

ECKLEY, COLORADO

ORDINANCE NO. ~~22~~ 23

AN ORDINANCE granting to Kansas-Nebraska Natural Gas Company, Inc., Phillipsburg, Kansas, its successors and assigns, the right and authority to construct, install, maintain and operate a gas transmission and distribution system, including mains, pipes, conduits, services and other necessary structures and appliances thereto appertaining, in, upon, under, over, across and along the streets, alleys, bridges, and public grounds within the present and future corporate limits of the Town of Eckley, Colorado, for the furnishing, transmission, distribution and sale of gas, whether artificial, natural, mixed or otherwise, for heating, domestic, industrial, and other purposes, and for transmitting gas into, through and beyond said town and defining the terms upon which such right and authority are granted.

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF \_\_\_\_\_

ECKLEY :

SECTION 1. That in consideration of the benefits to be derived by said Town and the public thereof from the installation and operation of a gas distribution system in said Town, the right and authority be and hereby are granted to Kansas-Nebraska Natural Gas Company, Inc., Phillipsburg, Kansas, its successors and assigns (hereinafter collectively referred to as "Grantee"), to construct, install, maintain and operate a gas transmission and distribution system, including mains, pipes, conduits, services and other necessary structures and appliances thereto appertaining, in, under, upon, over, across and along the streets, alleys, bridges and public grounds within the present and future corporate limits of the Town of Eckley \_\_\_\_\_ Colorado, for the furnishing, transmission, distribution and

sale of gas, whether artificial, natural, mixed or otherwise, for heating, domestic, industrial and other purposes, and for transmitting gas into, through and beyond said Town.

SECTION 2. All mains, pipes, conduits and services shall be installed and maintained so as to interfere as little as practicable with traffic over the streets, alleys, bridges and public places of said Town.

When Grantee shall do any work of construction, repair or maintenance of said system in the course of which any pavement, curbing or gutter upon any street, alley, bridge or public place shall be excavated, Grantee shall properly protect excavations and shall promptly restore such street, alley, bridge, or public place as far as practicable to as good condition as before such work was done.

SECTION 3. Grantee shall make such reasonable extensions of the mains of said system from time to time as warranted by expansion and development of demand, but Grantee shall not be required to make any extension for the purpose of serving any new consumer or consumers which will necessitate the installation of more than one hundred (100) feet of main for each consumer to be served, or where the estimated revenue to be derived from serving such new consumer or consumers is insufficient to show an adequate return upon the total additional investment required to serve such new consumer or consumers.

SECTION 4. Grantee shall have the right to make such reasonable rules and regulations for the protection of its property, the prevention of loss and waste and in connection with the distribution and sale of gas as from

time to time it may deem necessary or expedient, including reasonable meter deposits in such amounts as may be required to assure payment of bills.

Grantee shall have the right to enter the premises of consumers at all reasonable times for the purpose of reading meters, inspecting pipes and gas appliances and disconnecting and removing meters.

SECTION 5. Grantee agrees during the term hereof, at all times to protect, save harmless and indemnify said town from any and all liability or judgments, legally established, arising or growing out of the construction, maintenance and operation of said system by Grantee and due to or caused by the fault or negligence of Grantee.

SECTION 6. In consideration of the rights and privileges herein granted, the grantee shall pay to the Town Treasurer an annual payment for each year of the duration of this franchise, an amount equal to two per cent (2%) of the gross receipts derived by the grantee from sales of gas delivered to residential (commonly known as domestic) gas users within said Town of Eckley, as set forth in Grantee's annual report to The Public Utilities Commission of the State of Colorado. Payment shall be made on or before March 1st of each year for the preceding year and shall be accompanied by a statement showing the total amount of the gross receipts upon the basis of which the computation for such payment was made.

Such payment shall be in lieu of any and all other fees, charges, licenses, taxes or assessments which the Town may impose for the rights and privileges herein granted or for the privilege of doing business within the Town and, in the event any such fee, charge, license, tax or assessment shall be imposed by the Town, the payment to be made in accordance with the

provisions of this section, shall be reduced in an amount equal to the annual burden of such fee, charge, license, tax or assessment imposed upon the grantee. Ad valorem property taxes imposed generally upon all real and personal property with the Town shall not be deemed to affect the obligation of the Grantee under this section.

SECTION 7. The right and authority herein granted shall continue for the period of twenty-five (25) years from and after this ordinance goes into effect under Section 11 hereof.

SECTION 8. On ninety days prior written notice to the Grantee of its intention so to do, said Town, after not less than twelve (12) months from the effective date hereof may by ordinance cancel and terminate this franchise, unless before such cancellation and termination upon the expiration of such notice Grantee shall have actually begun laying gas mains within said Town; for the specific purpose of originating natural gas service; provided, however, that such twelve (12) months' period shall be extended by the addition of any time reasonably lost, due to litigation instituted by others, or due to action of said Town, its officials or governing body, or of any other governmental body or authority, or due to strikes or other causes reasonably beyond the control of Grantee.

SECTION 9. This ordinance and the rights, authority and franchise hereby granted shall terminate and be of no further force or effect (a) unless within three (3) months after the legal enactment hereof Grantee shall file with the Town Clerk of said Town a written acceptance hereof; also (b) if and when after such acceptance Grantee, its successors or as-

signs, shall make and file with the Town Clerk of said Town a surrender here-  
of in writing.

SECTION 10. Wherever the term "Grantee" is used herein, the same  
shall be held to mean and include said Kansas-Nebraska Natural Gas Company,  
Inc., its successors and assigns.

SECTION 11. This ordinance shall be published as required by law  
and shall take effect and be in force upon the expiration of five (5) days from  
date of its final passage, subject to the provisions of the statute in such case  
made and provided.

PASSED APRIL 3, 1956.

Carl Walther  
Mayor of the Town of

Eckley,

Colorado

ATTEST:

J. A. Coffman  
Town Clerk of the Town of Eckley

\_\_\_\_\_, Colorado

17.