



AMENDED AGENDA

**MEETING OF THE MOUNTAIN HOME CITY COUNCIL
MARCH 18, 2021 . . . 6:00 P.M.
COUNCIL CHAMBERS OF THE MUNICIPAL BUILDING**

Pledge of Allegiance
Prayer
Roll Call
Announcements
Minutes from the February 18th , 2021 Council Meeting
Committee Reports

NEW BUSINESS

VEHICLE DISPOSAL REQUEST presented by - Assistant Police Chief Eddie Griffin

RADIO TOWER RENTAL AGREEMENT REQUEST presented by - Water & Wastewater Director Alma Clark

AN ORDINANCE AMENDING THE SCHEDULE OF RATES TO BE CHARGED AND COLLECTED FOR WATER SYSTEM USERS OF THE CITY OF MOUNTAIN HOME; REPEALING ORDINANCE NO. 2020 - 30 AND PRESCRIBING OTHER MATTERS RELATING THERETO presented by - Water & Wastewater Director Alma Clark

AN ORDINANCE AMENDING THE SCHEDULE OF RATES TO BE CHARGED AND COLLECTED FOR SEWER SYSTEM USERS OF THE CITY OF MOUNTAIN HOME, AMENDING ORDINANCE NO. 2020 - 31 presented by - Water & Wastewater Director Alma Clark

OLD BUSINESS

COMMENTS

ADJOURN

**Respectfully Submitted,
Brian A. Plumlee, City Clerk**

City of Mountain Home

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REGULAR CITY COUNCIL MEETING – FEBRUARY 18th , 2021

1. The Mountain Home City Council met in regular session February 18th, 2021 in the Council Chambers of the Municipal Building. Mayor Hillrey Adams called the meeting to order at 6:00 p.m. followed by the Pledge of Allegiance and a prayer.
2. **ROLL CALL** The following council members were present for the roll call: Jim Bodenhamer, Jennifer Baker, Susan Stockton, Bob Van Haaren, Paige Evans, Nick Reed, Carry Manual, and Wayne Almond.
3. **OFFICIALS IN ATTENDANCE** Mayor Hillrey Adams, City Attorney Roger Morgan, City Clerk Brian Plumlee, Water & Sewer Director Alma Clark, Fire Chief Kris Quick, Parks & Recreation Director Billy D. Austin, and Assistant Police Chief Eddie Griffin.
4. **MINUTES** Councilwoman Jennifer Baker made a motion to approve the regular council meeting minutes from December 17th, 2021. The motion was seconded by Councilwoman Susan Stockton. The City Clerk recorded the following vote: all present – yes.
5. **MINUTES** Councilwoman Jennifer Baker made a motion to approve the regular council meeting minutes from January 21st, 2021. The motion was seconded by Councilman Van Haaren. The City Clerk recorded the following vote: 7 – yes : Reed, Bodenhamer, Evans, Baker, Stockton, Van Haaren, and Manual; 1 – abstain : Almond.
6. **NEW BUSINESS**

AN ORDINANCE AMENDING ORDINANCE NO. 296, AS AMENDED WITH REFERENCE TO ZONING WITHIN THE CITY LIMITS OF THE CITY OF MOUNTAIN HOME, ARKANSAS, RELATIVE TO CHANGING AREA ZONED AS RESIDENTIAL R-1 TO COMMERCIAL C-2A City Attorney Roger Morgan put the ordinance on first reading and read it to its entirety.

SECOND READING Councilwoman Baker made a motion to suspend the rules and put the ordinance on second reading, Councilman Almond seconded the motion. The City Clerk recorded the following vote: all present – yes. The motion was declared adopted and the ordinance was read for a second time by title only.

THIRD READING Councilwoman Baker made a motion to suspend the rules and read the ordinance for the third time by title only. Councilman Manual seconded the motion. The City Clerk recorded the following vote: all present – yes. The motion was declared adopted and the ordinance was read for a third time by title only.

ADOPTION... Councilwoman Baker made the motion to adopt the ordinance, it was seconded by Councilman Nick Reed. The City Clerk recorded the following vote: all present – yes. The ordinance was declared adopted.

AN ORDINANCE WAIVING COMPETITIVE BIDDING AND AUTHORIZING THE PURCHASE OF TWO (2) DODGE TRUCKS City Attorney Roger Morgan put the ordinance on first reading and read it to its entirety.

