ORDINANCE NO. 6

AN ORDINANCE FIXING AND ESTABLISHING THE AGGREGATE AMOUNT OF LICENSE FEES, CHARGES AND SPECIAL TAXES DUE TO THE CIYT OF CHERY VALLEY FROM ARKANSA POWER & LIGHT COMPANY, WHICH AMOUNT WILL BE ACCEPTED BY THE CITY IN LIEU OF ALL SUCH TAXES EXCEPTING AD VALOREM TAXES AND AUTOMOBILE LICENSE, AND AUTHORIZING RATE SCHEDULES FOR STREET LIGHTING AND OTHER MUNICIPAL USES OF ELECTRICITY AND FOR OTHER PURPOSES.

Whereas, the Arkansas Power & Light Company (hereinafter sometimes referred to as the “Power Company”) is duly authorized by franchise ordinance heretofore enacted to operate an electric distribution system in the City of Cherry Valley, Arkansas (hereinafter sometimes referred to as the “City”) and said electric distribution system and appurtenances thereto the City of Cherry Valley and the inhabitants thereof residing in said City, and

Whereas, the Arkansas Power & Light Company is now occupying the streets and alleys of the City of Cherry Valley for the purposes of operating, maintaining, and extending its electric service to the City and the inhabitants and consumers residing in said City, and is supplying to the City electric service for street lighting purposes other municipal uses, and

Whereas, the City is entitles to receive such just and reasonable taxes from the Arkansas Power & Light Company which City may lawfully impose and the Company is entitles to receive reasonable payment for services received by the city.

Now therefore, be it ordained by the Council of the City of Cherry Valley, Arkansas that:

SECTION 1:

Power Company shall pay the City each year, commencing with the effective date of this ordinance, the sum of (A) and (B) as follows:

1. The sum of, $198.00 annually, payable, quarterly, in advance.

(B) 2% if the preceding calendar year’s gross electric revenue

(Excluding, industrial and municipal revenues) as paid to

The Power Company by customers residing within the

Corporate limits, of the, City of Cherry Valley. Payments

Shall be made by the Power Company to the City in equal

Quarterly installments. Industrial revenues are those

Revenues defined by the Power Company as such and approved

by the, Arkansas Public Service Commission. Municipal revenues

ORDINANCE NO. 6

-2-

SECTION 1: (continued)

Excluded, shall by those covered in Section 2 hereof.

It is expressly agreed and understood by the City that said payment shall constitute and be considered as complete payment and discharge by the Power Company of all license fees, charges, impositions or taxes, (other than automobile license fees, special millage taxes, and the general ad valorem taxes) which are now and might in the future be imposed by the City under authority conferred upon the City by law.

SECTION 2:

Electricity furnished the City for street lighting and other purposes shall be paid by the City in accordance with the applicable rate schedules of the Power Company now on file and? or as they may in the future be filed by the Power Company and approved by the Arkansas Public Service Commission. The Power Company shall have the privilege of crediting any amount due City with any unpaid balances due said Power Company for electric service rendered to said City. It is expressly agreed and understood between the City and Power Company if any licenses, charges, fees, impositions or taxes (other than automobile license fees, special millage taxes, and general ad valorem taxes) be charged, imposed, or levied by the City of Cherry Valley in the future, then in such event the obligation of the Power Company set forth in section ], hereof, to pay the City the annual sum of $198.00 plus 2% annually of the gross electric revenues (excluding industrial and municipal) shall immediately terminate.

SECTION 3:

Nothing herein contained shall be construed as giving the Power Company and rights or privileges in addition to those already enjoyed or owned by said Company, nor shall it affect any prior or

Existing, rights of the Power Company to maintain and operate an electric distribution system within said City.

SECTION 4:

This ordinance shall remain in effect for a term of five (5) years and for successive periods of year each unless and until cancelled not more than six (6) months or less then three (3) months prior to the expiration of the original term or any anniversary thereof.

ORDINANCE NO. 6

-3-

SECTION 5:

All other ordinances, agreements, and parts of ordinances and agreements in conflict with the provision of this ordinance are hereby repealed.

SECTION 6:

Said Power Company shall have thirty (30) days from and after its passage and approval to file its written acceptance of this ordinance with the City Clerk and upon such acceptance being filed, this ordinance shall be considered as taking effect and being in force and after the first day of January 1947.

Approved this\_\_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_, 19\_\_\_

Attest: