

**OFFICE OF THE CITY MANAGER  
LITTLE ROCK, ARKANSAS**

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**BOARD OF DIRECTORS COMMUNICATION  
OCTOBER 6, 2025 AGENDA**

<b>Subject:</b>	<b>Action Required:</b>	<b>Approved By:</b>
Approval of the 2026 Utility Franchise Fee for Summit Utilities (formerly CenterPoint Energy ARKLA).	√ <b>Ordinance</b> Resolution	
<b>Submitted By:</b> Finance Department		Delphone Hubbard City Manager
<b>SYNOPSIS</b>	Approval of an ordinance levying a Franchise Fee to be paid by Summit Utilities (formerly known as CenterPoint Energy ARKLA). This Franchise Fee should remain in effect until otherwise amended by the Board of Directors.	
<b>FISCAL IMPACT</b>	The gas services franchise fee is projected to generate over \$4 million in revenues in fiscal year 2026.	
<b>RECOMMENDATION</b>	Approval of the ordinance.	
<b>BACKGROUND</b>	An ordinance to provide for levying a franchise fee to be paid by Summit Utilities. The ordinance is the annual ordinance to establish the franchise fees to be paid by Summit Utilities to the City of Little Rock, Arkansas, for providing gas services within the City. The Franchise Fee rates for fiscal year 2026 shall be an amount equal to 5.2% of the Gas Company's gross revenues as paid to it during the Calendar Year 2026 and each year thereafter by all of its customers, including but not limited to industrial, residential and commercial customers located within the corporate limits of the City of Little Rock or the sum of Two Million, One Hundred Thousand Dollars (\$2,100,000.00) per year, whichever is greater.	