

ORDINANCE NO. 554

AN ORDINANCE AUTHORIZING THE CITY OF CANBY TO LEASE, WITH OPTION TO PURCHASE, FROM THE BURROUGHS CORPORATION A BILLING COMPUTER; DECLARING AN EMERGENCY; AUTHORIZING THE CITY TO PROCEED WITHOUT FIRST ADVERTISING FOR BIDS; AND REPEALING ORDINANCE NO. 548.

WHEREAS, the City's present billing system for utility bills is slow, outdated, inadequate and expensive, and a replacement of equipment is necessary immediately; and

WHEREAS, a billing computer machine which is adequate for the City's needs is available now from the Burroughs Corporation on a lease with option to purchase basis, and the City Council has considered the matter and the cost of the machine, the monthly rental, and the trade-in allowance if the option to purchase is exercised, and is satisfied that it would be in the best interests of the City if a lease agreement were made now and the new equipment obtained without delay; NOW, THEREFORE,

THE CITY OF CANBY ORDAINS AS FOLLOWS:

Section 1: That the City of Canby lease from the Burroughs Corporation one (1) Mini-Computer, Style No. L4511-609, for a minimum period of five (5) years and subject to renewal as provided by the lease agreement with option to purchase at a monthly rental of \$360.00; and that the Mayor and City Recorder are hereby authorized and directed to execute and deliver for the City of Canby the necessary agreements for this transaction, including the following documents, copies of which are attached hereto as exhibits and by this reference are expressly made a part of this Ordinance:

EXHIBIT A - LEASE OF BURROUGHS EQUIPMENT
EXHIBIT B - SUPPLEMENT TO LEASE AGREEMENT
(OPTION TO PURCHASE)

Section 2: It being deemed by the Canby City Council that an emergency exists and that the interests of the City would be materially benefited by an immediate lease contract with the Burroughs Corporation for the acquisition of a new billing computer

for the City, an emergency is hereby declared, and the City shall proceed immediately without first advertising for bids; and this Ordinance shall take effect immediately upon its final passage by the Council.

Section 3: Ordinance No. 548 entitled "AN ORDINANCE AUTHORIZING THE CITY OF CANBY TO LEASE, WITH OPTION TO PURCHASE, FROM THE BURROUGHS CORPORATION A BILLING COMPUTER; DECLARING AN EMERGENCY; AND AUTHORIZING THE CITY TO PROCEED WITHOUT FIRST ADVERTISING FOR BIDS" enacted by the City Council on final reading February 7, 1972, is hereby repealed.

Passed on first reading of the Canby City Council at a regular meeting thereof on the 1st day of May, 1972; ordered posted for a period of two (2) full calendar weeks as provided by the Canby City Charter, and to come up for final reading and action of the Canby City Council at a meeting thereof to be held on the day of , 1972, at the hour of 8:00 o'clock p.m., Oregon Daylight Saving Time at the Canby City Hall.

CARL A. BRAMAN - Mayor

ATTEST:

J. R. RICHARDSON - City Recorder

Passed on final reading by the Canby City Council at a meeting thereof on the day of , 1972, by the following vote: Yeas _____. Nays _____.

CARL A. BRAMAN - Mayor

ATTEST:

J. R. RICHARDSON - City Recorder

*DEFEATED BY COUNCIL ACTION
MAY 15, 1972
J. R. Richardson
Recorder*



LEASE OF BURROUGHS EQUIPMENT

Branch FORTLAND, OREGON Date _____ Inv. No. _____

BURROUGHS CORPORATION, Lessor:

Please deliver to CITY OF CANBY Lessee,

Street address 182 N. HOLLY STREET CANBY OREGON 97013
City State

the following equipment:

Quantity	Style	Description and Electrical Specifications	Serial Number(s)	Monthly Rental for Each Machine
<u>1</u>	<u>L4511-609</u>	<u>MINI-COMPUTER 110/60</u>		<u>360.00</u>

DESTINATION AREA TRANSPORTATION CHARGES \$ 73.06

The undersigned Lessee agrees to accept the above equipment when delivered for installation and shall pay Lessor rent of \$ 360.00 per month (plus applicable taxes) payable monthly, quarterly, semi-annually, or annually, in advance, (except that billing and payment shall not be for less than \$25.00 per invoice) for a minimum period of 5 (five) year(s), commencing on the day after the date of delivery (or, if currently in Lessee's possession under a prior lease, then commencing with the later of the expiration of the minimum period thereunder or the expiration of the existing rental month thereunder). **Any payment made late by Lessee shall be subject to the maximum late payment charge permissible by state law.** This lease will automatically continue after the minimum period on a month-to-month basis until terminated as to any or all machines by at least 3 months' written notice by either party, such termination to be made effective at the end of the minimum period or at the end of a monthly rental period thereafter. As an alternative to such month-to-month use Lessee may, by execution of a lease extension rider, extend the minimum period for additional one or more years.

NOTICE: A late payment charge will be assessed against and paid by lessee on each delinquent payment overdue ten (10) days or more at the rate of 1% per month

ADDITIONAL TERMS AND CONDITIONS APPLICABLE TO THIS LEASE AGREEMENT ARE CONTINUED ON THE REVERSE SIDE HEREOF.

- PURCHASE OPTION SIGNED AND ATTACHED.
- PURCHASE OPTION NOT DESIRED OR NOT APPLICABLE.

Witness _____

CITY OF CANBY

Corporate or Business Name of Lessee

Witness _____

By /s/ Carl A. Braman, Mayor
Authorized Signature and Title

Accepted: **BURROUGHS CORPORATION**, Lessor

ATTEST: /s/ J. R. Richardson
City Recorder

By _____
Authorized Signature and Title

EXHIBIT A

Burroughs Corporation



EXHIBIT B

BUSINESS MACHINES GROUP

**SUPPLEMENT TO LEASE AGREEMENT
OPTION TO PURCHASE**

Burroughs Corporation, Business Machines Group, Lessor, and the Lessee identified herein below hereby agree that the related lease agreement dated _____, with which this Option is executed, as said agreement may have heretofore been amended, is hereby further amended by addition of a clause as follows:

At any time within the first 18 months after commencement of rental thereon Lessee may purchase any or all of the equipment leased as herein provided, so long as such equipment is in Lessee's possession under the terms of this lease and Lessee is not in default. Lessee shall give Lessor written notice of its election to purchase and the effective date thereof. After payment of all rentals and other charges due under the lease through the effective date of purchase, Lessee shall pay Lessor a sum equal to Lessor's established price for that classification of equipment leased hereunder, in effect on the date of purchase, plus any taxes applicable to purchase at such time, less seventy percent (70%) of all rental charges (excluding taxes) paid during the first six months of rental payments and forty percent (40%) of all rental paid during the second six months of such payments on the equipment. As an alternative, such earned rental credit may be applied on one occasion only to a purchase of any other Burroughs more advanced system, and/or components thereof, of equal or greater total price, during such 18 month period. Thereafter said options and credits shall lapse, become void and be of no further force and effect. Upon completion of payment for purchased equipment as herein provided title to all such equipment purchased shall automatically pass to the Lessee.

Except as above provided the above noted agreement shall apply as written and remain in full force.

LESSOR

Burroughs Corporation,
Business Machines Group

By _____
SIGNATURE

TITLE

DATE

LESSEE

CITY OF CANBY

(FIRM NAME)

By /s/ Carl A. Braman
SIGNATURE

Mayor

TITLE

ATTEST: _____ DATE

/s/ J. R. Richardson
City Recorder Form Mktg 2431-8 (Rev. 10/69)

Printed in U.S.A.

EXHIBIT B