

SPECIAL MEETING OF THE CITY COUNCIL OF CANBY

HELD ON JANUARY 24, 1923.

Meeting called to order by the Mayor. Those present were: W. S. Maple, Mayor; Philip Hammond, City Attorney; C. L. Eid, Recorder; Louis Lent, Chief of Police. Councilman: Bair; Howlsley; Johnson; Sheldon Shull; Swanley.

Meeting was called to order by the Mayor for the Purpose of trying to settle electric Light question with Mr. Robinson and Mr. Murphy.

Mr. Robinson and his attorney, Mr. Murphy, were not present so the council instructed the City Attorney to change bill of sale as follows:

KNOW ALL MEN BY THESE PRESENTS, That the Molalla Electric Company, a corporation organized and existing under and by virtue of the laws of the State of Oregon, party of the first part in and for the consideration hereinafter contained and expressed, to it paid by the City of Canby, a municipal corporation in Clackamas County, Oregon, the party of the second part, at and upon the delivery of these presents, - receipt whereof is hereby acknowledged, - granted, bargained, sold, assigned, conveyed and delivered unto Canby, its successors and assigns, all the following property, to-wit:

All the personal and real property of every name nature and description used by the party of the first part within the boundaries of the City of Canby as a distributing electric system, for the transmission and delivery of electric current and electric power to the people of the City of Canby, including all equipment and fixtures, fixed or movable and in use in said service, and including all of the various articles set out in the inventory or report compiled by J. B. Beebe of the Public Service Commission of the State of Oregon under date of April 27, 1922, to the City of Canby and the grantor hereof; which report is hereby referred to and made a part hereof, for the purpose of more particularly establishing the identity of the property herein intended to be sold, together with material and extensions in betterments and repairs added to said property since the date of said report, EXCEPTING NEVERTHELESS, the terminus of the main transmission line of the party of the first part situated on the North bank of the Molalla river and which transmission line extends from Canby southward to Woodburn in Marion County, and which terminus was not included in such report.

That the full consideration for all of the above mentioned property, consisting of poles, fixtures, overhead line, line transformers and devices, electric service, construction and meters (excepting a few meters, less than ten in number, owned individually by customers), in Seven Thousand Dollars (\$7000.00) cash, and as part of the consideration therefor the party of the first part agrees to secure and have recorded in Clackamas County, proper release from all liens of the bonds in said party of the first part held by the Trustees of Whitman Colledge, or otherwise, and as further consideration, moving from the City of Canby to the party of the first part

herein as a part of this transaction, that certain claim of the City of Canby of long standing against the Molalla Electric Company for alledged expenditures in the original construction of said street lighting system, is merged in this transaction and is hereby released and cancelled. +

And the party of the first part, in consideration hereof does for itself and its successors and assigns covenant with Canby, its successors and assigns, that it will warrant and defend all and singular the said property above conveyed, forever against all lawful claims and demands whatsoever, except my claim that may be advanced and established by the Clackamas County Fair Association for ownership of any of the materials going into the short transmission line extending northerly to the Fair Association Grounds.

As a further consideration for this transfer, the City of Canby may purchase electric energy from the Molalla Electric Company at the published rate of the Portland Railway Light & Power Company, now in effect or hereinafter established plus line loss on energy so purchased from the party of the first part over it's main transmission line, extending from Canby to the point of connection of said transmission line with the transmission line of the Portland Railway Light & Power Company in the City of Woodburn, Marion County, Oregon, such line loss to be computed, fixed and established by competent officials or an official of the Portland Railway Light & Power Company, both parties reserving the right, if either is convinced that such computation of line loss is inadequate or unfavorable, to refer the matter to the Public Service Commission for consideration and final adjustment, and such privilege shall continue for the grantee to continue to purchase electric energy suitable to its needs from the party of the first part and at the same rate and upon the same terms as long as the Molalla Electric Company remains the owner and in possession of said transmission line from Woodburn to Canby, and it is agreed that said party of the first part shall at all times maintain and keep said transmission line in good order and repair for the purpose of delivering such power to the said City of Canby and maintaining good service over said line.

It is understood that this transfer shall be effective as and from the last meter reading of said Company to-wit: About October 27, 1922, and all revenues to be collected from the sale of electric energy within Canby shall, be means of such property from and after said date, go to the City of Canby, and said City in turn shall pay for the current so used from such date and the published rate of the Portland Railway Light & Power Company, plus line loss in transmission from Woodburn as hereinabove stipulated for. Further, the costs of additional equipment necessary to "step down" the current from the main transmission line to measure and meter the electric energy to be delivered to the City of Canby for its use over the property herein conveyed, shall be borne by the Molalla Electric Company, and the equipment and devices, transformers, etc. necessary for such purpose shall be put in place and maintained likewise at the sole cost and expense of the party of the first part, title in and to such added equipment to remain in the Molalla Electric Company.

Accounting between the Molalla Electric Company and the City of Canby shall be made monthly, not later than the tenth day of each month.

