

OFFERS THE CITY A BONUS.

The Gas Company Seeking a Renewal of Its Franchise.

It Is Willing to Share Profits With the Municipality and to Reduce the Price Charged for Street Lamps— Presented an Ordinance.

President M. J. Payne, of the Kansas City Gaslight and Coke Company, yesterday submitted to President Tiernan, of the upper house of the city council, who is acting mayor, an ordinance granting a renewal of the franchise of the company for a period of thirty years. The ordinance was submitted for Mr. Tiernan's inspection, and was not intended to be presented to the council at the next meeting, as there is plenty of time before the franchise of the company expires. But Mr. Tiernan promptly affixed his signature to the document and filed it with the city clerk.

The franchise under which the company is working at present was obtained twenty-eight years ago from the state and is exclusive in its provisions. The city receives no stipend or annuity of any sort. The law, however, prevents the company from seeking a renewal from the state, even if the company desired to get it in that way.

Colonel Payne, however, makes what he terms a plain, business and liberal proposition to the city, offering what will now amount to at least \$10,000 per year, and will increase as the years go on and the franchise grows older. He offers to share the profits of the company with the city to the extent of a running bonus of 3 per cent of the gross receipts of the company, which Colonel Payne estimates at \$7,500 per year, and a reduction to the city of \$1.50 per lamp on all lamps used by the city beginning September 1, 1893. This last item is a saving to the city of \$2,500 in round numbers, he says.

The franchise asked for by the company is to run from March 1, 1895, for a period of thirty years. Section 1 gives the company the authority to operate a gas plant. Section 2 specifies that the light furnished must be twenty candle power and fixes the following scale of prices for city consumers: When the sales of the company are under 250,000,000 cubic feet the price shall be \$1.50 per 1,000 feet; between 250,000,000 and 350,000,000, the price shall be \$1.45 per 1,000 feet; between 350,000,000 and 400,000,000, the price shall be \$1.40 per 1,000 feet; between 400,000,000 and 500,000,000, the price shall be \$1.35 per 1,000 feet, and when the sales are over 500,000,000 per year, the price shall be \$1.25 per 1,000 cubic feet.

The present price is \$1.60 per 1,000 feet. Bills may be rendered for 10 cents per 1,000 feet in excess of these figures, with the understanding that if paid within ten days the excess shall be deducted. The company is required to file accounts with the city comptroller.

Section 3 binds the company to be a bidder for the annual contract for furnishing gas to the city at a price not to exceed \$16 per lamp burning four feet per hour, lighted on the Humphrey schedule, and \$24 per lamp lighted half an hour after sunset and extinguished one hour before sunrise.

Section 4 provides for the payment of the 3 per cent of the gross receipts of the company, within thirty days from January 1 and July 1 of each year the company shall file statements with the comptroller showing its sales for the preceding six months and within ten days thereafter the company shall pay to the city treasurer the amount due, provided that if any other company is given a franchise this company asking the franchise now under consideration shall not be required to pay the percentage; no exclusive franchise is to be granted to any company; the company must also reduce the price to the city \$1.50 per lamp.

Sections 6 and 7 provide for the usual guarantees that the company shall not obstruct the streets of the city, and similar provisions.

Section 8 provides that the company may transfer to any company organized under the state laws, its rights and franchise.

Section 9 provides that the franchise shall be for a period of thirty years.

Section 10 provides that the company shall accept the franchise within thirty days after it is granted and section 11 provides that the company shall file a penal bond in the sum of \$30,000 with the city comptroller.

Colonel Payne was seen by a JOURNAL reporter and said:

"I had hardly intended that the ordinance should have been introduced or even made public so soon, as there is plenty of time. But it is a plain business proposition. I believe that the best way is to take the public into our confidence. I am in favor of having an inspector who shall examine our books. I estimate in round numbers that the percentage will be at the start \$7,500 per year, and I shall be disappointed if it is not doubled before the franchise is ten years old. Then the reduction in the price of gas to the city will save \$2,500 per year to the city."

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