

ORDINANCE NO. _____

AN ORDINANCE APPROVING SETTLEMENT IN THE CASE OF NORTH LITTLE ROCK VS. SHERWOOD AND FIRST ELECTRIC COOPERATIVE; AUTHORIZING THE MAYOR AND CITY CLERK TO ENTER INTO A FRANCHISE AGREEMENT WITH THE CITY OF SHERWOOD; AND FOR OTHER PURPOSES.

WHEREAS, for over sixty years the City of North Little Rock has furnished electrical power to the City of Sherwood and to the inhabitants of an area now situated within the corporate limits of the City of Sherwood; and

WHEREAS, due to disputed franchise rights, the City of North Little Rock instituted legal action in Pulaski County Circuit Court against the City of Sherwood (*City of North Little Rock, Arkansas v. City of Sherwood and First Electric Cooperative Corporation*); and

WHEREAS, the Franchise Agreement attached hereto as Exhibit "A" fully resolves the disputes contained in the above lawsuit; and

WHEREAS, it is in the best interests of the citizens and residents of North Little Rock that the City dismiss its lawsuit against Sherwood and First Electric and enter into a Franchise Agreement with the City of Sherwood.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That the Mayor and City Clerk are hereby authorized to enter into a Franchise Agreement between the City of North Little Rock d/b/a North Little Rock Electric Department and the City of Sherwood, Arkansas, said agreement substantially similar to Exhibit "A" attached hereto and incorporated herein.

SECTION 2: That the action styled as *The City of North Little Rock, Arkansas vs. The City of Sherwood, Arkansas and First Electric Cooperative Corporation*, Pulaski County Circuit Court Case No. CV-04-7724 will be dismissed with prejudice upon execution of the Franchise Agreement.

SECTION 3: All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of the conflict.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, such invalidity shall not affect the remainder of the sections, phrases or provisions.

SECTION 5: That the City Council has determined that the interests of the City and the residents thereof can best be served by the adoption of this ordinance, THEREFORE, an emergency is hereby declared to exist and this ordinance being necessary for the immediate preservation of the public peace, health and safety, shall be in full force and effect from and after its passage and approval.

PASSED:

SPONSOR:

Mayor Patrick H. Hays

APPROVED AS TO FORM:

C. Jason Carter, City Attorney

PREPARED BY THE OFFICE OF THE CITY ATTORNEY/b

APPROVED:

Mayor Patrick H. Hays

ATTEST:

Diane Whitbey, City Clerk