

ORDINANCE NO. 3

AN ORDINANCE GRANTING TO MUNICIPALITIES GAS CORPORATION, (A DEL-AWARE COROPATION), THEIR SUCCESSORS OR ASSIGNS, THE FRANCHISE AND RIGHT TO ERECT A GAS SYSTEM, AND TO ENTER UPON THE STREETS, AVENUES, ALLEYS AND PUBLIC PLACES OF THE VILLAGE OF NEW YORK MILLS, OTTER TAIL COUNTY, STATE OF MINNESOTA, AS THE SAME NOW ARE OR MAY BE HEREAFTER EXTENDED AND THEREIN TO LAY, RELAY, MAINTAIN AND OPERATE A SYSTEM OF PIPES, TANKS, VALVES, OTHER APPURTENANCES AND EQUIPMENT FOR THE MANUFACTURE AND DISTRIBUTION OF GAS AND TO SELL SAID GAS SO DISTRIBUTED TO THE PUBLIC FOR HEAT, FUEL, AND ALL OTHER USUAL PURPOSES; ALSO PROVIDING RULES AND REGULATIONS COVERING THE CONSTRUCTION, MAINTENANCE AND OPERATION OF SAID GAS SYSTEM AND -- OR DISTRIBUTION SYSTEM AND PENALTIES FOR THEIR VIOLATION, AND PROVIDING FOR THE FIXING OF RATES FOR GAS SERVICE.

BE IT ORDAINED BY THE VILLAGE COUNCIL OF NEW YORK MILLS, OTTER TAIL COUNTY, STATE OF MINNESOTA:

SECTION 1.

The Village Council of New York Mills, Minnesota hereinafter called the "grantor", hereby grants to Municipalities Gas Corporation, (A Delaware Corporation), their successors or assigns, hereinafter called the "grantee", a franchise and right for a period of twenty (20) years from and after the acceptance of this ordinance as hereinafter provided to erect, maintain and operate a gas system and to enter upon the streets, avenues, alleys and public places of the grantor as the same now are or may hereafter be extended and therein to lay, relay, maintain and operate a system of pipes, tanks, values, and other appurtenances and equipment for the distribution and storage of gas, and to distribute and sell to the grantor and its inhabitants said gas so distributed for heat, fuel or any other legal purpose.

SECTION 2.

The system of pipes, tanks, valves, appliances, and fixtures installed by the grantee shall be installed, maintained and operated in such a manner as not to endanger persons, or property and so as to not interfere unnecessarily with any improvements the grantor may deem proper to make and so as not to obstruct unnecessarily the free use of the streets, avenues, alleys or public places, or private property and so as not to interfere with the sewer, drainage or water systems of the grantor. All mains and storage tanks shall be laid so as not to interfere with public improvements installed prior thereto. The village shall be the sole judge as to the performance or nonperformance of the matters contained in this section.

SECTION 3.

The grantee shall in the original instance and from time to time, install the necessary storage tanks and -- or equipment and make extensions to its system when ordered so to do by the Village Council of the grantor in writing, provided, however, that when a prospective consumer of gas makes his application to the grantee, the applicant must make a cash deposit of fifty dollars (50.00) as a guarantee to the grantee that the customer will use gas and pay therefor. When such customer makes application to the grantee for gas service, the grantee shall enter into a written agreement with such customer to the terms of this ordinance and will rebate said fifty dollars (\$50.00) cash deposit to said customer on the basis of allowing such customer twenty per-cent (20%) of such customer's monthly gas bill until all of said fifty dollars (\$50.00) cash deposit shall have been rebated to said such customer.

SECTION 4.

Whenever the grantee in the construction or maintenance of its system or the installation of extensions shall cut into or take up any pavements or shall make any excavations in any street, avenue, alley or public place, by the public. The grantee shall

shall use such safeguards as may be necessary to prevent the injury to persons or property during such construction work and upon its completion all pavement shall be replaced in as good condition as it was before being taken up. All excavations shall be refilled and all obstructions shall be removed at the expense of the grantee and to the satisfaction of the proper officer or officers of the grantor and in the event that the grantee shall fail to comply with the provisions of this section after having been given reasonable notice, the grantor may do such work as may be required to properly repair said street, avenue, alley or public place, or replace the pavement thereon, and the cost thereof shall be repaid to the grantor by the grantee.

SECTION 5.5

The grantee shall at all times maintain an adequate supply of gas at the customer's meter and maintain a uniform pressure and the gas to be furnished shall be uniform in quality and shall have heat values of at least the equivalent of five hundred thirty (530) British Thermal Units. If it seems advisable at any time during the term hereof, that gas be furnished of a higher calorific value than five hundred thirty (530) British Thermal Units per cubic foot, the rates to be charged shall be applied to the meter readings pro-rated and based on five hundred thirty (530) British Thermal Units gas.

