

ORDINANCE NO. 450.6, 2019

An Ordinance of the City Council of the City of Salyersville, Kentucky, Granting to Kentucky Power Company, Its Successors and Assigns, a Twenty (20) Year Franchise, Privilege, Right and Authority to Acquire, Maintain, Construct and Operate In, Above, Under, Across and Along the Streets, Thoroughfares, Alleys, Sidewalks, Bridges, Public Ways and Other Public Places of the City of Salyersville, Kentucky, and Its Successors and Assigns, Lines, Poles and Equipment for the Transportation, Transmission and Distribution of Electric Energy to the City of Salyersville and the Inhabitants thereof and Persons and Corporations beyond the Limits thereof for Light, Heat, Power and Other Purposes and for the Transmission, Transportation and Distribution of Same Within, Through or Across Said City.

BE IT ORDAINED BY THE CITY OF Salyersville, MAGOFFIN COUNTY, KENTUCKY, AS FOLLOWS:

SECTION 1

Kentucky Power Company, its successors and assigns, hereinafter called grantee, is granted the franchise, privilege, right and authority to acquire, maintain, construct and operate in, above, under, across and along the streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places (as the same now exist or may hereafter be laid out) of the City of Salyersville, Magoffin County, Kentucky, lines, poles and equipment for the transportation, transmission and distribution of electric energy, either by means of overhead or underground conductors, with all the necessary or desirable appurtenances, for the purpose of supplying electric energy to said City and the inhabitants thereof, and persons and corporations beyond the limits thereof, for light, heat, power and any other purpose or purposes for which electric energy is now or may hereafter be used, and for the transmission and distribution of the same within, through or across said City.

SECTION 2. Said lines and appurtenances shall be constructed so as to interfere as little as possible with the traveling public in its use of the streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places.

SECTION 3. The franchise, privilege, right and authority shall be in full force and effect for a period of twenty (20) years from the date of passage of this Ordinance.

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SECTION 4. The grantee of this franchise shall save the City harmless from any and all liability arising in any way from negligence of the grantee in the erection, maintenance or operation of said lines and appurtenances.

SECTION 5. The grantee of this franchise shall have the right and privilege to take up such portion or part of any pavement and make such excavation in the streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places of the City of Salyersville as may be deemed necessary for the construction and maintenance of its lines, wires or cables, but, whenever the grantee of this franchise shall begin the erection of any lines or other equipment, it shall promptly and diligently prosecute the work to completion, and leave the streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places where such work is done in as good condition of repair as before such work was commenced.

SECTION 6. Wherever in this franchise either the City of Salyersville or the grantee thereof is referred to, it shall be deemed to include the respective successors and assigns, of either, and all rights, privileges and obligations contained in this franchise shall be binding upon, and inure to the benefit of, the respective successors and assigns, of the City and said grantee, whether so expressed or not.

SECTION 7. The grantee of this franchise may make such rules and regulations covering the furnishing of said electric energy as may be fair and reasonable and consistent with the standard practice of the grantee. Said grantee may charge such rates for electric service as shall be fair and reasonable. The said grantee shall render service under said franchise of like quality, that is, adequate, efficient and reasonable, to that now being rendered to said City.

SECTION 8. The consideration paid and agreed to be paid in its bid by the grantee for the franchise, privilege, right and authority provided for herein, shall be complete compensation and consideration for said franchise, privilege, right and authority, and for the use and occupancy of the streets, thoroughfares, alleys, sidewalks, bridges, public ways and other public places of the City, in lieu of any street or alley rental or of any charge for the use or occupancy of said streets,

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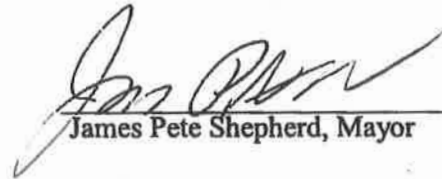
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thoroughfares, alleys, sidewalks, bridges, public ways and other public places of said City, and in lieu of any pole tax or meter tax.

SECTION 9. The Ordinance granting this franchise shall be accepted by the grantee thereof within sixty (60) days from the date of its passage.

SECTION 10. All Ordinances and parts of Ordinances in conflict herewith, to the extent of such conflict only, are hereby repealed.

SECTION 11. This Ordinance shall be in full force and effect upon its passage by the City Council.


James Pete Shepherd, Mayor

ATTEST:


Carlotta Howard, Clerk

Introduction and First Reading: August 19, 2019.

Second Reading: October 1, 2019.

Adopted by the City Council of the City of
Salyersville, Kentucky

the 1st day of October, 2019.

Published: October 17, 2019

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An AEP Company

BOUNDLESS ENERGY™

Kentucky Power Company
855 Central Avenue
Suite 200
Ashland, KY 41101
606-327-2600

To: The Honorable James Pete Shepherd, Mayor
Salyersville City Council
City of Salyersville
444 Maple Street
Salyersville, Kentucky 41465

Dear Mayor Shepherd and Council Members:

Kentucky Power Company, a corporation organized and existing under the laws of the Commonwealth of Kentucky, hereby offers to purchase the right, privilege, franchise and authority to erect and operate an electric light and power system in the City of Salyersville, Magoffin County, Kentucky, such franchise to contain all rights and privileges, and to be subject to all conditions prescribed by Ordinance No. 450.5-2019 directing the sale of the same and adopted by the City Council on June 17, 2019.

