CHAPTER 111A

ELECTRIC FRANCHISE

CITY OF MARENGO,
IOWA ELECTRIC FRANCHISE
ORDINANCE NO. 554

SECTION 1. NEW SECTION. The Code of Ordinances of the City of Marengo, Iowa, Chapter 111A – Electric Transmission Franchise to read as follows:

An Ordinance granting to ITC MIDWEST LLC, a wholly owned subsidiary of ITC HOLDINGS CORP., its successors and assigns (the "Company"), the right and franchise to acquire, construct, reconstruct, erect, maintain, operate and remove in the City of Marengo, Iowa County, Iowa, a transmission system for electric power and the right to erect and maintain the necessary poles, lines, wires, conduits and other appliances, equipment and substations for the transmission of electric current and telecommunications along, under and upon the streets, avenues, alleys and public places in the City of Marengo, Iowa County, Iowa; granting the right to erect and maintain upon the streets, avenues, alleys and public places, transmission lines through the City of Marengo, Iowa County, Iowa, for the period of twenty-five (25) years; and granting the right of eminent domain.

BE IT ORDAINED BY THE City Council of the City of Marengo, Iowa County, Iowa, hereinafter referred to as the "City":

111A.01. Grant.

There is hereby granted to the Company the right and franchise to acquire, construct, reconstruct, erect, maintain, operate and remove in the City a transmission system for electric power and the right to erect and maintain the necessary poles, lines, wires, conduits, and other appliances, equipment and substations for the transmission of electric current and telecommunications (collectively, the "Facilities") along, under and upon the streets, avenues, alleys and public places in the City; also the right to erect and maintain upon the streets, avenues, alleys and public places, transmission lines through the City for the period of twenty-five (25) years; also the right of eminent domain as provided in Section 364.2 of the Code of Iowa.

111A.02. Indemnification.

The Facilities shall be placed and maintained so as not to unnecessarily interfere with the travel on the streets, avenues, alleys, and public places in the City nor unnecessarily interfere with the proper use of the same, including ordinary drainage, or with the sewers, underground pipe and other property of the City, and the Company shall hold the City free and harmless from all damages arising from the negligent acts or omissions of the Company in the erection or maintenance of the transmission system.

111A.03. Relocation.

Except as provided herein below, the Company shall, at its cost and expense, locate and relocate its Facilities in, on or over any public street or alley in the City in such a manner as the City may at any time reasonably require for the purposes of facilitating the construction, reconstruction, maintenance or repair of the street or alley or any public improvement of, in or about any such street or alley or reasonably promoting the efficient operation of any such improvement. If the City orders or requests the Company to relocate its Facilities for the primary benefit of a commercial or private project, or as the result of the initial request of a commercial or private developer or other non-public entity, the Company shall receive payment for the cost of such relocation as a precondition to relocating its Facilities. The City shall consider reasonable alternatives in designing its public works projects so as not arbitrarily to cause the Company unreasonable additional expense in exercising its authority under this section. The City shall also provide a reasonable alternate location for the Company's Facilities. The City shall give the Company reasonable advance written notice to vacate a public right-of-way. Vacating a public right-of-way shall not deprive the Company of its right to operate and maintain existing Facilities until the reasonable cost of relocating the same are paid to the Company.

111A.04. Modern System.

The system authorized by this Ordinance shall be kept in an operable condition consistent with good utility practice and the reliability standards of the North American Electric Reliability Council (NERC).

111A.05. System Plans.

The Company recognizes the importance of community input when siting new projects to serve the community and electricity distribution as well as the authority of the City to permit and otherwise regulate siting activity. The Company will apply to the City for a permit for work performed in City rights-of-way in accordance with City regulations and provide project-specific mapping, which may be protected under Iowa's open meetings and open records laws, Iowa Code Chapters 21 and 22, to be used solely and exclusively by the City in administering the use and occupancy of the public right-of-way and not otherwise to be relied upon for any purpose.

At the request of the City, mapping information will be reviewed with the City staff. All such reviews will be in compliance with the Federal Energy Regulatory Commission regulations or the regulations of other agencies with authority over the review and dissemination of critical infrastructure information and infrastructure security, and subject to all protective provisions for critical infrastructure under Iowa's open meetings and open records laws, Iowa Code Chapters 21 and 22. Prior to any excavating in the rights-of-way, both parties shall follow the procedures set forth in Iowa Code Chapter 480 or an entity with a similar function utilized by both the City and the Company, currently the Iowa One Call System.

For emergencies, the Company may proceed with the work without first applying for a permit, provided, however, that the Company shall apply for and obtain a permit as soon as commercially practicable after commencing such work.

111A.06. Vegetation Management.

