



City of Philadelphia

City Council
Chief Clerk's Office
402 City Hall
Philadelphia, PA 19107

BILL NO. 110001

Introduced January 27, 2011

Councilmember Tasco

**Referred to the
Committee on Finance**

AN ORDINANCE

Amending Bill No. 100307, entitled "An Ordinance approving the Fiscal Year 2011 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 2012 through 2016," by approving a Revised Capital Budget for Fiscal Year 2011.

WHEREAS, A Fiscal Year ("FY") 2011 Capital Budget for PGW in the "not-to-exceed" amount of sixty seven million six hundred eighty nine thousand dollars (\$67,689,000) was adopted by the City on June 23, 2010; and

WHEREAS, On October 12, 2010 PGW filed with the Gas Commission a request to increase the FY 2011 Capital Budget by one million nine hundred twenty six thousand dollars (\$1,926,000) to fund capital improvements to the Penrose Metering & Regulating ("M&R") station and the related installation of high pressure main in order to provide gas services to the Philadelphia Water Department ("PWD") for a Biosolids Treatment Facility; and

WHEREAS, The Gas Commission's review of said request culminated in deliberations taken at a public meeting held on January 18, 2011 whereby the Gas Commission endorsed proposed amendments to the FY 2011 Capital Budget that would increase said Budget by a total of one million one hundred sixty eight thousand dollars (\$1,168,000) subject to certain constraints and conditions; and

WHEREAS, Said amendments would result in a new "not-to-exceed" FY 2011 Capital Budget of sixty eight million eight hundred fifty seven thousand dollars (\$68,857,000); and

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WHEREAS, On January 21, 2011 PGW filed with the Gas Commission a Revised Compliance FY 2011 Capital Budget Proposal of sixty eight million eight hundred fifty seven thousand dollars (\$68,857,000); and

WHEREAS, Council seeks to provide for the evolving capital needs and related expenditures of PGW by amending the FY 2011 Capital Budget to support improvements to the Penrose M&R Station and enhanced load revenue.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1.

Section 1 of Bill No. 100307 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, the Council:

- A. does hereby approve the Fiscal Year (“FY”) 2011 Capital Budget for the Philadelphia Gas Works (“PGW”) in an amount not exceeding ~~sixty seven million six hundred eighty nine thousand dollars (\$67,689,000)~~ **sixty eight million eight hundred fifty seven thousand dollars (\$68,857,000)** as reflected in the **Revised** Compliance FY 2011 Capital Budget Proposal which is attached as Exhibit ~~#1~~ **#1-A** to this Ordinance, subject to the provisions of Sections 3 through 8 of this Ordinance; and
- B. does hereby acknowledge receipt of PGW’s Forecast of Capital Budgets for FY 2012 through FY 2016.

SECTION 2.

Section 2 of Bill No. 100307 is amended as follows:

SECTION 2. Spending Authorization.

The amounts shown in the approved FY 2011 Capital Budget are hereby authorized for the purposes shown and shall be available for expenditure as of FY 2011 defined as September 1, 2010 through August 31, 2011 in an amount not exceeding ~~sixty seven million six hundred eighty nine thousand dollars (\$67,689,000)~~ **sixty eight million eight hundred fifty seven thousand dollars (\$68,857,000)** as reflected in the **Revised** Compliance FY 2011 Capital Budget Proposal which is attached as Exhibit ~~#1~~ **#1-A** to this Ordinance, subject to the provisions of Sections 3 through 8 of this Ordinance.

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SECTION 3.

Section 7 of Bill No. 100307 is amended as follows:

SECTION 7. Constraints And Conditions - Line Item Transfers.

- A. PGW shall have discretion on a trial basis to implement intradepartmental transfer transactions in the approved FY 2011 Capital Budget subject to Sections 7.B. and 7.C.
- B. PGW discretion to implement intradepartmental transfers pursuant to Section 7.A. shall be subject to the following constraints, conditions and reporting requirements.

* * *

- (vii). **The line item styled “Upgrade to the Penrose M&R Station to support PWD’s Biosolids Treatment Facility (#53-01-1-01) (\$275,000)” shall be unavailable as a transfer source.**
- (viii). **The line item styled “Install Additional Heater at Penrose M&R Station to support PWD’s Biosolids Treatment Facility (#53-01-1-02) (\$734,000)” shall be unavailable as a transfer source.**
- (ix). **The line item styled “Provide Design/Engineering/Inspection/Tie-In Services – High Pressure Main Installation at PWD Biosolids Treatment Facility (#52-20-1-02) (\$159,000)” shall be unavailable as a transfer source.**
- C. The Gas Commission shall have authority to review and approve for good cause shown other transfer transactions in the approved FY 2011 Capital Budget subject to Sections 7.D. and 7.E.
- D. Gas Commission approval authority shall be subject to the following constraints, conditions and exclusions.

* * *

- (v). **The line item styled “Upgrade to the Penrose M&R Station to support PWD’s Biosolids Treatment Facility (#53-01-1-01) (\$275,000)” shall be unavailable as a transfer source.**

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- (vi). **The line item styled “Install Additional Heater at Penrose M&R Station to support PWD’s Biosolids Treatment Facility (#53-01-1-02) (\$734,000)” shall be unavailable as a transfer source.**

- (vii). **The line item styled “Provide Design/Engineering/Inspection/Tie-In Services – High Pressure Main Installation at PWD Biosolids Treatment Facility (#52-20-1-02) (\$159,000)” shall be unavailable as a transfer source.**

SECTION 4.

Section 9 of Bill No. 100307 is amended as follows:

SECTION 9. 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:

~~bold strikethrough~~ indicates matter deleted.

Bold indicates new matter added.

[Note: Exhibits to this Bill are on file in the Office of the Chief Clerk.]