

MINUTES

**Ad Hoc Franchise Committee Meeting
Tuesday, May 3, 2016
7:30 a.m. – 8:30 p.m.
South Conference Room**

Council Members

Chair Matt Pina
Dave Kaplan
Melissa Musser

City Staff

Tony Piasecki, City Manager
Michael Matthias – Assistant City Manager/Economic
Development Director
Dan Brewer – PBPW Director
Brandon Carver – Engineer Services Manager
Tim George – Assistant City Attorney

Chair Pina called the meeting to order at 7:30 a.m.

1. Approval of minutes of the April 25th Committee meetings.

The minutes of the April 25th Committee meeting were approved

2. Discussion of Staff's Discussions with District Staff and Attorney on the Eight Unresolved Issues.

The Committee and staff discussed the status of the eight unresolved franchise agreement issues and discussions City staff have had with District staff and the Districts' attorney, using a memo prepared by Assistant City Attorney Tim George.

1. Definition of Revenue – Staff provided recommended language, which is essentially the Districts' proposed language. The Committee agreed to accept this language.
2. Franchise Term – At the previous Committee meeting, the Committee agreed to accept a term of ten years with one automatic five-year extension, unless one party terminates the agreement 180 days prior to the termination date of the ten-year term.
3. Hydrants – Assistant City Attorney George has discussed this issue with attorney for Districts (Milne) and they are working on language that should be acceptable to all parties.
4. Franchise Percentage Payment – The City is stall at 6% from the first day of the agreement and the Districts are at the 4%/5%/6% over time concept. The Committee agreed to amend the City's late payment penalty to 1.5% once payment is 90 days overdue and to propose language that states if the franchise payment is declared invalid, the City has the right to terminate the franchise.
5. Abandoned Facilities – Planning, Building, and Public Works Director Dan Brewer has worked out language with District staff. The Committee agreed to the language.
6. Vacation - Planning, Building, and Public Works Director Dan Brewer has worked out language with District staff. The Committee agreed to the language.
7. Relocation – Planning, Building, and Public Works Director Dan Brewer reported that his discussions with District staff have narrowed the issue to how much and

- for what time frame the City will reimburse Districts for relocation that is required by the City. The Committee agreed to offer that the City pay 50% of any relocation of facilities if they had been installed within the previous 5 years and 100% if the City requires a facility to be relocated twice within a 5 year period.
8. Franchise Fee – The Committee agreed to accept the Districts’ proposal of a one-time \$5,000 franchise fee.

3. Discussion of next steps/proposal.

The City’s next proposal will contain language as outlined above.

Adjourned at 8:30 a.m.
Respectfully submitted by,
Tony Piasecki, City Manager