

State of Florida



# Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

**-M-E-M-O-R-A-N-D-U-M-**

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**DATE:** July 30, 2014  
**TO:** Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk  
**FROM:** Elisabeth J. Draper, Economic Supervisor, Division of Economics *EJD*  
**RE:** Place documents in 140000-OT

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Please place the attached filing in the undocket file, 140000-OT.

EJD

RECEIVED-FPSC  
14 JUL 30 AM 9:22  
COMMISSION  
CLERK

  
**MESSER CAPARELLO**  
Attorneys At Law

*Strategically Positioned in Florida's Capital*

July 9, 2014

**BY HAND DELIVERY**

Jim Dean, Director  
Division of Economics  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Dear Mr. Dean:

On behalf of Sebring Gas System, Inc., enclosed for filing and approval are the original and three copies of the following tariff sheets:

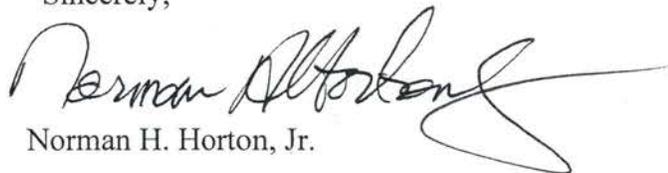
First Revised Sheet 3  
Original Sheet 5.1

Copies in legislative format are also included.

The purpose of this filing is to include the City of Wauchula and adjacent area in the area served by Sebring Gas. The City recently adopted Ordinance No. 2014-10 granting a 30 year non-exclusive franchise to Sebring Gas to provide natural gas service within the City. A copy of the unsigned ordinance as considered by the City Commission is included with this correspondence.

Should you have any questions, you may contact the undersigned.

Sincerely,



Norman H. Horton, Jr.

NHH/amb  
Enclosures

## Elisabeth Draper

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**From:** Doc Horton <nhorton@lawfla.com>  
**Sent:** Tuesday, July 29, 2014 2:05 PM  
**To:** Elisabeth Draper  
**Subject:** FW: Wauchula NG Franchise  
**Attachments:** City of Wauchula Ordinance 2014-10 - SIGNED.pdf

Here is a copy of the signed ordinance—sorry it took so long. If you need anything else please let me know  
Doc

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### DESCRIPTION OF TERRITORY SERVED

Sebring Gas System, Inc. is engaged in the business of transporting natural gas in the general area of the communities and territories adjacent thereto as described herein.

1. The Sebring Service Area is included within the following:

Beginning in Section 10, Township 34 South, Range 28 East (S10, T34S, R28E) at the intersection of U.S. Highway 27 and Maxcy Road proceeding west following Maxcy Road to the intersection of Bramblewood Road (formerly known as Maxcy Road) and Memorial Drive (also being State Road 17A); then proceeding north on Memorial Drive to the intersection of Memorial Drive and NW Lake Sebring Drive; then easterly on NW Lake Sebring Drive to the intersection of NW Lake Sebring Drive and North Lake Sebring Drive; then proceeding east on North Lake Sebring Drive which becomes Downing Avenue; then following Downing Avenue east to the intersection of Downing Avenue and State Road 17; then proceeding north on State Road 17 for approximately .25 miles to the intersection of State Road 17 and Power Line Road; then proceeding east on Power Line Road for approximately 1.1 miles to stop; then proceeding south on Power Line Road approximately .6 miles to the intersection of Power Line Road, Arbuckle Creek Road (also being State Road 700A) and Highlands Avenue (also being State Road 17A); then proceeding east on Arbuckle Creek Road approximately 1.1 mile to the east side of S15, T34S, R29E; then proceeding south along the east side of S15, T34S, R29E to the SE corner of S22, T34S, R29E; then proceeding south along the east side of S22, TR34S, R29E to the SE corner of S27, T34S, R29E; then proceeding south along the east side of S27, T34S, R29E to the SE corner of S34, T34S, R29E; then proceeding south along the east side of S3, T35S, R29E; then proceeding west along the south side of S3, T35S, R29E, to the SW corner of S3, T35S, R29E; then proceeding west long the south side of S4, T35S, R29E to the corner of S4, T35S, R29E, then proceeding south along the south side of S5, T35S, R29E to the SW corner of S5, T35S, R29E; then proceeding west along the south side of S6, T35S, R29E to the SW corner of S6, T35S, R29E; then proceeding west along the south side of S1, T35S, R29E to the SW corner of S1, T35S, R28E; then proceeding west along the south side of S2, T35S, R28E to the SW corner of S2, T35S, R28E; then proceeding west along the south side of S3, T35S, R28E to the SW corner of S3, T35S, R28E; then proceeding north along the west side of S3, T35S, R28E to the NW corner of S3, T35S, R28E; then proceeding north along the west side of S34, T34S, R28E to the NW corner of S34, T34S, R28E; then proceeding north along the west side of S27, T34S, R28E to the NW corner of S27, T34S, R28E; then proceeding north along the west side of S22, T34S, R28E to the NW corner of S22, T34S, R28E; then proceeding north along the west side of S15, T34S, R28E to the NW corner of S15, T34S, R28E; then proceeding east along the north side of S15, T34S, R28E approximately 1.75 miles to U.S. Highway 27; then proceeding north along U.S. Highway 27 to the intersection of U.S. Highway 27 and Bramblewood Road in S10, T34S, R28E, being the point of beginning.

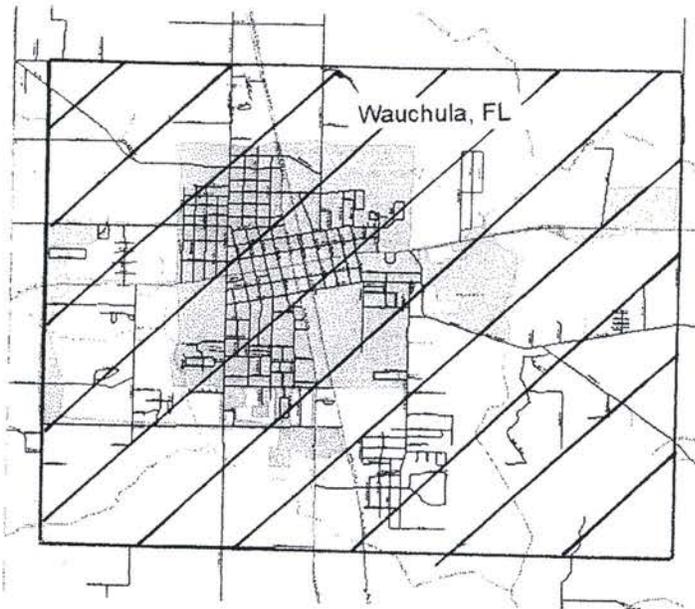
Issued by: Jerry Melendy, Jr., President  
Sebring Gas System, Inc.  
3515 U.S. Highway 27, South  
Sebring, FL 33870-5452

Effective:

2. The City of Wauchula, Florida Service Area includes the area within the city limits and adjacent areas described herein.

