ORDINANCE NO. 91- 6

AN ORDINANCE REVISING AND AMENDING CHAPTER 4.12, SECTION 4.12.06 OF THE ATKINS MUNICIPAL CODE PROVIDING FOR A PERCENTAGE INCREASE IN THE FRANCHISE TAX TO BE PAID TO THE CITY OF ATKINS BY ARKANSAS LOUISIANA GAS COMPANY, DECLARING AN EMERGENCY AND FOR OTHER PURPOSES.

WHEREAS, pursuant to Chapter 4.12, Section 4.12.06 Arkansas Louisiana Gas Company (hereinafter Arkla or Grantee) pays each year to the City of Atkins (hereinafter City or Grantor) the franchise tax for the privileges stated in Chapter 4.12.

WHEREAS, the City desires to increase the rate of the franchise tax paid by Arkla.

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

Section 1 : Section 4.12.06 of Chapter 4.12 of the Atkins Municipal Code is hereby amended to read as follows:

Section 4.12.06 Franchise Tax: Beginning in January, 1992 and thereafter so long as Arkansas Louisiana Gas Company (Arkla), its successors and assigns, shall operate a gasline system within the City, it shall pay to the City a franchise tax in an amount equal to 5.00% of gross revenues received by Arkla, 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 after March 31, 1992; 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. (Ord. No. 81-2, Sec. 6)

Section 2: All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 3: It has been found, and is hereby declared by the City Council of the City of Atkins, there is an urgent need to clarify and bring up to date the terms and provisions of the franchise under which gas service is provided to the City and other consumers therein, and to agree upon an adequate franchise tax to be paid by the utility furnishing such service to the City. Therefore, an emergency is declared to exist, and this Ordinance being necessary for the preservation and advancement of the public peace, health and safety, shall take effect and be in full force from and after the date of its approval.

DATED this 10 day of December, 1991.

Stephen C. Kent

STEPHEN C. KENT, Mayor

ATTEST:

Brenda Graves

BRENDA GRAVES, City Clerk