

ORDINANCE NO. 861

AN ORDINANCE AMENDING STAYTON CITY ORDINANCE NO. 593 TO EXTEND THE TERM OF THE NON-EXCLUSIVE FRANCHISE OF NORTHWEST NATURAL GAS COMPANY, DBA NW NATURAL, TO AND INCLUDING JUNE 8, 2004; AND, DECLARING AN EMERGENCY.

WHEREAS, the City of Stayton has, through Ordinance No. 593, granted a non-exclusive franchise to Northwest Natural Gas Company, to operate a gas utility within the City of Stayton;

WHEREAS, Northwest Natural Gas Company routinely does business as NW Natural;

WHEREAS, Ordinance No. 593 was amended on October 20, 2003 by Ordinance No. 855 to extend the term of said franchise to and including April 8, 2004;

WHEREAS, Ordinance No. 855 also established a franchise fee increase, as compensation for the franchise granted, from three percent (3%) to five percent (5%) of the gross revenue collected by the Grantee from its customers for gas consumed within the City;

WHEREAS, the franchise extension granted by Ordinance No. 855 is due to expire on or about the 8th day of April, 2004;

WHEREAS, the City of Stayton and Northwest Natural Gas Company, dba NW Natural, are in the process of negotiating a successor franchise ordinance;

WHEREAS, an additional extension of the franchise term is necessary and reasonable to allow time for the negotiation of final details of said successor franchise ordinance;

WHEREAS, upon approval of the successor franchise by the City Council, the new franchise shall effectively supercede the previous franchise, as extended; and

WHEREAS, all of the franchisee's current obligations shall continue upon adoption of this ordinance;

WHEREAS, it is appropriate that an emergency be declared as to the enactment of this ordinance to ensure continuity so that the franchise remains in full force and effect immediately upon the adoption of the ordinance by the Stayton City Council.

NOW THEREFORE, the Stayton City Council does ordain as follows:

SECTION 1.

City of Stayton Ordinance No. 593, Section 4 (Duration.), is amended to have the following added at the end of the sentence:

... "and the rights, privileges and franchise herein granted shall continue and be in force effective to and including June 8, 2004."

SECTION 2.

All other terms and conditions of Ordinance No. 593, and as amended by Ordinance 855, shall remain unchanged.

SECTION 3.

Within thirty (30) days after enactment of this ordinance and approval by the Mayor, Northwest Natural Gas Company, dba NW Natural, shall file with the City Administrator for the City of Stayton a written acceptance, attached hereto as Attachment A and by this reference made a part of this ordinance, stating that Northwest Natural Gas Company, dba NW Natural, hereby accepts this amendment to Ordinance No. 593, as previously amended by Ordinance No. 855, and agrees to comply with all the terms and conditions of this ordinance.

SECTION 4.

An emergency is hereby declared and, upon adoption by the Stayton City Council and the Mayor's signing, this Ordinance shall become immediately effective.

ADOPTED BY THE STAYTON CITY COUNCIL this 15th day of March, 2004.

CITY OF STAYTON

Signed: 3/16, 2004

By:



Pat Hearn, Council President

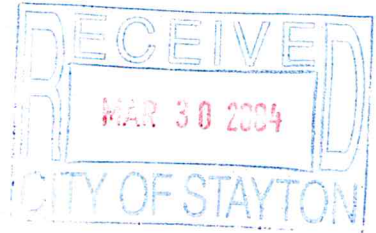
Signed: 3/16, 2004

ATTEST:


Chris Childs, City Administrator

APPROVED AS TO FORM:


David A. Rhoten, City Attorney



ATTACHMENT A

ACCEPTANCE OF ORDINANCE NO. 861
City of Stayton, Oregon

TO THE MAYOR AND COUNCIL OF THE CITY OF STAYTON:

WHEREAS, on the 15th day of March, 2004, the City Council of the City of Stayton, Oregon, enacted Ordinance No. 861, which is:

AN ORDINANCE AMENDING STAYTON CITY ORDINANCE NO. 593 TO EXTEND THE TERM OF THE NON-EXCLUSIVE FRANCHISE OF NORTHWEST NATURAL GAS COMPANY, DBA NW NATURAL, TO AND INCLUDING JUNE 8, 2004; AND, DECLARING AN EMERGENCY.

WHEREAS, the ordinance was granted upon the condition that the grantee, Northwest Natural Gas Company, dba NW Natural, shall, within thirty (30) days of the passage and approval of the ordinance, file with the City Administrator of the City of Stayton, its written acceptance of all terms and conditions of the ordinance:

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that Northwest Natural Gas Company, dba NW Natural, does hereby accept Stayton City Ordinance No. _____ and all the terms and conditions of said ordinance.

IN WITNESS WHEREOF, Northwest Natural Gas Company, dba NW Natural, has caused this acceptance to be duly executed this 28th day of March, 2004.

NORTHWEST NATURAL GAS COMPANY,
DBA NW NATURAL

By: [Signature]
Name/Title SUP Gen Counsel /

Date: 3-28-04

Received by the City of Stayton:

By: [Signature]
Date: 3-30-2004