

**CHAPTER 2  
MAYOR & COUNCIL**

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## CHAPTER 2 MAYOR AND COUNCIL

### ARTICLE 2-1 COUNCIL

- 2-1-1 Elected Officers
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#### Section 2-1-1 Elected Officers

The elected officers of the City shall be seven Councilmen, one of whom shall be designated as Mayor in accordance with Section 2-2-1. The Mayor and Councilmen shall constitute the Council and shall continue in office until assumption of duties of office by their duly elected successors.

#### Section 2-1-2 Corporate Powers

The corporate powers of the City shall be vested in the Council and shall be exercised only as directed or authorized by law. All powers of the Council shall be exercised by ordinance, resolution, order or motion.

#### Section 2-1-3 Duties of Office

Councilmen shall assume the duties of office at the regularly scheduled Council meeting next following the date of the general election at which, or effective as of the date of which, the Councilmen were elected.

#### Section 2-1-4 Vacancies in Council

The Council shall fill by appointment for the unexpired term any vacancy that may occur for whatever reason.

#### Section 2-1-5 Compensation

The compensation of elective officers of the City shall be fixed from time to time by resolution of the Council; provided, that the compensation allowed to the Mayor and Councilmen shall not exceed that allowed by State Statutes.

Section 2-1-6 Oath of Office

Immediately prior to assumption of the duties of office, each Councilman shall, in public, take and subscribe to the oath of office.

Section 2-1-7 Bond

Prior to taking office, every Council member shall execute and file an official bond, enforceable against the principal and his sureties, conditioned on the due and faithful performance of his official duties, payable to the state and to and for the use and benefit of the City or any person who may be injured or aggrieved by the wrongful act or default of such officer in his official capacity. A person so injured or aggrieved may bring suit on such bond under provisions identical to those contained in Section 38-260 of the ARIZONA REVISED STATUTES. Bonds shall be in such sum as shall be provided by resolution and the premium for such bonds shall be paid by the City.

In the alternative, the city manager may, at the direction of the Mayor and the Common Council, procure insurance coverage from city underwriters sufficient to meet or exceed the foregoing statutory bond requirements.

[Amended Ord. 532-08]

Section 2-1-8 Financial Disclosure Statements

The Mayor and each member of the Council shall file by January 31 of each year, on a form prescribed by the clerk, a financial disclosure statement, setting forth such information as determined by resolution of the Council.

**ARTICLE 2-2 MAYOR**

- 2-2-1 Direct Election of the Mayor
- 2-2-2 Vice Mayor
- 2-2-3 Acting Mayor
- 2-2-4 Powers and Duties of the Mayor
- 2-2-5 Intentionally left blank - Repealed by Ord. 541-08
- 2-2-6 Failure to Sign Documents
- 2-2-7 Intentionally left blank - Repealed by Ord. 541-08

Section 2-2-1 Direct Election of the Mayor

Beginning with the election to be held on 1989, the Mayor of the City of Page shall be directly elected by the qualified electors of the City.

The term of office of the Mayor shall be two (2) years.

[Amended Ord. 190-87]

### Section 2-2-2 Vice Mayor

The Council shall designate one of its members as Vice Mayor, who shall serve at the pleasure of the Council. The Vice Mayor shall perform the duties of the Mayor during the Mayor's absence or disability.

[Amended Ord. 541-08]

### Section 2-2-3 Acting Mayor

In the absence or disability of both the Mayor and Vice Mayor, the Council may designate another of its members to serve as acting Mayor who shall have all the powers, duties and responsibilities of the Mayor during such absence or disability.