Bounded on the west by the western right of way of Altman Road and Terrel Road; on the North from the intersection of Terrel Road and Metheny Road along the northern right of way of Metheny Road east to an intersection with Airport Road as if Metheny extended that far; on the East along the easternmost right of way of Airport Road and Shakleford Road south to point where Causey Road and Shakleford Road would intersect if both were extended and on the South from the point where Shakleford and Causey would meet along the southernmost right of way of Causey Road as extended, and Altman Road.

The service area includes any area which may be outside the described boundaries but included within the City limits of the City of Wauchula, Florida.



Issued by: Jerry Melendy, Jr., President  
Sebring Gas System, Inc.  
3515 U.S. Highway 27, South  
Sebring, FL 33870-5452

Effective:

## DESCRIPTION OF TERRITORY SERVED

Sebring Gas System, Inc. is engaged in the business of transporting natural gas in the general area of the communities of Sebring in Highlands County, Florida and territories adjacent thereto as described herein.

1. The Sebring Service Area is included within the following:

Beginning in Section 10, Township 34 South, Range 28 East (S10, T34S, R28E) at the intersection of U.S. Highway 27 and Maxcy Road proceeding west following Maxcy Road to the intersection of Bramblewood Road (formerly known as Maxcy Road) and Memorial Drive (also being State Road 17A); then proceeding north on Memorial Drive to the intersection of Memorial Drive and NW Lake Sebring Drive; then easterly on NW Lake Sebring Drive to the intersection of NW Lake Sebring Drive and North Lake Sebring Drive; then proceeding east on North Lake Sebring Drive which becomes Downing Avenue; then following Downing Avenue east to the intersection of Downing Avenue and State Road 17; then proceeding north on State Road 17 for approximately .25 miles to the intersection of State Road 17 and Power Line Road; then proceeding east on Power Line Road for approximately 1.1 miles to stop; then proceeding south on Power Line Road approximately .6 miles to the intersection of Power Line Road, Arbuckle Creek Road (also being State Road 700A) and Highlands Avenue (also being State Road 17A); then proceeding east on Arbuckle Creek Road approximately 1.1 mile to the east side of S15, T34S, R29E; then proceeding south along the east side of S15, T34S, R29E to the SE corner of S22, T34S, R29E; then proceeding south along the east side of S22, TR34S, R29E to the SE corner of S27, T34S, R29E; then proceeding south along the east side of S27, T34S, R29E to the SE corner of S34, T34S, R29E; then proceeding south along the east side of S3, T35S, R29E; then proceeding west along the south side of S3, T35S, R29E, to the SW corner of S3, T35S, R29E; then proceeding west long the south side of S4, T35S, R29E to the corner of S4, T35S, R29E, then proceeding south along the south side of S5, T35S, R29E to the SW corner of S5, T35S, R29E; then proceeding west along the south side of S6, T35S, R29E to the SW corner of S6, T35S, R29E; then proceeding west along the south side of S1, T35S, R29E to the SW corner of S1, T35S, R28E; then proceeding west along the south side of S2, T35S, R28E to the SW corner of S2, T35S, R28E; then proceeding west along the south side of S3, T35S, R28E to the SW corner of S3, T35S, R28E; then proceeding north along the west side of S3, T35S, R28E to the NW corner of S3, T35S, R28E; then proceeding north along the west side of S34, T34S, R28E to the NW corner of S34, T34S, R28E; then proceeding north along the west side of S27, T34S, R28E to the NW corner of S27, T34S, R28E; then proceeding north along the west side of S22, T34S, R28E to the NW corner of S22, T34S, R28E; then proceeding north along the west side of S15, T34S, R28E to the NW corner of S15, T34S, R28E; then proceeding east along the north side of S15, T34S, R28E approximately 1.75 miles to U.S. Highway 27; then proceeding north along U.S. Highway 27 to the intersection of U.S. Highway 27 and Bramblewood Road in S10, T34S, R28E, being the point of beginning.

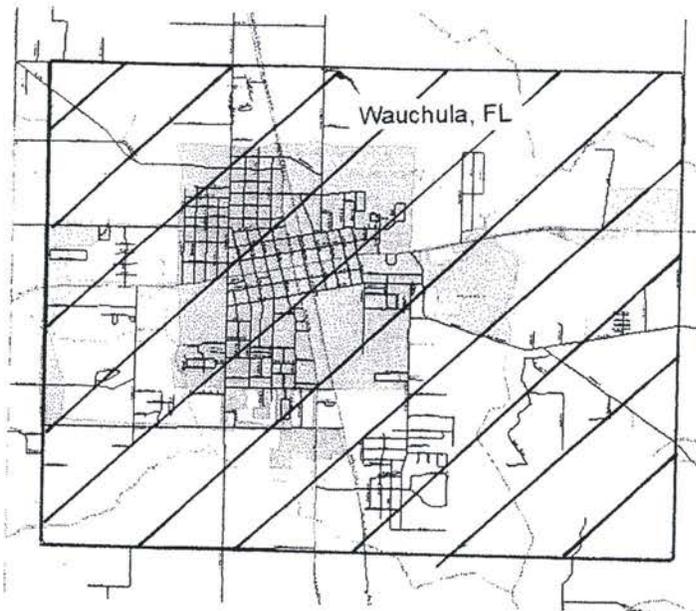
Issued by: Jerry Melendy, Jr., President  
Sebring Gas System, Inc.  
3515 U.S. Highway 27, South  
Sebring, FL 33870-5452

Effective:

2. The City of Wauchula, Florida Service Area includes the area within the city limits and adjacent areas described herein.

Bounded on the west by the western right of way of Altman Road and Terrel Road; on the North from the intersection of Terrel Road and Metheny Road along the northern right of way of Metheny Road east to an intersection with Airport Road as if Metheny extended that far; on the East along the easternmost right of way of Airport Road and Shakleford Road south to point where Causey Road and Shakleford Road would intersect if both were extended and on the South from the point where Shakleford and Causey would meet along the southernmost right of way of Causey Road as extended, and Altman Road.

The service area includes any area which may be outside the described boundaries but included within the City limits of the City of Wauchula, Florida.