The City of Canby shall not be required to add any equipment whatsoever to the equipment purchased herein and now

And the Grantor hereof, for itself and for its successors, covenants to and with the Grantee, its successors and assigns, that from time to time on demand of the Grantee, its successors or assigns, that said Grantor, its successors, will make, do execute, acknowledge and deliver all such further acts, deeds, conveyances and assurances as may be reasonably devised or required, for effectuating the intention of these presents and for the better assuring or confirming unto the said Grantee, its successors and assigns, all and singular the above granted and bargained property.

MOLALLA ELECTRIC COMPANY

BY _____ PRES.
BY _____ SEC.

STATE OF OREGON)
(ss.
County of Multnomah:)

On this day of February, A. D. 1923, before me appeared E. G. Robinson, to me personally know, who, being first duly sworn, did say that he is the President of the MOL* ALLA ELECTRIC COMPANY, a corporation, and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of it's Board of Directors, and said E. G. Robinson acknowledged said instrument to be the free act and de ed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal this the day and year first in this, my certificate written.

Notary Public for Ore.
My comm. ex.

WHEREAS, the Molalla Electric Company has sold to the City of Canby the distributing electric system within the City of Canby and whereas the Molalla Electric Company and the City of Canby desires to arrive at an agreement for the furnishing of electrical energy to the customers of the Molalla Electric Company outside of Canby and north of the Molalla river.

And whereas the Molalla Electric Company desires for the time being to hook said customers up through a distributing system owned by the City of Canby and for the purpose of defining the rights of the Molalla Electric Company and the City of Canby in regard to the serving of such suburban customers north of the Molalla river and outside of the City of Canby and in consideration of the payment made by the City of Canby to the Molalla Electric Company and the sale of the distributing system by the Molalla Electric Company to the City of Canby.

The City of Canby hereby grants to the Molalla Electric Company for and in consideration of the foregoing, the privilege of serving its suburban customers outside of Canby and north of the Molalla river, over the system sold by the Molalla Electric Company to the City of Canby, where and as necessary to supply said suburban customers now existing and hereafter hooked up and the line loss on electric energy transmitted over said Canby system, shall be charged to the Molalla Electric Company, and which line loss shall be computed fixed and established by representatives of the Portland Railway Light & Power Company with right of review by the Public Service Commission in the same manner as contained in the Bill of Sale from the Molalla Electric Company to Canby, nothing contained in this agreement shall operate as a requirement that Canby shall maintain or cause to be constructed any other or further or additional transmission line or wires for the distribution of electrical energy to supply such customers of the Molalla Electric Company north of the Molalla river, but the rights herein mentioned of the Molalla Electric Company to supply such suburban customers shall be permissible only, within any liability on the part of the City of Canby, to construct any additional or heavier equipment or to maintain any transmission or distributing line which does not produce net revenue to Canby, or otherwise.

This grant is subject however, always to the following conditions, to-wit: The City of Canby may at any time by giving a written notice to the Molalla Electric Company or its assigns or successors in interest, directing the Molalla Electric Company or its assigns or successors in interest to disconnect such suburban customers, north of the Molalla river, connected through the system sold to Canby by the Molalla Electric Company, and the Molalla Electric Company or its assigns or successors in interest shall thereupon and within ninety days from the date of the notice to the Molalla Electric Company, its assigns or successors in interest disconnect from the distributing system within Canby all of its customers north of the Molalla river.

Canby will in lieu of the right to so connect to the distributing system sold to the City of Canby grant to the Molalla Electric Company its assigns or successors in interest at the time such notice of revocation above referred to is given, a permit to construct and maintain for not more than ten years or such longer time as may be agreed on hereafter, a transmission line on such streets as may be designated by the council of the City of Canby in such a manner that the Molalla Electric Comp-

any, its assigns or successors in interest, may connect the transmission line from Canby southward to the distributing lines outside of Canby and north of the Molalla river, and that such customers herein mentioned, north of the Molalla river and outside of Canby may be supplied.

IN WITNESS WHEREOF, the City of Canby has caused its corporate name and seal to hereunto be affixed and this instrument to be signed by its Mayor and Recorder as authorized by a resolution of said corporation duly and legally adopted, this day of February, A. D., 1923, and the City of Canby has caused these presents to be signed by its Mayor and Recorder as authorized by action of the Council of the city of Canby and the seal of the City to be hereto affixed, this day of February, A. D., 1923.

CITY OF CANBY:

BY W. S. Maple MAYOR.
BY C. L. Eid RECORDER.

In the Presence of:

STATE OF OREGON)
(ss.
COUNTY OF CLACKAMAS)

On this day of February, A. D., 1923, before me appeared W. S. Maple, to me personally known who, being first duly sworn, did say that he is the Mayor of the City of Canby, a municipal corporation, and C. L. Eid, to me personally known who, being first duly sworn, did say that he is the Recorder of the City of Canby, a municipal corporation, and that the seal affixed to said instrument was signed and sealed in behalf of said corporation by authority of its Council of Canby and said W. S. Maple and C. L. Eid acknowledged said instrument to be the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have herunto set my hand and affixed my official seal this day and year first in this, my certificate written.

Notary Public for Ore.
My comm. ex.

Whereupon it was moved and seconded that the meeting adjourn. Motion carried.

Approved: FEB 5 1923

W. S. Maple
Mayor.

C. L. Eid
Recorder.