



116 East Main Street • P.O. Box 447
City of Fairbank
Fairbank, Iowa 50629
319-635-2869 • Fax 319-635-2340

March 11, 2021

Attention Fairbank Gas Customers –

The utility bills for the month of February will be going out on Monday March 15th. There will be an increase in the gas portion due to an uncontrollable gas hike making the rate \$2.82 per CCF. For comparison purposes the rate for January 2021 was \$0.89 per CCF.

The actual rate was \$3.16 per CCF for the month of February but the council voted to remove \$0.35 per CCF to help alleviate the cost of gas to their customers.

The council also voted and approved the suspension of penalties for late payments for the gas portion of utility bills over the next six months. Meaning that each utility customer will have the opportunity to pay down their gas portion of their utility bill that's due April 5th as they are able to over the next six months.

The full bill may be paid on the 5th of April, but a customer can choose to pay a certain amount every month, in addition to their normal bill, in order to pay down the amount of gas usage charged on their March 15th bill for usage occurred in February 2021 due April 5th.

Auto withdrawal customers will need to contact City Hall with their approved amount to be withdrawn from their account on April 5th, before March 31st. If City Hall does not hear from that customer, they will try and contact them to get the information, otherwise the full amount will be deducted from your bank account just like any other month.

Budget customers will have their budget payment due like normal, but the City encourages them to pay down the amount of the gas charged for the bill due April 5th. This will ensure that the calculation on the budget payment for next year is within the customer's normal budget billing range.

Please feel free to contact City Hall if you have any questions. City Hall is open Mon-Fri from 9 am to 5 pm. You can reach City Hall at:

City Clerk – brittany@fairbank-ia.org

Deputy Clerk – michelle@fairbank-ia.org

P#319-635-2869

Thank you for understanding during this difficult time. Please know that the City of Fairbank has done what they could to alleviate these high prices.

More information of what lead to this event is as follows:

During a five day stretch from February 13-17, 2021 the City of Fairbank was hit by a record breaking “spot gas” price surge.

At the council meeting on February 22nd, the council was updated with the known facts on the event thus far. Estimated numbers on gas costs were coming in at around \$175,000 during that five day stretch. The council thought they needed to know the exact impact before they would know how to handle the situation for their customers. More information would be obtained to discuss this in further detail at the meeting on March 8th.

During the council meeting on March 8th, the council was informed that the amount of gas that the city had to purchase during that five day stretch totaled \$178,471.18 and with the added expense of the rest of the gas for the month of February the total bill used to calculate citizens cost of gas per CCF was \$208,795.66. The council voted to remove \$0.35 off the rate and waive penalties for the next six months in order to allow customers to pay off their gas bill in a more manageable time frame.

Thank you,

Mayor Harter