Proposal Number: 28

Name of Proposed Section: {Proposal contains multiple sections}

Suggested Article: Regulatory Powers

Introduced by: Commissioner McKenze Date Introduced: 6/23/2016 Date Reported for Second Reading: 1/31/2017 Date of Second Reading: 2/9/2017 Date Reported for Third Reading: Date Passed:

## Sec. 8-101 REGULATORY POWER.

The City may, as provided by law, exercise its police power over any trade, occupation, amusement, business or other activity within the City to regulate, provide, or prohibit except as authorized by permit, license, or franchise.

Sec. 8-102 APPELLATE REVIEW.

The City shall provide, by ordinance, for the review of administrative decisions of the City agencies which are not within the appellate jurisdiction created by other sections of this Charter.

### Sec. 8-201 LIMITATIONS ON A FRANCHISE.

- A. An irrevocable franchise, and all renewals, amendments and extensions of it, may be granted only by ordinance.
- **B.** The City may approve such an ordinance only after a public hearing has been held on it and after the grantee named in it has filed with the City Clerk its unconditional acceptance of the terms of the franchise.
- C. The ordinance may not take effect unless it has been approved by the voters of the City, where State law so requires, or, unless it has been approved by a two-thirds (2/3) majority of City Council members elect, where approval of the voters is not required by State law.
- D. When approval of the voters of the City is required, the ordinance as approved by the City shall be published in a daily newspaper of general circulation in the City not less than thirty (30) days before the election at which it is submitted to the

voters. The City may not call a special election unless the expense of holding the election has first been paid to the City Treasurer by the grantee.

E. A franchise for the use of the streets or other public places of the City or for the transaction of a local business may not be sold or transferred in any manner nor may a party other than the grantee use the franchise, unless the City consents by ordinance.

#### Sec. 8-202 STANDARD PROVISIONS OF A PUBLIC UTILITY FRANCHISE.

- A. A public utility franchise shall include provisions for fixing and periodically readjusting rates and charges at the direction of the City and for requiring the holder to supply necessary information and access to records and property.
- **B.** The City may, with respect to any public utility franchise granted, whether or not so provided in the granting ordinance:
  - 1. Repeal the franchise for(a) violation of or failure to comply with any of its provisions, (b) misuse or non-use, or (c) failure to comply any regulation imposed under authority of this Charter;
  - 2. Require proper and adequate extension and maintenance of plant facilities at the highest practicable standard of efficiency;
  - 3. Establish reasonable standards of service and quality products, and prevent unjust discrimination in service of rates;
  - 4. Require continuous and uninterrupted service to the public in accordance with the terms of the franchise throughout the entire period of the franchise;
  - 5. Impose other regulations determined by the City to be conducive to the health, safety, welfare and convenience of the public; or
  - 6. Require the public utility to permit joint use of its property and equipment, located in the streets and public places of the City, by the City and other utilities, insofar as joint use may be reasonably practicable. In the absence of agreement, upon application by the public utility, provide for arbitration of the terms and conditions of joint use.

### SEC. 8-201 GENERAL POWERS.

THE CITY SHALL POSSESS AND HEREBY RESERVES TO ITSELF ALL THE POWERS GRANTED TO CITIES BY STATE LAW TO ACQUIRE, CONSTRUCT, OWN, OPERATE, IMPROVE, ENLARGE, EXTEND, REPAIR, MAINTAIN, ENCUMBER, CONVEY, DISPOSE OF OR SELL, EITHER WITHIN OR WITHOUT ITS CORPORATE LIMITS, PUBLIC UTILITIES, INCLUDING BUT NOT LIMITED TO PUBLIC UTILITIES FOR TREATING AND SUPPLYING CLEAN WATER AND FOR SUPPLYING LIGHT, HEAT, POWER, GAS, SEWAGE TREATMENT, GARBAGE DISPOSAL, ELECTRONIC COMMUNICATIONS; AND ALSO TO SELL AND DELIVER THE PRODUCTS OR SERVICES THEREOF, BOTH WITHIN AND OUTSIDE ITS CORPORATE LIMITS, SUBJECT TO THE LIMITATIONS HEREIN CONTAINED. THE POWER TO SUPPLY SAID UTILITIES SERVICES, AS HEREIN POSSESSED AND RESERVED, SHALL INCLUDE THE POWER TO EXTRACT, PROCESS, MANUFACTURE, TRANSPORT OR PURCHASE THE SAME FROM OTHERS.

