

City of Socorro Resolution 24-05-14a

Continuing the Socorro Electric Cooperative Franchise Agreement on a Month-to-Month Basis

Whereas, NMSA 1978 Chapter 3, Article 42 Section 3-42-1a reads, "A municipality may grant, by ordinance, a franchise to any person, firm or corporation for the construction and operation of any public utility."; and,

Whereas, The Socorro Electric Cooperative has been granted such a franchise; and,

Whereas, NMSA 1978 Chapter 3, Article 42 Section 3-42-1(F) reads, "No franchise ordinance shall be in effect for more than twenty-five years. The municipality may contract with the public utility for such services as are necessary for the health and safety of the municipality and may pay a sum agreed upon by the contracting parties for such services."; and,

Whereas, the Socorro Electric Cooperative Franchise Agreement with the City of Socorro expires on May, 17, 2024; and,

Whereas, the annotations to NMSA 1978 Chapter 3, Article 42 notes that "After a franchise expires, it is continued by operation of laws as an implied contract as long as the public utility continues to provide utility services "; and,

Whereas, it is understood that this resolution is **NOT** an exclusive agreement for the delivery of electricity to the City of Socorro by the Socorro Electric Cooperative, as any such exclusivity would be unconstitutional; and


Whereas, upon energization of the City of Socorro electric utility, the City expects the Socorro Electric Cooperative to remove their service poles and lines from City property as the City expands their municipal electric utility throughout the City of Socorro.

Now, therefore, we the Council of the City of Socorro, hereby declare and resolve that the Socorro Electric Cooperative franchise agreement currently in force with the City of Socorro will continue on a month-to-month basis until the City of Socorro is prepared to begin serving local residents with the supply of electricity.

And we, the City Council of the City of Socorro, hereby declare and resolve, that the month-to-month contract and expired franchise agreement will be revisited, and amended, as needed, at that time.

Passed, Approved and Adopted this 14th day of May 2024.

Attest:


Leopoldo Pineda, City Clerk


Rayi Bhasker, Mayor