

RESOLUTION NO. 2206

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, CONSENTING TO THE SALE, ASSIGNMENT AND TRANSFER OF THE FRANCHISE AGREEMENT BETWEEN ENERGY WEST ARIZONA, A DIVISION OF ENERGY WEST, INC., AND THE TOWN OF PAYSON AND APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE AGREEMENTS WITH SEMSTREAM ARIZONA PROPANE, L.L.C., FOR A FRANCHISE FOR GAS SERVICE IN THE TOWN OF PAYSON.

WHEREAS, the Town of Payson and Energy West Arizona, a division of Energy West, Inc., entered into a Franchise Agreement ("The "Franchise") for a gas distribution system for the purpose of supplying manufactured gas, including liquefied petroleum and/or artificial gas to the Town of Payson; and

WHEREAS, The Franchise was entered into effective May 9, 1999 for a period of twenty-five (25) years; and

WHEREAS, Energy West, Inc., has requested the consent of the Town of Payson to the sale, assignment, and transfer of The Franchise to Semstream Arizona Propane, L.L.C.; and

WHEREAS, by this Resolution Number 2206, the Mayor and Common Council desire to evidence the consent of the Town of Payson to the sale, assignment, and transfer of The Franchise,

NOW, THEREFORE, THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, DO HEREBY RESOLVE AS FOLLOWS:

Section 1. That the consent of the Town of Payson to the sale, assignment, and transfer of the Franchise Agreement effective May 9, 1999 from Energy West Arizona, a division of Energy West, Inc., to Semstream Arizona Propane, L.L.C., is hereby granted and provided.

Section 2. That the consent given in Section 1 above shall be and is contingent upon the closing of the transaction for sale between Energy West, Inc., and Semstream Arizona Propane, L.L.C, and the final transfer of assets in connection therewith.

Section 3. That the consent given in Section 1 above shall be and is expressly and specifically contingent upon the execution by Semstream Arizona Propane, L.L.C., of the Franchise Agreement issued to Energy West, Inc., and no transfer of said Franchise Agreement shall be or become effective unless and until Semstream Arizona Propane, L.L.C., executes such Franchise Agreement.

**Prepared by Town of Payson Legal Department**

SIS:drs August 14, 2006 (5:14PM)

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Section 4. That F. Robert Edwards, Mayor of the Town of Payson, be and is hereby authorized to execute any and all agreements or documents necessary or appropriate to carrying out the intent of this Resolution Number 2206, including but not limited to, a Franchise Agreement for gas service.

Section 5. That the Town of Payson be and is hereby authorized to take and perform such other and further actions as are necessary or appropriate to carrying out the terms of such Franchise Agreement.

Section 6. That the Franchise Agreement with Semstream Arizona Propane, L.L.C., shall become effective upon its full and final execution.

Section 7. All resolutions or parts of resolutions in conflict with this Resolution Number 2206 are hereby repealed to the extent of such conflict.

**PASSED AND ADOPTED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, this \_\_\_\_ day of \_\_\_\_\_, 2006, by the following vote:**

AYES \_\_\_\_\_ NOES \_\_\_\_\_ ABSTENTIONS \_\_\_\_\_ ABSENT \_\_\_\_\_

\_\_\_\_\_  
F. Robert Edwards, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Silvia Smith, Town Clerk

\_\_\_\_\_  
Samuel I. Streichman, Town Attorney