

CITY OF MOUNTAINBURG, ARKANSAS

101 Highway 71 N.W. – Mountainburg, Ark 72946 Crawford County
Phone 479-369-2791 Fax 479-369-4674 E-mail: cityofmtburg@yahoo.com

Mayor Susan Wilson

City Office Manager Melany McKenzie Recorder/Treasurer Scott Dyer

Council Members: Robbie Dyer, Susan Sharp, Michelle Henson,
Lori Rogers, Nelda Marshall, Jimmy Moody

October 1, 2020

Re: North Central Crawford County
Water System Improvements

The City of Mountainburg has made application to the Arkansas Water and Wastewater Advisory Committee (AWWAC) for potential funding of public water system improvements in your area. The AWWAC identified potential funding opportunities with the United States Department of Agriculture, Rural Development (USDA RD) and the Arkansas Economic Development Commission (AEDC). Prior to the submission of the AWWAC application, residents and property owners in the area was asked to complete an income survey and a water user agreement. In order for the funding agencies to perform their financial underwriting review and consider the project for funding, USDA RD requires signed water user agreements containing specific language that was not in the original agreement. Enclosed with this letter is a copy of a new water user agreement for your review. In addition to the new water user agreement, USDA RD also requires that all potential customers make a \$100 customer contribution to the City for each water meter requested. The City of Mountainburg has established an escrow account in which all deposits will be made. All contributions will be refundable if the project does not come into fruition; however, the potential for project funding is based on the number of committed water users and every deposit that is refunded diminishes the chance of the project being funded.

Please complete the attached water user agreement, include a \$100 customer contribution for each water meter requested, and return the agreement with the appropriate contribution(s) to the City. If you are not interested, please indicate that on the water user agreement and return it to the City so that we know that we have accurately determined everyone's interest in the potential project. We ask that all letters be returned to the City no later than December 10, 2020.

In order for the proposed water system to be financially viable, a significant portion of the project will have to be funded with grant funds. The availability of grant funds is limited and competition from other communities for funding is aggressive. Potential funding will be based on the number of committed water users, the funding agency's underwriting review, and the project's financial viability. It is possible that the project could be funded within the next year; however, a project of this size could take significantly more time. Hopefully, the City can help bring potable water service to you and other property owners in the unserved area.

Respectfully,

Susan Wilson, Mayor

changed. The Customer also agrees to pay for water at such rates, time, and place as shall be determined by the City of Mountainburg, and agrees to the imposition of such penalties for noncompliance as are now set out in the City of Mountainburg's Bylaws and Rules and Regulations, or which may be hereafter adopted and imposed by the City of Mountainburg.

The Customer agrees to pay a meter deposit in the amount of \$100.00. In the event service to the Customer is terminated, either voluntarily by the Customer, or by the City of Mountainburg for cause, the deposit shall be held and applied by the City of Mountainburg to any unpaid balance then owing on the Customer's account. Should the account be fully paid at the time of termination of service to the Customer, the deposit shall be refunded by the City of Mountainburg within a reasonable time thereafter.

The Customer agrees to pay a connection fee in the amount of \$100.00 to the City of Mountainburg. The connection fee is due at the time of sign-up and will be used toward project costs. Should the project move forward the connection fee will be used toward project costs and would become non-refundable.

The Customer agrees to pay a perpetual minimum monthly water bill, regardless of use, for each water meter requested.

The Customer agrees to pay the higher of a monthly minimum water bill or monthly bill based upon actual usage for twelve (12) months out of the year. Even if the Customer disconnects service for any period during the year, a monthly minimum bill must still be paid.

The City of Mountainburg shall have final authority in any question of location of any service line connection to its water main line; shall determine the allocation of water to Customers in the event of a water shortage; and may shut off water to a Customer who allows a connection or extension to be made of the Customer's service line for the purpose of supplying water to another user. In the event the total water supply shall be insufficient to meet all of the needs of the Customers, or in the event there is a shortage of water, the City of Mountainburg may prorate the water available among the various Customers on such basis as is deemed equitable by the City Council, and may also prescribe a schedule of hours covering use of water for garden purposes by particular Customers and require adherence thereto or prohibit the use of water for garden purposes; provided that, if at any time the total water supply shall be insufficient to meet all of the needs of all the Customers, the City of Mountainburg must first satisfy all of the needs of all Customers for domestic purposes before supplying any water for livestock purposes and must satisfy all the needs of all Customers for both domestic and livestock purposes before supplying any water for garden purposes.

