



**CITY OF BELLE ISLE, FLORIDA
CITY COUNCIL AGENDA ITEM COVER SHEET**

Meeting Date: September 1, 2020

To: Honorable Mayor and City Council Members

From: B. Francis, City Manager

Subject: Ordinance 20-08 Electric Franchise Fee

Background: The Council tabled action on the second reading and adoption of Ordinance 20-08 until the City staff and Duke Energy staff could agree on certain language and terms of the agreement. Both staffs reached an agreement and it is ready for adoption. This agreement establishes a franchise fee for electrical services to the City. The ordinance was drafted after the City Council adopted the Budget Committee's recommendation to substitute the current utility fee of 3% for a franchise fee of 3%. This is to provide a "wash" for residents paying the utility fee; however those entities currently exempt from paying a utility fee would not be exempt from paying the franchise fee. The agreement has an initial term of ten (10) years with two 5-year renewals.

Staff Recommendation: Adopt Ordinance 20-08.

Suggested Motion: **I move that we adopt Ordinance 20-08.**

Alternatives: Do not move forward with the ordinances or adjust the tax from the recommended 3% to another %.

Fiscal Impact: Increase of \$77,000 to the General Fund.

Attachments: Ordinances 20-08