

10.1200

**CHAPTER 12
UTILITIES**

10.1201

**ARTICLE A
MUNICIPAL UTILITIES**

10.1202

Sec. 12.1. GENERAL POWERS RESPECTING UTILITIES.

The city shall possess and hereby reserves to itself all the powers granted to cities by statute and Constitution to acquire, construct, own, operate, improve, enlarge, extend, repair, and maintain, either within or without its corporate limits, including but not by the way of limitation, public utilities for supplying water, light, heat, power, gas, sewage treatment, and solid waste disposal facilities, or any of them, to the municipality and the inhabitants thereof, and also to sell and deliver water, light, heat, power, gas and other public utility services without its corporate limits to an amount not to exceed the limitations set by statute and Constitution.
(char. eff. Nov. 25, 1974)

10.1203

Sec. 12.2. MANAGEMENT OF PUBLIC UTILITIES.

All municipally-owned or operated utilities shall be administered as a regular department of the city government under the management and supervision of the city manager.
(char. eff. Nov. 25, 1974)

10.1204

Sec. 12.3. RATES.

The council shall have the power to fix from time to time such just and reasonable rates and other charges as may be deemed advisable for supplying the inhabitants of the city and others with such public utility services as the city may provide. There shall be no discrimination in such rates within any classification of users thereof, nor shall free services be permitted. Higher rates may be charged for service outside the corporate limits of the city.
(char. eff. Nov. 25, 1974)

10.1205

Sec. 12.4. UTILITY RATES AND CHARGES; COLLECTION.

The council shall provide by ordinance for the collection of all public utility rates and charges of the city. Such ordinance shall provide at least:

- a. The terms and conditions under which utility services may be discontinued in case of delinquency in paying such rate or charges.
- b. That suit may be instituted by the city before a competent tribunal for the collection of such rates or charges. With respect to the collection of rates charged for water, the city shall have all the powers granted to cities by Act No. 178 of the Public Acts of 1939.
(char. eff. Nov. 25, 1974)

10.1206 Sec. 12.5. DISPOSAL OF UTILITY PLANTS AND PROPERTY.

Unless approved by the affirmative vote of three-fifths of the electors voting thereon at a regular or special election, the city shall not sell, exchange, lease or in any way dispose of any property, easements, equipments, privileges or assets belonging to and appertaining to any municipally-owned public utility which is needed to continue operating such utility. All contracts, negotiations, licenses, grants, leases, or other forms of transfers in violation of this section shall be void and have no effect as against the city. The restrictions of this section shall not apply to the sale or exchange of any articles of machinery or equipment of any city-owned public utility which are worn out or useless or which have been, or could with advantage to the service be, replaced by new and improved machinery or equipment, to the leasing of property not necessary for the operation of the utility, or to the exchange of property or easements for other needed property or easements. It is provided, however, that the provisions of this section shall not extend to vacation or abandonment of streets, as provided by statute.

(char. eff. Nov. 25, 1974)

10.1207 Sec. 12.6. UTILITY FINANCES.

The rates and charges for any municipal public utility for the furnishing of water, light, heat, power or gas shall be so fixed as to at least meet all the costs of such utility.

Transactions pertaining to the ownership and operation by the city of each public utility shall be recorded in a separate group of accounts under an appropriate fund caption, which accounts shall be classified in accordance with generally accepted utility accounting practices. Charges for all service furnished to, or rendered by, other city departments or agencies shall be recorded. An annual report shall be prepared to show fairly the financial position of each utility and the result of its operation, which report shall be available for inspection at the office of the Clerk.

(char. eff. Nov. 25, 1974)