SEC. 8-202 ADMINISTRATION OF MUNICIPALLY OWNED AND OPERATED UTILITIES.

- C. ALL MUNICIPALLY OWNED AND OPERATED UTILITIES SHALL BE ADMINISTERED AS A REGULAR DEPARTMENT OF THE CITY GOVERNMENT UNDER THE MANAGEMENT AND SUPERVISION OF THE MAYOR.
- D. THE COUNCIL SHALL ENACT SUCH ORDINANCES AND ADOPT SUCH RESOLUTIONS AS MAY BE NECESSARY FOR THE MAINTENANCE, PROTECTION, PRESERVATION, CONTROL, FINANCING, AND OPERATION OF ANY PUBLIC UTILITY WHICH THE CITY MAY IN ANY MANNER ACQUIRE, OWN, OR OPERATE; AND ALL FIXTURES, APPURTENANCES, APPARATUS, BUILDING, AND MACHINERY CONNECTED THEREWITH OR BELONGING THERETO; AND TO CARRY IN EFFECT THE POWERS CONFERRED UPON THE CITY BY THE PROVISION OF THIS CHARTER AND BY STATE LAW.

SEC. 8-203 RATES

- A. THE COUNCIL SHALL FIX JUST AND REASONABLE RATES AND SUCH OTHER CHARGES AS MAY BE DEEMED ADVISABLE FOR SUPPLYING MUNICIPAL UTILITY SERVICES, AS PERMITTED BY STATE LAW. DISCRIMINATION IN RESIDENTIAL RATES SHALL NOT BE PERMITTED
- B. WITHIN TWO YEARS OF THE ENACTMENT OF THIS CHARTER THE CITY COUNCIL SHALL PASS AN ORDINANCE CREATING A PAYMENT ASSISTANCE PROGRAM FOR <del>LOW INCOME</del> RESIDENTIAL WATER AND SEWER CUSTOMERS IN NEED.

SEC. 8-204 COLLECTION OF MUNICIPAL UTILITY RATES AND CHARGES

THE COUNCIL SHALL PROVIDE BY ORDINANCE FOR THE COLLECTION OF RATES AND CHARGES FOR PUBLIC UTILITY SERVICES FURNISHED BY THE CITY. COUNCIL SHALL PASS AN ORDINANCE TO CREATE A

# DISPUTE RESOLUTION PROCESS TO ADDRESS UNPAID WATER BILLS LEFT BY TENANTS OR WATER LIENS FROM PREVIOUS OWNERS.

#### SEC. 8-205 ACCOUNTS AND FINANCES FOR PUBLIC UTILITIES

SEPARATE ACCOUNTS TERMED ENTERPRISE FUNDS SHALL BE KEPT FOR EACH PUBLIC UTILITY OWNED AND OPERATED BY THE CITY. SUCH ACCOUNTS SHALL BE CLASSIFIED AND MADE IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES. CHARGES, PURSUANT TO COST ATTRIBUTION PLAN, FOR ALL SERVICES FURNISHED TO, OR RENDERED BY, OTHER CITY DEPARTMENTS OR AGENCIES SHALL BE RECORDED AND AVAILABLE TO THE PUBLIC. AN ANNUAL REPORT, TO BE ON FILE IN THE OFFICE OF THE CITY CLERK FOR INSPECTION, SHALL BE PREPARED TO SHOW MORE ACCURATELY THE FINANCIAL POSITION OF THE UTILITY AND THE RESULTS OF ITS OPERATIONS. SUCH SYSTEM OF ACCOUNTS SHALL CONFORM TO THE UNIFORM CHART OF ACCOUNTS AS REQUIRED BY STATE LAW.

