



## City of Hallandale Beach

### City Commission Agenda Cover Memo

| Meeting Date:   | File No.:   | Item Type:  |  | 1 <sup>st</sup> Reading   | 2 <sup>nd</sup> Reading  |
|---|---|---|--|---|--------------------------|
| <b>12/17/2025</b>   | <b>25-555</b>   | <input checked="" type="checkbox"/> <b>Resolution</b><br><input type="checkbox"/> <b>Ordinance</b><br><input type="checkbox"/> <b>Other</b> | Ordinance Reading  | <b>N/A</b>  | <b>N/A</b>               |
|   |   |   | Public Hearing   | <input type="checkbox"/>  | <input type="checkbox"/> |
|   |   |   | Advertising Required   | <input type="checkbox"/>  | <input type="checkbox"/> |
|   |   |   | Quasi-Judicial:  | <input type="checkbox"/>  | <input type="checkbox"/> |
| Fiscal Impact (\$):   | Account Balance (\$):   |   | Funding Source:  | Project Number:   |                          |
| <b>N/A</b>  | <b>N/A</b>  |   | <b>N/A</b>   | <b>N/A</b>  |                          |
| Contract Required:  | P.O. Required:  | RFP/RFQ/Bid Number:   | Sponsor Name:  | Department:   |                          |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | <b>N/A</b>  | <b>Marlon Lobban, Director</b>   | <b>Public Works</b>   |                          |
| Strategic Plan Focus Areas:   |   |   |  |   |                          |
| <input type="checkbox"/> <b>Fiscal Stability</b>                    | <input checked="" type="checkbox"/> <b>Resident Services</b>        | <input type="checkbox"/> <b>Public Safety</b>   | <input checked="" type="checkbox"/> <b>Infrastructure &amp; Mobility</b> | <input type="checkbox"/> <b>Economic Development &amp; Affordable Housing</b> |                          |
| Implementation Timeline:  |   |   |  |   |                          |
| Estimated Start Date: 12/17/2025                                    |   |   | Estimated End Date: 5/6/2026   |   |                          |

#### SHORT TITLE:

**A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, AUTHORIZING AM. NO. 1 TO THE GAS FRANCHISE AGREEMENT DATED JANUARY 5, 2011 BETWEEN THE CITY OF HALLANDALE BEACH AND PEOPLES GAS SYSTEM, INC., SUCCESSOR IN INTEREST TO PEOPLES GAS SYSTEM, A DIVISION OF TAMPA ELECTRIC COMPANY, FOR A FOUR (4) MONTH PERIOD FROM JANUARY 4, 2026 THROUGH MAY 4, 2026 ON THE SAME TERMS AND CONDITIONS AS THE AGREEMENT WITH A NEW FRANCHISE AGREEMENT TO BE PRESENTED TO CITY COMMISSION FOR APPROVAL; AND PROVIDING FOR AN EFFECTIVE DATE.**

#### STAFF SUMMARY:

##### Summary:

Staff seeks City Commission approval to extend the Franchise Agreement granted to Peoples Gas System, Inc., through May 4, 2026, or until such time as a new franchise agreement is presented to City Commission for approval.

### **Background:**

On March 17, 1995, the City granted to Peoples Gas System, Inc., a non-exclusive franchise to operate and maintain a gas system within the City through a Franchise Agreement that was approved by the City as Ordinance 95-11 and accepted by Peoples Gas System, Inc.

Peoples Gas System, Inc., was acquired on or about June 17, 1997, by Tampa Electric Company and became a division of the same (hereinafter "Peoples Gas"), assuming the rights and obligations of Peoples Gas System, Inc., under the Franchise Agreement.

The Franchise Agreement was approved by City Ordinance 95-11 for a 15-year term ending March 16, 2010. The City Commission extended the Franchise Agreement through June 30, 2010, or until such time as a new franchise agreement was presented to the City Commission for approval through Ordinance No. 2010-05.

The City Commission approved the Franchise Agreement on First Reading on October 6, 2010, and granted the Franchise Agreement through Ordinance No. 2011-01. The Franchise Agreement term was 15 years and expires on January 4, 2026.

### **Current Situation:**

Discussion about a new Franchise Agreement started in October 2025 with Peoples Gas. Peoples Gas desires a thirty (30) year agreement with the City of Hallandale Beach. City Staff is requesting this extension so that they may negotiate the terms of the agreement with Peoples Gas.

### **Why Action is Necessary:**

An extension to the Franchise Agreement is necessary to allow Peoples Gas to continue to operate within the City's boundaries under the terms of the existing agreement until a successor agreement is reached. All terms and conditions shall remain in full force and effect until May 4, 2026, unless mutually extended by the parties, with a new franchise agreement to be presented to City Commission for approval.

### **Cost Benefit:**

The extension will allow the City to continue to receive franchise revenue from Peoples Gas while negotiating a successor agreement.

### **PROPOSED ACTION:**

The City Commission considers the attached Ordinance.

### **ATTACHMENT(S):**

- Exhibit 1 – Ordinance
- Exhibit 2 – Ordinance 95-11
- Exhibit 3 – Ordinance No. 2010-05
- Exhibit 4 – Ordinance No. 2011-01

Exhibit 5 – Peoples Gas Franchise Agreement

Exhibit 6 – Peoples Gas Extension Letter

Prepared By: Jeffrey Towne

Jeffrey “JT” Towne

Assistant Public Works Director

Reviewed By: Marlon Lobban

Marlon Lobban

Public Works Director

Reviewed By: Noemy Sandoval

Noemy Sandoval

Assistant City Manager