

RESOLUTION NO. 32

RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF PALMER, ALASKA

PROVIDING FOR THE MAKING OF AN AGREEMENT FOR AN OPTION TO PURCHASE AND/OR THE PURCHASE OF THE MATANUSKA VALLEY TELEPHONE COMPANY.

BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF PALMER AS FOLLOWS:

THAT WHEREAS the Matanuska Valley Telephone Company, an Alaskan Corporation, is in serious financial condition, and whereas various government agencies and private debtors have refused to extend further credit to said Matanuska Valley Telephone Company, and whereas without further extensions of credit on the part of said government agencies and private parties the Matanuska Valley Telephone Company will have to close down and cease operations; and

WHEREAS in the event of such discontinuance of business the City of Palmer and residents thereof would be personally affected in their ability to carry on proper and legitimate telephone connections with other communities and the outside, and would be seriously handicapped in the ability to do ordinary business, and that the Palmer police force and fire department would not be able to be notified of emergency calls; and

WHEREAS a general chaotic condition in communications would exist in the City of Palmer; and

WHEREAS the Matanuska Valley Telephone Company has offered to the City of Palmer by and through its Common Council an opportunity to purchase said Matanuska Valley Telephone Company for a total price of Five Thousand and No/100 Dollars (\$5,000.00) for all its stock outstanding and together with its equipment, installations, poles and lines, switchboards, etc., subject to a satisfactory compromise settlement of all old obligations, financial and otherwise due and owing to government agencies and private parties; and

WHEREAS after a thorough investigation and study of said purchase by members of the Common Council for and on behalf of the City of Palmer it has been deemed in the interests of the City of Palmer to acquire the Matanuska Valley Telephone Company together with all its physical properties;

WHEREFOR BE IT RESOLVED that the City of Palmer enter into an interim working agreement for ninety (90) days commencing with March 1, 1952 with the Matanuska Valley Telephone Company to operate the telephone exchange and the business of the company and the communications business of the company together with its other facilities, pending consummation of a final purchase agreement and settlement of all outstanding claims by compromise or otherwise.

BE IT FURTHER RESOLVED that in the event satisfactory arrangements cannot be made with creditors of said company and a clear and unencumbered bill of sale to all personal property owned by said Matanuska Valley Telephone Company and warranty deeds to all real property owned by said Matanuska Valley Telephone Company cannot be conveyed and delivered to said City of Palmer, all arrangements shall be terminated and the City of Palmer shall be held harmless by said company from any claims, injuries, damages of any kind or nature arising by virtue of any agreement which may be entered into.

BE IT FURTHER RESOLVED that the City of Palmer shall require as part of any contract to be entered into for the interim period and subject to final contract of purchase that all funds earned by said company and owed to said company incurred and accrued after March 1, 1952 and for the ninety (90) day period, shall be paid to the City of Palmer, but that in no event shall the City of Palmer undertake or assume during said ninety (90) day period to pay any outstanding debt, claim or obligation of any kind incurred by said Matanuska Valley Telephone Company prior to March 1, 1952.

THIS RESOLUTION adopted at special meeting called for the purpose of adopting this resolution and discussing the purchase of said Matanuska Valley Telephone Company by the City of Palmer on the 27th day of February, 1952.

Carl Meier, Mayor

ATTEST:
City Clerk