Issued by: Jerry Melendy, Jr., President  
Sebring Gas System, Inc.  
3515 U.S. Highway 27, South  
Sebring, FL 33870-5452

Effective:

ORDINANCE NO. 2014-10

AN ORDINANCE OF THE CITY OF WAUCHULA, HARDEE COUNTY, FLORIDA; PROVIDING A SHORT TITLE; PROVIDING FINDINGS AND INTENT; GRANTING TO SEBRING GAS SYSTEM, INC., ITS SUCCESSORS AND ASSIGNS, A NON-EXCLUSIVE FRANCHISE FOR A PERIOD OF 30 YEARS TO CONSTRUCT, OPERATE, MAINTAIN, OWN AND TRANSPORT IN THE CITY OF WAUCHULA, FLORIDA, WORKS FOR THE TRANSMISSION, DISTRIBUTION, TRANSPORTATION, AND SALE OF NATURAL GAS; PROVIDING CONDITIONS TO THE GRANT OF THE FRANCHISE; PROVIDING FOR CITY REGULATION OF THE GAS SYSTEM; PRESCRIBING PENALTIES FOR THE VIOLATION OF ITS PROVISIONS; PROVIDING SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF WAUCHULA, HARDEE COUNTY, FLORIDA. AS FOLLOWS:.

**SECTION 1. SHORT TITLE.** This Ordinance shall be known and may be cited as the "SGS Gas Franchise Ordinance."

**SECTION 2. FINDINGS AND INTENT.** The CITY Commission makes the following findings and intent:

(1) The CITY of Wauchula, Hardee County, Florida (hereafter "CITY") exercises control over all publicly dedicated rights-of-way, streets, alleys, bridges, easements and other public places located within the limits of the CITY.

(2) Sebring Gas System, Inc., a Florida corporation (hereafter "COMPANY") intends on designing, developing, installing, constructing, and expanding that gas utility system within the CITY limits of the CITY.

(3) The aforesaid rights-of-way to be used by the COMPANY are valuable public properties acquired and maintained by the CITY at great expense to the CITY's taxpayers, and the right to use said rights-of-way is a valuable property right without which the COMPANY would be required to invest substantial capital and property acquisition costs.

(4) The CITY desires to insure that the aforesaid rights-of-way used by the Company are promptly restored to a safe and secure condition to protect the health, safety and welfare of the citizens and residents of the CITY.

(5) State statutes, CITY ordinances, and the CITY Charter authorize the CITY to grant nonexclusive franchises for the purposes set forth herein.

**SECTION 3. AUTHORITY.** This Ordinance is being adopted pursuant to

the CITY's Charter, relevant special acts, and Chapters 166 and 180, Florida Statutes (2013).

**SECTION 4. GRANT OF AUTHORITY.** There is hereby granted by the CITY to the COMPANY the non-exclusive right, privilege, and franchise to erect, construct, operate and maintain a gas system and facilities, including but not be limited to, gas mains, pipes, supply pipes, conduits, ducts, service connections, manholes, regulators, drip pots, control devices, and any other hardware or other appurtenances used as a means of conveying, distributing or selling gas for the purpose of supplying natural, manufactured and other gas to the meter of any person or entity to be supplied by COMPANY with gas within the CITY limits under this Ordinance (each, a "Customer"), constructed during the term of this Agreement (collectively "Gas System Facilities"), and to import, transport, sell and distribute gas, whether natural, manufactured or mixed, within the CITY, and for these purposes to establish the necessary facilities and equipment and to lay and maintain gas mains, service pipes and any other appurtenances COMPANY desires or deems necessary to the sale, transportation and distribution of gas in and along the rights of ways, streets, alleys, bridges, easements and other public way of the CITY. CITY hereby acknowledges and agrees that the Gas System Facilities extend beyond the CITY limits and that COMPANY is permitted to utilize the Gas System Facilities and other rights and privileges granted by CITY to COMPANY hereunder for the purpose of transporting, conveying, distributing and/or selling such gas to persons or entities located outside of the CITY limits. CITY further acknowledges and agrees that all COMPANY revenue generated from sales of gas by COMPANY to persons or entities located outside of the CITY limits are excluded from any royalty or fees due by COMPANY to CITY in connection with this Ordinance.

**SECTION 5. NON-EXCLUSIVE GRANT; CITY AGREEMENT NOT TO COMPETE.** The right to use and occupy said rights of ways, streets, alleys, bridges, easements, and public ways and places for the purposes herein set forth shall not be exclusive, and the CITY reserves the right to grant a similar use of said rights of ways, streets, alleys, bridges, easements, or other public places and ways, to any person and/or entity at any time during the period of this franchise. This franchise shall grant the privilege of carrying on the business in all of the CITY or in part of the CITY, with no promise that there will be no competition. In the event the CITY grants a franchise to the competitor of COMPANY, the grant shall not interfere with COMPANY's rights granted hereunder, including physical location of improvements, except as to matters that occur as a result of competition. The CITY does hereby agree that during the term of this franchise it shall not compete with COMPANY unless it becomes necessary to do so in emergency circumstances. The CITY shall tender proof of said emergency to the COMPANY upon request.

**SECTION 6. COMPLIANCE WITH APPLICABLE LAWS AND ORDINANCES.** The COMPANY shall, at all times, during the life of this

franchise, be subject to all lawful exercises of police power by the CITY, and to such reasonable laws, rules and regulations as the CITY shall hereafter, by resolution or ordinance provide, including, but not limited to, any ordinances pertaining to excavation, reconstruction and development requirements and standards all of which shall not be in conflict or inconsistent with Promulgated Safety Rules and Regulations of the Florida Public Service Commission and Federal and/or Florida Departments of Transportation. Notwithstanding anything to the contrary contained in this franchise, the CITY shall not pass any ordinance, regulation, rule or take any other action that results in a material change in the rights or obligations of the COMPANY under this franchise.

**SECTION 7. COMPANY LIABILITY – INDEMNIFICATION.** It is expressly understood and agreed by and between the COMPANY and the CITY that as additional consideration for the grant of this non-exclusive franchise, the COMPANY shall fully indemnify and hold harmless the CITY its officers, agents and employees from all claims, debts, liabilities, demands, interests, court costs, attorney's fees (including bankruptcy and appellate attorney's fees) to itself or any third person, taxes (including but not limited to any real, personal and sales taxes attempted to be assessed and/or assessed as a result of this Franchise Agreement), whether for bodily injury, death, property damage or otherwise, in any way arising out of any negligent act or omission of the COMPANY within the CITY, including its operation or maintenance and/or related work on the gas system in the CITY; provided, however, in no event shall the COMPANY be obligated to indemnify any person if the CITY or any of its officers', agents' or employees' negligent act or omission contributed to any such claim. The CITY shall notify the COMPANY's representative in the CITY within thirty (30) days after the presentation of any claim or demand, either by suit or otherwise, made against the CITY on account of any neglect, default or misconduct, as aforesaid on the part of the COMPANY. Provided further, nothing herein is intended to act as a waiver of the CITY's rights, privileges, and immunities under the doctrine of "sovereign immunity" and/or limits of liability set forth in Section 768.28 of the Florida Statutes regardless of whether any such obligations are based in tort, contract, statute, strict liability, and negligence, product liability or otherwise.