To promote public safety in proximity to its Facilities and to maintain electric reliability, the Company is authorized and empowered to remove, cut, trim, destroy, or otherwise control any tree, shrub, brush, bush or any parts thereof located within or extending into any street, alley, right-of-way or public grounds. The foregoing vegetation management shall be completed in accordance with the most current nationally accepted safety and utility industry standards, as revised and updated from time to time.

111A.07. Continuous Service.

Service to be rendered by the Company under this franchise shall be continuous unless prevented from doing so by fire, Acts of God, unavoidable accidents or casualties, customer outages or interruptions on the bulk electric system to no fault of Company or interruptions necessary to properly service the Company's equipment, and in such event service shall be resumed as quickly as is commercially practicable.

111A.08. Non-exclusivity.

The franchise granted by this Ordinance shall not be exclusive.

111A.09. Undergrounding.

The City may request estimates for the undergrounding of replacement lines, upgrades or new lines, including lines to be adjusted for road moves or for other specific projects. When requested, the Company will provide to the City two estimates: 1) An estimate for the cost of the project with overhead construction, and 2) An estimate for the cost of the project with underground construction. The City will have no more than 60 days from the estimate date to determine if it wants the line built overhead or placed underground. If the City chooses underground construction for such project, the City will be responsible for the incremental cost of undergrounding, if and to the extent, such costs are not already part of or included in a precondition payment for relocation pursuant to Section 3. The incremental cost of undergrounding is defined as the differential between the estimate for underground construction and the estimate for overhead construction. Upon receipt of the City's payment for the incremental cost of undergrounding, the Company will install the underground facilities. The Company reserves the right to bill City for the amount that the incremental cost associated with installation exceeds its estimate. The City reserves the right to a refund of overpayment if the incremental costs are less than the amount billed in the estimate. If the City wishes to have a line not scheduled for replacement or upgrade placed underground, the City shall contact the Company to make such a request. The City shall cover all costs related to this work. If undergrounding of transmission lines requires entities interconnecting with the Company to make adjustments to their electrical systems, the City bears the responsibility of communication with those entities and, if it chooses, the cost of converting their facilities from overhead to underground. The Company reserves the right to review all the City's communications with the affected entities.

111A.10. Severability.

If any section, provision, or part of this Ordinance shall be adjudged to be invalid or unconstitutional, such adjudication shall not affect the validity of the Ordinance as a whole or any section, provision, or part thereof not adjudged invalid or unconstitutional.

111A.11. Term of Agreement.

The term of the franchise granted by this Ordinance and the rights granted thereunder shall continue for the period of twenty-five (25) years from and after written acceptance by the Company.

111A.12. Publication Expenses.

The expense of the publication of this Ordinance shall be paid by the Company.

111A.13. Repeal of Conflicting Ordinances.

All ordinances, or parts of ordinances, insofar as they are in direct conflict herewith, are hereby repealed.

111A.14. Acceptance.

The franchise granted by this Ordinance shall be conditioned upon acceptance by the Company in writing. The acceptance shall be filed with the City Clerk within ninety (90) days from the passage of this Ordinance.

111A.15. Future Developments.

The City agrees it will not permit or grant approval for any development, construction or land uses in the City that would result in or cause the Company's Facilities to violate setback requirements, safety requirements or any other provision of the National Electric Safety Code or any law, regulation or ordinance of the State of Iowa, Iowa County or the City

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111A.16. Closing.

This Ordinance sets forth and constitutes the entire agreement between the Company and the City with respect to the rights contained herein, and may not be superseded, modified or otherwise amended without the approval and acceptance of the Company. Upon acceptance by the Company, this Ordinance shall supersede, abrogate and repeal any prior electric system ordinance between the Company and the City as of the date this Ordinance is accepted by the Company. Notwithstanding the foregoing, in no event shall the City enact any ordinance or place any limitations, either operationally or through the assessment of fees, that create additional burdens upon the Company, or that delay utility operations.

EDITOR'S NOTE

Ordinance No. 554 (Adding to Ordinance No. 433) was passed May 27, 2026.

Ordinance No. 433 (replacing Ordinance No. 260) renewing electric franchise fees for the City was passed and adopted by the Council on June 10, 2013.

Ordinance No. 469 modifying Sections 9 – 19 of Ordinance 433 was passed by the Council on May 8, 2019.

Ordinance No. 514 modifying Section 9 of Ordinance 433 was passed by the Council on May 31, 2023.

SECTION 2. REPEALER. All ordinances or part of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 3. SEVERAILITY CLAUSE. If any section, provision or part of this ordinance shall be adjudged invalid or unconstitutional such adjudication shall not affect the validity of the ordinance as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional.

SECTION 4. WHEN EFFECTIVE. This ordinance shall be in effect from and after its final passage, approval and publication as provided by law.