

HB0319



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
HB0319

Introduced 1/20/2005, by Rep. Jim Watson

SYNOPSIS AS INTRODUCED:

65 ILCS 5/11-119.2-4

from Ch. 24, par. 11-119.2-4

Amends the Illinois Municipal Code. Makes a technical change in a Section concerning the establishment of a municipal natural gas agency.

LRB094 06316 AJO 36391 b

A BILL FOR

1 AN ACT concerning local government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Municipal Code is amended by
5 changing Section 11-119.2-4 as follows:

6 (65 ILCS 5/11-119.2-4) (from Ch. 24, par. 11-119.2-4)

7 Sec. 11-119.2-4. A. Any 2 or more municipalities,
8 contiguous or noncontiguous, and ~~and~~ which operate a natural
9 gas plant or system, may form a municipal natural gas agency by
10 the execution of an agency agreement authorized by an ordinance
11 adopted by the governing body of each municipality. The agency
12 agreement may state:

13 (1) that the municipal natural gas agency is created and
14 incorporated under the provisions of this Division as a body
15 politic and corporate, municipal corporation and unit of local
16 government of the State of Illinois;

17 (2) the name of the agency and the date of its
18 establishment;

19 (3) the names of the municipalities which have adopted the
20 agency agreement and constitute the initial members of the
21 municipal natural gas agency;

22 (4) the names and addresses of the persons initially
23 appointed in the ordinances adopting the agency agreement to
24 serve on the Board of Directors and act as the representatives
25 of the municipalities, respectively, in the exercise of their
26 powers as members;

27 (5) the limitations, if any, upon the terms of office of
28 the directors, provided that such directors shall always be
29 selected and vacancies in their offices declared and filled by
30 ordinances adopted by the governing body of the respective
31 municipalities;

32 (6) the location by city, village or incorporated town in

1 the State of Illinois of the principal office of the municipal
2 natural gas agency;

3 (7) provisions for the disposition, division or
4 distribution of obligations, property and assets of the
5 municipal natural gas agency upon dissolution; and

6 (8) any other provisions for regulating the business of the
7 municipal natural gas agency or the conduct of its affairs
8 which may be agreed to by the member municipalities, consistent
9 with this Division, including, without limitation, any
10 provisions for weighted voting among the member municipalities
11 or by the directors.

12 B. The chief executive officer of any municipal natural gas
13 agency established pursuant to this Division, within 3 months
14 after establishment, shall file a certified copy of the agency
15 agreement and a list of the municipalities which have adopted
16 the agreement with the recorder of the county in which the
17 principal office is located. The recorder shall record this
18 certified copy and list and shall immediately transmit the
19 certified copy and list to the Secretary of State, together
20 with his certificate of recordation. The Secretary of State
21 shall file these documents and issue his certificate of
22 approval over his signature and the Great Seal of the State.
23 The Secretary of State shall make and keep a register of
24 municipal natural gas agencies established under this
25 Division.

26 C. Each municipality which becomes a member of the
27 municipal natural gas agency shall appoint a representative to
28 serve on the Board of Directors, which representative may be a
29 member of the governing body of the municipality. Each
30 appointment shall be made by the mayor, or president, subject
31 to the confirmation of the governing body. The directors so
32 appointed shall hold office for a term of 3 years, or until a
33 successor has been duly appointed and qualified, except that
34 the directors first appointed shall determine by lot at their
35 initial meeting the respective directors which shall serve for
36 a term of one, 2 or 3 years from the date of that meeting. A

1 vacancy shall be filled for the balance of the unexpired term
2 in the same manner as the original appointment.

3 The Board of Directors is the corporate authority of the
4 municipal natural gas agency and shall exercise all the powers
5 and manage and control all of the affairs and property of the
6 agency. The Board of Directors shall have full power to pass
7 all necessary ordinances, resolutions, rules and regulations
8 for the proper management and conduct of the business of the
9 board, and for carrying into effect the objects for which the
10 agency was established.