SECOND READING Councilwoman Baker made a motion to suspend the rules and put the ordinance on second reading, Councilman Van Haaren seconded the motion. The City Clerk recorded the following vote: all present – yes. The motion was declared adopted and the ordinance was read for a second time by title only.

THIRD READING Councilwoman Baker made a motion to suspend the rules and read the ordinance for the third time by title only. Councilman Reed seconded the motion. The City Clerk recorded the following vote: all present – yes. The motion was declared adopted and the ordinance was read for a third time by title only.

ADOPTION... Councilwoman Baker made the motion to adopt the ordinance, it was seconded by Councilman Van Haaren. The City Clerk recorded the following vote: all present – yes. The ordinance was declared adopted.

EMERGENCY CLAUSE Councilwoman Baker made the motion to adopt the emergency clause, it was seconded by Councilman Almond. The City Clerk recorded the following vote: all present – yes.

MISC. AUCTION ITEMS Councilman Van Haaren made a motion to approve the request, the motion was seconded by Councilwoman Stockton. City Clerk Brian Plumlee recorded the following vote: all present – yes.

STATE OF THE CITY ADDRESS Mayor Hillrey Adams presented the State of the City Address. A full copy of the State of the City Address can be obtained through the meeting exhibit file or from the City Clerk.

OLD BUSINESS

7. **COMMENTS**
8. **ADJOURN...6:32 P.M.** with no further business to come before the council. Mayor Adams declared the meeting adjourned at 6:32 p.m.

HILLREY ADAMS, MAYOR

ATTEST:

BRIAN A. PLUMLEE, CITY CLERK

Street Committee Meeting
February 23, 2021 – 12:30 p.m.

After a lengthy discussion about traffic counts throughout the Mountain Home area, a possible protected turn lane signal at Highway 62 and Club Boulevard, and reviewing the Arkansas Department of Transportation website, the meeting began at 12:55 p.m.

Present were Arnold Knox, Director of Streets; Jim Bodenhamer, Susan Stockton and Paige Evans.

Arnie discussed the recent snow removal with the Committee. Crews began working 12 hour shifts at 3:00 p.m. on Sunday, February 14. The second crew came in at 3:00 a.m. Monday morning, February 15 and worked their 12 hours. This schedule continued through Thursday morning the 18th. Most of the snow had been cleared from the streets and driveways and everyone went back to 8 hours on Friday. The cost of snow removal for the 6 days totaled \$35,473.96.

The Street Report for January 2021 was reviewed. Arnie reported the crew working on Medical Plaza has gotten to the corner at the prosthetic office. He said they are working on putting in new culvert pipe to Hospital Drive. The cost to date is \$184,366.06.

The Market Street/Thorn Street Rebuild is going well. The crew has finished at Market and new culvert is almost complete on Thorn Street. The total cost to date for this combination street project is \$198,461.33.

Fill is being hauled in and dumped at the new Fire Department location on Highway 62, and an operator is out there when needed to push the fill loads. The cost to date for this project, which will be reimbursed by the Fire Department is \$23,545.06.

Maintenance for the month of January was \$10,833.18.

The Budget Summary was reviewed and is in good shape, per Arnie.

The meeting adjourned at 1:25 p.m.

MARCH 2021 Committee Meeting

03/11/2021 – 5:15pm. Attending: Alma Clark, Jennifer Baker, Bob Van Haaren, Nick Reed & Kirby Rowland. We met in council chamber. The meeting adjourned at 7:00 pm.

