

**OFFICE OF THE CITY MANAGER
LITTLE ROCK, ARKANSAS**

**BOARD OF DIRECTORS COMMUNICATION
APRIL 7, 2015 AGENDA**

Subject:	Action Required:	Approved By:
<p>A resolution to authorize the City Manager to execute a Special Industrial Sewer Use Agreement with Sage V Foods, LLC.</p> <p>Submitted by:</p> <p>City Attorney's Office</p>	<p style="text-align: center;">Ordinance √ Resolution Approval Information Report</p>	<p style="text-align: center;">Bruce T. Moore City Manager</p>
SYNOPSIS	<p>The resolution authorizes the City Manager to execute a Special Industrial Sewer Use Agreement with Sage V Foods, LLC.</p>	
FISCAL IMPACT	<p>None.</p>	
RECOMMENDATION	<p>Approval of the resolution.</p>	
CITIZEN PARTICIPATION	<p>N/A</p>	
BACKGROUND	<p>SAGE V Foods, LLC, an Arkansas limited liability company ("SAGE V") operates a rice processing plant located at 5901 Sloane Drive, Little Rock, Arkansas. On September 23, 2010, the City of Little Rock and SAGE V entered into a Special Industrial Sewer Use Agreement (the "Contract"). The Contract specifies the terms and conditions under which the Little Rock Wastewater Utility ("LRW") provides treatment for wastewater that SAGE V transports to LRW's facility by means of a dedicated force main. The Contract has a five (5)-year term that will expire on September 23, 2015. SAGE V and the LRW Staff have negotiated the terms of a new five (5)-year contract that would take effect at the expiration of the current Contract.</p>	

**BACKGROUND
CONTINUED**

In order to make plans regarding the future of its Little Rock processing plant, SAGE V wishes to have certainty about the terms that will govern its sewer use after the expiration of the current contract. The new contract will not adversely affect the fair and reasonable rate structure applicable to all LRW customers. On February 18, 2015, the Little Rock Sanitary Sewer Committee passed and adopted Resolution No. 15-02 to recommend to the Board of Directors of the City of Little Rock that the City of Little Rock enter into a Special Industrial Sewer Use Agreement with Sage V Foods, LLC.