**SECTION 8. SERVICE STANDARDS.** The COMPANY shall maintain and operate its system and render efficient service in accordance with the rules and regulations as are, or may be, set forth by the Florida Public Service Commission and/or other agency and/or entity with jurisdiction to regulate and/or promulgate rules regarding COMPANY's operations. In the event COMPANY or any aspect of the natural gas trade, as contemplated hereunder, is deregulated, the COMPANY shall maintain and operate its system and render efficient service in accordance with the rules and regulations as are, or may be, promulgated by the CITY. In the event the CITY has not promulgated rules and regulations, at the time of deregulation, then, the COMPANY agrees to maintain and operate its system in compliance with the rules and regulations by which they are governed prior to deregulation until such time as the CITY has had an opportunity to

promulgate rules and regulations or pass an ordinance governing those items regulated by the Florida Public Service Commission, governing service standards, safety standards and quality controls. In the event of deregulation, the CITY does hereby agree, it will not regulate rates for the sale, distribution, transportation or transmission of the type of gas contemplated by this franchise..

#### **SECTION 9. CONDITIONS ON STREET OCCUPANCY.**

(1) Use. All pipes, mains, and other natural, artificial or mixed gas equipment and apparatus laid or placed by the COMPANY shall be so located in the streets, alleys and other public way in the CITY as not to obstruct or interfere with any water pipes, sewers, drains or other structures already installed or hereafter to be installed. The COMPANY shall, when practicable, avoid interfering with the use of any street, alley or other highway where the paving or surface of the streets would be disturbed.

(2) Restoration. In case of any disturbance of pavement, sidewalk, driveway or other surfacing, the COMPANY shall, at its own cost and expense and in a manner approved by the CITY Inspector, replace and restore all paving, sidewalk, driveway or surface of any street or alley disturbed, in as good condition as before said work was commenced.

(3) Relocation.

(a) If at any time during the period of this franchise the CITY shall lawfully elect to vacate, alter or change the grade of, any street, alley or other public way, the COMPANY, upon reasonable notice by the CITY, shall remove, relay, and relocate its mains or service pipes, manholes and other gas fixtures at the COMPANY's expense.

(b) If any time during the period of this franchise a request for relocation of mains or service pipes, manholes and other gas fixtures shall be made by a third party, the CITY Planning Board shall have the responsibility for making advisory recommendations to the CITY Commission regarding such request for relocation. The third party petitioner shall assume and advance all costs of relocating main and service utility lines, including legal costs resulting from condemnation of property necessary to relocate.

**SECTION 10. PREFERENTIAL OR DISCRIMINATORY PRACTICES PROHIBITED.** In connection with the performance by COMPANY under this franchise, the COMPANY shall not, as to rates, charges, service facilities, rules, regulations, or in any other respect, make or grant any preference or advantage to any person, not subject any person to any prejudice or disadvantage, provided that nothing in this franchise shall be deemed to prohibit the establishment of a graduated scale or charges and classified rate schedules to which any customer coming within such classification would be entitled.

**SECTION 11. RIGHT OF WAY NOT WARRANTED.** The CITY does not warrant any right, title or interest of any street, alley, or other public way in existence, or hereafter acquired, used by the COMPANY or as may be used by the COMPANY in the future. In the event that the CITY closes, vacates or otherwise abandons any street, alley or other public way, CITY shall provide to COMPANY an acceptable easement for COMPANY-owned facilities installed within said street, alley or other public way.

**SECTION 12. ANNEXATION OR CONTRACTION.** COMPANY agrees that the geographical limits of the franchise area are subject to expansion or reduction by annexation and contraction and that COMPANY may or may not have vested rights in annexed or contracted areas, as may be governed by applicable law. Upon the annexation of any territory by the CITY, the right, privilege and permit hereby granted shall extend to the territory so annexed, when permitted by law, and all facilities owned, maintained or operated by said COMPANY, located within the territory so annexed upon any of the streets, alleys, or public ways situated in such annexed territory, shall thereafter be subject to all of the terms herein as permitted by law.

**SECTION 13. APPROVAL OF TRANSFER.** The COMPANY shall not sell or transfer any portion of the Gas System Facilities located within CITY limits to another person and/or entity, nor transfer any rights under this franchise to another person and/or entity without approval by the CITY Commission and said approval will not be unreasonably withheld, conditioned or delayed. In the event the CITY Manager does not act upon the issue of approval or denial within forty-five (45) days from presentation, then approval shall be deemed to have been granted. Provided, that no sale or transfer shall be effective until the vendee, assignee, or lessee has filed in the office of the CITY Clerk an instrument, duly executed, reciting the fact of such sale, assignment or lease, accepting the terms of the franchise, and agreeing to perform all the conditions thereof whereupon the COMPANY shall be released of any further obligation under this franchise without the necessity of any further action. Notwithstanding the foregoing, the COMPANY may in its sole and absolute discretion sell or transfer all or any portion of the Gas System Facilities located within CITY limits and/or this franchise in connection with: (i) the lease or sale of all or substantially all of the COMPANY's asset, whether to a subsidiary or affiliate or unrelated person or entity or (ii) in connection with any pledge of this franchise and/or the Gas System Facilities as security to any lender. In no event shall any change in control of COMPANY or any transfer by operation of law require the approval of the City Manager under this section (including, without limitation, in connection with the merger of COMPANY with or into any other person or entity).

**SECTION 14. CITY RIGHTS IN FRANCHISE.**

(1) Municipal Rules. The right is hereby reserved to the CITY to adopt, in addition to the provisions herein contained and existing applicable ordinances, such additional regulations as it shall find necessary in the exercise of the police power, provided that such regulations, by Ordinance or otherwise, shall be reasonable, and not in conflict with the rights herein granted, and shall not be in conflict with the laws of the State of Florida or federal regulation.

(2) Supervision and Inspection. The CITY shall have the right (to be exercised reasonably) to approve all construction or installation work performed subject to the provisions of this Ordinance and to make such inspections as it shall find necessary to insure compliance with governing ordinances.

**SECTION 15. RIGHT OF ACQUISITION BY CITY.** At the expiration of this Franchise, the CITY at its election, shall have the right to purchase and take over the property of the COMPANY subject to this Franchise in its entirety. Likewise, in accordance with section 180.16, Fla. Stat., the COMPANY shall have the right to require purchase of the property by petition should the CITY refusal to renew the franchise and refuse to initiate acquisition pursuant to this section. Upon the exercise of this option by the CITY by the service of an official notice upon the COMPANY to that effect, or upon exercise of the COMPANY's rights hereunder by the filing of a petition, the COMPANY shall immediately execute such deeds or instruments of conveyance to the CITY as shall be required to convey to the CITY title to the property in fee simple, free from any and all liens and encumbrances. The price shall be determined by mutual agreement or arbitration. The COMPANY shall make it a condition of each contract entered into by it with reference to operations under this Franchise that the contract shall be subject to the exercise of this option by the CITY and that the CITY shall have the right to be substituted for the COMPANY as a party to any such contract and shall have the right to succeed to all privileges and the obligations thereof at its option. Each side shall pay its own attorneys' fees. The process to be followed shall be controlled by Section 180.16, Fla. Stat.

