

## **PUBLIC HEARING AND INTRODUCTORY ORDINANCE**

**PUBLIC HEARING AND INTRODUCTORY ORDINANCE OF THE CITY OF LAREDO, TEXAS, GRANTING MEDINA ELECTRIC COOPERATIVE, INC., ITS LEGAL REPRESENTATIVES, SUCCESSORS, LESSEES AND ASSIGNS, AS THE GRANTEE HEREIN, CERTAIN POWERS, LICENSES, RIGHTS-OF-WAY, PRIVILEGES AND FRANCHISE TO CONSTRUCT AND MAINTAIN IN THE CITY-OF LAREDO, TEXAS, AS NOW OR HEREAFTER CONSTITUTED, AN ELECTRIC POWER UTILITY SYSTEM IN SAID CITY AND TO USE THE BRIDGES, OTHER STRUCTURES, PLACES AND PUBLIC GROUNDS IN SAID CITY FOR A PERIOD OF FIVE (5) YEARS WITH ONE (1), FIVE (5) YEAR RENEWAL PERIOD SUBJECT TO RENEGOTIATION BY THE PARTIES; AND PRESCRIBING CERTAIN RIGHTS, DUTIES, TERMS AND CONDITIONS HEREIN MENTIONED AND PROVIDING FOR THE PAYMENT TO CITY A PERCENTAGE OF CERTAIN RECEIPTS OF GRANTEE FROM ITS OPERATIONS THEREIN; AND PROVIDING FOR THE ACCEPTANCE OF THIS ORDINANCE BY GRANTEE; AND CONTAINING A SAVING CLAUSE, AND PROVIDING FOR PUBLICATIONS AND AN EFFECTIVE DATE.**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAREDO:**

### **PART 1.**

#### **SECTION 1. Definitions**

1.1 For the Purpose of this Ordinance the following terms, phrases, words and their derivations shall have the meanings given herein. When not inconsistent with the context, and whenever the sense of the test requires: (1) words used in the present tense include the future, (2) words in the plural number include the singular number, (3) words in the singular number include the plural number, and (4) the use of any gender shall be applicable to all genders. The words “shall” and “will” are mandatory and the word “may” is permissive. Words not defined shall be given their common and ordinary meaning.

1.2 “City” shall mean the City of Laredo, Texas, a municipal corporation in the State of Texas, as constituted as of the effective date of this Ordinance or as may hereafter be constituted.

1.3 “Cooperative” shall mean the Medina Electric Cooperative, Inc., a rural electric cooperative organized and existing under and by virtue of the laws of the State of Texas, and authorized to transact and actually transacting business in the State of Texas, together with its legal representatives, successors, lessees, and assigns.

1.4 “City Manager” shall mean the City Manager of the City or the manager’s authorized designee.

1.5 “Consumer” shall mean any person or organization receiving and using electric utility service from the Cooperative for his or her own appliances or equipment whether or not the electricity is billed directly to him or her, or to a second party. For example, in the case of a rental unit where the cost of utilities is part of the rent the landlord is a Customer, as defined herein, and the tenant is the Consumer.

1.6 “Council” shall mean the governing body of the City of Laredo.

1.7 “Customer” shall mean any person or organization being billed for electric utility service whether used by that person or organization, or by others.

1.8 “Director of Financial Services” shall mean the Director of the Financial Services Department of the City of Laredo, or its successor Department. The term shall also mean the Director’s successor in function.

1.9 “Director of Public Works and Transportation” shall mean the Director of Public Works and Transportation Department of the City of Laredo, or its successor Department. The term shall also mean the Director’s successor in function.

1.10 “Transmission and Distribution system” shall mean all interrelated lines, equipment, poles, installations and systems, fixtures, and other facilities or appurtenances including substation facilities used or necessary for the transmission and distribution of electric utility service to consumers or customers in the City and its environs by the Cooperative.

1.11 “Franchise” shall mean this Ordinance, and all rights and obligations established herein or as amended.

1.12 “Electricity or electric utility service” shall mean energy (kWh) and power (kW) sold, distributed, conveyed, or otherwise conducted, served, supplied, and furnished to inhabitants of the City and others, and to the City, where applicable, by the Cooperative.

