

Sec. 169. - Created; powers, duties, responsibilities generally; definitions.

- (a) There is hereby created and made a part of the government of the City of Fort Pierce a utilities authority to be known and designated as Fort Pierce Utilities Authority, City of Fort Pierce, Florida, which shall be responsible for the development, production, purchase and distribution of all electricity, gas, water, sanitary sewer collection and disposal, and such other utility services as may be designated by resolution by the city commission. The authority shall have exclusive jurisdiction, control and management of the utilities of the city and all of its operations and facilities. The authority shall have all the powers and duties possessed by the city to construct, acquire, expand and operate utility systems, and to do any and all acts or things that are necessary, convenient or desirable in order to operate, maintain, enlarge, extend, preserve and promote an orderly, economic and businesslike administration of the utility systems. The authority shall operate as a separate unit of the city government; and except as otherwise provided in this article, the authority shall be free from the jurisdiction, direction, and control of other city officers and of the city commission. The authority may sue or be sued in its own name. All damage claims arising from the operations of the authority and the utilities shall be the responsibility of and be liquidated by the authority from the appropriate funds of the utility systems.
- (b) For the purposes of this article, unless otherwise designated or the context requires, the word "authority" shall mean the Fort Pierce Utilities Authority, the word "member" shall mean a member of the Fort Pierce Utilities Authority, and the word "city" shall mean the City of Fort Pierce.

(Ord. No. F-399, § 1, 4-24-72)

Sec. 176. - Enumeration of specific powers and duties.

The authority in the efficient and economical operation of the city utilities, both inside and outside the city limits, shall have the following powers and duties.

- (1) To sell its products and services to public and private corporations and to other consumers; construct plants, transmission lines and other facilities and purchase real estate in the name of the city and to enter into all contracts, leases, and agreements in furtherance hereof. Franchises may be purchased with the approval of the city commission.
- (2) The utilities authority shall have power to supply water, electricity, gas, and sewer service for domestic and other purposes to individuals or corporations outside of the city, and to charge and collect reasonable rates, prices and compensation therefor, including the costs or any part thereof for extension of said services as determined by the utilities authority, and upon such terms as may be imposed by the utilities authority, and the utilities authority may charge a different rate but not a lesser rate for such consumers than is charged for a like class of customers within the corporate limits of the city. No extension of facilities or services outside the city limits for any of the utilities, including those utilities now under the contract of the utilities authority, shall be valid unless approved by the city commission. Any extension of facilities or services shall be based on a finding of the city commission that the extension of the facilities or services is in the best interests of the

city, and a surplus of the capacity of the facilities or system to be extended exists and present facilities and services and future expansions within the city limits of the City of Fort Pierce will not be impaired.

- (3) The authority may contract with any public or private corporation or any individual, both inside and outside the city limits, for the joint use of poles and other property belonging either to the city or to the other contracting party or jointly to both parties; and with the approval of the city commission for the joint acquisition of real property and franchises and the joint financing, construction, and operation of plants, transmission lines, and other facilities, whereby any property acquired may become the property of either or both the city and the other contracting party.
- (4) The authority may enter upon any land or water for the purpose of making surveys and may exercise the right of eminent domain on behalf of the city whenever public necessity or convenience requires inside and outside the city limits in the manner provided by law.
- (5) The authority may use the ground over, under or along any road, railroad, highway, street, sidewalk, thoroughfare, alley, waterway, or other public way, in the operations of the utilities but shall, in all cases and subject to the applicable general regulations of the city, cause the surface of the public way to be restored to its usual condition.
- (6) The authority shall fix rates to be charged for gas, electricity, water, sanitary sewer, and other utilities services sold and services rendered. Provided, however, said utilities authority shall submit any rate changes or any changes in the formula by which rates are determined to the city commission. If a four-fifths ($4/5$) majority vote of the city commission does not disapprove of the proposed rate changes within thirty (30) days of the date of submission of said change or changes in the formula to the city commission, the rates or the formulas by which the rates are determined shall be deemed approved and shall become effective.

If a four-fifths ($4/5$) majority vote of the city commission disapproves any rate change or any change in the formulas by which the rates are determined within thirty (30) days, said rates shall not become effective and the previous rates or the formulas by which the rates were determined which were previously established shall remain in effect. If any rate changes or any changes in the formulas by which the rates are determined are not approved by the city commission, the city commission shall state the reasons for said disapproval. The city commission may by majority vote waive the thirty-day period for disapproval and approve same by a majority vote. Any rate adjustment resulting from fuel adjustment changes made in accordance with a previously approved formula will not have to be submitted to the city commission.

