ADJOURNED MEETING OF THE COUNCIL OF CANBY, September 19, 1921 at 8 P. M.

The meeting was called to order by the Mayor.

On roll call the following officers were present: Mayor,

W. S. Maple, City Attorney, Philip Hammond, Recorder, C. L.

Eid, Chief of Police, George Meeks. Councilmen: Eid,

Evans. Dedman, Johnson, Sandsness and Shull.

Whereupon the report of the Committee on Fire and Water as to the cost of laying pipe on the Knight's bridge road was heard, and the main ordered laid.

Whereupon the following ordinance was read:

ORDINANCE NO. 179

An Ordinance to provide for the purchase of pipe and pipe fittings for water main to be laid on the Knight bridge road, and appropriating the sum of \$600.00.

CANBY DOES ORDAIN AS FOLLOWS:

Section 1. The sum of \$600.00 is hereby appropriated from the Water Fund of Canby to be used by the Water Committee of the Council of Canby in the purchase of pipe and pipe fittings for water main to be laid on the Knight bridge road.

It was moved and seconded that said reading be considered the first reading of said ordinance, and that said ordinance be posted for the reason that the cost of publication thereof was in the opinion of the Council considered excessive. Carried.

Whereupon the following ordinance was read:

ORDINANCE NO.

An Ordinance giving and granting a franchise with rights to erect, maintain, use and remove poles, wires, cables and ducts, apparatus and appliances for conducting and using

electricity in, under, upon and over any and all streets, alleys, roads, ways, public places and grounds of Canby, and to engage in the business offurnishing electrical energy to Canby, its inhabitants and to the public.

CANBY DOES ORDAIN AS FOLLOWS:

Section 1. Canby does hereby grant a franchise to M. J. Lee hereinafter called the Grantee, under the terms, conditions and for the purposes hereinafter set out.

Section 2. A franchise is hereby given and granted for a period of twenty-five (25) years, from the date of final passage of this Ordinance to the grantee named herein, giving and granting unto the grantee the right to erect, maintain, use and remove electric light and electric power poles, wires, cables, ducts, appliances and apparatus, for conducting and using electric light and power within the City of Canby, County of Clackamas, State of Oregon, for the purpose of supplying electrical energy for light and power to the said City of Canby, and to the inhabitants thereof; in, under, upon and over any and all streets, alleys, roads and ways of or in said City; subject however to reasonable modifications, limitations and changes by the City Council of said City, but not so as to interfere with or prevent the said grantee, their successors or assigns, from carrying on the business of furnishing light and power to the said City of Canby and its inhabitants and the public.

Section 3. That all poles, pole lines, wires, transmission lines or other apparatus, strung or set, in, on, or over the streets, alleys, roads and ways of the City of Canby, shall be so set or strung as to comply with all ordinances of the City of Canby in relation to the same.

Section 4. That the grantee, their successors and assigns, agree to, and shall furnish all electrical current for light and power which may be required by Canby, or its inhabitants, and any and all persons within the City, during

the life of this franchise.

Section 5. It is further provided that this ordinance shall not take effect unless the said Grantee, shall file with the City Recorder within thirty days after this ordinance shall have been adopted, an unqualified written acceptance of the same.

Section 6. The initial rate under which the grantee shall commence operations in Canby, shall be identical with the rate published by the Portland Railway Light and Power Company for the use of consumers in Oregon City, except with a minimum rate of \$1.50 for 20 K.W.H.

Section 7. Should the grantee desire to change the said rate, a copy of the proposed schedule shall be filed with the Recorder of Canby, thirty days before the same becomes effective, without regard to the other provisions of the Laws of the State of Oregon, and the steps that may be required for the grantee to comply therewith.

Section 8. Should the grantee desire to change or establish another and different rate than the initial rate, such rate may be changed from time to time in compliance with the Laws of the State of Oregon, and in accordance with the provisions of this ordinance. Provided, that the grantee shall have the right to establish a rate that is the average rate of the public rates charged at that time by the Portland Railway Light and Power Company in the municipalities of Oregon City, Molalla, and Woodburn for like service. Provided, further, the Grantee shall have the right at any time to raise its rates, should the wholesale cost of electrical current sold by the Portland Railway Light and Power Company be increased over its present wholesale rate, then and in that event the Grantee shall have the right to immediately raise its rate a sufficient amount to cover such increased cost without regard to the provisions of this ordinance, and only by complying with the laws of the State of Oregon.