SEC. 8-206 DISPOSAL OF MUNICIPAL UTILITY PLANTS AND PROPERTY

THE CITY SHALL NOT SELL, EXCHANGE, LEASE, OR IN ANY WAY DISPOSE OF ANY PROPERTY, EASEMENT, EQUIPMENT, PRIVILEGE, OR ASSET NEEDED TO CONTINUE THE OPERATION OF ANY MUNICIPAL PUBLIC UTILITY, UNLESS THE PROPOSITION TO DO SO IS APPROVED BY AT LEAST THREE-FIFTHS (3/5) OF THE ELECTORS OF THE CITY VOTING **ON THE QUESTION AT A REGULAR OR SPECIAL CITY ELECTION. ALL** CONTRACTS, GRANTS, LEASES, OR OTHER FORMS OF TRANSFER IN VIOLATION OF THIS SECTION SHALL BE VOID AND OF NO EFFECT AS AGAINST THE CITY. THE RESTRICTIONS OF THIS SECTION SHALL NOT APPLY TO THE SALE OR EXCHANGE OF ARTICLES OF MACHINERY OR EOUIPMENT OF ANY MUNICIPALLY OWNED PUBLIC UTILITY. WHICH ARE NO LONGER USEFUL OR WHICH ARE REPLACED BY NEW MACHINERY OR EQUIPMENT; OR TO THE LEASING OF PROPERTY NOT NECESSARY FOR THE OPERATION OF THE UTILITY. OR TO THE **EXCHANGE OF PROPERTY OR EASEMENTS FOR OTHER NEEDED PROPERTY OR INTERESTS IN PROPERTY.** 

### SEC. 8-207 PUBLIC UTILITY FRANCHISES

INSOFAR AS PERMITTED BY STATE LAW, THE CITY MAY GRANT A FRANCHISE TO ANY PERSON FOR THE USE OF THE STREETS, ALLEYS, BRIDGES, AND OTHER PUBLIC PLACES OF THE CITY FOR THE FURNISHING OF ANY PUBLIC UTILITY, ELECTRONIC, TELEPHONIC, VIDEO OR COMMUNICATIONS SERVICES AND PUBLIC LIGHTING TO THE CITY AND ITS INHABITANTS. FRANCHISES AND RENEWALS, AMENDMENTS, AND EXTENSIONS THEREOF SHALL BE GRANTED ONLY BY ORDINANCE. PUBLIC UTILITY FRANCHISES SHALL INCLUDE PROVISIONS FOR FIXING RATES AND CHARGES, AND MAY PROVIDE FOR READJUSTMENTS THEREOF AT PERIODIC INTERVALS. THE CITY MAY, WITH RESPECT TO ANY PUBLIC UTILITY FRANCHISE GRANTED AFTER THE EFFECTIVE DATE OF THE CHARTER, WHETHER OR NOT SO PROVIDED IN THE GRANTING ORDINANCE:

- A. TERMINATE THE SAME FOR THE VIOLATION OF ANY OF ITS PROVISIONS, FOR THE MISUSE OR NONUSE THEREOF, FOR FAILURE TO COMPLY WITH ANY PROVISION THEREOF, OR ANY REGULATION IMPOSED UNDER AUTHORITY OF THIS SECTION,
- **B. REQUIRE PROPER AND ADEQUATE EXTENSION OF PLANT AND THE MAINTENANCE THEREOF AT THE HIGHEST PRACTICABLE STANDARD OF EFFICIENCY,**
- C. ESTABLISH REASONABLE STANDARDS OF SERVICE AND QUALITY OF PRODUCTS, AND PREVENT UNJUST DISCRIMINATION IN SERVICE OR RATES,
- D. IMPOSE OTHER REGULATIONS DETERMINED BY THE COUNCIL TO BE CONDUCIVE TO THE HEALTH, SAFETY, WELFARE, AND CONVENIENCE OF THE PUBLIC,
- E. REQUIRE THE PUBLIC UTILITY TO PERMIT JOINT USE OF ITS PROPERTY AND APPURTENANCES LOCATED IN THE STREETS, ALLEYS, BRIDGES, AND PUBLIC PLACES, BY THE CITY AND OTHER UTILITIES, INSOFAR AS SUCH JOINT USE MAY BE REASONABLY PRACTICABLE AND UPON PAYMENT OF REASONABLE RENTAL THEREFORE, AND, IN THE ABSENCE OF AGREEMENT, AND UPON APPLICATION BY THE PUBLIC UTILITY, PROVIDE FOR ARBITRATION OF THE TERMS AND CONDITIONS OF SUCH JOINT USE AND THE COMPENSATION TO BE PAID THEREFORE,
- F. REQUIRE THE PUBLIC UTILITY TO PAY ANY PART OF THE COST OF IMPROVEMENT OR MAINTENANCE OF STREETS, ALLEYS, BRIDGES, AND PUBLIC PLACES, THAT ARISES FROM ITS USE THEREOF, AND TO PROTECT AND HOLD THE CITY HARMLESS FROM ALL DAMAGES ARISING FROM SUCH USE, AND
- G. REQUIRE THE PUBLIC UTILITY TO FILE WITH THE MAYOR SUCH DRAWINGS AND MAPS OF THE LOCATIONS AND NATURE OF ITS FACILITIES, AS THE COUNCIL MAY REQUEST.

