

RESOLUTION NO. CCLXXXV (285)

A RESOLUTION AUTHORIZING CANBY UTILITY BOARD TO ASSUME AND PERFORM WATER TREATMENT PLANT EXPANSION CONTRACT WITH JAMES M. MONTGOMERY CONSULTING ENGINEERS, INC. AND OTHER CONTRACTORS ON THE CITY'S WATER UTILITY IMPROVEMENT PROJECT.

R E C I T A L S :

1. The Canby Utility Board was created by Canby City Charter Chapter XIII which was a charter amendment enacted by the people of Canby at a regular City election on November 3, 1970. The utility department was made responsible for the development, production, purchase and distribution of all water and electric revenue producing utility services of the City and the Utility Board was given exclusive jurisdiction, control and management of the department and all of its operations and facilities.

2. The Canby City Council, pursuant to voter approval sold and issued \$3,000,000 of general obligation water bonds dated March 1, 1979 for a term not exceeding 20 years for the purpose of providing funds with which to make additions, extensions and improvements to water supply and distribution systems; construct, equip and develop another source of water and water supply facilities; and acquire necessary land and rights-of-way therefor in and for the City of Canby.

3. The Canby City Council negotiated and made an engineering contract, dated April 6, 1978 with James M. Montgomery Consulting Engineers, Inc. of Salem, Oregon and that contract related directly to the water systems improvement project for which the said bonds were issued and sold. Furthermore, construction contracts for various phases of the project have been authorized by the Council and let to responsible bidders under supervision of said engineering firm.

4. It was the intent and purpose of the Canby City Charter Chapter XIII amendment that the Canby Utility Board should and

would be responsible for water improvement projects of this kind and the said Board is qualified and capable of assuming such responsibilities and discharging such obligations and has the staff and other facilities to do so and thereby expend the bond proceeds which were authorized for said project.

BASED ON the foregoing recitals and current status of affairs and facts generally which relate to the City's current water improvement and expansion program and after close liaison with the Canby Utility Board and a series of meetings and conferences with it and representatives, the Canby City Council is of the opinion that the expenditures of the bond sale fund are planned and being made by the Canby Utility Board under authority of the Canby City Charter and that the Canby Utility Board should now receive and assume full responsibility and liability if there be any to complete the water systems improvement project and the expenditure of the bond money in accordance with the purpose and intent of the City voters which approved and authorized the water bond sale.

NOW, THEREFORE, the Canby City Council hereby resolves that effective immediately the engineering contract with James M. Montgomery Consulting Engineers, Inc. shall be assumed and performed by the Canby Utility Board pursuant to its purpose and authority as contained in Canby City Charter Chapter XIII as enacted November 3, 1970; and that any and all other construction contracts necessary for the full and final completion of the water systems improvement project and the expenditures of the \$3,000,000 in water improvement bond funds shall be completed and/or authorized and in any event performed by the Canby Utility Board, and the Canby City Council hereby assigns to the Canby Utility Board all further rights and responsibilities to administer any and all contracts and future amendments to them and which relate directly to the said water improvement project.

IT IS FURTHER RESOLVED that this assignment of rights and grant of authority to the Canby Utility Board is subject, however to its cost accounting and regular reports to the Canby City Council and also subject to approval of the Canby City Council which authorized and sold the general obligation bonds and to that extent is accountable to the voters which authorized the bonds.

ADOPTED by the Canby City Council at a regular meeting thereof on the 3rd day of September, 1980.

Robt E. Rapp  
Robt. E. Rapp, Mayor

ATTEST:

Steph A. Lashbrook  
Stephan A. Lashbrook, City Recorder Pro Tem