

SB314 INTRODUCED



1 SB314
2 9J5C2MB-1
3 By Senator Orr (N & P)
4 RFD: Local Legislation
5 First Read: 17-Feb-26



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A BILL
TO BE ENTITLED
AN ACT

Relating to Morgan County; to amend Section 45-52A-35.08, Code of Alabama 1975; to expand the scope of the board's operating parameters.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 45-52A-35.08, Code of Alabama 1975, is amended to read as follows:

"§45-52A-35.08

(a) The board shall have complete control of each of the public utilities owned by the City of Decatur including, without limitation, the electric, gas, water, and wastewater services and facilities of the City of Decatur, and shall manage and operate each such municipally owned utility. ~~It shall have the authority to~~ The board may organize the utilities under its control in such manner as ~~it~~ the board shall deem advisable including, without limitation, ~~authority to consolidate~~ consolidating all financial operations of the utilities under its control so long as the books of the operations are kept in such manner as to allocate to the respective utilities the income and expenditures applicable to them; ~~authority to consolidate~~ consolidating all operations



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29 under one general manager; ~~authority to consolidate~~
30 consolidating the operations of any of the utilities under ~~its~~
31 the board's control under one operation manager or under a
32 separate manager or managers; and ~~authority to create~~ creating
33 any departments within the organization which ~~it~~ the board
34 shall deem to be in the best interest of the utilities, such
35 as an administration department, a personnel department ~~and,~~
36 or other departments which appear to the board to be
37 desirable.

38 (b) The board ~~shall have authority to employ~~, upon
39 terms to be fixed by the board, ~~and to~~ may employ or
40 discharge, a general manager and such other managers and
41 employees which may be needed in the operations under the
42 control of the board.

43 (c) The board ~~shall have authority to~~ may delegate to
44 any general or departmental manager ~~it~~ the board may employ,
45 the authority to employ ~~and or~~ discharge other employees which
46 may be needed; to direct their work and to manage, control,
47 and operate the public utility or utilities of the City of
48 Decatur of which he or she is the manager, and to account to
49 the board for his or her acts in so doing, but his or her
50 authority shall be restricted as the authority of the board is
51 restricted in this part.

52 (d) The board may adopt such fiscal year or years for
53 the operations under its control as ~~it~~ the board may from time
54 to time determine.

55 (e) (1) The board shall ~~have the power and authority and~~
56 ~~it shall be its duty to~~ charge for and collect all accounts



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57 due for any service which any of the utilities under ~~its~~the
58 board's control may furnish to its customers, upon rates to be
59 provided and approved by the governing body of the City of
60 Decatur.

61 (2) Subject to the limitation contained in Section
62 45-52A-35.14, the board ~~shall have the authority to enter~~
63 ~~into~~, on behalf of the City of Decatur, may enter into all
64 contracts and agreements which are necessary or desirable in
65 the performance of its duties under this part. Such contracts
66 may be executed, on behalf of the City of Decatur, by such
67 officer or employee of the board as may be designated by the
68 board.

69 (3) Contracts for purchase of utility services at
70 wholesale may not be executed by or on behalf of the board
71 without the consent and approval of the governing body of the
72 city.

73 (4) Contracts for sale of utility services which may
74 bind the city for more than 10 years may not be executed by or
75 on behalf of the board without the consent and approval of the
76 governing body of the city.

77 (5) The board ~~shall have the right to~~may collect and
78 receive all income from the operation of the utilities under
79 its control and ~~to~~ expend the same in the operation of the
80 same.

81 (6) Suits for the collection of accounts due for
82 service which any utility may furnish to its customers or for
83 enforcement of agreements made on behalf of the city by the
84 board or for the enforcement of other rights of such utilities



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85 shall be conducted by the board, at the expense of the
86 respective utilities, in the name of the City of Decatur.

87 (f) The board shall comply with all provisions of
88 contracts made by the City of Decatur for the purchase of
89 electricity, gas, or other utility services at wholesale and
90 with the provisions of all bond ordinances adopted by the
91 governing body of the City of Decatur pertaining to the
92 municipally owned utilities of the city and shall distribute
93 and account for funds received from the sale of utility
94 services as required by any such contracts or bond ordinances.

95 (g) (1) Each member of the board and each general
96 manager appointed by the board, and each departmental manager
97 appointed by the general manager, now or hereafter serving as
98 such, shall be indemnified by the board against any and all
99 claims and liabilities to which he or she has or shall become
100 subject by reason of serving or having served as such or by
101 reason of any action alleged to have been taken, omitted, or
102 neglected by him or her as such board member or manager; and
103 the board shall reimburse each ~~such person~~ individual for all
104 legal expenses reasonably incurred by him or her in connection
105 with any such claim or liability, provided, ~~however,~~ that no
106 ~~such person~~ individual shall be indemnified against, or be
107 reimbursed for, any expense incurred in connection with any
108 claim or liability arising out of his or her own willful
109 misconduct or gross negligence.

110 (2) The amount paid to any board member or manager by
111 way of indemnification shall not exceed his or her actual,
112 reasonable, and necessary expenses incurred in connection with



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113 the matter involved. The right of indemnification ~~herein~~
114 provided ~~for~~ by this subsection shall not be exclusive of any
115 rights to which any board member or manager of the ~~Municipal~~
116 ~~Utilities Board of Decatur~~ board may otherwise be entitled by
117 law. The board ~~is authorized to~~ may purchase suitable
118 insurance coverage for such indemnity.

119 (h) The board shall operate all municipally owned
120 utilities economically and in a manner that encourages the
121 expansion of and economic growth in the service area of each
122 utility. The board shall also account for and pay over any net
123 revenues realized from such operations to the City of Decatur
124 at such time or times and in such manner as may be determined
125 by the governing body of the City of Decatur."

126 Section 2. This act shall become effective on October
127 1, 2026.