

The following Ordinance was introduced by Mr. Roy Livingston
L D + L Co.

ORDINANCE NO. 725

AN ORDINANCE

Authorizing and ordering the Mayor of the Town of Homer, Louisiana, in the name and on behalf of the Town, to sell to the Haynes Corporation, a Michigan Corporation, for a price of not less than \$200,000 cash, eight generators/engines and to effect such sale to the Haynes Corporation by a bill of sale containing all necessary provisions as, in the judgment of the Mayor, shall be needed to protect the Town and Louisiana Power & Light Company as the operator of the electric system, including, but not necessarily limited to: no warranty of condition; time and method requirements on removal of said generators/engines; indemnification provisions; insurance requirements; and clean-up requirements.

Section 1. Be it ordained by the Mayor and Board of Selectmen of the Town of Homer, Louisiana (hereinafter referred to as the "Town"), in regular session duly convened, that:

WHEREAS, the Mayor and Board of Selectmen recognize that under the Operating Agreement entered into by and between the Town and Louisiana Power & Light Company (hereinafter referred to as the "Company") on the 15th day of March, 1978, rights and options are granted to and obligations are imposed upon the Company as the operator of the Electric System, as defined in said Operating Agreement, with respect to, among other things, the right of the Company as a prudent operator to make additions, improvements and replacements to, extensions of, and retirements with respect to the Distribution System and, if the Company sees fit, to make any additions, improvements and replacements to, and retirements with respect to the Generating Facilities, all as described and/or defined in said Operating Agreement; and

WHEREAS, it is further so recognized that the Company, acting pursuant to and within its rights under the Operating Agreement, has retired from the Electric System, effective December 31, 1982, the Generating Facilities because they are no longer used or useful in the operation of the Electric System of the Town, and because they are no longer needed for public purposes; and

WHEREAS, it is further so recognized that certain former Generating Facilities of the Electric System, although retired, may have residual or salvage value and should be sold by the Town if buyers are available with all funds derived therefrom, net of any expenses of the sale or sales, to be applied to the purchase and cancellation and/or the redemption of outstanding revenue Bonds, as

described in the Operating Agreement, and for no other purpose; and

WHEREAS, an offer has been made by the Haynes Corporation, a Michigan Corporation, to buy the retired generators/engines for a price of \$200,000 cash, which is considered a reasonable and acceptable price, such generators/engines being described in the Inventory Agreement (entered into by the Town and the Company on the 2nd day of August, 1982) and further described herein as follows:

<u>Unit</u>	<u>Manufacturer Generator/Engine</u>	<u>Type</u>	<u>Fuel</u>	<u>Rated Capability</u>
1	General Electric/ Ingersol Rand	Internal Comb.	Gas Only	935 KW
2	Allis Chalmers/ American Locomotive	Internal Comb.	Gas Only	500 KW
3	General Electric/ Ingersol Rand	Internal Comb.	Gas Only	560 KW
4	General Electric/ Ingersol Rand	Internal Comb.	Gas Only	935 KW
5	General Electric/ Ingersol Rand	Internal Comb.	Gas Only	770 KW
6	Allis Chalmers/ Ingersol Rand	Internal Comb.	Gas/Oil	1000 KW
7	Fairbanks Morse/ Fairbanks Morse	Internal Comb.	Gas/Oil	2000 KW
8	Electric Products Co./ DeLaval Enterprise	Internal Comb.	Gas/Oil	2000 KW

Included in the above described generators/engines are all appurtenant structures, fuel holders, producers, accessory electrical equipment and miscellaneous power plant equipment.

WHEREAS, it is further so recognized that the generators/engines described herein have become worn out, unserviceable, unsuitable or unnecessary in the operation of the Electric System and are not needed for public purposes.

NOW, THEREFORE, BE IT AUTHORIZED AND ORDERED BY THE GOVERNING BODY OF THE TOWN OF HOMER that the Mayor of the Town is hereby authorized, empowered and ordered, in the name and on behalf of the Town, to sell to the Haynes Corporation, for not less than \$200,000 cash, the above described generators/engines by a Bill of Sale containing, among other things, no warranty of condition, time and method requirements on removal of said generators/engines, indemnification and insurance provisions and requirements in favor of the Town and the Company as operator of the Electric System, and clean-up requirements; and to receive and receipt for the purchase price and to apply the net proceeds of such sale as above set forth.

WHEREUPON, notice of the title, in its entirety, of the proposed Ordinance having been published three times in fifteen days, one week apart, in The Guardian Journal, and said Ordinance having been read in open session and considered by each section and as a whole,

Mr. Clarence Martin moved its adoption.

Mr. S. T. Evans seconded the motion to adopt the Ordinance.

The Mayor then ordered a vote of the yeas and nays on its final passage, and upon roll call such votes were as follows:

For the adoption of the Ordinance:

Yeas:

Clarence Martin
S. T. Evans
Ethel White
Bob Robinson
Robert Glenn

Against the adoption of the Ordinance:

Nays:

None

Present but not voting:

None _____

Absent:

None _____

Whereupon the Mayor declared such Ordinance legally passed and adopted on this the 3rd. day of December, 1984.

Linda Dean
Town Clerk