

RESOLUTION NO. CLXXII

A RESOLUTION ACKNOWLEDGING SATISFACTION OF CANBY UTILITY BOARD OBLIGATION FOR INDEBTEDNESS ARISING OUT OF CITY'S ACQUISITION IN 1922 OF THE MOLALLA ELECTRIC COMPANY.

WHEREAS, the City of Canby Electric Department acquired the facilities and property of the Molalla Electric Company in 1922, and bonds of the City were subsequently sold for purposes of construction and improvement of the City's Light Department facilities, and the bonds as sold were paid when due; and

WHEREAS, the City's initial acquisition costs of the facilities from the Molalla Electric Company were \$7,787.00, and the expenditure of that sum for those purposes was authorized by Ordinance No. 185, adopted June 22, 1922; and

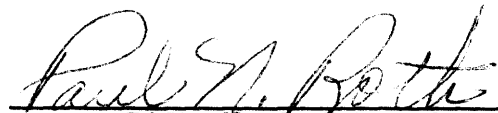
WHEREAS, it appears from the records and file of the City Recorder's office that the acquisition costs of the Molalla Electric Company facilities was paid at least in part from funds other than the sale of the bonds, and those additional costs were charged to the City's Electric Department, which has made payment to the City's General Fund of \$110.00 per month, and continuing until the creation of the Canby Utility Board by Charter change in November, 1970; and

WHEREAS, the Canby Utility Board, since its formation, has been paying monthly to the City's General Fund the sum of \$110.00 per month for reimbursement of the City's costs incurred in 1922 for the acquisition of the Molalla Electric Company, and the payments by the City's Utility Department and thereafter by the Canby Utility Board at the rate of \$110.00 per month has apparently continued from 1922


to this time, and it is probable that the indebtedness owing to the City of Canby by the Canby Electric Department initially, and assumed by the Canby Utility Board, has been fully paid, including accrued interest on the account, and should therefore be satisfied.

NOW, THEREFORE, BE IT RESOLVED BY THE CANBY CITY COUNCIL THAT the indebtedness and obligation of the Canby Utility Board to the City of Canby for the indebtedness and obligation assumed by said Board arising out of the acquisition by the City's Electric Department in 1922 of the Molalla Electric Company, is fully paid, satisfied and now discharged, and the Canby City Recorder is hereby authorized and directed to enter a full satisfaction of such indebtedness in his records and file of such matter, and furnish to the Canby Utility Board a certified copy of this Resolution as evidence of the discharge of further liability and responsibility of said Board for any further payments to the City for that account.

Adopted by the Canby City Council at a regular meeting thereof this 15th day of April, 1974.

  
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PAUL N. ROTH - Mayor

ATTEST:

  
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J. R. RICHARDSON - City Recorder