

HB3565



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB3565

Introduced 2/24/2009, by Rep. Tom Cross - Renée Kosel

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.

LRB096 09920 RLJ 20083 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

1 serve on the Board of Directors and act as the representatives
2 of the municipalities, respectively, in the exercise of their
3 powers as members;

4 (5) the limitations, if any, upon the terms of office of
5 the directors, provided that such directors shall always be
6 selected and vacancies in their offices declared and filled by
7 ordinances adopted by the governing body of the respective
8 municipalities;

9 (6) the location by city, village or incorporated town in
10 the State of Illinois of the principal office of the municipal
11 natural gas agency;

12 (7) provisions for the disposition, division or
13 distribution of obligations, property and assets of the
14 municipal natural gas agency upon dissolution; and

15 (8) any other provisions for regulating the business of the
16 municipal natural gas agency or the conduct of its affairs
17 which may be agreed to by the member municipalities, consistent
18 with this Division, including, without limitation, any
19 provisions for weighted voting among the member municipalities
20 or by the directors.

21 B. The chief executive officer of any municipal natural gas
22 agency established pursuant to this Division, within 3 months
23 after establishment, shall file a certified copy of the agency
24 agreement and a list of the municipalities which have adopted
25 the agreement with the recorder of the county in which the
26 principal office is located. The recorder shall record this

1 certified copy and list and shall immediately transmit the
2 certified copy and list to the Secretary of State, together
3 with his certificate of recordation. The Secretary of State
4 shall file these documents and issue his certificate of
5 approval over his signature and the Great Seal of the State.
6 The Secretary of State shall make and keep a register of
7 municipal natural gas agencies established under this
8 Division.

9 C. Each municipality which becomes a member of the
10 municipal natural gas agency shall appoint a representative to
11 serve on the Board of Directors, which representative may be a
12 member of the governing body of the municipality. Each
13 appointment shall be made by the mayor, or president, subject
14 to the confirmation of the governing body. The directors so
15 appointed shall hold office for a term of 3 years, or until a
16 successor has been duly appointed and qualified, except that
17 the directors first appointed shall determine by lot at their
18 initial meeting the respective directors which shall serve for
19 a term of one, 2 or 3 years from the date of that meeting. A
20 vacancy shall be filled for the balance of the unexpired term
21 in the same manner as the original appointment.

22 The Board of Directors is the corporate authority of the
23 municipal natural gas agency and shall exercise all the powers
24 and manage and control all of the affairs and property of the
25 agency. The Board of Directors shall have full power to pass
26 all necessary ordinances, resolutions, rules and regulations

1 for the proper management and conduct of the business of the
2 board, and for carrying into effect the objects for which the
3 agency was established.

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

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

21 (1) the conditions and obligations of membership, if any;

22 (2) the manner and time of calling regular and special
23 meetings of the Board of Directors;

24 (3) the procedural rules of the Board of Directors;

25 (4) the composition, powers and responsibilities of any
26 committee or executive board;

1 (5) the rights and obligations of new members, and the
2 disposition of rights and obligations upon termination of
3 membership; and

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

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

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

1 members then in office. All meetings of the board shall be held
2 in compliance with the provisions of the Open Meetings Act.

3 G. The agency agreement may be amended as proposed at any
4 meeting of the Board of Directors for which notice, stating the
5 purpose, shall be given to each director and, unless the bylaws
6 prescribe otherwise, such amendment shall become effective
7 when ratified by ordinances adopted by a majority of the
8 governing bodies of the member municipalities. Each amendment,
9 duly certified, shall be recorded and filed in the same manner
10 as for the original agreement.

11 H. Each member municipality shall have full power and
12 authority, subject to the provisions of its charter and laws
13 regarding local finance, to appropriate money for the payment
14 of the expenses of the municipal natural gas agency and of its
15 representative in exercising its functions as a member of the
16 municipal natural gas agency.

17 I. Any additional municipality which operates a natural gas
18 plant or system may join the municipal natural gas agency, or
19 any member municipality may withdraw therefrom upon the
20 approval by ordinance adopted by the governing body of the
21 majority of the municipalities which are then members of the
22 municipal natural gas agency. Any new member shall agree to
23 assume its proportionate share of the outstanding obligations
24 of the municipal natural gas agency and any member permitted to
25 withdraw shall remain obligated to make payments under any
26 outstanding contract or agreement with the municipal natural

1 gas agency. Any such change in membership shall be recorded and
2 filed in the same manner as for the original agreement.

3 J. Any 2 or more municipal natural gas agencies organized
4 pursuant to this Division may consolidate to form a new
5 municipal natural gas agency when approved by ordinance adopted
6 by the governing body of each municipality which is a member of
7 the respective municipal natural gas agency and by the
8 execution of an agency agreement as provided in this Section.

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