1.13 “Gross Receipts” shall mean the total amount collected by the Cooperative from any and all customers from the retail sale of any type of utility services within the City. **(Reimbursement of costs or in aid of construction shall be excluded from this definition)**

1.14 “Pole Rental Agreements” means the standard agreement prescribed and used by Medina Electric Cooperative and any person attaching equipment, lines or cable to the Cooperatives electric utility poles.

1.15 “Public Easement” or “Easement” shall mean those easements held, owned or controlled by the City, and the terms, conditions or limitations upon such easements that are not inconsistent with the construction or maintenance of an electric transmission and distribution system.

1.16 “Sidewalk” shall mean a paved area, within the street right-of-way or sidewalk easement. Specifically designed for pedestrians or bicyclists.

1.17 “Street”, “Avenue” or “Alley” shall mean a publicly dedicated or maintained right-of-way, a portion of which, is open to used by the public for vehicular travel.

1.18 “Public way” shall mean streets, avenues, casements (other than private easements obtained by the Cooperative), rights-of-way, alleys, highways, grounds of the City and beneath the surface of the same as they now or hereafter may exist and as defined herein. It shall also mean sidewalks, bridges (except international bridges) and other structures, places and public grounds of the City, as they now or hereafter may exist and as defined herein.

1.19 “City utility” shall mean any utility service provided by the City including, but not limited to electric, water, and/or sewer utility service.

1.20 “Cooperative’s Service Regulations” shall mean the Service Regulations of the Cooperative, as are now, or shall in the future be approved by the Public Utility Commission, the City Council of the City of Laredo, or any other regulatory authority that has jurisdiction.

## SECTION 2. Granting of Franchise

2.1 There is hereby granted to the Cooperative a non-exclusive franchise to maintain, construct, equip, extend, replace, alter, and otherwise establish in the City a transmission and distribution system for the provision of electric utility service. It is understood that this franchise authorizes only such transmission and distribution system as is necessary or appropriate to provide electric utility service.

- a) In accordance with and during the term of this franchise grant, the Cooperative is hereby granted passage and right-of-way in, under, along and across, any and all public ways. The Cooperative is further granted the right to occupy and use in any lawful way, said public ways in accordance with and during the term of this franchise or any extensions thereto. This occupancy and use are granted solely for the services, uses, effects, and lawful purposes described herein.
- b) Nothing herein shall be constructed to require or authorize the Cooperative to exceed its certification rights granted by the Public Utility Commission of Texas.
- c) The Cooperative shall, except in the case of a bona fide emergency, provide ten (10) calendar days’ notice to the City Engineer, Director of Public Works and Traffic Safety Manager before commencing any excavation in the paved portion of any public way. In the case of a bonafide emergency the Cooperative shall provide notice to the Director of Public Works and Transportation of any excavation as soon as reasonably practicable.

2.2 The Cooperative shall, prior to constructing any facilities within City parks or on land hereafter designated as a City park, comply with all applicable State laws, including Chapter 26 of the Texas Parks and Wildlife Code, and with all applicable City rules and regulations.

2.3 The operation and construction, and maintenance of the Cooperative's transmission and distribution system and other property subject to this franchise shall be subject, to all applicable laws of the United States, the State of Texas, the City Charter, and City Ordinances, rules and regulations. The venue for all causes of action arising under this Ordinance shall be in the District Court of Webb County, Texas.

2.4 The initial term of this franchise shall be for a period of Five (5) years, from the effective date of this Ordinance. At the end of the initial term, the term may be, renewed for one additional Five (5) year period, subject to renegotiation by the parties, unless (I) the Cooperative is in default under the terms of this Ordinance and written notice is given to the Cooperative by the City or written notice is given to the City by the Cooperative.

- a) The written notice must be provided 120 days before the end of the initial term. The notice shall specify either the desire to reconsider renewal of this franchise or desire to terminate this franchise, in which event this franchise shall either be renegotiated or terminated at the end of the initial term.

