

CITY OF WILLCOX, COCHISE COUNTY, ARIZONA

RESOLUTION 2013-21

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF WILLCOX, ARIZONA, APPROVING AND ADOPTING RATES AND CHARGES FOR GAS UTILITY SERVICES PROVIDED BY THE CITY OF WILLCOX, SETTING AN EFFECTIVE DATE AND DIRECTING AUTHORIZED CITY OFFICERS AND ADMINISTRATORS TO CARRY OUT THE PURPOSE AND INTENT OF THIS RESOLUTION.

WHEREAS, the Mayor and Council of the City of Willcox make the following findings:

(a) The City of Willcox, Arizona, hereinafter "CITY", has the requisite statutory authority to engage in any business or enterprise which may be engaged in by persons by virtue of a franchise from the municipal corporation, and may construct, purchase, acquire, own and maintain within or without its corporate limits any such business or enterprise pursuant to the provision of A.R.S. § 9-511 et. seq.; and,

(b) Pursuant to such requisite statutory authority, the CITY does provide Gas, Water, Wastewater and Solid Waste Services for the benefit of the property owners and users within and without CITY'S corporate boundaries pursuant to the provision of A.R.S. § 9-511 et. seq.; and,

(c) The Mayor and City Council have adopted the requisite notice of intention to increase rates and charges for Gas, Water, Wastewater and Solid Waste Utilities, provided notification on the CITY'S website and set a date for a public hearing on the proposed rates and charges in accordance with A.R.S. §9-511.01; and,

(d) The Mayor and Council adopted the Notice of Intention pursuant to **Resolution 2013-10** and declared the written report entitled "**City of Willcox, Public Service & Works, FY2013-2014 Gas Cost of Service Update**" dated February 11, 2013 a public document on February 18, 2013, and three (3) copies of such report were made available to the public for inspection on February 19, 2013, by filing such in the office of the City Clerk, more than 30 days prior to the date set for the public hearing; and,

(e) The Notice of Intention was published one (1) time in the Range News, a newspaper of general circulation within the boundaries of CITY, on February 27, 2013, not less than 20 days prior to the Public Hearing scheduled on **April 1, 2013** at which time oral and written comments were received by the Mayor and Council on the proposed rates and charges; and,

(f) The Mayor and City Council believe that annually reviewing the rates and charges set for the Gas Utility services provided by CITY is necessary and in the best interests of the citizens of the City of Willcox and they desire that this item be presented for consideration at the regular Council Meeting on April 1, 2013.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, as follows:

SECTION 1: The Mayor and City Council hereby formally approve and adopt the Gas System Rates and Charges as presented and as outlined in Exhibit "A" attached hereto and made a part hereof by reference, entitled "**City of Willcox, Arizona, Gas System, Rates and Charges Effective July 1, 2013**" and deem such are in the best interests of the residents of the City of Willcox; and,

SECTION 2: The rates and charges adopted shall be in full force and effect as of July 1, 2013, based upon formal adoption and passage of this Resolution by Mayor and Council in accordance with A.R.S. § 9-511.01; and,

SECTION 3: The Mayor is authorized and empowered to execute this Resolution and City staff are authorized and directed to carry out the intent of **Resolution No. 2013-21**.


PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, ARIZONA, this 1st day of April, 2013.

APPROVED/EXECUTED:



ROBERT A. IRVIN, MAYOR

ATTEST:



VIRGINIA A. MEFFORD, City Clerk

APPROVED AS TO FORM:



ANN P. ROBERTS, City Attorney

RESOLUTION 2013-21

EXHIBIT A
CITY OF WILLCOX, ARIZONA
GAS SYSTEM
RATES AND CHARGES EFFECTIVE JULY 1, 2013

| Section 1. Monthly Availability Meter Charge based upon size of Gas Service: | | | | |
|--|-----------------|-----------|-------------------|-------------------|
| Customer Type | Meter Size | Rate Code | FY13 Meter Charge | FY14 Meter Charge |
| Residential In Town | 175/200/250/275 | 101 | \$ 12.01 | \$ 12.01 |
| Residential Out of Town | 175/200/250/275 | 102 | \$ 12.01 | \$ 12.01 |
| Commercial | 175/200/250/275 | 110 | \$ 12.01 | \$ 12.01 |
| Commercial | 315/325 415/425 | 111 | \$ 21.01 | \$ 21.01 |
| Commercial | 750/800 | 112 | \$ 31.01 | \$ 31.01 |
| Commercial | 1000/1500 2000 | 113 | \$ 61.01 | \$ 61.01 |
| Commercial | 3000/4000 | 114 | \$ 91.01 | \$ 91.01 |
| Commercial | 5000/6000 | 115 | \$ 101.01 | \$ 101.01 |
| Commercial | 7000/8000 | 116 | \$ 131.01 | \$ 131.01 |

| Section 2. Usage Charge based upon Units of Thousand cubic feet (Mcf): | | |
|--|----|-------|
| In Town Customers | \$ | 3.280 |
| Out of Town Customers | \$ | 3.924 |

The Usage Charges reflect the overhead rate charged on each unit of gas (Mcf). The Usage Charge is in addition to the monthly cost of gas purchases and transportation costs described in Section 3. below. The Usage Charge is subject to the annual cost of living adjustment.

Section 3. Monthly Adjustment based on Gas Wholesale Price and Carrying Charges:

The City's cost for the supply of natural gas and the transportation of the gas to the City's gate changes on a monthly basis. The wholesale natural gas price to customers is adjusted monthly to pass through the City's cost for the natural gas.

Section 4. Annual Adjustment based on the Change in the Consumer Price Index:

Unless acted upon by the City Council, the rates listed in Section 1. and Section 2. of this Resolution shall be adjusted effective July 1st of each year. The rates shall be adjusted by taking the monthly Meter Charge Availability charges and the per unit Usage Charges for the most recent period and multiplying those rates by the annual change in the Consumer Price Index - All Urban Consumers - U.S. City Average (CPI) as published by the Bureau of Labor Statistics for the period from January 1st of the preceding year to January 1st of the current year.

Section 5. Policy on Delinquent Utility Accounts:

Policy adopted by Council 5/9/2005 includes definitions, purposes, 1.5% monthly penalty fee on unpaid balances, \$40 reconnection fee, deposits required, \$15.00 transfer fee, payment plan if granted required to satisfy balance within two months, \$25.00 returned check fee, \$20.00 charge for customer-requested meter re-reads if readings were correct.