

RESOLUTION 80-3

WHEREAS, Cities and Towns in Arkansas have the right to determine the terms and conditions upon which a public utility may occupy the streets of the City or Town, including the amount and rate of the Municipal Franchise Tax, and

WHEREAS, the Arkansas Public Service Commission has the right and duty to prohibit discrimination between utility ratepayers and between municipalities, and

WHEREAS, in recognition of this problem, the PSC on March 2, 1979, did in Docket U-3013 set this matter for public hearing and such public hearing was held on June 7, 1979, and

WHEREAS, at this hearing, many city officials appeared personally, the Arkansas Municipal League filed written comments and League staff members made personal appearances on behalf of all cities and towns urging the PSC to establish a Uniform Municipal Utility Franchise Charge of 4% of gross revenues to be rolled into the rates of all utilities at the time they apply for a rate increase in the future, and

WHEREAS, at the 45th Annual Convention of the Arkansas Municipal League held in Hot Springs on November 6, 1979, the official delegates from cities and towns all over Arkansas did unanimously urge the PSC to adopt the 4% Uniform Charge for all utilities in Arkansas.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
CONWAY, ARKANSAS.

Section 1. That we urge the Arkansas Public Service Commission to establish a Uniform Municipal Franchise Charge of 4% on gross revenues to be rolled into the rates of all utilities when the utilities apply for a rate increase in the future.

Section 2. We sincerely believe that anything other than a percentage is inequitable and any percentage less than 4% is inadequate for municipal needs.

Section 3. Any attempt to take all franchise taxes out of the base rates would make the Public Utility itself exempt from all municipal taxes and charges for the use of Municipal Streets and would give the Public Utility preferred status as a tax-exempt private corporation and would discriminate against all other businesses, individual taxpayers and against Municipal Governments.

Section 4. That we further urge the PSC to resolve this question at the earliest possible time.

Section 5. The City Clerk is hereby directed to mail a copy of this resolution to the Public Service Commission.

Date January 8, 1980

Signed

Bill Wright
MAYOR

Attest

Adrian Damm
(CITY CLERK)