- Cash analysis / Revenue / Expense Report ending February 2021 were passed out.
- Project reports for month ending February 2021 passed out.
- Our water loss was 24.1% Ending February 2021. The previous month was at 20.5 %. We continue to fix and find leaks daily.
- Passed out copies of South Region ending December 2020 CPI % increase information in January 2021. Was asked by committee to index the 1.4% CPI increase into the water / sewer ordinances and provide the annual spreadsheet showing the impact to customer that I always pass out to committee. A copy of both ordinances with the newly index rates and spreadsheet was provided to committee as requested and required by the water / sewer ordinances. Committee will decide as weather to pass or decline or modify the rate increase per the ordinance in the next council meeting on March 18th, 2021. Both Water / Sewer CPI% increase ordinances will be on the Council Agenda on March 18, 2021 for a vote of council.
- Alma also informed the committee that she and the Mayor are working with a company that provides internet to part of our customer base in the area of our water tank that is between Mountain Home and Gassville, that sits off Hwy 62 W around CR 600 in which we call Colfax/Cotter tank. They are wanting to lease space on our tank so that they can provide services to that area.. There would be a lease fee to the Water / Sewer Department for this service. This Agreement will be on the Council Agenda for discussion & vote of council on March 18th, 2021.
- Kirby gave updates to the committee with regards to the WWTP upgrades. Kirby also talked about the possibility of changing from chlorine gas disinfection / sulfur Dioxide for dichlorination to PFA – Performic acid; which is another means of disinfection... our next step is to pilot test and then full scale bench test to see if this will work in our application.. what this would mean for the WWTP is that we would be able to get rid of two dangerous chemicals (Chlorine Gas / Sulfur Dioxide Gas) and remove the Risk Management Plan for these chemicals for this Site and provide better safety for the plant personnel.
- Kirby gave updates with regards to the new Lake intake site. Geo Tech company has completed the lake bores & is processing the data gathered for their report. We have some preliminary boring logs which was passed out during committee meeting. The final report should be to us at the end of the month for next meeting. Kirby also talked about incorporating a couple of plant projects into the lake intake project as we do the bonding for this project. The two additions with include 1 additional clarifier for the plant and also changing from gas chlorine over to Sodium Hypochlorite for disinfection of the distributed water which was intended to be done in the 2014-2016 upgrade project and the bids came in to high during this time and did not allow for these to be completed at this time. So we have started looking into incorporating these again during the upgrade process in the near future.
- Kirby also updated the committee with regards to backwash sludge handling at WTP – We have just started discussion on ways to better dry the backwash pond sludge. Since the reconstruction of the Backwash pond in 2016 the ponds are retaining more lake silt than they used to (as they were designed to do) therefore we are processing more pond sludge; so drying it out enough to send to landfill has been a chore. We need to find a better solution to handle the drying process in a faster manner. Will update when we have options looked at.

PROJECT UPDATES:

- Tipton Loop WL upgrade: Started: 11/20/2020. Completed on 02/25/2021. This crew is repairing Fire Hydrants that show to be leaking until all complete. Then we will move onto Spring Branch Terrace to replace old waterlines.
- 6th & Church St Sewer Line Upgrade: Started 01/21/21. This section of 6th & church Completed on 02/09/21. We replaced 224' of 6" concrete over to 6" PVC & replaced 2 manholes and 2 cleanouts behind the new Rapp's Barren... All that is left remaining on this section is asphaltting when we are able to get some. We will be doing another section of replacement of sewer line on 6th St starting at Church st going toward College street.
- 2nd & South St Sewer Line Upgrade: Started 02/09/21 we will be replacing approximately 1150' of 6" concrete and will upgrade to 8" PVC, will be replacing 6 manholes. From last report we have laid 644' of pipe and set 1 manhole. Remaining we have 492' of pipe and 5 manholes.

Upcoming: We will be starting a sewer line extension of approximately 350' from an existing Manhole at the Heights Subdivision running along Arkansas Avenue to across N Cardinal Dr on the south west corner of property ending at a manhole. All engineering for this project will be provided by the developer and we will provide labor, equipment, & material to extend this section of line. We also will be looking at looping a water line from the end of Ozark Avenue across land to N Cardinal Dr existing Water line to tie it together; all material & engineering for this job with be paid for by the developer and we will provide labor & equipment loop about 700' of water line.

*****OUR NEXT MEETING HAS CHANGE DAYS & DATE*****
NEXT MEETING WILL BE HELD ON THURSDAY – APRIL 8, 2021 @ 5:15 pm.
Meeting will be held in council chambers.

Police Department Inventory – Disposal

2016 Old Front Office Files (Box #1-#5) – Front Office

2017 Old Front Office Files (Box #1-#3) – Front Office

2016 – Original Reports – Street Accident Reports

2017 – Original Reports – Street Accident Reports

2016 – Original Reports – Incident Reports

2017 – Original Reports – Incident Reports

2016 – Time Sheets

2017 – Time Sheets

2012, 2013, 2014, 2015, 2016 Step-Grant

- These files are greater than 3 years old.

- All contents within the folders have been checked and are within iSOMS, Virtual Justice (District Court system), or F Drive Storage.