The Customer agrees that no other present or future source of water will be connected to any water lines served by the City of Mountainburg's waterlines and will disconnect from the present water supply prior to connecting to and switching to the City of Mountainburg's system and shall eliminate their present or future cross-connections in the Customer's system.

The Customer agrees to connect the service lines to the City of Mountainburg's water meter and shall commence to use water from the system on the date the water is made available to the Customer by the City of Mountainburg. Water charges to the Customer shall commence on the date service is made available, regardless of whether the Customer connects to the system, with the exception for low to moderate income (LMI) connections as noted in the following paragraph.

LMI Customers who are connected to the City of Mountainburg's system with Community Development Block Grant (CDBG) funds shall not be charged for water service until a service line is installed and suitable for use.

The Customer agrees to make improvements, as necessary, to their private sewer system in accordance with the Arkansas State Plumbing Code prior to connection to the City of Mountainburg's water meter.

WATER USERS AGREEMENT

This agreement entered into between the City of Mountainburg, an Arkansas municipality, and water customers of the City of Mountainburg, hereinafter called "Customer."

WITNESSETH

Whereas, the Customer desires to purchase water from the City of Mountainburg and to enter into a water users agreement as required by the Ordinances of the City of Mountainburg.

NOW THEREFORE, in consideration of the mutual covenants, promises, and agreements herein contained, it is hereby understood and agreed by the parties hereto as follows:

The City of Mountainburg shall furnish, subject to the limitation set out in its Ordinances and Rules and Regulations now in force or as hereafter amended, such quantity of water as Customer may desire in connection with Customer's occupancy of the following described property:

1. Code No.: _____
 2. Parcel No.: _____
 3. Commonly known as : _____
 4. Legal property address : _____
 5. Legally described as : _____
- _____
- _____
- _____

The City of Mountainburg shall install at the City of Mountainburg's expense a water meter, a cutoff valve and a service line which shall begin at the water main line and extend to the property line. The City of Mountainburg shall have exclusive right to use such cutoff valve and water meter. The service line shall connect with the water main line of the City of Mountainburg at the nearest place of desired use by the Customer, provided the City of Mountainburg has determined in advance that the system has sufficient capacity to permit delivery of water at that point.

The Customer agrees to grant to the City of Mountainburg, its successors and assigns, a perpetual easement in, over, under and upon the above-described land, with the right to erect, construct, install, and lay, and thereafter use, operate, inspect, repair, maintain, replace, and remove water pipelines and appurtenant facilities, together with the right to utilize adjoining lands belonging to the Customer for the purpose of ingress to and egress from the above-described lands.

The Customer agrees to install and maintain at the Customer's expense a service line which shall begin at the meter and extend to the dwelling or place of use. The service line shall connect to the City of Mountainburg's water meter.

The Customer agrees to be fully responsible for the service line from the water meter to the home including the installation of an approved back-flow device if required.

The Customer agrees to comply with and be bound by the Ordinances, Rules and Regulations of the City of Mountainburg, now in force, or as hereafter duly and legally supplemented, amended, or

The Customer agrees to complete the attached "Individual Household Water Source Survey" in conjunction with the Water User Agreement.

In the event a potential Customer declines the offered service they will be provided the opportunity to sign the attached "Service Declination Statement".

In the event the Customer shall breach this contract by refusing or failing, without just cause, to connect a service line to the City of Mountainburg's distribution system as set forth above, the Customer agrees to pay the City of Mountainburg a lump sum of \$1,500.00 as liquidated damages.

It is expressly understood and agreed by the parties hereto that the said amount is agreed upon as liquidated damages in that a breach by the Customer in either of the respects set forth above would be difficult, if not impossible, to prove the amount of such damages. The parties hereto have computed, estimated, and agreed upon said sum in an attempt to make a reasonable forecast of probable actual loss because of the difficulty of estimating with exactness the resulting damages.

The failure of a customer to pay water charges duly imposed shall result in the automatic imposition of the following penalties:

1. Nonpayment within ten days from the due date will be subject to a penalty of ten percent of the delinquent account.
2. Nonpayment within thirty days from the due date will result in the water being shut off from the Customer's property.
3. In the event it becomes necessary for the City of Mountainburg to shut off the water from a Customer's property, a fee set by the City of Mountainburg in its rate schedule will be charged for a reconnection of the service.

IN WITNESS WHEREOF, we have executed this agreement this ____ day of _____, 20__

SEAL

City of Mountainburg, Mayor

City of Mountainburg, Recorder-Treasurer

ATTEST:

Customer

Customer

Customer