

Minutes of the Meeting of the Board of Aldermen, Town of Chapel Hill, April 9, 1930.

Book 6, Page 19.

The regular monthly meeting of the Board of Aldermen, Town of Chapel Hill, was held at 8:00 O'clock P. M. at the Town Hall, Mayor Council presiding, with the following Aldermen present, - to wit: Messrs. C. L. Eubanks, B. M. Braune, P. L. Burch, R. D. W. Connor, and M. E. Hogan.

The Manager read the Minutes of the meeting of March 12th, which were approved. The minutes of the meeting held on March 26th were also read and approved.

Mr. Charlie Martindale, the owner of Martindale Field, the local airport, appeared before the Aldermen in behalf of the airport. He stated that the airport was a great asset to the town, and that the Town should be willing to help him to put the field in first class condition. The matter was referred to the Public Works Committee, with the request to report at the next regular meeting.

The Manager stated that Mr. Martindale owed the Town for some road machine work at the airport, and the Town also owed Mr. Martindale for some work which he did at the Fire Station and on the sidewalk in front of the Sutton Building. Mr. Martindale had never presented a bill for his services. Mayor Council requested Mr. Martindale to present an itemized statement to Alderman Hogan, showing the amount due him from the Town, as Mr. Hogan is Chairman of the Finance Committee. The Town Manager was also requested to furnish Mr. Hogan with a bill for the Road Machine Work done for Mr. Martindale. Mr. Hogan was asked to act as arbiter in the matter.

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The question of granting a franchise to the Durham Gas Company was again brought up for discussion. Alderman made the following report for the Committee:

To the Hon. Mayor and Board
of Aldermen,

Gentlemen:

The Committee which was appointed to study and make a report on the feasibility of granting a franchise to the Durham Gas Company for furnishing gas to the City of Chapel Hill, begs leave to advise as follows:

Conferences have been held with the Durham Gas Company, the Corporation Commission, and with the Business Manager of the University of North Carolina. We have looked over the Durham Gas Company's ledgers to ascertain the amount of the monthly bills paid by the Durham consumers. We have discussed the proposed franchise and the standing of the Durham Gas Company with Mr. Self, the Secretary of the Corporation Commission. We have conferred with

the Business Manager of the University concerning its attitude toward the granting of the franchise.

We have determined the following facts,-

1. We believe that the cost at Chapel Hill for cooking with gas if furnished at the same rate as now charged to the Durham consumers, will be somewhat cheaper than the cost of cooking with electricity at the rate that is now being charged by the University Consolidated Service Plant.
2. Standing of the Durham Gas Company. The Durham Gas Company is a subsidiary of the Southern Cities Utilities Company, and this holding Company also owns the Raleigh Gas Company, and the Asheville Gas Company. They also control other gas companies outside of the State of North Carolina. The subsidiary Companies located in the United States furnish gas only, but certain subsidiary companies located in foreign countries furnish both gas and electricity. Mr. Self, Secretary of the Corporation Commission, spoke in the very highest terms of the Durham Gas Company with respect to their financial standing, and their good will shown toward their consumers. Your Committee was much impressed with the straightforward attitude and their willingness to give us any information that we might desire.
3. Relation of Chapel Hill to the University of North Carolina. In granting a franchise to an outside company to furnish gas for cooking purposes to the citizens of Chapel Hill, we respectfully call attention to the close relation existing between Chapel Hill and the University. The University Consolidated Service Plants here have expended a great deal of money to extend the lines and equipment for the furnishing of electricity to the citizens of Chapel Hill. Naturally, their income will be materially reduced if the citizens now using electricity elect to change to gas. However, the Board should consider carefully that if the Durham Gas Company is withheld, the citizens of Chapel Hill will also be compelled to pay more for cooking purposes, if the present rate for electricity is maintained.

In granting a franchise to the Durham Gas Company and thereby reducing the income to the University Consolidated Service Company's Plant, by approximately \$15,000 to \$18,000, on the assumption, of course, that the consumers of Chapel Hill elect gas instead of electricity,- the Board should bear in mind that the University is at the present time contributing approximately \$9,000 toward the support of the municipal activities. Naturally this fact should be taken into consideration when granting a franchise to a company to furnish gas, that will, no doubt, decrease the consumption of electricity.

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Your Committee begs leave to submit the above facts without recommendation, since the committee feels that the entire Board is now in a position to reach a decision without recommendation on the part of the Committee.

Respectfully,

(Signed) P. L. Burch

(Signed) G. M. Braune

Committee.

Mayor Council complimented the Committee upon their excellent report. A general discussion followed.

The Manager read the revised franchise, same being as follows:

(See Page 22.)

Ind. "G."
x "H."
x "D."

NORTH CAROLINA
ORANGE COUNTY

PETITION TO THE MAYOR AND BOARD OF ALDERMEN
OF THE CITY OF CHAPEL HILL, N. C.

