

ORDINANCE NO. 93

AN ORDINANCE ESTABLISHING THE RATES TO BE CHARGED FOR THE SERVICES OF THE WATERWORKS AND SEWER SYSTEM OF THE CITY OF CLINTON, ARKANSAS DECLARING AN EMERGENCY AND FOR OTHER PURPOSES PERTAINING THERETO.

WHEREAS, the City Council (the Council) of the City of Clinton, Arkansas (the City) has, upon necessary and complete investigation, found that it is essential and in the interest of the City, its inhabitants and of inhabitants of certain areas contiguous to the City, that extensions, betterments and improvements to the existing Water and Sewer System of the City (the system) be accomplished and, in order to finance the cost thereof, that waterworks and sewer revenue bonds of the City should be sold and issued; and

WHEREAS, it is necessary in connection with the sale and issuance of the proposed bonds, and for the improved operation and development of the system, that the rates charged for the facilities and services afforded by the system be established.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Clinton, Arkansas:

SECTION 1. Definitions. For the purposes of this Ordinance the following definitions apply:

(a) Resident Customers: Customers whose property being served by the system is located on land which is liable for City Ad Valorem taxes according to the tax rolls maintained by the County tax assessor.

(b) Non-Resident Customers: Customers whose property being served by the system is located on land not liable for the City Ad Valorem taxes according to the tax rolls maintained by the County Tax assessor.

(c) Domestic Users: Users whose property being served by the system is used principally as a domicile.

(d) Commercial-Industrial Users: Users whose property being served by the system is used principally as a place

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of business whether commercial, manufacturing, or processing.

SECTION 2. Resident Customers. The monthly rates previously established for resident customers are ratified and retained. The Council finds these rates to be fair, reasonable and just considering the large investment which the resident customers have already made in the existing system. These rates are restated as follows:

Domestic Users

	<u>Water</u>	<u>Sewer</u>
First 3,000 gallons of water used (or portions thereof)	\$3.50	\$2.50
Next 3,000 gallons of water used	\$ .40 per 1,000 gallons	\$ .20 per 1,000 gallons
Next 4,000 gallons of water used	\$ .30 per 1,000 gallons	\$ .15 per 1,000 gallons
Next 15,000 gallons of water used	\$ .25 per 1,000 gallons	\$ .125 per 1,000 gallons
All over 25,000 gallons of water used	\$ .15 per 1,000 gallons	\$ .075 per 1,000 gallons

Commercial-Industrial Users

	<u>Water</u>	<u>Sewer</u>
First 3,000 gallons of water used (or portion thereof)	\$5.00	\$2.50
Next 3,000 gallons of water used	\$ .44 per 1,000 gallons	\$ .22 per 1,000 gallons
Next 4,000 gallons of water used	\$ .33 per 1,000 gallons	\$ .165 per 1,000 gallons
Next 15,000 gallons of water used	\$ .28 per 1,000 gallons	\$ .14 per 1,000 gallons
All water used over 25,000	\$ .165 per 1,000 gallons	\$ .0825 per 1,000 gallons

SECTION 3. Non-Resident Customers. The Council finds that certain of the planned extensions, improvements and betterments to the system are physically so located that service can be rendered to many non-resident customers. The Council finds further that this is a new class of customer, that these non-resident customers are located at a greater distance from the Water and Sewer Department base of maintenance operations and are therefore more expensive to serve, and, considering the great cost of extending, bettering and improving the system, these non-resident customers (who have no investment in the existing system) shall pay a fair and just proportion of the costs of extending,

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bettering, improving, operating and maintaining the system in the form of slightly higher water and sewer (where available) monthly rates, as and when service is available to them, as follows:

	<u>Domestic Users</u>	
	<u>Water</u>	<u>SEWER</u>
First 3,000 gallons of water used (or part thereof)	\$5.00	\$2.50
Next 3,000 gallons of water used	\$ .44 per 1,000 gal.	\$ .22 per 1,000
Next 4,000 gallons of water used	\$ .32 per 1,000 gal.	\$ .16 per 1,000
Next 15,000 gallons of water used	\$ .26 per 1,000 gal.	\$ .13 per 1,000
All water used over 25,000 gallons	\$ .16 per 1,000 gal.	\$ .08 per 1,000

