

ORDINANCE NO. 1404

An ordinance granting to The Nebraska Natural Gas Company, a corporation, its successors and assigns, the right and privilege to construct, maintain and operate a system of mains, pipes, services and other appliances in, upon, over, across and along the streets, avenues, alleys, bridges and public places of the City of Lexington, Nebraska, for the transmission, distribution and sale of gas for lighting, heating, industrial and other uses, in above City and elsewhere, and prescribing the terms and conditions under which said company is to operate, also the maximum rates to be charged for gas sold in above City.

BE IT ORDAINED BY THE PRESIDENT OF THE COUNCIL AND COUNCIL OF THE CITY OF LEXINGTON, NEBRASKA:

SECTION 1. That in consideration of the benefits to be derived from the installation and operation of a gas distribution system to the City of Lexington, Nebraska, by said City and its inhabitants, there is hereby granted to The Nebraska Natural Gas Company, a corporation duly incorporated under the laws of the State of Delaware, hereinafter sometimes designated as "Grantee," its successors and assigns, the right, permission and authority to lay, install, maintain and operate a gas transmission and distribution system within the limits of said City, as the same now exists or may be hereafter extended, for a period of Ten (10) years from and after the date of passage of this Ordinance; and for this purpose there is hereby further granted to said Grantee the right, permission and authority during said period to lay, install, maintain and operate in, upon, over, across and along all of the streets, avenues, alleys, bridges and public places of said City all mains, services, pipes, conduits and appliances necessary or convenient for transmitting, distributing and supplying of gas for heating, industrial, power and other purposes for which gas may be used during the term hereof, and for the purpose of transmitting, transporting and conveying such gas into, through or beyond the immediate limits of said City to other cities, villages and customers; it being understood and agreed that this franchise is not exclusive.

SECTION 2. That all mains, services and pipes which shall be laid or installed under this grant shall be so located and laid as not to obstruct or interfere with any water pipes, drains, sewers or other structures already installed, and all such mains, services and pipes shall be laid in place subject to the approval of the City Manager of said City or such other representative as may be designated by the City Council of said City during the term hereof.

Grantee shall in the doing of any work in connection with its said mains, pipes and services avoid, so far as may be practicable interfering with the use of any street, alley or other highway, and where the paving or surface of the street is disturbed, Grantee shall at its own expense and in a manner satisfactory to the duly authorized representative of the City replace such paving or surface of the street or alley in as good condition as before said work was commenced. In the event that at any time hereafter said City shall lawfully elect to change or alter the grade of any street, avenue, public ground or highway, the Grantee will, upon being directed by resolution of the President of the Council and City Council or governing body of said City so to do, relay its mains or service pipes where the same shall be necessary by reason of said change or grade, the cost of relaying said mains or service pipes to be paid by the said Grantee, its successors and assigns.

SECTION 3. The Grantee shall make such reasonable extensions of its mains from time to time and shall install services to the property line, as may be required to furnish service to parties making application

therefor located within the corporate limits of the City; provided, however, the Grantee shall not be required to make any such extensions of its mains for the purpose of serving any new consumer or consumers which will require the installation of more than one hundred feet of mains for each consumer to be served thereby, nor where the estimated revenue to be derived from such service is not sufficient to show an adequate return upon the investment required to serve such consumer or consumers.

No consumer shall be required to waive any claim for damages, or to waive any rights at law or in equity, as a condition precedent to the obtaining of gas service.

SECTION 4: That the Grantee shall file and make effective initially the schedule of maximum rates for gas service as set forth below, and shall furnish gas at such rates or at such other reasonable, lawful and valid rates (not higher than the schedule of maximum rates below) as may be hereafter established from time to time, subject to the approval or acceptance thereof by the legal body having jurisdiction over such rates for gas service of Grantee in the said City; the gas so furnished to have a minimum heating capacity of 900 B.T.U.'s.

SCHEDULE OF RATES:

Available to any customer using gas service.

