

CITY OF INGLESIDE ON THE BAY, TEXAS

ORDINANCE NO. 1992-2

AN ORDINANCE GRANTING ENTEX, A DIVISION OF ARKLA, INC. ITS SUCCESSORS AND ASSIGNS, THE RIGHT, PRIVILEGE AND FRANCHISE FOR A PERIOD ^{OF} TWENTY (20) YEARS TO CONSTRUCT, LAY, MAINTAIN, OPERATE, EXTEND, REMOVE, REPLACE AND REPAIR A SYSTEM OF PIPELINES, GAS MAINS, LATERALS AND ATTACHMENTS AND ALL DESIRABLE INSTRUMENTALITIES IN, UNDER, OVER ACROSS AND ALONG ANY AND ALL STREETS, AVENUES, PARKWAYS, SQUARES, ALLEYS AND ALL OTHER PUBLIC PLACES IN THE CITY OF INGLESIDE ON THE BAY, SAN PATRICIO COUNTY, TEXAS, FOR THE PURPOSE OF TRANSPORTING, DISTRIBUTING, SUPPLYING AND SELLING GAS (NATURAL AND/OR ARTIFICIAL AND/OR MIXED) FOR HEATING, LIGHTING, POWER, AND FOR ALL OTHER PURPOSES FOR WHICH GAS MAY BE USED, TO THE MUNICIPALITY OF SAID CITY OF INGLESIDE ON THE BAY, SAN PATRICIO COUNTY, TEXAS AND ITS INHABITANTS AND OTHERS; PROVIDING CONDITIONS CONTROLLING THE USE OF PUBLIC THOROUGHFARES AND EXTENSIONS THEREIN; ^{Establishing} STANDARDS OF SERVICE; PROVIDING FOR PAYMENT OF THREE PERCENT (3%) OF THE GROSS RECEIPTS FROM THE SALE OF GAS TO RESIDENTIAL AND SMALL COMMERCIAL CUSTOMERS AT RESIDENTIAL AND SMALL COMMERCIAL RATES WITHIN THE CITY; PROVIDING FOR ACCEPTANCE; PROVIDING A SEVERABILITY CLAUSE; MAKING MISCELLANEOUS PROVISIONS AND REPEALING ALL ORDINANCES IN CONFLICT HERewith.

PASSED, ADOPTED, AND APPROVED THE SEVENTEENTH (17th) DAY OF MARCH, 1992 BY THE GOVERNING BODY OF THE CITY OF INGLESIDE ON THE BAY, TEXAS

POSTED: March 20, 1992 THRU March 30, 1992 : 10 DAYS

Virginia Hargrove

Virginia Hargrove

City Secretary

City of Ingleside OnThe Bay, Texas



CITY OF INGLESIDE ON THE BAY, TEXAS

ORDINANCE NO. 1992-2

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POSTED: March 20, 1992 THRU March 30, 1992 : 10 DAYS

Virginia Hargrove

Virginia Hargrove

City Secretary

City of Ingleside OnThe Bay, Texas



Posted thru April 4, 1992
IOB City Triangle Park
D.H.

