

Stricken language would be deleted from and underlined language would be added to law as it existed prior to the 82nd General Assembly.

1 State of Arkansas
2 82nd General Assembly
3 Regular Session, 1999
4

As Engrossed: S3/17/99 S3/24/99

A Bill

Act 1294 of 1999
SENATE BILL 540

5 By: Senator Hopkins
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7

For An Act To Be Entitled

9 "AN ACT TO AMEND ARKANSAS CODE 14-234-108 CONCERNING
10 CONTRACTS FOR THE SALE OF WATER BY A FIRST CLASS CITY
11 TO ANOTHER CITY OF THIS STATE OR TO AN IMPROVEMENT
12 DISTRICT CREATED UNDER THE LAWS OF THIS STATE; AND FOR
13 OTHER PURPOSES."

Subtitle

15 "AN ACT CONCERNING CONTRACTS FOR THE SALE
16 OF WATER BY A FIRST CLASS CITY TO
17 ANOTHER CITY OR TO AN IMPROVEMENT
18 DISTRICT."
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. Arkansas Code 14-234-108 is amended to read as follows:

25 "(a)(1) A city of the first class owning or operating a waterworks
26 system may, in its governmental capacity, sell water at contractual rates to
27 another municipality of this state, or to an improvement district created
28 under the laws of this state.

29 (2) A municipality of this state, or an improvement district
30 created under the laws of this state, may, in its governmental capacity,
31 purchase water at contractual rates from a city of the first class of this
32 state and may expend the necessary funds to connect its distribution system
33 with the supply or other mains of the selling municipality.

34 (b)(1) The contract between two (2) municipalities of this state for
35 the sale and purchase of water, or between a municipality of this state and an
36 improvement district created under the laws of this state for the sale and

1 purchase of water, shall be in writing, shall be authorized by ordinances
2 adopted by the respective governing bodies of the contracting municipalities,
3 or by ordinance adopted by the governing body of the contracting municipality
4 and by resolution adopted by the board of commissioners of the contracting
5 improvement district, and shall be signed by the mayor of each contracting
6 municipality and by the chairman of the board of each contracting improvement
7 district.

8 (2) ~~The~~ Unless the Arkansas Soil and Water Conservation Commission is
9 involved in the financing and determines that a different form or length of
10 contract would be best in meeting the long term water supply needs of the
11 contracting parties, the contract may be for a term of not exceeding twenty
12 (20) years and may by its terms fix the rate or rates to be paid for the water
13 for the entire term of the contract, or may fix the rate or rates for the
14 first year, two (2) years, or five (5) years, with appropriate provisions for
15 arriving at the rate or rates, for each succeeding one-year, two-year, or
16 five-year period.

17 (3) The contract may also contain other appropriate provisions which
18 will protect the respective interest of the contracting parties."
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20 SECTION 2. All provisions of this act of a general and permanent nature
21 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
22 Revision Commission shall incorporate the same in the Code.
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24 SECTION 3. If any provision of this act or the application thereof to
25 any person or circumstance is held invalid, such invalidity shall not affect
26 other provisions or applications of the act which can be given effect without
27 the invalid provision or application, and to this end the provisions of this
28 act are declared to be severable.
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30 SECTION 4. All laws and parts of laws in conflict with this act are
31 hereby repealed.

32 /s/ Hopkins
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35 APPROVED: 4/9/1999
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