ORDINANCE NO. 201

An Ordinance granting the public utilities corporation of Arkansas and the successors and assigns the right to erect, maintain, and operate a system of pipes for the conveyance of natural gas, manufactured gas, and furnishing power for manufacturing and other purposes, for public and private use in the City of Atkins, Arkansas, and granting to the public utilities corporation of Arkansas and its successors and assigns the right to use the streets, alleys, avenues, and public grounds of said City for such purpose.

SECTION 1. Be it ordained by the City Council of Atkins, Arkansas, that the public utilities corporation of Arkansas and its successors and assigns, hereinafter referred to as grantee, be and they are hereby exclusively authorized and empowered to erect, maintain and operate a system for the manufacture, conveyance and sale of natural gas and manufactured gas, at either of said products for furnishing heat, light or power, at all, for public or private use, in the City of Atkins, Arkansas, for the period of twenty-five years from the passage of this ordinance, according to the following terms and conditions:

(a) The said grantee, the Public Utilities Corporation of Arkansas, is hereby authorized and empowered, for a period of twenty-five years, from and after the passage and approval of this ordinance to enter upon and dig and excavate in the streets, sidewalks, avenues, alleys, highways and public grounds, and under the bridges and viaducts of said city for the purpose of laying, constructing and maintaining gas mains and gas pipes with all the necessary and proper attachments, connections and appurtenances, for the transportation, supply and distribution of natural gas or manufactured gas, or either of said products in and through said city, with the rights at all times hereafter, during said period, under supervision of the City to dig and excavate for the purpose of relaying, repairing, replacing and removing the said gas mains and gas service pipes, at any portion thereof, or to make connections for the consumers with such mains and pipes; provided, however, that after said gas pipes and mains are laid, repaired, replaced or removed, all excavations shall be refilled and throughly tamped, and all sidewalks and pavements shall be replaced and relaid as found when said excavations are begun, subject to inspection by the person designated by the City Council. Should said grantee fail or refuse to restore and replace said pavements, sidewalks, and excavations, within a resonable time, then the same may be replaced and restored by the City at the expense of said grantee, which expense shall include necessary attorney's fees, in when it shall become necessary for said City to bring suit to recover the money so extended by it.

(b) In the construction, repairing and operating of said gas system, said grantee shall use every precaution to avod damages or injury to persons or property, and shall hold and save harmless the said City from damage caused by the negligence of said grantee, their agents, servants or employees in constructing, repairing, and operating said plant, as in repaving or repairing any street, alley, or other public place.

Section 2. The specification for the installation of the gas system shall be as follows:

(a) The system and mains shall be of adequate capacity as to furnish sufficient quantity of gas for the needs of the City. Provisions shall be made so that the system can be extended in any direction without interfering with the service already established.

(b) All distributing mains within the five district and all service lines within said district shall be low pressure mains and services.

(c) No regular station shall be located under ground in the five district.

(d) If it becomes necessary to run any intermediate pressure transmission lines through the five district, or under any concrete streets, fittings constructed to withstand one hundred twenty-five (125 lb.) pounds working pressure shall be used.

(e) For extension work outside the above district, welded O. D. tubing may be substituted at the option of the grantee, provided, however, that an adequate number of expansion joints are used.

(f) Gas pressure shall be computed on a four ounce basis.

(g) The City reserves the right to inspect the said work for construction from time to time, or to have the said work inspected by a duly authorized engineer.

Section 3. The grantee shall furnish gas at the outer edge of the sidewalk or at the property line of the consumer if the outer edge of the sidewalk is within said consumer's property line and shall furnish at the point a curb cock and box for said service, and also furnish a meter of standard type and connect same with the pipes of the consumer without charge other than the deposit hereinafter provided. All other services, pipes, and fixtures shall be furnished and maintained by the consumer.

Section 4. The grantee shall tunnel beneath all paved streets, avenues, alleys and sidewalks wherever practical in laying, placing and repairing pipes and mains, and this work shall be under the supervision of a representative of the City. The grantee shall lay its lines so as not to interfere with the present sewer system within the City of Atkins, and if in laying additional sewers in said City, the

sewer line shall cross grantee's pipe line at the same level, the person constructing said sewer line may upon giving the grantee reasonable notice, raise ~~it~~ or lower the grantee's gas line so as to allow the sewer line to cross, this work to be done, however, under a representative of the grantee and at the grantee's expense.

Section 5. The said grantee shall extend its mains for the purpose of supplying new customers where the grantee is reasonably assured of at least one customer an average of every one hundred and fifty feet of any said extension.

Section 6. The grantee shall have the right to discontinue from its main any consumer of gas who has not conformed with the rules of the grantee covering the consumption of gas, as approved by the City Council, or who is arrears ten days in the payment for gas furnished during the previous calendar month.