- H. REQUIRE THE PUBLIC UTILITY TO RESTORE, TO AS GOOD OR BETTER CONDITION ANY STREETS, ALLEYS, BRIDGES, AND PUBLIC PLACES THAT ARISES FROM ITS USE THEREOF.
- I. REQUIRE THE PUBLIC UTILITY TO REMOVE ALL STRUCTURES, EQUIPMENT, WIRES, CONDUITS, PIPES, AND THE LIKE FROM ANY STREETS, ALLEYS, BRIDGES, AND PUBLIC PLACES AND RESTORE ALL STREETS, ALLEYS, BRIDGES, AND PUBLIC PLACES TO AS GOOD OR BETTER CONDITION, UPON TERMINATION OF THE FRANCHISE.

SEC. 8-208 PUBLIC UTILITY FRANCHISES - GRANTING

- A. PUBLIC UTILITY FRANCHISES AND ALL RENEWALS, AND EXTENSIONS THEREOF AND AMENDMENTS THERETO, SHALL BE NEGOTIATED BETWEEN PARTIES AND GRANTED ONLY BY ORDINANCE OR AS OTHERWISE PROVIDED BY STATE LAW. NO FRANCHISE SHALL BE GRANTED FOR A LONGER PERIOD THAN THIRTY (30) YEARS.
- B. UNLESS OTHERWISE PREEMPTED BY STATE OR FEDERAL LAW, NO FRANCHISE ORDINANCE NOT SUBJECT TO REVOCATION AT THE WILL OF THE COUNCIL SHALL BE ENACTED NOR BECOME **OPERATIVE UNTIL THE ORDINANCE HAS BEEN PLACED ON THE BALLOT AT A REGULAR OR SPECIAL ELECTION AND RECEIVED** THE AFFIRMATIVE VOTE OF THE ELECTORS VOTING THEREON. NO SUCH FRANCHISE ORDINANCE SHALL BE APPROVED BY THE **COUNCIL FOR PLACEMENT ON THE BALLOT PRIOR TO THIRTY (30)** DAYS AFTER THE APPLICATION WAS FILED WITH THE COUNCIL NOR BEFORE A PUBLIC HEARING HAS BEEN HELD THEREON, NOR BEFORE THE GRANTEE NAMED THEREIN HAS FILED WITH THE CITY CLERK AN UNCONDITIONAL ACCEPTANCE OF ALL TERMS OF SUCH FRANCHISE. NO SPECIAL ELECTION FOR SUCH PURPOSE SHALL BE ORDERED UNLESS THE EXPENSE OF HOLDING SUCH ELECTION. AS DETERMINED BY THE COUNCIL. IS PAID TO THE **CITY TREASURER BY THE GRANTEE.**
- C. A FRANCHISE ORDINANCE, RENEWAL, EXTENSION, OR AMENDMENT THERETO, WHICH IS SUBJECT TO REVOCATION AT THE WILL OF THE COUNCIL MAY BE ENACTED BY THE COUNCIL WITHOUT REFERRAL TO THE VOTERS, BUT IT SHALL NOT BE ENACTED UNTIL IT HAS BEEN ON FILE IN THE OFFICE OF THE CITY CLERK FOR PUBLIC INSPECTION FOR AT LEAST FOUR (4) WEEKS AFTER PUBLICATION OF A NOTICE THAT SUCH ORDINANCE IS ON FILE.

