



Camp Verde Franchise Election

Camp Verde voters will cast their vote by mail-in ballot to decide whether to extend the Town's franchise agreement with Arizona Public Service Company (APS); the election deadline is May 17, 2011. Because franchise votes occur just once every 25 years, the public often has questions about the purpose of a franchise agreement between APS and the municipalities it serves.

What is a franchise? A franchise is a contract between the Town of Camp Verde and APS. The franchise gives APS the right to use the Camp Verde streets, alleys and other public rights-of-way to construct, maintain and operate its electric facilities safely and efficiently to serve its customers in Camp Verde. The franchise also requires APS to relocate its facilities without cost to the Town, when APS facilities conflict with the Town's street projects. The agreement does not grant APS exclusive use of the public rights-of-way; other utilities also may use these rights-of-way for their facilities. APS currently maintains franchise agreements with 53 municipalities and eleven counties around the state.

Why do we need to vote on a franchise? The Arizona Constitution requires that a municipal franchise must be approved by a majority of the voters in the Town.

Does the franchise involve a payment to the Town of Camp Verde? Yes. As in previous Camp Verde franchises, the franchise fee is 2 percent of the APS revenue from customers within the Town limits – approximately \$198,000 a year. The funds generated through the franchise agreement help provide some of the Town's important services. Passage of the franchise will NOT result in an increase in customer bills.

How long will the franchise be in effect? The current APS franchise with the Town of Camp Verde expires on November 25, 2012.

What happens if a majority of voters do not approve the franchise? If the voters do not approve the new franchise agreement, APS would continue to provide electric service to the Town of Camp Verde; however, the Town and APS would need to evaluate whether the franchise should be revised for a subsequent election to ask for voter approval. Holding another election would require additional expenditures by the Town of Camp Verde and APS.

Who can I contact with questions? Kendra Cea, APS Franchises & Technical Services, 602-371-7872 or kendra.cea@aps.com