CITY OF INGLESIDE ON THE BAY, TEXAS

ORDINANCE NO. 1992-2

AN ORDINANCE GRANTING ENTEX, A DIVISION OF ARKLA, INC. ITS SUCCESSORS AND ASSIGNS, THE RIGHT, PRIVILEGE AND FRANCHISE FOR A PERIOD ^{OF} TWENTY (20) YEARS TO CONSTRUCT, LAY, MAINTAIN, OPERATE, EXTEND, REMOVE, REPLACE AND REPAIR A SYSTEM OF PIPELINES, GAS MAINS, LATERALS AND ATTACHMENTS AND ALL DESIRABLE INSTRUMENTALITIES IN, UNDER, OVER ACROSS AND ALONG ANY AND ALL STREETS, AVENUES, PARKWAYS, SQUARES, ALLEYS AND ALL OTHER PUBLIC PLACES IN THE CITY OF INGLESIDE ON THE BAY, SAN PATRICIO COUNTY, TEXAS, FOR THE PURPOSE OF TRANSPORTING, DISTRIBUTING, SUPPLYING AND SELLING GAS (NATURAL AND/OR ARTIFICIAL AND/OR MIXED) FOR HEATING, LIGHTING, POWER, AND FOR ALL OTHER PURPOSES FOR WHICH GAS MAY BE USED, TO THE MUNICIPALITY OF SAID CITY OF INGLESIDE ON THE BAY, SAN PATRICIO COUNTY, TEXAS AND ITS INHABITANTS AND OTHERS; PROVIDING CONDITIONS CONTROLLING THE USE OF PUBLIC THOROUGHFARES AND EXTENSIONS THEREIN; ^{establishing} STANDARDS OF SERVICE; PROVIDING FOR PAYMENT OF THREE PERCENT (3%) OF THE GROSS RECEIPTS FROM THE SALE OF GAS TO RESIDENTIAL AND SMALL COMMERCIAL CUSTOMERS AT RESIDENTIAL AND SMALL COMMERCIAL RATES WITHIN THE CITY; PROVIDING FOR ACCEPTANCE; PROVIDING A SEVERABILITY CLAUSE; MAKING MISCELLANEOUS PROVISIONS AND REPEALING ALL ORDINANCES IN CONFLICT HERewith.

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BY THE GOVERNING BODY OF THE CITY OF INGLESIDE ON THE BAY, TEXAS

POSTED: March 20, 1992 THRU March 30, 1992 : 10 DAYS

Virginia Hargrove

Virginia Hargrove

City Secretary

City of Ingleside On The Bay, Texas



Posted thru April 4, 1992
Lady Belle Restaurant

CITY OF INGLESIDE ON THE BAY, TEXAS

ORDINANCE NO. 1992-2

AN ORDINANCE GRANTING ENTEX, A DIVISION OF ARKLA, INC. ITS SUCCESSORS AND ASSIGNS, THE RIGHT, PRIVILEGE AND FRANCHISE FOR A PERIOD ^{of} TWENTY (20) YEARS TO CONSTRUCT, LAY, MAINTAIN, OPERATE, EXTEND, REMOVE, REPLACE AND REPAIR A SYSTEM OF PIPELINES, GAS MAINS, LATERALS AND ATTACHMENTS AND ALL DESIRABLE INSTRUMENTALITIES IN, UNDER, OVER ACROSS AND ALONG ANY AND ALL STREETS, AVENUES, PARKWAYS, SQUARES, ALLEYS AND ALL OTHER PUBLIC PLACES IN THE CITY OF INGLESIDE ON THE BAY, SAN PATRICIO COUNTY, TEXAS, FOR THE PURPOSE OF TRANSPORTING, DISTRIBUTING, SUPPLYING AND SELLING GAS (NATURAL AND/OR ARTIFICIAL AND/OR MIXED) FOR HEATING, LIGHTING, POWER, AND FOR ALL OTHER PURPOSES FOR WHICH GAS MAY BE USED, TO THE MUNICIPALITY OF SAID CITY OF INGLESIDE ON THE BAY, SAN PATRICIO COUNTY, TEXAS AND ITS INHABITANTS AND OTHERS; PROVIDING CONDITIONS CONTROLLING THE USE OF PUBLIC THOROUGHFARES AND EXTENSIONS THEREIN; ^{establishing} STANDARDS OF SERVICE; PROVIDING FOR PAYMENT OF THREE PERCENT (3%) OF THE GROSS RECEIPTS FROM THE SALE OF GAS TO RESIDENTIAL AND SMALL COMMERCIAL CUSTOMERS AT RESIDENTIAL AND SMALL COMMERCIAL RATES WITHIN THE CITY; PROVIDING FOR ACCEPTANCE; PROVIDING A SEVERABILITY CLAUSE; MAKING MISCELLANEOUS PROVISIONS AND REPEALING ALL ORDINANCES IN CONFLICT HERewith.

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POSTED: March 20, 1992 THRU March 30, 1992: 10 DAYS

Virginia Hargrove

Virginia Hargrove

City Secretary

City of Ingleside OnThe Bay, Texas



Posted thru April 4, 1992

Bahia Marina Restaurant

D.H



March 31, 1992

Mayor and City Council
City of Ingleside on the Bay
City Hall
Ingleside on the Bay, Texas

RE: Revised Rate Schedules

Ladies and Gentlemen:

Pursuant to Franchise Ordinance No. 1992-2 for the City of Ingleside on the Bay, Entex, a division of Arkla, Inc., herewith files attached Rate Schedule Nos. R-1601-1, SC-1601-1, and SCAC-45 which reflect recovery of increased franchise payments under said Ordinance. The new rate schedules become effective with all bills rendered on and after April 1, 1992.