- These records could include the following: handwritten citations/warnings, incident report involving subject listed on file, accident reports involving the listed subject on file (if fault is shown), District Court fine payments (handwritten) prior to the current digital court system,

Freedom of Information requests on subject listed on file, Motion of Discovery on subject listed on file.
Arkansas Code Ann 16-10-211 (Court Records)

2016 - Front Office Year End Close Outs

2017 - Front Office Year End Close Outs

Close outs include: Motion of Discovery yearly template, daily Baxter County

District Court close out paperwork, monthly Fee Account templates, District Court/Fee Account deposit slips, monthly Fee Account reconciliation sheets, Warrant list ledgers, fine payment receipts taken through Baxter County S.O. (bond payments after business hrs), Fee Acct receipt books, Bond payment receipts/monthly bond reports, Baxter County District Court Dockets, Warrant Service Reports.

According to Record Retention Laws for Arkansas Municipalities Destruction/Retention Laws (code ann. 14-2-204 & code ann. 16-10-211) the records listed above are eligible for destruction after 3 years.

Edward Griffin
Assistant Chief
Mountain Home Police Department
424 West 7th Street
Mountain Home, AR 72653
870-425-6336



Radio Tower Rental Agreement

In consideration of the covenants contained between The City of Mountain Home, herein referred to as "Lessor" and Reynolds Media Inc. herein referred to as "User," and the rentals agreed to be paid, the parties mutually agree as follows:

I.

Lessor hereby grants permission to install and operate Radio Communications Equipment on or in Lessor's Water Tower facility located at 227-350 Co Rd 600, Gassville, AR 72635 (premises).

II.

Lessor agrees that, during the term of this contract, User shall have reasonable ingress and egress to said tower for the purpose of maintenance and repair to said equipment. It is further agreed, however that only qualified contractors approved by Lessor, or persons under Lessor's direct supervision, will be permitted to install or remove antenna or coax cable.

III.

User covenants and agrees that User's equipment, its installation and maintenance will:

- A. In no way damage the building or tower structure and accessories thereto;
- B. Not interfere with the maintenance of Lessor's tower and the tower lighting system.
- C. Not interfere with the operation of the Lessor's broadcast equipment or the radio equipment of other Users on said tower. In the event there is interference, User will promptly take steps necessary to correct and eliminate such interference. If said interference cannot be eliminated within a reasonable period of time, User agrees to remove his equipment from Lessor's property and this agreement shall thereupon be terminated.
- D. Comply with all applicable rules and regulation of the Federal Communications Commission, and electrical codes of the City and /or State concerned.
- E. Special conditions:
 - 1. Lessor reserves the right to add electrical charges to rent to adjust for increases in electric power rate, (if needed).
 - 2. When User discontinues use of site and removes their transmitter and receiver and related equipment from the tower and site.

IV.

The term of this agreement shall commence on the 1st of May, and run for a period of 6 months. Automatic renewal will take place until terminated by either party upon the giving of 90 days written notice of termination to the other party. Should User desire to terminate the Rental Agreement at the end of the initial term or thereafter, User shall give the notice aforesaid and will remove all properties installed on Lessor's

premises and leave said premises in substantially the same condition existing as of the date of this agreement, ordinary wear and tear and occurrences for which User is not responsible hereunder excepted.

V.

User hereby covenants and agrees to pay as rental during the initial term of this agreement the total sum of \$900.00 during the first 6 months payable monthly in advance. During the first 6 months of the contract the rent will be \$150.00 each month. Month seven rent will increase to \$250.00 per month and remain at this rate for the remainder of the term. In addition to the monthly rent User agrees to provide free of charge access to the internet communications services being installed at the location. The services will not be limited or throttled in any way but shall be made available in their fullest capacity as available to the user at this location. The first payment due upon execution hereof and a like payment due on each and every first of the month of the term of this agreement. User agrees that the rental payments shall be due and paid without the necessity of demand of invoice from Lessor and User further agrees to pay an additional charge of \$25.00 for each payment made after due date.

In the event the Users electric demand is greater than \$50.00 a month the Lessor may require the user to provide for their own electric power. In the event payments include the furnishing of power, then the User agrees that the Lessor will in no way be responsible for power interruptions or outages.

Tenant shall provide itself with sufficient liability insurance covering its use of the Tower, Building and the premises on which the Tower and Building is situated and personnel of it on or about the Tower site providing for minimal limits for personal injury and or death sustained by any one person in the sum of One Million and no/100 Dollars (\$1,000,000) and personal injury -and or death sustained by all persons arising out of any one accident in the sum of One Million and no/100 (\$1,000,000) and for property damage caused by any one accident in the sum of Two Hundred Fifty Thousand and no/100 (\$250,000). Tenant shall provide Landlord certificates of insurance evidencing said insurance, annually.

