

ORDINANCE No 2010-08

**AN ORDINANCE GRANTING TO AEP TEXAS CENTRAL COMPANY, ITS SUCCESSORS AND ASSIGNS, A NON-EXCLUSIVE FRANCHISE TO CONSTRUCT, MAINTAIN AND OPERATE LINES AND APPURTENANCES AND APPLIANCES FOR CONDUCTING ELECTRICITY IN, OVER, UNDER AND THROUGH THE STREETS, AVENUES, ALLEYS AND PUBLIC PLACES OF THE CITY OF INGLESIDE ON THE BAY, TEXAS**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF INGLESIDE ON THE BAY, A MAJORITY OF MEMBERS CONCURRING:**

**SECTION 1:** That AEP Texas Central Company, formerly known as Central Power and Light Company, a corporation organized under the laws of the State of Texas, its successors and assigns, (hereinafter called "Company") is hereby granted the non-exclusive right, privilege, franchise and authority until January 1, 2032, to acquire, construct, maintain and operate in, above, under, across, over and along the streets, alleys, thoroughfares, bridges, and public places, as the same now exist or may hereafter be laid out, in the City of Ingleside On The Bay, State of Texas, (hereinafter called "City"), lines for the transmission and distribution of electric energy and services incidental thereto, either by means of overhead or underground conductors, with all necessary or desirable appurtenances and appliances, as currently installed or that may be installed in the future, including but not limited to electric substations, underground conduits, poles, towers, wires and transmission lines, and fiber optic cable and telegraph and telephone wires for its own use, for the purpose of transmitting and distributing electrical energy to said City and the inhabitants thereof, and persons and corporations within and beyond the limits thereof, for light, heat, power and any other purpose or purposes for which electric energy is now or

may hereafter be used, and to license or lease space on or within the Company's poles, conduit and appurtenant facilities for the attachment of third party facilities.

**SECTION 2:** Poles and towers shall be erected so as not to interfere unreasonably with traffic over streets and alleys, and City may make and impose reasonable requirements fixing the location of poles, towers and conduits, provided that no such requirement shall be unreasonably burdensome upon Company or unreasonably interfere with the operation or maintenance of said facilities.

**SECTION 3:** City hereby grants to Company permission to cut, trim, treat and dispose of trees and other vegetation upon and overhanging the streets, alleys, avenues, sidewalks, and other public places of the City in the vicinity of Company's electric facilities where such trees and other vegetation, in Company's reasonable opinion, constitute a hazard to Company's personnel or facilities, or the provision of continuous electric service.

**SECTION 4:** The Company shall fully indemnify and save harmless the City from any and all damage, loss, action or cause of action arising in whole or in part from Company's exercise of any of its rights, privileges, franchises and obligations hereunder, except to the extent arising out of City's negligence or willful misconduct.

**SECTION 5:** For and as full consideration and compensation for this franchise and the rights, privileges and easements granted and conferred thereby and as rental for the use of the streets, alleys and other public areas within or that may hereafter be within said City, the Company shall pay said City an amount calculated in accordance with the methodology prescribed by applicable law, as it exists today in the form and substance of the Texas Public Utilities Regulatory Act (PURA) Section 33.008(b), Texas Utilities Code, or the same as may hereafter be changed, modified or replaced; to-wit: a charge equal to the total electric franchise fee revenue due City from Company for calendar year 1998 divided by the total kilowatt hours delivered by Company to retail customers whose consuming facilities' points of delivery were located within the City's boundaries during 1998 (the charge per kilowatt hour determined for 1998) multiplied times the number of kilowatt hours delivered by Company to retail customers within the City's boundaries. A payment made on the basis of the foregoing applicable law or any change, modification or replacement thereof will be made each month throughout the term herein provided for, with each such payment to be made on the first business day of the second month following the month in which the deliveries occur.

The City shall notify the Company in writing of newly annexed and de-annexed areas. The notice shall include the ordinance number authorizing the action, an appropriate map identifying the areas and documentation of the notice to the State of Texas regarding the annexation or de-annexation. The Company shall have no responsibility for commencing payments to City for kilowatt hours delivered in newly annexed areas until it shall have received City's notification. Upon City's notification and starting the 91<sup>st</sup> day

after receipt of such notice, the Company will commence payments to the City for kilowatt hours delivered in each newly annexed area and will make any appropriate adjustments in payments reflecting over deliveries of kilowatt hours in any prior month resulting from inclusion of kilowatt hours from de-annexed areas in the calculation of the monthly charge. Payments for deliveries in newly annexed areas and adjustments for over deliveries in de-annexed areas shall be made back to the effective date of the ordinance.

**SECTION 6:** Whenever in this ordinance the City or Company is referred to, such reference shall be deemed to include the respective successor or assign or either, and all rights, privileges, franchises and obligations herein contained shall bind and inure to the benefit of such successor or assign, in which event the predecessor of such successor or assign is divested of all such rights, privileges, franchises or obligations, whether so expressed or not.

**SECTION 7:** The terms and provisions of this ordinance are joint and several, and the invalidity of any part shall not affect the validity of the remainder of the ordinance.