	<u>Commercial-Industrial Users</u>	
	<u>Water</u>	<u>Sewer</u>
First 3,000 gallons of water used (or part thereof)	\$7.50	\$3.75
Next 3,000 gallons of water used	\$ .48 per 1,000 gal.	\$ .24 per 1,000
Next 4,000 gallons of water used	\$ .36 per 1,000 gal.	\$ .18 per 1,000
Next 15,000 gallons of water used	\$ .30 per 1,000 gal.	\$ .15 per 1,000
All water used over 25,000 gallons	\$ .18 per 1,000 gal.	\$ .09 per 1,000

SECTION 4 Fire Protection Funding The Council recognizes and accepts the civic responsibility of maintaining the most effective fire department possible within the means and resources of the City. The Council takes cognizance of the fact that residents of the City enjoy highly favorable insurance rates for real and personal property located within the City limits. In order to ensure that fire fighting apparatus is maintained, improved and replaced as required and possible and that a continuing training program is maintained for fire department personnel, each resident customer is assessed a charge of 50¢ per month to be billed and collected by the Water and Sewer Department. All funds so derived shall be transferred

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to the City in the month of collection and shall be administered in a separate account known as the "City of Clinton Fire Protection Fund", which fund shall be used for fire department operations, maintenance, equipment replacement, personnel training or other expenses which may arise, and in the judgment of the Council, represent needed and worthwhile expenditures in maintaining high quality fire protection.

SECTION 5. Special Category Users. The Clinton Plant of the Banquet Foods Corporation shall pay the rates previously agreed upon between the City and Clinton Poultry and Egg Plant to include the charge of \$125,000 per month over and above metered charges because of the additional costs entailed in furnishing water and disposing of liquid waste in the quantities required by their operation.

SECTION 6. Statement of Necessity. The Council has determined, upon complete investigation of the costs of providing the services afforded by the system, that the classifications of rates provided for herein are fair, reasonable and just, are based upon the costs of operating the system and retiring the system bonded indebtedness, and are necessary to the continued efficient operation of the system.

SECTION 7. Terms of Sale of System Service. (a) None of the facilities or services provided by the system shall be furnished without a charge being made therefor.

(b) The operation of the water facilities shall be on a fully metered basis, with a meter installed at each water connection, and there shall be but one user for a single meter.

SECTION 8. Billing. (a) All bills for services of the system shall be rendered in the net amount due. If any bill is not paid on or before the tenth day after billing, a ten per cent penalty shall be added; and if any bill is not paid within thirty days after the second billing, service is disconnected.

(b) In the event any customer is disconnected from the system, the disconnected customer shall, prior to reconnection, pay all delinquent charges, plus a reconnection charge in the

amount of \$5.00 for each reconnection to the system.

(c) The City reserves the right to bill the owner of premises served by a water or sewer connection for the services of the system even though the premises may be occupied by a tenant or lessee, and to hold the owner liable for the payment thereof. The City reserves the right to require the owner of premises served by a water or sewer connection to pay all deposits required for the services of the system with regard to such premises and to require the payment of a separate deposit for each connection.

SECTION 9. Severability. The provisions of this Ordinance are hereby declared to be severable, and if any provision shall be held to be invalid or inapplicable to any person, classification of customer, or other circumstance, such holding shall not affect the validity or applicability of the remainder of the provisions hereof.

SECTION 10. Repealing Action. All prior ordinances and resolutions and portions thereof or other actions of the Council in establishing rates for services rendered by the system are herewith and hereby repealed.

SECTION 11. Declaration of an Emergency. It has been found and it is hereby declared that: (a) The present rates for the system services will not provide the revenue required for continued efficient operation and maintenance.

(b) The present rates will not provide revenue for orderly retirement of the additional bonded indebtedness required to extend, better and improve the system.

(c) The foregoing deficiencies seriously impede the progress and growth of the City and constitute a hazard to the health and well being of present and potential system customers therefore creating an emergency which is declared to exist, and this Ordinance being necessary for the preservation of the public peace, health, safety and well being shall be in full force and effect immediately upon its passage and approval.

PASSED JUNE 1, 1972

APPROVED: RALPH B. BITTLE, Mayor

ATTEST: ROY C. PATTON, City Recorder

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