2.5 The Cooperative shall not transfer this franchise or any rights and privileges granted herein without written approval of the Council expressed by Ordinance. Such approval shall not be unreasonably withheld. Once approved, the Cooperative shall provide written notice of the actual transfer within thirty (30) days of the completion of the transfer.

### SECTION 3. Acceptance by the Cooperative

3.1 This franchise shall not become effective until accepted by the Cooperative in writing. The acceptance shall be filed with the City within sixty (60) days following the final adoption of this Ordinance by the Council. Upon acceptance by the Cooperative, this Ordinance shall be a contract, duly executed by and between the City and the Cooperative.

### SECTION 4. Service

4.1 Electric utility service shall be provided by means of the Cooperative's transmission and distribution system which shall be located within the public right-of-ways, private property, and/or where they are presently located. The Cooperative shall use reasonable efforts to assure that all future location of the transmission and distribution systems shall not unreasonably interfere with the flow of water in any gutter or drain; the operations or facilities of any City utility, any television cable, telephone facilities, traffic control signals, street lights, fire lines or other communication lines, or ordinary travel on the streets or sidewalks.

4.2 The location and route of all Cooperative transmission and distribution system facilities shall be subject to:

- a) The lawful, reasonable and proper control of the City; and
- b) All ordinances, laws, rules, regulations, and Charter provisions of the City now in force or that may hereafter be passed and adopted which are not inconsistent with this Ordinance.

4.3 The surface of any public way distributed by the Cooperative in the construction or maintenance of its transmission and distribution system shall be restored within a reasonable time after the completion of the work to as good a condition as before the commencement of the work. The City shall have thirty (30) days from the date of such restoration, to determine whether the restored surface requires additional work to place it in as good a condition as before the commencement of the work. If the City makes such determination, the Cooperative shall perform all additional restoration work to the reasonable satisfaction of the City. No public way shall be encumbered for a period longer than reasonably necessary to complete all work.

4.4 The Cooperative shall not unreasonably discriminate in furnishing electric utility service on the terms provided in the Cooperative's Service regulations and line extension policy, as in effect from time to time. The Cooperative shall not deny electric utility service, or otherwise discriminate against applicants for service, customers, or customers on the basis of race, color, religion, national origin, sex, or sexual orientation. Electric utility service shall be provided to all areas of the City for which the Cooperative holds a valid Certificate of Convenience and Necessity issued by the Public Utility Commission of Texas.

4.5 The Cooperative shall maintain its property and transmission and distribution system in good order and condition, consistent with the needs of the service to be rendered therefrom. The City recognizes and agrees that the Cooperative shall retain full title in, and right to, its personal property, whether or not the same is incorporated in real estate.

4.6 The City, at any time, may make reasonable inquiries pertaining to this Ordinance, and the Cooperative shall respond to such inquiries on a timely basis.

4.7 The Cooperative shall keep the City informed concerning the Cooperative's conservation programs. Upon request, the Cooperative shall deliver to the City a copy of the energy efficiency plan, if any, required to be filed by the Cooperative with the Public Utility Commission of Texas pursuant to the rules and regulations of that Commission.

## SECTION 5. Uses of Streets and Easements

5.1 The Cooperative is hereby authorized, licensed and empowered to do any and all things necessary and proper to be done and performed in executing the powers and using the privileges granted and described by this franchise. Provided, however, that such activities shall not conflict with existing water pipes, sewer, electric power lines, telephone lines, cable television

lines and other authorized installations. Provided also, that all work done in the public ways by the Cooperative shall be done with reasonable diligence and without unreasonable inconvenience to the public or individuals.

5.2 By the grant of authority described in Section 5.1, it is not the intention of either the City or the Cooperative to create any liability, right or claim for the benefit of third parties and this franchise is intended and shall be construed for the sole benefit of the City and the Cooperative.

