

ORDINANCE NO. 405

AN ORDINANCE AMENDING ORDINANCE NO. 383 TO DECREASE THE SURCHARGE TO THE RESIDENTS OF GREENLAND, ARKANSAS FOR SEWER SERVICES PROVIDED BY THE CITY OF FAYETTEVILLE, ARKANSAS; REPEALING ORDINANCE NO. 385; PRESCRIBING OTHER MATTERS RELATING THERETO; AND DECLARING AN EMERGENCY.

WHEREAS, the City of Greenland, Arkansas (the "City") owns a sewer system (the "System"); and

WHEREAS, the System is operated by the City of Fayetteville, Arkansas ("Fayetteville") pursuant to that certain Fayetteville and Greenland Sewer Contract of 2017 dated as of December 13, 2017 (the "Sewer Contract"); and

WHEREAS, according to the terms of the Sewer Contract, the cost of construction of new facilities (as defined in the Sewer Contract) shall be the responsibility of the City; and

WHEREAS, the City Council of the City has issued its Sales and Use Tax and Sewer Revenue Refunding Bonds, Series 2025A and Series 2025B (the "Series 2025 Bonds") for the purpose of providing permanent financing for betterments and improvements to the System by refunding the City's Sewer Revenue Bonds, Series 2024A and Series 2024B (the "Interim Bonds"); and

WHEREAS, on April 8, 2024, the City Council of the City adopted Ordinance No. 383 ("Ordinance No. 383"), increasing the sewer surcharge to \$65.44 per bill per month, which was the surcharge sufficient to pay debt service on the Interim Bonds; and

WHEREAS, on May 13, 2024, the City Council of the City adopted Ordinance No. 385 ("Ordinance No. 385"), amending Ordinance No. 383 to phase in the sewer surcharge over a three-year period; and

WHEREAS, at an election held November 5, 2024, there was approved the levy of a 1.5% sales and use tax (the "Tax") and the pledge thereof to repay the Series 2025 Bonds; and

WHEREAS, the levy of the Tax and the pledge thereof to the Series 2025 Bonds allows the City to decrease the sewer surcharge;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Greenland, Arkansas:

follows: Section 1. That Section 1 of Ordinance No. 383 is hereby amended to read as

Section 1. The surcharge for sewer services provided to the residents of the City by Fayetteville shall equal the sum of the following:

- (i) \$21.81 per bill per month; and
- (ii) \$0.40 per thousand gallons of water used.

Section 2. Ordinance No. 385 is hereby repealed.

Section 3. REPEALER: All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of the conflict.

Section 4. SEVERABILITY: If any section, paragraph, subdivision, clause, phrase or provision of this ordinance shall be adjudged invalid or unconstitutional, the same shall not affect the validity of this ordinance as a whole, or any part or provision, other than the part so decided to be invalid or unconstitutional.

Section 5. EMERGENCY CLAUSE: The sewer surcharge constitutes a substantial burden to the rate payers of the City, and to reduce the sewer surcharge and alleviate that burden, it is viewed that an immediate solution is necessary, thereby creating an emergency. It is hereby declared that based on conditions set forth herein, an emergency exists and this Ordinance, being necessary for the immediate protection of the health, welfare and safety of the citizens of the City, shall be in effect immediately upon its passage.

PASSED: August 18, 2025

APPROVED:

ATTEST:

Christy McCard
City Recorder

[Signature]
Mayor

(SEAL)

