

THE CITY OF DELEON, COMANCHE COUNTY, TEXAS.

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An Ordinance granting to the Southwest Natural Gas Company, its successors and assigns, the right, privilege and franchise to construct, lay, maintain, install and operate, and continue the operation thereof, in the present and all future streets, alleys and public places in the City of DeLeon, Texas, a system of gas mains, supply pipes, lines and laterals, with all necessary or desirable appurtenances and connections, including the right to continue the operation of any and all pipe, lines and connections already laid and in operation in or through said City, for the purpose of supplying natural gas to said City of DeLeon, Texas, the inhabitants thereof, the persons and corporations therein, and persons and corporations beyond the limits thereof, for light, heat, power and other purposes and transporting the same through the said City and for the purpose of continuing the transporting, furnishing and distributing of natural gas in said City and beyond the same for said purposes, and prescribing the terms and conditions of said grant and franchise and its time and consideration therefor.

WHEREAS, on the 4th day of April, 1921, the City Commission of the City of DeLeon, Texas, by an Ordinance of that date, granted a Franchise for a period of twenty-five (25) years to W. A. Letson, whereby he was given the right, privilege and franchise to construct, maintain and operate a system of gas mains, supply pipes and laterals, with all necessary or desirable appurtenances for the purpose of supplying and distributing gas to the said City, the inhabitants thereof, and persons and corporations beyond the limits thereof, for light, heat, power and other purposes; and

WHEREAS, such a gas system was so erected and constructed and is now in operation in said city and gas is now being so supplied and distributed in said city under said franchise and which said franchise is now owned and operated by, and gas is now being supplied to and distributed in said City, and transported through said city by Southwest Natural Gas Company; and

WHEREAS, the time authorized by said Franchise and Ordinance will expire on the 4th day of April, 1946, and it is the desire of the said City of DeLeon, Texas, to grant and give to the said Southwest Natural Gas Company, the present owner of said franchise and gas distribution system, a new Gas Franchise

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for the continued operation and distribution of natural gas in said city and through said city and to the inhabitants and users of gas therein for a period of twenty-five (25) years from and after the passage of this ordinance;

THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION
OF THE CITY OF DELEON, TEXAS:

Section 1. That there is hereby granted to the Southwest Natural Gas Company and to its representatives, successors and assigns, the right, privilege and franchise to construct, maintain, lay, install and operate, and to continue the operation thereof, in all of the present and all future streets, alleys and public places in the City of DeLeon, Texas, a system of gas mains, supply pipes, lines and laterals, with all necessary or desirable appurtenances and connections, including the right to continue the operation of any and all pipes, lines and connections already laid and in operation in and through said City, for the purpose of supplying and distributing natural gas to the said City of DeLeon, Texas, the inhabitants thereof, and persons and corporations therein and persons and corporations beyond the limits thereof, for light, heat, power and other purposes, and transporting the same through said city and for the purpose of continuing the transporting, furnishing and distributing of natural gas in said city and beyond and through said city for said purposes; and the rights, privileges, grants and franchises herein granted shall be and remain in Southwest Natural Gas Company, its representatives, successors and assigns, free from all taxation, for a period of twenty-five (25) years from and after the passage of this Ordinance.

Section 2. All mains, pipes, lines and laterals shall be so laid, constructed, maintained and operated as to interfere as little as possible with traffic over the streets and alleys. The location of any and all new mains, pipes and laterals, constructed and laid after adoption hereof, shall be fixed under the supervision of the City Commission of the City of DeLeon, Texas, or of its representatives or the Street

Commissioner or other officers of the City charged with like duties.

Section 3. Whenever Grantee shall make or cause to be made excavations or to place obstructions in any street, alley or avenue of the City of DeLeon, Texas, the public shall be protected from all damage by reason of the existence of such excavations or obstructions by sufficient barriers and lights placed, erected and maintained by said Grantee, and in the event of any injury to any person or property by reason of the construction, operation or maintenance of said gas system, the Grantee shall indemnify and keep harmless the City of DeLeon, Texas, from any and all liability, and Grantee shall repair and clean up and restore all streets and alleys disturbed during construction.

