

Draft Language for Utility Service Board

1. The Town Council hereby establishes a Utility Service Board for the town pursuant to I.C. 8-1.5-3; and hereby establishes the organization and administrative arrangements under which the town will exercise its authority and discharge its responsibility for utility service (water and wastewater services).

For the management and administration of the town's publicly owned utilities known as Nashville Municipal Utilities (NMU), there shall be:

- A. A Utility Service Board (Board);
- B. A Superintendent or Manager; and
- C. Nashville Clerk Treasurer
- D. There may be, as may be provided for in utility budgets, such other employees as are necessary to operate and maintain the NMU.

UTILITY SERVICE BOARD: COMPOSITION AND APPOINTMENTS; TERMS OF MEMBERS; FILLING VACANCIES; COMPENSATION; OFFICERS; RULES AND PROCEDURES; MEETINGS; POWERS AND DUTIES

1. **COMPOSITION AND APOINTMENTS:** The Board shall consist of five members, All members must be residents of the area currently served by NMU, three of which shall be a rate payors of NMU and a resident of the town of Nashville, and two of which shall be a rate payers of NMU, living outside of the boundaries of Nashville. Three of the members shall be appointed by the Town Council President and two of the members shall be appointed by the Town Council pursuant to I.C. 8-1.5-3-3. Not more than two-thirds of the members may be of the same political party.
2. **TERMS OF MEMBERS:** The appointments by the Town Council President shall be one member for a term of two year, one member for a term of three years and one member for a term of four years; after the initial appointment, all subsequent terms shall be for four years. The terms of the members appointed by the Town Council shall be an initial appointment for one member for a term of two years, and one member for a term of three years; all subsequent terms shall be for four years pursuant to I.C. 8-1.5-3-3.
3. **Removal of Board Members:** The Nashville Town Council may remove any member of the Board by a 2/3 majority vote of the town council after a public hearing and a finding that the removal of the Board member is in the best interest of NMU. The public hearing shall be posted twice not less than 7 days apart, the last posting being 10 days before the date set for the public hearing.
4. **VACANCY:** Any vacancy occurring during a term of office of a member of the Board shall be filled by the appointing authority by a replacement member who shall serve out the term of the member whose office has become vacant.

5. **COMPENSATION:** Each member of the Board shall be compensated for his or her services as a member of such Board at a sum to be determined and fixed by the Town Council.
6. **OFFICERS; RULES OF PROCEDURE.** The Board shall, during the month of January of each year, elect a Chairperson, Vice-Chairperson and Secretary who shall serve in such offices until December 31 of the year in which they were elected. The Board shall establish its own rules and procedure for the conduct of its meetings.
7. The Nashville Clerk Treasurer shall be designated with being directly responsible for the billing and collection of NMU's rates and charges, the clerk-treasurer shall appoint those employees who are also responsible for that billing and collection. These employees serve at the clerk-treasurer's pleasure.
8. **MEETINGS.** The Board shall conduct public meetings at least once each month. The annual calendar of these meetings shall be submitted to the Nashville Town Council and Clerk treasurer no later than Jan15th of any given calendar year.
9. **POWERS AND DUTIES:** The Board has general supervisory powers over the NMU with responsibility for the detailed supervision of the NMU to be vested in its Superintendent or Manager who is responsible to the Board for the business and technical operation of the NMU. The Board may:
 - A. Fix the number and compensation of employees;
 - B. Adopt rules governing the appointment of employees including making proper classifications and rules to:
 - 1) Determine the eligibility of applicants;
 - 2) Establish eligible lists arranged according to the ratings secured;
 - 3) Provide for the appointment of those having the highest ratings; and
 - 4) Provide for the promotion of employees.
 - C. Subject to I.C. 36-4-9-2, appoint a Superintendent or Manager of the utility under its control who is responsible to the Board for the business and technical operation of the NMU. The Board shall make the appointment on the basis of qualifications to manage the NMU, taking into account his or her executive ability and his or her knowledge of the utility industry;
 - D. Subject to I.C. 36-4-9-12, hire attorneys when required for the operation of the NMU;
 - E. Hire professional or expert personnel when required for the operation of the NMU;
 - F. Submit a budget of its financial needs for the next year in the detail required by the municipal legislative body;
 - G. Recommend to the legislative body reasonable and just rates and charges for services to the rate payers of the NMU.
 - H. Appropriate, lease, rent, purchase and hold all real and personal property of the utility;
 - I. Award contracts for:
 - 1) The purchase of capital equipment;
 - 2) The construction of capital improvements; or
 - 3) Other property or purposes that are necessary for the full and efficient construction, management and operation of the NMU.

- J. Adopt rules for the safe, economical and efficient management and protection of the NMU;
 - K. Submitt reports of the condition of the utility and meeting minutes on a monthly basis to the Town Council.
10. The Board may purchase by contract commodities or services for the purpose of furnishing the commodity or service to the patrons of the municipally-owned NMU or to the municipality itself.
 11. If the Board wants to purchase the commodity or service from a public utility and the parties cannot agree on a rate or charge to be paid for it, either party may apply to the commission or other appropriate state or federal regulatory agency to establish a fair and reasonable rate or charge to be paid for the commodity or service.
 12. All Board policies including those of purchasing and personnel shall be in compliance with Title 3 Administration of the Town of Nashville Code of Ordinances and well as relevant State and Federal law, should modification of any articles of the Nashville Code of Ordnances be in the best interest of NMU such modifications shall be recommended to the Town Council for incorporation into the Nashville Code of Ordnances.
 13. The Town Council authorizes the NMU Board to operate, manage and take enforce actions on behalf of NMU under rules set forth by Title 5 Public Works of the Town of Nashville Code of Ordinances as well as any other portions of the Nashville Code of Ordnances, , should modification of any articles of the Nashville Code of Ordnances be in the best interest of NMU such modifications shall be recommended to the Town Council for incorporation into the Nashville Code of Ordnances.
 14. We need language regarding incorporation/integration of this Board into the code of ordinances, especially in title 3 and 5