If you have any questions regarding this filing, please do not hesitate to contact me.

Sincerely,

A. E. Pierce
Local Manager

AEP\cvm

Rec'd 4-8-92 D.A.

**ENTEX
RATE SHEET
RESIDENTIAL SERVICE
RATE SCHEDULE NO. R-1601-1**

APPLICATION OF SCHEDULE

This schedule is applicable to consumers receiving gas for uses usual in a home through a single meter serving a single family dwelling and its related structures. Natural gas supplied hereunder is for the individual use of the customer at one point of delivery and shall not be resold or shared with others.

NET MONTHLY RATE

First	400 cubic feet or less	\$12.09 + \$42425 per 100 cubic feet
Next	2,600 cubic feet	.58827 per 100 cubic feet
Next	7,000 cubic feet	.54703 per 100 cubic feet
Over	10,000 cubic feet	.51095 per 100 cubic feet

\$49033 per 100 cubic feet of gas over 10,000 cubic feet in each of the billing months of May through October, inclusive.

MINIMUM MONTHLY BILL \$12.09

PAYMENT

Bills shall be rendered on a monthly basis and are due and payable within ten (10) days from the date of bill.

PURCHASED GAS ADJUSTMENT PROVISION

The above net monthly rate per unit sold is predicated upon a price of gas purchased for resale hereunder of \$4.2056 per Mcf. To the extent that ENTEX's price of gas to be purchased (adjusted to correct any prior variations from actual costs) for resale hereunder increases or decreases, said net monthly rate shall be adjusted up or down to reflect (i) changes in such cost of gas per unit sold and (ii) changes in gross receipts taxes resulting from such increases or decreases in the net monthly rate. For purposes of calculating said adjustment, it shall be proper for ENTEX to determine its cost of gas from its several suppliers and the gross receipts taxes to be paid on the basis of a logical geographical area.

If ENTEX receives any refunds of any increased cost of purchased gas that have been passed on under this provision, a refund shall be made to consumers served by this rate schedule.

COST OF SERVICE ADJUSTMENT PROVISION

Annually, effective with bills rendered after April 1, 1992, the above net monthly rate shall be adjusted upward or downward for increases or decreases in the cost of providing gas service (including depreciation but excluding cost of gas, gross receipts taxes, income taxes and return) for the previous year ended December 31 above or below such cost incurred in the second prior calendar year. These annual adjustments shall be cumulative. The operating expenses used in this computation shall be those reported to Railroad Commission of Texas in the annual report of ENTEX. A computation shall be made of the amount of such increase or decrease applicable to each customer in the South Texas Division, and the net monthly rate set forth above shall be adjusted upward or downward to reflect such change in the cost of providing gas service.

Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations.

**ENTEX
RATE SHEET
COMMERCIAL SERVICE
RATE SCHEDULE NO. SC-1601-1**

APPLICATION OF SCHEDULE

This schedule is applicable to consumers using gas for purposes other than residential whose consumption in any month is less than 150,000 cubic feet. When a customer uses in excess of 150,000 cubic feet in any month, the consumer shall be billed on the applicable large volume rate schedule. Natural gas supplied hereunder is for the individual use of the customer at one point of delivery and shall not be resold or shared with others.

NET MONTHLY RATE

First	600 cubic feet or less	\$12.61 + \$42425 per 100 cubic feet
Next	6,400 cubic feet	.60889 per 100 cubic feet
Next	8,000 cubic feet	.58827 per 100 cubic feet
Next	15,000 cubic feet	.54703 per 100 cubic feet
Over	30,000 cubic feet	.51095 per 100 cubic feet

\$49033 per 100 cubic feet for gas within the applicable allowable in each of the billing months of May through October, inclusive (see Rate Schedule SCAC-45).

MINIMUM MONTHLY BILL \$12.61

PAYMENT

Bills shall be rendered on a monthly basis and are due and payable within ten (10) days from the date of bill.

