

**ORDINANCE NO. 2011 - 12**

**CITY OF ST CLAIR  
ST CLAIR COUNTY, MICHIGAN**

**AN ORDINANCE OF THE CITY OF ST. CLAIR, ST. CLAIR COUNTY, MICHIGAN  
GRANTING A FRANCHISE TO SEMCO ENERGY GAS COMPANY**

**THE CITY OF ST. CLAIR ORDAINS:**

**Section 1. Grant of Franchise**

The City of St. Clair, located in St. Clair County, Michigan, grants to SEMCO Energy Gas Company, a division of SEMCO Energy, Inc., a Michigan corporation, "Grantee," the right, power and authority to construct, operate, maintain and replace in the public streets, highways, alleys, bridges, waterways, and other public places in the City of St. Clair, Michigan, all needful and proper gas pipes, mains, conductors, service pipes and other apparatus and facilities requisite for the transmission and distribution of gas for a period of thirty years.

**Section 2. Consideration**

In consideration of the rights, power and authority granted, Grantee shall faithfully perform all things required by these terms.

**Section 3. Conditions**

No public street, highway, alley, bridge, waterway, 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 the work was commenced. All of Grantee's pipes and mains shall be so placed in the public streets, highways, alleys, bridges, waterways, and other public places as not to interfere with their use for highway purposes.

**Section 4. Hold Harmless**

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 Grantee's negligent construction and negligent maintenance of the structures and equipment authorized. In case any action is commenced against the City on account of the permission given, 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.

**Section 5. Franchise Not Exclusive**

The rights, power and authority granted are not exclusive. Either manufactured or natural gas may be furnished.

**Section 6. Rates**

Grantee shall charge for gas furnished the rates, charges and special taxes as approved from time to time by the Michigan Public Service Commission, or its successors having authority and jurisdiction to fix and regulate gas rates and charges, or as otherwise permitted or required by applicable law or tariff, for the term of this franchise. Such rates shall be subject to

Commission review and change at any time upon petition therefore being made by City or by Grantee.

#### Section 7. Revocation

The franchise granted by this ordinance is subject to revocation upon sixty (60) days written notice by the party desiring such revocation.

#### Section 8. Michigan Public Service Commission Jurisdiction

Grantee shall, as to all other conditions and elements of service, remain subject to the reasonable rules and regulations of the Michigan Public Service Commission or its successors, applicable to gas service in said City and shall provide service in accordance with the terms and conditions set forth in its applicable tariff as approved from time to time by the Michigan Public Service Commission or its successors.

#### Section 9. Assignment of Franchise

Grantee may not assign this Franchise to any other person, firm or corporation without the prior written approval of the City Council except in those cases where the Michigan Public Service Commission has granted any required approval of the acquisition, transfer of control, merger or encumbrance transaction underlying the assignment of this Franchise.

#### Section 10. Effective Date

This ordinance will take effect upon the day after the date of publication. It will cease and be of no effect after sixty days from its adoption unless within said period the Grantee accepts the same in writing filed with the City Clerk. Upon acceptance and publication, the ordinance shall constitute a contract between City and Grantee. Ordinance No. 1987-10, adopted October 5, 1987, granting a franchise to Southeastern Michigan Gas Company for the distribution of gas for public and private use in the City for a period of 20 years effective following its confirmation by the voters of the City is repealed.

### **ORDINANCE DECLARED ADOPTED**

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Bill Cedar, Jr, Mayor  
City of St. Clair, Michigan

**CERTIFICATION**

The foregoing is a true and complete copy of an Ordinance adopted by the City Council of the City of St. Clair, County of St. Clair, State of Michigan, at a regular meeting of the City Council held on the 3rd day of October, 2011, and public notice of said meeting was given pursuant to and in accordance with the requirements of Act No. 267 of the Public Acts of 1976, as amended, being the Open Meetings Act, and the Minutes of said meeting have been or will be made available as required by said Act.

Members Present: Mayor Cedar, Members Burns, Foley, Kindsvater, Krebs, LaPorte

Members Absent: McCartney

It was moved by Member Kindsvater supported by Member Burns to adopt the Ordinance

Members voting yes: Kindsvater, Krebs, LaPorte, Burns, Cedar, Foley

Members voting no: None

The Ordinance was declared adopted by the Mayor and has been recorded in the Ordinance Book of the City of St. Clair.

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Janice B. Winn, City Clerk  
City of St. Clair, Michigan

INTRODUCED: September 6, 2011  
ADOPTED: October 3, 2011  
EFFECTIVE: October 12, 2011  
PUBLISHED: October 12, 2011