

ORIGINAL

CITY OF REDMOND, WASHINGTON

ORDINANCE NO. 830

AN ORDINANCE, granting Washington Natural Gas Company, its successors and assigns, a gas franchise, and imposing provisions and conditions relating thereto.

THE CITY COUNCIL OF THE CITY OF REDMOND DO ORDAIN AS FOLLOWS:

Section 1. Gas franchise granted. The City of Redmond in King County, Washington, hereinafter called "Grantor" hereby grants to Washington Natural Gas Company, a Delaware corporation, hereinafter called "Grantee", its successors and assigns, for the full term of ten (10) years from the date of acceptance hereof by the Grantee, the right, privilege and authority or franchise to construct or otherwise acquire and to own, maintain, equip and operate plants and works and all necessary or desirable appurtenances thereto, for the manufacture, generation, purchase, transmission and distribution of artificial, natural and/or mixed gas, hereinafter referred to generally as "gas", including the right to construct, lay, extend, maintain, renew, remove, repair, replace, use and operate gas pipes and gas mains and all appurtenances and appendages thereto, in, under or on or across the present and future public streets, avenues, alleys, highways, bridges, easements and other public places within the present or any future corporate limits of the Grantor or its successors, for the purpose of distributing, supplying and selling gas to Grantor or its successors, and to persons and corporations and habitants thereof as well as to persons or corporations within and beyond the present or future corporate limits thereof.

Section 2. Reservation of rights by City. Rights herein granted shall be subject to and governed by this ordinance; provided, however, that the Grantor expressly reserves unto itself all its police power to adopt general ordinances necessary to protect the safety and welfare of the general public in relation to the rights hereby granted not inconsistent herewith, but no ordinance shall be passed requiring Grantee to pay license fee for or any tax upon the franchise hereby granted.

Section 3. Location and relocation of Grantee's facilities.

(a) Grantee's facilities shall be so located or relocated and so erected as to interfere as little as possible with traffic over such streets, avenues, alleys, highways, bridges, easements and other public places, and with reasonable egress from and ingress to abutting property, provided, however, that Grantee shall not break up or obstruct any street, alley, or public thoroughfare, except in emergencies, without express permission from the Director of Public Works or other appropriate City official. When any portion of a street is excavated by Grantee in the location, relocation, replacement or repair or any of its facilities, the portion of the street so excavated shall, within a reasonable time, and as early as practicable after such excavation, be replaced by the Grantee at its expense and in as good condition as it was at the time of such excavation, all in accordance with the applicable rules and regulations of the Department of Public Works and other interested agencies and officials of Grantor. If Grantee shall fail to leave portions of any street so excavated in as good a condition as it was at the time of such excavation, City may, after reasonable notice of not less than fifteen (15) days to Grantee in writing, do, order and have done any and all work considered necessary to restore to a safe condition the portion of the street so excavated, and the Grantee, upon demand, shall pay to the Grantor the reasonable costs of such construction or repair in doing such work.

(b) Whenever Grantee shall contemplate laying gas mains or other gas pipes in any street, avenue, alley, highway or other public place within the present or future corporate limits of the Grantor, Grantee shall file with the City's Department of Public Works a map showing the proposed location thereof in such street, avenue, alley, highway or other public place by surveyed measurements and shall describe the method of pipe installation, by open excavation, underground boring or punching. If the location proposed does not interfere with existing or contemplated sewers, water pipes or other public utilities or facilities the Director of Public Works shall approve said map and installation and the same shall thereafter be considered as the official location of such mains and pipes, but if said proposed location or method of installation would interfere with said existing or contemplated sewers, water pipes or other public utilities or facilities, said Director shall, within fifteen (15) days after the filing of said map, furnish the Grantee with data by which an acceptable installation and map of location of such mains and pipes may be filed.

(c) Whenever the prosecution of any public work by the Grantor shall involve the establishment or change of any grade (established or otherwise), sewer, water pipe, or other public utilities or facilities and the same shall cross and/or require change of any pipe or apparatus located in any street, avenue, alley, highway or other public place under this ordinance, the same shall be changed by the Grantee at its own expense after reasonable notice in writing to Grantee, of not less than fifteen (15) days to make the changes from the Director of Public Works.