#### SECTION 6. Work by the City and Others

6.1 The City reserves the right to lay, to permit to be laid, sewer, cable television, water, telephone, electric and other lines, cables and conduits and to do and permit to be done any underground or overhead work that may be necessary or proper in, across, along, over, or under any public way occupied by the Cooperative. Without waiving any Constitutional or statutory prohibitions to the contrary, the City shall only be liable to the extent permitted by law to the Cooperative for the damage, if any, to the Cooperative's transmission and distribution system which is the result of the negligence or willful misconduct of the City or its employees. The City shall nor be liable, under any circumstances, for damage caused to the Cooperative as a result of work done by persons other than the City's employees, or the City's agents or contractors unless the specific actions taken or specific work done by the City's agents or contractors which is the subject of the claim for damages was performed under the direction, supervision and control of the City. By this agreement it is not the intention of either the City or the Cooperative that the City assume liability in general for the negligence or willful misconduct of the City's agents or contractors for any and all work performed by them for or on behalf of the City, but only in the limited circumstances described above. Removal and relocation expenses incurred by the Cooperative shall be reimbursed by the person whom the removal or relocation is made, except as provided in Section 7.

#### SECTION 7. Changes for Governmental Purposes

7.1 If during the period of this franchise, the City shall elect to widen or straighten any public way, or any water pipe, waste water pipe, or any overhead or underground structure within the corporate limits of the City, so as to conflict with the transmission or distribution system of the Cooperative, the Cooperative shall remove or relocate, as necessary, that portion of its transmission or distribution system of the Cooperative shall be at the Cooperative's expense; provided however, that the City shall provide appropriate easement or Public Right-of-Way alongside the relocated or straightened Public Right-of-Way or facility in which the cooperative may relocate its distribution or transmission equipment. In newly annexed property, the City shall pay for costs of relocation of transmission and distribution lines that exist on private property prior to annexation, if necessary.

7.2 Schedules for the work contemplated by Section 7.1 shall be developed by designated representatives of the Cooperative and the City. If such representatives cannot agree on

the schedule, the City manager, after consultation with the Cooperative, shall establish a schedule. This schedule shall provide for a minimum of thirty (30) days to exist between the time the schedule is furnished to the cooperative and the time that any specific work to be done by the Cooperative covered in the schedule is to begin, unless otherwise mutually agreed to in writing by the parties.

7.3 The work contemplated by this Section that is funded, in whole or in part, which federal or state highway moneys, the federal government or state may provide compensation for utility adjustments. If such compensation is provided, the City shall request that compensation for utility adjustments. If such compensation is provided, the City shall request that compensation also be provided to the Cooperative by the funding authority. If the City receives such compensation, it shall deliver to the Cooperative that portion of the compensation attributable to the Cooperative's costs of removal or relocation.

## SECTION 8. Captions and Severability

8.1 The use of captions or headings for various sections of this Ordinance are for the convenience of the parties only and do not reflect the intent of the parties. This Ordinance shall be construed and deemed to have been drafted by the combined efforts of the city and the Cooperative.

8.2 Notwithstanding anything contained herein to the contrary, in the event that any part of this Ordinance is declared by any court of law to be unenforceable, void, unlawful, or otherwise inapplicable, the remainder of the provisions of this Ordinance shall remain in full force and effect and shall in no way be affected, impaired or invalidated. In such event, the level of compensation to be provided to the City shall continue to be comparable to that set forth in this Ordinance.

## SECTION 9. Fees

9.1 The City and the Cooperative agree that the public way to be used by the Cooperative in the operation of its transmission and distribution system is valuable public property acquired and maintained by the City at the expense of its taxpayers. The City and the Cooperative agree that the City will incur costs in regulating and administering the franchise granted by this Ordinance ("administration costs"). In consideration of the use of the public right of way the Cooperative shall, through the term of this franchise, pay to the City six percent (6%) of its Gross receipts per fiscal year quarter, in each case payable quarterly as specific in Section 9.4 and 9.4(a), (b), and (c).

9.2 The City and the Cooperative recognize that the Cooperative may enter into franchise agreements after the effective date of this franchise with other municipalities. The City and the Cooperative further recognize that the Cooperative may agree to pay for the use of said municipality's public rights-of-way amount, however characterized, greater than six (6%) percent of the Cooperative's gross receipts in said municipality. In such event the Cooperative's payments

under this section shall be increased to an amount equal to that proportionately higher rate of the Cooperative's said gross receipts within the City. The Cooperative's payments shall be increased pursuant to this section in those instances in which the Cooperative enters into such agreements or renews or extends a franchise agreement adopted by any municipality on or after the effective date of this Ordinance.