Section 7. The grantee shall have the right, subject to the approval of the City Council, to make such rules, regulations and requirements relative to the manner in which connections with its mains and laterial lines may be made by consumers, and relative to the kind of equipment and materials used in said connections, and the maintenance thereof by the consumer, as may be reasonable, which rules and regulations when approved by the City Council shall be enforced between the grantee and the consumer.

Section 8. Be it further Ordained: That such grantee, its successors and assigns, shall make charges for natural gas sold and delivered to the City of Atkins, Arkansas, and to the inhabitants thereof, at the following rates:

Domestic Gas Rate:

The grantee shall charge each deomestic comsumer of gas sold during any calendar month according to the following rates:

(a) For the first 1,000 cubic feet of gas or fraction thereof, sold to any domestic consumer during any one calendar month, one and 75-100 ($1.75) Dollars.

(b) For the next 4,000 cubic feet of gas sold to said consumer during said calendar month, sixty cents per 1,000 cubic feet;

(c) For all gas in excess of 5,000 cubic feet sold to said consumer during said calendar month, fifty cents per 1,000 cubic feet.

Each domestic consumer who pays his bill by the tenth day of the month following the calendar month in which the gas for which payment is made was used shall be allowed a discount of five per cent of his entire bill.

A minimum charge of $1.00 per month may be made by the grantee for each meter remaining on its system available for the service of gas to any domestic connection if no gas is used by the consumer during that month.

Churches, schools or colleges maintained by the State, County or City, schools or colleges maintained by any religious organization, public hospitals, and municipal buildings shall be allowed a gross discount of forty per cent from the gross rate for domestic gas when bills are paid by the 10th of the month following the month in which the gas, for which payment is made was used.

Power Service Charge:

First 100 M. cu-ft. of gas sold to a consumer during any calendar month, 55 cents gross less 2 cents per M. discount - 53 cents net per M. if paid by the 10th of the month.

Next 200 M. cu. ft. sold during said month- 45 cents gross, less 2 cents per M. discount 43 cents per m. if paid by the 10th of the month.

All over 300 M. cu. ft. sold during said month 40 cents gross less 2 cents per M. discount 38 cents net per M. if paid by the 10th of the month.

If bill is not paid on or before the 10th of the month next following the month in which gas is used no discount will be allowed.

Minimum Power for Power service, $10.00 basis 20 H.P. engine.

Boiler Fuel and Industrial Rate:

First 500 M. cu. ft. of gas sold to a consumer during a calandar month, 27 cents gross, less 2 cents per M. discount, 25 cents net per M. if paid by the 10th of the month.

Next 500 M. cu. ft, sold during said month, 25 cents gross, less 2 cents per M. discount, 23 cents net per M. if paid by the 10th of the month.

Next 500 M. cu. ft. sold during said montn, 23 cents gross, less 2 cents per M. discount, 21 cents net per M. if paid by the 10th of the month.

All over 1500 M. cu. ft. used in any one months subject to special contract to be entered into between gas company and consumer.

Minimum charge for industrial service under steam boiler $25.00 per month, basis for 45 H.P.

If bill is not paid on or before the 10th of the month next following the month in which gas is used, no discount willbe allowed.

It being contemplated that natural gas will be used by the grantee, in furnishing gas under this franchise, the rates for manufactured gas furnished, if it should be furnished by the grantee, have not been provided for herein, and it is understood that if any time during the existance of this franchise, the grantee shall find it necessary to use manufactured gas to furnish the consumers hereunder, a reasonable rate for said gas furnished shall then be fixed by the Council or the person or persons at that time authorized by law to fix said rates. It being provided, however, that if the grantees undertake to furnish manufactured gas under this franchise, it shall deliver gas of sufficient quality and quantities to meet the needs of the domestic consumers of this city; and if a plant is erected for the manufacture of said gas, it shall not be located at any point in the City of Atkins, or within a mile of the boundaries thereof, without the consent of the City Council of said City as to the particular location selected.

SECTION 9. Before making a connection, the grantee may require a deposit of Ten ($10.00) Dollars for meter to be made, which amount shall be retained by the grantee as long as the applicant is furnished gas.