MONTHLY RATE SCHEDULE: First 500 Cu. Ft. per month, 28.45¢ per C. Cu. Ft.; Next 1,500 Cu. Ft. per Mo., 25.95¢ per C. Cu. Ft., Next 2,000 Cu. Ft. per Mo., 14.45¢ per C. Cu. Ft.; Next 3,000 Cu. Ft. per Mo., 13.45¢ per C. Cu. Ft.; Next 43,000 Cu. Ft. per Mo., 12.85¢ per C. Cu. Ft.; Next 50,000 Cu. Ft. per Mo., 12.45¢ per C. Cu. Ft., Balance 11.05¢ per C. Cu. Ft.

MINIMUM: The minimum monthly charge under this schedule shall be \$1.00 per month per meter.

All the above net rates apply only when bills are paid on or before ten days after the monthly billing date. When not so paid the gross rate, which is five per cent higher than the above rates, will apply.

SECTION 5: The Grantee shall furnish and install for its customers reliable meters and shall keep the same in repair without cost to the customer; all meters used by Grantee shall at all times be subject to inspection by the City, and the City shall have the right to test said meters at reasonable times.

SECTION 6: The Grantee, its successors and assigns, in the construction of said gas transmission and distribution system within the limits of said City shall use new, tested and approved pipes, material and equipment, with all necessary modern safety devices to protect said City and its inhabitants from damage and injury.

And said Grantee, its successors and assigns, shall at such regular intervals as may be necessary for safety, inspect all gas lines, including pipes, connections and appliances on its customers property, and shall cause any and all leaks to be repaired or defective pipe to be replaced; pipes and appliances purchased and used by customers to be repaired or replaced at customer's expense.

SECTION 7: The said Grantee, its successors and assigns, shall file a map or plat with the City Clerk of the City of Lexington, Nebraska, showing the location and size of all gas mains and distributing pipes laid in said City of Lexington, Nebraska, and said map or plat shall be corrected from time to time showing all additional mains and distributing pipe laid.

SECTION 8: That in case the available supply of natural gas shall at any time fail or become insufficient to supply the needs of the public of said City, the Grantee shall be authorized, upon its election so to do, to change to manufactured gas service and to distribute and sell manufactured gas in and through its mains and services installed hereunder. Such change in service shall be made with the consent and approval of the President of the Council and City Council, if required by law, and such reasonable rates may be established for manufactured gas as the President of the Council and City Council may approve.

SECTION 9: That Grantee shall be required and by the acceptance hereof agree to save harmless the municipality from and against all claims and demands and from all loss and expense incurred as the result thereof, arising out of the negligence of the Grantee in the laying, installing, removing, inspection or repair of any of the grantees or its customers mains, pipes, services or appliances, or in the use and operation thereof during the term of this Ordinance.

This Ordinance shall be subject to such regulations as may be hereafter adopted by the City and included in any Building Code, relative to location, construction, removal and installation of any gas lines, pipes, services or appliances, on consumers premises.

SECTION 10: That within thirty (30) days after the passage and approval of this Ordinance, Grantee shall prepare and file an unconditional written acceptance of this Ordinance with the Clerk of said municipality. Failure of said Grantee to so accept this Ordinance within said period of time shall be deemed a rejection thereof by said Grantee, and the rights and privileges herein granted shall, after the expiration of said period of thirty (30) days, if not so accepted, absolutely cease and terminate, unless said period of time shall be extended by further Ordinance duly passed for that purpose.

SECTION 11: This Ordinance shall be in full force and take effect and shall constitute a binding contract between the City of Lexington, Nebraska, and The Nebraska Natural Gas Company, and its successors and assigns, when it shall have been enacted and published according to law and the provisions thereof shall have been accepted in writing by said Company.

PASSED AND APPROVED this 28th day of October, 1975.

CITY OF LEXINGTON, NEBRASKA

By Chas. Wrightman  
President of the Council

Attest:

Jarris L. Warren  
City Clerk