VI.

During the term of this Rental Agreement, Lessor will not grant a similar radio tower rental agreement to any other party if such grant would in any way affect or interfere with User's use of said radio equipment. User shall not assign or sublet its right hereunder, nor change the frequency or power or character of its equipment without first obtaining the written consent of Lessor.

VII.

User does hereby agree to indemnify and save Lessor harmless from any claims demands or cause of action for property damages or personal injuries caused by the User, the User's Officers, Agents, Employees, sub-contractors and customers arising out of User's occupancy of the premises or the installation maintenance and operation of User's equipment except only damages caused by solely by the Negligence of Lessor. The

parties hereto agree that Lessor shall in no way be liable for loss of use or other damage of any nature arising out of the loss, destruction, or damage to the premises, the tower, equipment building or to User's equipment located thereon, by fire, explosion, windstorms, water or any other casualty of acts of third parties. In the event the tower or other portions of the premises, are destroyed or so damaged as to be unusable the Lessor shall be entitled to elect to cancel and terminate this agreement, or in the alternative may elect to restore the premises in which case the User shall remain bound hereby but shall be entitled to an abatement of rentals during the loss of use. Lessor does hereby agree to indemnify and save User harmless from any claims demands or cause of action for property damages or personal injuries caused by the Lessor, the Lessor's Officers, Agents, Employees, sub-contractors and customers arising out of Lessor's ownership and use of the premises; and Lessor warrants that it will comply with all applicable Federal, state and local regulations in connection with the tower including painting and lighting requirements that may be required.

VIII.

The following shall be considered events of default by the Users:

- A. The failure to pay rentals required hereunder when due.
- B. The failure to cure, within 30 days after written notice thereof, any breach of the promise, undertakings, and terms and condition in this agreement.
- C. The filing of a voluntary petition under the bankruptcy laws, a composition of arrangement of creditors, an assignment for the benefit of creditors, or any other act reasonably indicating equitable or legal insolvency.
- D. Abandonment of the premises.

In the event an event of default shall occur or in the event the User shall otherwise breach or fail any of its undertakings or obligations hereunder, Lessor shall be entitled, at Lessor's option to remove all property and equipment of User which may be situated upon the premises, without being guilty or liable in any manner for trespass, thereby terminating this agreement, or the Lessor, at its option may elect to treat this agreement in full force and effect and shall be entitled to collect the rentals provide for hereunder, cumulative and in addition to the foregoing, the Lessor shall be entitled to enforce all other remedies provided at law or in equity. To secure the performance of its undertakings hereunder, User hereby grants to Lessor a landlords lien and security interest in and to User's property and equipment situated upon the premises and agrees that in the event of default and foreclosure of such lien and security interest, such property may be disposed of in any commercially reasonable manner and the proceeds distributed in accordance with Chapter 9 of the Uniform Commercial Code.

IX.

All notices and other communications required or required or permitted hereunder and tender of payment of rentals due hereunder shall be considered properly give or made when deposited with the US Postal Service, properly addressed and bearing sufficient

postage, but shall only be considered to the effective when actually received. The address of the parties for all purposes hereof shall be as follows:

Lessor: The City of Mountain Home
 720 Hickory St
 Mountain Home, AR 72653

User: Reynolds Media Inc.
 1226 Commerce Drive
 Mountain Home, AR 72653

Executed at _____, This _____ day of _____, 2021.

Lessor: _____
By: _____
Title: _____

Executed at _____, This _____ day of _____, 2021

User: _____
By: _____
Title: _____

ORDINANCE NO. 2021 –

AN ORDINANCE AMENDING THE SCHEDULE OF RATES TO BE CHARGED AND COLLECTED FOR WATER SYSTEM USERS OF THE CITY OF MOUNTAIN HOME; REPEALING ORDINANCE NO. 2020 - 30 AND PRESCRIBING OTHER MATTERS RELATING THERETO.

WHEREAS, it is determined by the City Council of Mountain Home, Arkansas, that current or existing rates charged for water service by the City of Mountain Home are not adequate for the operation and maintenance of the water system, and to retire the bonds and provide the margin of security for the bonds required and issued.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF MOUNTAIN HOME, ARKANSAS, AS FOLLOWS:

Section 1.