PURCHASED GAS ADJUSTMENT PROVISION

The above net monthly rate per unit sold is predicated upon a price of gas purchased for resale hereunder of \$4.2056 per Mcf. To the extent that ENTEX's price of gas to be purchased (adjusted to correct any prior variations from actual costs) for resale hereunder increases or decreases, said net monthly rate shall be adjusted up or down to reflect (i) changes in such cost of gas per unit sold and (ii) changes in gross receipts taxes resulting from such increases or decreases in the net monthly rate. For purposes of calculating said adjustment, it shall be proper for ENTEX to determine its cost of gas from its several suppliers and the gross receipts taxes to be paid on the basis of a logical geographical area.

If ENTEX receives any refunds of any increased cost of purchased gas that have been passed on under this provision, a refund shall be made to consumers served by this rate schedule.

COST OF SERVICE ADJUSTMENT PROVISION

Annually, effective with bills rendered after April 1, 1992, the above net monthly rate shall be adjusted upward or downward for increases or decreases in the cost of providing gas service (including depreciation but excluding cost of gas, gross receipts taxes, income taxes and return) for the previous year ended December 31 above or below such cost incurred in the second prior calendar year. These annual adjustments shall be cumulative. The operating expenses used in this computation shall be those reported to Railroad Commission of Texas in the annual report of ENTEX. A computation shall be made of the amount of such increase or decrease applicable to each customer in the South Texas Division, and the net monthly rate set forth above shall be adjusted upward or downward to reflect such change in the cost of providing gas service.

Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations.

**ENTEX
RATE SHEET
RATE SCHEDULE NO. SCAC-45**

AVAILABILITY

At points on existing facilities of adequate capacity and suitable pressure in the area designated in Company's Rate Book.

APPLICATION

To any commercial or industrial customer who uses gas operated air conditioning equipment alone or in addition to other gas consuming appliances or equipment.

PERIOD

Billing months of May through October, inclusive.

RATE FOR GAS IN EXCESS OF 10,000 CUBIC FEET AND WITHIN THE APPLICABLE MAXIMUM IN ANY ONE BILLING MONTH

49.033 cents* per 100 cubic feet

METHOD OF DETERMINING CHARGE

The maximum volume of gas to be billed at 49.033 cents* per 100 cubic feet under this air conditioning rate for small commercial customers shall not exceed an amount which shall be determined monthly on the basis of the number of tons (name plate) of installed gas air conditioning capacity in accordance with the following schedule:

<u>Billing Month</u>	<u>Cubic Feet Per Ton of Capacity</u>
May	7,000
June	8,000
July	10,000
August	10,000
September	8,000
October	7,000

It is also a condition of this air conditioning rate for small commercial customers that (a) all gas consumption (whether for air conditioning or any other purposes) up to and including 10,000 cubic feet in any billing month covered by this schedule shall be billed at the rate which would otherwise be applicable in the absence of this air conditioning rate for small commercial customers, that (b) all gas consumption in excess of 10,000 cubic feet and the maximum set forth above, shall be billed at 49.033 cents* per 100 cubic feet and that (c) all gas consumption in excess of such sum shall be billed as though it had been in excess of 10,000 cubic feet under the rate schedule which would otherwise be applicable in the absence of this air conditioning rate for small commercial customers.

PURCHASED GAS COST ADJUSTMENT

See applicable Small Commercial Rates.

MINIMUM MONTHLY BILL AND GROSS AND NET BILLING

As provided for in the rate schedule which would otherwise be applicable in the absence of the air conditioning rate for small commercial customers.

**ENTEX
RATE SHEET
RATE SCHEDULE NO. SCAC-45**

CONTRACT PERIOD

Except in the cases of service to governmental agencies whose bills are paid entirely out of public funds, gas service shall not be available at prices specified in this schedule unless service shall have been contracted for by means of a written instrument signed by the Customer.

* See applicable small commercial rate schedule for current level.

Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations.

