

CHAPTER 24

UTILITY BOARD OF TRUSTEES

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24.01 PURPOSE. The purpose of this chapter is to provide for the operation of the municipally owned water utility by a board of trustees.

24.02 BOARD ESTABLISHED. Pursuant to an election held June 3, 1946, the management and control of the municipally owned Water Utility were placed in the hands of a Board of Trustees.

(Code of Iowa, Sec. 388.2)

24.03 APPOINTMENT OF TRUSTEES. The Mayor shall appoint, subject to the approval of the Council, five persons to serve as trustees for staggered six-year terms. All terms shall expire at the end of December, with one term expiring in the year 2010, two terms expiring in 2012, and two terms expiring in 2014. All appointments thereafter shall reflect the staggered schedule. Members shall be permanent residents of the City or customers served by City water. No public officer or salaried employee of the City may serve on the utility board.

(Code of Iowa, Sec. 388.3)

24.04 COMPENSATION. The Council shall by resolution set the compensation of Board members.

(Code of Iowa, Sec. 388.3)

24.05 VACANCIES. An appointment to fill a vacancy on the Board of Trustees shall be made in the same manner as an original appointment except that such appointment shall be for the balance of the unexpired term.

(Code of Iowa, Sec. 388.3)

24.06 POWERS AND DUTIES OF THE BOARD. The Board of Trustees may exercise all powers of the City in relation to the Utility, with the following exceptions:

(Code of Iowa, Sec. 388.4)

1. Taxes, Ordinances, and Bonds. The Board may not certify taxes to be levied, pass ordinances or amendments, or issue general obligation or special assessment bonds.

Code of Iowa, Sec. 388.4[1]

2. Property. Title to all property must be in the name of the City but the Board has full control of such property subject to limitations imposed by law.

(Code of Iowa, Sec. 388.4[2])

3. Reports to Council. The Board shall make a detailed annual report to the Council including a complete financial statement.

(Code of Iowa, Sec. 388.4[3])

4. Proceedings Published. Immediately following a regular or special meeting, the Board Secretary shall prepare and cause to be published in a newspaper of general circulation in the City a condensed statement of proceedings including a list of all claims.

(Code of Iowa, Sec. 388.4[4])

24.07 CONTROL OF FUNDS. The Board shall control tax revenues allocated to it as well as all moneys derived from operations.

(Code of Iowa, Sec. 388.5)

24.08 ACCOUNTING. Utility moneys are held in a separate utility fund, with a separate account for each utility.

(Code of Iowa, Sec. 388.5)

24.09 DISCRIMINATORY RATES ILLEGAL. The utility may not provide use or service at a discriminatory rate, except to the City or its agencies, as provided in Section 384.91, *Code of Iowa*.

(Code of Iowa, Sec. 388.6)

24.10 DISCONTINUANCE OF BOARD. A proposal, on motion of the Council or upon receipt of a valid petition, to discontinue the utility board is subject to the approval of the voters of the City, except that the Board may be discontinued by resolution of the Council when the utility it administers is disposed of or leased for a period of over five years.

(Code of Iowa, Sec. 388.2)

24.11 ACKNOWLEDGMENT OF CONTRACT.

1. The rules, regulations, controls, and service accounts set out or provided for are declared to be part of the contract of every consumer and, by the fact of receiving the service, the consumer will have acknowledged and is bound by such contract, and will have expressed assent to it.

2. Rules, regulations, and rates for water supplied or service provided may be changed by the Board by motion or resolution and by publication or notice such change shall have the force and effect of an amendment to this chapter. Provided, changes other than changes in water rates need not be published.

3. The Board has the right of entry upon consumer premises for inspection or repair at all times. Denial of this right by consumer constitutes due cause for denying further service.

4. The Board is not liable in damages to consumer for accidents during installations or repairs to service lines or resulting from service being cut off.