That Ordinance No. 2020 - 30 and any other Ordinance concerning rates charged for water service by the City of Mountain Home, Arkansas shall specifically be amended by the rates set forth in this Ordinance. All provisions of said previous Ordinances shall remain in full force unless specifically changed by the terms of this Ordinance.

Section 2.

Monthly rates for **customers inside the City of Mountain Home** shall be as follows:

First 2,000 gallons used per month is the minimum charge.

Excess over 2,000 gallons per month is \$2.67 per 1,000 gallons.

MINIMUM CHARGE

	Combined	Mtr. Min.	Demand	ADH Fee
Residential ¾"	\$ 14.71	\$ 7.48	\$ 6.83	.40
Commercial ¾"	\$ 26.49	\$ 14.97	\$ 11.12	.40
Commercial 1"	\$ 47.38	\$ 25.64	\$ 21.34	.40
Commercial 1 ¼"	\$ 70.03	\$ 38.44	\$ 31.19	.40
Commercial 1 ½"	\$ 97.14	\$ 52.33	\$ 44.41	.40
Commercial 2"	\$ 185.57	\$ 105.72	\$ 79.45	.40
Commercial 3"	\$ 391.84	\$ 212.49	\$ 178.95	.40
Commercial 4"	\$ 640.00	\$ 319.27	\$ 320.33	.40
Commercial 6"	\$1,335.16	\$ 625.70	\$ 709.06	.40
Commercial 8"	\$2,567.28	\$ 1,298.39	\$ 1,268.49	.40

Monthly rates for customers **outside the City of Mountain Home** shall be as follows:

First 2,000 gallons per month is the minimum charge.

Excess over 2,000 gallons used per month is \$5.31 per 1,000 gallons.

MINIMUM CHARGE

	Combined	Mtr. Min.	Demand	ADH Fee
Residential ¾"	\$ 29.07	\$ 14.97	\$ 13.70	.40
Commercial ¾"	\$ 52.53	\$ 29.91	\$ 22.22	.40
Commercial 1"	\$ 94.39	\$ 51.26	\$ 42.73	.40
Commercial 1 ¼"	\$ 139.65	\$ 76.89	\$ 62.36	.40
Commercial 1 ½"	\$ 193.89	\$ 104.64	\$ 88.85	.40
Commercial 2"	\$ 370.71	\$ 211.43	\$ 158.88	.40
Commercial 3"	\$ 783.27	\$ 424.98	\$ 357.89	.40
Commercial 4"	\$ 1,279.60	\$ 638.53	\$ 640.67	.40
Commercial 6"	\$ 2,678.33	\$ 1,251.40	\$ 1,426.53	.40
Commercial 8"	\$ 5,101.30	\$ 2,563.89	\$ 2,537.01	.40

Section 3.

The schedule of charges as described above in section 2 shall be indexed at the first part of February of each year by the amount of increase in the (CPI) Consumer Price index for the preceding annual year January – December and will affect water used after February 15th of each year. The CPI percentage rate that will be used each year will be at the Arkansas Rate (The South Region) for water/sewer. The CPI rate adjustment will be accepted, declined, or modified as determined by the Council before it is applied each year. A copy of the revised rates will be available at all times at the water/sewer department office.

That it shall be the duty of the Mayor and City Council of the City of Mountain Home to authorize and conduct a review of rates charged by the City of Mountain Home on an annual basis.

Section 4. Effective Date

This ordinance shall be in full force and effect 30 days after passage.

PASSED AND APPROVED THIS 18th DAY OF MARCH 2021.

HILLREY ADAMS, MAYOR

ATTEST:

BRIAN A. PLUMLEE, CITY CLERK

ORDINANCE NO. 2021 -

**AN ORDINANCE AMENDING THE SCHEDULE OF RATES TO BE CHARGED AND
COLLECTED FOR SEWER SYSTEM USERS OF THE CITY OF MOUNTAIN HOME,
AMENDING ORDINANCE NO. 2020 - 31**

WHEREAS, it is necessary for the City to amend rates to be charged for the services of the Sewer System in accordance with the requirements of the bonds;

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

Section 1.

That Ordinance No. 2020 - 31 and any other ordinance concerning rates charged for sewer service by the City of Mountain Home, Arkansas shall specifically be amended by the rates set forth in this ordinance. All provisions of said previous ordinances shall remain in full force unless specifically changed by the terms of this ordinance.

