



TO: Mayor Linda Gorton  
Honorable Members, Urban County Council

FROM:   
Chris Ford, Commissioner of General Services

DATE: July 9, 2025

SUBJECT: Utility Franchise Agreement Renewal – Kentucky American Water

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**Request:**

Request Council authorization to renew the utility franchise agreement with Kentucky American Water for an additional 5 year term, through January 20, 2031, pursuant to the terms of the franchise agreement and Ordinance No. 144-15.

**Purpose:**

Kentucky American Water was awarded a non-exclusive utility franchise in January 2016, for its water distribution system in Fayette County. The initial term of this agreement was for five years, with an option to renew two additional terms, at five years per renewal. The agreement was renewed for the first time in October 2020. The current agreement term expires January 20, 2026. Kentucky American Water now requests a second renewal term, through January 2031, and it is the administration's recommendation that the franchise agreement be renewed for an additional five years.

The second renewal term is the final renewal option for this franchise agreement. However, this renewal agreement may be extended up to twelve (12) months by mutual agreement of LFUCG and the utility company to pursue good faith negotiation of a new franchise.

**Budgetary Implication:**

There is no budgetary impact associated with this agreement in the current or future fiscal years.

**File Number:** 0847-25

**Commissioner:** Chris Ford

