

City of Philadelphia



(Bill No. 050454)

AN ORDINANCE

Amending Bill No. 040765, entitled “An Ordinance Approving the Fiscal Year 2005 Capital Budget providing for expenditures for the capital purposes of the Philadelphia Gas Works (including the supplying of funds in connection therewith) subject to certain constraints and conditions, and acknowledging receipt of the Forecast of Capital Budgets for Fiscal Years 2006 through 2010”, by approving a revised Capital Budget for Fiscal Year 2005.

WHEREAS, Section IV(2)(b) of the Agreement Between The City Of Philadelphia And The Philadelphia Facilities Management Corporation For The Management And Operation Of The Philadelphia Gas Works (“Management Agreement/Ordinance”) requires the Philadelphia Facilities Management Corporation (“PFMC”) to prepare annually for the Philadelphia Gas Works (“PGW”) a proposed capital budget for the ensuing year and a forecast for the six (6) years comprising the ensuing budget year and the five (5) years next following; and

WHEREAS, Section IV(2)(b) of the Management Agreement/Ordinance also requires that the proposed capital budget and forecast be submitted to the Director of Finance and the Gas Commission for their review and for submission of said budget and forecast, together with their recommendations thereon, to City Council for its approval; and

WHEREAS, Section IV(2)(c) of the Management Agreement/Ordinance requires that all PGW expenditures be made pursuant to approved budgets; and

WHEREAS, a Fiscal Year (“FY”) 2005 Capital Budget for PGW in the “not-to-exceed” amount of fifty eight million six hundred fifty two thousand dollars (\$58,652,000) was approved by Ordinance passed by the Council of the City of Philadelphia (Bill No. 040765) on October 28, 2004 and signed by the Mayor on November 18, 2004; and

WHEREAS, PGW filed with the Gas Commission on March 1, 2005 a request for endorsement of line item amendments that would increase the FY 2005 Capital Budget by six million three hundred forty two thousand dollars (\$6,342,000) and result in a “not-to-exceed” amount of sixty four million, nine hundred ninety four thousand dollars (\$64,994,000) for said Budget; and

WHEREAS, the Gas Commission’s review of PGW’s proposed line item amendments culminated in deliberations taken in its FY 2005 Budgets/Oversight Proceeding on May 10, 2005 whereby the Gas Commission endorsed amendments that would increase the FY

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2005 Capital Budget by a total of five million two hundred ninety five thousand dollars (\$5,295,000) and result in a “not-to-exceed” amount of sixty three million nine hundred forty seven thousand dollars (\$63,947,000) for said Budget as stated in the Gas Commission Resolution And Order dated May 10, 2005; and

WHEREAS, PGW subsequently filed with the Gas Commission a Revised Compliance FY 2005 Capital Budget Proposal of sixty three million nine hundred forty seven thousand dollars (\$63,947,000) as required by Ordering Paragraph 1.A. of said Resolution And Order; and

WHEREAS, the Council desires to provide for the evolving capital needs and related expenditures of PGW by amending the FY 2005 Capital Budget to reflect the additional costs of new mains, services and meters necessary because of increased building activity in the city and the costs of renewing 1,700 additional services where PGW previously terminated gas service for nonpayment by street excavation.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1.

Section 1 of Bill No. 040765, entitled “An Ordinance Approving the Fiscal Year 2005 Capital Budget providing for expenditures for the capital purposes of the Philadelphia Gas Works (including the supplying of funds in connection therewith) subject to certain constraints and conditions, and acknowledging receipt of the Forecast of Capital Budgets for Fiscal Years 2006 through 2010”, is amended as follows:

Section 1. Approval and Acknowledgment.

Pursuant to the provisions of Section IV(2)(b) and IV(2)(c) of the Management Agreement/Ordinance, the Council:

- A. does hereby approve the Fiscal Year 2005 Capital Budget for the Philadelphia Gas Works in an amount not exceeding [fifty eight million six hundred fifty two thousand dollars (\$58,652,000)] *sixty three million nine hundred forty seven thousand dollars (\$63,947,000)* as reflected in the *Revised Compliance FY 2005 Capital Budget Proposal* which is attached as Exhibit [#1] #1-A to this Ordinance subject to the provisions of Sections 3 through 6 of this Ordinance; and
- B. does hereby acknowledge receipt of PGW’s Forecast of Capital Budgets for Fiscal Year 2006 through Fiscal Year 2010.

SECTION 2.

Section 2 of said Bill No. 040765 is amended as follows:

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Section 2. Spending Authorization.

The amounts shown in the approved FY 2005 Capital Budget are hereby authorized for the purposes shown and shall be available for expenditure upon the effective date of this Ordinance during Fiscal Year 2005, defined as September 1, 2004 through August 31, 2005, in an amount not to exceed [fifty eight million six hundred fifty two thousand dollars (\$58,652,000)] *sixty three million nine hundred forty seven thousand dollars (\$63,947,000)* as reflected in the *Revised* Compliance FY 2005 Capital Budget Proposal which is attached as Exhibit [#1] #1-A to this Ordinance subject to the provisions of Sections 3 through 6 of this Ordinance.

SECTION 3.

Section 5(A)(ix) of said Bill No. 040765 is amended as follows:

Section 5. Constraints And Conditions – Transfers of Line Item Spending Authority.

- A. PGW shall have the authority to implement intra-departmental transfers of line item spending authority in the approved FY 2005 Capital Budget at its discretion subject to the following constraints and conditions.

* * *

- (ix). In no event will the total bottom-line amount of [fifty eight million six hundred fifty two thousand dollars (\$58,652,000)] *sixty three million nine hundred forty seven thousand dollars (\$63,947,000)* for the FY 2005 Capital Budget herein approved be exceeded.

SECTION 4.

Section 5(B)(ii) of said Bill No. 040765 is amended as follows:

Section 5. Constraints And Conditions – Transfers of Line Item Spending Authority.

- B. The Gas Commission shall have the authority to approve intra-departmental transfers of spending authority for line items in the approved FY 2005 Capital Budget that would otherwise exceed PGW's discretion upon review and approval of any request(s) by PGW subject to the following constraints and conditions.

* * *

- (ix). In no event will the total bottom-line amount of [fifty eight million six hundred fifty two thousand dollars (\$58,652,000)] *sixty three million nine hundred forty seven thousand dollars (\$63,947,000)* for the FY 2005 Capital Budget herein approved be exceeded.

SECTION 5.

Section 5(C)(ii) of said Bill No. 040765 is amended as follows:

Section 5. Constraints And Conditions – Transfers of Line Item Spending Authority.

- C. The Gas Commission shall have the authority to approve inter-departmental transfers of spending authority for line items in the approved FY 2005 Capital

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Budget upon review and approval of any request(s) by PGW subject to the following constraints and conditions.

* * *

- (ii). In no event will the total bottom-line amount of [fifty eight million six hundred fifty two thousand dollars (\$58,652,000)] *sixty three million nine hundred forty seven thousand dollars (\$63,947,000)* for the FY 2005 Capital Budget herein approved be exceeded.

SECTION 6.

Section 7 of said Bill No. 040765 is amended as follows:

Section 7. Exhibits.

Exhibits [#1] #1-A and #2 referenced in this Ordinance and incorporated herein shall be kept on file by the Chief Clerk of City Council and shall be available to the public for inspection, reading or copying at reasonable times.

Explanation:

[Brackets] indicate matter deleted.

Italics indicate new matter added.

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[This page Reserved for Exhibit #1-A]

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on June 2, 2005. The Bill was Signed by the Mayor on June 15, 2005.



Patricia Rafferty
Chief Clerk of the City Council