

ARTICLE IV. DEPARTMENT AND BOARD OF MUNICIPAL UTILITIES
Sections 130.240 – 130.490

SECTION 130.240: GENERALLY

There is created the Board of Municipal Utilities of the City, which shall have exclusive jurisdiction, control and management of the Department and all its operations and facilities. The Board shall have all the powers and duties possessed by the City to construct, acquire, expand and operate utility systems and to do any and all acts or things that are necessary, convenient or desirable in order to operate, maintain, enlarge, extend, preserve and promote an orderly, economic and business-like administration of the utility systems. The Board shall operate as a separate unit of City Government; and except as otherwise provided in this Article, both the Board and the Department shall be free from the jurisdiction, direction and control of other City Officers and of the City Council. The Board may sue or be sued on its own name. All damage claims arising from the operations of the Board and the Department shall be the responsibility of and be liquidated by the Board from the appropriate funds of the respective utility systems of the Department. (R.O. 2009 §2.24.050; Prior Code §2-802)

SECTION 130.250: COMPOSITION

The Board shall consist of four (4) Commissioners, to whom may be added, in the discretion of the Mayor, either the Mayor or the City Manager or a representative of the Council as an ex officio member without vote. (R.O. 2009 §2.24.060; Prior Code §2-803(a))

SECTION 130.260: APPOINTMENT AND TENURE

The Commissioners shall be appointed by the City Council. The first (1st) Commissioners shall be appointed to serve terms of one (1), two (2), three (3) and four (4) years, respectively, from the first (1st) Monday of October, the term of each to be designated by the Council. Their successors, upon being appointed and qualified, shall be appointed for terms of four (4) years commencing on the first (1st) Monday in October of each year, unless they are removed from office as provided in Section 130.280. (R.O. 2009 §2.24.070; Prior Code §2-803(b); Ord. No. 5092 §2, 4-96; Ord. No. 5425 §2, 10-01)

SECTION 130.270: VACANCIES

Vacancies shall be filled by the Mayor, with the approval of the Council, for the unexpired term. No vacancy in the Commission shall impair the right of the remaining Commissioners to exercise all the powers of the Commission. (R.O. 2009 §2.24.080; Prior Code §2-803(c))

SECTION 130.280: COMMISSIONERS -- QUALIFICATIONS

No person shall be a Commissioner unless he/she has been for at least four (4) years next preceding his/her appointment a resident elector of the City and unless he/she professes belief in the desirability of municipal utility ownership and operation. No person who holds any other public office or who is an employee of the City Government or who has any business relationship with the department other than as a consumer shall be a Commissioner. A Commissioner ceasing to possess any of these qualifications shall be removed from his/her office forthwith by the Mayor. Not more than two (2) members of the Board of Commissioners shall belong to the same political party and its administration shall in all respects be entirely non-partisan. (R.O. 2009 §2.24.090; Prior Code §2-803(d); Ord. No. 4245 §1, 1981)

SECTION 130.290: COMMISSIONERS -- COMPENSATION

Each Commissioner, as full compensation for his/her services as a member of the Board, may be paid from the revenues of the Department the sum of ten dollars (\$10.00) for each meeting of the Board actually attended by him/her; but no Commissioner shall receive in any one (1) year more than two hundred forty dollars (\$240.00) for his/her attendance. Commissioners may be reimbursed for expenses incurred in carrying out their duties, other than those which may be incurred in attending meetings of the Board within the City. (R.O. 2009 §2.24.100; Prior Code §2-803(e))

SECTION 130.300: MEETING PROCEDURES

The Board by majority vote shall elect from among its members a Chairman who shall preside over the meetings of the Board and a Vice Chairman who shall act for the Chairman during his/her absence. An election of officers of the Board shall be held at the first (1st) regular meeting at which all members are

present following the appointment of a new Commissioner for a full term, but not later than the fourth (4th) meeting following the appointment. The Board may adopt rules for the conduct of its meetings. No action shall be taken by the Board except by the affirmative vote of at least three (3) Commissioners. Three (3) Commissioners shall constitute a quorum. (R.O. 2009 §2.24.110; Prior Code §2-803(f))

