

ORDINANCE NO. 0-99-121

**AN ORDINANCE IMPOSING A FRANCHISE TAX EQUAL TO 4.25 PERCENT OF THE GROSS REVENUES OF RELIANT ENERGY ARKLA, A DIVISION OF RELIANT ENERGY RESOURCES CORP., WITHIN THE CORPORATE LIMITS OF THE CITY OF CONWAY, ARKANSAS:**

**Whereas**, Reliant Energy Arkla, a division of Reliant Energy Resources Corp. ("Arkla"), is duly authorized by franchise ordinance to operate a gas distribution system and appurtenances thereto, used in, or incident to the rendition of gas service to Conway, Arkansas, and the inhabitants thereof residing in said City, and,

**Whereas**, Arkla is now occupying the streets and alleys of Conway, Arkansas, for the purpose of operating, maintaining and extending its gas service to the City and the inhabitants and consumers residing in said City, and is supplying to the City and consumers therein gas service, and,

**Whereas**, the City is entitled to receive such just and reasonable taxes from Arkla which the City may lawfully impose and Arkla is entitled to pay:

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF CONWAY, ARKANSAS:**

**Section 1:** That Arkla shall pay to Conway, Arkansas, the sum of 4.25% of the gross revenues it receives for the operation of the system within the corporate boundaries of Conway, Arkansas. All such payments shall be made monthly. The tax herein levied shall be in lieu of any other occupation tax, license tax, excise tax and any other character of municipal tax or fee (excepting the general ad valorem taxes and special millage taxes) which are now and might in the future be imposed by Conway, Arkansas under authority conferred upon the City by law.

**Section 2:** That nothing herein shall be construed to alter or change the terms or conditions of the present franchise under which Arkla is operating.

**Section 3:** That nothing herein shall be construed to alter or change the present rate schedule under which Arkla is now operating, except by order of the Arkansas Public Service Commission or other legally constituted bodies.

**Section 4:** That the City assumes no maintenance responsibility for the Arkla gas distribution system and appurtenances. The City shall not be responsible for damage to the Arkla gas distribution system and appurtenances by the City or by utility (public or franchised private) crews while performing normal maintenance work in the public right-of-way, easements or public grounds or places. The City assumes no liability for personal injury or property damage as a result of the placement of any gas distribution system and appurtenances and Arkla shall indemnify and hold the City harmless from actions, claims, costs, damages and expenses to which the City may be subjected arising

*A-1251  
City of Conway*

out of the placement of any gas distribution system and appurtenances in the public right-of-way or easement or in any public ground or place.

**Section 5:** That, upon notice from the appropriate city department (as established by the Mayor), Arkla shall remove gas distribution system and appurtenances from the public right-of-way, easements, or public ground or place at their own expense for any public improvement project or if the situation becomes a public nuisance.

**Section 6:** That all other ordinances and parts of ordinances and agreements in conflict with the provisions of this Ordinance are hereby repealed.

**Section 7:** That whereas there is a great need for revenue for the City of Conway, Arkansas to carry on necessary public service, and whereas such additional taxes are necessary in order to provide additional funds for necessary municipal purposes and it is necessary that this Ordinance shall become effective immediately in order to provide for the prompt computation and collection of said taxes, therefore, an emergency is declared to exist and this Ordinance being necessary for the immediate protection of the public peace, health and safety, shall take effect immediately upon its passage and approval.

PASSED this 14 day of December, 1999.

APPROVED:

Tab Townsell  
Tab Townsell, Mayor

ATTEST:

Michael O. Garrett  
Michael O. Garrett, City Clerk