

Ordinance No. 426

Be it ordained by the City Council of the City of Springfield that Section 2.09 of the City Charter be amended to read in its entirety as follows:

Section 2.09 SPRINGFIELD PUBLIC UTILITIES COMMISSION. There shall be a Public Utilities Commission, which shall manage the department of Public Utilities. There shall be not less than three (3) and not more than five (5) Commissioners each serving a three (3) year term, with the number of commissioners to be set by the City Council. Those Commissioners serving at the time of the adoption of this provision shall continue to serve until the expiration of their term, which terms expire December 31 of the years 2019, 2020, and 2021. To fill any vacancy on the Public Utilities Commission, whether occurring by reason of the expiration of a Commissioner's term or for any other reason, the City Charter Commission shall nominate one qualified person to the City Council for each vacancy, and the City Council may either appoint the persons nominated by the Charter Commission or may appoint any other qualified person. The appointment of Commissioners by the City Council shall be by majority vote of the entire City Council. Compensation of Commissioner shall be as determined appropriate by the City Council based on the time and expertise required to perform their duties, and all Commissioners shall receive the same compensation. The Public Utilities Commission shall have such officers as are provided by ordinance, and no person shall serve more than one (1) year in succession as president or chairman, unless there is an ongoing project involving a grant application, in which case the chairman may be re-elected by unanimous vote of the Commission. The Commission shall have the power to manage and operate such water work systems, wastewater collection systems, wastewater treatment facilities, electrical power plants, electrical distribution systems, and other utilities as the City may own or acquire, in such manner as is provided by ordinance and subject to the provisions of this charter. The Commission shall hire a Superintendent of Public Utilities who shall be required to show that he meets the requirements set by the Commission for the supervision and operation of the utilities owned by the City, and to remove him for cause; and the Commission shall delegate to the Superintendent the authority to appoint, hire, promote, demote, discipline, or remove employees of the department in accordance with established personnel rules, but subject to approval of the Commission. Subject to the provisions of paragraph E. below, the Commission shall have authority to do the following:

- A. The Commission shall set such charges against each class of consumer, public, or private, for water, electricity, or other utility services as will meet the cost of production and transmission of such utilities consumed by such class of consumer, and as will in the judgment of the Commission, yield appropriate sums for depreciation and reserve accounts, and for the retirement of any bonded indebtedness incurred by the City for capital expenditures of the department.

- B. From the various funds of the department, and the proceeds of such bonds of the City of Springfield as may be sold to provide funds for capital expenditures, the Commission shall have the power to purchase or otherwise acquire such equipment as may be necessary to carry out its purpose.
- C. The Commission may sell all water, electricity, and other utility services to any person or corporate body outside the territorial limits of the City of Springfield, and may buy such utilities from such person or corporate body.
- D. The Commission shall have control over funds derived from the operation of the department and the proceeds of such bonds of the City operation as may be sold to provide funds established for the payment of bonds and interest.
- E. The authority of the Commission shall be subject to City Council approval and control as follows:
 - a. The Commission shall submit to the City Council by September 1 of each year a proposed operating budget for the ensuing year. The City Council may approve or modify the budget as part of its normal budgeting process.
 - b. The Commission shall submit to the City Council by September 1 of each year a proposed Capital Outlay Plan, which shall be modified annually when necessary to reflect changed conditions. The City Council may approve or modify the Capital Outlay Plan as it deems necessary based on the financial condition of the Utility Funds.
 - c. The Commission shall not approve expenditures which exceed the budgeted operating expenses by more than ten percent (10%) unless approved by the City Council.
 - d. The Commission shall not approve Capital purchases which deviate from or exceed amounts detailed in the Capital Outlay Plan unless approved by the City Council.
 - e. Within thirty (30) days after receipt of the annual audited financial statements, the Commission shall review its rate structure for all utilities and make recommendations to the City Council for any adjustments to rates. The City Council may approve or modify the recommended rate adjustments, and no

rate changes shall be effective until approved by the City Council.

Adopted by unanimous vote of the City Council on the 10th day of July, 2019.

Lowell Helget, Mayor

Attest:

Amy Vogel, City Clerk