SEC. 8-209 PUBLIC UTILITY FRANCHISES – CONDITIONS

UNLESS OTHERWISE PREEMPTED BY STATE OR FEDERAL LAW, ALL PUBLIC UTILITY FRANCHISES GRANTED AFTER THE ADOPTION OF THIS CHARTER, WHETHER IT BE SO PROVIDED IN THE GRANTING ORDINANCE OR NOT SHALL BE SUBJECT TO THE FOLLOWING RIGHTS OF THE CITY. THIS ENUMERATION SHALL NOT BE EXCLUSIVE OR IMPAIR THE RIGHT OF THE COUNCIL TO INSERT INTO SUCH FRANCHISE ANY PROVISION WITHIN THE POWER OF THE CITY TO IMPOSE OR REQUIRE:

- A. TO REPEAL THE SAME FOR MISUSE, NON-USE, OR FAILURE TO COMPLY WITH THE PROVISIONS THEREOF,
- **B.** TO REQUIRE ADEQUATE EXTENSIONS OF PLANT AND SERVICE AND MAINTENANCE THEREOF AT THE HIGHEST PRACTICABLE STANDARD OF EFFICIENCY,
- C. TO ESTABLISH REASONABLE STANDARDS OF SERVICE AND QUALITY OF PRODUCTS AND PREVENT UNJUST DISCRIMINATION IN SERVICE OR RATES,
- D. TO REQUIRE CONTINUOUS AND UNINTERRUPTED SERVICE TO THE PUBLIC IN ACCORDANCE WITH THE TERMS OF FRANCHISE THROUGHOUT THE ENTIRE LENGTH THEREOF,
- E. TO USE, CONTROL, AND REGULATE THE USE OF ITS STREETS, ALLEYS, BRIDGES, AND OTHER PUBLIC PLACES AND THE SPACE ABOVE AND BENEATH THEM, AND
- F. TO IMPOSE SUCH OTHER REGULATIONS AS MAY BE DETERMINED BY THE COUNCIL TO BE CONDUCIVE TO THE SAFETY, WELFARE AND ACCOMMODATION OF THE PUBLIC.

SEC. 8-210 AVAILABILITY OF PROPOSED ORDINANCES

EVERY ORDINANCE GRANTING A FRANCHISE, LICENSE, OR RIGHT TO OCCUPY OR USE STREETS, ALLEYS, BRIDGES, OR PUBLIC PLACES SHALL REMAIN ON FILE WITH THE CITY CLERK FOR PUBLIC INSPECTION IN ITS FINAL FORM FOR AT LEAST FOUR (4) WEEKS BEFORE THE FINAL ADOPTION THEREOF, OR THE APPROVAL THEREOF FOR REFERRAL TO THE ELECTORATE.

SEC. 8-211 PLANS OF FACILITIES IN STREETS AND PUBLIC PLACES

A. THE COUNCIL SHALL, BY ORDINANCE, REQUIRE AS A CONDITION TO THE PLACING OR INSTALLMENT THEREOF, THAT EACH PUBLIC UTILITY CONDUCTING A BUSINESS IN THE CITY, FILE WITH THE CITY ADMINISTRATOR A DUPLICATE COPY OF LAYOUT PLANS, PIPES, CONDUITS, AND OTHER FACILITIES WHICH ARE TO BE PLACED ON, UNDER, OR ABOVE THE SURFACE OF THE CITY'S STREETS, ALLEYS, BRIDGES, AND PUBLIC PLACES.

- B. TO THE EXTENT PERMITTED BY STATE LAW, EVERY PUBLIC UTILITY SHALL PAY SUCH PART OF THE COST OF IMPROVEMENT OR MAINTENANCE OF STREETS, ALLEYS, BRIDGES, AND OTHER PUBLIC PLACES AS SHALL ARISE FROM ITS USE THEREOF AND SHALL PROTECT AND HOLD THE CITY HARMLESS FROM ALL DAMAGES ARISING FROM SAID USE.
- C. EVERY SUCH PUBLIC UTILITY SHALL BE REQUIRED BY THE CITY TO PERMIT JOINT USE OF ITS PROPERTY AND APPURTENANCES LOCATED IN THE STREETS, ALLEYS, BRIDGES, AND OTHER PUBLIC PLACES OF THE CITY, BY THE CITY AND OTHER UTILITIES INSOFAR AS SUCH JOINT USE MAY BE REASONABLY PRACTICABLE, UPON PAYMENT OF REASONABLE RENTAL THEREFORE. IN THE ABSENCE OF AGREEMENT AND UPON APPLICATION BY ANY PUBLIC UTILITY, THE COUNCIL SHALL PROVIDE FOR ARBITRATION OF THE TERMS AND CONDITIONS OF SUCH JOINT USE AND THE COMPENSATION TO BE PAID THEREFORE.