SECTION 10. It is contemplated that the grantee shall obtain the gas furnished by consumer under the terms of this franchise from a gas well which has been completed by the Empire Gas and Fuel Company on a block of lease acquired by it about six miles north of the City of Clarksville, Arkansas, and from an additional well, or wells, which the grantee shall drill, or cause to be drilled in the vicinity of the said gas well which is now completed, and it is understood that before the necessary system for piping the gas from said gas area to the consumers of the City of Atkins is begun, it shall be necessary for the grantee herein to drill additional wells on said gas leases to ascertain whether or not the supply of gas in said area is sufficient to meet the requirements of this City and other cities and towns along the Missouri Pacific Railway from Clarksville, Ark., to Conway, Arkansas. It is, therefore, provided that the grantee herein shall be allowed six months in which to drill an additional well in the vicinity of the above mentioned gas well which is now completed, and the grantee shall by the 1st day of November, 1926, file with the County Clerk of Conway, Arkansas, a bond executed by it as principal and some reputable surety company as surety, in favor of the cities of Clarksville, Morrilton, Russellville, Atkins and Conway, Arkansas, in the penal sum of Fifty Thousand ($50,000.00) Dollars, conditioned, however, that if a well is drilled by the grantee in the vicinity of the above mentioned gas well which has been completed by the Empire Gas and Fuel Company at cause to be drilled by it within six months from the 1st day of November, 1926, for the purpose of

ascertaining whether or not the gas from which the above mentioned well is now producing gas from a depth of approximately twenty-nine hundred feet, has sufficient reserve of gas to justify construction of a gas system to supply gas for domestic or commercial purposes to the above mentioned cities and towns, or if in drilling said well, the grantee finds gas in paying quantities at a lesser depth, the said bond shall become null and void, otherwise, it shall remain in full force and effect.

It is further ordained and provided that the grantee herein shall file a plat of the proposed system to be installed in the City of Atkins, with the recorder of said City within 6 months of the 15th day of November, 1926, and upon the filing of said plat, shall also file with the recorder of said city a bond executed by the grantee as principal, and a reputable surety company, as surety to the City of Atkins, in the penal sum of Twenty Thousand ($20,000.00) Dollars to assure the prompt installation of the proposed system immediately after the filing said plat and bond, and within six months of the 1st day of November, 1926, the grantee shall actually begin construction of the system for furnishing gas hereunder and shall continue the construction thereof with reasonable expedition and in a workmanlike manner until it is completed, said system to be completed, however, not later than the 1st day of November, 1927. Upon the grantee's failure to comply with anyone of the conditions in this section 10, this franchise shall be by that fact rendered null and void and the rights of all persons hereunder shall immediately terminate, excepting the liability upon the bonds made under the provisions hereof.

Section 11. The grantee herein specially covenants that it will not in any way discriminate between the towns of Conway, Morrilton, Russellville, Clarksville, and Atkins, Arkansas, in serving cities with gas for industrial and commercial use, and that the price charged by it for the same kind of service in each of said cities shall always be the same during the existence of this franchise. Furthermore, the grantee covenants that it shall charge the same rates for gas furnished to any industrial consumer along its main line from Clarksville, Arkansas, to Conway, Arkansas, which consumer is located outside the City limits of any one of the said cities. The grantee further covenants that its work of constructing the distributing system for furnishing gas within each of said cities shall be begun and completed approximately simultaneously.

The grantee further covenants that the main line used to convey gas from the above mentioned gas field to the above mentioned cities shall not be less than ten-inch main, which shall be constructed and maintained in a workmanlike manner.

Section 12. It is hereby declared to be unlawful for a person, firm, corporation or association to tap, break, injure or molest any gas pipes, lines, meters, regulators, or any other appliance or connection belonging to the grantee herein, or for any person or

corporation to interfere with the operation of said gas system, and any person, firm, or corporation or association found guilty of violating any of the provisions of this, shall be deemed guilty of a misdemeanor and subject to a fine of not less than Five ($5.00) Dollars, and each day the violation shall continue shall be deemed a separate offense.

Section 13. This franchise may be accepted by the grantee by written notice of its acceptance being delivered to the Recorder of the City of Atkins which acceptance shall be delivered within three weeks of the date of passage of this ordinance. This franchise shall not be assigned, or in any manner transferred by the grantee until after the gas system is completed, without the consent of the City Council of Atkins, Arkansas.

Section 14. At all times after the grantee has begun operations under this franchise it shall maintain an agent within the City of Atkins upon whom service of notice, demand, request or process of legal summons may be had.

Section 15. It is further ordained that if any portion of this ordinance is held to be invalid for any reason, the invalidity of such portion shall in no manner affect the validity of the remainder of this ordinance.

Section 16. The grantee hereby agrees to furnish at all times a sufficient supply of gas for the consumers in the City of Atkins, and further agrees that the domestic consumer shall have preference over the industrial consumer in ease of shortgage of gas. It is further agreed on the part of the grantee that i n case it fails, neglects or refuses to furnish gas in sufficient quantities to meet the needs of all domestic consumers for a period of six (6) months continously after the completion of the above system, this franchise by that fact shall become null and void.

Passed and approved on this the 28th day of October, 1926.

E. A. Williams, Mayor

Attest: E. L. Hendrick, Recorder