ORDINANCE NO. 385

AN ORDINANCE AMENDING ORDINANCE NO. 383 ESTABLISHING THE SURCHARGE TO THE RESIDENTS OF GREENLAND, ARKANSAS FOR SEWER SERVICES PROVIDED BY THE CITY OF FAYETTEVILLE, ARKANSAS; 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 determined that it is in the best interest of the City to acquire, construct and equip betterments and improvements to the System (the "Improvements"); and

WHEREAS, all or a portion of the cost of the Improvements will be financed by the issuance of bonds secured by and payable from the sewer surcharge collected by the City; 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 is the surcharge sufficient to accomplish the Improvements and to pay debt service on the bonds; and

WHEREAS, the City desires to amend Ordinance No. 383 to phase in the sewer surcharge over a three-year period;

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

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

Effective June 1, 2024

Effective June 1, 2024, 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.

Effective June 1, 2025

Effective June 1, 2025, the surcharge for sewer services provided to the residents of the City by Fayetteville shall equal the sum of the following:

- (i) \$43.63 per bill per month; and
- (ii) \$0.40 per thousand gallons of water used.

Effective June 1, 2026

Effective June 1, 2026, the surcharge for sewer services provided to the residents of the City by Fayetteville shall equal the sum of the following:

- (i) \$65.44 per bill per month; and
- (ii) \$0.40 per thousand gallons of water used.

Section 2. Ordinance No. 383, as amended hereby, shall be and will remain in full force and effect.

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 increase to the rate payers of the City, and to 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: May 13th, 2024

APPROVED:

Mayor

ATTEST:

City Recorder

(SEAL)