



Town of Johnstown

TOWN COUNCIL AGENDA COMMUNICATIONS

AGENDA DATE: April 5, 2021

SUBJECT: **Public Hearing First Reading:** Ordinance No. 2021-195, an Ordinance to Renew an Electric Utility Franchise Agreement Between the Town of Johnstown, Colorado and United Power Inc.

ACTION PROPOSED: Consider First Reading of Ordinance No. 2021-195 for a Franchise Agreement to United Power

ATTACHMENTS: Franchise Agreement with United Power

PRESENTED BY: Matt LeCerf, Town Manager

AGENDA ITEM DESCRIPTION:

Enclosed for your review and consideration is a franchise agreement renewal between the Town of Johnstown and United Power Inc. Some of the highlights related to this franchise agreement include the following:

- The franchise provided is non-exclusive to United Power for the use of our right of ways.
- The term outlined in the franchise agreement, is for a 20-year period.
- The establishment of a franchise fee of 3% on all sales of electric power to customers within the Town.
- There is a most favored party clause, which allows that any changes that are provided to other local governments that United Power has a franchise agreement with and the local government receive a benefit better than our benefits within our community and in the agreement, they will allow the Town to receive that same benefit.

Staff is recommended approval of this franchise agreement upon first reading which will allow United Power to continue providing service to its customers within the Town of Johnstown, and utilize our right of ways and easements for the purposes of providing electric utility service.

LEGAL ADVICE:

The Community That Cares

www.TownofJohnstown.com

P: 970.587.4664 | 450 S. Parish Ave, Johnstown CO | F: 970.587.0141

The Town Attorney prepared the ordinance as presented and was directly involved with the negotiations of the franchise agreement.

FINANCIAL ADVICE:

Not applicable at this time.

RECOMMENDED ACTION: Approve the Ordinance as presented upon first reading.

SUGGESTED MOTIONS:

For Approval

I move to approve Ordinance as presented to renew the franchise agreement between the Town of Johnstown, Colorado and United Power Inc. on first reading with the condition that all the fees incurred in establishment and renewal of this franchise agreement are paid for by United Power.

For Denial

I move we deny the Ordinance renewing the franchise agreement with United Power as presented on first reading.

Reviewed and Approved for Presentation,



Town Manager