

AN ORDINANCE granting to Portland Gas & Coke Company, a corporation, and its successors and assigns, for a period of 20 years from and after May 6, 1950, the right and franchise to lay, maintain and operate mains, pipes, and appurtenances in the present and future streets, alleys, highways, and public places of the City of Lebanon, for the purpose of supplying gas to the City of Lebanon and the inhabitants thereof and others.

THE PEOPLE OF THE CITY OF LEBANON DO ORDAIN AS FOLLOWS:

Section 1. The City of Lebanon (hereinafter called the City) hereby grants to Portland Gas & Coke Company and its successors and assigns (hereinafter called the Grantee), for a period of 20 years from and after May 6, 1950, the non-exclusive right and franchise to lay, maintain, and operate mains, pipes, and all necessary or desirable appurtenances in and upon the present and future streets, alleys, highways, and public places of the City, for the purpose of supplying gas to the City and the inhabitants thereof and to persons living beyond the limits thereof.

Section 2. Whenever the Grantee shall excavate or do any other work on any part of any street, alley, highway, or public place within the City, the Grantee shall promptly restore such part of such street, alley, highway, or public place to as good condition as the same was in prior to such excavation or other work thereon by the Grantee. In the event of the Grantee's failure to make such restoration promptly to the satisfaction of the City, the City by its Council shall have the right, on notice to the Grantee, to specify a time within which such restoration shall be completed by the Grantee; and upon the Grantee's failure to complete such restoration to the satisfaction of the City within the time so specified, the City may cause such restoration to be completed by such agency as the City may direct, and the cost thereof shall be paid by the Grantee. The City may require that any opening required by the Grantee in any hard-surface pavement shall be replaced by the City or under its direction, in which event the cost of replacing such pavement, including the cost of supervising and inspection, shall be paid by the Grantee; and in any such case the City may require the Grantee to deposit with the City Treasurer in advance a sum of money sufficient to pay the estimated cost of such work. Except in emergencies, no opening shall be made by the Grantee in any such hard-surface pavement until the City shall determine whether or not such deposit shall be required.

Section 3. Nothing in this ordinance shall be construed as preventing the City from sewerage, grading, paving, or doing any other work as required on any of the streets, alleys, highways, or public places of the City, but all such work shall be done in such manner as not unnecessarily to interfere with the safe and convenient use and operation by the Grantee of its gas pipes and other property therein. In case any such work by the City shall necessitate the lowering or re-locating of any of the Grantee's pipes or other property, the Grantee, on reasonable notice from the City, shall lower or relocate its gas pipes or other property at its own expense in such manner as shall be necessary to accommodate such work. Upon the failure of the Grantee to do such work promptly as required by such notice, the City may cause such work to be done by such other agency as it may select, and the cost thereof shall be paid by the Grantee.

Section 4. The Grantee shall indemnify and save harmless the City and its officers and agents against and from all damage, cost and expense to which it or they may be subjected by reason of any negligent act or omission of the Grantee, its agents or servants, in any manner arising out of the conduct of Grantee's gas business within the City.

Section 5. The gas service to be supplied under this franchise, and all rates and charges of the Grantee for such service, shall at all times be subject to such reasonable rules and regulations as may lawfully be prescribed by the Public Utilities Commissioner of Oregon or by any other body having lawful jurisdiction in the premises. Until changed in the manner prescribed by law or by such authority, the rates and charges for such service shall be those specified in the Grantee's Schedule No. P.U.C. Or. 9, copy of which is now on file with the Recorder of the City. Subject to emergencies or conditions beyond the control of the Grantee, the gas service to be supplied by the Grantee under this franchise shall at all times be of a standard equal to that furnished by the Grantee within the corporate limits of the City of Portland.

Section 6. The Grantee, in making necessary excavations in any of the streets, alleys, highways, or public places of the City for the purpose of laying, repairing and adjusting its gas mains, pipes and appurtenances, shall be subject to the direction of the Superintendent of Streets or of such other official or committee

as the City may designate. The Grantee shall furnish and file with the City Recorder a map or blue print showing the location of all gas mains, pipes and services within the City, and shall bring such map to date twice each year upon notice, or at any time upon reasonable notice from the City.

Section 7. So long as the Grantee shall be required by the provisions of the laws of the State of Oregon to keep and maintain books of account and make reports in accordance with standards prescribed by the Public Utilities Commissioner of Oregon, compliance by the Grantee with such state laws and regulations shall be deemed compliance with the requirements of the Charter of the City.

Section 8. As compensation to the City for the franchise hereby granted, the Grantee shall pay to the City an amount equivalent to two per cent (2%) of the Grantee's gross revenues from the sales of gas within the corporate limits of the City during each calendar year, and proportionally for the fractional calendar years of 1950 and 1970 during which this franchise shall be in effect. Such payment shall be made within sixty (60) days after the close of each such calendar year or each such fraction thereof.

Section 9. At the expiration of the term of this franchise, the City at its election may purchase and take over to itself the entire property of the Grantee situated in or under the streets and public places of the City, at the fair value of the physical property of Grantee as determined by a board of arbitrators, one appointed by the City, one appointed by the Grantee, and the third by the two first so appointed. The City and the Grantee shall each pay for the services of the arbitrator appointed by it; and each shall pay one-half of the cost of the services of the third arbitrator, and of any other costs of conducting the arbitration, except that the fees of any witness called by either party shall be paid by the party calling the witness.

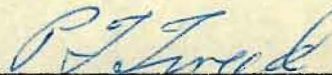
Section 10. The Grantee shall file with the Recorder of the City its written acceptance of the right and franchise hereby granted and the obligations hereby imposed, within thirty (30) days from and after the date when this ordinance shall become effective; and this ordinance shall become null and void unless such acceptance is so filed. The Grantee shall at all times fully and faithfully perform all of the terms, provisions and conditions of this ordinance. It shall supply efficient

service hereunder, and shall maintain its property in good order and repair throughout the entire term hereof. Upon default by the Grantee in any of its obligations hereunder and the continuance of such default for a period of thirty (30) days from and after the receipt of notice from the City specifying such default, the City may by ordinance, and for good cause shown, cancel and terminate this franchise and all further rights of the Grantee hereunder.

Section 11. This ordinance shall be of no force or effect unless published in full at the expense of the Grantee twice in a newspaper of general circulation published in the City of Lebanon, such publication to take place and be completed not less than ten (10) nor more than thirty (30) days before the final passage hereof.

Passed by the Council _____ December 22, _____, 1950.

APPROVED:



Mayor of the City of Lebanon

ATTEST:



Recorder of the City of Lebanon



EARL T. NEWBRY

SECRETARY OF STATE
SALEM, OREGON

December 14, 1950

Mr. Kenneth G. Wilshire
City Attorney
Lebanon, Oregon

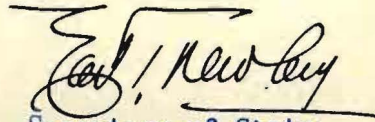
Dear Sir:

We have examined the proposed Ordinance forwarded in your letter of December 8 and our legal advisor pronounces same as quite sufficient for its purpose.

He states that when you have held a sale as proposed and the Chief of Police has executed a certificate of sale for a motor vehicle disposed of under such Ordinance, said certificate of sale will be recognized as a sufficient basis for a certificate of title.

The purchaser at the sale will have to furnish in addition his original application for certificate of title and fee of \$1.00.

Very truly yours,


Secretary of State

N:TP