ORDINANCE NO. 88- 4

AN ORDINANCE AMENDING SECTION 10.12.08 OF THE ATKINS MUNICIPAL CODE RELATING TO SEWER RATES FOR INDUSTRIAL USERS, AND FOR OTHER PURPOSES.

WHEREAS, the Atkins North Wastewater Treatment Facility is nearing completion, and

WHEREAS, pursuant to an agreement entered into between the City of Atkins, Dean Foods Company, and Green Bay Food Company on August 26, 1986, which provides for a new sewer rate schedule to be paid by the pickle plant owned by Green Bay located in the City of Atkins at the time that the North Wastewater Treatment Facility is completed.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ATKINS, ARKANSAS:

SECTION 1. Section 10.12.08 Sewer rates - industrial users is hereby amended to read as follows:

10.12.08 Sewer rates - industrial users.

The following rate formula will be used to determine monthly charges for industries in the city:

The industrial sewer service rate for the pickle plant owned by Green Bay Food located in the City of Atkins, shall be as follows beginning on the 1st day of December, 1988:

(A) Residential Volume Basis (RVB):

RVB = Actual total residential, commercial and industrial (excluding Green Bay) metered water consumption for previous year of sewered customers (in 1000 gallons)

(B) Green Bay Volume Basis (GBVB):

GBVB = Actual measured volume of Green Bay wastewater discharged during previous year times 1.15 (in 1000 gallons)

(C) Operating and Maintenance Expenses (O&M):

(1) Salaries of wastewater employees
(2) 1/2 of utility office employees salaries
(3) Payroll taxes of wastewater employers and 1/2 of utility office employees
(4) Utilities expense of wastewater services (Does not include energy necessary to operate aeration equipment at the north wastewater treatment plant)
(5) 1/2 of utility operating supplies
(6) 1/2 of utility office supplies and postage
(7) Utility outside services relating to wastewater services as appropriate
(8) Utility insurance expenses associated with wastewater employees, equipment and structures
(9) Utility miscellaneous expenses relating to wastewater services as appropriate

(10) Utility truck expense associated with wastewater services
(11) Expenses associated with wastewater repairs and supplies (Does not include aerator repair or replacement)
(12) Utility wastewater debt retirement expense, excluding any retirement of debt incurred in connection with the Project.
(13) Uncollectible wastewater accounts

Total O&M = Total of Items 1 through 13 above

(D) Green Bay Basic Rate:

$$\text{Cost/1000 gallons} = \frac{\text{Total O\&M}}{\text{RVB + GBVB}} \times 1.10$$

The above sewer rate shall be in effect as it pertains to the Green Bay Food Company Atkins pickle plant for a period of twenty (20) years beginning on the 1st day of December, 1988. Rates shall be adjusted annually hereafter based on relevant information obtained from the prior year. The sewer rate during such 20 year period shall be reduced by an amount equal to any new tax or assessment or increase in existing tax or assessment assessed against the Green Bay Atkins pickle plant during such year, including without limitation any water rate or property tax, if such rate or tax or increase in rate or tax is imposed directly or indirectly for the purpose of retiring any debt incurred or any obligation assumed by the City of Atkins to finance its share of the total cost of the Atkins North Wastewater Treatment Facility project. The sewer rate for the first year beginning on the 1st day of December, 1988, will be $0.56 per thousand gallons per month. In the event that such rate exceeds, or is less than, total O&M as divided by the sum of RVB + GBVB for such first year (as determined by the parties at such time that such information is available), the Green Bay Atkins pickle plant will receive a credit against any future sewage assessments to cover such excess, or will pay such short fall as the case may be.

SECTION 2. This ordinance being necessary for the preservation of the health and safety of the residents of Atkins, an emergency is hereby declared to exist and this ordinance shall

be effective immediately upon and after its passage and approval, this 15th day of November, 1988.

STEPHEN KENT, MAYOR

ATTESTED:

BRENDA GRAVES