In order to serve the best interest of the public at large, the Mayor and City Council have the power to contract for the purpose of providing water and other public utility necessities for the Cl ty and the Inhabitants of the municipality.

The Mayor and the City Council may grant an exclusive franchise to a provider of utility services and charge a reasonable franchise fee therefor.

It is the obligation of the Cl ty to determine the quallty and character of service to be furnished by any public utility within the City limits and the terms and conditions upon which the public utility may be permitted to occupy the streets, highways or other public places within the municipality.

Por those citizens located wlthin the newly annexed area, it is critical that they have the quality water system which will afford them ample water, not only for the purpose of domestic living but for adequate fire protection.

The City Council is presently studing the water systems available to the newly annexed area of the City for the purpose of setting reasonable standards and possible issuance of an exclusive franchise to a public utility to furnish water to the newly annexed portions of the Clty. The City would require of any public utility franchise to make such additions and extensions to its physical plant within the municipality as shall be reasonable and necessary in the interest of the public for the purpose of supplying adequate water for domestic use and fire protection.

At the present time a $10 \%$ water assessment is paid by each resident user in the City which is served by Clty Water \& Light. This assessment is levied by an Ordinance passed by the City Councll directing City Water \& Light to collect the assessment. The City Councll is studying the proposal of collecting such an assessment through other water utilities which serve customers inside the clty limits.