Rates shall be uniform for all consumers within the same class, but different rate schedules may be applied to different classes of consumers as determined by the authority. Rates shall be sufficient to pay all operating and maintenance expenses of each respective utility operation, capital outlay, all bond interest and redemption costs, and payments authorized by this article. The authority may require deposits as security for the payment of charges for utility services and may provide for the return of deposits when satisfactory consumer credit has been established.

- (7) No money shall be drawn from the funds of the utilities nor shall any obligation for the expenditure of money be incurred except as authorized by the authority. No claim against the authority shall be paid unless evidenced by a voucher approved by the utilities director or by some other employee to be designated by him.
- (8) The authority shall have the right, power and authority by resolution to issue and sell revenue bonds or certificates in such amounts as shall be deemed necessary to finance all or part of the costs of acquisition, construction, repairs, replacements, improvements, additions and extensions of the city's utilities and equipment required therefor. All of such revenue bonds or certificates issued by the authority shall be obligations of the City of Fort Pierce; provided, however, the authority shall have no power to pledge the full faith and credit of the city and nothing set forth herein shall be so construed. No referendum or freeholders' election shall be required as a condition precedent to the issuance of such revenue bonds or certificates. The bonds, or revenue certificates, shall be dated, shall bear interest, at such rate or rates not exceeding that established by state law, shall mature at such time or times not exceeding forty (40) years from their date or dates, as may be determined by the authority, and may be redeemable before maturity, at the option of the authority, at such price or prices and under such terms and conditions as may be fixed by the authority prior to the issuance of the bonds or certificates. The authority shall determine the form of bonds, or certificates, including any interest coupons to be attached thereto, and the manner of execution, and shall fix the denomination or denominations, and the place or places of payment of principal and interest, which may be at any bank or trust company within or without the state. The resolution authorizing the issuance of the bond, or certificates, shall contain such provisions relating to the use of the proceeds from their sale and for the protection and security of holders thereof, including their rights and remedies, and the rights, powers, privileges, duties and obligations of the authority with respect to the same, as shall be determined by the authority. In case any officer whose signature or facsimile of whose signature shall appear on any bonds, certificates or coupons shall cease to be such officer before the delivery of such bonds, or certificates, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. All bonds, or certificates, issued under the provisions of this article shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the law merchant and the Uniform Commercial Code-Investment Securities Law of the State of Florida. The bonds, or certificates, may be issued in coupon or in registered form, or both, as the authority may determine, and provisions may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest and for the reconversion into coupon bonds of any bonds registered as to both principal and interest. The issuance of such bonds shall not be subject to any limitations or conditions contained in any other law. All revenue bonds, or certificates, issued hereunder shall be advertised for sale on sealed bids, which advertisement shall be published once a week for two (2) weeks, the first publication to be made at least fifteen (15) days preceding the date advertised for the reception of bids, in a newspaper published in the City of Fort Pierce and also in a financial

paper designated by resolution. The authority may reject any and all bids. If the revenue bonds, or certificates, are not sold pursuant to such advertisement and public bidding, they may be sold by the authority at a private sale by negotiation or may be readvertised in the same manner for public sale. In the event of a private sale by negotiation, the authority may sell said certificates or notes upon the best terms offered therefor. Revenue bonds, or certificates, issued under the provisions of this act shall be payable from the revenues derived from the operation of the city's utilities or services under the supervision, operation and control of the authority and from any other funds legally available therefor. The authority is authorized to provide by resolution for the issuance of refunding revenue bonds, or certificates for the purpose of refunding any revenue bonds, or certificates heretofore issued by the City of Fort Pierce then outstanding or issued under the provisions of this article; providing, however, that any such refunding obligation shall only refund outstanding bonds and interest and redemption premiums therein at a lower net average interest cost rate; and to issue notes in the anticipation of the receipt of the proceeds of the sale of any such bonds, or certificates. The authority, with the consent of the city commission, may pledge the proceeds of utilities service[s] taxes, cigarette taxes, or franchise taxes (as defined in Chapter [section] 159.02, Florida Statutes 1969) or any other excise taxes or other funds which such authority is authorized to levy and collect or will have available, as additional security for the payment of the principal and interest on any revenue bonds or certificates issued hereunder, or for services for such debt services.

State Law reference— Neither credit nor taxing power pledged under Revenue Bond Act, F.S. § 159.04.