SECTION 130.310: DIRECTOR OF UTILITIES -- APPOINTMENT

The Board shall appoint a Director of Utilities of the Department to be responsible to the Board and to serve at its pleasure. (R.O. 2009 §2.24.120; Prior Code §2-804(b))

SECTION 130.320: EMPLOYEES -- PROVISION FOR

There shall be such other officers and employees of the Department as may be provided by the Board. The officers and employees shall be appointed and removed by the Director of Utilities subject to the provisions of this Chapter on personnel, unless the Board establishes a civil service system for the Department, in which case the regulations of the latter shall govern employment and removal of employees. (R.O. 2009 §2.24.130; Prior Code §2-804(c))

SECTION 130.330: EMPLOYEES -- SALARIES

The Board shall fix the salary of the general manager and shall have but may delegate to the Director of Utilities the power to fix the salaries of all other officers and employees of the Department. (R.O. 2009 §2.24.140; Prior Code §2-804(d))

SECTION 130.340: EMPLOYEES -- SURETY BONDS

The Board may require surety bonds for any of the officers and employees of the Department in such amounts as the Board deems necessary. The premiums for the bonds shall be paid by the Department in the same manner as any other operating expense. (R.O. 2009 §2.24.150; Prior Code §2-804(e))

SECTION 130.350: EMPLOYEES -- BENEFITS

The Board may contribute to the cost of pension, retirement, life and accident and health insurance programs for the officers and employees of the Department. (R.O. 2009 §2.24.160; Prior Code §2-804(f))

SECTION 130.360: POWERS AND DUTIES -- REAL ESTATE AND CONTRACTS

The Board, in the efficient and economical operation of the Department, both inside and outside the City limits, may:

1. Sell its products and services to public and private corporations and to other consumers;
2. Construct plans, transmission lines and other facilities;
3. Purchase real estate and franchises in the name of the City with the approval of the Council; and
4. Enter into all contracts, leases and agreements in furtherance hereof. (R.O. 2009 §2.24.170; Prior Code §2-805(a))

SECTION 130.370: POWERS AND DUTIES -- EXTENSION OF SERVICES

The Board may adopt regulations governing extensions of services of the Department both inside and outside the City limits. The regulations shall provide the conditions under which the extensions shall be made to render them compensatory and shall provide that each extension project shall, when completed, become the property of the City whether on public or private property. The Board may provide for the form of refunds where advances by the persons benefited are necessary to make extensions compensatory. (R.O. 2009 §2.24.180; Prior Code §2-805(b))

SECTION 130.380: POWERS AND DUTIES -- JOINT OPERATIONS

The Board may contract with any public or private corporation or any individual, both inside and outside the City limits:

1. For the joint use of poles and other property belonging either to the Department or to the other contracting party or jointly to both parties; and
2. With the approval of the Council, for the joint acquisition of real property and franchises and the joint financing, construction and operation of plants, transmission lines and other facilities, whereby any property acquired may become the property of both the City and the other contracting party. (R.O. 2009 §2.24.190; Prior Code §2-805(c))

SECTION 130.390: POWERS AND DUTIES -- EMINENT DOMAIN

The Board may enter upon any land or water for the purpose of making surveys and may exercise the right of eminent domain on behalf of the City whenever public necessity or convenience requires. (R.O. 2009 §2.24.200; Prior Code §2-805(d))

SECTION 130.400: POWERS AND DUTIES -- USE OF THOROUGHFARES

The Board may use the ground over, under or along any road, railroad, highway, street, sidewalk, thoroughfare, alley or waterway in the operations of the Department, but shall in all cases, and subject to the applicable general regulations of the City, cause the surface of the public way to be restored to its usual condition. (R.O. 2009 §2.24.210; Prior Code §2-805(e))