**SECTION 16. PAYMENT TO THE CITY.**

(1) Franchise Fee. In consideration for the granting of this Franchise and effective the first day of the second month beginning after the effective date hereof, the CITY shall be entitled to receive, and the COMPANY, its successors and assigns, shall pay to the CITY, and its successors, an annual amount which will equal six percent (6%) of COMPANY's annual Gross Operating Revenue taken in and received by it for providing all aspects of natural gas service to its customers within the corporate limits of the CITY, as now or hereafter constituted. For purposes of this franchise, "Gross Operating Revenues" means all revenues received by the COMPANY during the term of this franchise from any Customer, excluding deposits, prepayments, turn on/off charges, meter installation charges, and any other revenue not generated directly

and solely from the sale, distribution, transportation, and transmission of the type of gas contemplated by this franchise. The COMPANY shall pay the franchise fee provided by this section monthly as specified above during the term of this franchise. Any payments not made by the COMPANY within 20 days after the date said payment is due, shall thereafter be payable with interest at the rate of eighteen percent (18%) per annum.

Except as otherwise provided for within this Ordinance, the COMPANY shall at all times continue to be subject to and shall pay to the CITY all legally authorized public service taxes, ad valorem taxes (intangible, personal, real), occupational taxes, and any and all other valid tax, levied or imposed by the CITY. Such charges and fees shall include but not be limited to licensing, permit fees, development review and inspection fees and all other such fees including fees, charges, taxes and/or assessments validly adopted and/or imposed during the term of this franchise.

(2) Electronic Payment. The monthly Franchise Fee payments shall be made by wire transfer, other electronic means or a mutually agreed upon payment method. Any monthly payment or any portion thereof received after the due date shall be subject to interest at the rate of eighteen percent (18%) per annum until all payments due hereunder are paid in full.

(3) Franchise Fee Increase. The CITY may raise the rate of the Franchise Fee anytime during the term hereof up to an amount not to exceed ten percent (10%) of the COMPANY's Gross Revenues. The CITY may raise the rate of the Franchise Fee by providing COMPANY no less than ninety (90) days' advance written notice (in the manner provided for notice herein) of the amount of the increase. The CITY may raise the rate of the Franchise Fee to the maximum allowed in one notice or in multiple notices of increase not to exceed three (3) in number during the term of this Franchise. If the multiple increase approach is used, each notice shall be no less than one (1) year apart.

(4) The CITY may adopt any such adjustment or change to the rate of the Franchise Fee as described in this section in the sound discretion of the City, and such adjustment or change shall automatically become part of this franchise effective as of the date so stated with the collection of such new or adjusted Franchise Fee rate. Such adjustment or change shall be conclusively evidenced when provided by written notice to COMPANY signed by the Mayor of the CITY.

**SECTION 17. FRANCHISE PARITY.** If, during the term of this franchise, the CITY, by franchise agreement, ordinance or otherwise, allows other persons or entities who sell, import, distribute, transport, and transmit any gas subject to this franchise (the "Alternate Gas Providers") the right, privilege or franchise to erect, construct, operate, and maintain in, on or under any of the CITY's rights-of-way, as they now exist or may be hereafter constructed, opened, laid out or

extended within the City limits, a distribution system (i.e., any transmission pipe lines, main pipe lines, and service pipe lines, together with any appurtenances, as are used or useful in the sale, importation, distribution, transportation and transmission of gas within the CITY limits) for the purpose of selling, importing, distributing, transporting, and transmitting any gas subject to this franchise to persons or entities within the CITY limits or receiving such gas from persons or entities other than COMPANY with the CITY limits, and imposes a franchise compensation obligation or equivalent on such Alternate Gas Provider for any person or entity that is less than the Franchise Fee imposed with respect to the same Customer under this franchise, the Franchise Fee under this franchise shall be reduced so that the Franchise Fee is no greater than the franchise compensation obligation or equivalent when compared on a dollars-per-therm basis. In the event that the CITY does not impose a franchise compensation obligation or equivalent on said Alternate Gas Providers, the COMPANY's obligation to pay the Franchise Fee under this franchise shall terminate

**SECTION 18. RECORDS AND REPORTS.** The COMPANY shall maintain accounts and records in a manner consistent with Section 368.108 of the Florida Statutes and Chapter 25-7 of the Florida Administrative Code and that the Gross Revenues are able to be calculated. Upon a good faith request, the COMPANY shall provide to the City any accounts and records relevant to this franchise pursuant to a duly executed confidentiality agreement within a commercially reasonable amount of time after said request. The CITY may audit the financial records of the COMPANY for the purpose of determining that proper collection or payment of franchise fees is being made by COMPANY in accordance with this Ordinance at the CITY's initial expense. COMPANY shall reasonably cooperate with and make available those records necessary for CITY to perform the audit. If the audit demonstrates that payment of Franchise Fees in any consecutive 12-month period is more than 5% less than the aggregate amount that should have been paid to the CITY during such 12-month period, the COMPANY shall, in addition to paying the fees that should have been paid or collected, pay the reasonable cost of the audit. The CITY may audit the financial records of the COMPANY for the purpose of determining that proper collection or payment of franchise fees is being made by COMPANY in accordance with this Ordinance at the CITY's initial expense. COMPANY shall reasonably cooperate with and make available those records necessary for CITY to perform the audit. If the audit demonstrates that payment or collection of Franchise Fees in any consecutive 12-month period is more than 5% less than the aggregate amount that should have been paid to the City during such 12-month period, the COMPANY shall, in addition to paying the fees that should have been paid or collected, pay the reasonable cost of the audit.

**SECTION 19. EFFECTIVE DATE; TERM OF FRANCHISE.** The franchise and rights herein granted shall take effect and be in force from and after the first day of the month following the final passage hereof, as required by law, and upon filing of the acceptance by the COMPANY with the CITY Clerk and

shall continue in force and effect for a term of thirty (30) years after the effective date of this franchise. This ordinance shall take effect upon passage, provided that within sixty (60) days of said date, the COMPANY shall signify its unqualified acceptance of this franchise, in writing. Provided, that if the acceptance is not filed within sixty (60) days, the provisions of this franchise shall be null and void and COMPANY's franchise rights shall be terminated.

