

ORDINANCE NO. 0-01-126

AN ORDINANCE FIXING THE RATES TO BE CHARGED FOR THE SERVICES OF THE MUNICIPAL WATERWORKS SYSTEM; SUPERCEDING ORDINANCE NO. 0-00-19; REPEALING ALL ORDINANCES IN CONFLICT; AND FOR OTHER PURPOSES.

WHEREAS, the City of Conway, Arkansas (the "City") owns a water storage treatment and distribution system (the "System") serving residents within and near the City, which System is operated and maintained by Conway Corporation, a nonprofit corporation organized and existing under the laws of the State of Arkansas (the "Corporation"), pursuant to an exclusive franchise granted to the Corporation by the City pursuant to Ordinance No. 0-86-11, as amended; and

WHEREAS, the Board of Directors of the Corporation has determined the need for an expansion to the water treatment plant of the System, and in order to provide sufficient revenues to permit bond financing of such expansion, has proposed a series of rate increases for System services; and

WHEREAS, in order to cause a minimal annual impact on ratepayers, said rate increases will be phased in over a period of three years:

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CONWAY, ARKANSAS:

Section One. That all ordinances, resolutions and parts thereof in conflict herewith, including particularly Ordinance No. 0-00-19, are hereby repealed and superceded as of March 1, 2002, and the terms of System water rate schedules listed below are hereby adopted in the following phases. Phase One rates shall become effective on March 1, 2002. Phase Two rates shall become effective on January 1, 2003. Phase Three rates shall become effective on January 1, 2004 and remain effective until changed by subsequent ordinance of the City.

Section Two. The minimum monthly fee for System service is the Customer User Charge which is based upon meter size and billed in addition to the consumption rate.

Customer User Charges payable monthly for Residential, Commercial and Industrial customers are:

Phase I	
5/8-3/4 inch meter	\$3.07
1 inch meter	\$6.92
1 1/2 inch meter	\$13.20
2 inch meter	\$20.39
3 inch meter	\$40.70
4 inch meter	\$66.00
6 inch meter	\$132.00
8 inch meter	\$165.00

Phase II	
5/8-3/4 inch meter	\$3.38
1 inch meter	\$7.61
1 1/2 inch meter	\$14.52
2 inch meter	\$22.43
3 inch meter	\$44.77
4 inch meter	\$72.60
6 inch meter	\$145.20
8 inch meter	\$181.50

Phase III

5/8-3/4 inch meter	\$3.55
1 inch meter	\$8.00
1 1/2 inch meter	\$15.25
2 inch meter	\$23.55
3 inch meter	\$47.00
4 inch meter	\$76.25
6 inch meter	\$152.45
8 inch meter	\$190.60

The monthly Customer User Charge for users described in Section six of this Ordinance shall be based upon meter size and billed in addition to the consumption rate. The monthly charge, effective March 1, 2002 shall be:

5/8-3/4 inch meter	\$8.00
1 inch meter	\$12.00
1 1/2 inch meter	\$22.00
2 inch meter	\$35.00

Section Three. The monthly Residential consumption rate shall be:

Phase I

First 20,000 gallons	\$1.76	per thousand gallons
Next 30,000 gallons	\$1.65	per thousand gallons
All over 50,000 gallons	\$1.43	per thousand gallons

Phase II

First 20,000 gallons	\$1.94	per thousand gallons
Next 30,000 gallons	\$1.82	per thousand gallons
All over 50,000 gallons	\$1.57	per thousand gallons

Phase III

First 20,000 gallons	\$2.04	per thousand gallons
Next 30,000 gallons	\$1.91	per thousand gallons
All over 50,000 gallons	\$1.65	per thousand gallons

Section Four. The monthly Commercial and Industrial consumption rate shall be:

Phase I

First 20,000 gallons	\$1.76	per thousand gallons
Next 30,000 gallons	\$1.65	per thousand gallons
Next 50,000 gallons	\$1.43	per thousand gallons
All over 100,000 gallons	\$1.32	per thousand gallons

Phase II

First 20,000 gallons	\$1.94	per thousand gallons
Next 30,000 gallons	\$1.82	per thousand gallons
Next 50,000 gallons	\$1.57	per thousand gallons
All over 100,000 gallons	\$1.45	per thousand gallons

Phase III

First 20,000 gallons	\$2.04	per thousand gallons
Next 30,000 gallons	\$1.91	per thousand gallons
Next 50,000 gallons	\$1.65	per thousand gallons
All over 100,000 gallons	\$1.52	per thousand gallons

Section Five. The monthly Institutional consumption rate for service to college campuses and the Conway Human Development Center shall be as follows. The Customer User Charge for Institutional customers shall be the equivalent of one eight-inch meter in Section Two above.

Phase I

First 20,000 gallons	\$1.76	per thousand gallons
Next 30,000 gallons	\$1.65	per thousand gallons
Next 50,000 gallons	\$1.43	per thousand gallons
All over 100,000 gallons	\$1.32	per thousand gallons

Phase II

First 20,000 gallons	\$1.94	per thousand gallons
Next 30,000 gallons	\$1.82	per thousand gallons
Next 50,000 gallons	\$1.57	per thousand gallons
All over 100,000 gallons	\$1.45	per thousand gallons

Phase III

First 20,000 gallons	\$2.04	per thousand gallons
Next 30,000 gallons	\$1.91	per thousand gallons
Next 50,000 gallons	\$1.65	per thousand gallons
All over 100,000 gallons	\$1.52	per thousand gallons

Section Six. Notwithstanding any other section of this Ordinance, the monthly consumption rate for multi-family (single building) dwellings, mobile home parks (RT zones) and dwellings that are partially used for business, such as beauty shops or auto repair shops shall be as listed below. This rate is not applicable to separate buildings on one meter or separate mobile homes in a mobile home park (RT Zone).

Phase I

All water consumed	\$1.76	per thousand gallons
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Phase II

All water consumed	\$1.94	per thousand gallons
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Phase III

All water consumed	\$2.04	per thousand gallons
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Section Seven. Effective March 1, 2002, the monthly use fee for automatic fire protection systems shall be as follows. Water used for any other purpose must be metered.

First 1,000 sprinkler heads	\$10.00 monthly minimum
Each additional sprinkler head	\$.01 monthly

Section Eight. For water taken from fire hydrants, effective March 1, 2002, the consumption rate shall be \$2.04 per thousand gallons and the monthly Customer User Charge shall be \$50.00.

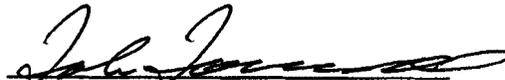
Section Nine. Out of City customers shall pay 150% of the applicable Customer User Charge and water consumption fee of in-city customers indicated above.

Section Ten. The above rates are subject to all local, state and federal taxes which are currently in effect or any taxes or fees which are imposed after the effective date of this Ordinance.

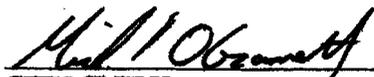
Section Eleven. The net bill for System services, computed in accordance with /the monthly rates set forth above, shall be due and payable upon presentation. If payment is not received within 30 days after presentation of a bill, System service may be discontinued. The amount of the delinquent bill plus a reconnect charge of \$15.00 must be paid before System service will be restored.

PASSED THIS 8th of January 2002

APPROVED:


MAYOR

ATTEST:


CITY CLERK