

ORDINANCE No. 99

AN ORDINANCE granting to the Alexandria Gas Company, its successors and/or assigns, a franchise authorizing the acquisition, construction, maintenance and operation within the City of Alexandria, Virginia, of a plant for the manufacture, storage, and utilization of gas, together with the right to acquire, construct, maintain and operate in, under, across and along the streets, alleys, bridges and other public places of the City as the same now exist or may hereafter be laid out, pipes, mains, conduits and all necessary and desirable or convenient appurtenances for the distribution of either manufactured or natural gas, for the purpose of supplying gas to the City Council of Alexandria and the inhabitants thereof and business interests therein for light, heat, power, or any other purpose for which gas is now or may hereafter be used.

WHEREAS, pursuant to the provisions of an Ordinance of the City Council of Alexandria adopted and approved on August 7th, 1930, and after due advertisement of the same, bids in writing were received for the purchase of the Gas Generating and Storage Plant and the real estate upon which said plant is located (less and except that parcel upon which the unloading trestle of the Southern Railway is erected, with the privilege, however, to use the same as provided

in said Ordinance) and personal property used in connection with said plant, and the Gas Distribution System, including all mains, pipes and other appurtenances used in connection therewith, owned and operated by the City Council of Alexandria, and for a franchise authorizing the acquisition, construction, maintenance and operation within the City of Alexandria of a plant for the manufacture, storage and utilization of gas, together with the right to acquire, construct, maintain and operate in, under, across and along the streets, alleys, bridges and other public places of the City as the same now exist or may hereafter be laid out, pipes, mains, conduits and all necessary, desirable and convenient appurtenances for the distribution of either manufactured or natural gas, for the purpose of supplying gas to the City Council of Alexandria, to the inhabitants of said City and the manufacturing and business interests located therein, and elsewhere, for light, heat, power, or any other purpose for which gas is now or may hereafter be used; and

WHEREAS, after due consideration of the bids so received and in full compliance with the law in such cases made and provided, the bid of the Seaboard Investment Trust was accepted by the City Council as the highest and best bid, by an affirmative vote of more than three-fourths of all the members elected to said Council; and

WHEREAS, the said Seaboard Investment

Trust has assigned to the Alexandria Gas Company all of its right, title and interest in said franchise and its right to acquire the said Gas Generating and Storage Plant and Distribution System of the City Council of Alexandria, under the terms of said Ordinance No. 97 of the City Council of Alexandria, and the said bid of the Seaboard Investment Trust which was duly accepted by said Council, and has notified the said City Council of Alexandria in writing of said assignment,

THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF ALEXANDRIA, VIRGINIA:

1. That a franchise be, and the same is hereby granted to the ALEXANDRIA GAS COMPANY, its successors and/or assigns (hereinafter generally referred to as GRANTEE) to acquire, construct, maintain and operate with the City of Alexandria, Virginia, a plant for the manufacture, storage, and utilization of coke and gas, and the by-products thereof, together with the right to acquire, construct, maintain and operate in, under, across and along the streets, alleys, bridges and other public places of the City as the same now exist or may hereafter be laid out, pipes, mains, conduits and all necessary, desirable and convenient appurtenances for the distribution of either manufactured or natural gas, for the purpose of supplying gas to the City Council of Alexandria, to the inhabitants of said City and the

manufacturing and business interests located therein, for light, heat, power or any other purpose for which gas is now or may hereafter be used.

2. That the said pipes, mains, conduits and appurtenances shall be subject as to location to the approval of such City officials as Council may designate from time to time, and shall be so constructed as to interfere as little as possible with the property, streets, alleys and public places of said City. The location of all gas pipes and conduits shall be under the supervision of the City Engineer. Whenever the said GRANTEE, its successors and/or assigns, shall begin the erection of any pipes, mains, conduits or appurtenances, they shall diligently and promptly execute such work and leave the streets, sidewalks, and alleys where the work was done in as good condition of repair and construction as before the work was commenced, and shall repair any damage to streets or sidewalks settling over fills made necessary by such work.

The City Council shall have the right, for reasons of public interest or convenience, or private interests or convenience, to change the location of any pipes, conduits or appurtenances of the GRANTEE, and if such change be made for public interests or convenience, such change shall be made at the cost of the GRANTEE; if such change shall be made for private interests or convenience, such change shall be made at the cost of the GRANTEE or private person requiring such

change, or both, as the Council shall determine.

3. All the powers of the City Council of Alexandria for the promotion and preservation of public safety and for the requirement of high class public service are hereby expressly reserved. GRANTEE agrees that in case of fire or other emergency, upon the request of the Chief of Police or the Chief of the Fire Department, or any duly authorized representative of said Council, to cooperate with the Council and its departments so as to reduce any dangers from gas to a minimum.

4. The GRANTEE, its successors and/or assigns, shall for the full term of this franchise, provide and furnish adequate and efficient public service of gas for light, heat and power purposes, or other purposes for which gas may be used, to the inhabitants of the City of Alexandria, at just and reasonable rates.

The rates to be charged to all patrons within the City limits, taking gas for domestic or commercial uses, shall not exceed the following:

For the first 50,000 cu. ft. used per month, \$1.15 per 1,000 cu. ft.

For the second 50,000 cu. ft. used per month, \$1.00 per 1,000 cu. ft.

For all over 100,000 cu. ft. used per month, \$0.85 per 1,000 cu. ft.

