ORDINANCE NO. 81-2

AN ORDINANCE AUTHORIZING ARKANSAS LOUISIANA COMPANY, ITS SUCCESSORS AND ASSIGNS TO CONSTRUCT, MAINTAIN AND OPERATE A GAS PIPELINE SYSTEM WITHIN THE CITY OF ATKINS, ARKANSAS, AND LEVYING A FRANCHISE TAX.

BE IT ORDAINED by the Council of the City of Atkins, Arkansas:

SECTION 1. That permission be and is hereby granted to Arkansas Louisiana Gas Company, its successors and assigns, to construct, maintain and operate, its pipelines, conduits, ducts, mains, manholes and all other necessary underground appliances, on, in, under and through the streets, alleys and highways within the limits of the CITY of ATKINS, STATE OF ARKANSAS, for a period of twenty-five years from the date of the enactment hereof; and to use the property of other companies and permit other companies to use its property upon such arrangements as the two companies may agree, subject to the following conditions:

SECTION 2. That all pipelines and other equipment and appliances erected by said Company shall be located so they will not interfer with the safety or convenience of persons traveling on or over the said streets, alleys and highways; and in the work of installing and maintaining its underground system, said Company shall not open or encumber more of any street, alley or highway than will be necessary to enable it to perform same with proper economy and efficiency; nor shall it permit such opening or encumbrance to remain for a longer period than shall be necessary to do the work for which said opening shall have been made.

SECTION 3. That all work done under the provisions of this Ordinance in said City, shall be subject to the supervision of the City Engineer or some other representative appointed by said Council and said Company shall replace and properly relay any sidewalk or street pavement which may have been displaced or damaged by it in the construction and maintenance of its system in said City.

SECTION 4. That said Company shall maintain all pipelines, conduits, ducts, mains, manholes and all other equipment and appliances erected or constructed under the provisions of this Ordinance, in good and safe order and condition; and shall at all times fully indemnify, protect, and save harmless the said City from and against all loss and and necessary expenditures arising from the erection, construction and maintenance of its system in said City, or from its neglect or failure to maintain the said apparatus in good and safe order and condition.

SECTION 5. That nothing in this Ordinance shall be construed to grant unto the said ARKANSAS LOUISIANA GAS COMPANY, any exclusive right, or to prevent a grant of similar privileges to other companies.

SECTION 6. Beginning in 1981 and thereafter so long as ARKANSAS LOUISIANA GAS COMPANY, its successors and assigns, shall operate a gas-line system within the City, it shall pay to the City a franchise tax in an amount equal to 4.25 % of gross revenues received by ARKANSAS LOUISIANA GAS COMPANY, derived from services and gas provided by the company within the boundaries of the City of Atkins, at the end of the preceding calendar quarter, payment to be made to the City within thirty (30) days of the end of each calendar quarter, the first remittance to be made within thirty (30) days of March 31, 1981; provided, the amount of tax levied herein by the City may be collected by the Gas Company from those of the Gas Company customers receiving local gas service within the corporate boundaries of the City of Atkins, in accordance with the tariffs of the Gas Company and the rules, regulations and orders of the Arkansas Public Service Commission. For the purpose of this Ordinance, gross revenues shall be an amount equal to the total of the basic local service rate, sales tax, together with any addition for fuel adjustment. This Ordinance does not restrict the City from the right to alter the tax, upon proper notification in advance to the Gas Company.

SECTION 7. It is expressly agreed and understood by the City of Atkins and ARKANSAS LOUISIANA GAS COMPANY that the aforesaid payment shall constitute and be considered as complete payment and discharge by ARKANSAS LOUISIANA GAS COMPANY, its successors and assigns, of all licenses, 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 City of Atkins under authority conferred upon the City of Atkins by law. In the event such other taxes are imposed by the City of Atkins, the obligation of ARKANSAS LOUISIANA GAS COMPANY to pay the City of Atkins the franchise tax set out in SECTION 6 of this Ordinance shall be immediately terminated.

SECTION 8. The City of Atkins shall have the right to examine and verify from the records of ARKANSAS LOUISIANA GAS COMPANY any data relating to the gross revenue of the Gas Company derived from gas service provided by the Gas Company within the boundries of the City of Atkins.

SECTION 9. All Ordinances or parts of Ordinances in conflict with the provisions of this Ordinance, are hereby repealed.

This Ordinance shall take effect on January 1, 1981.

Stephen C Kent

STEPHEN KENT, MAYOR

ATTEST:

Dallas Swain

DALLAS SWAIN, CITY CLERK