

Legislation Text

File #: 090705, **Version:** 0

Amending Bill No. 090325 entitled “An Ordinance approving the Fiscal Year 2010 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 2011 through 2015” by approving a revised Capital Budget for Fiscal Year 2010.

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”) 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 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 requires that all PGW expenditures be made pursuant to approved budgets; and

WHEREAS, a Fiscal Year (“FY”) 2010 Capital Budget for PGW in the “not-to-exceed” amount of seventy two million two hundred fifteen thousand dollars (\$72,215,000) was adopted by the City on June 3, 2009; and

WHEREAS, on June 10, 2009 PGW filed with the Gas Commission a request to increase the FY 2010 Capital Budget by two million five hundred fifty two thousand dollars (\$2,552,000) to complete modernization improvements to the Hazard Detection/ Protection System at the Richmond Liquefied Natural Gas (“LNG”) Plant; and

WHEREAS, the Gas Commission’s review of said request culminated in deliberations taken at a public meeting held on September 22, 2009 at which the Gas Commission endorsed an amendment to said Budget not to exceed two million five hundred fifty two thousand dollars (\$2,552,000) subject to certain constraints and conditions; and

WHEREAS, said amendment would result in a new “not-to-exceed” FY 2010 Capital Budget of seventy four million seven hundred sixty seven thousand dollars (\$74,767,000); and

WHEREAS, on September 30, 2009 PGW filed with the Gas Commission a Revised FY 2010 Compliance Capital Budget Proposal of seventy four million seven hundred sixty seven thousand dollars (\$74,767,000); and

WHEREAS, Council seeks to provide for the evolving capital needs and related expenditures of PGW by amending the FY 2010 Capital Budget to support modernization improvements to the Hazard Detection/Protection System at the Richmond LNG Plant; and

WHEREAS, Council also wishes to enact amendments to Bill No. 090325 that correct cross-reference errors in Section 7 of said Bill.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1.

Section 1 of Bill No. 090325 entitled “An Ordinance Approving the Fiscal Year 2010 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 2011 through 2015” 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”) 2010 Capital Budget for the Philadelphia Gas Works (“PGW”) in an amount not exceeding **seventy four million seven hundred sixty seven thousand dollars (\$74,767,000)** ~~seventy two million two hundred fifteen thousand dollars (\$72,215,000)~~ as reflected in the **Revised** Compliance FY 2010 Capital Budget Proposal which is attached as Exhibit **#1-A #1** to this Ordinance, subject to the provisions of Sections 3 through 9 of this Ordinance; and
- B. does hereby acknowledge receipt of PGW’s Revised Forecast of Capital Budgets for FY 2011 through FY 2015.

SECTION 2

Section 2 of Bill No. 090325 is amended as follows:

Section 2. Spending Authorization.

The amounts shown in the approved FY 2010 Capital Budget are hereby authorized for the purposes shown and shall be available for expenditure upon the effective date of this Ordinance during FY 2010, defined as September 1, 2009 through August 31, 2010, in an amount not exceeding **seventy four million seven hundred sixty seven thousand dollars (\$74,767,000)** ~~seventy two million two hundred fifteen thousand dollars (\$72,215,000)~~ as reflected in the **Revised** Compliance FY 2010 Capital Budget Proposal which is attached as Exhibit **#1-A #1** to this Ordinance, subject to the provisions of Sections 3 through 9 of this Ordinance.

SECTION 3

Section 7 of Bill No. 090325 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 2010 Capital Budget subject to Sections **7.B. 6.B.** and **7.C. 6.C.**
- B. PGW discretion to implement intradepartmental transfers pursuant to Section **7.A. 6.A.** shall be subject to the following constraints, conditions and reporting requirements.

* * *

(vii). The line item styled “Supplemental Funding - Consolidate Hazard Detection/Protection

System - Richmond Plant (#53-02-2-01) (\$2,552,000)” shall not serve as a source of spending authority in line item transfer transactions.

- C. The Gas Commission shall have authority to review and approve for good cause shown interdepartmental transfer transactions and hybrid transfer transactions that combine intradepartmental and interdepartmental shifts of spending authority in the approved FY 2010 Capital Budget subject to Sections **7.D.** ~~6.D.~~ and **7.E.** ~~6.E.~~
- D. Gas Commission approval authority shall be subject to the following constraints, conditions and exclusions.

* * *

- (v). **The line item styled “Supplemental Funding - Consolidate Hazard Detection/Protection System - Richmond Plant (#53-02-2-01) (\$2,552,000)” shall not serve as a source of spending authority in line item transfer transactions.**

SECTION 4

Section 9 of Bill No. 090325 is amended as follows.

Section 9. Exhibits

Exhibits ~~#1-A~~ ~~#I~~ 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:

~~Italic Strikethrough~~ indicates matter deleted.

Bold indicates new matter added.

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