

CITY COUNCIL CONFERENCE
MUNICIPAL BUILDING CONFERENCE ROOM
201 WEST GRAY, NORMAN, OK

AUGUST 27, 2019

5:00 P.M.

**1. DISCUSSION REGARDING THE OG&E FRANCHISE AND
RELATED AGREEMENTS AND PROGRAMS.**

It is the policy of the City of Norman that no person or groups of persons shall on the grounds of race, color, sex, religion, national origin, place of birth, age, familial status, disability, retaliation, or genetic information, be excluded from participation in, be denied the benefits of, or otherwise subjected to discrimination in employment activities or in all programs, services, or activities administered by the City, its recipients, sub-recipients, and contractors. In the event of any comments, complaints, modifications, accommodations, alternative formats, and auxiliary aids and services regarding accessibility or inclusion, please contact the ADA Technician at 405-366-5424, Relay Service: 711. To better serve you, five (5) business days' advance notice is preferred.

MEMORANDUM OF UNDERSTANDING
BY AND BETWEEN
OKLAHOMA GAS AND ELECTRIC COMPANY
AND
THE CITY OF NORMAN, OKLAHOMA

THIS MEMORANDUM OF UNDERSTANDING (“MOU”) is entered by and between Oklahoma Gas and Electric Company and The City of Norman, Oklahoma, a municipal corporation (the “City”), to set forth the understanding between OG&E and the City for moving forward with certain projects and to effectuate the renewal of a new long term franchise ordinance to present to the voters of the City of Norman.

WHEREAS, the City and OG&E have discussed certain projects deemed by the City to be beneficial; and

WHEREAS, OG&E desires to assist the City in these efforts as described in this MOU; and

WHEREAS, the parties hereto desire to present to the voters of the City of Norman a new long term franchise ordinance;

NOW THEREFORE, in consideration of mutual promises and the terms and conditions set forth below, OG&E and the City agree:

Article 1. General Overview.

The parties to this MOU will work together to achieve the results described in this MOU. The parties will work together in performing the respective functions and obligations set out herein.

Article 2. Duties and Responsibilities:

1. To effectuate the purposes of this MOU, OG&E and the City will work together to further the City's "Ready for 100" initiative.
2. To further this initiative, the City and OG&E will establish an ad hoc committee (the "Committee") to discuss issues such as cost savings opportunities, reliability and resiliency improvements, ways to improve the overall customer experience, identify estimated costs, and identify possible funding sources with Committee input.
3. In addition the Committee may also explore ways assess innovative electric technology solutions for City-owned buildings, small and large businesses, non-profits and the hospitality industry.
4. The Committee shall be made up of equal number of OG&E and City staff representatives not to exceed four people each. It is anticipated that the Committee would meet periodically to update plan progress and provide a written annual report to OG&E and to the City.
5. OG&E agrees that it will provide, on an annual basis, a reliability report to the City comparing the OG&E circuits within the city limits of Norman to the overall OG&E system average. In addition, in conjunction with OG&E's submittal of its triennial Integrated Resource Plan ("IRP") to the Oklahoma Corporation Commission, the company will provide the City with a copy of the IRP. The Company, at the City's request, will conduct a presentation outlining the contents of each of these reports.
6. OG&E agrees to work with City Staff to try and develop mutually acceptable performance standards that at a minimum provide that reported LED lamp outages, not including underground repairs/replacements, will be repaired or replaced within ten (10) days of notice, assuming that required parts and equipment are available during that time period. If underground repair and/or replacement is needed additional time will be required to return the lamp to normal operation.
7. OG&E agrees to work with City staff to consider a plan that will provide designated representatives of the City access to real-time data for the operating status of all OG&E maintained LED lights in Norman.
8. OG&E and the City agree to take the necessary steps to place OG&E's standard franchise ordinance as agreed to by the parties on the ballot as expeditiously as is mutually agreeable to the parties hereto.

Article 3. Agreement Terms.

1. This MOU is effective on [January 20], 2019 and shall remain effective until the earlier of i) each item set out in Article 2, above, has been accomplished, or [January 20], 202[0].

Article 4. Conditions.

1. No official, employee or agent of either party shall be charged personally by the other or by an assignee or subcontractor with any liability or expenses of defense or be held personally liable under any term or provision of this MOU, because of each party's execution or attempted execution of this MOU, or because of any breach thereof.
2. This MOU constitutes the entire agreement between the parties with respect to the subject matter hereof, and no other warranties, inducements, considerations, promises, or interpretations shall be implied or impressed upon this MOU that are not expressly addressed herein.
3. No changes or modifications of this MOU shall be binding unless made in writing and executed by the parties hereto. This MOU and any amendment thereto shall at all times observe and comply with all applicable laws, ordinances, rules, regulations and executive orders of the federal, state and local government now existing or hereinafter in effect, which may in any manner affect the performance of this MOU.
4. Whenever under this MOU either party, by a proper authority, waives either party's performance in any respect or waives a requirement or condition of ether party's performance, the waiver so granted, whether express or implied, shall only apply to the particular instance and shall not be deemed a waiver forever for subsequent instances of the performance, requirement or condition. No such waiver shall be construed as a modification of the MOU regardless of the number of times either party may have waived the performance, requirement or condition.

