

2010 -- S 2807

LC02407

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2010

A N A C T

RELATING TO TOWNS AND CITIES - PASCOAG UTILITY DISTRICT

Introduced By: Senators P Fogarty, and Gallo

Date Introduced: April 15, 2010

Referred To: Senate Housing & Municipal Government

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 45-58-5, 45-58-6 and 45-58-7 of the General Laws in Chapter 45-  
2 58 entitled "Pascoag Utility District" are hereby amended to read as follows:

3 **45-58-5. Board of utility commissioners of the Pascoag utility district established. --**

4 There is hereby created a board to be known as the board of utility commissioners of the Pascoag  
5 utility district. The powers of the utility district as set forth in this chapter, or conferred on the  
6 utility district by operation of this chapter, shall be vested in and exercised by a majority of the  
7 members of the board of utility commissioners then in office; provided, however, that the board  
8 of utility commissioners in its discretion may delegate executive functions to ~~a general manager~~  
9 managers, by resolution, rule or otherwise.

10 **45-58-6. Membership of board of commissioners. --** (a) The board of utility  
11 commissioners shall consist of not more than seven (7) nor less than five (5) members. Four (4)  
12 members of the board shall constitute a quorum and a vote of four (4) members shall be necessary  
13 for all action taken by the board unless the board consists of only five (5) members, in which  
14 case (3) members shall constitute a quorum and a vote of three (3) members shall be necessary  
15 for all action taken by the board. No vacancy in the membership of the board shall impair the  
16 right of a quorum to exercise all the rights and perform all the duties of the board. The initial  
17 members of the board of utility commissioners shall be the utility commissioners currently  
18 holding office under the auspices of the Pascoag fire district, who shall continue to serve until  
19 their current terms expire. Thereafter, the members of the board of utility commissioners of the

1 Pascoag utility district shall be elected for a term of three (3) years by ballot of voters otherwise  
2 eligible to vote in the ~~general~~ annual or special election in succeeding years in the village of  
3 Pascoag.

4 (b) The members of the board of utility commissioners, moderator or clerk shall be  
5 residents of the village of Pascoag. ~~Any registered voter within the geographic boundaries of the~~  
6 ~~village of Pascoag shall be eligible to run for election to the board of utility commissioners,~~  
7 ~~moderator or clerk;~~ Such residents of the village of Pascoag whose name appear on an active  
8 account with the Pascoag Utility District shall be eligible to be a candidate for election to any one  
9 of the above offices; provided, however, that he or she shall first have filed a declaration of  
10 candidacy with the secretary of the board of utility commissioners not later than thirty (30)  
11 calendar days prior to the scheduled date of the election through which such person seeks to be  
12 elected ~~to the board of utility commissioners, moderator or clerk~~. In the event of a vacancy  
13 occurring on the board of utility commissioners, moderator or clerk by reason of death,  
14 resignation or other cause, the board itself may select an eligible ~~voter~~ candidate to fill the  
15 vacancy until the next annual election.

16 (c) The board of utility commissioners shall elect each year from among its members: (1)  
17 a chairperson, who shall chair and moderate meetings of the board of utility commissioners and  
18 shall execute such other authorities and duties as the board may provide; (2) a vice chairperson  
19 who shall assume all duties of the chairperson in the chairperson's absence; and (3) a secretary,  
20 who shall maintain minutes of the meetings of the board of utility commissioners, provide notice  
21 of the meetings in accordance with law, and shall have such other duties as the board of utility  
22 commissioners may determine. The board of utility commissioners shall appoint a treasurer, who  
23 may be a member of the board or a general or special employee of the utility district, and who  
24 shall have charge and control of the money and deposits of the utility district.

25 (d) The board of utility commissioners shall establish and adopt bylaws for the  
26 management and conduct of the utility district's affairs, and other aspects of the governance of the  
27 utility district not otherwise controlled by this chapter. Pending the adoption of the bylaws, the  
28 board of utility commissioners shall be deemed to have adopted, and shall conduct the board's  
29 business in accordance with, those portions of the bylaws of the Pascoag fire district relating to  
30 utility matters.

31 (e) In order to ensure that the status of the utility district as a quasi-municipal  
32 corporation, district and political subdivision of the state does not prejudice its ability to  
33 contribute to the development of effective competition in the electricity and communications  
34 industries in the state, it is specifically found and determined that: (1) strategic business planning

1 records of the utility district (including without limitation business plans, draft contracts,  
2 proposals, financial analyses and other similar documents) shall not be subject to the disclosure  
3 requirements of chapter 2 of title 38 of the general laws unless the same materials in comparable  
4 circumstances in the hands of an investor-owned utility would be subject to disclosure under  
5 other laws of the state; and (2) strategic business planning discussions of the board of utility  
6 commissioners, including such discussions with utility district employees or consultants, are  
7 deemed to fall within the circumstances defined in section 42-46-5(a)(7).

8 **45-58-7. Compensation of the board -- Employees of the utility district.** -- (a) Each  
9 member of the board of utility commissioners shall be entitled to receive compensation of not less  
10 than twenty-five dollars (\$25.00) per year for attendance at scheduled and special meetings of the  
11 board of utility commissioners, and shall be entitled to reimbursement of the actual and necessary  
12 expenses incurred in the performance of his or her official duties. The salaries, compensation and  
13 expenses of all members and officers of the board, and all employees and agents of the utility  
14 district, shall be paid solely out of funds of the utility district. No part of the earnings of the utility  
15 district shall inure to the benefit of any private person.

16 (b) The board shall appoint a general ~~manager~~ managers and may enter into employment  
17 contracts with its executive employees. The board shall have the authority to approve employee  
18 benefit plans, including fringe benefits such as but not limited to pension and health and disability  
19 and other insurances.

20 (c) No member of the board of utility commissioners shall directly or indirectly engage  
21 or participate in the proceeds of any contract or agreement to supply anything of value or receive  
22 anything of value from the utility district. The prohibition set forth in the subsection may be  
23 waived by a vote of five (5) members of the board of utility commissioners, if and only if the  
24 board of utility commissioners shall have first obtained an opinion of the attorney general and/or  
25 the Rhode Island ethics commission based on full disclosure of all relevant facts that the waiver  
26 does not contravene state law and is otherwise in the best interests of the consumers served by the  
27 utility district.

28 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO TOWNS AND CITIES - PASCOAG UTILITY DISTRICT

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1           This act would change the composition of the board of utility commissioners of the  
2 Pascoag utility district.

3           This act would take effect upon passage.

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