**SECTION 20. EARLY TERMINATION.**

(1) In the event that COMPANY violates any of the material covenants, terms, and conditions of this franchise, or COMPANY defaults in observing or carrying into effect any of the said material covenants, terms, and conditions, the CITY may terminate this franchise; provided, however, that before such action by the CITY shall become operative and effective, the COMPANY shall have been served by the CITY with a written notice setting forth all matters pertinent to such material violation or default and the COMPANY shall have sixty (60) days after service of such notice or, in the event such cure reasonably requires a period of more than sixty (60) days, to present a plan, satisfactory to the CITY, acting reasonably, to effect such cure; and provided further that any violation or default resulting from a strike, a lockout, an act of God, or any other cause beyond the control of the COMPANY shall not constitute grounds for termination.

(2) In the event that CITY violates any of the material covenants, terms, and conditions of this franchise, or CITY defaults in observing or carrying into effect any of the said material covenants, terms, and conditions, the COMPANY may terminate this franchise; provided, however, that before such action by the COMPANY shall become operative and effective, the CITY shall have been served by the COMPANY with a written notice setting forth all matters pertinent to such material violation or default and the CITY shall have sixty (60) days after service of such notice or, in the event such cure reasonably requires a period of more than sixty (60) days, to present a plan, satisfactory to the COMPANY, acting reasonably, to effect such cure; and provided further that any violation or default resulting from a strike, a lockout, an act of God, or any other cause beyond the control of the CITY shall not constitute grounds for termination.

**SECTION 21. LAW GOVERNING AND VENUE.** This ordinance and the Franchise Agreement granted hereunder shall be interpreted under and governed by Florida law. Venue for any actions arising out of this Franchise Agreement shall be in the State Courts in and for Polk County, Florida. THE CITY AND COMPANY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY, AFTER CAREFUL CONSIDERATION AND AN OPPORTUNITY TO SEEK LEGAL ADVICE, WAIVE THEIR RIGHT TO HAVE A TRIAL BY JURY IN RESPECT OF ANY LITIGATION ARISING OUT OF OR IN ANY WAY CONNECTED WITH ANY OF THE PROVISIONS OF OR MATTERS RELATED TO THIS FRANCHISE.

**SECTION 22. ENTIRE AGREEMENT.** This Franchise Agreement and any additional or supplementary exhibits or schedules incorporated herein by specific reference contain all the terms and conditions agreed upon by the parties hereto, and no other agreement, oral or otherwise, regarding the subject matter of this Agreement or any part thereof shall have any validity or bind any of the parties thereto.

**SECTION 235. NOTICES.** All notices and other communications under this franchise shall be in writing and shall be deemed given when delivered personally to that party on the fifth (5th) working day after being mailed by certified mail (postage prepaid and return receipt requested) to that party at the address for that party set forth below, or on the day delivered by Federal Express or any similar express delivery service for delivery to that party at that address. All notices shall be addressed as follows:

If to COMPANY:                      Sebring Gas System, Inc.  
P O Box 817  
Wauchula, Florida 33873

With a copy to:                      Sebring Gas System, Inc.  
3515 US Hwy 27, South  
Sebring, Florida 33870

If to CITY:                              CITY of Wauchula  
126 South Seventh Avenue  
Wauchula, FL 33873

Attention: City Manager

With a copy to:                      Thomas A. Cloud, Esquire  
City Attorney  
GrayRobinson, P.A.  
301 East Pine Street, Suite 1400  
Orlando, FL 32801

Notice shall be provided to the above-named addressees unless directed otherwise in writing by the CITY or the COMPANY.

**SECTION 264. NON-WAIVER PROVISION.** The failure of any party to insist in any one or more instances upon the strict performance of any one or more of the terms or provisions of this ordinance shall not be construed as a waiver or relinquishment for future of any such term or provision, and the same shall continue in full force and effect. No waiver or relinquishment shall be

deemed to have been made by either party unless said waiver or relinquishment is in writing and signed by the parties.

**SECTION 25. SEVERABILITY.** . If any section, subsection, paragraph, sentence, clause or phrase of this Ordinance shall for any reason be held to be unconstitutional, inoperative, or void by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance, which shall continue in full force and effect; it shall be construed that it is the legislative intent to adopt this Ordinance without the unconstitutional, inoperative or void section, subsection, paragraph, sentence, clause, or phrase. Furthermore, if any provision of this Ordinance is held unconstitutional , inoperative, or void as applied to any person or property, such decision shall not apply to any other person or property.

**SECTION 26. ORDINANCES REPEALED.** All ordinances and parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed as of the Effective Date.

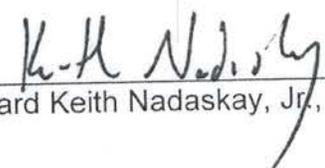
**SECTION 27. EFFECTIVE DATE.** This Ordinance shall take effect immediately upon its passage.

**PASSED** on first reading by the City Commission of the City of Wauchula, Florida, at regular session this 12th day of May, 2014.

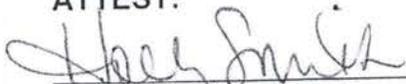
**PASSED** on second and final reading by the City Commission of the City of Wauchula, Florida, at regular session this 9th day of June, 2014.



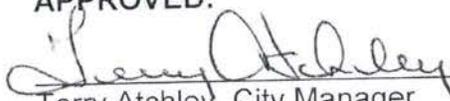
CITY OF WAUCHULA, FLORIDA

  
Richard Keith Nadaskay, Jr., Mayor

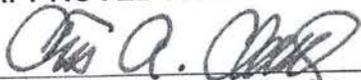
ATTEST:

  
Holly Smith, City Clerk

APPROVED:

  
Terry Atchley, City Manager

APPROVED AS TO FORM AND CORRECTNESS:

  
\_\_\_\_\_  
Thomas A. Cloud, City Attorney

(The rest of this page intentionally left blank.)

UNCONDITIONAL ACCEPTANCE BY COMPANY

I, the undersigned official of Sebring Gas System, Inc. am authorized to bind Company and to unconditionally accept the terms and conditions of the foregoing franchise (Ordinance No. 2014-10), which are hereby accepted by Company this 15<sup>TH</sup> day of JULY, 2014.

Sebring Gas System, Inc.

By: Russell A. Melendy

Name: RUSSELL A. MELENDY

Title: VP

Subscribed and sworn to before me this 15<sup>th</sup> day of July, 2014  
Notary Public in and for the State of Florida  
My Council expires 8/31/14



Susan B. Watson

Received on behalf of the CITY this 18<sup>th</sup> day of July, 2014.

