CHAPTER 78-3.1. GAS FRANCHISE - CONSUMERS POWER COMPANY

- 7.500. <u>Grant Term.</u> The City of Frankenmuth, Saginaw County, Michigan, hereby grants to the Consumers Power Company, a Michigan corporation, its successors and assigns, hereinafter called the "Grantee," the right, power and authority to lay, maintain and operate gas mains, pipes and services on, along, across and under the highways, streets, alleys, bridges and other public places, and to do a local gas business in the City of Frankenmuth, Saginaw County, Michigan for a period of thirty years.
- 7.501. <u>Consideration</u>. In consideration of the rights, power and authority hereby granted, said Grantee shall faithfully perform all things required by the terms hereof.
- 7.502. <u>Conditions.</u> No highway, street, alley, bridge or other public place used by said Grantee shall be obstructed longer than necessary during the work of construction or repair, and shall be restored to the same order and condition as when said work was commenced. All of Grantee's pipes and mains shall be so placed in the highways and other public places as not to unnecessarily interfere with the use thereof for highway purposes.
- 7.503. <u>Hold Harmless</u>. Said Grantee shall at all times keep and save the City free and harmless from all loss, costs and expense to which it may be subject by reason of the negligent construction and maintenance of the structures and equipment hereby authorized. In case any action is commenced against the City on account of the permission herein given, said Grantee shall, upon notice, defend the City and save it free and harmless from all loss, cost and damage arising out of such negligent construction and maintenance.
- 7.504. Extensions. Said Grantee shall construct and extend its gas distribution system within said City, and shall furnish gas to applicants residing therein in accordance with applicable laws, rules and regulations.
- 7.505. <u>Franchise Not Exclusive.</u> The rights, power and authority herein granted, are not exclusive. Either manufactured or natural gas may be furnished hereunder.
- 7.506. <u>Rates.</u> Said Grantee shall be entitled to charge the inhabitants of said City for gas furnished therein, the rates as approved by the Michigan Public Service Commission, to which Commission or its successors authority and jurisdiction to fix and regulate gas rates and rules regulating such service in said City, are hereby granted for the term of this franchise. Such rates and rules shall be subject to review and change at any time upon petition therefor being made by either said City, acting by its City Council, or by said Grantee.
- 7.507. <u>Revocation.</u> The franchise granted by this ordinance is subject to revocation upon sixty (60) days written notice by the party desiring such revocation.
- 7.508. <u>Michigan Public Service Commission, Jurisdiction.</u> Said Grantee shall, as to all other conditions and elements of service not herein fixed, be and remain subject to the reasonable rules and regulations of the Michigan Public Service Commission or its successors, applicable to gas service in said City.
- 7.509. Construction Notice. Before Grantee enters any street, alley, bridge, or public place to construct or install any mains, pipes, services or apparatus, it shall give the City Manager of the City of Frankenmuth, or such other duly authorized agent of the City as the Mayor and City Council shall designate from time to time, written notice at least four (4) days in advance describing the work to be performed. All pipes, mains, services or other apparatus shall be so constructed or installed as not to damage unnecessarily any drains, sewers, catch basins, water pipes, pavement or other public improvements, but should any drain, sewer, catch basin, water pipe, pavement or other like improvement be damaged by Grantee, said Grantee shall forthwith repair the damage to the satisfaction of the

City; provided that, such damage was not caused by the failure of the City to comply with 1974 PA 53, commonly known as the "Miss Dig Act." In the event that Grantee fails to fulfill its obligation hereunder to repair damage to any drain, sewer, catch basin, water pipe, pavement or other like improvement, the City may repair such damage and charge the cost thereof and collect the same from Grantee. However, nothing herein shall preclude the Grantee from immediately commencing construction when necessary to prevent imminent danger to life or property, and in such case, the Grantee shall notify the City's agent, as described herein, of said construction as soon as reasonably possible.

7.510. <u>City Jurisdiction</u>. The Grantee shall be subject to all reasonable regulations which may now or hereafter be prescribed by ordinance with respect to the use of public streets, alleys, avenues and other public places in the City; provided, however, that nothing herein shall be construed as a waiver by Grantee of any of its existing or future rights under state or federal law.

7.511. Effective Date. This ordinance shall take effect upon the 29th of April, 1991, but shall not be less than twenty days from date of adoption, provided however, it shall cease and be of no effect after thirty days from its adoption unless within said period the Grantee shall accept the same in writing filed with the City Clerk. Upon acceptance and publication hereof, this ordinance shall constitute a contract between said City and said Grantee.

Editor's Note: This Ordinance was adopted in its entirety by Ordinance No. 91-6, 04-09-1991.