

CITY OF SHERWOOD, OREGON

Ordinance No. 87-865

AN ORDINANCE AMENDING ORDINANCE NO. 514, REGULATING WATER SERVICE AND CHARGES, AS ORIGINALLY ADOPTED ON MAY 5, 1961, AND SUBSEQUENTLY AMENDED TO INCLUDE A WATER SYSTEM REPLACEMENT RESERVE ACCOUNT, AND DECLARING AN EMERGENCY

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WHEREAS, Ordinance No. 514 was amended on July 28, 1983, by Ordinance No. 794, to create a "water facilities and system replacement reserve account", and

WHEREAS, Ordinance No. 794, as written, only specifies that the reserve account is "to provide for the depreciation of existing standard water lines and replacement thereof".

WHEREAS, the City Council, at the time of passage of Ordinance No. 794, according to approved minutes, further specified that the reserve account could only be used to replace existing lines with identically sized new lines, or for the equivalent cost of an identical line, although this specification was not incorporated into the ordinance,

WHEREAS, the present City Council finds that such a non-ordinance "agreement" is unduly restrictive in that most depreciated lines in the City are 4" to 6" smaller in diameter than current standards; and that, although the prior Council agreement has been found to be non-binding, that a clarification of policy is in order,

NOW THEREFORE, THE CITY OF SHERWOOD ORDAINS AS FOLLOWS;

Section 1. Amendments. Section 5(f) of Ordinance No. 514, as added by Ordinance No. 794, is hereby amended to read as follows:

"(f) There is hereby created a water facilities and system replacement reserve account. Of the revenues collected pursuant to the rates charged under subparagraphs (a), (b) and (c) of Section 5 of this ordinance, that portion thereof allocated as being a charge for system replacement reserve shall be held in the system replacement reserve account, together with such other funds as may be required to provide for depreciation of existing water line facilities and replacement thereof upon the termination of the useful life of those

facilities. Funds from said account shall be appropriated and expended only for replacement of said depreciated existing water line facilities with new standard water line facilities upon budget authorization of the city council."

Section 2. Effective Date Inasmuch as it necessary to the public health and safety of the people of the City of Sherwood, an emergency is hereby declared to exist and this ordinance shall become effective upon its passage by the Council and signature by the Mayor.

Duly passed by the City Council this 24 day of June, 1987.

Approved by the Mayor this 25 day of June, 1987.

  
Norma Oyler, Mayor

Attest:

  
Polly Blankenbaker, Recorder

	<u>AYE</u>	<u>NAY</u>
OYLER	<u>✓</u>	_____
BIRCHILL	<u>✓</u>	_____
STEWART	<u>✓</u>	_____
NIGHTINGALE	<u>✓</u>	_____
CHAVEZ	<u>✓</u>	_____