



Legislation Text

File #: ORD-04:268, **Version:** 1

AN ORDINANCE TO PROVIDE NOTICE TO ARKANSAS-LOUISIANA GAS COMPANY AND ITS SUCCESSOR CENTERPOINT ENERGY ARKLA OF THE CITY OF JONESBORO'S INTENTION TO TERMINATE ITS EXISTING FRANCHISE CONTRACT AND THE CITY'S INTENTION TO RENEGOTIATE ITS UTILITY FRANCHISE CONTRACT TO GO INTO EFFECT JANUARY 1, 2006. WHEREAS, the City of Jonesboro adopted Ordinance No. 1742 and entered into a utility franchise contract with Arkansas-Louisiana Gas Company on December 15, 1980, for a lump sum payment to the city of \$140,000.00 per year; and

WHEREAS, the Arkansas General Assembly enacted A.C.A. §14-200-101, et al, which provides that "...no franchise fees shall exceed the higher of the amount in effect as to that entity on January 1, 1997, or 4 ¼ %, unless agreed to by the affected utility or approved by voters of the municipality;" and

WHEREAS, the City Council desires to change the method of payment of its utility franchise fee from an annual lump sum amount to an as yet undetermined percentage amount pursuant to A.C.A. §14-200-101 et al.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Jonesboro, Arkansas:

SECTION 1: That the City of Jonesboro intends to terminate its existing franchise contract with Arkansas-Louisiana Gas Company and its successor Centerpoint Energy Arkla pursuant to a contract dated December 15, 1980, and to repeal Ordinance No. 1742 adopted that same date to approve the contract, both to be effective January 1, 2006.

SECTION 2: That the City of Jonesboro intends to renegotiate its utility franchise contract with Centerpoint Energy Arkla pursuant to A.C.A. §14-200-101, et al, and also to be effective January 1, 2006.

SECTION 3: All ordinances or part of ordinances in conflict herewith are repealed to the extent of the conflict.

SECTION 4: The provisions of this ordinance are hereby declared to be severable and if any section, phrase or provision shall be declared or held invalid, each invalidity shall not affect the remainder of the sections, phrases or provisions.

SECTION 5: An emergency is declared to ensure that the City Council is in compliance with the notice provisions of Ordinance No. 1742 and in compliance with the requirements of A.C.A. §14-200-101, et al.

PASSED AND ADOPTED this 20th day of December, 2004.