### Section 2-2-4 Powers and Duties of the Mayor

The powers and duties of the Mayor shall include the following:

- A. He shall be the chief executive officer of the City.
- B. He shall be the chairman of the Council and preside over its meetings. He may make and second motions and shall have a voice and vote in all its proceedings.
- C. He shall enforce the provisions of this code.
- D. He shall execute and authenticate by his signature such instruments as the Council, or any statutes, ordinances or this code shall require.
- E. He shall make such recommendations and suggestions to the Council as he may consider proper.
- F. He shall take command of the police force of the City and govern by proclamation in the event of the threat of or occurrence of acts of natural disaster, riot, rout or affray sufficient to constitute great danger to the City and its residents.
  1. In such areas of the City as shall be designated by the Mayor by proclamation under the conditions set forth in this section, and within the area within all or any part of the City so designated by the Mayor, a curfew shall be in effect the hours of each day designated in the proclamation, and all persons living or residing within any such designated area shall go immediately to their homes, and remain there until the curfew is lifted by order of the Mayor, and all other persons not residing within the designated area shall immediately leave.

2. During the imposition of any curfew as set forth in this section, all business establishments in the designated curfew area having on their premises intoxicating beverages shall be closed during the state of emergency and until the curfew is lifted.

G. He shall perform such other duties required by State statute and this code as well as those duties required as chief executive officer of the City.

#### Section 2-2-5

[Intentionally left blank – Repealed by Ord. 541-08]

#### Section 2-2-6 Failure to Sign Documents

If the Mayor refuses or is not available to sign any ordinance, resolution, contract, or other document requiring the Mayor's signature, the Vice Mayor shall execute the document. If the Vice Mayor refuses or is not available to sign the document, any other member of the Common Council shall execute the document upon request of the city manager or city clerk.

[Amended Ord. 541-08]

#### Section 2-2-7

[Intentionally left blank – Repealed by Ord. 541-08]

### **ARTICLE 2-3 COUNCIL ELECTION**

- 2-3-1 Primary Election
- 2-3-2 Non-Political Ballot
- 2-3-3 General Election Nomination
- 2-3-4 Election to Office
- 2-3-5 Candidate Financial Disclosure

#### Section 2-3-1 Primary Election

Any candidate who shall receive at the primary election a majority of all the votes cast shall be declared to be elected to the office for which he is a candidate effective as of the date of the general election, and no further election shall be held as to said candidate; provided that if more candidates receive a majority than there are offices to be filled, those candidates equal in number to the offices to be filled with the highest number of votes shall be declared elected.

In calculating the votes cast in the City Primary Election for purposes of determining if a candidate for the office of Mayor or Council has received a

majority of the votes cast, the basis shall be the number of votes cast for the office of Mayor at that election.

[Added Ord. 604-13]

Section. 2-3-2 Non-Political Ballot

Nothing on the ballot in any election shall be indicative of the support of the candidate.

Section 2-3-3 General Election Nomination

If at any primary election held as above provided there be any office for which no candidate is elected, then as to such office, the primary election shall be considered to be a primary election for nomination of candidates for such office, and the general municipal election shall be held to vote for candidates to fill such office. Candidates to be placed on the ballot at the general municipal election shall be those not elected at the primary election and, shall be equal in number to twice the number to be elected to any given office or less than that number if there be less than that number named on the primary election ballot. Persons who receive the highest number of votes for the respective offices at such first election shall be the only candidates at such second election, provided that if there be any person who, under the provisions of this article, would have been entitled to become a candidate for any office except for the fact that some other candidate received an equal number of votes therefore, then all such persons receiving an equal number of votes shall likewise become candidates for such office.

Section 2-3-4 Election to Office

The candidates equal in number to the persons to be elected who receive the highest number of votes shall be declared elected.

Section 2-3-5 Candidate Financial Disclosure

Each candidate for the office of Mayor or Councilman shall file a financial disclosure statement on a form prescribed by the Clerk when such candidate files a nomination paper. The statement shall contain information as required by resolution of the Council.