If not paid on or before ten days after rendition of the bill ten per cent (10%) will be added. A minimum charge of \$1.00

per month for 700 cubic feet of gas or less will be made.

These rates are based on heat properties of 600 British Thermal Units when delivered to consumer, and upon the decrease of the heat properties of the gas furnished, the GRANTEE shall correspondingly decrease the rates to consumers, provided that in no event the heat properties of the gas furnished be less than 535 British Thermal Units. If the said GRANTEE shall either with or without the consent of the State Corporation Commission increase the maximum rates herein provided, then the City Council shall have the right to declare the contract at an end and to purchase the property of the GRANTEE used in the manufacture and distribution of gas in the manner provided in Paragraph 14 hereof. The GRANTEE will furnish free blowout service for all customers within the City limits. Stoves will be connected free of charge when no material is used. The GRANTEE will furnish free service connections from gas mains not to exceed fifty feet from the curb-line for all domestic consumers, all in excess of fifty feet to be paid for by consumers.

5. The GRANTEE will furnish to the City of Alexandria for municipal purposes gas at the maximum rate of eighty-five cents (85c) per thousand cubic feet.

6. The money now in the hands of the City Council, deposited by gas consumers for meters, shall be turned over, together with a complete record of the same, to the

GRANTEE, to be held on the same terms and conditions upon which the said money is now held by the City Council of Alexandria, the said GRANTEE to pay the consumers three per cent (3%) per annum from date of delivery of deposit to GRANTEE payable when the said deposit or any residue thereof is returned.

7. The GRANTEE shall have four months from the completion of the sale and the granting of the franchise and the acceptance of the same within which to supply the required gas of 600 b. t. u., during which period the present rates to the consumers of gas and the terms of payment shall remain in full force and effect.

8. By acceptance of the franchise hereby granted, the GRANTEE, for itself and for its successors and/or assigns, hereby acknowledges and accepts the rates herein specified to be charged as just, reasonable and adequate, and under proper and competent management will make a satisfactory and fair return on the capital invested at the price offered therefor, and the amount paid shall be taken as a fair price for valuation purposes.

9. The materials to be used and the manner of construction and installation to be followed by the GRANTEE under this ordinance shall be such as are used and followed by similar GRANTEES doing a similar business in cities of approximately the same size as the City of Alexandria.

10. By acceptance of the franchise here-

by granted, the GRANTEE, for itself and for its successors and/or assigns, hereby agrees to defend at its own cost, and indemnify and save harmless, the City of Alexandria from all claims for losses, costs or expenses, to which the said City may be subjected for any damage or destruction that may be done or suffered by any one in person or property by reason of negligence in the erection, construction, or maintenance of the works of the GRANTEE as herein provided.

11. The GRANTEE herein, its successors and/or assigns, shall use due diligence to meet the demands for gas for the City of Alexandria and the inhabitants thereof, and shall keep itself in readiness to serve those connected with its lines and works.

12. The rights, privileges and franchise hereby granted shall continue for a period of thirty years from the passage and approval of this Ordinance.

13. The GRANTEE shall, within sixty days from the granting and acceptance of this franchise, commence and diligently carry to a conclusion the construction and installation of gas mains and conduits and appropriate appurtenances in the territory which became a part of the City of Alexandria through annexation proceedings on January 1st, 1930, and particularly in the sections known as Cottage Park, Park Addition, Del Ray, St. Elmo, Abingdon, Mount Ida, Rose Crest, Jefferson Park, Braddock, Braddock Heights, and all other sections of the pres-

ent City of Alexandria where the occupancy of the territory justifies, for the purpose of supplying gas to the inhabitants of said sections.

14. At the expiration of the period for which this franchise is granted, unless a new franchise be granted to the GRANTEE herein, the City Council of Alexandria shall have the right to purchase the property of the GRANTEE within the corporate limits of said City, used or useful in the business of the said GRANTEE conducted under the franchise, at a price or prices and upon such terms as may be mutually agreed upon between the said City Council of Alexandria and the said GRANTEE, its successors and/or assigns; provided, however, that should the City Council of Alexandria elect to purchase, and should the above mentioned parties be unable to agree upon such price or prices, and the terms of payment for the property to be purchased, then the property to be purchased, and the price or prices therefor and the terms of payment shall be determined by arbitration, one arbitrator to be appointed by the City, one by the GRANTEE, and the third (in case of disagreement between the arbitrators) by the two so appointed, and in the event of the two being unable to agree within thirty (30) days after the date upon which the latter of the two was appointed upon said price or prices and the terms for the purchase of said property, or to agree upon a third arbitrator, the third shall be appointed by the then Judge of the

16th Judicial Circuit of Virginia, and the determination of a majority of the three so chosen shall be binding upon the parties. In the event that the GRANTEE herein, its successors and/or assigns, should fail, within fifteen (15) days after due notice in writing, to select its arbitrator as herein provided, such selection shall be made by the then Judge of the 16th Judicial Circuit of Virginia, and the person so selected shall have and be vested with the same power and authority as if he had been duly selected as herein provided.

15. Upon the acceptance of this Ordinance, the GRANTEE shall enter into bond with security or surety approved by the City Council payable to the City Council of Alexandria in the penalty of \$50,000, and conditioned that the GRANTEE, its successors and/or assigns, during the term of this grant, will provide and furnish efficient public service within the corporate limits of the City of Alexandria at reasonable rates, and will, during such term, maintain and keep the property used in such service in good order.

APPROVED this 26th day of September, 1930.

CARROLL PIERCE,
Mayor.