(a) That the City hereby established the rates to be charged for services furnished by the Sewer System; which the City Council finds and declares to be fair, reasonable and necessary, to be charged to all users who contribute wastewater to the Sewer System. The proceeds of such charges so derived will be used for the purpose of operating and maintaining the Sewer System, including replacement ("OM&R"). (Replacement is defined as expenditures for obtaining and installing equipment, accessories or appurtenances during the useful life of the treatment works necessary to maintain the capacity and performance for which they were designed and constructed).

Section 2.

Minimum User Charges – The minimum monthly charge for 2,000 gallons per **residential user** of the Sewer System is comprised of and includes OM&R, Debt Service and an Administration Charge. The minimum monthly charge is as follows:

<u>Meter Size</u>	<u>Minimum Bill</u>
3/4"	\$ 17.56
1"	\$ 24.65

(b) All **residential users** of the Sewer System shall be charged monthly \$3.27 per 1,000 gallons of metered water consumption.

(c) The minimum monthly charge for 2,000 gallons per **commercial and industrial users** of the Sewer System is comprised of and includes OM&R, Debt Service and an Administration Charge. The minimum monthly charge is as follows:

<u>Meter Size</u>	<u>Minimum Bill</u>
3/4"	\$ 26.16
1"	\$ 38.33

1-1/2"	\$ 65.68
2"	\$ 107.19
3"	\$ 224.69
4"	\$ 392.83
6"	\$ 858.76
8"	\$ 1,517.14

All commercial and industrial users of the Sewer System shall be charged monthly \$3.27 per 1,000 gallons of metered water consumption.

(d) The minimum monthly charge for 2,000 gallons per **Baxter County Industrial Park user** of the Sewer System is comprised of and includes OM&R, Debt Service and an Administration Charge. The minimum monthly charge is as follows:

<u>Meter Size</u>	<u>Minimum Bill</u>
3/4"	\$ 37.49
1"	\$ 49.65
1-1/2"	\$ 76.98
2"	\$ 118.51

All Baxter County Industrial Park users of the Sewer System shall be charged monthly \$4.74 per 1,000 gallons.

(e) **Tapping Fee** That there shall be a tapping fee in an amount established by the City for every customer who connects to the Sewer System.

(f) None of the facilities or services afforded by the Sewer System shall be furnished without a charge being made therefore.

Section 3. Special Application

(a) **Sewer** – There shall be no connection to the City's sanitary sewer system that is not physically located within the corporate limits of the City.

Section 4.

That a financial management system shall be established and maintained by the City to document compliance with federal regulations pertaining to the bonds. Such system will account for all revenues generated and expenditures for OM&R.

Section 5.

The schedule of charges as described above in section 2 shall be indexed at the first part of February of each year by the amount of increase in the (CPI) Consumer Price index for the preceding annual year January – December and will affect sewer used after February 15th of each year. The CPI percentage rate that will be used each year will be at the Arkansas Rate (The South Region) for water/sewer. The CPI rate adjustment will be accepted, declined, or modified as determined by the Council before it is applied each year. A copy of the revised rates will be available at all times at the water/sewer department office.

(a) The City will continuously monitor the revenues of the Sewer System, including specifically the adequacy of its rates and delinquent billings, and will take appropriate steps to remedy any delinquent billings or inadequacy of rates. The City will make a full review annually of the rates and charges of the Sewer System.

(b) The City shall at all times fix, charge and collect rates and charges for services furnished by the Sewer System, including increasing rates and charges as necessary, which shall provide revenues sufficient to at least: (1) pay the City's annual costs of OM&R; (2) pay annual debt service; and (3) provide the necessary bond coverage.

Section 6.

That the user charge system for the Sewer System shall take precedence over any terms or conditions of agreements or contracts between the City and any of the users which are inconsistent with applicable federal regulations regarding such user charge systems.

Section 7.

That the provisions of this Ordinance are severable and if a section, phrase or provision shall be declared invalid; such declaration shall not affect the validity of the remainder of the Ordinance.

Section 8.

That all Ordinances and Resolutions and parts thereof in conflict hereby repealed to the extent of such conflict.

Section 9. Effective Date

This ordinance shall be in full force and effect 30 day after passage.

PASSED AND APPROVED THIS 18th DAY OF MARCH 2021.

HILLREY ADAMS, MAYOR

ATTEST:

BRIAN A. PLUMLEE, CITY CLERK