- a) The increased payments to the City provided by this section shall be subject to the same method or terms of collecting of such fee from Cooperative's customers. The Cooperative shall notify the City of such increase within Thirty (30) days of the other payments effective date. Collections of the franchise fee and payments to the City will be based on such higher rate from the first date of the first month next following the date the City accepts and authorizes the increase. The City's acceptance and authorization shall be on the same terms as those in effect for the other municipality. The collection of the franchise fee and the increased payment shall continue until expiration of term of this franchise or until the expiration of the franchise agreement of such other municipality, whichever is earlier.
- b) Nothing in this section shall alter or affect the dates upon which the payments specified in this franchise are payable or the period to which each of said payments are referable as provided in Section 9.1.

9.3 The audit provisions of this franchise shall extend to any and all records of payments between other municipalities and the Cooperative.

- a) The Cooperative's payments shall not be increased under this section in those instances in which the Cooperative succeeds to or is assigned an existing franchise through the acquisition by merger or otherwise of another electric utility.
- b) Neither shall the increased payments contemplated by this Section take effect if the increased payments do not exceed three (3) years in the aggregate. This term may be increased by the City in the event that the City determines that the Cooperative and such other municipality are negotiating in good faith.

9.4 The franchise fee specified in Section 9.1 shall be payable quarterly to the City and shall be delivered to the City's Director of Financial Services, together with a statement indicating the derivation and calculation of the payment. Each quarterly payment shall be due on the 30<sup>th</sup> day of the first month following the end of the quarterly period for which the payment is due. The quarterly payment shall be based upon the Cooperative's gross receipts during that same quarterly period and shall represent payment for the rights and privileges granted to the Cooperative by this franchise for said calendar quarter.

- a) The quarterly payments shall be due on January 30, April 30, July 30, and October 30 of each year during the term of this franchise.
- b) The January 30<sup>th</sup> payment shall be based upon the Cooperative's gross receipts during the calendar quarter ending the prior December 31. The April 30, payment shall be based upon the Cooperative's gross receipts during the



calendar quarter ending March 31. The July 30 payment shall be based upon the Cooperative's gross receipts during the calendar quarter ending on June 30. The October 30 payment shall be based upon the Cooperative's gross receipts during the calendar quarter ending the prior September 30.

- c) The first quarterly franchise payment provided by this Section shall be made on or before October 30, 2025, and is based upon the Cooperative's gross receipts during the calendar quarter beginning July 1, 2025 and ending September 30, 2025.

9.5 The purposes of verifying the amount of the franchise fee, the books of the Cooperative shall at all reasonable times be subject to inspection by the City Manager's designee.

9.6 The Cooperative shall file annually with the City's Director of Finance, no later than four (4) months after the end of the Cooperative's fiscal year, annual audited statements of the Cooperative. The certified public accountant preparing the statement shall certify that the statement is in accordance with applicable generally accepted accounting principles.

9.7 Except as provided in Section 9.7 the franchise fee shall be in lieu of:

- a) Any and all other rentals or compensation or franchise, license, privilege, instrument, occupation, excise, or revenue taxes or fees;
- b) All other exactions or charges or permits upon or relating to the business, revenue, franchise, transmission and distribution system, and other facilities or property of the Cooperative and its activities, in the City which relate to the operations of the Cooperative's electric utility system.

9.8 The franchise fee shall not be in lieu of:

- a) Ad valorem property taxes, special assessments for local improvements, City sales tax, and such other charges for utility service imposed uniformly upon persons, firms, or corporations then engaged in business within the City; or,
- b) Required reimbursements to the City for reasonable expenses incurred in employing consultants in rate proceedings to the extent permitted by law.

9.9 Should the City not have the legal power to agree that the payment of the franchise fee shall be in lieu of the fees and charges described in Section 9.1, the City agrees that it will apply as much of the franchise fee paid by the Cooperative necessary to and charges described in Section 9.1.

