

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AMENDING ORDINANCE NO. 91191-0410 GRANTING TO  
INTERSTATE POWER AND LIGHT COMPANY (ALLIANT ENERGY), ITS  
SUCCESSORS AND ASSIGNS, THE RIGHT AND FRANCHISE TO ACQUIRE,  
CONSTRUCT, ERECT, MAINTAIN AND OPERATE A NATURAL GAS  
DISTRIBUTION SYSTEM IN THE CITY OF MUSCATINE, MUSCATINE COUNTY,  
IOWA FOR THE PURPOSE OF DISTRIBUTING, SUPPLYING AND SELLING  
NATURAL GAS TO THE CITY AND ITS INHABITANTS BY INCREASING THE  
FRANCHISE FEE TO FIVE PERCENT (5%)**

**WHEREAS**, pursuant to Ordinance No. 91191-0410, a franchise was granted to Interstate Power and Light Company (Alliant Energy) for the sale and distribution of natural gas within the city limits of the City of Muscatine;

**WHEREAS**, Section 7 of Ordinance No. 91191-0410 provided that the franchise fee may be increased or decreased by giving a 90-day notice to the utility with the fee limited to a maximum of five percent (5%);

**WHEREAS**, the franchise fee rates have been increased and decreased by the City Council since originally implemented with the most recent franchise fee set by Ordinance 94331-0618 at two percent (2%);

**WHEREAS**, the City of Muscatine wishes to amend the franchise ordinance to provide that Interstate Power and Light Company (Alliant Energy) shall remit a franchise fee of five percent (5%) beginning July 1, 2019.

**NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MUSCATINE, IOWA**, that Muscatine Ordinance No. 91191-0410, as last amended by Ordinance No. 94331-0618, is hereby amended as follows:

**SECTION 1.** Section 7(A) of Ordinance No. 91191-0410 is hereby deleted in its entirety. Enacted in lieu thereof is a new Section 7(a) as follows:

**14-9-7 Franchise Fee.**

(A) In its monthly billing Company shall include a franchise fee of five percent (5%) on the gross receipts from the distribution, supply, or sale of natural gas for customers within the limits of the City of Muscatine, Muscatine County, Iowa. The Company shall make all reasonable effort to commence collecting the 5% franchise fee by the date of July 1, 2019, but no later than August 1, 2019. The franchise fee may be increased or decreased by the City on or after January 1, 2020, provided that the franchise fee shall be limited to a maximum of 5%. The City shall give the Company a minimum 90-day notice prior to the request to implement an increase or decrease in the franchise fee. The

City shall be solely responsible for the proper use of any amounts collected as franchise fees, and shall only use such fees as collected for a purpose as allowed by applicable law. Collection of the franchise fee shall cease at the earlier of the City's repeal of the franchise fee or the end of the Ordinance term.

**SECTION 2.** Ordinance No. 91191-0410, as amended herein and set forth in Attachment A, attached hereto and by this reference made a part hereof, shall be inserted into the Municipal Code under Title 14, Chapter 1 and made a part of said Code as provided by law.

**SECTION 3.** All ordinances or parts thereof in conflict with the provisions of this ordinance are hereby repealed.

**SECTION 4.** If any section, provision, sentence, clause, phrase, or part of this Ordinance shall be adjudged to be invalid or unconstitutional, such adjudication shall not affect the validity of this Ordinance as a whole or any section, subsection, provision, sentence, clause, phrase, or part thereof not adjudged invalid or unconstitutional.

**SECTION 5.** This ordinance shall be effective from and after its final passage, approval and publication as provided by law.

Passed First Reading by the City Council of Muscatine, Iowa, \_\_\_\_ day of \_\_\_\_\_, 2019.

Passed Second Reading and Waived Third Reading by the City Council of Muscatine, Iowa, the \_\_\_\_ day of \_\_\_\_\_, 2019.

**PASSED AND ENACTED** by the City Council of Muscatine, Iowa, the \_\_\_\_ day of \_\_\_\_\_, 2019.

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Diana Broderson, Mayor

ATTEST:

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Gregg Mandsager, City Clerk

**1<sup>st</sup> Reading –**

Motion by Council Member \_\_, seconded by Council Member \_\_, first reading of Ordinance No. \_\_\_\_ (2018/2019).

AYES:            \_\_

NAYS:            \_\_

ABSENT:        \_\_

**2<sup>nd</sup> Reading –**

Motion by Council Member \_\_, seconded Council Member \_\_, to approve the second reading of Ordinance No. \_\_\_ (2018/2019).

AYES:            –

NAYS:            –

ABSENT:        –

**3<sup>rd</sup> Reading –**

Motion by Council Member \_\_, seconded by Council Member \_\_, to approve the third reading of Ordinance No. \_\_\_ (2018/2019)

AYES:            –

NAYS:            –

ABSENT:        –

The Mayor declared Ordinance No. \_\_\_\_ (2018/2019) was passed on \_\_\_\_\_.

I certify that the foregoing was published as Ordinance No. \_\_\_\_ (2018/2019) on the \_\_ day of \_\_\_\_\_ 2019.

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Gregg Mandsager, City Clerk