

AN ORDINANCE GRANTING FOR A PERIOD OF FIVE (5) YEARS TO SUMMIT NATURAL GAS OF MISSOURI, INC., A COLORADO CORPORATION, ITS SUCCESSORS AND ASSIGNS, THE RIGHT, PERMISSION AND AUTHORITY TO CONSTRUCT, RECONSTRUCT, EXCAVATE FOR PLACE, MAINTAIN, OPERATE AND USE ITS MAINS, SERVICE PIPES, CONDUITS, CONDUCTORS, TANKS, VAPORIZERS, UNDERGROUND VAULTS, REGULATORS, AND OTHER EQUIPMENT, WITH ALL NECESSARY OR APPROPRIATE APPLIANCES AND APPURTENANCES IN CONNECTION THEREWITH, IN, ALONG, ACROSS, OVER AND UNDER THE STREET, ROADS, ALLEYS, SIDEWALKS, SQUARES, BRIDGES AND OTHER PUBLIC PLACES IN THE CITY OF AVA, MISSOURI AND AREAS DEDICATED TO THE FRANCHISING AUTHORITY FOR PUBLIC UTILITY USE, FOR THE PURPOSE OF TRANSMITTING, FURNISHING, TRANSPORTING, AND/OR DISTRIBUTING GAS FOR LIGHT, HEAT, POWER, AND OTHER PURPOSES WITHIN AND THROUGH SAID FRANCHISING AUTHORITY, PRESCRIBING THE TERMS AND CONDITIONS OF SUCH GRANT, IMPOSING CERTAIN OBLIGATIONS UPON THE GRANTEE, ITS SUCCESSORS AND ASSIGNS, SUCCESSIVELY, IN CONNECTION THEREWITH.

BE IT ORDAINED by the City of Ava, Missouri as follows:

Section 1: The right, permission and authority (hereinafter sometimes called the "Franchise") is hereby granted to, and vested in Summit Natural Gas of Missouri, Inc., a Colorado corporation, (hereinafter sometimes called "SNG") its successors and assigns, to construct, reconstruct, excavate for, place, maintain, operate and use all necessary appropriate mains, service pipes, conduits, conductors, tanks, vaporizers, underground vaults, regulators and other equipment with all necessary or appropriate appurtenances and appliances in connection therewith, in, along, across, over and under the streets, roads, alleys, sidewalks, squares, bridges and other public places within the corporate limits of the City of Ava, Missouri ("Franchising Authority") as now fixed and as hereafter extended, and areas dedicated to the franchising authority for the public utility use, for the purpose of furnishing transporting and distributing gas for light, heat, power and other purposes within the franchising authority limits of the City of Ava, Missouri and in territory adjacent to said franchising authority and for the purpose of transporting and transmitting gas through said franchising authority, all such equipment, appliances and apparatus to be installed and maintained with due regard to the rightful use by other persons, with vehicles or otherwise, of the streets, roads, alleys sidewalks, squares, bridges and other public utility use; and exercise of the rights, permission and authority hereby granted shall at all times be subject to proper regulation by the franchising authority in the exercise of its police powers.

Section 2: Extension of, and additions to, the distribution system maintained by SNG, its successors or assigns, in the City of Ava, Missouri shall be made in accordance with the rules and regulations governing such extensions and additions by SNG now on file with the Missouri Public Service Commission, or in accordance with such amended rules and regulations governing such extensions and additions by SNG, its successors or assigns, as may hereafter become effective in the manner provided by law.

Section 3a: The rights, privileges and authority as provided in the attached Franchise Agreement which is hereby approved and accepted shall inure to and be vested in SNG, its successors and assigns,

successively, subject to all of the terms, provisions and conditions herein contained, and each of the obligations hereby imposed upon SNG shall devolve and be binding upon its successors and assigns successively, in the same manner, provided however that the assignment, but not the succession, to the rights, privileges and authority herein granted shall be subject to the approval of the Franchising Authority, SNG, shall, however, provide prior notice of any succession and indicate the individual that the Franchising Authority should contact regarding this Franchise Agreement and who is responsible for maintenance and coordination of the right of way. Assignment requiring consent by the Franchising Authority shall not be unreasonably withheld.

Section 3b: The Franchise and the right it grants to use and occupy the public rights-of-way are not exclusive and do not explicitly or implicitly preclude the issuance of other franchises, affect the Franchising Authority's right to authorize use of public rights-of-way by other Persons or for other purposes as it determines appropriate.

Section 4: This Ordinance shall be and continue in force and effect for a period of five (5) years from the date of execution herein (sometimes hereinafter referred to as the "Primary Term"). This Ordinance shall be reviewed by the Town Council prior to two (2) years of the expiration of this Franchise. Based on the review and determination of the Town Council, the Franchising Authority shall submit in writing to SNG no less than two (2) years prior of the expiration of this Ordinance, the Franchising Authority's intent to renew this Ordinance for a period not to exceed twenty (20) years; to modify this Ordinance for a period not less than five (5) years nor more than twenty (20) years. The Franchising Authority shall include any and all information related to its decision to extend or modify the Ordinance.

Section 5: If any provision of this Ordinance, or the application of such provision to particular circumstances, shall be held invalid, the remainder of this Ordinance, or the application of such provision to circumstances other than those as to which it is held invalid, shall not be affected thereby.

Section 6: As part of the consideration for the rights and privileges conferred by this Ordinance, SNG shall pay to the Franchising Authority an amount as provided in the attached Franchise Agreement as the "Franchise Fee."

Section 7: This Ordinance shall be in full force and effect from and after its passage and approval.

Section 8: This Ordinance shall be interpreted under the laws of the State of Missouri.

Section 9: The Franchising Authority and SNG each hereby represent and warrant that they have the authority to enter into and perform the obligations under this Ordinance. However, SNG represents that such warranty on its behalf is contingent upon receiving all necessary approvals from the Missouri Public Service Commission.

[Signature Page To Follow]

PASSED AND APPROVED THIS 10th DAY OF September, 2013



The City of Ava, Missouri

BY:

Eddie Mapp

ATTEST:

SUMMIT NATURAL GAS OF MISSOURI, INC.

BY: _____

NAME: _____

TITLE: _____

FIRST READING HELD September 10, 2013

SECOND READING HELD September 10, 2013

W. J. Gray
Approved as to Form, City Attorney

4/19/66