

*Jay T. Glavin*

No. 4A

AN ORDINANCE OF THE CITY OF WALLIS, AUSTIN COUNTY, TEXAS, CONTRACTING WITH AND GRANTING 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 OF WALLIS FOR THE PURPOSES OF CONVEYING AND TRANSPORTING NATURAL GAS INTO, OUT OF AND THROUGH SAID CITY OF WALLIS FOR SALE AND DISTRIBUTION; PROVIDING FOR THE REGULATION OF THE MANNER OF LAYING SAID GAS MAINS; PROVIDING FOR A RENTAL OF TWO PERCENT (2%) OF GROSS RECEIPTS AS HEREINAFTER PROVIDED; PROVIDING FOR AN ANNUAL REPORT SHOWING GROSS RECEIPTS AS HEREINAFTER PROVIDED; PROVIDING FOR ACCEPTANCE OF THE ORDINANCE WHICH IS EFFECTIVE FOR FIFTY (50) YEARS; PROVIDING A SAVINGS CLAUSE; AND DECLARING AN EMERGENCY.

WHEREAS, Houston Natural Gas Corporation, a Texas corporation, has been distributing, selling and delivering natural gas to consumers within what now constitutes the corporate limits of the City of Wallis in Austin County, Texas, and desires to obtain a formal franchise and contract from the City of Wallis for distributing, selling and delivering natural gas to consumers within the boundaries and limits thereof as now or hereafter laid out;

NOW, THEREFORE, BE IT ORDAINED BY THE ALDERMEN OF THE CITY OF WALLIS, AUSTIN COUNTY, TEXAS:

Section 1. That, subject to the terms, conditions and provisions of the contract and franchise contained in this Ordinance, the 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 said City of Wallis as now or hereafter laid out, for the purpose of conveying and transporting natural gas into, out of and through said City for distribution and sale for light, fuel, power, heat and any and all other

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purposes to persons within the said City and for any other use by Company beyond and outside of the limits of said 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 gas mains and such use thereof.

Section 2. Company agrees that when its gas mains and laterals are laid under the streets and alleys, the Company shall place the streets, alleys, etc., through which same are laid in as good condition as they were previous to the laying of such mains, and shall pay to the City of Wallis any and all damages for failure so to do, and shall indemnify said City of Wallis against any damages to any persons by reason of the laying of said mains and the use and maintenance thereof. *→ Paid 8/2/74*

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 of Wallis annually during the continuance of this agreement a sum of money equal to two percent (2%) of the annual gross receipts for the preceding year received by the Company from the sale of gas within the corporate limits of the City of Wallis, Texas, for residential and commercial purposes, excluding the amounts received from any governmental agency.

On or before the first (1st) day of March of each and every year beginning with March 1, 1974, the Company shall file with the Secretary of the City of Wallis a sworn report showing the gross

amount received from such business done within the corporate limits of the City of Wallis for the next preceding calendar year ending December 31. At the same time the Company shall pay to the City of Wallis the sum of money equal to two percent (2%) of such annual gross receipts.

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

(b) The consideration set forth in subsection (a) of this Section 4 shall be paid and received 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 of Wallis and in lieu of any pipe tax or inspection fee or tax, but shall not impair or diminish the Company's obligation to pay ad valorem taxes.

Section 5. There exists a public emergency requiring that this Ordinance be passed finally on the date of its introduction, and the Mayor having in writing declared the existence of such emergency and requested such passage, this Ordinance shall be passed finally on the date of its introduction, this \_\_\_\_\_ day of \_\_\_\_\_, 1973, shall become effective immediately upon its passage and approval by the Mayor, and shall continue in full force and effect for a period of fifty (50) years from and after the date of the written acceptance by the Company.

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.

PASSED AND APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_,

1973.

Mayor, City of Wallis, Texas

ATTEST:

Secretary of the City of Wallis,  
Texas

I, \_\_\_\_\_, Secretary for the City of Wallis, Texas, do hereby certify that the above and foregoing Ordinance was duly passed, adopted and approved at a meeting of the Aldermen of the said City of Wallis held on the \_\_\_\_\_ day of \_\_\_\_\_, 1974, and that the same is now in all things effective and is of record in the Minutes of the Aldermen of said City of Wallis; TO CERTIFY WHICH WITNESS my hand and the Seal of the City of Wallis, Texas, this \_\_\_\_\_ day of \_\_\_\_\_, A.D., 1973.

Secretary of the City of Wallis,  
Texas