

**THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED  
ORDINANCE OR RESOLUTION ADOPTED BY THE CITY COUNCIL**

**ORDINANCE**

**APPROVING A NON-EXCLUSIVE TWENTY-FIVE YEAR LICENSE AGREEMENT WITH WEST TEXAS GAS INC. FOR USE OF CITY RIGHT-OF-WAY FOR THE INSTALLATION AND OPERATION OF FACILITIES TO SELL AND TRANSPORT NATURAL GAS; WEST TEXAS GAS, INC. WILL PAY THE CITY 3% OF GROSS REVENUES FROM SALES WITHIN THE LICENSED AREA.**

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**WHEREAS**, West Texas Gas, Inc. (“WTG”) is a natural gas distribution utility regulated by the Railroad Commission of Texas and provides services to residential and commercial locations in Oklahoma and Texas; and

**WHEREAS**, under state law natural gas distribution companies such as WTG have the right to access municipal right-of-way subject to consent from the City and an agreement to abide with City regulations; and

**WHEREAS**, WTG has provided service to communities south and west of San Antonio since 1999, and because of annexation, WTG now has facilities located within the City limits in the southwest and west side of San Antonio and providing service to two schools south of Loop 410 and east of Somerset road; and

**WHEREAS**, this action authorizes a twenty-five year License that defines a Licensed Area in which WTG may operate, on the condition that WTG pay the City 3% of gross revenues derived from the operation of its natural gas facilities within the Licensed Area; and

**WHEREAS**, the installation, maintenance, and repair of natural gas facilities over or under the public right-of-way will be done in a manner consistent with all City of San Antonio regulations, including the Right-of-Way Management Ordinance and Utility Excavation Criteria Manual;  
**NOW THEREFORE:**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** A twenty-five year License Agreement with West Texas Gas Inc. (WTG) to allow WTG to use the City’s rights-of-way to operate its gas distribution facilities within a Licensed Area in consideration of 3% of gross revenues that are derived from the gas system within the Licensed Area to be paid to the City, is hereby approved. The License Agreement, in substantially final form, including a map of the Licensed Area, is attached hereto and incorporated herein as **EXHIBIT “A”**.

**SECTION 2.** The City Manager or designee is hereby authorized to execute the License Agreement and all documents necessary to fulfill the purpose and intent of this Ordinance.

**SECTION 3.** Funds generated by this Ordinance will be deposited into the General Fund in accordance with the FY 2021 Adopted Budget.

**SECTION 4.** The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

**SECTION 5.** This Ordinance becomes effective immediately upon the receipt of eight affirmative votes, or in the event eight affirmative votes are not received, on the tenth day after passage.

**PASSED AND APPROVED,** this 21<sup>st</sup> day of January, 2021.

**M A Y O R**  
Ron Nirenberg

**ATTEST:**

**APPROVED AS TO FORM:**

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Tina J. Flores, City Clerk

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Andrew Segovia, City Attorney

**EXHIBIT A**