



City of Pattison, Texas

Ordinance No. 177-2024

**AN ORDINANCE OF THE CITY OF PATTISON, TEXAS
GRANTING A NON-EXCLUSIVE FRANCHISE TO SAN
BERNARD ELECTRIC COOPERATIVE, INC.**

WHEREAS, San Bernard Electric Cooperative, Inc. is engaged in the business of furnishing and supplying electricity; and

WHEREAS, the City Council of the City of Pattison wishes to secure the supply of electricity for the city and its citizens at a rate that is reasonable and fair to all parties; and

WHEREAS, in supplying such electricity, San Bernard Electric requires use of the public streets, alleys and other public property of the city under the terms of this ordinance, which is hereby duly passed by the City Council and proposed to be duly accepted by San Bernard Electric Cooperative, Inc.; and

WHEREAS, the City Council finds that granting a franchise to San Bernard Electric Cooperative, Inc. under the terms of this Ordinance is in the best interest of the city and its citizens;

NOW, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PATTISON, TEXAS:

Section 1 – Findings.

1.1 All of the facts recited above are hereby found to be true and correct and are hereby adopted.

Section 2 – Definitions.

The following definitions apply:

2.1 "City" shall mean the City of Pattison, Texas, including all territory that currently is, or might in the future be, included within the boundaries thereof.

2.2 "Company" shall mean San Bernard Electric Cooperative, Inc., a Texas electric cooperative.

2.3 "Effective Date" means the date on which this franchise becomes effective.

4.2 The franchise fee payable hereunder shall be the total compensation payable by the Company to the City for the Company's use of Public Rights of Way for the conduct of its business under this franchise. The City shall not separately charge the Company or its contractors for the use or occupancy of the Public Rights of Way in the City. If the City imposes any such charges, the Company may deduct the amount charged from future franchise payments until they are fully offset.

4.3 The Company shall carry out all construction, maintenance and operations in accordance with the System Standards. Company must comply with the City's Right of Way Management Ordinance, as amended.

4.4 The right, license, privilege and permission is hereby granted to the Company to keep the utility area free and clear of any and all obstructions, except fences. The Company shall have the right to remove, cut down and chemically treat with herbicides all trees, shrubbery and vegetation within said utility area and the right to remove, cut, and trim from time to time all dead, weak, leaning or dangerous trees and vegetation adjacent to, and outside of, the utility area that are tall enough to strike the wires or cables if they fall, so as to prevent the branches of such trees and vegetation from coming in contact with the System. The utility area shall include the Public Rights of Way where the Company has or will have System components. The Company shall immediately clean up all limbs or other trimmings left as a result of its tree trimming activities and shall not leave any limbs or other trimmings in City ditches or other areas impacting the City's drainage system.

4.5 The Company shall give the City reasonable notice of the dates, locations, and nature of work to be performed on the System within Public Rights of Way. Following completion of the work, the Company shall repair the affected Public Rights of Way as soon as possible, and in all cases, it shall comply with all city ordinances governing time periods and standards relating to excavating in the Public Rights of Way. Public Rights of Way may not be encumbered by the Company's work for a longer period than shall be necessary.

4.6 On the written request of any person, the Company shall remove, raise or lower its wires temporarily to permit construction work in the vicinity thereof or to permit the transport of cargo, provided the request can be accommodated in compliance with the System Standards. The Company may charge for such temporary removal, raising or lowering of wires, and the benefited party or parties may be required to pay the charges in advance. The Company shall be provided not less than 48 hours advance notice to arrange for such services.

4.7 The City shall require its employees and contractors to comply with all applicable laws, statutes, codes and standards when working near the Company's System and to report as soon as practicable any damage done to the Company's System. The Company also agrees to report as soon as practicable any damage done to the City's facilities in the course of work performed by the Company and its contractors.

c. fees for products or services which are for other than direct consumption of electricity or broadband service (e.g., connection charges, meter installation, etc.).

7.2 The Company shall pay to the City a monthly franchise fee in the amount of 4% of its Gross Revenues, payable by 5:00 p.m. on the last day of the calendar month following the calendar month in which the Gross Revenues were charged. If any such day falls on a weekend or a legal holiday, the date for payment shall be the next business day. Thereafter, interest shall accrue at the Interest Rate on unpaid amounts until they are paid.

7.3 By April 30 of each year, the Company shall furnish to the City a verified statement under oath setting forth its total Gross Revenues for the prior calendar year.

Section 8 – Audits and Inquiries.

8.1 The City may conduct an audit or other inquiry, or it may commence a cause of action, in relation to the payment of the franchise fee only if such audit, inquiry or cause of action concerns a payment made less than 2 years before commencement of such audit, inquiry or cause of action. The City shall bear the costs of any such audit or inquiry. Costs connected with a cause of action shall be taxed and paid in accordance with applicable laws and rules.

8.2 All books and records related to the Company's revenues under this franchise shall be available to the City. Upon receipt of a written request from the City, such documents shall be made available for inspection and copying no later than 30 days from the receipt of such request. Amounts due to the City for past underpayments shall include interest at the Interest Rate from the date the initial payment was due until it is paid. Amounts due to the Company for past overpayments shall include interest at the Interest Rate from the date the payment was made until it is repaid.

Section 9 - Annexation.

9.1 In the event the City annexes or disannexes property, it shall notify the Company in writing, describing the property and the date of annexation or disannexation, as applicable. Franchise fees shall accrue with respect to annexed property beginning on the later of the date of annexation or the 60th day after notice is provided. Franchise fees shall cease with respect to the disannexed property beginning on the date it is disannexed.

Section 10 - Notices.

10.1 Except as otherwise provided, all notices must be made in writing and delivered in person, by email or by United States mail to the Company and the City as follows.

San Bernard Electric Cooperative, Inc.

By: 

Name: MIKE ABLES

Title: CEO

Dated MARCH 25, 2024.

13.2 Failure to timely deliver such acceptance shall invalidate this ordinance in its entirety. Otherwise, this ordinance shall take effect upon the date of the Company's acceptance.

Section 14 – Governing Law and Venue.

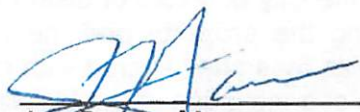
14.1 This franchise shall be governed by the Laws of the State of Texas, and venue for any legal action shall be in the county in Waller County, Texas.

Section 15 – Successors and Assigns

15.1 This franchise shall inure to the benefit of, and be binding upon, the successors and assigns of the City and the Company.

PASSED, APPROVED, AND ADOPTED on March 14, 2024.

City of Pattison, Texas


Joe Garcia, Mayor

ATTEST:


Lorene Hartfiel, Secretary