



Lexington-Fayette Urban County Government
CHIEF ADMINISTRATIVE OFFICE

Jim Gray
Mayor

Sally Hamilton
CAO

To: Mayor Jim Gray
Members, Urban County Council

From: Office of the CAO

Date: May 7, 2013

Re: Franchise Fee Increase

The FY2014 Budget is predicated on additional franchise fee revenues being obtained through a fee increase to the natural gas and electric franchise fees of 1% (from 3% to 4%).

Therefore, it is respectfully requested that the Council adopt ordinances increasing the franchise fees to 4% for the 5 impacted franchisees (Kentucky Utilities, Blue Grass Electric, Clark Energy, Columbia Gas, and Delta Natural Gas) effective July 1, 2013. It is anticipated that it will take approximately 45 days from Council approval for each franchisee to implement the fee.

Please contact me or David Barberie in the Department of Law should you have any questions related to this matter.

A handwritten signature in blue ink that reads "Sally Hamilton".

Sally Hamilton
Chief Administrative Officer