

ORDINANCE NO. 5563

AN ORDINANCE AMENDING ORDINANCE NO. 5404 AND ALBANY MUNICIPAL CODE TITLE 11.01, WATER SYSTEMS RULES AND REGULATIONS, BY AMENDING SECTION 11.01.051, IN-LIEU-OF FRANCHISE FEE; AND DECLARING AN EMERGENCY.

WHEREAS, an In-Lieu-Of Franchise Fee was established on June 9, 1999, to compensate the City for the use of City-owned right-of-way used by the City of Albany's water utility; and

WHEREAS, it was, and remains, the intent of the City Council to exempt from the In-Lieu-Of Franchise Fee, water revenues received from service provided to the City Millersburg; and

WHEREAS, the water utility is in the process of making a thirty-six million dollar (\$36,000,000) investment in new water treatment facilities and in water system improvements that will be to the substantial long-term benefit of the citizens of the City of Albany; and

WHEREAS, water rates are expected to substantially increase in order to fund these improvements; and

WHEREAS, it is the desire of the City Council to minimize water rate increases to the greatest extent possible; and

WHEREAS, water system revenues that are required to meet debt service payments for the water system improvements referred to above, which are principally located outside the City of Albany and outside of Albany's right-of-way, should be exempted from the In-Lieu-Of Franchise Fee.

NOW, THEREFORE, THE PEOPLE OF THE CITY OF ALBANY DO HEREBY ORDAIN AS FOLLOWS:

Section 1: Chapter 11.01.051, In-Lieu-Of Franchise Fee, is amended to read as follows:

11.01.051 In-Lieu-Of Franchise Fee. Effective July 1, 1999, as compensation for the use of City-owned right-of-way, the Water Fund shall pay the Street Fund an In-Lieu-Of Franchise Fee in the amount of five percent (5%) ~~of City of Albany water use receipts.~~ **This fee shall be applied to water system rate revenues. Revenues received from the City of Millersburg, or from customers located within the City of Millersburg, shall be exempt from the fee. Revenues required to meet debt service payments for projects associated with the 2003 water revenue bond shall also be exempted from the five percent (5%) fee.**


Section 2: Inasmuch as this ordinance is necessary for the immediate preservation of the peace, health, and safety of the citizens of the City of Albany, an emergency is hereby declared to exist. This ordinance will be in full force and effect immediately upon its passage by the Council and approved by the Mayor.

Passed by Council: September 10, 2003

Approved by Mayor: September 10, 2003

Effective Date: September 10, 2003

ATTEST:



Mayor



City Recorder