

AN ORDINANCE AMENDING ORDINANCE NUMBER 9 GRANTING CENTRAL LINCOLN PEOPLE'S UTILITY DISTRICT, A MUNICIPAL CORPORATION, ITS SUCCESSORS AND ASSIGNS, A FRANCHISE TO OPERATE AND MAINTAIN POLE LINES ALONG THE STREETS AND OTHER PUBLIC WAYS IN THE CITY OF LAKESIDE, COUNTY OF COOS, STATE OF OREGON; SETTING THE PRICE OF SUCH FRANCHISE; AND DECLARING AN EMERGENCY.

WHEREAS, the CENTRAL LINCOLN PEOPLE'S UTILITY DISTRICT, a municipal corporation, hereinafter referred to as "DISTRICT", is an operating utility engaged in the distribution of electric power in the City of Lakeside and other adjoining areas; and

WHEREAS, the DISTRICT has granted a franchise pursuant to Ordinance Number 9, which Ordinance sets forth the payment formula in Section 10; and

WHEREAS, the CITY OF LAKESIDE has an existing Street Lighting Contract with the said DISTRICT, which upon implementation of this Ordinance at its effective date, will no longer be tied to the existing compensation formula limitation as set forth in Paragraph Three (3) and Section Ten (10) of Ordinance Number 9, and the granting of this amendment to the Franchise, as requested by the said DISTRICT will effect a savings to the said CITY OF LAKESIDE;

NOW, THEREFORE;

THE CITY OF LAKESIDE DOES ORDAIN AS FOLLOWS:

SECTION 1. That Paragraph Three (3) of Ordinance Number 9 be and the same is hereby amended to read as follows:

"WHEREAS, the said District has adopted a policy whereby said District proposes to pay incorporated cities within its service area THREE-QUARTERS OF ONE PERCENT of the gross industrial revenue from electric service rendered within the corporate limits of any such city during each billing month, of the District, and in addition, THREE AND ONE-HALF PER CENT of all other revenues from electric service rendered within the corporate limits of any such city during each billing month, of the District, for the time remaining under that franchise granted under Ordinance Number 9, upon the effective date of this Amendment, granting the District the right to maintain and operate its electric system and facilities within such city."

SECTION 2. That Section Ten (10) of Ordinance Number 9 be and the same is hereby amended to read as follows:

"SECTION 10. In consideration of the rights, privileges, and franchises hereby granted, said grantee, District its successors and assigns, shall no later than twenty (20) days after the close of each District billing month during the term of the franchise, pay to the City of Lakeside, THREE-QUARTERS OF ONE PERCENT of the gross industrial revenue from electric service rendered within the corporate limits of any such city during each District billing month, and in addition, THREE AND ONE-HALF PER CENT of all other revenues from electric service during each billing month. This franchise shall be effective the first day of January, 1982, and payments shall commence no later than twenty (20) days after the close of each District billing month. Payment as herein provided and as made by the District to the City of Lakeside will be accepted by the City of Lakeside not only as payment for said franchise but also in payment of any license, privilege or occupation tax or fee for revenue or regulation or for any other purpose now or hereafter to be imposed by the City of Lakeside upon the District during the term of this franchise. And, provided the District accepts this franchise and makes said payments, then the City of Lakeside will not, during the term of this franchise, require the District to make further payment to the City of Lakeside for any license, privilege or occupation tax or fee."

SECTION 3. The District shall within thirty (30) days from the date hereof, file in the office of the Recorder of the City of Lakeside, its written acceptance of the Franchise Amendment as set forth herein with rights and privileges by this Amendment granted,

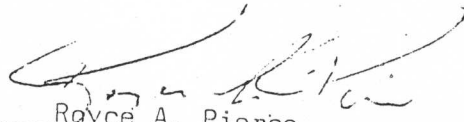
as well as the obligations herein imposed on said District, and the failure of said District to file such written acceptance in said period of time shall be held to be an abandonment and rejection of all franchise rights and privileges granted by this Ordinance, and this Ordinance shall thereupon be null and void.

SECTION 4. The compensation formula as set forth in the Third Paragraph and Section 10 of Ordinance Number 9, now replaced by those provisions of Sections 1 and 2 of this Amendment to said Ordinance now in conflict herewith are hereby repealed effective in accordance with Section 5, below.

SECTION 5. Whereas the proper regulation of utilities operating within the City of Lakeside is essential to the public safety and to the health and welfare of the citizens of the City of Lakeside, an emergency is hereby declared to exist and this Ordinance shall take effect and be in full force and effect from and after its adoption by the Council and approved thereof by the Mayor with implementation of the compensation plan as set forth in Section 2 of this Ordinance herein. Implementation of the compensation plan as set forth in this Section shall occur effective January 1, 1982, with the first payment from the District to the City to be made no later than twenty (20) days after the close of the January, 1982 billing month of the District. The final installment payment under the compensation plan replaced by this Amendment shall be made by the District to the City no later than January 10, 1982. Thereafter, payments are to be made in accordance with this Amendment.

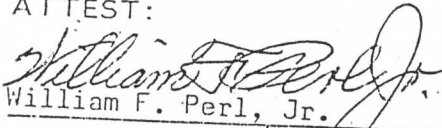
Passed by the Common Council, this 15th day of January, 1981

Approved and signed by the Mayor this 15th day of January, 1981



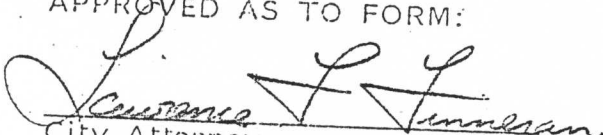
Royce A. Pierce
Mayor

ATTEST:



William F. Perl, Jr.
City Recorder

APPROVED AS TO FORM:



Lawrence J. Tennison
City Attorney