SECTION 6.

The rates to be charged shall be fixed by the Council of the grantor or such other official body as may be authorized so to do by law. The maximum price for the service or charge for gas furnished by the grantee to its patrons within said village shall not exceed the following, based on the equivalent of five hundred thirty (530) British Thermal Units gas

Service charge per month-----	.75
Pius gas consumed per month as follows:	
First 1000 cubic feet used per mo.-----	\$ 1.75
Second 1000 cubic feet used per mo.-----	\$ 1.50
Third 1000 cubic feet used per mo.-----	\$ 1.25
Over 3000 cubic feet used per month per 1000 cubic feet-----	\$ 1.00

(Minimum charge, 75¢ per month)

SECTION 7.

The police powers of the grantor in respect to the streets and openings of the same shall not be considered as having been impaired in any way by the passage and adoption of this ordinance and the grantee by the acceptance of this ordinance agrees to comply with all rules and regulations adopted by the Council of the grantor by ordinance covering the use of the streets and alleys and the laying of mains, tanks, and-- or other appurtenances under the provisions of this ordinance.

SECTION 8.

The grantee shall hold the grantor harmless from any and all claims and actions, litigation or damages arising out of or by reason of the passage of this ordinance, and -- or by reason of the construction, erection, installation, maintenance or operation of its properties operated by authority of this ordinance within the corporate limits of the grantor, or the negligence of its employees in the operation thereof, including court costs and reasonable attorneys' fees in making defense against such claims. A copy of the notice or legal process served upon the grantor shall be served the grantor upon the grantee. The grantee, however, shall have the right to defend in the name of the grantor and employ counsel for such purpose.

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SECTION 9.

The grantee shall, within ninety days (90) after the date of the filing of its acceptance of this ordinance, as hereinafter provided, commence the construction of its gas system hereby authorized necessary for the delivery of gas to the public, and thereafter use due diligence in the prosecution of the installation and completion of said gas system and shall be prepared to furnish service within six months after said construction is commenced, but the Village Council of the grantor, may, by resolution or resolutions, extend the time or times within which said construction shall be commenced or finished. If the grantee is prevented by legal process from complying with provisions of this section, the delay caused thereby shall be included in estimating the above periods. The time of the commencement and completion of the construction herein contemplated is of the essence and important part of this ordinance and if the grantee shall fail to comply therewith after being given written notice by the grantor and a reasonable opportunity so to do, the grantor may terminate this franchise by ordinance duly passed and adopted.

SECTION 10.

If the grantee shall be in default in the performance of any of the terms and conditions of this ordinance and shall continue in default after receiving notice from the Village Council of the grantor of such default, the Village Council of the grantor may, by resolution, terminate all rights granted under this ordinance to the grantee. The said notice of default shall specify the provision or provisions of this ordinance, in the performance of which it is claimed the grantee is in default. All notices given by the grantor to the grantee shall be by United States Registered Mail addressed to the grantee or its successors or assigns at the last known address.

SECTION 11.

Nothing in this ordinance shall ever be construed to be the granting of any exclusive rights or privileges to the grantee, its successors or assigns, and the grantor may at any time during the life of this ordinance grant to other persons, firms or corporations similar rights and privileges.

SECTION 13.

The grantee shall file its written acceptance of this ordinance with the clerk of the grantor within thirty days from and after its adoption and failing so to do, this ordinance shall be null and void. This ordinance shall be in full force and effect from and after the date the acceptance is filed with the Clerk of the Grantor.

The following resolution was proposed by Trustee Ed. Hintsala, who moved its adoption; The motion to adopt said resolution was seconded by Clerk, Ernest Johnson.

BE IT FURTHER RESOLVED, that the Village Clerk be and he is hereby directed to publish the foregoing ordinance according to law. The roll call on the above was as follows: AYES: Ed. Hintsala, Ernest Johnson, William Hanson, Andrew Piilola, Fred Atkinson. NAYS: None.

Passed and approved on this 25th day of August, 1931.

ATTEST:

Signed Fred Atkinson, Mayor.

Signed: Ernest Johnson, Clerk.

STATE OF MINNESOTA SS.
COUNTY OF OTTER TAIL

I, Ernest Johnson, duly elected, qualified and acting Clerk of the Village of New York Mills, Otter Tail County, Minnesota, do

hereby certify that the foregoing is a true and correct copy of the Minutes of a special meeting of the Village Council of said Village of New York Mills, held on the 25th day of August, 1931, so far as the same relates to any and all matters dealing with ordinance NO. 3 of said Village.

In witness whereof, I hereunto set my hand and seal this 25th day of August, 1931.

(SEAL)

Signed: Ernest Johnson, Clerk.
Clerk of the Village of
New York Mills, Otter
Tail County, Minnesota.