AN ORDINANCE GRANTING ENTEX, A DIVISION OF ARKLA, INC., ITS SUCCESSORS AND ASSIGNS, THE RIGHT, PRIVILEGE AND FRANCHISE FOR A PERIOD OF TWENTY (20) YEARS TO CONSTRUCT, LAY, MAINTAIN, OPERATE, EXTEND, REMOVE, REPLACE AND REPAIR A SYSTEM OF PIPELINES, GAS MAINS, LATERALS AND ATTACHMENTS AND ALL DESIRABLE INSTRUMENTALITIES IN, UNDER, OVER, ACROSS AND ALONG ANY AND ALL STREETS, AVENUES, PARKWAYS, SQUARES, ALLEYS AND ALL OTHER PUBLIC PLACES IN THE CITY OF INGLESIDE ON THE BAY, SAN PATRICIO COUNTY, TEXAS, FOR THE PURPOSE OF TRANSPORTING, DISTRIBUTING, SUPPLYING AND SELLING GAS (NATURAL AND/OR ARTIFICIAL AND/OR MIXED) FOR HEATING, LIGHTING, POWER, AND FOR ALL OTHER PURPOSES FOR WHICH GAS MAY BE USED, TO THE MUNICIPALITY OF SAID CITY OF INGLESIDE ON THE BAY, SAN PATRICIO COUNTY, TEXAS AND ITS INHABITANTS AND OTHERS; PROVIDING CONDITIONS CONTROLLING THE USE OF PUBLIC THOROUGHFARES AND EXTENSIONS THEREIN; ESTABLISHING STANDARDS OF SERVICE; PROVIDING FOR PAYMENT OF THREE PERCENT (3%) OF THE GROSS RECEIPTS FROM THE SALE OF GAS TO RESIDENTIAL AND SMALL COMMERCIAL CUSTOMERS AT RESIDENTIAL AND SMALL COMMERCIAL RATES WITHIN THE CITY; PROVIDING FOR ACCEPTANCE; PROVIDING A SEVERABILITY CLAUSE; MAKING MISCELLANEOUS PROVISIONS; AND REPEALING ALL ORDINANCES IN CONFLICT HEREWITH.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF INGLESIDE ON THE BAY:

SECTION 1. The City of Ingleside on the Bay, San Patricio County, Texas (herein called "Grantor") does hereby grant unto Entex, a division of Arkla, Inc., its successors and assigns (herein called "Grantee") the right, privilege, and franchise to construct, lay, maintain, operate, use, extend, remove, replace and repair in, under, over, across, and along any and all of the present and future streets, avenues, parkways, squares, alleys, thoroughfares, roads, highways, sidewalks, viaducts, bridges, streams, public grounds, public properties, and other public places in the City of Ingleside on the Bay, and in all tracts, territories, and areas hereafter annexed to or acquired by and placed within the corporate boundaries of said municipality, a system, of pipes, pipelines, gas mains, laterals, conduits, feeders, regulators, meters, fixtures, connections, and attachments and other desirable instrumentalities and appurtenances necessary or proper, for the purpose of transporting, distributing, supplying and selling gas (natural and/or artificial and/or mixed) for heating, lighting, power and for any other purpose for which gas may now or hereafter be used, in and to said municipality and its inhabitants or any other person or persons within or without the corporate boundaries of said municipality.

SECTION 2. Grantee's property shall be so constructed and maintained as not to interfere unreasonably with traffic over the public thoroughfares of said municipality and the same shall be laid in accordance with the lines, grades, and conditions established by Grantor.

SECTION 3. Grantee shall not be required to run or extend any gas mains or service lines comprising a part of its distribution system a distance exceeding one hundred (100) feet of pipe, not to exceed a diameter of two (2) inches, in order to bring gas service to the property line of each additional customer.

SECTION 4. The service furnished hereunder to said municipality and its inhabitants shall be first-class in all respects considering all circumstances and shall be subject to such reasonable rules and regulations as Grantee may make from time to time. Grantee may require reasonable security for the payment of its bills.

