

ORDINANCE NO. 88-26

ORDINANCE AUTHORIZING PURCHASE OF CERTAIN
ELECTRIC DISTRIBUTION SYSTEM

WHEREAS, by Ordinance No. 88-18, the Village of Chatham annexed certain territory to the south of the Village extending as far south as the southerly line of section 24 of Chatham Township (T.14.N R.6.W).

WHEREAS, the inhabitants of said newly annexed area have made application to the Village to be connected to the Village electric system and the Village has agreed to supply electricity to said citizens, which will require the extension of the existing Village distribution line for a distance well in excess of one mile exclusive of the service lines to the various parcels to be served on both sides of the Township Road, which by virtue of said annexation has become an extension of Main Street of the Village of Chatham.

WHEREAS, the newly annexed area has heretofore been served with electric power and energy by the Rural Electric Convenience Cooperative of Auburn, Illinois (RECC) and RECC has in place and use a distribution and service system of relatively recent construction and good repair.

WHEREAS, tentative discussions and negotiations between the President and Trustees of the Village and the Board of Directors of RECC regarding the possible sale by RECC and purchase by the Village of that portion of the RECC electric distribution and service system within the parameters of the territory annexed to the Village of Chatham by the foregoing mentioned Ordinance No. 88-18 have resulted in a tentative or proposed price which each party feels is fair and to their mutual benefit.

WHEREAS, after considering the costs of extending the Village distribution and supply system by new construction, and the value of the existing RECC facilities as depreciated, good faith negotiations have determined that a price of \$66,000.00 would be acceptable to the Board of Directors of RECC and would be a price advantageous to the Village.

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF CHATHAM, SANGAMON COUNTY, ILLINOIS THAT:


1. The Village shall offer to the RECC \$66,000.00 for all of the electric distribution and service system owned and operated by RECC in that territory annexed into the corporate limits of the Village of Chatham by Village Ordinance No. 88-18.

2. The President and the Electric Committee shall make such offer and are hereby authorized to enter into a contract to purchase said portion of the RECC electric distribution and service system under such terms that said officers of the Village determine adequately protect the interests of the Village in acquiring good and clear title to all of such equipment and facilities, conditioned upon the RECC's ability to acquire all consents required to be obtained by the RECC from the Federal Rural Electrification Commission and any secured lenders.

PASSED by the President and Board of Trustees of the Village of Chatham, Sangamon County, Illinois, this ~~8th~~ day of November, 1988.

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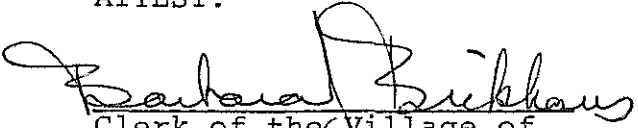
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Clerk of the Village of
Chatham, Illinois

APPROVED by the President of the Village of Chatham, Illinois, this 8 day of November, 1988.

President of the Village of
Chatham, Illinois

ATTEST:


Clerk of the Village of
Chatham, Illinois