Name: Holly Smith

Title: City Clerk

HOME ABOUT WAUCHULA CITY GOVERNMENT BOARDS & COMMISSIONS FORMS

 <b>ABOUT WAUCHULA</b>
ABOUT THE CITY OF WAUCHULA
Employee of the Month
City Ordinances
Demographics
Location
Education
Airports
Hospitals
Radio & TV
Important Links
Welcome to Wauchula Video

## Location

[Printer-Friendly Version](#)

### Historic City Hall

225 East Main Street  
Wauchula, FL 33873

Located in Historic City Hall

- City Commission Chambers
- City Hall Auditorium



### City Administration Building

126 South 7th Avenue  
Wauchula, FL 33873

Located in the City Administration Building:

- City Manager
- City Clerk
- Financial Department
- Police Department
- Community Development



The City of Wauchula is located on Highway US 17. Centrally located from all major metropolitan areas in South and Central Florida. Whether you are coming from Miami, Orlando, Tampa or any where in between, Wauchula is in the heart of it all.

[Click here for MapQuest directions from your location!](#)

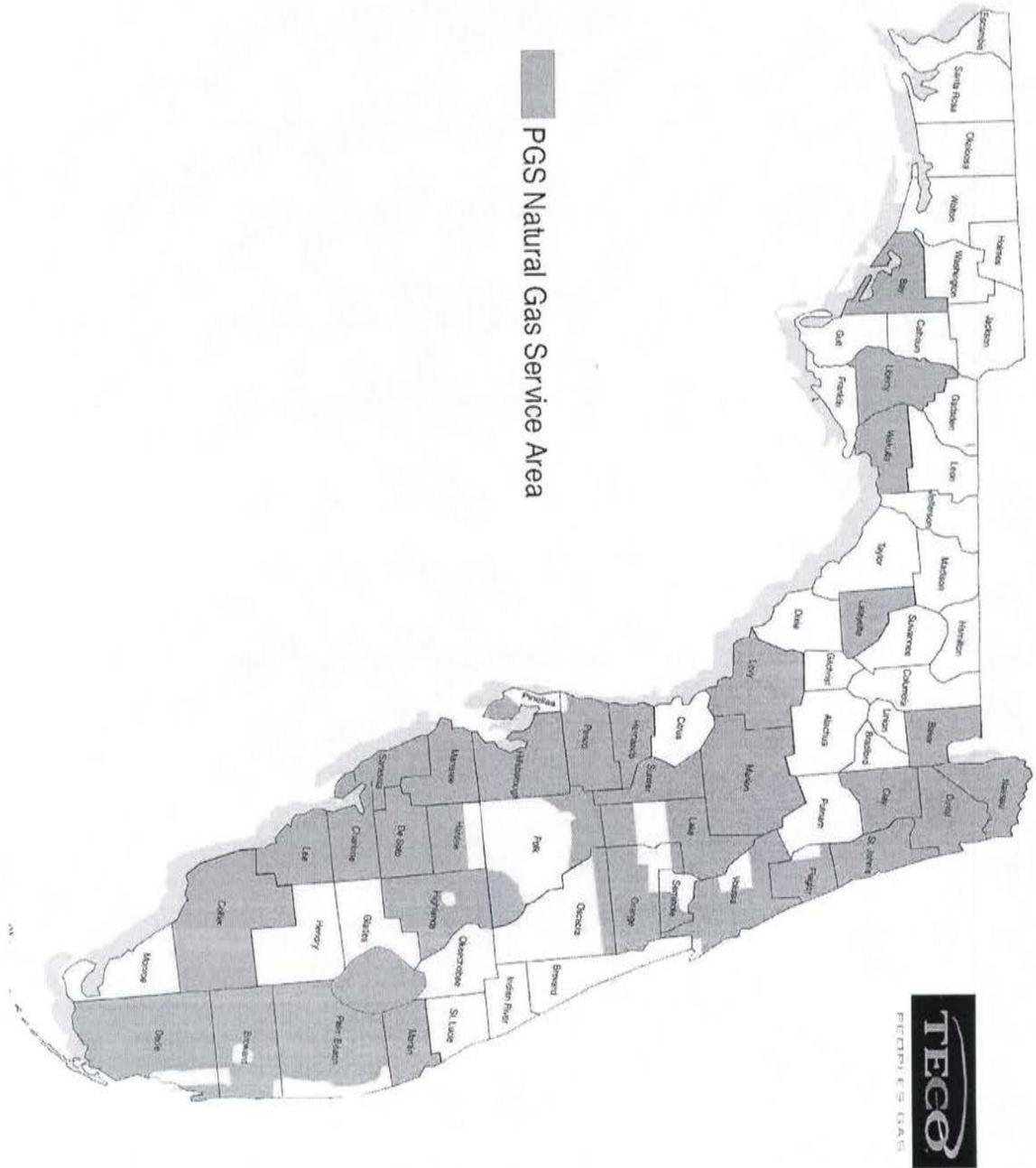
 **PAY YOUR BILL ONLINE**

Wauchula, FL  
**81°F** Misty Cloudy  




<b>From Miami/ Ft. Lauderdale:</b>	<ul style="list-style-type: none"> <li>• Take FLORIDA'S TURNPIKE N - toward SR-826 W (Portions toll).</li> <li>• Take the I-75 W exit toward NAPLES. Merge onto I-75 N (Portions toll). 145.39 miles</li> <li>• Merge onto US-17 N via exit number 164 toward ARCADIA. 47.24 miles</li> <li>• Total Estimated Time: Total Distance: 225.46 miles 4 hours, 3 minutes</li> </ul>
<b>From Orlando:</b>	<ul style="list-style-type: none"> <li>• Take I-4 W toward TAMPA. 41.58 miles</li> <li>• Merge onto FL-570 S/ POLK PKWY via exit number 41 toward SR-570-TOLL W/ AUBURNDALE/ LAKELAND (Portions toll). 14.90 miles</li> <li>• Merge onto US-98 E via exit number 10 toward LAKELAND/ BARTOW. 8.18 miles</li> <li>• Turn LEFT onto FL-60 E/ E VAN FLEET DR/ US-98 E. Continue to follow US-98 E. 0.73 mi.</li> <li>• Turn SLIGHT RIGHT onto US-17 S/ US-98 E/ FL-35 S. Continue to follow US-17 S. 25.49 mi.</li> <li>• Total Estimated Time: Total Distance: 91.03 miles 1 hour, 52 minutes</li> </ul>
<b>From Tampa:</b>	<ul style="list-style-type: none"> <li>• Take I-275 N toward I-4.</li> <li>• Merge onto I-4 E via exit number 45B toward ORLANDO. 26.22 miles</li> <li>• Merge onto FL-570 E/ POLK PKWY via exit number 27 toward LAKELAND/ WINTER HAVEN (Portions toll). 9.83 miles</li> <li>• Take the US-98 exit- exit number 10- toward LAKELAND/ BARTOW. 0.50 miles</li> </ul>

### Peoples Gas System Service Territory



This map depicts the general service territory as it stands today. For more details, see the list of counties and communities served in Section 6.