**ARTICLE 2-4 COUNCIL PROCEDURE**

- 2-4-1 Regular Meetings
- 2-4-2 Special Meetings
- 2-4-3 Meetings to be Public
- 2-4-4 Quorum
- 2-4-5 Agenda
- 2-4-6 Order of Business

- 2-4-7 Committees and Commissions
- 2-4-8 Voting
- 2-4-9 Suspension of Rules

#### Section 2-4-1 Regular Meetings

The Council shall hold regular meetings on the 2nd and 4th Wednesday of each month at 6:30 p.m., provided that when the day fixed for any regular meeting of the Council falls upon a day designated by law as a legal holiday, or federal, state or city election day, such meeting shall be held at the same hour on the next succeeding day, not a holiday, or election day. All regular meetings of the Council shall be held in the Page Council Chambers at said time or at such other location or time as the Council may previously have designated by a majority vote thereof. A regular meeting of the Council may be held on such other day of the month as the Council may previously have designated by a majority vote thereof provided, however, that such other day of the month does not exceed more than seven (7) days before or after the regular meeting date being advanced or delayed.

[Amended Ord. 582-12]

#### Section 2-4-2 Special Meetings

The Mayor, or the Manager upon the written request of four members, may convene the Council at any time after giving at least twenty-four hours notice of such meeting to members of the Council and the general public. The notice shall include the date, hour and purpose of such special meeting. In the case of an actual emergency a meeting may be held upon such notice as is appropriate to the circumstances.

#### Section 2-4-3 Meetings to be Public

- A. All official meetings of the Council at which any legal action is taken shall be open to the public and all persons so desiring shall be permitted to attend and listen to the deliberations and proceedings. Upon a public majority vote of the Council members constituting a quorum, the Council may meet in a closed executive session but only for a discussion of the following:
  - 1. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body except that, with the exception of salary discussions, an officer, appointee or employee may demand that such discussion or consideration occur at a public meeting. The public body shall provide the officer, appointee or employee with written notice of the executive session as is appropriate but not less than twenty-four

hours for the officer, appointee or employee to determine whether the discussion or consideration should occur at a public meeting.

2. Discussion or consideration of records exempt by law from public inspection, including the receipt and discussion of information or testimony that is specifically required to be maintained as confidential by state or federal law.
  3. Discussion or consultation for legal advice with the attorney or attorneys of the public body.
  4. Discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation.
  5. Discussions or consultations with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations with employee organizations regarding the salaries, salary schedules or compensation paid in the form of fringe benefits of employees of the public body.
  6. Discussion, consultation, or consideration for international and interstate negotiations or for negotiations by a city or town, or its designated representatives, with members of a tribal council, or its designated representatives, of an Indian reservation located within or adjacent to the City.
  7. Discussions or consultations with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property.
- B. Minutes of and discussions made at executive sessions shall be kept confidential except from:
1. Members of the public body which met in executive session.
  2. Officers, appointees or employees who were the subject of discussion or consideration pursuant to subsection A, paragraph 1 of this section.
  3. The auditor general on a request made in connection with an audit authorized as provided by law.

4. A county attorney or the attorney general when investigating alleged violations of this article.
- C. The public body shall instruct persons who are present at the executive session regarding the confidentiality requirements of this article.
- D. Legal action involving a final vote or decision shall not be taken at an executive session, except that the public body may instruct its attorneys or representatives as provided in subsection A, paragraphs 4, 5 and 7 of this section. A public vote shall be taken before any legal action binds the public body.
- E. Except as provided in ARS Section 38-431.02, subsections I and J, a public body shall not discuss any matter in an executive session which is not described in the notice of the executive session.
- F. Disclosure of executive session information pursuant to ARS § 38-431.03 or 38-431.06 does not constitute a waiver of any privilege, including the attorney-client privilege. Any person receiving executive session information pursuant to ARS § 38-431.03 or § 38-431.06 shall not disclose that information except to the attorney general or county attorney, by agreement with the public body or to a court in camera for purposes of enforcing this article. Any court that reviews executive session information shall take appropriate action to protect privileged information.

[Amended Ord. 432-01]

#### Section 2-4-4 Quorum

A majority of the Councilmen shall constitute a quorum for transacting business but a lesser number may adjourn from time to time and compel the attendance of absent members.

