

ORDINANCE 2026-15

**AN ORDINANCE TO AMEND
THE SEWER FRANCHISE AGREEMENT ENTERED INTO BY
THE CITY OF IRONDALE AND PHOENIX WATER RESOURCES, LLC**

WHEREAS, the City Council of the City of Irondale adopted Ordinance 2023-14 on April 4, 2023 granting a sewer franchise to Phoenix Water Resources, LLC ("Phoenix") and authorizing Mayor James D. Stewart, Jr. to execute a franchise agreement related thereto;

WHEREAS, the sewer franchise granted by the City to Phoenix was effective on April 10, 2023 as of the date of execution of the franchise agreement for a three (3) year initial term with nine (9) additional automatic renewals terms of three (3) years each upon expiration of the then current term; and

WHEREAS, the franchise granted to Phoenix through Ordinance 2023-14 automatically renews on April 9, 2026 and the Company desires to amend the franchise agreement to modify the Company's sewer rates to cover increased costs of system operation and maintenance.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF IRONDALE, ALABAMA, in regular meeting duly assembled, a quorum being present, and by authority thereof as follows:

Section 1. AUTHORIZATION OF FOR THE EXECUTION OF AN AMENDMENT TO FRANCHISE AGREEMENT. Mayor James D. Stewart, Jr. is hereby authorized to execute an Amendment to Franchise Agreement with Phoenix in substantially the form attached hereto as Exhibit A.

Section 2. ORDINANCES REPEALED. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 3. SEVERABILITY. That if any section, subsection, sentence, clause or phrase of this ordinance is, for any reason, held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council of the City of Irondale hereby declares that it would have passed this ordinance, and each section, subsection, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional.

Section 4. LEGAL RIGHTS NOT IMPAIRED. That nothing in this ordinance or in the municipal code hereby adopted shall be construed to affect any suit or proceeding impending in any court, or any rights acquired, or liability incurred, or any cause or causes of action acquired or existing, under any act or ordinance hereby repealed as cited in Section 2 of this ordinance; nor shall any just or legal right or remedy of any character be lost, impaired or affected by this ordinance.

Section 5. ORDINANCE CUMULATIVE; COMPATIBILITY WITH OTHER REGULATIONS. This ordinance shall not be construed to modify or to repeal any other ordinance, rule, regulation, or other provision of law. The requirements of this ordinance are in addition to and cumulative to the requirements of any other ordinance, rule, regulation, or other provision of law, and where any provision of this ordinance imposes restrictions different from those imposed by any other

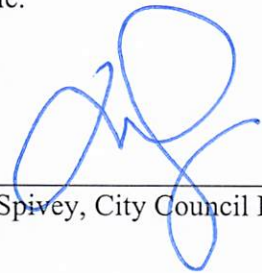
ordinance, rule, regulation, or other provision of law, whichever provision is more restrictive or imposes higher protective standards for human health or the environment shall control.

Section 6. PUBLICATION OF ORDINANCE. That the City Clerk of the City of Irondale is hereby ordered and directed to cause this ordinance to be published as required by law and that a copy of this ordinance be entered upon the minutes of the meeting of the City Council.

Section 7. EFFECTIVE DATE OF ORDINANCE. That this ordinance and the rules, regulations, provisions, requirements, orders and matters established and adopted hereby shall be in full force and effect on the first day of the billing cycle that immediately follows the adoption and publication of the ordinance as required by law and shall continue in full force and effect from month to month and year to year from its effective date until repealed.

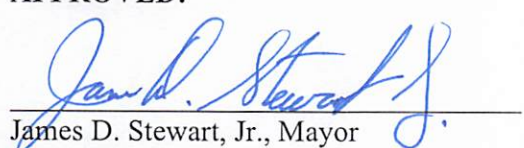
THEREFORE, BE IT ORDAINED, that the City Council of the City of Irondale does hereby enact the foregoing ordinance for the City of Irondale.

ADOPTED: This the 7th day of April, 2026.



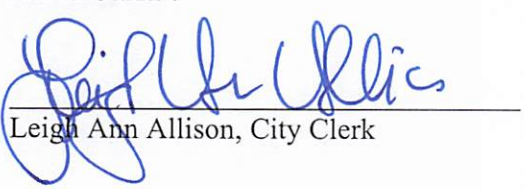
David Spivey, City Council President

APPROVED:



James D. Stewart, Jr., Mayor

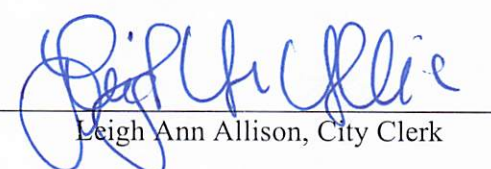
ATTESTED:



Leigh Ann Allison, City Clerk

CERTIFICATION

I, Leigh Ann Allison, City Clerk of the City of Irondale, Alabama, hereby certify the above to be a true and correct copy of an ordinance adopted by the City Council of the City of Irondale at its regular meeting held on April 7, 2026, as same appears in the minutes of record of said meeting.



