

**ORDINANCE NO. 22-882**

**AN ORDINANCE REVISING RATES TO BE CHARGED BY CLARKSVILLE CONNECTED UTILITIES FOR WATER AND SEWER CONNECTIONS; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES**

**WHEREAS**, the City of Clarksville, Arkansas (“City”) is the owner and regulator of a municipal utility providing electric, water, sewer, and broadband services; and

**WHEREAS**, the City created a commission known as Clarksville Connected Utilities (“Commission”) for the purpose of managing and operating the municipal utility in accordance with the authority granted by the City; and

**WHEREAS**, pursuant to Section 10.08.03 of the Clarksville Municipal Code, the City Council has authorized the Commission to establish service connection charges for residential customers who connect to the municipal sewer system, provided that such service charge shall not be less than \$75.00 nor more than \$150.00 per connection within the city limits and shall not be less than \$150.00 nor more than \$300.00 per connection outside the city limits; and

**WHEREAS**, pursuant to Section 10.08.03 of the Clarksville Municipal Code, the City Council has authorized the Commission to establish service connection charges for commercial and industrial customers who connect to the municipal sewer system, *provided that*, such service connection charge within the city limits shall be the greater of: (a) the actual installation costs of connection and (b) \$150.00; and the service connection charge outside the city limits shall be the greater of: (a) the actual installation costs of connection and (b) \$300.00; and

**WHEREAS**, at a regular meeting of the Commission on January 31, 2022, the Commission heard testimony from Chad Kendall, the Water/Sewer Manager, that: (1) sewer service connection charges (a.k.a. “tap fees”) had not been updated since December 10, 2012; (2) existing sewer service connection charges no longer cover the cost of materials necessary to perform the service connection; and (3) in order to cover the cost of connection, sewer service connection charges should be increased as follows:

<b><u>Sewer Service Connection</u></b>	<b><u>COST</u></b>
Replacement Tap (no prior fee)	\$ 150.00
Residential	\$ 300.00
Commercial/Industrial	ACTUAL <sup>1</sup>

Note:

1: Actual cost of material, labor, and equipment or \$300, whichever is greater

**WHEREAS**, pursuant to Section 10.08.06.F of the Clarksville Municipal Code, the City Council has authorized the Commission to establish service connection charges for residential retail water customers connected by a meter with an outlet that is three-quarters of an inch ( $\frac{3}{4}$ ”) in diameter, *provided that*, the charge is no less than \$100.00 and no more than \$200.00; and

**WHEREAS**, pursuant to Section 10.08.06.F of the Clarksville Municipal Code, the City Council has directed the Commission to impose service connection charges for retail water customers with connections that are larger than three-quarters of an inch (¾") as follows:

<u>METER</u>	<u>COST</u>
One inch (1")	\$ 205.00
One and one-half inches (1 ½")	\$ 500.00
Two inches (2")	\$ 525.00

and further directed the Commission to impose a service connection charge for each industrial and commercial consumer that is equal to the actual installation cost of connection, *provided that*, for customers connected by a meter with an outlet that is three-quarters of an inch (¾") the charge cannot be less than \$100.00; and

**WHEREAS**, at a regular meeting of the Commission on January 31, 2022, the Commission heard testimony from Chad Kendall, the Water/Sewer Manager, that: (1) water service connection charges (a.k.a. "tap fees") had not been updated since December 10, 2012; (2) existing water service connection charges no longer cover the cost of materials necessary to perform the service connection; and (3) in order to cover the cost of connection, water service connection charges should be increased as follows:

<u>METER</u>	<u>COST</u>
Three-quarters of an inch (¾") .....	\$ 550.00
One inch (1") .....	\$ 750.00
One and one-half inches (1 ½") .....	\$ 2,800.00
Two inches (2") .....	\$ 2,800.00
Larger than two inches (2") .....	ACTUAL <sup>1</sup>
Meter set only .....	\$50.00

Note:

1: Actual cost of material, labor, and equipment

**WHEREAS**, the Commission has requested the City to allow an increase in water and sewer service connection charges to cover the cost of materials necessary to perform the connection as recommended by the Water/Sewer Manager; and

**WHEREAS**, the City Council finds that: (1) it is just and reasonable to impose water and sewer service connection charges that cover the costs to perform the connection, (2) the amounts recommended by the Commission are just and reasonable; and (3) that the Commission should be empowered to charge and collect the same.

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Clarksville, Arkansas that:

**Section 1.** Section 10.08.03 of the Clarksville Municipal Code regarding sewer service connection charges shall be replaced in its entirety to read follows:

10.08.03 Sewer system connection fees

The Clarksville Light and Water Commission shall charge and collect a fee from residential customers who desire to connect to the city sewer system equal to Three Hundred Dollars (\$300.00) per connection. The Clarksville Light and Water Commission shall charge and collect a fee equal to One Hundred Fifty Dollars (\$150.00) from customers when a replacement service connection is required, and no prior fee has been paid. This fee shall be in addition to any applicable fees and charges related to the necessary extension or expansion of service lines.

The Clarksville Light and Water Commission shall charge and collect a fee from each industrial and commercial customer who desires to connect to the city sewer system equal to the total installation costs of connection, including materials, labor, and equipment, but in no case shall the service connection be less than Three Hundred Dollars (\$300.00) per connection. This fee shall be in addition to any applicable fees and charges related to the necessary extension or expansion of service lines.

**Section 2.** Section 10.08.06.F of the Clarksville Municipal Code regarding sewer service connection charges is hereby amended as follows:

F. The Clarksville Light and Water Commission shall charge and collect a fee from each customer who desires to connect to the city water system. This fee shall be in addition to any applicable fees and charges related to the necessary extension or expansion of service lines.

The service connection charge for any residential, commercial, industrial, or other purposes shall be as follows:

<u>METER</u>	<u>COST</u>
Three-quarters of an inch (¾")	\$ 550.00
One inch (1")	\$ 750.00
One and one-half inches (1 ½")	\$ 2,800.00
Two inches (2")	\$ 2,800.00
Larger than two inches (2")	ACTUAL <sup>1</sup>
Meter set only	\$50.00

Note:

1: Actual cost of material, labor, and equipment

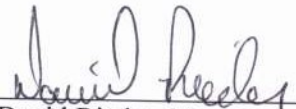
**Section 3.** The provisions of this ordinance are declared to be severable. If any part of this ordinance is declared to be unlawful, the remainder of this ordinance shall remain effective.

**Section 4.** That all ordinances and parts of ordinances in conflict herewith are repealed to the extent of the conflict.

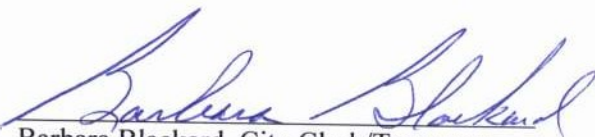
EMERGENCY CLAUSE. It is hereby found and determined that the proper assignment of service connection charges is necessary to avoid subsidization of new customers by existing customers; THEREFORE, this ordinance being necessary to the public health and welfare, an emergency is hereby declared to exist, and this ordinance shall become effective immediately upon passage.

Passed this 14th day of March 2022.

APPROVED:

  
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David Rieder, Mayor

ATTEST:

  
\_\_\_\_\_  
Barbara Blackard, City Clerk/Treasurer