#### Section 2-4-5 Agenda

- A. Notice. The City Clerk shall give notice of each meeting of the Council to whom and in the manner as prescribed in the Arizona Revised Statutes. The agenda shall be considered a part of all notice of Council meetings. The City Council may instruct the City Clerk to give any other notice that they deem necessary. The City Clerk may mail copies of the agenda when request to do so is accompanied by a self-addressed, postage prepaid envelope.

[Amended Ord. 77-82]

- B. Preparation. The City Clerk shall prepare a tentative agenda of all proposed items received by the close of business on the Wednesday prior to the Regular Council Meeting. The City Clerk shall prepare the final

agenda on the Thursday prior to the Regular Council Meeting from the proposed agenda including all items on the proposed agenda that backup material has been received by 12 o'clock noon on that Thursday. Copies of the agenda, including backup material, shall be distributed as follows: one each to Mayor and Council members, Officers of the City, Department Heads, Media, Library (for the public), the City Hall Bulletin Board (for the public), and any other person or organization when directed by Council. Special meetings called under Section 2-4-2 need not follow this outline, however, notice thereof shall be given in a manner consistent with State Statutes. If a regular holiday falls on the Thursday that agendas are to be completed, the preparation time shall be adjusted accordingly.

[Amended Ord.77-82]

- C. Additions. Additions may be made to the agenda after the deadlines set by Section 2-4-5(B) by the City Manager or any member of City Council.

[Amended Ord.110-84]

#### Section 2-4-6 Order of Business

The business of the Council shall be taken up for consideration and disposition in the following order:

- A. Call to Order. The Mayor as the presiding official shall take his place at the Council table; and when time for the meeting to start, as determined by him shall call the meeting to order. When the Mayor is absent, the Vice Mayor shall assume the duties of the Mayor. If both the Mayor and Vice Mayor are absent, the City Clerk shall call the meeting to order. When a quorum is not present, the City Clerk may postpone the meeting until a quorum is present, postpone the meeting to a date and time certain, or adjourn the meeting. When a quorum is present, the Council shall choose one of their body to serve as Mayor protempore for that meeting and to assume the duties of the Mayor. Upon the arrival of the Mayor or the Vice Mayor, the Vice Mayor or Mayor protempore shall immediately relinquish the chair upon the conclusion of the business immediately before the Council. The Mayor shall conduct the Council meetings in accordance with "Roberts Rules of Order".

[Amended Ord.77-82]

- B. Invocation.

[Amended Ord.77-82]

- C. Pledge of Allegiance.

[Amended Ord.77-82]

- D. Roll Call. The Mayor shall indicate each Councilman present and absent and other officers present. At this time the Mayor shall determine if there is a quorum present. If a quorum is present, the meeting may continue. If

a quorum is not present, the Mayor may adjourn or postpone the meeting, or Council may act under authority of Section 2-4-4.

[Amended Ord.77-82]

- E. Priority List. Council may consider items on the priority list. Council may add or remove items.

[Amended Ord.77-82]

- F. Minutes. Council shall consider those minutes of previous Council meetings on the agenda and included in their packets. Council shall note any errors and approve such minutes. All errors noted shall be corrected.

[Amended Ord.77-82]

- G. Consent Portion. The consent portion of agenda is a means of expediting routine matters that must be acted on by Council. All items approved will be done by one nondebatable motion passed unanimously. Any item may be removed for debate on request of any member of Council. Items removed from the Consent Portion become the first items of business on the regular agenda.

[Amended Ord.77-82]

- H. Hearings. Council may set hearings or public hearings and shall conduct hearings previously set.

[Amended Ord.77-82]

- I. Citizens. Petitions, remonstrances, communications and comments or suggestions from citizens present, shall be heard by the Council. All such remarks shall be addressed to the Council as a whole, and not to any member thereof. Such remarks shall be limited to ten minutes, unless additional time is granted by the Council. No person other than the individual speaking shall enter into the discussion without the permission of the presiding officer. No question shall be asked a Councilman except through the presiding officer.

[Amended Ord.113-84]

- J. Unfinished Business. The Council shall consider any business that has been previously considered and which is still unfinished.