- (9) The authority may borrow money for periods not to exceed two (2) years and may issue negotiable notes, payable from the revenues of the utilities or a division thereof, as evidence of the loans, with the approval of the city commission. The action of the authority may be by resolutions which may be adopted at the same meetings at which introduced and shall take effect immediately upon adoption and public sale shall not be required.
- (10) The authority may authorize reasonable expenditures to advertise and otherwise promote the use of the utility services and to acquaint the public with the operations, programs, and planned expansion of the utilities.
- (11) The authority may invest idle funds in banks or savings institutions when qualified as city depositories, provided such investments are secured by direct obligations of the United States Treasury, or may invest idle funds in direct obligations of United States Treasury. The authority may also invest such idle funds in investments secured by indirect obligations of the United States of America.
- (12) The authority [shall], in addition to the reports and accounting it may otherwise be required by law to make, promptly after the close of the fiscal year, furnish the city commission its annual report which shall include the following statements as of the end of the preceding fiscal year: A balance sheet showing the financial condition of the utilities and each separate division, prepared as nearly as practical according to generally accepted public utility accounting principles; a

statement of operations for each division of the utilities; and any additional supporting statements or schedules deemed necessary and desirable by the city commission to make a clear and informative presentation of the financial position of the utilities. The reports shall be kept on file in the city clerk's office and shall be open to public inspection. The funds and accounts of the utilities shall be audited annually by a certified public accountant appointed by the city commission. The authority shall also annually prepare and adopt a budget for the ensuing year and furnish a copy to the city commission at least forty-five (45) days prior to the beginning of the next fiscal year.

If a four-fifths (4/5) vote of the city commission does not disapprove of any line item expenditures in said budget, or any amendments thereto within thirty (30) days of the date of submission to said city commission, said budget or any amendments thereto shall be deemed approved as submitted. The city commission may not increase any amounts in the proposed budget or amendments thereto, but may reduce by a four-fifths (4/5) vote of the city commission any line item in said budget or amendments thereto. The city commission may by majority vote waive the thirty-day period for disapproval and approve said budget, or any amendment thereto, by majority vote. Any expenditures disapproved shall not be authorized. No amendments to the utilities authority budget shall be authorized unless submitted to the city commission as set out herein.

Nothing contained herein shall be construed to prevent adoption of necessary and reasonable procedures for providing for emergency repairs and/or restoration or maintenance of services.

The fiscal year of the authority shall be the same as the City of Fort Pierce. The annual budget shall contain an amount anticipated to be transferred to the general fund of the city.

(Ord. No. F-399, § 8, 4-24-72; Ord. No. G-297, §§ 6, 8, 10, 9-20-76)

State Law reference— Powers of city as to public works, F.S. § 180.02.

Sec. 178. - Authorization to manage and operate financial affairs.

- (a) The utilities authority shall, except as specifically provided in Section 176 of this Chapter [Charter], have the exclusive power and authority to manage and conduct its financial affairs in accordance with generally accepted accounting principals applied to municipal utilities systems and the provisions of resolutions authorizing its revenue bonds and other obligations outstanding as of the effective date of the ordinance.
- (b) All revenues derived from the utilities after paying the necessary costs and expenses shall be applied to the payment of interest on and principal of bonds, revenue certificates, loans, and other obligations from monies borrowed, both senior and subordinate lien and to the sinking fund for the redemption thereof as required by law and ordinances under which said bonds were issued. The utilities authority shall set up reserve accounts and comply with all other provisions required by any revenue bonds and other obligations issued prior to [October 4, 1994,] the effective date of this ordinance [section].
- (c)

The utilities authority shall pay to the City of Fort Pierce each year a sum equal to six (6) per cent of the gross revenues as hereinafter defined, derived from the operation of the utilities for the preceding fiscal year, unless the city commission, by majority vote, agrees to accept a lesser percentage. This sum shall be paid on or before sixty (60) days after approval and acceptance of the audit for such fiscal year by the city commission.

- (d) (i) *Gross revenue* means all the income derived from retail sales of electricity, gas, and wastewater disposal; wholesale and retail sales of water; gains on sales of assets, interest, rents, royalties, dividends, and management fees.
- (ii) Where a power cost adjustment or purchase gas adjustment is utilized, "gross income" shall mean the amount billed based upon the applicable rate without a debit or credit for the cost adjustment.
- (e) All revenue bonds and other obligations or, other evidences of debt issued by the utilities authority subsequent to [October 4, 1994,] the effective date of this ordinance [section] shall comply with the provisions of Article XII. The utilities authority may issue revenue bonds, or other obligations or evidence of debt, varying from the requirements of this article, if said issue and terms are approved by majority vote of the city commission.
- (f) All other provisions not in conflict herewith of Article XII remain in full force and effect.

(Ord. No. F-399, § 10, 4-24-72; Ord. No. J-117, § 3, 8-15-94)