

RESOLUTION NO. 200522

AUG 11 1970

BE IT RESOLVED, by the Council of The City of San Diego,
as follows:

1. That the bid received from San Diego Gas & Electric Company on August 6, 1970 for a franchise to construct, maintain and use pipes and appurtenances for transmitting and distributing gas for heating and power purposes in the streets of the City of San Diego on conditions expressed in a letter dated August 6, 1970 from J. F. Sinnott, President of San Diego Gas & Electric Company, on file in the office of the City Clerk as Document No. 732983, be, and the same is declared to be nonresponsive and therefore rejected; and

2. That the City Clerk be, and he is hereby authorized to return to San Diego Gas & Electric Company its check in the amount of \$50,000.00 which was the amount bid by San Diego Gas & Electric Company for said gas franchise.

APPROVED: JOHN W. WITT, City Attorney

By


Robert S. Teaze
Assistant City Attorney

RST:as
8-10-70



SAN DIEGO GAS & ELECTRIC COMPANY

P. O. BOX 1831 SAN DIEGO, CALIFORNIA 92112

August 6, 1970

FILE NO. MUA 040

JOSEPH F. SINNOTT
PRESIDENT

Mr. John Lockwood
San Diego City Clerk
City Administration Building
San Diego, California 92101

Dear Sir:

City of San Diego Gas Franchise

San Diego Gas & Electric Company hereby submits its bid in the amount of \$50,000 for a franchise to construct, maintain and use pipes and appurtenances for transmitting and distributing gas for heating and power purposes in the streets of the City of San Diego in the form set forth in Exhibit "A" attached to City Council Resolution No. 200375, subject to the condition that the following provisions of the proposed franchise ordinance be amended to read as follows:

1. Section 1. DEFINITIONS, Subsection (h):

"(h) The phrase "gross receipts" shall mean all receipts derived by Grantee from the sale of gas to Grantee's consumers within the corporate limits of the City irrespective of the use to which said gas is put by Grantee's customers but excluding interdepartmental sales by Grantee and excluding refunds or rebates to customers by Grantee as ordered by the California Public Utilities Commission."

2. Section 3. TERM:

"Section 3. TERM

"The right, privilege and franchise, subject to each and all of the terms and conditions contained in this ordinance hereby is granted to _____, a corporation organized and existing under and by virtue of the laws of the State of California, for an indeterminate term from and after the effective date hereof."

DOCUMENT NO. 732983
FILED AUG 13 1970
OFFICE OF THE CITY CLERK
SAN DIEGO, CALIFORNIA



200522



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Mr. John Lockwood

August 6, 1970

3. Section 4. CONSIDERATION

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"The rights and privileges herein granted are upon the express condition that Grantee, as consideration therefor and as compensation for the use of the streets of the City as herein authorized and permitted, shall pay annually to City in lawful money of the United States, a sum equal to two per cent (2%) of Grantee's gross receipts during the preceding calendar year, or fractional year, arising from the use, operation or possession of said franchise; provided, however, that such payment shall in no event be less than one per cent of Grantee's gross receipts as defined herein."

For the first ten years of the franchise, San Diego Gas & Electric Company would further agree that in no event shall the total amount paid in any year be less than the gas franchise payment made to the City by it for the year 1969.

4. Section 5. REPORTS, DATES OF PAYMENT TO CITY, AUDITS, Subsection (g):

"(g) Grantee shall file with the City Clerk a duplicate of those portions which are germane to the franchise payments of the Grantee's annual financial report filed with the Public Utilities Commission of the State of California or its successors in authority, as soon as practicable after the original of said report has been filed with the said Commission, or its successors in authority."

5. Section 8. CITY RESERVED POWERS:

Entire section to be deleted.

6. Section 10. REPAIR COSTS:

"Section 10. REPAIR COSTS

"Grantee shall pay to City on demand the cost of all repairs to City property made necessary by any of the operations of Grantee under the franchise granted hereby; provided, however, that Grantee shall be afforded a reasonable opportunity to make such repairs itself at its own cost."



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7. Section 11. FORFEITURE:

Entire section to be deleted.

8. Section 18. PERFORMANCE BOND:

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"Grantee shall file and maintain a faithful performance bond in favor of the City as beneficiary in the sum of Ten Thousand Dollars (\$10,000) conditioned that Grantee shall well and truly observe, fulfill and perform each and every term and condition of the franchise herein granted, and that in case of any breach of any condition of the bond, the amount of the penal sum made in the bond shall be recoverable from the principal and sureties upon said bond, which bond shall be acknowledged by Grantee as principal and by a corporation licensed by the Insurance Commissioner of the State of California to transact the business of a fidelity and surety insurance company as surety."

A certified check of the San Diego Gas & Electric Company in the amount of \$50,000 payable to the Treasurer of the City of San Diego is enclosed herewith. Said Treasurer is authorized to deposit, cash or negotiate said check upon the grant of the franchise mentioned above incorporating the conditions to which this bid is herein made subject.

Very truly yours,

SAN DIEGO GAS & ELECTRIC COMPANY

By: J. F. Sinnott
J. F. Sinnott, President

JFS : t

Enclosure - Check for \$50,000

8-11-70
#13-a

AUG 11 1970

Passed and adopted by the Council of The City of San Diego on _____,
by the following vote:

RECEIVED
CITY CLERK'S OFFICE
1970 AUG 10 AM 10:03
SAN DIEGO, CALIF.

| Councilmen | Yeas | Nays | Excused | Absent |
|--------------------|-------------------------------------|--------------------------|--------------------------|--------------------------|
| Helen Cobb | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Sam T. Loftin | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Henry L. Landt | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Leon L. Williams | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Floyd L. Morrow | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Bob Martinet | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Allen Hitch | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Mike Schaefer | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Mayor Frank Curran | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

AUTHENTICATED BY:

FRANK CURRAN
Mayor of The City of San Diego, California.

JOHN LOCKWOOD
City Clerk of The City of San Diego, California.

(Seal)

By Elford P. Hamel, Deputy KR

Office of the City Clerk, San Diego, California

Resolution Number 200522 Adopted AUG 11 1970