Whereas, the City of Chapel Hill is now without adequate supply of gas for fuel and illumination purposes, and whereas the undersigned is able and willing to furnish such gas to the inhabitants of the said City at a reasonable rate, and, whereas an adequate supply of the said gas, and an adequate system of distributing the said gas to the inhabitants of the said city is desirable,

The undersigned respectfully petitions the Mayor and the Board of Aldermen of the City of Chapel Hill that the said Mayor and Board of Aldermen of the City of Chapel Hill grant to the petitioner the following Franchises and rights:

- (1) The right to construct, maintain, and operate in the City of Chapel Hill a plant for the manufacture of gas for fuel and/or illumination.
- (2) The right to use the streets, alleys, lanes, highways, bridges, and streams in the corporate limits of the City of Chapel Hill as the petitioner deems necessary and expedient for the purpose of laying, maintaining and using pipes, and any and all other devices necessary and incidental to the distribution of gas for fuel and/or illumination to the inhabitants of the City of Chapel Hill and other persons from the plant of the petitioner or other source of supply located within or without the corporate limits of the City of Chapel Hill.
- (3) The right to manufacture in the City of Chapel Hill gas for fuel and/or illumination and the right to distribute such gas to such of the inhabitants of the City of Chapel Hill and to such other persons as desire to use it, and to contract with all such persons for the sale of the said gas at a reasonable rate.

Respectfully submitted this the _____ day of _____, 1930.

THE DURHAM GAS COMPANY

By:

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GAS FRANCHISE.

Whereas, The Durham Gas Company, a corporation organized and existing under and by virtue of the laws of the State of North Carolina, and having its principal office in the City of Durham, North Carolina, has applied to the Board of Aldermen of the City of Chapel Hill, North Carolina, for a franchise to construct and maintain in the City of Chapel Hill a plant for the manufacture of gas for fuel and/or illumination, and to use the streets, alleys, roads, streams, bridges, sidewalks, and other public ways in the said city for the laying and using of a system of pipes, and other devices for the purpose of distributing gas from the said plant, and/or from the plant of the company in Durham and/or from any other source of supply, to the consumers of gas, and to distribute such gas to such of the inhabitants of the City of Chapel Hill and other persons as may desire to use it, and to sell the said gas to such persons,

And whereas, after full investigation, it appears to the Mayor and the Board of Aldermen of the City of Chapel Hill that it is desirable, and in the best interests of the City of Chapel Hill and of the inhabitants thereof, that the petition be granted and The Durham Gas Company be granted a franchise to construct such plant, and manufacture and distribute such gas for the purposes and in the manner set forth in the said petition,

THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF CHAPEL HILL,
NORTH CAROLINA, DO ENACT:

(1) That from and after the date of the passage of this ordinance, The Durham Gas Company shall have the right to construct, maintain and operate in the City of Chapel Hill, at such place as it may see fit, in conformity with the Zoning Ordinances, a plant for the manufacture of gas to be used for fuel and/or illumination,

(2) That from and after the passage of this ordinance The Durham Gas Company shall have the right to use the streets, alleys, lanes, highways, bridges and streams within the corporate limits of the City of Chapel Hill as The Durham Gas Company deems necessary and expedient for the purpose of laying, maintaining, and using pipes and any and all other devices incidental and necessary to the establishment and operation of the said plant, and incidental and necessary to the distribution of the products of the said plant from the said plant to the consumers, and/or incidental and necessary to the bringing of gas for fuel and/or illumination into the City of Chapel Hill from the plant of the Durham Gas Company in the City of Durham, or from any other source of supply, and the distribution to the consumers of the gas so brought into the City of Chapel Hill.

DURHAM GAS COMPANY
By *[Signature]*

dealers.)

- (3) That from and after the passage of this ordinance The Durham Gas Company shall have the right to manufacture in the City of Chapel Hill gas for fuel and/or illumination, and shall have the right to distribute the said gas and/or gas for fuel and/or illumination manufactured elsewhere to such of the inhabitants of the City of Chapel Hill and to such other persons as desire to use the said gas, and shall have the right to contract with all such persons for the sale of such gas and/or gas for fuel and/or illumination brought into the City of Chapel Hill from the plant of the Durham Gas Company located in the City of Durham or from any other source of supply, at a price not to exceed the maximum price allowed by the North Carolina Corporation Commission to be charged for such gas.
- (4) That The Durham Gas Company shall, within a reasonable time after the completion of the construction work necessary for the exercise of the rights herein conferred upon it, repair and/or replace to the satisfaction of the city authorities all streets and pavements damaged by it in the course of such construction work, or at the option of the City authorities shall pay to the city its cost of such repairing and/or replacing.
- (5) That all of the rights herein conferred on The Durham Gas Company are granted upon the express condition that The Durham Gas Company shall complete within one year from the date of the passage of this ordinance all of the construction work necessary to render full and complete service to such of the inhabitants of the City of Chapel Hill as indicate to The Durham Gas Company within six months their desire to use and contract for the use of its gas for fuel and/or illumination, and shall be ready on that date to render such service to such of the inhabitants of the City of Chapel Hill,
- (6) That all of the rights herein conferred upon The Durham Gas Company may be exercised by the said Company for a period of sixty years from the date of the passage of this ordinance,
- (7) That this franchise shall be void and of no effect unless accepted in writing within Sixty Days after its enactment.

Enacted and effective this the 9 day of April 1930.

THE CITY OF CHAPEL HILL

24 ✓ By _____

Accepted by Petitioner this the June Day of 7, 1930.

THE DURHAM GAS COMPANY

By M. L. Crawford

4-9-30

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There being no further business, upon motion of Alderman Hogan, Seconded by Alderman Eubanks, the meeting adjourned, all the members present voting in the affirmative therefor.

Zeb P. Council, MAYOR.

J. A. Osborne, CLERK.