

AN ORDINANCE OF THE TOWN OF SUGAR CITY, COLORADO,
GRANTING TO ARTHUR K. LEE, HIS HEIRS, SUCCESSORS AND ASSIGNS,
CERTAIN RIGHTS IN THE STREETS, ALLEYS AND PUBLIC PLACES IN
THE TOWN OF SUGAR CITY, COLORADO, TO CONSTRUCT, LAY,
MAINTAIN, OPERATE, REPAIR, REPLACE AND FINALLY RECLAIM, A
SYSTEM OF PIPE LINES, AND ALL APPURTENANCES THERETO, FOR THE
PURPOSE OF SELLING AND DISTRIBUTING GAS TO THE SAID TOWN AND
ITS INHABITANTS.

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF
SUGAR CITY, COLORADO:

That Arthur K. Lee (hereinafter called the "Grantee"), his
heirs, successors and assigns, be and is hereby granted the
right to construct, lay, maintain, operate, repair, replace and
finally reclaim a system of pipe lines with all valves, regu-
lators, measuring devices and fittings, supply pipes, and
laterals, and appurtenances, in the streets, alleys, and public
grounds now or hereafter laid out or dedicated, and all exten-
sions thereof and additions thereto, in the said Town, for the
purpose of supplying natural or artificial gas or a mixture
thereof to the said Town and its inhabitants, and at the elec-
tion of the grantee, to patrons and consumers beyond the limits
of said Town, for light, heat, power, fuel, and all other law-
ful purposes, under the following terms and conditions, to-wit:

FIRST: All mains, pipes, laterals, extensions, regulators,
fittings and appurtenances of every kind and character, shall
be installed in such manner and in such places as to interfere
as little as practicable with the use of the streets, alleys
and public grounds of said town, and such installations shall
in every instance be placed below the traveled surface of the
streets, alleys or other public grounds and so as to protect
all paving, wire cables, water pipes, underground wires or
conduits and sewer pipes, and shall be so constructed and lo-
cated with reference to water lines, sewers and their connec-
tions as not to interfere therewith. Main lines shall be placed

in the alleys where practicable, and if laid on paved streets locations along and under sidewalks way be used to avoid cutting pavements where practicable, at option of grantee.

SECOND: In the installation of said distributing system and in any further openings in the streets, alleys or other public grounds in said town, the grantee, his heirs, successors and assigns, shall place and maintain suitable and sufficient barriers and lights in and about such openings and shall close the openings as early as the work may reasonably be performed, and in the event of any injury to any person or property by reason of the construction, operation, maintenance, repair or reclamation of said gas distributing system, the said grantee, his heirs, successors and assigns, shall be responsible for his negligence, if any, causing the injury, and in case of such injuries said grantee, his heirs, successors and assigns, shall and will indemnify and hold harmless the said Town. The said grantee, his heirs, successors and assigns, shall also clean up, repair and restore without delay all streets, alleys and public grounds opened, and place the same in as good condition as prior to the making of such openings.

THIRD: The grantee, herein, his heirs, successors and assigns, shall not be required to extend street mains more than one hundred (100) feet for each applicant for gas service, or to extend such mains, in order to reach a group of consumers, more than one hundred (100) feet for each consumer forming part of such group; but the grantee, his heirs, successors and assigns, shall extend his street mains to all of the built up sections of the town, and to the outlying sections, as soon as whenever an extension becomes economically practicable.

FOURTH: In rendering service to the customer, the grantee, his heirs, successors and assigns, shall construct the street connection from the street main to the property line of the customer, but the grantee, his heirs, successors and assigns,

shall not be required to turn on and deliver gas to the customer until the customer has complied with the rules and regulations of the grantee, his heirs, successors and assigns, including the safe condition of the piping, appliances and fixtures of the consumer to receive such gas, nor shall the grantee, his heirs, successors and assigns, be obliged to continue furnishing as if and while the customer does not maintain his pipes, fixtures and appliances in good order and condition and/or comply with the reasonable rules and regulations of the grantee.

