

Exhibit E

ORDINANCE NO. 96-3

BE IT ENACTED BY THE QUORUM COURT OF SALINE COUNTY, STATE OF ARKANSAS, AN ORDINANCE TO BE ENTITLED:

AN ORDINANCE CREATING A PUBLIC FACILITIES BOARD PURSUANT TO THE PROVISIONS OF ACT NO. 142 OF THE ACTS OF ARKANSAS OF 1975, AS AMENDED, TO ASSIST THE DEVELOPMENT AND FINANCING OF WATERWORKS FACILITIES; PRESCRIBING OTHER MATTERS PERTAINING THERETO; AND DECLARING AN EMERGENCY.

WHEREAS, Act No. 142 of the Acts of Arkansas of 1975, as amended (the "Act"), authorizes the quorum court of a county to create public facilities boards for various purposes, including the providing of waterworks facilities for the physical and mental health, safety, and physical and economic welfare of the citizens and residents of such county; and

WHEREAS, residents of the Paron and Owensville community (see attached legal description) within Saline County, Arkansas (the "County"), have determined the need to operate, construct, expand, and improve, as appropriate, waterworks facilities to provide a safe and sanitary supply of water for the needs of the public.

WHEREAS, the County is authorized by the provisions of the Act to enable the construction and financing of waterworks facilities through the creation of a public facilities board and the issuance of revenue bond by the public facilities board; and

WHEREAS, it is in the best interest of the county and its citizens and residents to create a public facilities board under the Act;

NOW, THEREFORE, BE IT ORDAINED BY THE QUORUM COURT OF SALINE COUNTY, ARKANSAS:

Section 1. In accordance with and pursuant to the authority conferred by the provision of the Act, there is hereby created and established a public facilities board (the "Board") with authority as hereinafter approved to accomplish, operate, finance, and contract concerning, and otherwise dispose of and deal with waterworks facilities. The term "waterworks facilities" as used in this Ordinance shall have the meaning set forth in the Act.

Section 2. The name of the Board shall be Saline County, Arkansas Waterworks Facilities Board (Paron/Owensville).

Section 3. The initial members of the Board, each of whom is a qualified elector residing in the County, and their respective terms of office shall be:

MEMBER	TERM
Hurlon Ray 18532 Hwy. 5 Lonsdale, AR 72087	One Year
Joe A. Johnson 16876 Joe Johnson Rd. Paron, AR 72122	Two Years
Rudy G. Westbrook 14812 Hwy. 9 Benton, AR 72015	Three Years
Charles A. McElroy 15300 Hwy. 9 Benton, AR 72015	Four Years
Billy D. Burnett 8184 Bland Loop Benton, AR 72015	Five Years

Each member shall take and file with the County Clerk the Oath of Office prescribed by the Act.

Section 4. The Board is authorized, from time to time, to own, acquire, construct, reconstruct, extend, equip, improve, sell, lease, contract concerning or otherwise dispose of waterworks facilities.

Section 5. The Board is authorized to issue revenue bonds from time to time and use the proceeds thereof as required to provide waterworks facilities, including the creation of any desired reserve funds, and paying the costs of the issuance of such bonds. Any such revenue bonds shall be obligations only of the Board and shall not constitute an indebtedness for which the faith and credit of the County or any of its revenues are pledged, and the principal of and interest on the Bonds shall be payable from and secured by a pledge of revenues derived from the waterworks facilities financed, in whole or in part, from bond proceeds and any other sources as authorized by, and in accordance with, the provision of the Act.

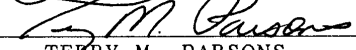
Section 6. The Board shall have all the powers provided for in the Act, subject to the limitations of this Ordinance, and shall carry out its duties in accordance with the Act, including the filing of the annual report required by Section 18 of the Act. The Board shall take all appropriate action necessary to comply with the Constitution and laws of the United States of America and the State of Arkansas, including matters related to open public meetings as provided by Act 93 of 1967, as amended.


Section 7. The provisions of this Ordinance are severable. If any provision thereof shall be held to be invalid or inapplicable to any person or circumstance, such holding shall not affect the validity or applicability of the remainder of the provisions hereof.