[Amended Ord.113-84]

- K. New Business. The Council shall consider any business not heretofore considered.

[Amended Ord.113-84]

- L. Bids. Council may authorize staff to seek bids. Council shall consider bids received and award contracts.

[Amended Ord.113-84]

M. Reports. The Mayor, Councilmen, other City Officials, Department Heads, Boards or Commissions shall present any reports required either to inform Council or to gain action by Council.

Mayor  
Manager  
Attorney  
Council  
Boards & Commissions  
Departments

[Amended Ord.113-84]

N. Claims. The City Council shall consider all claims listed on the agenda. Claims shall be approved or disapproved for payment.

[Amended Ord.113-84]

O. Budget. This Council business category may be added to every agenda during the time that City Council is considering the proposed budget.

[Amended Ord.113-84]

P. Adjournment. The Council may, by a majority vote of those present, adjourn from time to time to a specific date and hour. A motion to adjourn shall always be in order and decided without debate.

[Amended Ord.113-84]

The Mayor, with the approval of the Council, may move forward or hold until later in the meeting any item on the agenda. Except as provided in ARS Section 38-431.02(J), no decision may be made by Council on any item unless it appears on the Council agenda.

[Amended Ord.77-82]

#### Section 2-4-7 Committees and Commissions

The Council may create such committees and commissions, standing or special, as it deems necessary. They shall consist of as many members and shall perform such duties as the Council may require and shall exist at the pleasure of the Council.

#### Section 2-4-8 Voting

A. The Mayor shall vote as a member of the Council.

- B. Upon the request of any member, the ayes and nays upon any questions shall be taken and entered in the minutes.

Section 2-4-9 Suspension of Rules

Any of the provisions of this article may be temporarily suspended in connection with any matter under consideration by a recorded vote of three (3)-fourths of the members present, except that this section shall not be construed to permit any action that is contrary to state statutes.

**ARTICLE 2-5 ORDINANCES, RESOLUTIONS AND CONTRACTS**

- 2-5-1 Prior Approval
- 2-5-2 Introduction
- 2-5-3 Same Day Passage Prohibited
- 2-5-4 Two Separate Readings
- 2-5-5 Requirements for an Ordinance
- 2-5-6 Effective Date of Ordinances
- 2-5-7 Signatures Required
- 2-5-8 Publishing Required
- 2-5-9 Posting Required

Section 2-5-1 Prior Approval

All ordinances, resolutions and contract documents shall, before presentation to the Council, have been reviewed as to form by the Attorney and shall, when there are substantive matters of administration involved, be referred to the person who is charged with the administration of the matters. Such person shall have an opportunity to present his comments, suggestions and objections, if any, prior to the passage of the ordinance, resolution or acceptance of the contract.

Section 2-5-2 Introduction

Ordinances, resolutions and other matters or subjects requiring action by the Council, shall be introduced and sponsored by a member of the Council, except that the Attorney or the Manager may present ordinances, resolutions and other matters or subjects to the Council and any Councilman may assume sponsorship thereof by moving that such ordinance, resolution, matter or subject be adopted; otherwise they shall not be considered.

Section 2-5-3 Same Day Passage Prohibited

No ordinance except emergency ordinances shall be put on its final passage on the same day on which it was introduced.

#### Section 2-5-4 Two Separate Readings

All ordinances except emergency ordinances shall have two separate readings, but the first and the second reading shall never be made on the same day. The first reading may be by title only, but the second reading shall be in full unless the Council, in possession of printed copies of said ordinance, shall unanimously allow reading by title only.

#### Section 2-5-5 Requirements for an Ordinance

Each ordinance may have only one subject, the nature of which is clearly expressed in the title. Whenever possible, each ordinance shall be introduced as an amendment to this code or to an existing ordinance and, in such case, the title of the sections to be amended shall be included in the ordinance.

