

SMITHS GROVE CITY COMMISSION

ORDINANCE NUMBER 14-001 550.00

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AN ORDINANCE PROVIDING FOR THE SALE OF AN EXCLUSIVE FRANCHISE FOR THE CONSTRUCTING, TRANSPORTING, OPERATING, MAINTAINING AND DISTRIBUTING NATURAL GAS ALONG AND UNDER PUBLIC RIGHT OF WAY WITHIN THE CITY OF SMITHS GROVE, KENTUCKY.

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WHEREAS; the existing natural gas franchise agreement between the City of Smiths Grove, Kentucky and Atmos Energy Corporation expires on July 27, 2014; and,

WHEREAS; the City has determined that it is in the best interest of its citizens to create and offer for sale a new natural gas franchise,

NOW, THEREFORE BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF SMITHS GROVE, KENTUCKY that the Mayor of the City, or such other person as the Mayor may designate, shall offer for sale, to the highest and best bidder, a non-exclusive franchise to enter upon, acquire, construct, operate, maintain and repair in the public right of way of the City, a gas distribution system within the corporate boundaries of the City, subject to the provisions of the Franchise Agreement attached hereto and incorporated herein by reference.

The Mayor, or such other person as the Mayor may designate, shall, as soon as practicable after passage of this Ordinance, offer for sale, under sealed public bids, the franchise and privileges created herein. Such bids shall be in writing and shall be delivered to the Mayor or his designee, at City Hall, Smiths Grove, Kentucky, by 5:00 p.m. on May 1, 2014 (the "Bid Deadline"). Advertisements for such bids shall be published in accordance with the requirements of KRS Chapter 424. All costs for such advertisements shall be borne by the successful Franchisee.

Sealed bids offered for the purchase of this franchise shall be publicly opened and read at 3:00 p.m. C.S.T. on May 5, 2014. All bids shall state the bidder's acceptance of the terms and provisions set forth in the attached franchise agreement.

The Mayor shall present all written bids to the City of Smiths Grove at its first meeting scheduled after the Bid Deadline for the City's consideration and approval. The City reserves the right to accept any bid, to reject any and all bids received, to waive any irregularities or informalities in awarding the franchise and to accept what, in its opinion, is the best responsive and responsible bid. In the event all bids are rejected, the City

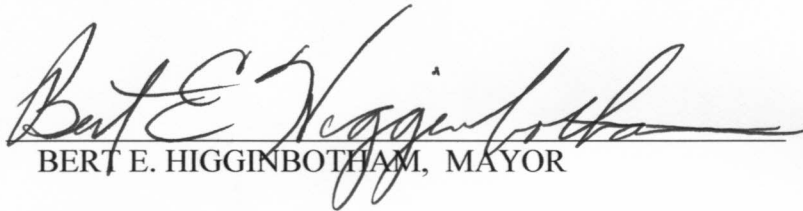
reserves the right to direct by resolution or ordinance that the franchise created hereunder be offered again for sale until a satisfactory bid is received and approved.

The franchise created by this ordinance shall become effective when the franchise agreement is signed by the successful bidder and the City.

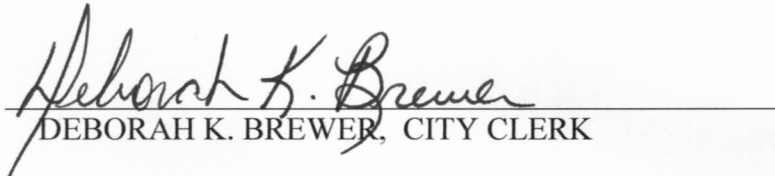
Passed on First Reading by roll call vote the 24th day of February, 2014.

Passed by roll call vote and adopted on Second Reading the 24th day of March, 2014.

APPROVED:


BERT E. HIGGINBOTHAM, MAYOR

ATTEST:


DEBORAH K. BREWER, CITY CLERK