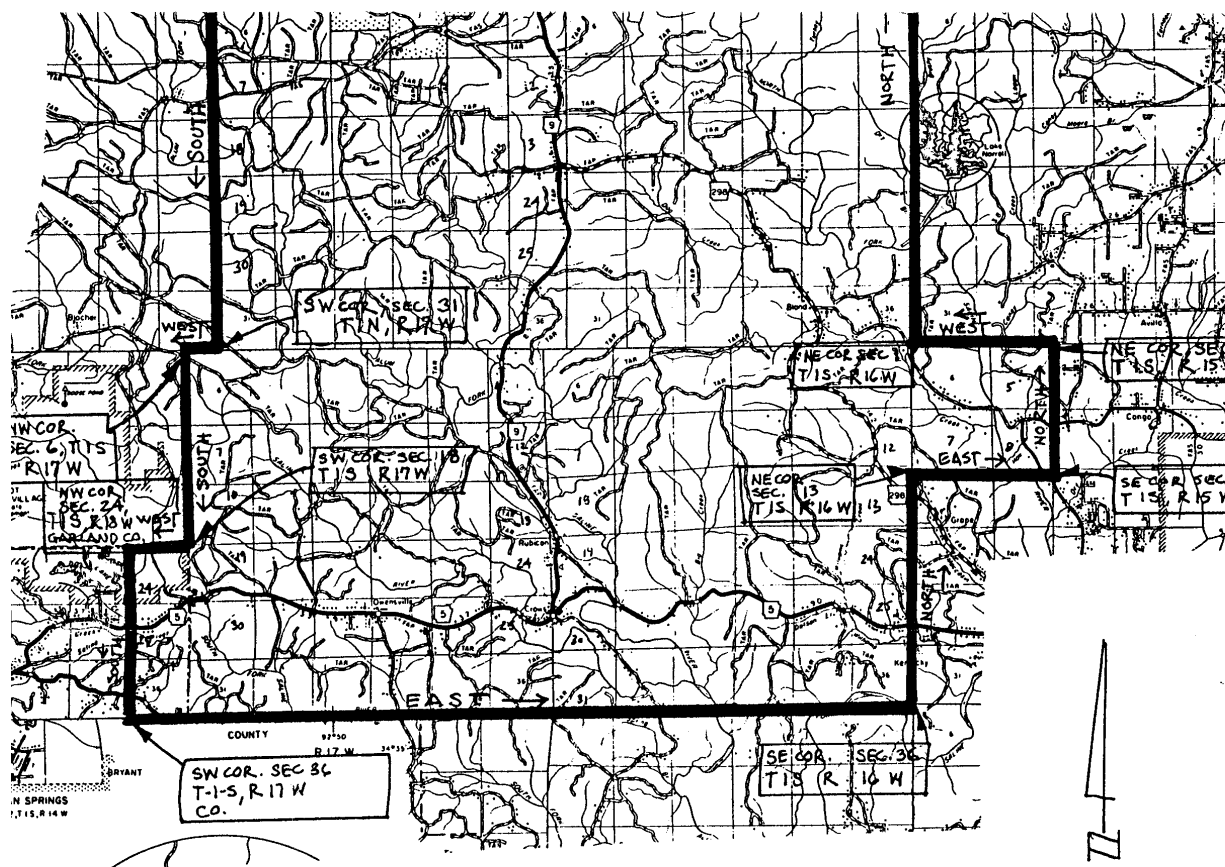
Section 8. All ordinances of the County or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. It is hereby found and determined that there is an immediate need for the providing of adequate waterworks facilities, within Saline County, Arkansas, authorized to be provided under the Act, and the providing of financial assistance to encourage the development and establishment of such waterworks facilities projects, and that the creation of the Board and the exercise of the duties and powers provided in this Ordinance are necessary for the preservation of the public peace.

Section 10. This Ordinance being necessary for the protection and preservation of public health and safety, an emergency is hereby declared to exist and this Ordinance shall be in force and shall take effect upon passage and publication.

DATE 1-16-95 APPROVED 
TERRY M. PARSONS
SALINE COUNTY JUDGE

ATTEST  By: Linda SPONSOR
FREDDY BURTON Montana D.C.
COUNTY CLERK
LOIS A. BURKS
J. P. DIST. #4
MEL INGRAM
J. P. DIST. #13



LEGAL DESCRIPTION
FARON WATER ASSOCIATION

LEGAL DESCRIPTION PREPARED
FOR: FARON WATER
ASSOCIATION

Beginning at the Northeast corner of Section 24, Township 2 North, Range 16 West, Saline County, Arkansas, run thence East along the North line of Sections 24, 23, 22, 21, 20, and 19, Township 2 North, Range 16 West, Saline County, Arkansas, and Sections 24, 23, 22, 21, 20, and 19, Township 2 North, Range 17 West, Saline County, Arkansas to the Northwest corner of Section 19, Township 2 North, Range 17 West; thence South along the West line of Range 17 West to the Southwest corner of Section 31, Township 1 North, Range 17 West; thence West along the North line of Section 6, Township 1 South, Range 17 West; thence South along the West line of Range 17 West, Saline County, Arkansas, to the Southwest corner of Section 18, Township 1 South, Range 17 West; thence West along the North line of Section 24, Township 1 South, Range 18 West, Garland County, Arkansas, to the Northwest corner of Section 24, Township 1 South, Range 18 West, Garland County, Arkansas; thence South along the West line of Sections 24, 25, and 36, Township 1 South, Range 18 West, Garland County, Arkansas to the Southwest corner of Section 36, Township 1 South, Range 17 West, Garland County, Arkansas; thence East along the South line of Township 1 South to the Southeast corner of Section 36, Township 1 South, Range 16 West, Saline County, Arkansas; thence North along the East line of Range 16 West to the Northeast corner of Section 13, Township 1 South, Range 16 West, Saline County, Arkansas; thence East along the South line of Sections 7 and 8, Township 1 South, Range 15 West to the Southeast corner of Section 8, Township 1 South, Range 15 West, Saline County, Arkansas; thence North along the East line of Sections 8 and 5, Township 1 South, Range 15 West to the Northeast corner of Section 5, Township 1 South, Range 15 West; thence West along the North line of Sections 5 and 6, Township 1 South, Range 15 West to the Northeast corner of Section 1, Township 1 South, Range 16 West; thence North along the East line of Range 16 West to the Northeast corner of Section 24, Township 2 North, Range 16 West, Saline County, Arkansas, said point being the Point of Beginning.