

ORDINANCE NO. 2022-01

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF GILMORE CITY, IOWA, BY AMENDING PROVISIONS PERTAINING TO NATURAL GAS UTILITY

BE IT ENACTED by the City Council of the City of Gilmore City, Iowa:

SECTION 1. SECTION MODIFIED. Chapter 110 of the Code of Ordinances of the City of Gilmore City, Iowa, is repealed and the following adopted in lieu thereof:

CHAPTER 110

NATURAL GAS UTILITY

- 110.01 Service Rules and Regulations
- 110.02 Rates
- 110.03 Fuel Adjustment
- 110.04 Customer Deposits
- 110.05 Service lines
- 110.06 Fee to restore gas service to delinquent customer

110.01 SERVICE RULES AND REGULATIONS. The rules and regulations for gas service are contained in the “Municipal Gas Utility of the City of Gilmore City Tariff,” on file with the Utilities Division of the Iowa Department of Commerce. Also, an official copy of the rules and regulations as adopted is now on file in the office of the Clerk. The rules and regulations contained therein shall apply to all users of the municipal gas system.

110.02 RATES. The monthly rates for gas service shall be established by resolution of the City Council and shall include a category for general service, a category for tax-supported agencies and a category for industrial interruptible service.

1. **RATE CLASSIFICATIONS.** The rate classifications for gas service to customers in the City are as follows:

- A. Residential and Commercial Service- Rate “A”.
- B. Industrial Class “I”- Rate “B”
- C. Industrial Class “2”- Rate “C”

2. **RESIDENTIAL AND COMMERCIAL RATE “A”.** The rate for Residential and Commercial Service-Rate “A” shall be:

Residential Meter Charge.....\$ 10.00

(Any Meter Class 315 or Below)

Commercial Meter Charge..... \$ 20.00

(Any Meter Above Class 315)

Local Delivery Gas Charge..... \$ 0.350 per 100 cf

Purchased Gas Cost..... Adjusted Monthly At Cost

3. INDUSTRIAL CLASS “I” RATE “B”. The rate for Industrial Class I Service-Rate “B” shall be:

Meter Charge..... \$30.00

Local Delivery Gas Charge.....\$3.500 per mcf

Purchased Gas Cost.....Adjusted Monthly At Cost

4. INDUSTRIAL CLASS “II” RATE “C”. The rate for Industrial Class II Service-Rate “C” shall be:

Meter Charge..... \$30.00

(Any Meter Above Class 1500) If meter has been purchased by customer, there will be no meter charge.

Local Delivery Gas Charge.....\$0.4500 per mcf

Purchased Gas Cost.....Adjusted Monthly At Cost

5. Gas Cost Recovery Fee. In addition to the payment of the base rate as set forth in Subsection 1, above, each gas customer will be billed for and must pay for the amounts of natural gas actually metered each month. Because of the volatility of the natural gas price paid by the City of Gilmore City, the cost of said gas to be billed to each customer will be determined each month by measuring the volume of natural gas entering the City gate between approximately the first day of each month and the last day of the same month. This volume of gas entering the City gate shall be multiplied by the average price of each CCF charged to the City of Gilmore City during the same one-month period. City gas customers will be charged the same price per CCF as the City is charged by its wholesaler(s). The City shall not “markup” the cost of gas delivered to City gas customers.

6. Annual Rate Review and Adjustment. On or before the regularly scheduled City Council Meeting in June of each year the Council shall review the Base Rates established under Subsection 1 above and may adjust them as necessary by adoption of an Ordinance setting forth the base rates to take effect at the beginning of the month following adoption of the Ordinance and to remain in effect until such time as the rates are subsequently adjusted by Ordinance of the Council.

7. Miscellaneous Sales of Inventory. The City may sell gas parts and supplies which it maintains on hand to contractors and property owners at the City’s cost plus 25%.

8. Relocation of Utility Facilities. In those cases where the relocation of Utility facilities is mutually beneficial, the cost may be shared on a basis agreeable to the customer or property owner and the Utility. Only authorized employees may remove, cut, raise or change any facilities belonging to the Utility. If not mutually benefitted, customer will incur the costs of the relocation which will include \$150.00 plus the costs of labor and materials. The customer or property owner shall reimburse the Utility for the cost of relocating its facilities under the following conditions:

A. Structural changes in a building that will result in Utility facilities being damaged, inaccessible, or unsafe.

B. Modifications for the convenience of a customer or property owner, which in the judgment of the Utility, does not result in mutual benefits.

110.03 FUEL ADJUSTMENT. Rates for service provided above shall be adjusted in accordance with the fuel adjustment clause contained in the tariff on file with the Utilities Division of the Iowa Department of Commerce.

110.04 CUSTOMER DEPOSITS. There shall be required from every customer a deposit in an amount as established in Chapter 8 of this Code of Ordinances. The deposit shall be refunded to customers who are the owners of the premises served at the end of one year of continued service provided that during the year there has been no notice of delinquency sent to the customer. Customers who are tenants shall receive a refund of the deposit only when the tenant vacates the premises and all outstanding bills have been paid. Any occurrence or recurrence of a bad payment record may be the occasion for the Clerk to require a new or additional deposit for the continuance of service. Written notice of such requirement shall be mailed to the customer and the customer shall have 12 days from the date of mailing to comply. A deposit receipt shall be given to the customer when the deposit is received, a permanent file of such deposits shall be kept in the office of the Clerk and the deposits placed in a customer guarantee deposits trust fund.

110.05 SERVICE LINES. Connections to the Gilmore City Municipal Gas System will need to have a Connection permit approved by City Council that will include a onetime fee of \$125.00. Fee includes a Class 315 or lower meter that will be a 1/4" psi line (3/4" PE line). Any meter or larger line wanted will be at additional cost for that upgrade. Gas Service Line will be from main to house and costs will be \$2.50 per foot plus labor and materials. Materials would include all poly pipe, tracer wire, warning tape, tapping tees, excess flow valve, riser, all pipe fittings- current supplier cost plus restocking charge. Disconnections will require a Disconnection Permit approved by City Council and will be a onetime charge of \$125.00 to remove the meter and disconnect the gas line, riser and cap the service at the main.

110.06 FEE TO RESTORE GAS SERVICE TO DELINQUENT CUSTOMER. A fee in the amount of \$25.00 will be paid by the customer along with the payment to bring the account current. If payment cannot be made to bring the account current, a payment agreement may be entered into between the City and customer per rules set forth by the Iowa Utilities Board. However, the fee must be paid prior to reinstatement of service. This charge will increase to the amount of \$35.00 if after regular business hours.

SECTION 2. SEVERABILITY CLAUSE. If any section, provision, or part of this ordinance shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the ordinance as a whole or any section, provision, or part thereof not adjudged invalid or unconstitutional.

SECTION 3. WHEN EFFECTIVE. This ordinance shall be in effect from and after its final passage, approval, and publication as provided by law.

Passed by the Council the 11th day of August 2022 and approved this 11th day of August 2022.

Mayor

ATTEST:

City Clerk

First Reading: 8-11-2022

Second Reading: 9-12-2022

Third Reading: _____waived_____

I certify that the foregoing was published as Ordinance No. _2022-01____ on the _22nd__ day of
__September_____, 2022__.

City Clerk