

**ORDINANCE # 4
GRANTING FRANCHISE TO HOUSTON
NATURAL GAS**

**REAFFIRMED BY # 36
REPEALED BY # 08-06**

Ordinance # 4

AN ORDINANCE OF THE CITY OF DANBURY, BRAZORIA COUNTY, TEXAS, CONTRACTING WITH AND GRANTING TO HOUSTON NATURAL GAS CORPORATION, ITS SUCCESSORS, LESSEES AND ASSIGNS, RIGHT-OF-WAY, PRIVILEGE AND EASEMENT 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, OUT OF, AND THROUGH THE CITY FOR SALE AND DISTRIBUTION; PROVIDING FOR THE REGULATION OF THE MANNER OF LAYING SAID GAS MAINS; PROVIDING FOR A RENTAL OF TWO PER CENT (2%) OF THE GROSS RECEIPTS OF THE RESIDENTIAL AND COMMERCIAL SALES OF GAS IN THE CITY; PROVIDING FOR AN ANNUAL REPORT SHOWING THE GROSS RECEIPTS FROM THE SALE OF GAS FOR RESIDENTIAL AND COMMERCIAL PURPOSES WITHIN THE CITY; PROVIDING FOR ACCEPTANCE OF THE ORDINANCE WHICH IS EFFECTIVE FOR FIFTY YEARS; PROVIDING A SAVINGS CLAUSE; AND PROVIDING FOR EMERGENCY PASSAGE.

WHEREAS, HOUSTON NATURAL GAS CORPORATION, a Texas corporation domiciled in the City of Houston, Harris County, Texas, under its general powers from the State of Texas, has been distributing, selling and delivering natural gas to consumers within what now constitutes the corporate limits of Danbury, in Brazoria County, Texas; and

WHEREAS, the Houston Natural Gas Corporation desires to obtain a formal franchise and contract from the City of Danbury for distributing, selling and delivering natural gas to consumers within the boundaries and limits of Danbury, Texas;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DANBURY, BRAZORIA COUNTY, TEXAS:

Section 1. That, subject to the terms, conditions and provisions of the contract and franchise contained in this Ordinance, the non-exclusive right, privilege and franchise is hereby given to Houston Natural Gas Corporation, a Texas corporation having its domicile in Houston, Harris County, Texas, and hereinafter called "Company", and to its successors, lessees and assigns, to lay, construct, equip, use, operate and maintain a system of gas mains, pipes, connections, conduits and feeders, together with all necessary or desirable attachments, connections, fixtures and appurtenances, along, across and through the streets,

avenues, alleys, roads, highways and other public places and grounds of the City of Danbury, Brazoria County, Texas (hereinafter called "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 for light, fuel, power, heat and any and all other purposes to persons within the City, and for any other use by Company beyond and outside of the limits of the City, with the right to connect said gas mains with the pipes and other equipment of persons to whom Company may sell or distribute such gas; also, the right to construct and install, operate and maintain all necessary or desirable cutoffs, connections, laterals, attachments and equipment as a part of and connected with said gas mains and such use thereof.

Section 2. Company agrees said gas mains shall be placed underground at a minimum depth of eighteen inches (18"), and Company shall place the streets, alleys, etc.; through which same are laid in substantially 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 the City against any damages to any persons by reason of the laying of said mains and the use and maintenance thereof.

Section 3. Wherever the word "Company" occurs in this Ordinance, it shall mean and be understood to be Houston Natural Gas Corporation or its successors, lessees or assigns; and wherever the word "persons" appears in this Ordinance, it shall be understood to mean any natural persons, firm, corporation, or association of any kind or character whatsoever. All rights given Company shall inure to the benefit of Company's successors, lessees and assigns.

Section 4. (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 to consumers for residential and commercial purposes within the corporate limits of the City.

On or before the 1st day of March of each and every year beginning with March 1, 1961, the Company shall file with the Secretary of the City a sworn report 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 31st. At the same time the Company shall pay to the City the sum of money equal to two per cent (2%) of such annual gross receipts.

Upon receipt of the above amount of money by the City, the Secretary of the City shall deliver to the Company a receipt for such amount.

(b) The considerations set forth in subsection (a) of this Section 4 shall be paid by the Company and received by the City 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.

Section 5. This Ordinance shall become effective and continue in full force and effect for a period of fifty years from and after the date of the written acceptance by Company of this Ordinance.

Section 6. If any section, paragraph, subdivision, clause, phrase, or provision of this Ordinance shall be adjudicated invalid or unconstitutional, or be unenforceable for any reason, the same shall not affect the validity of this Ordinance as a whole, or any part thereof, other than the part which is invalid, unconstitutional, or unenforceable.

Section 7. The fact that the Company has been occupying and using the streets and public ways and places within the City without a franchise from the City, and the fact that the Company and the City wish to definitely fix the total rental to be paid by the Company during the term hereof, creates an emergency and this Ordinance shall take effect and be in full force and effect from and after its passage, approval and publication, if any, as required by law.

PASSED AND APPROVED this 22 day of August,
A. D. 1960.

[Signature]
Mayor

ATTEST:

Mable E. Pavlick
Secretary

I, Mable E. Pavlick, City Secretary
for the City of Danbury, Texas, do hereby certify that the above and fore-
going Ordinance was passed and adopted at a meeting of the Council of the
City held on the 22 day of August, 1960, and is now
in all things effective and is of record in the Minutes of the Council of
said City of Danbury, Texas; TO CERTIFY WHICH WITNESS my hand and the seal
of the City this 22 day of August, A. D. 1960.

Mable E. Pavlick
City Secretary of Danbury, Texas