SECTION 5. In consideration of the rights and privileges herein granted, Grantee agrees to pay to the Grantor quarterly during the continuance of this franchise a sum of money equal to three percent (3%) of the gross receipts for the preceding calendar quarter received by the Grantee after the effective date of this franchise from the sale of gas to residential and small commercial customers at residential and small commercial rates within the corporate limits of the Grantor. For purposes of this franchise, residential and small commercial customers shall be customers charged residential and small commercial rates in accordance with Grantee's rate schedules and tariffs which are filed with Grantor from time to time and which are in effect. Payments hereunder shall be calculated on the basis of gross receipts from the sale of gas delivered to residential and small commercial customers at residential and small commercial rates within the corporate limits of Grantor during the calendar quarter next preceding that on account of which the payment is made and shall be payable on or before the first day of February, May, August or November of the calendar quarter for which payment is made, beginning with the first day of May next following the effective date of this franchise and each and every May 1st, August 1st, November 1st and February 1st thereafter. Upon receipt of the above amount of money, the City Secretary shall deliver to the Grantee a receipt for such amount.

Grantor, in accordance with Section 5.07 of the Gas Utility Regulatory Act, herewith finds that Grantee is entitled to recover in its rates the amounts payable to Grantor under this Section 5. To ensure that Grantee's rates are just and reasonable, Grantor herewith orders Grantee to revise its rate schedules as necessary to recover fully from residential and small commercial customers within the corporate limits of Grantor the amounts payable to Grantor as set forth in this Section 5. Such rate schedules shall be filed with the Grantor and shall be effective with bills rendered on and after April 1, 1992.

If the Legislature of the State of Texas amends the ceiling on gross receipts payments established by Tex. Tax Code §182.025, then Grantor may prospectively change the percentage established by this franchise so that said percentage shall be consistent with such amendment; provided, however, that such change shall not become effective unless and until Grantor shall have approved and authorized rate schedules acceptable to Grantee which will permit Grantee to fully recover through its rates effective within the corporate limits of Grantor any increase in amounts payable to Grantor hereunder resulting from such change.

Upon request of the Grantor, Grantee shall present to it any and all records, accounts and books for inspection relative to the gross receipts of Grantee within the corporate limits of the Grantor.

The consideration hereinabove set forth shall be paid and received in lieu of any license, charge, fee, street or alley rental or other character of charge for use and occupancy for the streets, alleys and public places within Grantor, and in lieu of any pipe tax or inspection fee or tax, but shall not in anywise increase or diminish Grantee's obligation to pay the Grantor ad valorem taxes or anywise interfere with collection thereof.

Any special taxes, rentals or other charges accruing after the effective date of this franchise, under the terms of any preexisting ordinance, or imposed upon Grantee by subsequent action of the Grantor shall, when paid to the Grantor, be applied as a credit to the amount owed to the Grantor under the terms of this franchise agreement.

SECTION 6. Grantee shall hold Grantor harmless from all expenses or liability for any unlawful or negligent act of Grantee hereunder.

SECTION 7. Nothing herein contained shall ever be held or considered as conferring upon Grantee and its successors and assigns any exclusive rights or privileges or any nature whatsoever.

SECTION 8. All ordinances and parts of ordinances in conflict herewith are hereby repealed.

SECTION 9. This franchise shall take effect and continue and remain in effect for a period of twenty (20) years from and after the date which is thirty (30) days after the date of final passage of this Ordinance, provided Grantee files a written acceptance of this franchise with Grantor within thirty (30) days after the date of final passage of this Ordinance.

SECTION 10. If any provision, section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be unconstitutional, void, or invalid (or for any reason unenforceable), the validity of the remaining portions of this ordinance shall not be affected thereby, it being the intent of the Grantor in adopting this ordinance that no portion hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality or invalidity of any other portion, provisions or regulation, and to this end, all provisions of this ordinance are declared to be severable.

Read in full, passed and adopted at a regular meeting of the City Council of the City of Ingleside on the Bay, Texas, on the 17th day of March, 1992, and approved by the Mayor.

ATTESTED AND AUTHENTICATED:

Duane Hargrave
CITY SECRETARY OF THE CITY OF
INGLESIDE ON THE BAY, TEXAS

APPROVED AND AUTHENTICATED:

A. D. Roberts
MAYOR OF THE CITY OF
INGLESIDE ON THE BAY, TEXAS

COUNTY OF SAN PATRICIO

§

I, Virginia Hargrave, the duly appointed, qualified and acting City Secretary of the City of Ingleside on the Bay, Texas do hereby certify:

- (1) that the above and foregoing ordinance was introduced in written or printed form;
- (2) that the above and foregoing ordinance of the City of Ingleside on the Bay was passed and adopted at a regular meeting of the City Council of the City of Ingleside on the Bay held on the 17th day of March, 1992, at which meeting the Mayor and Councilmen Robert D. Brown, Gregory Olsen, Lillie M. Dawson, Edgar Jener, and Keith Legner, were present at said meeting, constituted a quorum and acted as the City Council throughout; that a majority of the Councilmen attending voted in favor of said ordinance; that said ordinance was approved by the Mayor; and that said ordinance was recorded at Page 2, Book 1, Minutes of the Proceedings of said City Council.

