



## Legislation Text

File #: ORD 2017-035, Version: 1

## AGENDA ITEM REPORT

### TITLE:

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO EXTEND THE FRANCHISE AGREEMENT WITH EMERALD TRANSPORTATION CORPORATION FOR A PERIOD OF ONE YEAR. (SECOND READING)(PUBLIC HEARING)

### BACKGROUND:

**This item was approved on First Reading at the August 10, 2017, City Commission Meeting.**

On October 1, 2008, the City entered into a five-year Franchise Agreement ("Agreement") for City-wide wrecker towing service for the removal and storage of vehicles that are abandoned, disabled from a traffic crash, creating a traffic hazard, or for non-consensual removal of vehicles from public streets and areas within the City.

### DISCUSSION:

The Agreement provided for a five-year initial term with up to five additional one-year terms. The Agreement also provided for an annual franchise fee of \$25,000.00, with an increase each year of a minimum of five percent from the previous year's fee. The initial five-year term expired in 2013, and pursuant to the Agreement, the City reserved the right to extend the Agreement for five additional one-year periods. It has been previously extended four times pursuant to Paragraph 6 of the Agreement. The City is desirous of extending the Agreement a fifth time, and Emerald Transportation Corporation has agreed to same.

### RECOMMENDATION:

Staff recommends approval of this Ordinance.

### FISCAL IMPACT:

**REVENUES:** \$ 38,790

**EXPENDITURES:** \$ 0

**BUDGETED?** Yes (FY 2018)

**NOTES:** General Fund Account 01-V32390, Franchise Fee-Towing.