Weatherford City Council

AGENDA REPORT

Meeting Date:	June 23, 2026	**Staff Contact:**	Dawn Brooks, Assistant City Manager/CFO
Item Number:	2026-895-AR	**Phone:**	817-598-4130

SUBJECT: Consider adoption of Ordinance O2026-19, a franchise agreement with Tri-County Electric Cooperative, Inc. for use of the City's public rights-of-way to install, operate, and maintain infrastructure.

BACKGROUND/DISCUSSION

The City enters into franchise agreements with various utilities that use the City's public rights-of-way to install, operate, and maintain infrastructure. In exchange for this use, the utility pays the City a franchise fee, which compensates the City for the use of public property and the City's administrative oversight of that use.

While the majority of Weatherford is served by Weatherford Electric, Tri-County Electric Cooperative provides electric service to portions of the City, primarily in areas that were within Tri-County's certificated service territory prior to annexation. Texas law protects a cooperative's right to continue serving customers within its certificated area, so as the City has grown, Tri-County's service footprint within the city limits has expanded accordingly.

Tri-County Electric Cooperative pays the City of Weatherford franchise fees for use of our Rights of Way. The franchise fees are paid quarterly based on a rate of four percent (4%) of gross receipts received by Tri-County from electric power utility services provided within the City.

The previous franchise agreement (Ordinance 2002-03) was approved by the City of Weatherford on March 25, 2002 and expired on December 31, 2021. Tri-County has continued to collect and remit franchise fees during the period without a formal agreement.

The proposed agreement includes the following key terms:

Term: 20 years with automatic 10-year renewal periods
Franchise Fee: 4% of gross receipts, paid quarterly
Relocation Costs: Cooperative's expense for bona fide public purposes (roads, streets, public works); City responsible for underground conversions
Insurance: $10 million general liability, $1 million auto liability
Effective Date: July 1, 2026

FINANCIAL IMPACT

The City currently receives approximately $80,000 annually in franchise fees from Tri-County Electric Cooperative.

ATTACHMENTS

- O2026-19