**SEC. 8-212 TEMPORARY PERMITS** 

TEMPORARY PERMITS FOR PUBLIC UTILITIES, REVOCABLE AT ANY TIME AT THE WILL OF THE COUNCIL, MAY BE GRANTED BY THE COUNCIL BY RESOLUTION, ON SUCH TERMS AND CONDITIONS AS IT SHALL DETERMINE, PROVIDED THAT SUCH PERMITS SHALL IN NO EVENT BE CONSTRUED TO BE FRANCHISES OR AMENDMENTS TO FRANCHISES. A TEMPORARY PERMIT SHALL BE SUBJECT TO THE RIGHTS OF THE CITY TO MAKE INDEPENDENT AUDIT AND EXAMINATION OF ACCOUNTS AT ANY TIME, AND TO REQUIRE REPORTS ANNUALLY OR AT MORE FREQUENT INTERVALS AS PRESCRIBED BY RESOLUTION OF THE COUNCIL. WHEN THE COUNCIL DEEMS IT IN THE PUBLIC INTEREST, SUCH PERMITS MAY BE EXCLUSIVE.

**SEC. 8-213 EXISTING FRANCHISES AND PERMITS** 

ALL FRANCHISES AND PERMITS TO WHICH THE CITY OF FLINT IS A PARTY WHEN THIS CHARTER BECOMES EFFECTIVE SHALL REMAIN IN FULL FORCE AND EFFECT ACCORDING TO EACH AGREEMENT.

## SEC. 8-214 PURCHASE – CONDEMNATION

# THE CITY SHALL HAVE THE RIGHT TO ACQUIRE, BY CONDEMNATION OR OTHERWISE, THE PROPERTY OF ANY PUBLIC UTILITY IN ACCORDANCE WITH GENERAL LAW.

## SEC. 8-215 TELECOMMUNICATIONS ADVISORY COUNCIL

# THE TELECOMMUNICATIONS ADVISORY COUNCIL, ESTABLISHED PURSUANT TO ARTICLE 6, SHALL REVIEW ALL FRANCHISE AGREEMENTS TWELVE MONTHS BEFORE THEY EXPIRE AND PROVIDE RECOMMENDATIONS TO CITY COUNCIL AND THE MAYOR AS TO HOW TO ADDRESS THE TELECOMMUNICATION NEEDS OF CITIZENS.<sup>1</sup>

#### Sec. 8-301 PURCHASE AND SUPPLIES.

- A. The head of Purchase and Supplies shall be a member of the Classified Service and shall be appointed **DESIGNATED**<sup>2</sup> by the Mayor with the approval of the City Council. This person shall be responsible for the purchase and distribution of all supplies, materials, and equipment needed by the City.
- B. No purchase may be made by the City unless the chief finance officer advises that there is an unencumbered balance in the appropriation against which the purchase is to be charged to pay for the purchase.
- C. The City shall, by ordinance, establish procedures to protect the interests of the City and to assure fairness in procuring property and services. The ordinance shall require competitive bidding for purchases and contracts but there may be cases clearly defined in the ordinance, in which competitive bidding is not required. The ordinance shall define "lowest responsible bidder."
- D. The head of Purchase and Supplies shall be responsible for the sale, lease and transfer in the ordinary course of City operations all personal property of the City which is unsuitable for continued use.
- E. The City shall, by ordinance, establish procedures to protect the interests of the City and to assure fairness in disposing of personal property. The ordinance shall require competitive bidding for all sales, leases and transfers but there may be cases, clearly defined in the ordinance, in which competitive bidding is not required. The ordinance shall define the dispositions of public property which are not in the ordinary course of City operations and shall provide a procedure for such dispositions.

<sup>&</sup>lt;sup>1</sup> Amended in Committee of the Whole 1/31/2017, 3/7/2017

<sup>&</sup>lt;sup>2</sup> Amended in Committee of the Whole 1/24/2017

F. The provisions of this section do not apply to the Board of Hospital Managers.