

ORDINANCE NO. 0-99-07

AN ORDINANCE AMENDING ORDINANCE NO. B-387
FIXING THE AMOUNT OF FRANCHISE FEES TO BE PAID
TO THE CITY BY SOUTH CENTRAL ARKANSAS ELECTRIC
COOPERATIVE, INC.

WHEREAS, pursuant to Ordinance No. B-387, adopted December 4, 1980 ("Ordinance No. B-387"), the City of Arkadelphia, Arkansas (the "City") has fixed the franchise fees to be paid by South Central Arkansas Electric Cooperative, Inc.; and

WHEREAS, the franchise fees are authorized pursuant to Arkansas Code Annotated §§ 14-200-101, et. seq. (the "Authorizing Legislation"); and

WHEREAS, it is necessary to make certain technical changes to Ordinance No. B-387 in order to comply with the Authorizing Legislation and to clarify that the charges fixed by Ordinance No. B-387 are fees and not taxes;

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the City of Arkadelphia, Arkansas:

Section 1. Section 9 of Ordinance No. B-387 is hereby amended to read as follows:

"Section 9. Beginning in January, 1981, and thereafter during the life of this franchise, the Grantee shall pay to Grantor each month, a franchise fee in an amount equal to five percent (5%) of the preceding month's electric revenues before the application of any adjustment clause as paid to the Grantee by consumers located within the corporate limits of the City of Arkadelphia, Arkansas. Grantor shall have the right to examine and verify, from the records of the Grantee any data relating to the gross revenues of Grantee from consumers on which said franchise fee is due. In the event of a controversy between the Grantor and Grantee as to the amount of revenues received by Grantee in the City of Arkadelphia, Arkansas upon which said fee is due, such controversy shall be referred to the Arkansas Public Service Commission, or such successor regulatory agency which may have jurisdiction over the Grantee, for final determination, and the decision of said Commission shall be binding upon both parties hereto.

It is expressly agreed and understood by the Grantor and Grantee that the aforesaid payment shall constitute and be considered as complete payment and discharge by the Grantee, its successors and assigns, of all license, fees, charges, impositions or taxes of any kind (other than automobile license fees, special millage taxes, general ad valorem taxes and other general taxes applicable to all citizens and taxpayers) which are now or might in the future be imposed by the Grantor under authority conferred upon the Grantor by law. In the event such other tax or taxes are

imposed by Grantor, the obligation of the Grantee to pay Grantor the franchise fee as set forth herein shall immediately terminate."

Section 2. Ordinance No. B-387, as amended hereby, shall remain and be in full force and effect.

PASSED: July 15th, 1999.

ATTEST:

Mary Freeman
City Clerk

APPROVED:

C.T. Hallinghead
Mayor

(SEAL)