## SECTION 10. Indemnity

10.1 The Cooperative agrees to indemnify, defend, and save harmless the City, its agents, officers and employees, against and from any and all claims by or on behalf of any person, firm, corporation or other entity, to the extent that they arise from the Cooperative's negligence or willful misconduct, and that of its agents and contractors, in connection with construction,

operation, or management of its transmission and distribution system, and from and against all costs, attorney fees, expenses and liabilities incurred in or about any such claim or proceeding brought thereon, and from any and all claims arising from any breach or default on the part of the Cooperative in the performance of any covenant or agreement on the part of the cooperative to be performed pursuant to the terms of this agreement.

- a) The City shall promptly notify the Cooperative of any claim or cause of action which may be asserted against the City relating to or covering any matter against which Cooperative has agreed, as set forth above, to indemnify, defend and save harmless the City, and the Cooperative shall promptly notify the City of any claim or cause of action which may be asserted against the Cooperative relating to or covering any matter against which the Cooperative has agreed, as set forth above, to indemnify and defend and save harmless the City.
- b) The Cooperative serves the right, but not the obligation to create any liability, right, or claim for the benefit of third parties. This indemnification provision is intended and shall be construed for the sole benefit of the City and the Cooperative.

10.2 It is not the intention of wither the City or the Cooperative to create any liability, right, or claim for the benefit of third parties. This indemnification provision is intended and shall be construed for the sole benefit of the City and the Cooperative.

#### SECTION 11. Compensation for Past Periods

11.1 In recognition of the fact that the Cooperative has continued to remit franchise payments to the City in good faith under the expired franchise agreement authorized by Ordinance No. 98-0-195 since August 2018, the Cooperative agrees to remit to the City, upon acceptance of this franchise renewal, a one-time payment equivalent to five percent (5%) of its gross receipts for any unpaid balance between June 1, 2004 thru April 1, 2025. This amount shall constitute full and complete settlement of any and all franchise fee liabilities applicable to periods prior to April 1, 2025. Beginning April 1, 2025, the Cooperative shall pay to the City six percent (6%) of its gross receipts in accordance with this ordinance.

## SECTION 12. Forfeiture and Termination

12.1 In addition to all other rights and powers retained by the City under this franchise or otherwise, City reserved the right to declare this franchise forfeited and to terminate the franchise and all rights and privileges of the Cooperative hereunder in the event of a material breach of its terms and conditions. A material breach by the Cooperative shall include, but not be limited to, the following:

- a) Failure to pay the fee described by Section 9 herein;
- b) A material misrepresentation of fact in the application for or negotiation of the franchise: and
- c) Conviction of any director, offices, employee, or agent of the Cooperative of the offense of bribery or fraud connected with or resulting from the awarding of this franchise to the Cooperative.

12.2 The foregoing shall not constitute a material breach of this franchise if the violation occurs without the fault of the Cooperative or of its employees or occurs as a result of circumstances beyond the Cooperative's control. The Cooperative shall not be excused by mere economic hardship nor by misfeasance or malfeasance of its directors, offices, or employees, or agents.

12.3 To declare a forfeiture of this franchise, the City shall make written demand by certified mail, return receipt requested, that the Cooperative comply with any provision, rule, order or determination pursuant to or contained within this franchise. If the Cooperative fails to take expeditious effective action within thirty (30) days following receipts of the written demand to cure the violation, the Council may terminate the franchise. The City shall cause to be served upon the Cooperative, at least twenty (20) days prior to the date of consideration of termination of the franchise by the Council in open meeting, a written notice of Council's intent to consider such termination and the time and place of the meeting.

- a) Upon meeting pursuant to notice, the Council shall: (1) hear and consider the issue, (2) hear any interested person, and (3) shall determine whether or not any violation by the Cooperative has occurred.
- b) If the Council determines that a violation occurred and that the violation was the fault of the Cooperative and within its control, the Council may declare the franchise of the Cooperative forfeited and terminated. The Council may also take such appropriate action including, but not limited to, granting a period of time to cure the violation.

## SECTION 13. Foreclosure, Receivership and Bankruptcy

13.1 The Cooperative shall notify the City within thirty (30) days after the appointment of a receiver or trustee to take over and conduct the business of the Cooperative, whether in receivership, reorganization, bankruptcy, or other action or proceeding, whether voluntary or involuntary, such notice to include where applicable the cause number and court involved.

