



24-1627

TITLE: Consider/Discuss/Act on an Ordinance of the City Council of the City of McKinney, Texas, Granting to Oncor Electric Delivery Company LLC, Its Successors and Assigns, the Non-Exclusive Right to Use and Occupy Rights-Of-Way Within the City of McKinney for the Construction and Operation of an Electric Transmission and Distribution System Prescribing Conditions Governing the Power Franchise to Use the Present and Future Streets, Alleys, Highways, Public Utility Easements, Public Ways and Public Property of the City of McKinney, Texas, Providing for Compensation Therefor, Providing for an Effective Date and a Term of Said Franchise, Providing for Written Acceptance of This Franchise, Providing for the Repeal of All Existing Franchise Ordinances to Oncor Electric Delivery Company LLC, Its Predecessors and Assigns, and Finding That the Meeting at Which This Ordinance Is Passed Is Open to the Public

COUNCIL GOAL: Fiscally Sound Government

MEETING DATE: June 18, 2024

DEPARTMENT: City Manager's Office

CONTACT: Trevor Minyard, Director of Strategic Services

RECOMMENDED CITY COUNCIL ACTION:

- Approval of the ordinance.

ITEM SUMMARY:

- The attached ordinance updates the current Oncor Franchise agreement with Oncor Electric Delivery Company, LLC. The current agreement expired December 31, 2023 and is in an automatic evergreen period that began January 1, 2024.
- This is the first of two required public hearings.

BACKGROUND INFORMATION:

- This ordinance continues Oncor Electric Delivery Company, LLC's, non-exclusive

right to use and occupy rights-of-way within the City of McKinney for the construction and operation of an electric transmission and distribution system.

- The previous agreement was for a term of ten (10) years and expired on December 31, 2023. The agreement allowed for an automatic five (5) year renewal unless a sixty (60) day written notice of cancelation is given by either party.

FINANCIAL SUMMARY:

- The ordinance continues the franchise fee at four percent (4%) of gross revenues

BOARD OR COMMISSION RECOMMENDATION:

- N/A

SUPPORTING MATERIALS:

[Ordinance](#)