As consideration for this franchise, Kentucky Power Company offers to pay to the City of Salyersville a sum equal to four percent (4%) of the revenues received from electric service provided by Kentucky Power Company within the corporate limits of the City of Salyersville excluding all state and local taxes.

Effective 30 days after the passage of the Ordinance granting the franchise to Kentucky Power Company, and throughout the term of the franchise, this additional amount will be shown on customers' bills in accordance with Kentucky Power Company's franchise tariff as presently written or as subsequently revised.

Payment of the amount due for the prior month shall be made to the City within forty-five (45) days following close of such month. Any such fees paid to the City that are included in electric bills charged off as uncollectible shall be allowed as a credit to Kentucky Power Company in the determination of the payment due the City for the month in which such charge off occurred.

The City will promptly notify Kentucky Power Company of any alterations to the boundaries of the City during the term of this franchise, and shall promptly provide Kentucky Power Company with all information required by the Company to compute and bill the franchise fee on service to the altered boundaries. Kentucky Power Company's obligation to pay the franchise fee with regard to service to the altered boundaries shall commence 30 days following its receipt of the information required to compute and bill the franchise fee and payments of the resulting amount shall be made to the City within the same forty-five (45) day period provided above.

Kentucky Power Company shall have the option to terminate the franchise agreement in the event that its rights to recoup the franchise fee are modified by statute, regulation, or judicial determination, or are otherwise modified, effective upon the effective date of such modification.





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The Honorable James Pete Shepherd
Salyersville City Council
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We attach and file herewith, as part of this bid and purchase offer, a copy of the Certificate of Convenience and Necessity issued by the order of the Public Service Commission of Kentucky, Case No. 2019-00215, entered July 2, 2019, authorizing Kentucky Power Company to bid.

The undersigned, Kentucky Power Company already owns and operates in the City of Salyersville plant and equipment sufficient to render the services required under the terms and provisions of the Ordinance directing the sale, and is now furnishing adequate service to the City and its inhabitants.

Respectfully submitted this 9TH day of August, 2019.

KENTUCKY POWER COMPANY

By: _____

Brian K. West

Director of Regulatory Services

Attachment

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ACCEPTANCE

TO THE MAYOR AND CITY COUNCIL OF
THE CITY OF SALYERSVILLE, KENTUCKY

WHEREAS, on October 1, 2019, the CITY COUNCIL OF THE CITY OF
SALYERSVILLE, KENTUCKY adopted ORDINANCE NO 450.6, 2019, entitled:

ORDINANCE No. 450.6, 2019

An Ordinance of the City Council of the City of Salyersville, Kentucky,
Granting to Kentucky Power Company, Its Successors and Assigns, a Twenty
(20) Year Franchise, Privilege, Right and Authority to Acquire, Maintain,
Construct and Operate In, Above, Under, Across and Along the Streets,
Thoroughfares, Alleys, Sidewalks, Bridges, Public Ways and Other Public Places
of the City of Salyersville, Kentucky, and Its Successors and Assigns, Lines,
Poles and Equipment for the Transportation, Transmission and Distribution of
Electric Energy to the City of Salyersville and the Inhabitants thereof and Persons
and Corporations beyond the Limits thereof for Light, Heat, Power and Other
Purposes and for the Transmission, Transportation and Distribution of Same
Within, Through or Across Said City.

WHEREAS, the undersigned, KENTUCKY POWER COMPANY, is willing to
accept said Ordinance granting said franchise in accordance with the terms and conditions
therein set forth.

NOW, THEREFORE, KENTUCKY POWER COMPANY hereby accepts the
terms and conditions of said Ordinance and agrees to be bound and abide by said terms and
conditions as set forth in said Ordinance.

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IN WITNESS WHEREOF, KENTUCKY POWER COMPANY, a Kentucky corporation, has caused its name to be hereunto affixed by Brian K. West, Director of Regulatory Services, on this 31st day of OCTOBER, 2019.

KENTUCKY POWER COMPANY

By



Brian K. West
Director of Regulatory Services

STATE OF KENTUCKY

COUNTY OF BOYD

I, a Notary Public in and for the County and State aforesaid, do hereby certify that the foregoing Acceptance was this day acknowledged before me by Brian K. West, as Director of Regulatory Services for Kentucky Power Company, to be his free act and deed in said capacity and the free act and deed of Kentucky Power Company, this 31st day of October, 2019.

My Commission expires

9-26-2023



Notary Public, State-at-Large, Kentucky

Notary ID: 632421

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I, Carlotta Howard, Clerk of the City of Salyersville, Kentucky, do hereby certify that the above is a true copy of the Acceptance by KENTUCKY POWER COMPANY of an electric franchise Ordinance passed by the CITY COUNCIL of said City on October 1, 2019.

Received and filed this _____ day of _____, 2019.

Carlotta Howard, Clerk
City of Salyersville, Kentucky

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