**SECTION 8:** This ordinance shall take effect from and after the earliest period allowed by law, provided that Company shall file its written acceptance of this franchise within ninety (90) days after the adoption of this ordinance and upon such acceptance, the electric franchise under which the City has been operating heretofore, shall stand surrendered.

**INTRODUCED, READ, PASSED AND ADOPTED** in written form at a regular meeting, duly and regularly called and held on the 7<sup>th</sup> day of Dec, 2010, by the following vote:

AYES: 5

NAYES: 0

**APPROVED**, this the 7<sup>th</sup> day of Dec, 2010.



Howard Gillespie

Howard Gillespie  
Mayor  
City of Ingleside on the Bay, Texas

ATTEST:

Diane Hosea  
Diane Hosea  
City Secretary

THE STATE OF TEXAS §

COUNTY OF SAN PATRICIO §

I, the undersigned, City Secretary of the City of Ingleside On The Bay, Texas, hereby **CERTIFY** that the above and foregoing is a true and correct copy of a franchise ordinance passed, adopted and approved by the City Council of the City of Ingleside On The Bay, Texas, at a meeting duly and regularly called and held on the 7<sup>th</sup> day of Dec, 2010.

**IN TESTIMONY WHEREOF**, witness my hand and seal of office, this 7<sup>th</sup> day of Dec, 2010.



Diane Hosea  
City Secretary of the City of  
Ingleside On The Bay, Texas

**ACCEPTANCE OF FRANCHISE**

**WHEREAS**, the City Council of the City of Ingleside on the Bay, Texas, by ordinance passed, adopted and approved at a meeting of said City Council held on the 7\_\_ day of \_December\_\_\_\_\_, \_2010\_\_, granted to AEP Texas Central Company (formerly known as Central Power and Light Company) a franchise in accordance with applicable law to supply electricity to the City of \_Ingleside on the Bay\_\_\_\_, Texas, until January 1st 2032, and,

**WHEREAS**, in compliance with the terms of said Franchise Ordinance, AEP Texas Central Company desires to file its written acceptance thereof.

**NOW, THEREFORE**, AEP Texas Central Company, a Texas corporation, acting by its duly authorized officer, hereby accepts said Franchise Ordinance and files this, its acceptance thereof, and agrees that it and its successors and assigns, are and shall be entitled to all of the rights, privileges, authority and franchise thereby granted and are and shall be bound by and will comply with all of the duties, liabilities, terms and provisions thereof.

**IN WITNESS WHEREOF**, said Grantee has caused these presents to be executed by its duly authorized officer this the 9<sup>th</sup> day of December, 2010

**AEP Texas Central Company**

By: Allan W Smith

Name: Allan W Smith

Title: President + COO

STATE OF TEXAS            §  
COUNTY OF SAN PATRICIO \_\_\_\_ §

I, the undersigned, City Secretary of the City of Ingleside on the Bay, Texas, hereby **CERTIFY** that the above and foregoing is a full, true and correct copy of an instrument dated the 7th day of December, 2010, accepting the franchise granted in accordance with applicable law by an ordinance of the City Council of the City of Ingleside on the Bay, Texas, approved on the 7th day of December, 2010, which acceptance was filed by AEP Texas Central Company with the City of Ingleside On The Bay, Texas, on 9<sup>th</sup> Dec 2010, and that such acceptance appears of record and on file in my office.

**IN TESTIMONY WHEREOF**, witness my hand and seal of the City of Ingleside on the Bay \_\_\_\_\_, Texas, this 14<sup>th</sup> day of Dec, 2010.



Diane Husea  
City Secretary of the City of  
Ingleside on the Bay, Texas



**ORDINANCE NO.  
2010-08**

An ordinance granting to AEP Texas Central Company, its successors and assigns, a non-exclusive franchise to construct, maintain and operate lines and appurtenances and appliances for conducting electricity in, over, under and through the streets, avenues, alleys and public places of the city of Ingleside on the Bay, Texas. Diane Hosea, City Secretary, City of Ingleside on the Bay.  
Published in The Ingleside Index, December 22, 2010

THE STATE OF TEXAS  
COUNTY OF SAN PATRICIO:

Before me, the undersigned authority, personally appeared

Grenda Burr of The Ingleside Index, who after being by me duly sworn, on his oath deposes and said:

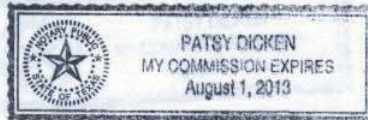
1. That (he) (she) is Publisher of The Ingleside Index a weekly newspaper published in San Patricio County, Texas.

2. That the City of Ingleside on Bay - AEP

hereto annexed, was published in the regular issues of said Ingleside Index once each week for One (1) week successive weeks said publications having been made on the December 22, 2010

3. That a printed copy of said Notice as the same appeared in said issues is attached hereto.

Grenda Burr



Sworn to and subscribed before me this 23rd day of December, 2010.

Patsy Dickon  
Notary Public, San Patricio County, Texas

PUBLICATION FEE: \$ \_\_\_\_\_