

AN ORDINANCE OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA, GRANTING TO THE OKLAHOMA GAS AND ELECTRIC COMPANY, AN OKLAHOMA CORPORATION, ITS SUCCESSORS AND ASSIGNS, THE RIGHT TO PRODUCE, TRANSMIT AND DISTRIBUTE ELECTRICITY WITHIN THE CITY LIMITS AND TO SELL ELECTRICITY THEREIN FOR ALL PURPOSES FOR WHICH IT MAY BE USED, TO THE CITY OF NORMAN, CLEVELAND COUNTY, OKLAHOMA, ITS INHABITANTS AND THE PUBLIC GENERALLY, AND THE RIGHT TO CONSTRUCT, MAINTAIN AND OPERATE A SYSTEM OF POLES, WIRES, CONDUITS AND OTHER FACILITIES AND EQUIPMENT IN, UPON, ACROSS, UNDER AND OVER THE STREETS, ALLEYS, PUBLIC GROUNDS AND OTHER PLACES IN THE CITY FOR SUCH PURPOSES FOR A PERIOD OF TWENTY-FIVE (25) YEARS BEGINNING ON JANUARY 11, 2023 AND ENDING ON JANUARY 10, 2048 SUBJECT TO THE APPROVAL OF THE VOTERS AND ACCEPTANCE OF THIS ORDINANCE; PROVIDING COMPENSATION TO THE CITY; AND CALLING A SPECIAL ELECTION ON JANUARY 10, 2023.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NORMAN, OKLAHOMA:

- § 1. The word “City” as hereinafter used shall mean and designate the City of Norman, Cleveland County, Oklahoma, and the word “Company” as hereinafter used shall mean and designate the Oklahoma Gas and Electric Company, a corporation organized and existing under and by virtue of the laws of the State of Oklahoma and its successors and assigns.
- § 2. (a) The City hereby grants to the Company the right, privilege and authority to produce, transmit, distribute and sell electricity within the corporate limits of the City for all purposes for which it may be used, to the City, its inhabitants and the public generally, and the right, privilege and authority to construct, maintain and operate a system of poles, wires, conduits, transformers, substations, and other facilities and equipment in, upon, across, under and over the streets, alleys, public grounds and other places in each and every part of said City for the purpose of producing, transmitting, distributing and selling electricity to the City, its inhabitants, and to the public generally.
- (b) The franchise hereby granted shall be effective from and after the date of approval of this Ordinance by the registered voters of the City and acceptance by the Company, and shall remain in full force and effect for a period of twenty-five (25) years beginning on January 11, 2023 and ending on January 10, 2048. Nothing in this Ordinance shall be construed to prevent the City from granting an electric franchise to any other person, firm, or corporation.
- § 3. The Company shall construct, operate and maintain its property in such manner as will, consistent with necessity, not obstruct nor impede traffic unduly.
- § 4. The Company shall defend and indemnify the City against all liability for injury to any person or property caused by the negligence of the Company in the construction, operation and maintenance of its property within the City.
- § 5. Electric service provided hereunder to the City, its inhabitants, and to the public generally, and rates charged therefor shall be in accordance with orders, rules and regulations of the

Corporation Commission of the State of Oklahoma or other governmental authority having jurisdiction.

- § 6. The Company shall have the right to assign this franchise and the assignee by written acceptance thereof shall be bound by all the provisions hereof. An authenticated copy of such assignment and acceptance shall be filed with the Clerk of the City.
- § 7. (a) From and after the approval and acceptance of this franchise, and in consideration of the granting of this franchise, the Company agrees to pay and shall pay to the City an annual franchise tax in an amount equal to three percent (3%) of its gross revenues arising from the sale of electricity within the corporate limits of the City, such payment to be made on or before the 25<sup>th</sup> day of July of each year, after deducting therefrom any amount due the Company from the City.
- (b) In the event the Company in the future, under the terms of any franchise with any city or town in the State of Oklahoma, shall agree to and shall pay to any such city or town as a franchise fee a percentage of gross receipts in excess of the three percent (3%) franchise fee set forth in the section, the Company shall begin payment of such higher franchise fee to the City within thirty (30) days of the increase.
- (c) The Company shall abide by an order, rule or regulation of the Corporation Commission of the State of Oklahoma requiring the listing separately of all or any portion of such franchise tax on electric bills to customers.
- (d) Such franchise taxes paid by the Company to the City shall be in lieu of all other franchise, excise, license, occupation, privilege, inspection, permit, or other fees, taxes or assessments, except ad valorem taxes and sales taxes.
- § 8. The Company shall furnish to the City without charge each fiscal year during the term hereof electric current to be used exclusively by the City for operation of traffic signal lights and buildings occupied and operated by the City for municipal purposes, to be applied by the Company as a credit to billings to the City, provided that such electric current shall not exceed one-half of one per cent (0.5%) of the kilowatt-hours sold by the Company to customers within the corporate limits of the City during the preceding fiscal year.
- § 9. A special election is hereby called for the purpose of submitting this Ordinance to the registered voters of the City residing within its corporate limits for their approval or disapproval, provided the Company shall pay the cost of such election. The election shall be held on the January 10, 2023 between the hours of 7:00 a.m. and 7:00 p.m. The Mayor of the City of Norman is authorized and directed to issue an election proclamation calling such election and is further directed to take all steps that may be necessary for holding the election and for the submission of this Ordinance to the registered voters of the City. If a majority of the registered voters of the City voting thereon fail to approve this franchise at said election, no rights shall accrue hereunder.
- § 10. In case the franchise hereby granted is approved at said election, the Company shall, within thirty (30) days from the date of such approval, file with the Clerk of the City, in writing, its

acceptance. In the event the Company fails to accept within the said period, such failure shall be deemed a rejection of the franchise.

§ 11. The franchise hereby granted shall, on its effective date, supersede and terminate any previous franchise granted to or held by the Company.

PASSED AND ADOPTED this 9<sup>th</sup> day of August, 2022.

CITY OF NORMAN, OKLAHOMA

By: \_\_\_\_\_  
Larry Heikkila, Mayor

ATTEST:

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Brenda Hall, City Clerk

(SEAL)