



MEMO TO CITY COUNCIL

Request to Include Topic on the City Council Agenda

From: Ali Breshears, Deputy City Attorney **Meeting Date:** April 21, 2026

Presenter: Bill Nary, City Attorney **Estimated Time:** 0.5 minutes

Topic: Ordinance approving the renewal of the natural gas franchise agreement with Intermountain Gas Company

Recommended Council Action:

Approve for Mayor's signature.

Background:

The natural gas franchise agreement renews the current agreement with Intermountain Gas Company with the existing gross annual profit percentage split.

For background, the City of Meridian entered a thirty (30) year franchise agreement with Intermountain Gas Company ("IGC") in 1957 and entered a subsequent forty (40) year franchise agreement in 1987, wherein IGC agreed to pay the city three percent (3%) of the gross annual receipts received from all sales of gas within the city limits.

The current agreement expires January 7, 2027, and Intermountain Gas Company contacted the City to execute a renewal. The proposed renewal contemplates a twenty (20) year initial term with ten (10) year evergreen automatic renewals, unless canceled by a party one hundred and eighty (180) days prior to the end of the current term. The City shall continue to receive (3%) of gross revenues of natural gas sales.