Article 5. Notice.

All written communication, including required reports and submissions, shall be transmitted between the City and OG&E as noted below:

City: City of Norman, Oklahoma
[Department, attn.:]
Address
Norman, OK 73069

OG&E: Oklahoma Gas and Electric Company
[Department, attn.:]
321 N. Harvey
Oklahoma City, OK 73102

IN WITNESS WHEREOF, the City of Norman and Oklahoma and Oklahoma Gas and Electric Company have executed this Memorandum of Understanding to be effective as of the date first written above and under the laws of the State of Oklahoma.

OKLAHOMA GAS AND ELECTRIC COMPANY

ATTEST:

By: _____

Date: _____

Corporate Secretary

CITY OF NORMAN, OKLAHOMA

ATTEST:

City Clerk

MAYOR

Date: _____

REVIEWED for form and legality.

Assistant Municipal Counselor

ORDINANCE NO.

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

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

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

- § 4. The Company shall defend and indemnify the City against all liability for injury to any person or property caused by the negligence of the Company in the construction, operation and maintenance of its property within the City.
- § 5. Electric service provided hereunder to the City, its inhabitants, and to the public generally, and rates charged therefor shall be in accordance with orders, rules and regulations of the Corporation Commission of the State of Oklahoma or other governmental authority having jurisdiction.
- § 6. The Company shall have the right to assign this franchise and the assignee by written acceptance thereof shall be bound by all the provisions hereof. An authenticated copy of such assignment and acceptance shall be filed with the Clerk of the City.
- § 7. (a) From and after the approval and acceptance of this franchise, and in consideration of the granting of this franchise, the Company agrees to pay and shall pay to the City an annual franchise tax in an amount equal to three percent (3%) of its gross revenues arising from the sale of electricity within the corporate limits of the City, such payment to be made on or before the 25th day of July of each year, after deducting therefrom any amount due the Company from the City.
- (b) The Company shall abide by an order, rule or regulation of the Corporation Commission of the State of Oklahoma requiring the listing separately of all or any portion of such franchise tax on electric bills to customers.
- (c) Such franchise taxes paid by the Company to the City shall be in lieu of all other franchise, excise, license, occupation, privilege, inspection, permit, or other fees, taxes or assessments, except ad valorem taxes and sales taxes.
- § 8. The Company shall furnish to the City without charge each fiscal year during the term hereof electric current to be used exclusively by the City for operation of traffic signal lights and buildings occupied and operated by the City for municipal purposes, to be applied by the Company as a credit to billings to the City, provided that such electric current shall not exceed one-half of one per cent (0.5%) of the kilowatt-hours sold by the Company to customers within the corporate limits of the City during the preceding fiscal year. In consideration for a twenty five (25) year franchise granted herein, the City and Company agree to explore s solar power option as an alternative to the provision of free service, as described in this Paragraph 8. In the event that a solar program can be mutually agreed to, and upon all necessary regulatory approvals that may be required, any such agreed solar option will be implemented pursuant to its terms approved by the appropriate regulatory body.
- § 9. A special election is hereby called for the purpose of submitting this Ordinance to the registered voters of the City residing within its corporate limits for their approval or disapproval, provided the Company shall pay the cost of such election. The election shall be held on the 14th day of January, 2020, between the hours of 7:00 a.m. and 7:00 p.m. The Mayor of the City of Norman is authorized and directed to issue an election proclamation calling such election and is further directed to take all steps that may be

necessary for holding the election and for the submission of this Ordinance to the registered voters of the City. If a majority of the registered voters of the City voting thereon fail to approve this franchise at said election, no rights shall accrue hereunder.

- § 10. In case the franchise hereby granted is approved at said election, the Company shall, within thirty (30) days from the date of such approval, file with the Clerk of the City, in writing, its acceptance. In the event the Company fails to accept within the said period, such failure shall be deemed a rejection of the franchise.
- § 11. The franchise hereby granted shall, on its effective date, supersede and terminate any previous franchise granted to or held by the Company.

PASSED AND ADOPTED this 27th day of August, 2019.

CITY OF NORMAN, OKLAHOMA

By: _____
Mayor

ATTEST:

City Clerk

(SEAL)