

AN ORDINANCE GRANTING A THIRTY-YEAR FRANCHISE TO ST. JOE NATURAL GAS COMPANY, INC., ITS SUCCESSORS AND ASSIGNS TO CONSTRUCT, ERECT, INSTALL, REPAIR, EXTEND, MAINTAIN AND OPERATE A GAS WORKS SYSTEM OR A SYSTEM OF PIPES FOR THE DISTRIBUTION AND SALE OF GAS TO THE PUBLIC FOR THIRTY YEARS; AND IN THIS RESPECT TO USE THE STREETS, ALLEYS, PARKWAYS AND PUBLIC GROUNDS, GRASS PLOTS, BRIDGES AND VIADUCTS OF THE CITY OF PORT ST. JOE, FLORIDA, FOR THE PURPOSE OF LAYING, REPAIRING, EXTENDING AND MAINTAINING GAS MAINS AND MATERIALS IN SAID CITY IN CONNECTION WITH ITS SAID BUSINESS, SETTING FORTH THE CONDITIOND AND LIMITATIONS ACCOMPANYING THE GRANT OF FRANCHISE; SETTING FORTH THE REQUIREMENT OF AN ELECTION, PROVIDING FOR AN EFFECTIVE DATE; PROVIDING FOR FRANCHISE FEES; PROVIDING FOR A FORFEITURE IN THE EVENT OF VIOLATION OF SAID GRANT, AND REPEALING ALL ORDINANCES IN CONFLICT HEREWITH.

BE IT ENACTED BY THE PEOPLE OF THE CITY OF PORT ST. JOE, FLORIDA:

SECTION 1. FOR A PERIOD OF 30 YEARS FROM MAY 15, 1985, THE CITY OF PORT ST. JOE, FLORIDA (HEREIN SOMETIMES REFERRED TO AS GRANTOR) DOES HEREBY GIVE AND GRANT TO ST. JOE NATURAL GAS COMPANY, INC., A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF FLORIDA, AND TO ITS LEGAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS (HEREIN CALLED GRANTEE), THE RIGHT, PRIVILEGE AND FRANCHISE TO CONSTRUCT, OPERATE AND MAINTAIN IN THE SAID CITY OF PORT ST. JOE, ALL GAS DISTRIBUTION FACILITIES REQUIRED BY THE GRANTEE FOR THE PURPOSE OF SUPPLYING GAS TO GRANTOR, ITS INHABITANTS AND THE PLACES OF BUSINESS LOCATED WITHIN GRANTOR'S BOUNDARIES.

SECTION 2. THAT WITH RESPECT TO THE RIGHT, PRIVILEGE AND FRANCHISE GRANTED TO GRANTEE IN SECTION 1 ABOVE, SAID GRANTEE SHALL HAVE FOR A PERIOD OF THIRTY (30) YEARS THE RIGHT, PRIVILEGE, FRANCHISE, POWER AND AUTHORITY TO USE THE STREETS, AVENUES, ALLEYS, EASEMENTS, WHARVES, BRIDGES, PUBLIC THOROUGHFARES, PUBLIC GROUNDS AND/OR OTHER PUBLIC PLACES OF GRANTOR AS THEY NOW EXIST OR MAY HEREAFTER BE CONSTRUCTED, OPENED, LAID OUT OR EXTENDED BEYOND THE PRESENT GEOGRAPHICAL BOUNDARY LINES OF GRANTOR.

SECTION 3. THE RATES TO BE CHARGED BY THE GRANTEE FOR GAS SERVICE RENDERED UNDER THIS FRANCHISE SHALL BE THE GRANTEE'S STANDARD PUBLIC TARIFFS NOW IN EFFECT OR AS SUBSEQUENTLY APPROVED BY THE FLORIDA PUBLIC SERVICE COMMISSION OR SUCH OTHER STATE AGENCY AS MAY HAVE PROPER JURISDICTION UNDER THE GENERAL LAWS OF THE STATE OF FLORIDA.

SECTION 4. THE FRANCHISE FEE TO BE CHARGED ON THE EFFECTIVE DATE OF THIS FRANCHISE SHALL BE THAT FEE WHICH WILL YIELD TO GRANTOR APPROXIMATELY THE SAME REVENUE AS PRODUCED IN THE PRIOR FISCAL YEAR. UNDER THIS FRANCHISE, THERE SHALL BE A MAXIMUM FRANCHISE FEE LIMIT OF 6% OF THE COMMERCIAL AND RESIDENTIAL REVENUE LESS ANY TAXES, LICENSES OR OTHER IMPOSITIONS IMPOSED BY CITY ON GRANTEE.

