

ORDINANCE NO. 138

**AN ORDINANCE FIXING RATES FOR THE WATER SYSTEM
OF THE CITY OF CHERRY VALLEY, ARKANSAS**

WHEREAS, the City of Cherry Valley, Arkansas (the "City") has determined to construct betterments and improvements to its water system for the City and to assist in financing the construction from the proceeds of the sale of a Water and Sewer Revenue Bond (the "Water and Sewer Revenue Bond") in the principal amount of \$618,000 and it is necessary for the City to establish minimum monthly rates to be charged for services to be furnished by the water system for the purpose of pledging the income therefrom for the payment of the Bond.

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

Section 1. The water usage of each customer shall be determined each month by meter measurement, and the amount to be paid by each customer shall be computed on the basis of the following schedule of rates:

Water Rates:

First 2,000 gallons	\$21.50 (minimum charge)
Next 8,000 gallons	\$5.06 per 1,000 gallons
All above 10,000 gallons	\$3.81 per 1,000 gallons

Section 2. That the rates shall never be reduced below an amount sufficient to provide for the operation and maintenance of the water system and for the prompt payment of the principal of and interest on the Water and Sewer Revenue Bond, and shall, when necessary, be increased to provide for the operation and maintenance and for the payment of the principal of and interest on the Bond.

Section 3. That in the event that the City or any department, agency, or instrumentality thereof shall avail itself of any of the facilities or services afforded by the water system, the reasonable value thereof shall be charged against the City, or such department, agency, or instrumentality, and shall be paid for as the charges therefor accrue. The revenues so received from the City shall be deemed to be revenues from the operation of the water and sewer system, and shall be used and accounted for in the same manner as any other revenues derived from its operation; provided, however, that nothing herein shall be construed as requiring the City or any department, agency, or instrumentality thereof to avail itself of the facilities or services afforded by the water and sewer system.

Section 4. The invalidity of any part of this Ordinance shall not invalidate any other part thereof.

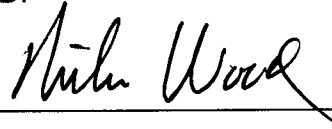
Section 5. All ordinances and resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 6. It is ascertained and declared that the lack of an adequate water system for the needs of the City of Cherry Valley, endangers the life, health and property of the inhabitants of the City, and that in order to protect the safety of its inhabitants and their lives from disease and other dangers, betterments to the water system must be constructed immediately.

IT IS, THEREFORE, declared that an emergency exists, and that this Ordinance is necessary for the immediate preservation of the public peace, health and safety, and that this Ordinance shall take effect and be in force from and immediately after its passage.

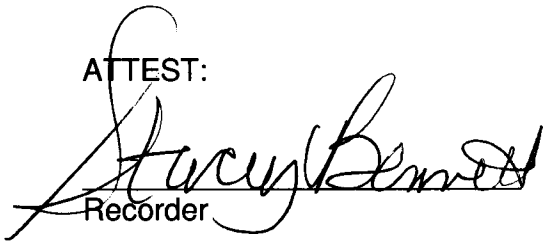
PASSED: This 14th day of September, 2010.

APPROVED:



MAYOR

ATTEST:



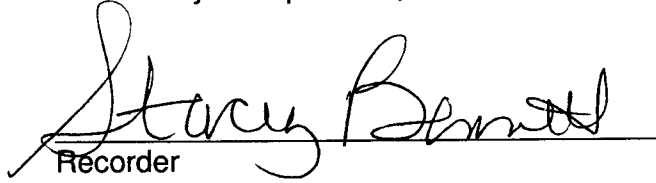
Recorder

CERTIFICATE

STATE OF ARKANSAS)
)ss.
COUNTY OF CROSS)

The undersigned, Recorder of the City of Cherry Valley, Arkansas, hereby certifies that the foregoing pages numbered from 1 to 3, inclusive, are a true and perfect copy of the Ordinance passed at a meeting of the City Council of Cherry Valley, Arkansas, held at 6 o'clock, 9 p.m., on the 14th day of September, 2010.

GIVEN under my hand and seal this 14th day of September, 2010.


Recorder