

LEGISLATURE OF NEBRASKA

ONE HUNDRED SECOND LEGISLATURE

SECOND SESSION

**LEGISLATIVE BILL 921**

Introduced by Harr, 8.

Read first time January 10, 2012

Committee: Urban Affairs

A BILL

1 FOR AN ACT relating to metropolitan utilities districts; to amend  
2 sections 14-2109, 14-2110, 14-2121, 14-2126, 14-2138, and  
3 14-2139, Reissue Revised Statutes of Nebraska; to change  
4 provisions relating to the board of directors, employees,  
5 bids, hydrants, and retail sale of natural gas; and to  
6 repeal the original sections.

7 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 14-2109, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           14-2109 The board of directors of a metropolitan  
4 utilities district shall at its first regular meeting appoint an  
5 individual with an official title designated by the board who shall  
6 (1) act as secretary of such board, (2) have general supervision of  
7 the management, construction, operation, and maintenance of the  
8 utility plants and property under the jurisdiction of or owned by  
9 such metropolitan utilities district, subject to the direction of the  
10 board, (3) hold office at the pleasure of the board, (4) possess  
11 business training, executive experience, and knowledge of the  
12 development and operation of public utilities, (5) ~~give bond for the~~  
13 ~~faithful performance of his or her duties in the sum of not less than~~  
14 ~~ten thousand dollars to be filed with and approved by the board of~~  
15 ~~directors,~~ (6) receive such compensation as the board may determine,  
16 ~~which compensation shall not be decreased during the incumbency of~~  
17 ~~any appointee, and (7) and (6) devote his or her exclusive time to~~  
18 the duties of the office. The board of directors may employ or  
19 authorize the employment of such other employees and assistants as  
20 may be deemed necessary for the operation and maintenance of the  
21 utility plants under its jurisdiction and of the conduct of the  
22 affairs of the board and provide for their compensation. The  
23 compensation of the appointed individual and such employees shall be  
24 paid from funds under control of the board. In no event shall the  
25 compensation, as a salary or otherwise, of any employee or officer

1 exceed ~~ten~~one hundred fifty thousand dollars per annum unless  
2 approved by a vote of two-thirds or more of the members of the board  
3 of directors. The record of such vote of approval, together with the  
4 names of the directors so voting, shall be made a part of the  
5 permanent records of the board.

6 Sec. 2. Section 14-2110, Reissue Revised Statutes of  
7 Nebraska, is amended to read:

8 14-2110 No regular appointee or employee of the  
9 metropolitan utilities district, except the individual appointed in  
10 section 14-2109, who has been in its service consecutively for more  
11 than one year ~~and whose name has been placed, by a unanimous vote of~~  
12 ~~the full board of directors, upon the permanent employees list~~  
13 ~~provided for in the rules adopted by the board shall be subject to~~  
14 ~~removal except upon a two thirds vote of the full board and then only~~  
15 ~~for cause which shall be stated in writing and filed with the~~  
16 ~~secretary of the board at least ten days prior to a hearing preceding~~  
17 ~~such removal.~~ as set forth in this section.

18 The individual appointed in section 14-2109 may remove a  
19 permanent employee for cause, notice of which shall be stated in  
20 writing and delivered to the employee. The notice shall include  
21 findings of fact to support the removal for cause. Within ten days  
22 after receipt of the notice, the employee may appeal the removal to a  
23 committee of three directors chosen by the board of directors, which  
24 committee shall hear the appeal de novo and may grant the appeal upon  
25 a two-thirds vote of the committee. The board may establish such

1 procedures governing the appeal as it deems appropriate.

2           Sec. 3. Section 14-2121, Reissue Revised Statutes of  
3 Nebraska, is amended to read:

4           14-2121 The board of directors shall have authority to  
5 receive bids for all work which it may desire to have done by  
6 contract or for material and supplies to be used in connection with  
7 such work, which bids shall be received after reasonable  
8 advertisement therefor and when opened shall be read in public  
9 session. The board of directors may award contracts based upon the  
10 bids to the lowest responsible bidders, except that the board of  
11 directors may, for such reasons as appear to it good and substantial,  
12 reject all bids. The board of directors may define and allow a  
13 preference to a bidder that owns and operates vehicles fueled by  
14 natural gas. The board of directors shall have power and authority to  
15 do all of such work and to purchase materials and supplies without  
16 advertising for bids and without entering into contract with any  
17 other persons or companies in relation thereto.

18           Sec. 4. Section 14-2126, Reissue Revised Statutes of  
19 Nebraska, is amended to read:

20           14-2126 The metropolitan utilities districts shall  
21 maintain free of charge the number of hydrants heretofore established  
22 for fire protection in the streets of the municipalities constituting  
23 such districts and, in addition thereto, maintain regular fire  
24 hydrants ~~approximately four hundred feet apart~~ on service mains in  
25 the streets of the municipalities not now equipped therewith and also

1 upon service mains that may hereafter be installed in such  
2 municipalities. The board of directors shall adopt such rules for the  
3 placement and maintenance of such hydrants as the board shall deem  
4 appropriate. Intermediate hydrants or fire hydrants placed between  
5 regular hydrants shall be installed by the district at such points as  
6 may be designated and ordered by any one of the municipalities. One-  
7 half of the cost of such intermediate hydrants, connections, and  
8 installation shall be borne by the municipality ordering the same.  
9 The district shall also lower water mains and reset hydrants at their  
10 original locations whenever necessary.

11 Sec. 5. Section 14-2138, Reissue Revised Statutes of  
12 Nebraska, is amended to read:

13 14-2138 The metropolitan utilities district shall pay to  
14 the city of the metropolitan class a sum equivalent to two percent of  
15 the annual gross revenue derived from all retail sales of water and  
16 gas sold by such district within such city, except that retail sales  
17 of gas shall not include the retail sale of natural gas used as  
18 vehicular fuel. Such sum shall be paid on a quarterly basis, the last  
19 quarterly payment to be made not later than the thirtieth day of  
20 January of the next succeeding year, except that annual payments to  
21 such city shall not be less than five hundred thousand dollars. Such  
22 city shall not levy or collect any license, occupation, or excise tax  
23 upon or from such district. All payments provided by this section  
24 shall be allocated by the district among the several utilities  
25 operated by it upon such basis as the district shall determine.

1                   Sec. 6. Section 14-2139, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3                   14-2139 A metropolitan utilities district shall pay to  
4 every city or village of any class, other than metropolitan, in which  
5 such district sells water or gas, or both, at retail, a sum  
6 equivalent to two percent of the annual gross revenue derived from  
7 all retail sales of water or gas, or both, sold by such district  
8 within the city or village, except that retail sales of gas shall not  
9 include the retail sale of natural gas used as vehicular fuel. Such  
10 sums shall be paid not later than the thirtieth day of January of the  
11 next succeeding year. Such cities or villages shall not levy or  
12 collect any license, occupation, or excise tax upon or from such  
13 district. All payments provided by this section shall be allocated by  
14 the district among the several utilities operated by it upon such  
15 basis as the district shall determine.

16                   Sec. 7. Original sections 14-2109, 14-2110, 14-2121,  
17 14-2126, and 14-2138, Reissue Revised Statutes of Nebraska, are  
18 repealed.