Leigh Ann Allison, City Clerk

EXHIBIT A

Amendment to Franchise Agreement

AMENDMENT TO FRANCHISE AGREEMENT

THIS AMENDMENT TO FRANCHISE AGREEMENT ("Amendment") is entered into on the date of the last party hereto to execute this Amendment by and between the **CITY OF IRONDALE, ALABAMA** (hereinafter referred to as the "City"), and **PHOENIX WATER RESOURCES, LLC**, (hereinafter referred to as the "Company").

WHEREAS, the City and Company entered into a franchise agreement on April 10, 2023 under the authority of Ordinance No. 2023-14 authorizing the Company to own, construct, install, operate, extend, and maintain a sewage collection system in, under, across, and through the public rights-of-way in the City of Irondale for residents and commercial customers located within the municipal limits of the City of Irondale ("Franchise Agreement"; and

WHEREAS, the Company desires to amend the Franchise Agreement related to amount of the sewer rates to cover increased costs of system operation and maintenance and the parties have agreed to amend the Franchise Agreement related to such rate change as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and intending to be legally bound thereby, the City and Company enter into this Amendment and agree as follows:

SECTION 1. Amendment of Section 5(A) of the Franchise Agreement. Section 5(A) of the Franchise Agreement is deleted in its entirety and replaced with the following:

SECTION 5. Sewer Charges and Fees. The monthly sewer charges for each user within the City of Irondale and impact fees have been agreed to between Company and the City.

A. **Monthly Sewer Charges.** The monthly sewer charges shall be based upon water usage. The per gallon cost for residential, commercial and industrial users are set forth below:

<i>Customer Type</i>	<i>Rate</i>
Residential	Base Rate - \$41.45 0-1,000 Gallons = \$0.00720 per gallon 1,001-2,000 Gallons = \$0.00730 per gallon Over 2,001 gallons = \$0.00735 per gallon
Rental - Residential	Base Rate - \$46.50 0-1,000 Gallons = \$0.00985 per gallon 1,001-2,000 Gallons = \$0.01095 per gallon Over 2,001 gallons = \$0.01101 per gallon
Commercial	Base Rate - \$33.46 \$0.01901 per gallon
Institutional	Base Rate - \$33.46 \$0.01929 per gallon
Manufacturing	\$0.03327 per gallon
Mobile Home Community	\$0.0248875 per gallon

There are no further changes to the remainder of Section 5.

SECTION 2. Remainder of Franchise Agreement Unaffected; Counterparts. The parties hereto acknowledge that, except as expressly modified hereby, the Franchise Agreement remains unmodified and in full force and effect. This Amendment may be executed in counterparts, each of which shall constitute an original, and all of which together shall constitute one and the same document.

(REMAINDER OF PAGE LEFT INTENTIONALLY BLANK)

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed in their respective names as of the dates set forth below.

CITY OF IRONDALE, ALABAMA

By: _____

James D. Stewart, Jr.

Its: Mayor

Date: _____

4/13/2026

STATE OF ALABAMA)

COUNTY OF JEFFERSON)

I, Leigh Ann Allison, a Notary Public, in and for said County in said State, hereby certify that **JAMES D. STEWART, JR.**, whose name as **Mayor** of the **City of Irondale, Alabama**, a municipal corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said municipal corporation.

Given under my hand and seal this 13 day of April, 2026.

[SEAL]



Leigh Ann Allison
Notary Public

My Commission Expires: _____

2/2/27

APPROVED this 7th day of Apr. 1, 2026.

PHOENIX WATER RESOURCES, LLC

By: [Signature]

Its: President of Artesian Utilities Systems Management, Inc Its: Managing Member

Date: 4/15/26

STATE OF ALABAMA)
COUNTY OF Montgomery)

I, Alicia K. Cranford, a Notary Public, in and for said County in said State, hereby certify that Lawrence B. Hughes, whose name as President of Phoenix Water Resources, LLC, an Alabama limited liability company, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he/she, as such officers and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand and seal this 15th day of April, 2026.

[SEAL]

[Signature]
Notary Public

My Commission Expires: 3-14-30