SECTION 130.410: POWERS AND DUTIES -- FIX RATES

The Board shall fix rates, as approved by the City Council, to be charged for electricity, water and other utilities sold and services rendered by the Department. Rates shall be fair, reasonable and compensatory and shall be uniform for all consumers within the same class; but different rate schedules may be applied to different classes of consumers as determined by the Board. Rates within the City limits may be less than but shall be no greater than for the same class of consumers outside the City limits. Rates shall be sufficient to pay all operating and maintenance expenses of each respective utility operation and, except for the first two (2) years of operation, all bond interest and redemption costs of the respective utility operations. The Board may require reasonable deposits as security for the payment of charges for utility services and may provide for the return of the deposits when satisfactory consumer credit has been established. (R.O. 2009 §2.24.220; Prior Code §2-805(f))

SECTION 130.420: POWERS AND DUTIES -- EXPENDITURE AUTHORITY

No money shall be drawn from the funds of the Department, nor shall any obligation for the expenditure of money be incurred, except as authorized by the Board. No claim against the Department shall be paid unless evidenced by a voucher approved by the general manager or by some other employee to be designated by him/her. (R.O. 2009 §2.24.230; Prior Code §2-805(g))

SECTION 130.430: POWERS AND DUTIES -- BOND ISSUANCE

Subject to applicable State laws, the Board may authorize the issuance and sale of revenue bonds necessary to finance the acquisition, construction, improvement and extension of the City utilities and operations of the Department. (R.O. 2009 §2.24.240; Prior Code §2-805(h))

SECTION 130.440: POWERS AND DUTIES -- SHORT-TERM LOANS

The Board may borrow money for periods not to exceed ten (10) years and may issue negotiable notes, payable from the revenues of the Department or a division thereof, as evidence of the loans. The action of the Board may be by resolutions which may be adopted at the same meetings at which introduced and shall take effect immediately upon adoption. (R.O. 2009 §2.24.250; Prior Code §2-805(i))

SECTION 130.450: POWERS AND DUTIES -- PROMOTION EXPENDITURES

The Board may authorize reasonable expenditures to advertise and otherwise promote the use of the services of the Department and to acquaint the public with the operations, programs and planned expansion of the Department. (R.O. 2009 §2.24.260; Prior Code §2-805(j))

SECTION 130.460: POWERS AND DUTIES -- SURPLUS FUND INVESTMENT

The Board may invest surplus funds of the Department only in Federal securities and in securities which are legal for investment by savings banks and sinking funds in this State. (R.O. 2009 §2.24.270; Prior Code §2-805(k))

SECTION 130.470: POWERS AND DUTIES -- ANNUAL REPORT TO COUNCIL

The Board, in addition to the reports and accounting it may otherwise be required by law to make, shall, not later than the first (1st) day of August in each year, furnish the Council through the Mayor its annual report which shall include the following statements as of the end of the preceding fiscal year:

1. A balance sheet showing the financial condition of the Department and each separate division prepared according to generally accepted public utility accounting principles;
2. A statement of operations for each division of the department; and
3. Any additional supporting statements or schedules deemed necessary and desirable by the Council to make a clear and informative presentation of the financial position of the Department. (R.O. 2009 §2.24.280; Prior Code §2-805(1) (part))

SECTION 130.480: POWERS AND DUTIES -- BUDGET FORECAST

The reports shall be kept on file in the City Clerk's office and shall be open to public inspection. The funds and accounts of the Department shall be audited annually by a certified public accountant. The Board shall also annually prepare a budget forecast for the ensuing year and furnish a copy to the Mayor and the Council for information only; but if the budget requires payments from the general fund of the City, it shall be submitted to the Mayor and the Council in a manner prescribed by this Article for the use of such funds. (R.O. 2009 §2.24.290; Prior Code §2-805(1) (part))

SECTION 130.490: DELEGATION OF POWERS

The Board may delegate in writing any of its powers to officers or employees responsible to it. (R.O. 2009 §2.24.300; Prior Code §2-805(m))