#### Section 2-5-6 Effective Date of Ordinances

No ordinance, resolution or franchise shall become operative until thirty days after its passage by the Council and approval by the Mayor, except measures necessary for the immediate preservation of the peace, health or safety of the city, but such an emergency measure shall not become immediately operative unless it states in a separate section the reason why it is necessary that it should become immediately operative and, unless it is approved by the affirmative vote of three (3)-fourths of all the members elected to the Council, taken by ayes and nays.

#### Section 2-5-7 Signatures Required

Every ordinance passed by the Council shall, before it becomes effective, be signed by the Mayor and attested by the Clerk.

#### Section 2-5-8 Publishing Required

Only such orders, resolutions, motions, regulations or proceedings of the Council shall be published as may be required by state statutes or expressly ordered by the Council.

#### Section 2-5-9 Posting Required

Every ordinance imposing any penalty, fine, forfeiture or other punishment shall, after passage, be posted by the Clerk in three (3) or more public places within the City and an affidavit of the person who posted the ordinances shall be filed in the office of the Clerk as proof of posting.

**ARTICLE 2-6 PLANNING AND ZONING COMMISSION**

[Repealed by Ord. 622-15]

**ARTICLE 2-7 CEMETERY BOARD**

[Repealed by Ord. 393-99]

**ARTICLE 2-8 PAGE UTILITY ENTERPRISES**

- 2-8-1 Definitions; Delegation of Powers
- 2-8-2 PUE Board: Composition and Selection; Term; Attendance, Compensation, and Reimbursement; Offices; Meetings, Records, and Voting
- 2-8-3 PUE Management: Board Oversight; Hiring of Utilities General Manager; Oversight of Utilities General Manager; Relationship with City Staff; Facilities; Legal Counsel and Other Consultants; Litigation; Reports to Council; General Contracts; Power Contracts; Services; Authority to Provide Energy without Charge; Duties of Utilities General Manager; System Maintenance and Inspection; Coordination with City Manager; Personnel; Purchasing; Customer Relations; Monthly Reports; and Surety Bond
- 2-8-4 Finances and Purchasing: PUE Finances; Operating and Reserve (Enterprise) Accounts; Annual Budget; Purchasing; and Annual Audit
- 2-8-5 Personnel
- 2-8-6 Rates: Setting Rates; PUE Reserves; City User Fee; and Annual Rate Review/Rate Change
- 2-8-7 [Repealed by Ordinance No. 588-12]
- 2-8-8 [Repealed by Ordinance No. 588-12]
- 2-8-9 Repeal
- 2-8-10 Severability

**Section 2-8-1 Definitions; Delegation of Powers**

- A. Definitions. In this Article, the following terms shall mean:
  - 1. Board: Page Utilities Board or any successor name that the Council may assign to such board pursuant to Section 2-8-7 of this Article;
  - 2. City: City of Page;
  - 3. City User Fee (or "Franchise Fee"): the meaning ascribed in Section 2-8-6 of this Article;
  - 4. Code: Code of the City of Page;
  - 5. Council: Mayor and Common Council of the City of Page;

- 6. Enterprise: Electric, Sewer and Water Funds
  - 7. Intervenors: the meaning ascribed in Section 2-8-6 of this Article;
  - 8. PUE: Page Utility Enterprises.
- B. Delegation of Powers. The Council delegates to the Board and the Utilities General Manager responsibility over the operation, management, and control of PUE pursuant to the provisions and restrictions set forth in this Article. Except as provided in this Article, the Board and the Utilities General Manager shall not have any other authority without approval of the Council.

[Amended Ord. 588-12]

Section 2-8-2 PUE Board: Composition and Selection; Term; Attendance, Compensation, and Reimbursement; Offices; Meetings, Records, and Voting

- A. Composition and Selection. The Board shall be composed of a total of six (6) members who shall live within the city limits of Page, Arizona. Five (5) members, who are not Council members, shall be appointed by resolution of the Council. The sixth member of the Board shall be the Mayor or designee who shall serve as an ex-officio member without the privilege of voting.