#### SECTION 14. Local Customers Service Office

14.1 The parties hereby acknowledge and agree that neither the City nor the Cooperative currently operate a local customer service office within the City of Laredo, nor do they anticipate establishing such an office in the short term. In the interim, the Cooperative shall make every reasonable effort to provide remote customer service support to its accounts located within the City limits during normal business hours, defined as 8:00 a.m. to 5:00 p.m., Monday through Friday.

PART 2.

In compliance with the provisions of the Charter of the City, this Ordinance, upon being introduced at a regular meeting of the Council, shall be read at three (3) separate regular meetings of the Council and shall not be passed finally until thirty (3) days after the first reading. Within five (5) days following each of its three (3) readings the full text of this Ordinance shall be published one (1) time in a daily newspaper published in the City. This ordinance shall take effect sixty (60) days after its final passage, if the franchise is accepted in writing by the Cooperative; and the Cooperative files its acceptance with the City Clerk of the City within sixty (60) days following the final adoption of this Ordinance by the Council in the following form:

To the Honorable Mayor and City Council:

Medina Electric Cooperative acting by and through the undersigned and authorized officer, hereby accepts, on this \_\_\_\_\_ day of \_\_\_\_\_, 2025, Ordinance No. \_\_\_\_\_, being franchise passed and adopted by the City of Laredo, Texas, duly approved by the Mayor and attested by the City Clerk on \_\_\_\_\_, 2025, the same being,

"AN ORDINANCE GRANTING TO MEDINA ELECTRIC COOPERATIVE, INC., ITS LEGAL REPRESENTATIVES, SUCCESSORS, LESSEES AND ASSIGNS, AS THE GRANTEE HEREIN, CERTAIN POWERS, LICENSES, RIGHTS-OF-WAY, PRIVILEGES AND FRANCHISE TO CONSTRUCT AND MAINTAIN IN THE CITY-OF LAREDO, TEXAS, AS NOW OR HEREAFTER CONSTITUTED, AND ELECTRIC POWER UTILITY SYSTEM IN SAID CITY AND TO USE THE BRIDGES AND OTHER STRUCTURES AND PLACES AND PUBLIC GROUNDS IN SAID CITY FOR A PERIOD OF FIVE (5) YEARS WITH ONE (1), FIVE (5) YEAR RENEWAL PERIOD SUBJECT TO RENEGOTIATION BY THE PARTIES; AND PRESCRIBING CERTAIN RIGHTS, DUTIES, TERMS AND CONDITIONS HEREIN MENTIONED AND PROVIDING FOR THE PAYMENT TO SAID CITY OF A PERCENTAGE OF CERTAIN RECEIPTS OF GRANTEE FROM ITS OPERATIONS THEREIN; AND PROVIDING FOR THE ACCEPTANCE OF THIS ORDINANCE BY GRANTEE; AND CONTAINING A SAVING CLAUSE, AND PROVIDING FOR PUBLICATIONS AND AN EFFECTIVE DATE" and files herewith its acceptance of this franchise as required by the terms of the franchise ordinance.

IN TESTIMONY THEREOF, witness the corporate signature of the Medina Electric Cooperative by its duly authorized offices, this the \_\_\_\_\_ day \_\_\_\_\_, 2025.

MEDINA ELECTRIC COOPERATIVE, INC., a  
Texas Corporation

BY: \_\_\_\_\_

Herbert Grebe III, Chief Executive Officer

PART 3.

The City Clerk is hereby authorized and directed to make appropriate endorsements over his official hand and seal of the City, on a form provided at the conclusion of this Ordinance, of the dates upon which this Ordinance shall have been read at three (3) separate regular meetings of the Councils and the date of final passage of this Ordinance, and the date upon which the Ordinance shall take effect, being sixty (60) days after the date of final passage, if the Cooperative shall have accepted this franchise, and the dates upon which the full text of this Ordinance shall have been published, and the name and address of the daily newspaper in which such publications were had in the City.

