

AGENDA MEMORANDUM
First Reading Ordinance for City Council Meeting of November 7, 2017
Second Reading Ordinance for City Council Meeting of January 9, 2018

DATE: October 23, 2017

TO: Margie C. Rose, City Manager

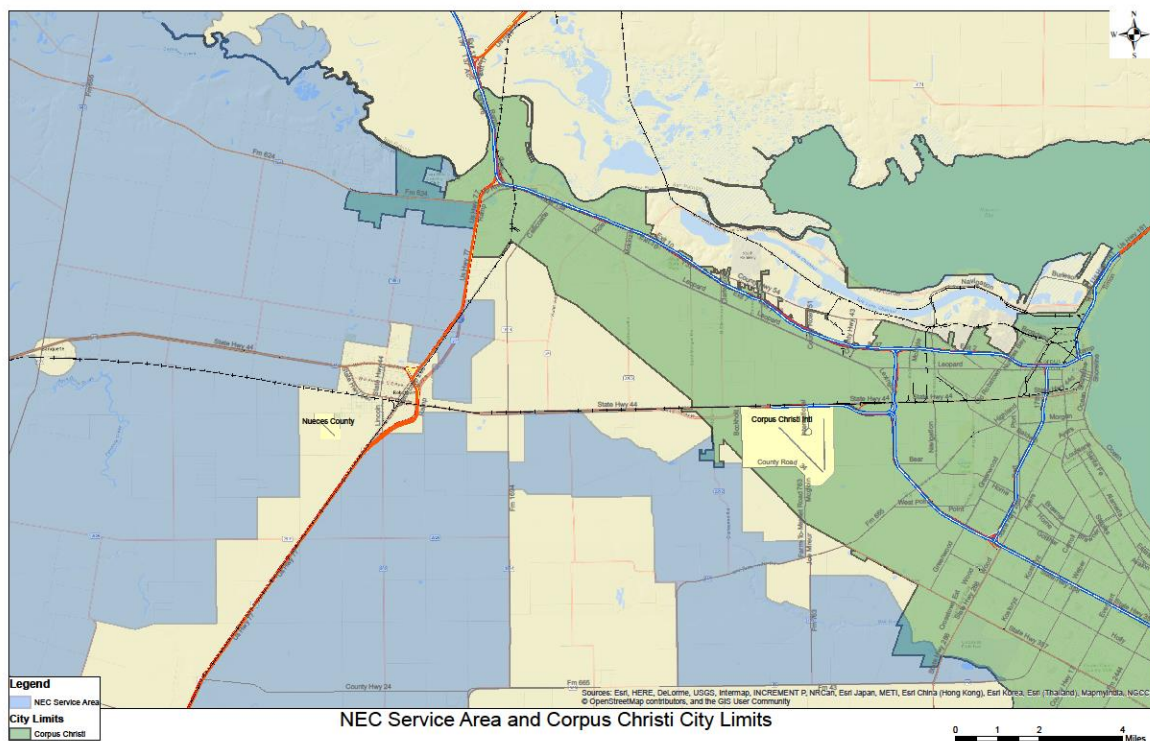
FROM: Miles Risley, City Attorney
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Nueces Electric Cooperative Electric Franchise

CAPTION: Ordinance granting to Nueces Electric Cooperative, its successors and assigns, a non-exclusive franchise to construct, maintain and operate lines and appurtenances and appliances for conducting electricity in, over, under and through the streets, avenues, alleys and public rights-of-way of the City of Corpus Christi, Texas

PURPOSE: To grant new electric franchise to Nueces Electric Cooperative, with term of approximately 10 years, and ending December 31, 2028, to operate its facilities in the City public rights of way for the transmission and distribution of electric energy.

BACKGROUND AND FINDINGS: The most recent franchise with Nueces Electric Cooperative ("NEC") was approved on January 16, 1990 in Ordinance 020858. Under the new franchise, compensation for use of the City right of way is to be based on \$0.002918469 per kilowatt hour multiplied by the number of kilowatt hours of electricity, in accordance with Section 33.008(b) of the Texas Utilities Code. The blue-green area of the map below shows the NEC service area with the City limits.



ALTERNATIVES:

Not applicable

OTHER CONSIDERATIONS:

Not applicable

CONFORMITY TO CITY POLICY:

The Ordinance granting NEC franchise conforms with the City Charter and state law.

EMERGENCY / NON-EMERGENCY:

Non-emergency; two readings; 28-day delay;

DEPARTMENTAL CLEARANCES:**FINANCIAL IMPACT:**

☐ Operating ☐ Revenue ☐ Capital ☐ Not applicable

| Fiscal Year: 2017-2018 | Current Year | Future Years | TOTALS |
|-----------------------------------|---------------------|---------------------|---------------|
| Line Item Budget | | | |
| Encumbered / Expended Amount | | | |
| This item | | | |
| BALANCE | | | |

Fund(s):

Comments:**RECOMMENDATION:**

Approval of the Ordinance

LIST OF SUPPORTING DOCUMENTS:

Ordinance granting electric franchise to NEC