

Utility Ord. No. 2 -

AN ORDINANCE OF THE CITY OF BEACH CITY CONTRACTING WITH AND GRANTING TO HOUSTON NATURAL GAS CORPORATION, ITS SUCCESSORS AND ASSIGNS, A THIRTY (30) YEAR FRANCHISE TO LAY, CONSTRUCT, EQUIP, USE, OPERATE AND MAINTAIN GAS MAINS, PIPES AND CONNECTIONS ALONG, ACROSS AND THROUGH THE STREETS, AVENUES, ALLEYS, ROADS, HIGHWAYS, AND OTHER PUBLIC PLACES AND GROUNDS OF THE CITY FOR THE PURPOSES OF CONVEYING AND TRANSPORTING NATURAL GAS INTO, THROUGH AND OUT OF THE CITY FOR SALE AND DISTRIBUTION; PROVIDING FOR A RENTAL OF TWO PER CENT (2%) OF GROSS RECEIPTS AND AN ANNUAL REPORT THEREOF; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BEACH CITY, CHAMBERS COUNTY, TEXAS:

Section 1. (a) That, subject to the terms, conditions and provisions of the contract and franchise contained in this Ordinance, the right, privilege, and non-exclusive franchise is hereby given to Houston Natural Gas Corporation, hereinafter called "Company," its successors and assigns, to lay, construct, equip, use, operate and maintain a system of gas mains, pipes, attachments, connections, and appurtenances, along, across and through the streets, avenues, alleys, roads, highways and other public places and grounds of the City as now or hereafter laid out, for the purpose of conveying and transporting natural gas into, out of and through the City for distribution and sale within and without the City, and to connect said gas mains with the pipes and other equipment of persons to whom Company may sell or distribute such gas.

(b) Company agrees said gas mains shall be placed underground at a minimum depth of eighteen inches (18") and Company shall place the streets, alleys, or other public ways or grounds through which same are laid in as good condition as they were previous to the laying of such mains, and shall pay to the City any and all damages for failure so to do, and shall indemnify said City against any damages to any persons by reason of the laying of said mains and the use and maintenance thereof.

Section 2. (a) In consideration of the rights and privileges herein granted, the Company agrees to pay as rental to the City annually during the continuance of this agreement a sum of money equal to two per cent (2%) of the annual gross receipts for the preceding year received by the Company from the sale of gas within the corporate limits of the City for residential and commercial purposes, excluding the amounts received from any governmental agency.

(b) On or before the first (1st) day of March of each and every year beginning with March 1, 1967, the Company shall file with the City Secretary a sworn report by an officer of the Company showing the gross receipts from the sale of gas to consumers for residential and commercial purposes within the corporate limits of the City for the next preceding calendar year ending December 31 or portion thereof during which this franchise is effective. With each such annual report the Company shall pay to the City a sum of money equal to two (2%) of the gross receipts for the period covered by the report. Upon receipt of the above amount of money by the City, the City Secretary shall deliver to the Company a receipt therefor.



(c) The consideration set forth in subsection (a) shall be paid and received in lieu of any licenses, charge, fee, street or alley rental or other character of charge for use and occupancy of the streets, alleys, and public places of the City, and in lieu of any pipe tax or inspection fee or tax, but shall not in anywise impair or diminish the Company's obligation to pay city ad valorem taxes.

Section 3. This Ordinance shall become effective immediately upon its passage and approval by the Mayor and shall continue in full force and effect for a period of thirty (30) years from and after the date of passage and approval hereof.

0 INTRODUCED, PASSED, AND APPROVED, this 25 day of October, 1966.

[Signature]  
Mayor, City of Beach City, Texas.

ATTEST:

[Signature]  
City Secretary

I, [Signature], City Secretary for the City of Beach City, Texas, do hereby certify that the above and foregoing Ordinance was duly passed, adopted and approved at a meeting of the Council of the said City of Beach City held on the 25 day of October, 1966, and that the same is now in all things effective and is of record in the Minutes of the Council of said City of Beach City; TO CERTIFY WHICH, WITNESS MY HAND AND THE SEAL OF THE CITY OF BEACH CITY, TEXAS, this 25 day of October, 1966.

[Signature]  
City Secretary of the City of Beach City, Texas.

