

ORDINANCE NO. 2005-02

AN ORDINANCE FIXING RATES FOR THE WATER AND SEWER
SYSTEM OF THE CITY OF PERRYVILLE, ARKANSAS

WHEREAS, the City of Perryville, Arkansas (the "City") has acquired the assets of the Thornburg Water Association and to assist in financing the acquisition, the City is issuing a Water and Sewer Revenue Bond (the "Bond") in the principal amount of \$609,970, and it is necessary for the City to establish minimum monthly rates to be charged for services to be furnished by the water and sewer system for the purpose of pledging the income therefrom for the payment of the Bond.

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

Section 1. The water usage of each customer shall be determined each month by meter measurement, and the amount to be paid by each customer shall be computed on the basis of the following schedule of rates:

Perryville Water

\$9.50 for the first 1,000 gallons (minimum)
\$2.05 per 1,000 gallons for all over 1,000 gallons

Perryville Sewer

\$5.50 for the first 1,000 gallons (minimum)
\$1.25 per 1,000 gallons for the next 3,000 gallons
\$1.10 per 1,000 gallons for all over 4,000 gallons

Harris Brake

\$11.00 for the first 1,000 gallons (minimum)
\$2.05 per 1,000 gallons for all over 1,000 gallons

Thornburg

\$15.00 for the first 1,000 gallons (minimum)
\$6.30 per 1,000 gallons for all over 1,000 gallons

Section 2. That the rates shall never be reduced below an amount sufficient to provide for the operation and maintenance of the water and sewer system and for the prompt payment of the principal of and interest on the Bond, and shall, when necessary, be increased by the Perryville City Council to provide for the operation and maintenance and for the payment of the principal of and interest on the Bond.

Section 3. That in the event that the City or any department, agency, or instrumentality thereof shall avail itself of any of the facilities or services afforded by the water and sewer system, the reasonable value thereof shall be charged against the City, or such department, agency, or instrumentality, and shall be paid for as the charges therefor accrue. The revenues so received from the City shall be deemed to be revenues from the operation of the water and sewer system, and shall be used and accounted for in the same manner as any other revenues derived from its operation; provided, however, that nothing herein shall be construed as requiring the City or any department, agency, or instrumentality thereof to avail itself of the facilities or services afforded by the water and sewer system.

Section 4. The invalidity of any part of this Ordinance shall not invalidate any other part thereof.

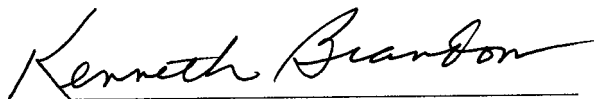
Section 5. All ordinances and resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 6. It is ascertained and declared that the prior acquisition and current financing of the acquisition of the Thornburg Water System is of utmost importance to the continued growth and well being of the Perryville Water and Sewer System.

IT IS, THEREFORE, declared that an emergency exists, and that this Ordinance is necessary for the immediate preservation of the public peace, health and safety, and that this Ordinance shall take effect and be in force from and immediately after its passage.

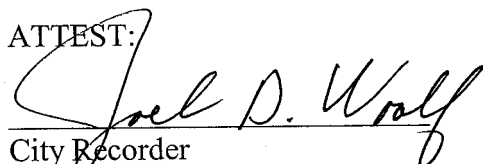
PASSED: This 22 day of March, 2005.

APPROVED:



MAYOR

ATTEST:



City Recorder

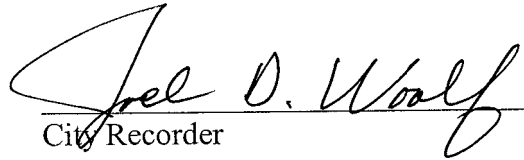
(S E A L)

CERTIFICATE

STATE OF ARKANSAS)
)ss.
COUNTY OF PERRY)

The undersigned, City Recorder of the City of Perryville, Arkansas, hereby certifies that the foregoing pages numbered from 1 to 4, inclusive, are a true and perfect copy of the Ordinance passed at a meeting of the City Council of the City of Perryville, Arkansas, held at 7:00 o'clock, _____ p.m., on the 22 day of March, 2005.

GIVEN under my hand and seal this 23 day of March, 2005.



City Recorder

(S E A L)