Section 9. The Grantee shall wire the streets of Canby for an electric light circuit at its own cost and expense, said circuit to be not greater in extent that would light the wity of Canby at the various places, where street lights were maintained on January 1, 1921; said circuit shall be so constructed that the lights may be turned on and off, and shall be maintained and be the sole property of the grantee. The City of Canby shall only be required to provide such incandescent globes as may be used, and to renew the same.

Section 10. Camby agrees to purchase and the Grantee agrees to sell to Camby, electric light current for street lighting and pumping, or for such other purposes as may be desired by the City of Camby. Provided, however, that Camby shall use said current for the purposes for which it desires, the minimum charge therefor shall be \$50.00 per month. The rate for street lights shall be on a basis of seventy-five (\$0.75) cents per 60-watt lamp and the initial rate for the municipal water plant at Camby shall not exceed the rate charged by the Portland Railway Light and Power Company to like municipalities for like water pumping.

Section 11. Should Canby during the lifetime of this franchise undertake to go into municipal ownership of electrical current, Canby shall purchase the distributing plant of the Grantee in Canby on the following basis: the distributing plant shall be appraised by three appraisers, one appointed by the grantee, one by Canby, they to choose a third. The actual cost of re-construction of the distributing plant at the time set for the appraisal shall be used as a basis of values. There shall be deducted from the actual cost of reconstruction, the depreciation that has occurred to such date of appraisal, and the balance shall be the appraised value of the distributing system.

Section 12. The grantee shall immediately under-

take to construct this distributing system and equipment connected therewith in Canby, on the granting of this franchise, and said work shall be finished by January 1, 1922, or the reason for such failure shall be satisfactorily explained to the Council of Canby, or this franchise shall be void, and of no force or effect, without anything to be done or action to be taken on the part of Canby. The effect of this paragraph shall be that the grantee shall be delivering electrical current by January 1, 1922 or this ordinance shall be void.

Section 13. Should the grantee disregard any of the provisions of this franchise, whether by direction of the Public Service Commission of Oregon, or any other like Commission, this franchise shall thereupon immediately cease and determine, and the rights of the grantee shall be no greater than if this franchise had not been granted. And that it will not be necessary for Canby to take any action on its part to declare this ordinance void, but the violation of any provision in this ordinance after thirty days' written notice from the Council of Canby, shall be considered a complete renunciation of all of the rights and privileges hereby granted.

Section 14. In consideration of the work to be performed on the part of the grantee as herein provided, Canby will, at the time that the grantee is ready to commence distributing current within Canby and has the street lighting system herein mentioned operating, assign to the grantee all of its right, title, and interest in and to a certain claim against the Molalla Electric Company, which claim was originally for \$1350.00 and is evidenced by a written stipulation signed by the Molalla Electric Company, which claim shall be assigned in the amount due on said date, deducting therefrom any indebtedness owed by the City of Canby to the Molalla Electric Company on the said date.

It was moved and seconded that said reading be considered its first reading, and that it be adopted, and that it be posted for the reason that the cost of publication thereof in the opinion of the Council was excessive. On roll call: Ayes: Eid, Dedman, Johnson, Sandsness and Shull.

Noes: Evans.

Whereupon the Mayor declared that said motion was adopted, and that said ordinance had passed its first reading.

It was moved and seconded that the bills of the Molalla Electric Company for June, July and August heretofore presented to the Council be paid in full.

On roll call: Ayes: Eid, Evans, Dedman:
Noes: Johnson, Sandsness, Shull. Whereupon the Mayor cast
his vote, Aye, and declared said motion carried, and ordered
the bills paid.

Meeting adjourned.

RECORDER.

APPROVED: Och 3, 1921.

MAYOR.