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**COUNTIES AND COMMUNITIES SERVED**

**COUNTIES**

\*Bay

Broward

Charlotte

**COMMUNITIES**

\*Callaway  
\*Cedar Grove  
\*Lynn Haven  
\*Panama City<sup>1</sup>  
\*Panama City Beach  
\*Parker  
\*Springfield  
\*Tyndall Air Force Base  
\*Unincorporated Bay County

Coconut Creek  
Cooper City  
Coral Springs  
Dania Beach  
Davie  
Deerfield Beach  
Fort Lauderdale  
Hallandale Beach  
Hillsboro Beach  
Hollywood  
Lauderdale-By-The-Sea  
Lauderdale Lakes  
Lauderhill  
Lighthouse Point  
Margate  
Miramar  
North Lauderdale  
Oakland Park  
Parkland  
Pembroke Park  
Pembroke Pines  
Plantation  
Pompano Beach  
Sea Ranch Lakes  
Tamarac  
Weston  
Wilton Manors  
Unincorporated Broward County

Charlotte Harbor  
Port Charlotte  
Punta Gorda  
Unincorporated Charlotte County

\*Panama City Operating Area

<sup>1</sup>Designates location of Local Operations Center

Peoples Gas System may extend service to other areas pursuant to the terms and conditions set forth in this tariff. For further information regarding service areas, contact customer service at:  
(877) TECO-PGS / (877) 932-6747

**COUNTIES AND COMMUNITIES SERVED (Continued)**

**COUNTIES**

**COMMUNITIES**

Clay

Green Cove Springs  
Orange Park  
Unincorporated Clay County

Collier

Bonita Shores  
Golden Gate  
Naples  
Pelican Bay  
Vanderbilt  
Vanderbilt Beach  
Unincorporated Collier County

Dade

Aventura  
Bal Harbour Village  
Bay Harbor Islands  
Biscayne Gardens  
Biscayne Park  
El Portal  
Golden Beach  
Indian Creek Village  
Miami  
Miami Beach  
Miami Shores  
North Bay Village  
North Miami<sup>1</sup>  
North Miami Beach  
Sunny Isles Beach  
Surfside  
Unincorporated Dade County

Duval

Atlantic Beach  
Baldwin  
Jacksonville<sup>1</sup>  
Jacksonville Beach  
Neptune Beach  
Unincorporated Duval County

°Gilchrist

Unincorporated Gilchrist County

Hernando

Brooksville  
Spring Hill  
Unincorporated Hernando County

°Ocala Operating Area

<sup>1</sup>Designates location of Local Operations Center

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**(877) TECO-PGS / (877) 832-6747**

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**COUNTIES AND COMMUNITIES SERVED (Continued)**

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**COUNTIES**

**COMMUNITIES**

Highlands

Avon Park<sup>1</sup>  
Unincorporated Highlands County

Hillsborough

Apollo Beach  
Brandon  
Riverview  
Ruskin  
Seffner  
Sun City  
Tampa<sup>1</sup>  
Temple Terrace  
Thonotosassa  
Wimauma  
Unincorporated Hillsborough County

°Lafayette

Unincorporated Lafayette County

°Lake

Eustis<sup>1</sup>  
Grand Island  
Howey-in-the-Hills  
Lisbon  
Mount Dora  
Sorrento  
Tavares  
The Villages  
Umatilla  
Unincorporated Lake County

Lee

Bonita Bay  
Bonita Beach  
Bonita Springs  
Cape Coral  
Estero  
Fort Myers<sup>1</sup>  
Fort Myers Beach  
Lehigh Acres  
North Fort Myers  
Snt Carlos Park  
Unincorporated Lee County

°Levy

Romeo  
Unincorporated Levy County

\*Liberty

Unincorporated Liberty County

°Ocala Operating Area\*Panama City Operating Area

<sup>1</sup>Designates location of Local Operations Center

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**COUNTIES AND COMMUNITIES SERVED (Continued)**

**COUNTIES**

**COMMUNITIES**

Manatee

Bradenton  
Ellenton  
Oneco  
Palmetto  
Unincorporated Manatee County

°Marion

Belleview  
Candler  
Lowell  
Ocala<sup>1</sup>  
Oklawaha  
Silver Springs  
Silver Springs Shores  
The Villages  
Summerfield  
Unincorporated Marion County

Martin

Stuart  
Unincorporated Martin County

Orange

Apopka  
Belle Isle  
Casselberry  
Edgewood  
Fern Park  
Lake Buena Vista  
Maitland  
Orlando<sup>1</sup>  
Pine Castle  
Winter Garden  
Winter Park  
Tangerine  
Zellwood  
Unincorporated Orange County

Osceola

Celebration City  
Kissimmee  
Unincorporated Osceola County

Palm Beach

Jupiter  
Lake Park  
Palm Beach Gardens<sup>1</sup>  
Juno Beach  
Unincorporated Palm Beach County

°Ocala Operating Area

\*Panama City Operating Area

<sup>1</sup>Designates location of Local Operations Center

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**COUNTIES AND COMMUNITIES SERVED (Continued)**

**COUNTIES**

**COMMUNITIES**

**Pasco**

Crystal Springs  
Dade City  
Hudson  
Land of Lakes  
Port Richey  
St. Leo  
San Antonio  
Wesley Chapel  
Zephyrhills  
Unincorporated Pasco County

**Pinellas**

Clearwater  
Gulfport  
Kenneth City  
Largo  
Madeira Beach  
Pinellas Park  
St. Pete Beach  
St. Petersburg<sup>1</sup>  
Seminole  
South Pasadena  
Treasure Island  
Unincorporated Pinellas County

**Polk**

Frostproof  
Kathleen  
Lakeland<sup>1</sup>  
Unincorporated Polk County

**Sarasota**

Longboat Key  
Nokomis  
North Port  
Osprey  
Sarasota<sup>1</sup>  
Venice  
Unincorporated Sarasota County

**Seminole**

Altamonte Springs  
Casselberry  
Golden Rod  
Longwood  
Oviedo  
Winter Springs  
Unincorporated Seminole County

<sup>1</sup>Designates location of Local Operations Center

Peoples Gas System may extend service to other areas pursuant to the terms and conditions set forth in this tariff. For further information regarding service areas, contact customer service at:  
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**COUNTIES AND COMMUNITIES SERVED (Continued)**

**COUNTIES**

**COMMUNITIES**

St. Johns

St. Augustine  
Unincorporated St. Johns County

°Sumter

Oxford  
The Villages  
Unincorporated Sumter County

Volusia

Daytona Beach  
Daytona Beach Shores  
Holly Hill<sup>1</sup>  
Lake Helen  
Ormond Beach  
Port Orange  
South Daytona  
Unincorporated Volusia County

\*Wakulla

Unincorporated Wakulla County

°Union

Unincorporated Union County

°Ocala Operating Area

\*Panama City Operating Center<sup>1</sup> Designated location of Local Operations Center

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