Section 4. The rates charged by the Grantee hereunder for natural gas sold under this Ordinance and Franchise are hereby fixed as follows, to-wit:

The rate and charges for natural gas sold and distributed in the City of DeLeon, Texas, for domestic and commercial consumers and purposes, shall be seventy-five (.75¢) cents per MCF net for the first three thousand cubic feet consumed; for the next seven thousand cubic feet consumed, sixty (.60¢) cents per MCF net; for the next twenty thousand cubic feet consumed, fifty (.50¢) cents per MCF net; for the next forty-five thousand cubic feet consumed, forty (.40¢) cents per MCF net; and all consumption in excess of seventy-five thousand cubic feet consumed, thirty-five (.35¢) cents per MCF net. A penalty of ten (10%) per cent of the amount of the bill to be added for failure to pay any bill on or before the 10th day of the month succeeding the month gas was so furnished; and provided further, that a ready-to-serve charge of One (\$1.00) Dollar per month for each domestic meter and for each commercial meter served shall be the minimum monthly charge and is authorized to be collected.

Section 5. The Grantee shall furnish all meters to each consumer and the Grantee shall be entitled to require from each and every domestic and commercial consumer of gas, before

gas is installed and furnished, a cash security deposit of twice the amount of the estimated monthly bill, and which said deposit may be retained by the Grantee until service is discontinued and all bills therefor have been paid. And Grantee shall return said deposit to the consumer together with interest thereon at the rate provided by law from the date of the said deposit. Grantee shall be entitled to apply said deposit to any indebtedness owed it by the consumer making the deposit, and when same has been applied to any indebtedness, the gas service can be discontinued until all the indebtedness of the consumer is paid, and a like deposit is made with the Grantee by said consumer.

Section 6. For all other gas furnished and sold by the Grantee in said City of DeLeon, Texas, other than the gas sold to the consumers for which the rates have been authorized hereinabove, the rates and charges, including the amount of cash security deposit charged therefor by the Grantee herein, shall be the sum, amount, rate and charge agreed upon by contract between such other consumers and the seller and the price and rate and charges for natural gas for industrial and boiler purposes shall be the amount agreed upon between seller and purchaser, and the Grantee shall have the right to require of any such purchaser a written contract before so selling and furnishing such gas for such purposes.

Section 7. Grantee may make and enforce reasonable rules and regulations in the conduct of its business and may require, before furnishing gas and service, the execution of a contract therefor, and the Grantee herein shall only be required to pipe, furnish and deliver natural gas to the property line on the street or alley of the consumer.

Section 8. The Grantee shall not be required to extend pipes or mains more than fifty (50) feet for any one customer or consumer of natural gas.

Section 9. Grantee hereby agrees, in consideration of the granting of this Franchise, to pay to the City of DeLeon, Texas, annually, on or before the 1st day of January, each year during the life of this Franchise, the sum of One (\$1.00) Dollar in cash, after due notice and demand by said City.

Section 10. This Franchise and all rights and privileges hereunder is hereby granted to Southwest Natural Gas Company, its successors and assigns.

Section 11. Grantee shall file its written acceptance of this Franchise within ninety (90) days after its final passage and approval by the Mayor of the City of DeLeon, Texas, and the furnishing of a copy thereof to the Grantee herein.

Passed by unanimous vote of the City Commission of the City of DeLeon, Texas, this the 12 day of December, 1945, the same being a regular meeting of said City Commission of the said City of DeLeon, Texas;

Yeas 3 Noes 0

Officers present and voting:

M. D. Stewart
Mayor

Ellie Hafford
Commissioner

A. W. Sloan
Commissioner

ATTEST: Roy Upshaw
City Secretary

Approved: _____
Mayor

ON THIS THE 12 DAY OF December, 1945.