



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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**File #:** 20-18

City Council

9/13/2018

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### **LEGISLATIVE ACTION ITEM**

**SPONSOR:** Ashton J. Hayward, III, Mayor

**SUBJECT:**

PROPOSED ORDINANCE NO. 20-18, AMENDMENT TO SECTION 10-4-19 - SCHEDULE OF GAS RATES AND CHARGES

**RECOMMENDATION:**

That City Council adopt Proposed Ordinance No. 20-18 on second reading.

AN ORDINANCE AMENDING SECTION 10-4-19 OF THE CODE OF THE CITY OF PENSACOLA ENTITLED: "SCHEDULE OF RATES AND CHARGES"; PROVIDING FOR SEVERABILITY; REPEALING CLAUSE; PROVIDING AN EFFECTIVE DATE.

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

In 2007, City Council adopted a rate study that allowed for an annual inflation adjustment component to provide for funding to maintain the City's natural gas system. The fiscal year 2017 budget was prepared with no increase to the rates pending the final results of the rate study which was not implemented. The last Consumer Price Index (CPI) adjustment was in 2018 where rates were increased for CPI for both fiscal year 2017 and fiscal year 2018 of 0.90% and 2.40% respectively. The fiscal year 2019 budget has been prepared with an increase based on the CPI of 2.40%.

**PRIOR ACTION:**

September 14, 2017 - City Council adopted Ordinance No. 27-17 adjusting rates based upon changes in the CPI.

August 9, 2018 - City Council voted to approve Ordinance No. 20-18 on first reading.

**FUNDING:**

N/A

**FINANCIAL IMPACT:**

The rate change has been incorporated in the Fiscal Year 2019 Budget.

**CITY ATTORNEY REVIEW:** Yes

7/25/2018

**STAFF CONTACT:**

Keith Wilkins, City Administrator  
Richard Barker, Jr., Chief Financial Officer  
Don J. Suarez, Pensacola Energy Director

**ATTACHMENTS:**

- 1) Proposed Ordinance No. 20-18

**PRESENTATION:** No