Prior to appointment of members, the City shall advertise the position at least twice in a newspaper of general circulation within the City. The Board or a ratepayer may recommend one or more persons who are qualified for appointment to the Board. Council shall act promptly to fill vacancies on the Board.

Inasmuch as the Council has exercised its authority to expand the responsibilities of the Board to include other City utilities, at least one person with expertise, interest, or experience in an additional utility shall be appointed to fill the first vacant position.

- B. Term of Office. The term of office of each appointed member of the Board shall be five (5) years, except that the term of a person appointed to fill a vacancy shall be for the unexpired term.
- C. Member Attendance at Meetings, Compensation, and Reimbursement. Unexcused failure of any member of the Board to attend three (3) consecutive meetings, or seventy-five percent (75%) of the meetings of the Board in one year, shall be considered cause for removal from the Board. Removal shall occur by action of the Council. The Board chairperson shall have authority to excuse absences; provided, however, that any Board member may request members to vote on the question of whether one or more absences should be excused.

Board members shall not receive compensation for their services but shall be reimbursed for actual and necessary traveling and incidental expenses. Expenses shall be approved and audited by the Board and paid in the same manner as other expenses.

D. Offices. The Board shall elect a chairperson and vice chairperson from among its own members who shall serve for one year or until successors are elected and qualified. The chairperson shall preside at all meetings. The chairperson shall have the authority to administer oaths, take testimony, and receive evidence. The vice chairperson shall perform the duties of the chairperson in the absence or disability of the chairperson. Vacancies in any office shall be filled by election for the unexpired term.

E. Meetings, Voting, and Records. The Board shall meet regularly and at such time and place prescribed by the bylaws. A majority of the voting members of the Board shall constitute a quorum. The affirmative vote of a majority of the voting members present at a meeting shall be required for passage of any matter before the Board. The minutes of the meetings shall reflect the "ayes" and "nays" cast on a particular measure and shall reflect the vote of each member present. A member may abstain from voting only upon a declaration of a conflict of interest, in which case the member shall not vote on the issue presented.

The Board shall comply with the open meeting and public records laws of the State of Arizona. PUE records shall be kept in a place provided and designated for that purpose and shall be open to the public at all times pursuant to State law and City Code.

[Amended Ord. 588-12]

Section 2-8-3 PUE Management; Board Oversight; Hiring of Utilities General Manager; Oversight of Utilities General Manager; Relationship with City Staff; Facilities; Legal Counsel and Other Consultants; Litigation; Reports to Council; General Contracts; Power Contracts; Services; Authority to Provide Energy without Charge; Duties of Utilities General Manager; System Maintenance and Inspection; Coordination with City Manager; Personnel; Purchasing; Customer Relations; Monthly Reports; and Surety Bond

A. Board Oversight. The Board, subject to provisions of this Article, shall cause to be performed any and all acts that, in the considered judgment of the Board, are reasonable and necessary for the prudent, safe, efficient, and economical management and protection of the utility systems. The Board may adopt and amend bylaws, adopt and amend rules and regulations applicable to the ratepayers and customers of PUE, and make compliance therewith a condition of service.

- B. Hiring of Utilities General Manager. The Board shall develop a request for qualifications for the position. The request for qualifications shall be reviewed and approved by the City Attorney, such review being limited to verification of compliance with applicable law. The Board shall be responsible for identifying those candidates whose qualifications meet the requirements of the request for qualifications and for conducting appropriate background checks.

The Board shall at one or more open meetings conduct interviews of those applicants determined eligible for the position. Separate written notice of the meetings shall be provided to the Mayor and Council. The Board shall communicate to Council in executive session the name of at least one, but not more than three (3), candidates it recommends be hired, along with the reasons for recommending each candidate.

Council may at its discretion interview any or all candidates from the Board's recommended list. The Council may approve the recommended list, approve the list with a different order of preference among candidates, or reject the list in its entirety and direct the Board to re-initiate the hiring process. After approving a list with an order of preference, Council shall direct the Board to enter into negotiations with the candidate with the highest priority rating. Council shall provide guidance to the Board in executive session with respect to acceptable parameters for negotiations. Council may authorize the Board to negotiate with the remaining candidates, in order of preference, in the event that negotiations with the first or subsequent preferences are terminated by the candidates. The Board shall enter into non-binding negotiations with the selected candidate. The final employment agreement shall be approved by the Mayor and Council.