EXECUTED under my hand and the official seal of the City of Ingleside on the Bay, Texas, at said City, this 17 day of March, 1992.

Virginia Hargrave
CITY SECRETARY OF THE CITY OF
INGLESIDE ON THE BAY, TEXAS

(SEAL)



TO THE CITY OF INGLESIDE ON THE BAY, TEXAS:

Entex, a division of Arkla, Inc., for itself, its successors and assigns, hereby accepts the above and foregoing ordinance and agrees to be bound by all of its terms and provisions.

ENTEX, a division of ARKLA, INC.

By *R. L. H. H. H. H. H.*
Vice President

DATED the 10 day of April, 1992.

NOTE TO THE CITY SECRETARY:

Please do not complete the certificate below until an officer of Entex, a division of Arkla, Inc., has executed the Acceptance above.

THE STATE OF TEXAS §

COUNTY OF SAN PATRICIO §

I, the duly appointed, qualified and acting City Secretary of the City of Ingleside on the Bay, Texas, hereby certify that the above and foregoing Acceptance was received and filed in the office of the City Secretary of the City of Ingleside on the Bay on the 16th day of April, 1992.

EXECUTED under my hand and the official seal of the City of Ingleside on the Bay, Texas, at said City, this 16th day of April, 1992.



Diana H. H. H. H.
CITY SECRETARY OF THE CITY OF
INGLESIDE ON THE BAY, TEXAS

BEFORE ME, the undersigned authority, a Notary Public in and for the State and County aforesaid, on this day personally appeared Virginia Hargrove, known to me to be a credible person, who upon his oath deposes and says:

I am the City Secretary of the City of Ingleside on the Bay, Texas, a municipality incorporated under the provisions of Chapter 11, Title 28 of the Revised Civil Statutes of Texas (1925), a have acted in such capacity during the period of time covered by this affidavit. On the 17th day of March, 1992, the City Council of said City of Ingleside on the Bay, a regular meeting of said City Council, enacted an ordinance (No. 1992-2, Book 1, Pages 2 through - -) granting Entex, a division of Arkla, Inc., its successors and assigns, the right, privilege and franchise for a period of twenty (20) years to construct, lay, maintain, operate, extend, remove, replace and repair a system of pipelines, gas mains, laterals and attachments and all desirable instrumentalities in, under, over, across and along any and all streets, avenues, parkways, squares, alleys and all other public places in the City of Ingleside on the Bay, San Patricio County, Texas, for the purpose of transporting, distributing, supplying and selling gas (natural and/or artificial and/or mixed) for heating, lighting, power and for all other purposes for which gas may be used, to the municipality of said City of Ingleside on the Bay, Texas, and its inhabitants and others; providing conditions controlling the use of public thoroughfares and extensions therein; establishing standards of service; providing for acceptance; providing a severability clause; making miscellaneous provisions; and repealing all ordinances in conflict. After the enactment of the above-described ordinance, the full text thereof was published by posting the same for at least ten days, between the 20th day of March, 1992 and the 4th day of April, 1992 in the following three public places in said City of Ingleside on the Bay:

1. Bahia Marina Restaurant, Ingleside On The Bay, Tx
2. The Lady Belle Restaurant, Ingleside On The Bay, Tx
3. City Triangle Park, Ingleside On The Bay, Tx

Virginia Hargrove
CITY SECRETARY OF THE CITY OF
INGLESIDE ON THE BAY, TEXAS

SUBSCRIBED AND SWORN TO BEFORE ME, the undersigned notary public,
by G. D. Hargrove, on this 7th day of April,
1992, to certify which witness my hand and seal of office.

G. D. Hargrove
NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

(SEAL)