ORDINANCE NO. 28

AN ORDINANCE GRANTING ARKANSAS LOUISIANA GAS COMPANY THE RIGHT TO CONSTRUCT, INSTALL, OPERATE AND MAINTAIN FACILITIES FOR THE TRANSPORTATION AND DISTRIBUTION OF GAS IN THE MUNICIPALITY AND TO USE THE PUBLIC STREETS AND OTHER PROPERTIES FOR THAT PURPOSE

BE IT ORDAINED BY THE MAYOR AND TOWN COUNCIL OF THE VILLAGE OF CHOUDRANT, LOUISIANA:

That Arkansas Louisiana Gas Company, its successors and assigns, hereinafter called "Grantee", are hereby granted the right to construct, install, operate and maintain in this municipality facilities for the transportation, distribution and sale of gas and for such purposes to use, and excavate in, the public highways, streets, sidewalks, alleys, bridges, squares, grounds and other publicly owned areas.

Grantee's facilities shall be installed and operated in a workmanlike manner, and this Municipality shall be held harmless from any damages caused by the negligence of Grantee's employees in the course of their employment. Grantee shall tunnel beneath paved streets, sidewalks and alleys wherever practical in laying and replacing mains. Grantee shall refill its excavations and restore sidewalks and pavements promptly, and if this is not done within a reasonable time then it may be done by this Municipality at Grantee's expense. Grantee's lines shall be laid so as not to interfere with the present sewer system, and if a new sewer line crosses Grantee's pipeline at the same level, then this Municipality may, if Grantee has not done so after reasonable notice, raise or lower Grantee's line at Grantee's expense but only under Grantee's supervision.

This Municipality may inspect Grantee's construction work at any time, or have said work inspected by a qualified engineer.

The point of delivery of gas to the consumer shall be at the curb line, or within 10 feet of the property line where no curb line has been determined, and all service pipes and facilities necessary to receive and utilize the gas at and beyond that point shall be furnished and maintained by the consumer, except that Grantee shall furnish and connect the gas meter. Title to all equipment installed by Grantee shall remain in Grantee, and Grantee shall have the unqualified right to use, extend, repair, replace, remove or change its facilities as it may determine to be necessary from time to time. Grantee will not be obligated to commence or continue any particular gas service by means of facilities installed under the authority of this grant or otherwise except as Grantee may determine the prudent management and use of its present and future gas supply and facilities to permit and in accordance with Grantee's applicable rates, rules, regulations, policies and procedures, including curtailment procedures, as the same may exist and be changed from time to time. Grantee may promulgate and enforce reasonable rules, regulations and requirements governing the sale, delivery, receipt and use of gas furnished by Grantee and the commencement and discontinuance of gas service.

Grantee's rates currently effective in this Municipality for gas service shall continue in effect until raised or lowered in the manner provided by law.

In consideration of this grant, Grantee shall pay to the Municipality 2% of the gross proceeds of the revenues collected after Grantee's acceptance of this ordinance and during the term hereof from domestic and commercial customers in the Municipality as presently defined and classified in the presently existing rate schedules in effect in the Municipality for gas sold to such customers. Amounts due hereunder shall be computed quarterly for the periods ending March 31, June 30, September 30, and December 31, and payments shall be made within thirty (30) days after the expiration of the quarter with respect to which the payment is due. If Grantee should ever become liable for any additional license, occupation, of excise tax, inspection fees, or other tax, fees, or other tax, fee, levy or charge of similar nature levied, collected or received by this Municipality or by any authority for the benefit of this Municipality, upon Grantee's privilege of occupying the streets and public places or its business or activity or its sale and/or distribution of gas within this Municipality, the payments herein-above provided for shall be reduced by the amount of such new taxes, fees, levies or charges.

This franchise ordinance will not be effective unless it is accepted by Grantee by written notice delivered or mailed to the Mayor within 90 days after the date of its passage and publication as required by law. Upon its timely acceptance this ordinance shall continue in effect for a period of 25 years from the date of its passage and approval as indicated below.

The provisions hereof are intended to be separate and severable, and the holding of any portion hereof to be invalid shall not affect the other portions.

PASSED AND APPROVED THIS _____DAY OF_____, 1981.

ATTEST:_____ _____

Village Secretary Mayor