11 At the initial meeting of the Board of Directors to be held
12 within 30 days after the date of establishment of the municipal
13 natural gas agency and at the first meeting of each fiscal year
14 thereafter, the directors shall elect from their members a
15 president and vice-president and may elect an executive board.
16 The directors shall also elect a secretary and treasurer, who
17 need not be directors. The board may select such other
18 officers, employees and agents as deemed to be necessary, who
19 need not be directors or residents of any of the municipalities
20 which are members of the municipal natural gas agency. All
21 persons selected by the board shall hold their respective
22 offices during the pleasure of the board, and give such bond as
23 may be required by the board.

24 D. The bylaws of the municipal natural gas agency, and any
25 amendments thereto, shall be adopted by the Board of Directors
26 by a majority vote (adjusted for weighted voting, if provided
27 in the Agency Agreement) to provide the following:

- 28 (1) the conditions and obligations of membership, if any;
29 (2) the manner and time of calling regular and special
30 meetings of the Board of Directors;
31 (3) the procedural rules of the Board of Directors;
32 (4) the composition, powers and responsibilities of any
33 committee or executive board;
34 (5) the rights and obligations of new members, and the
35 disposition of rights and obligations upon termination of
36 membership; and

1 (6) such other rules or provisions for regulating the
2 affairs of the municipal natural gas agency as the board shall
3 determine to be necessary.

4 E. Every municipal natural gas agency shall maintain an
5 office in the State of Illinois to be known as its principal
6 office. When a municipal natural gas agency desires to change
7 the location of such office, it shall file with the Secretary
8 of State a certificate of change of location, stating the new
9 address and the effective date of change. Meetings of the Board
10 of Directors may be held at any place within the State of
11 Illinois, designated by the Board of Directors, after notice.
12 Unless otherwise provided by the bylaws, an act of the majority
13 of the directors present at a meeting at which a quorum is
14 present is the act of the Board of Directors.

15 F. The Board of Directors shall hold at least one meeting
16 each year for the election of officers and for the transaction
17 of any other business. Special meetings of the Board of
18 Directors may be called for any purpose upon written request to
19 the president or secretary to call the meeting. Such officer
20 shall give notice of the meeting to be held not less than 10
21 days and not more than 60 days after receipt of such request.
22 Unless the bylaws provide for a different percentage, a quorum
23 for a meeting of the Board of Directors is a majority of all
24 members then in office. All meetings of the board shall be held
25 in compliance with the provisions of the Open Meetings Act.

26 G. The agency agreement may be amended as proposed at any
27 meeting of the Board of Directors for which notice, stating the
28 purpose, shall be given to each director and, unless the bylaws
29 prescribe otherwise, such amendment shall become effective
30 when ratified by ordinances adopted by a majority of the
31 governing bodies of the member municipalities. Each amendment,
32 duly certified, shall be recorded and filed in the same manner
33 as for the original agreement.

34 H. Each member municipality shall have full power and
35 authority, subject to the provisions of its charter and laws
36 regarding local finance, to appropriate money for the payment

1 of the expenses of the municipal natural gas agency and of its
2 representative in exercising its functions as a member of the
3 municipal natural gas agency.

4 I. Any additional municipality which operates a natural gas
5 plant or system may join the municipal natural gas agency, or
6 any member municipality may withdraw therefrom upon the
7 approval by ordinance adopted by the governing body of the
8 majority of the municipalities which are then members of the
9 municipal natural gas agency. Any new member shall agree to
10 assume its proportionate share of the outstanding obligations
11 of the municipal natural gas agency and any member permitted to
12 withdraw shall remain obligated to make payments under any
13 outstanding contract or agreement with the municipal natural
14 gas agency. Any such change in membership shall be recorded and
15 filed in the same manner as for the original agreement.

16 J. Any 2 or more municipal natural gas agencies organized
17 pursuant to this Division may consolidate to form a new
18 municipal natural gas agency when approved by ordinance adopted
19 by the governing body of each municipality which is a member of
20 the respective municipal natural gas agency and by the
21 execution of an agency agreement as provided in this Section.

22 (Source: P.A. 84-1221.)