Section 4. Requirement to provide gas and service. At all times during the term of this franchise Grantee shall promptly and without discrimination furnish an adequate supply of gas to Grantor and its successors and to persons and corporations inhabitants thereof who request the same and agree to abide by Grantee's reasonable rules and regulations, and shall acquire, construct, maintain and equip and operate all necessary facilities for the manufacture, generation, purchase, transmission, sale, supply and distribution of gas for the benefit and convenience of Grantor and its inhabitants, and shall make promptly such extensions to existing facilities as may be required by one or more customers, or prospective customers, provided that if the revenues to be derived from such extensions shall not afford a fair and reasonable return on the cost of providing and rendering the required service, then Grantee shall be permitted to, and is hereby authorized to exact from such customer, or customers, such cash advances, minimum guarantees, service guarantees or other arrangements, as will enable Grantee to earn a fair and reasonable return on the cost of providing and rendering the required service.

Section 5. City's authority over Grantor. The City Council of Grantor shall have the right under this franchise to require reasonable extensions of gas distribution and supply systems referred to herein. In addition, said City Council shall also have the right to make such rules and regulations as may be required to secure adequate and proper service under this franchise to itself and its inhabitants and to provide sufficient accommodations for the public generally.

Section 6. Appeal to court. Should the Grantee believe that any order or ordinance of said City Council promulgated pursuant to the provisions of Sections 2 or 5 is unjust and unreasonable, it shall be allowed to test the justness and reasonableness of the same by proper action in any court having jurisdiction, commenced within thirty (30) days after service of such order or ordinance upon the Grantee; and in such action such order or ordinance may be entered in the premises as shall be warranted by the facts developed upon the trial and the law applicable thereto.

Section 7. Indemnity of Grantor. 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 Grantee shall indemnify and defend Grantor and hold it harmless from and against any and all liability, loss, cost, damage, or expense, which may accrue to Grantor by reason of the neglect, default, or misconduct of Grantee in the construction, operation or maintenance of its facilities hereunder.

Section 8. Acceptance of franchise by Grantee. This franchise is granted upon the express condition that the Grantee within forty (40) days after the adoption of this Ordinance shall file with the Clerk of the City a written acceptance of the same, and when so accepted by the company shall constitute a contract between the City and the Company for all the uses, services, and purposes herein set forth.

Section 9. Forfeiture. The City Council of the Grantor may, by ordinance, forfeit the franchise herein granted, in the event that the Grantee, or its assigns, shall, after reasonable notice from the City Council requiring it to do so, fail to comply with any of the provisions of said franchise.

Section 10. Scope of franchise. All of the provisions, conditions, regulations and requirements herein contained shall be binding upon the successors and assigns of the Grantee and all privileges and rights of the Grantee shall inure to its successors and assigns.

Section 11. Notice. Whenever notice or service is specified by this ordinance, such notice or service may be made in person or by mail to Grantor at:

City of Redmond
15670 N.E. 85th St.
Redmond, Washington 98052

and to Grantee at:

Washington Natural Gas Company
815 Mercer Street
P. O. Box 1869
Seattle, Washington 98111

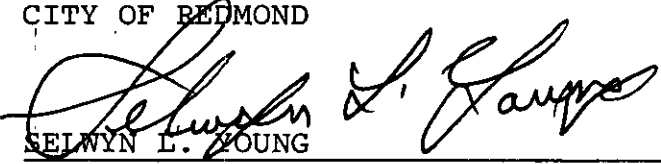
Section 12. Severability. If any provisions of this ordinance, or its application to any person or circumstances is held invalid, the remainder of the ordinance, or the application of the provisions to other persons or circumstances, is not affected.

Section 13. Repeal. Ordinance No. 167, as well as all other ordinances and parts of ordinances in conflict herewith, shall be, and the same are hereby repealed.

Section 14. Effective date. This ordinance shall take effect and be in force five (5) days after the date of its publication in the manner provided by law.

PASSED by the Council of the City of Redmond, Washington, at a regular meeting thereof, and APPROVED by the Mayor this 5th day of July, 1978.

CITY OF REDMOND

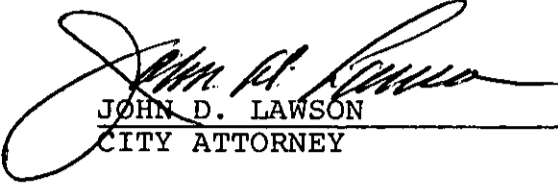

SELWYN L. YOUNG
MAYOR

ATTEST:



PAUL F. KUSAKABE
CITY CLERK

APPROVED AS TO FORM:



JOHN D. LAWSON
CITY ATTORNEY

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