FIFTH: That as a consideration for this grant and as rental for the use and occupancy of the streets, alleys and public grounds of said town, the said grantee, his heirs, successors and assigns, shall pay annually, in advance, to said Town on the first day of July of each year, the sum of Seven and 50/100 ----- Dollars for each one hundred or major portion of one hundred inhabitants in said Town of Sugar City, the population of said Town to be determined on the first day of July of each year by the latest recorded or official census.

SIXTH: That the said grantee, his heirs, successors, and assigns, shall furnish merchantable natural gas to the Town of Sugar City and its inhabitants at reasonable rates, and without discrimination. Such reasonable rates shall, subject to the regulations as provided by law, not be in excess of the following maximum monthly schedule; to-wit:

First	1,000 cubic feet	\$1.50 per M.
Next	2,000 " "	1.00 " "
Next	17,000 " "	.50 " "
All over	20,000	.40 " "

The minimum monthly charge shall be \$1.50 which minimum shall include the first 1,000 cubic feet of natural gas. All bills shall be payable monthly, and if not paid within ten (10) days from the day of mailing statement, the grantee, his heirs,

successors and assigns, shall be entitled to add a penalty of ten (10) percent. Gas may be sold to industries and large users at a lower rate upon special contract, subject to approval of the Public Utilities Commission of the State of Colorado.

SEVENTH: The obligation hereunder to furnish natural gas shall last only so long as the said grantee, his heirs, successors and assigns, are able to obtain a sufficient supply of same at such cost as not to make it impracticable to sell natural gas to the Town and its inhabitants.

EIGHTH: The grantee, his heirs, successors and assigns, shall within six (6) months from the beginning of the supplying of gas to its customers in said Town, prepare and file with the Town Clerk a map setting forth in detail its distributing system. The said map shall be brought up to date once each year thereafter.

NINTH: It is expressly understood and agreed by and between the Town of Sugar City and the said Arthur K. Lee that the application for this franchise was and is made upon the express condition and understanding that neither said application nor the grant nor the acceptance of any franchise thereunder or of this franchise shall constitute a waiver either upon the part of said Arthur K. Lee or of the Town of Sugar City of any rights or claims had or made by either with respect to the occupancy of the streets, alleys and public places of the Town of Sugar City under the Constitution and general statutes of the State of Colorado, nor shall anything in said application or in this franchise in any wise prejudice or impair any rights or claims, existing independently of said application and this franchise, of the Town of Sugar City or of the said Arthur K. Lee or his successors, with respect to the construction, operating and maintenance during the life of this franchise of a system of pipe lines with gates, regulators, measuring devices and fittings, supply pipes and laterals, and appurtenances, in the streets, alleys and public grounds of said

Town of Sugar City .

TENTH: This ordinance of franchise is to take effect upon its passage and approval by the Board of Trustees of Sugar City and shall thereafter be in force and effect for a period of twenty-five (25) years from and after such approval, unless sooner terminated by forfeiture or by voluntary surrender; provided, that the said grantee, Arthur K. Lee, shall file with the Town Clerk an unconditional Acceptance thereof in writing within ninety (90) days after its passage and approval by the Board of Trustees. Within ten (10) days after the filing of said acceptance, the Town Clerk, by letter addressed to said Arthur K. Lee, at Colorado Springs, Colorado, shall acknowledge receipt of said acceptance. In case of non-compliance of this franchise by the grantee, or in case of his failure to begin the distribution of the gas within ten (10) months after the passage and approval of said ordinance, this franchise and the rights hereby given, shall become void and shall become forfeited to the Town, and in all things terminated.

ELEVENTH: This ordinance or franchise and all rights and privileges hereunder shall extend to said grantee, his heirs, successors, nominees and assigns and the consent of the Town of Sugar City, Colorado, is hereby given to an assignment or successive assignments hereof.

PASSED on the first reading at a regular meeting of the Board of Trustees of the Town of Sugar City, Colorado, on the 6th day of October, A. D. 1930

ATTEST:

E. B. Barnes
Clerk

J. M. Cravens
Mayor

Approved and read this 3rd day of November, A. D. 1930.

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E. B. Barnes
Clerk

J. M. Cravens
Mayor