AN ORDINANCE FIXING THE RATES TO BE CHARGED FOR THE SERVICES OF THE MUNICIPAL WATERWORKS SYSTEM; SUPERCEDED ORDINANCE NO. 0-01-126; REPEALING ALL ORDINANCES IN CONFLICT; AND FOR OTHER PURPOSES.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. O-86-11, as amended; and

WHEREAS, the Board of Directors of the Corporation has determined the need to provide sufficient revenues and has proposed a rate increase for System services;

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resolutions and parts thereof in conflict herewith, including particularly Ordinance No. O-01-126, are hereby repealed and superceded as of July 1, 2008 and the terms of System water rate schedules listed below are hereby adopted

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:

- 5/8-3/4 inch meter: $3.96
- 1 inch meter: $8.93
- 1 1/2 inch meter: $17.02
- 2 inch meter: $26.28
- 3 inch meter: $52.45
- 4 inch meter: $85.10
- 6 inch meter: $170.13
- 8 inch meter: $212.71

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 July 1, 2008 shall be:

- 5/8-3/4 inch meter: $8.93
- 1 inch meter: $13.39
11/2 inch meter $24.55
2 inch meter $39.06

**Section Three.** The monthly Residential consumption rate shall be:

First 20,000 gallons $2.28 per thousand gallons
Next 30,000 gallons $2.13 per thousand gallons
All over 50,000 gallons $1.84 per thousand gallons

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

First 20,000 gallons $2.28 per thousand gallons
Next 30,000 gallons $2.13 per thousand gallons
Next 50,000 gallons $1.84 per thousand gallons
All over 100,000 gallons $1.70 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 $2.28 per thousand gallons
Next 30,000 gallons $2.13 per thousand gallons
Next 50,000 gallons $1.84 per thousand gallons
All over 100,000 gallons $1.70 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).

All water consumed $2.28 per thousand gallons

**Section Seven.** Effective July 1, 2008, 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 $11.00 monthly minimum
Each additional sprinkler head $ .01 monthly

**Section Eight.** For water taken from fire hydrants, effective July 1, 2008, the consumption rate shall be $2.28 per thousand gallons and the monthly Customer User Charge shall be $55.80

**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 schedule of charges as described above in sections 2,3,4,5,6, and 8 shall be indexed on February 1 each year by the amount of increase in the Consumer Price Index (or 3% whichever is less) for the preceding year. A copy of the revised rates shall be posted on the Conway Corporation web site.

Section Eleven. 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 Twelve. 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 $16.75 must be paid before System service will be restored.

Section Thirteen. This Ordinance is necessary for the protection of the peace, health and safety of the citizens of Conway and it is in the interests of the city and citizens who receive water services that the beginning date for these new rates, July 1, 2008, be known reasonably in advance. Therefore, an emergency is hereby declared and this Ordinance shall be in full force and effect from and after its date of passage.

PASSED this 10th day of June, 2008

APPROVED:

[Signature]
Mayor Tab Townsell

ATTEST:

[Signature]
Michael O. Garrett
City Clerk/Treasurer