PASSED AND APPROVED BY THE CITY COUNCIL ON THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2025.

\_\_\_\_\_  
DR. VICTOR D. TREVIÑO, MAYOR

ATTEST:

\_\_\_\_\_  
MARIO MALDONADO, JR.  
CITY SECRETARY

APPROVED AS TO FORM:  
DOANH T. NGUYEN, CITY ATTORNEY

\_\_\_\_\_  
BY: JOAQUIN A. RODRIGUEZ  
FIRST ASSISTANT CITY ATTORNEY

## **CERTIFICATE AND ENDORSEMENT**

THIS IS TO CERTIFY that the above and foregoing Ordinance entitled:

AN ORDINANCE GRANTING TO MEDINA ELECTRIC COOPERATIVE, INC., ITS LEGAL REPRESENTATIVES, SUCCESSORS, LESSEES AND ASSIGNS, AS THE GRANTEE HEREIN, CERTAIN POWERS, LICENSES, RIGHTS-OF-WAY, PRIVILEGES AND FRANCHISE TO CONSTRUCT AND MAINTAIN IN THE CITY-OF LAREDO, TEXAS, AS NOW OR HEREAFTER CONSTITUTED, AND ELECTRIC POWER UTILITY SYSTEM IN SAID CITY AND TO USE THE BRIDGES AND OTHER STRUCTURES AND PLACES AND PUBLIC GROUNDS IN SAID CITY FOR A PERIOD OF FIVE (5) YEARS WITH ONE (1), FIVE (5) YEAR RENEWAL PERIOD SUBJECT TO RENEGOTIATION BY THE PARTIES; AND PRESCRIBING CERTAIN RIGHTS, DUTIES, TERMS AND CONDITIONS HEREIN MENTIONED AND PROVIDING FOR THE PAYMENT TO SAID CITY OF A PERCENTAGE OF CERTAIN RECEIPTS OF GRANTEE FROM ITS OPERATIONS THEREIN; AND PROVIDING FOR THE ACCEPTANCE OF THIS ORDINANCE BY GRANTEE; AND CONTAINING A SAVING CLAUSE, AND PROVIDING FOR PUBLICATIONS AND AN EFFECTIVE DATE.

was introduced, read for the first time, and passed to second reading by the City Council of the City of Laredo at a regular meeting of the City Council held in the Council Chambers, at 1110 Houston, in the City of Laredo on the \_\_\_\_\_ day of \_\_\_\_\_, 2025 that the same ordinance was read for the second time and passed to third reading at a regular meeting of the City Council held on the \_\_\_\_\_ day of \_\_\_\_\_, 2025, that the same Ordinance was read for the third time and finally passed at a regular meeting of the City Council held on the \_\_\_\_\_ day of \_\_\_\_\_, 2025.

AND, I FURTHER CERTIFY THAT:

(a) The Ordinance was not passed until thirty (30) days after the first reading on the \_\_\_\_\_ day of \_\_\_\_\_, 2025, the date of final passage being \_\_\_\_\_ day of \_\_\_\_\_, 2025.

(b) The date of final passage being the \_\_\_\_\_ day of \_\_\_\_\_ 2025, the effective date of this Ordinance under the terms and provisions of the Charter of the City of Laredo, is the \_\_\_\_\_ day of \_\_\_\_\_, 2025, being sixty (60) days after the final passage of this ordinance.

(c) Pending the date upon which this Ordinance took effect, the full text of such Ordinance was published once each week within five (5) working days following each of the three readings of this Ordinance during the sixty (60) day period between final passage of the Ordinance and effective date of said Ordinance.

(d) The Laredo Morning Times is a daily newspaper published in the City of Laredo by Hearst Corporation, whose address is 5711 McPherson Rd., Suite 203A, Laredo, Texas 78041.

(e) The expense of such publication was borne by Medina Electric Cooperative, Inc., the proponent and grantee of the franchise granted by this Ordinance.

IN TESTIMONY WHEREOF, witness my hand and the seal of the City of Laredo on this \_\_\_\_\_ day \_\_\_\_\_, 2025.

---

MARIO MALDONADO, JR.  
CITY SECRETARY