CHAPTER XIII
SPECIAL POWERS

Section 1: The City of Canby, acting by and through its Council, is hereby authorized and empowered to acquire by purchase, condemnation or construction, and partly by any or all of such means, and to thereafter own, operate, improve and extend a utility system, including appurtenances, within or partly outside said City for the production, manufacture, storage, distribution or furnishing, to or for the public, natural or manufactured gas or a mixture of same for light, heat, power or other uses, and for the purpose of paying all or any part of the cost not otherwise

provided, of acquiring, completing, improving or extending such gas system, is hereby authorized and empowered by resolution of said Council to issue and sell the negotiable revenue bonds of such City from time to time and in such amounts as may be deemed necessary by the Council for such purpose, which revenue bonds shall be payable solely and only from all or such part of the net revenues from the operation of said gas system as may be provided by said resolution, and each such revenue bond so issued shall contain a recital that payment or redemption of the bond and payment of the interest thereon are secured by the revenues pledged therefor and that such bond does not constitute a general indebtedness of said City within the meaning of any constitutional, statutory or charter limitation or provision. Such revenue bonds may bear such date or dates, may mature at such time or times not exceeding forty years from their respective dates, may bear interest at such rate or rates not exceeding six per cent per annum, may be of such denomination or denominations, may be in such form, may carry such registration privileges, may be made subject to such terms of redemption with or without premium and may contain such other terms and covenants not inconsistent with this chapter of the charter as may be provided in such resolution. In determining the amount of revenue bonds to be issued there may be included any expenses in connection with and incidental to the issuance and sale of bonds and for the preparation of plans, specifications, surveys and estimates, a reasonable amount for working capital and pre-paid insurance and an amount to advance the payment of interest on the bonds during the first three years following the date of the bonds. Such bonds shall be sold at such time or times and in such manner and upon such terms as may be determined by the Council to be for the best interests of said City. Such bonds may be sold at a discount, but in no event shall any such bonds be sold on a basis to yield more than six per cent. There may be included in any such resolution authorizing the issuance of revenue bonds such covenants, stipulations and conditions as the Council may deem necessary or advisable with respect to the expenditure of the bond proceeds, the operation and maintenance of the gas system and the custody and application of the revenues from such operation. The holder of any bond or bonds may by mandamus or other appropriate proceedings require and compel performance of any duties imposed by this chapter of the charter in connection with the gas system or any covenant, stipulation or condition that may have been expressed in such bond resolution. Said Council, acting for and on behalf of the City, is hereby authorized and empowered to enter into a contract for furnishing the system with a supply of natural gas provided such contract shall not cover such supply for a longer period than forty years.

Section 2: So long as any revenue bonds remain outstanding under this chapter of the charter, said City shall operate and maintain such gas system as a revenue producing and self-sustaining undertaking and shall charge, collect and account for rates which will produce revenues sufficient to pay the costs of operating and maintaining the gas system and the interest on such bonds as the same becomes due and to create and maintain a sinking fund to pay and retire the principal at or before maturity. Any net revenues in excess of the amounts prescribed by the bond

resolution or resolutions to be set aside for operation and maintenance expenses, interest and sinking fund charges, and for renewals, replacements, improvements and extensions, may be transferred to the general funds of the City as a tax equivalent. The resolution authorizing such bonds shall definitely fix and determine the amount of the net revenues which shall be necessary and set apart in a special fund each year to pay such interest and to pay and retire such principal, including the creation and maintenance of any prescribed reserves.

Section 3: Said City, acting by and through its Council, is hereby further empowered and authorized in like manner to issue and sell revenue refunding bonds of said City to refund as of the maturity, redemption or voluntary surrender date any revenue bonds theretofore issued and outstanding under the provisions of this chapter of the charter, and except as may be otherwise provided in the authorizing resolution such revenue refunding bonds shall be secured and payable from the net revenues of the gas system in the same manner and to the same extent as the revenue bonds refunded thereby.

Section 4: The provisions of this chapter of the charter shall be construed as conferring separate and additional powers as herein set forth and shall be deemed full authority for the acquisition, improvement, extension, maintenance and operation of the gas system and for the issuance and sale of the revenue bonds hereby authorized, any other provisions of this charter to the contrary notwithstanding.

Section 5: The debt limitation contained in the Charter of the City of Canby, Clackamas County, Oregon, shall not apply to any bonds as may be issued and outstanding from time to time under this chapter of the charter."

BE IT FURTHER RESOLVED that the ballot title under which this proposed Amendment shall appear on the ballot is as follows:

CHARTER AMENDMENT SUBMITTED TO THE VOTERS
BY THE COMMON COUNCIL

PURPOSE: To amend the Charter of the City of Canby to grant to the City Council the power to acquire, own, operate and extend a utility system for the production, manufacture, storage, distribution and furnishing to the public natural or manufactured gas for light, heat, power or other uses; and also granting power to the City Council to pay the costs for such a gas utility system by issuing and selling negotiable revenue bonds of the City, which shall be payable solely and only from the net revenues derived from the operation of said gas system.

Mark a cross (X) between the number and the answer voted for. Vote YES or NO.

SHALL THE AMENDMENT BE ADOPTED?

100 _____ YES

101 _____ NO

BE IT FURTHER RESOLVED that at said Special Election, there shall be a polling place at the same places and in each of the five (5) election precincts of Canby, as now designated by the Clackamas County Clerk under the General Election Laws of Oregon, said precincts and polling places to be as follows:

1. Precinct No. 386 - Canby City Hall
2. Precinct No. 387 - Canby Union High School
3. Precinct No. 388 - Administration Building, Clackamas County Fairgrounds
4. Precinct No. 389 - Canby Grade School
5. Precinct No. 390 - City of Canby's Main Fire Station

that at said polling places all qualified legal voters of the City of Canby shall vote, and which said polling places shall be open from 8:00 o'clock a.m. to 8:00 o'clock p.m., Oregon Daylight Saving Time; and the City Recorder is hereby authorized and directed to appoint an election board for each of said voting precincts, and the said boards shall qualify in the manner provided by law.

BE IT FURTHER RESOLVED that the City Recorder of the City of Canby, and he is hereby ordered and directed, to publish a notice of this election, by posting a notice in six (6) public and conspicuous places within the City of Canby at least ten days prior to the date of said election, and which said notices shall set forth the time, place and purpose of said election, but need not contain the full amendment; and in addition the Recorder shall cause to be published in the Canby Herald the proposed charter amendment, together with the ballot title and number of said Amendment, and the same shall be published once each week for two (2) successive weeks, the first publication to be not less than fifteen (15) days prior to said election, at which said election the proposed charter amendment is to be voted on; and

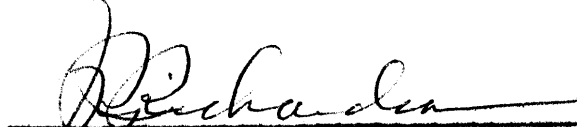
BE IT FURTHER RESOLVED that the City Recorder, and he is hereby ordered and directed, prepare the ballots and other necessary

paraphernalia to conduct said election.

Adopted by the Canby City Council this 3rd day of May, 1965.


FRED STEFANI - Mayor

ATTEST:


J. R. RICHARDSON - City Recorder