ANY INCREASE ABOVE THE FEE COLLECTED DURING THE FIRST YEAR OF THIS FRANCHISE, SHALL BE EFFECTIVE ONLY FOLLOWING A PUBLIC HEARING ADVERTISED IN A NEWSPAPER OF LOCAL CIRCULATION AT LEAST 10 DAYS BEFORE THE HEARING, AND THE ADOPTION OF A RESOLUTION OR ORDINANCE FOLLOWING THE PUBLIC HEARING.

THE EFFECTIVE DATE FOR SUCH FEE CHANGE, SUBJECT TO THE LIMITATIONS HEREIN, SHALL BE NOT EARLIER THAN SIXTY (60) DAYS AFTER WRITTEN NOTICE TO GRANTEE BY THE GRANTOR.

SECTION 5. THE GRANTOR SHALL IN NO WAY BE LIABLE OR RESPONSIBLE FOR ANY ACCIDENT OR DAMAGE THAT MAY OCCUR IN THE CONSTRUCTION, OPERATION OR MAINTENANCE BY GRANTEE OF ITS FACILITIES HEREUNDER, AND THE ACCEPTANCE OF THIS ORDINANCE SHALL BE DEEMED AN AGREEMENT ON THE PART OF THE GRANTEE TO INDEMNIFY GRANTOR AND HOLD IT HARMLESS AGAINST ANY AND ALL LIABILITY, LOSS, COST, DAMAGE OR EXPENSE WHICH MAY ACCRUE TO GRANTOR BY REASON OF THE NEGLIGENCE, DEFAULT OR MISCONDUCT OF GRANTEE IN THE CONSTRUCTION, OPERATION OF MAINTENANCE OF ITS FACILITIES HEREUNDER.

SECTION 6. IN THE EVENT OF ANNEXATION OF ANY TERRITORY TO THE PRESENT CORPORATE LIMITS OF GRANTOR, ANY AND ALL PORTIONS OF THE GAS SYSTEM OF GRANTEE LOCATED IS SAID ANNEXED TERRITORY SHALL BE SUBJECT TO ALL OF THE TERMS AND CONDITIONS OF THIS GRANT AS THOUGH IT WERE AN EXTENSION MADE HEREUNDER.

SECTION 7. THAT THE GRANTEE AGREES TO MAKE SURE EXTENSIONS TO ITS FACILITIES FROM TIME TO TIME AS MAY BE REQUIRED BY ONE OR MORE CUSTOMERS, OR PROSPECTIVE CUSTOMERS. SUCH EXTENSIONS SHALL ONLY BE REQUIRED IF THEY ARE CONSISTENT WITH GOOD BUSINESS PRACTICE AND THE EXTENSION POLICIES OF THE GRANTEE IN EFFECT AT THE TIME SERVICE IS REQUIRED. FAILURE OF GRANTEE TO SERVE GRANTOR AND ITS INHABITANTS AS PROVIDED FOR HEREIN MAY RESULT IN A FORFEITURE OF THIS GRANT BUT ONLY AFTER REASONABLE TIME TO CORRECT SUCH DEFICIENCY.

SECTION 8. THAT ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH BE AND THE SAME ARE HEREBY REPEALED.

SECTION 9. THAT THIS ORDINANCE SHALL BECOME EFFECTIVE UPON THE SAME BEING LEGALLY PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF PORT ST. JOE, AS IS PROVIDED IN ITS SAID CHARTER; AND AFTER SAID ORDINANCE HAS BEEN SUBMITTED TO THE QUALIFIED ELECTORS OF THE CITY AT A MUNICIPAL ELECTION HELD IN ACCORDANCE WITH THE PROVISIONS OF THE LAWS OF THE STATE OF FLORIDA, AND OF THE CITY AT A MUNICIPAL

ELECTION HELD IN ACCORDANCE WITH THE PROVISIONS OF THE LAWS OF THE STATE OF FLORIDA, AND OF THE CHARTER OF THE CITY FOR THE HOLDING OF OTHER MUNICIPAL ELECTIONS, AND SHALL HAVE BEEN APPROVED BY A MAJORITY OF SUCH QUALIFIED ELECTORS VOTING IN SAID ELECTION. SAID ELECTION IS HEREBY CALLED FOR MAY 14, 1985.

INTRODUCED AT A REGULAR MEETING OF THE CITY COMMISSION HELD ON THE 5th DAY OF MARCH, 1985, AND PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF PORT ST. JOE, FLORIDA, ON THIS 19th DAY OF MARCH, 1985.

/s/ L. A. FARRIS  
L. A. FARRIS  
CITY AUDITOR/CLERK

/s/ FRANK PATE, JR.  
FRANK PATE, JR.  
MAYOR/COMMISSIONER