

AGENDA REPORT

Revised

DATE November 15, 2005

ITEM Resolutions 9529 and Resolutions 9530, Adopting the Electric City Power Inc. Articles of Incorporation and Bylaws

INITIATED BY Coleen Balzarini, Fiscal Services Director

ACTION REQUESTED Adopt Resolutions 9529 and 9530

PREPARED BY Peggy Bourne, City Clerk

PRESENTED BY Coleen Balzarini, Fiscal Services Director

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RECOMMENDATION: Staff recommends the City Commission adopt Resolutions 9529 and 9530 which formally approves the Articles of Incorporation and Bylaws for Electric City Power Inc.

MOTION 1: I move the City Commission adopt Resolution 9529.

and

MOTION 2: I move the City Commission adopt Resolution 9530.

SYNOPSIS: Adoption of Resolutions 9529 and 9530 formally approves the Articles of Incorporation and the Bylaws for the newly created Electric City Power Inc., a non-profit corporation.

BACKGROUND: On November 1, 2005, the City Commission adopted Ordinance 2925 which restructured Electric City Power as a non-profit organization. OCCGF 5.20.040 states that the City Commission shall approve the articles of incorporation and the bylaws by resolution. Resolutions 9529 and 9530 are submitted to the Commission for consideration in order to comply with this ordinance requirement.

The Articles of Incorporation specify that the only member of the corporation is the City of Great Falls and that the corporation is organized for the transaction of any lawful activity as provided by the Nonprofit Corporation Act. The Articles also state that the Corporation shall not issue or incur bonds, notes or indebtedness without permission from the City Commission. Additionally, the Non-profit Corporation can not obligate the faith and credit of the City.

Highlights of the By-Laws include the structure of the Board of Directors which will consist of five directors appointed by the City Commission. The term of office for each of the Directors is a staggered six year term. The stagger shall be 2, 2 and 1 appointed every two years. The director may also be removed by the governing body for no cause. ~~until he/she resigns or is removed by the governing body.~~ Offices such as chairman, vice-chairman and secretary are determined and described. Additionally, the By-Laws specify that all meetings are subject to the open meeting law and that records shall be maintained and are public.

The Board cannot change either the Articles of Incorporation or By-laws. Any changes or amendments to these documents must be done by adoption of an amendment resolution by the City Commission.

Ordinance 2925 also stipulated that a vote of four-fifths of the members of the City Commission (super-majority vote) shall be required in order to: remove any Director; approve the dissolution of the Corporation; approve the sale of all or a substantial portion of the assets; or to eliminate the super-majority requirement.

Attachments: Resolution 9529
Resolution 9530