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RESOLUTION NO. 16-
City Council

RESOLUTION ADOPTING REVENUE PURPOSE STATEMENT REGARDING USE OF REVENUES FROM PROPOSED ELECTRIC FRANCHISE FEES WITH LINN COUNTY RURAL ELECTRIC COOPERATIVE ASSOCIATION (REC) PURSUANT TO IOWA CODE § 364.2(4)(f)

WHEREAS, the City of Hiawatha is considering implementation of a franchise with Linn County Rural Electric Cooperative Association (REC), and

WHEREAS, the City Council of the City of Hiawatha will hold a public hearing regarding any implementation of an electric franchise with REC prior to adoption of any said franchise, and

WHEREAS, Iowa Code §364.2(4)(f) requires adoption of a "Revenue Purpose Statement" by a city council prior to the adoption of any franchise containing a franchise fee or any ordinance imposing a franchise fee specifying the purpose or purposes for which any revenue generated by a franchise fee will be used, and

WHEREAS, as required by Iowa Code §364.2(4)(f) a copy of the proposed "Revenue Purpose Statement" has been published in the manner provided by Iowa Code §362.3.
NOW THEREFORE BE IT RESOLVED by the City Council of the City of Hiawatha:
Section 1: The following "Revenue Purpose Statement" is hereby adopted by the City Council of the City of Hiawatha, to wit:

REVENUE PURPOSE STATEMENT REGARDING USE OF REVENUE FROM ELECTRIC FRANCHISE FEES WITH LINN COUNTY RURAL ELECTRIC COOPERATIVE ASSOCIATION (REC)

Pursuant to Iowa Code §364.2(4)(f) the City of Hiawatha states that all revenue generated from franchise fees assessed on the sales of electricity within the city shall be deposited in the franchise fee account in the general fund and shall be used to reimburse the City for all costs associated with inspecting, supervising or otherwise regulating its franchises. Moneys in the franchise fee account in the general fund in excess of the amounts necessary for costs associated with inspecting, supervising or otherwise regulating its franchises shall be expended for any of the following:

> Property tax relief. The City will use the revenue collected from the increase in the gas and electric franchise fee for property tax relief in the form of a deposit to the City's general fund or debt service fund, and using such fees to pay obligations that would otherwise be paid that year with a property tax levy. The specific purposes for which the revenues shall otherwise be expended is/are 100% for any lawful purpose.

Section 2. The City Clerk shall cause this "Revenue Purpose Statement Regarding Use of Revenue from "Electric Franchise Fees" as adopted to be published in the manner required by Iowa Code §362.3.

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AYES:
NAYS:
ABSENT:

PASSED AND APPROVED this 4th day of May, 2016.

_____
Bill Bennett, Mayor

ATTEST:

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Kelly Kornegor, City Clerk