

RESOLUTION 2017-41

A RESOLUTION APPROVING A SPECIAL BALLOT QUESTION FOR THE NOVEMBER 7, 2017 GENERAL ELECTION TO INCREASE AVISTA CORPORATION'S FRANCHISE FEE FROM ONE PERCENT (1%) TO THREE PERCENT (3%) FOR SEVEN (7) YEARS.

WHEREAS, pursuant to Idaho Code § 50-329, the City of Lewiston granted a franchise to Avista Corporation to provide electric and natural gas public utilities within the corporate limits of the City;

WHEREAS, in accordance with Idaho Code § 50-329A, the City of Lewiston currently assesses Avista Corporation a one percent (1%) franchise fee;

WHEREAS, pursuant to Idaho Code § 50-329A, a city may assess a franchise fee up to three percent (3%) on a public service provider's gross revenues received within the city if such increase is approved by a majority of voters of the city voting on the question at an election held in accordance with Chapter 4, Title 50, Idaho Code;

WHEREAS, the City of Lewiston desires to increase the franchise fee assessed on Avista Corporation from one percent (1%) to three percent (3%) for a period of seven (7) years;

WHEREAS, many of the City's streets are in desperate need of significant repairs or reconstruction, and failing to complete these repairs will result in significantly higher costs to the City in the near future;

WHEREAS, if approved, the money received through Avista Corporation's franchise fee would solely be used for maintaining, improving, and/or constructing streets and sidewalks within the City; and

WHEREAS, it is estimated that raising Avista Corporation's franchise fee to three percent (3%) would generate more than Five Million Dollars (\$5,000,000) over a seven (7) year period, providing a secure source of income to maintain and improve the City's streets and sidewalks.

**NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF
THE CITY OF LEWISTON, IDAHO:**

SECTION 1: The following special ballot question is hereby approved and shall be placed on the November 7, 2017 general election ballot for consideration by voters within the City's corporate limits:

Increase Franchise Fee for Avista Corporation

Shall the City of Lewiston be authorized to increase the franchise fee for Avista Corporation to operate electric and natural gas utilities within the public rights-of-way from a rate of one percent (1%) to a rate of three percent (3%) of gross revenues received by Avista Corporation from customers within the City for a period of seven (7) years, beginning July 1, 2018 and ending June 30, 2025?

YES

NO

Pursuant to Idaho Code §§ 50-329 and 50-329A, the City may grant franchises to utilities. The current franchise granted to Avista Corporation requires 1% of its gross revenues from accounts within the City to be paid to the City quarterly. Voting yes on this issue will allow the City to increase Avista Corporation's franchise fee to 3% for a period of 7 years. The increase would expire on June 30, 2025, and the franchise fee would revert back to 1%. A current average 1% monthly residential customer franchise fee on an Avista bill is approximately \$1.00. If the franchise fee is increased to 3%, then the average monthly customer fee would be approximately \$3.00. These funds shall only be used for maintaining, improving, and/or constructing streets and sidewalks within the City.

SECTION 2: This resolution shall become effective upon its passage.

PASSED this _____ day of _____ 2017.

CITY OF LEWISTON

By: _____
James Kleeburg, Mayor

ATTEST:

Kari J. Ravencroft, City Clerk