- C. Oversight of Utilities General Manager. The Board shall direct and oversee the performance of the Utilities General Manager pursuant to this Article. The Utilities General Manager shall report to the Board. The Board shall at least annually prepare a written evaluation of performance, requesting input from the Mayor and Council.

The Board in executive session, or in open session if requested by the Utilities General Manager, shall review the evaluation with the Utilities General Manager. The Utilities General Manager shall have an opportunity to respond orally or in writing to the written evaluation and to request review by the Mayor and Council. As soon as practical thereafter, the Mayor and Council shall in executive session review the evaluation of the Utilities General Manager. The chairperson of the Board shall be afforded an opportunity to attend the executive session of Council for the purpose of explaining the evaluation of the Utilities General Manager.

Any disciplinary action taken by the Board against the Utilities General Manager shall, at the Utilities General Manager's written request, be subject to review and appeal to the Council. The Utilities General Manager shall not be terminated without prior approval of the Council.

- D. Relationship With City Staff. The Board, Utilities General Manager and staff shall remain independent of the City Manager and City administrative staff. The Board shall report to and take direction only from the Council. Council shall consult with the Board directly and give great weight to recommendations of the Board in all matters relevant to PUE. The Board may defer to Council approval or ratification of any action or decision within the Board's authority. The Council shall notify PUE whenever any City committee, task force, advisory or exploratory groups will meet to discuss issues which may impact the utilities system.
- E. Facilities. Subject to this Article and purchasing procedures of the State and City, the Board shall have authority to procure and erect all necessary buildings, facilities, transmission and service lines, water and sewer lines, make all necessary improvements and repairs and alter any existing buildings for the use of PUE, provided that all expenditures for new buildings or alterations, other than ordinary repairs, shall be authorized by the PUE budget approved annually by the Council.
- F. Legal Counsel and Other Consultants. The Board or the Utilities General Manager may retain legal counsel to represent PUE in any litigation, dispute or controversy, or to represent the Board and PUE. Legal counsel may provide advice and counsel in any matter concerning the management, conduct, and interests of PUE. The Board and the Utilities General Manager may use the City Attorney whenever special knowledge or expertise relative to PUE is not required, e.g. procurement, personnel, and conflicts.

The Council shall designate legal counsel retained by PUE as special counsel for the City. The members of the Board and Council shall be immune from liability pursuant to ARS § 38-466. Legal counsel selected shall provide proof of errors and omissions insurance and participate in a conflicts of interest survey. Payment for legal fees and costs incurred by PUE shall be made by PUE, and a line item for such expenditures shall be included in the PUE annual budget unless Council specifically orders payment by the City.

The Board or Utilities General Manager may also retain the services of other qualified consultants and professionals.

- G. Litigation. In any dispute directly related to the operation of PUE or the utility systems, the Board may institute or defend actions in the name of PUE and the City. Any settlement or compromise of an action brought or

defended by the Board in an amount greater than \$5,000.00 shall require approval of the Council. The Council shall not enter into any settlement or compromise that encumbers or hypothecates the utility systems or causes a failure or curtailment of utility services.

Any liability, damages, fines or other assessments directly related to an action brought by or against PUE shall be paid by PUE from its reserves and shall not be paid from the City general fund unless so ordered by a court of competent jurisdiction.

- H. Reports to Council. The Board shall provide the Council with regular reports concerning its operations and shall keep the Council apprised of important issues involving PUE. The Board shall promptly respond to requests for information from the Mayor or Council.
- I. General Contracts. Subject to the provisions of this Article and the purchasing requirements of State law and City Code, the Board shall have authority to enter into contracts and other agreements in the name of Page Utility Enterprises and to procure equipment, materials, labor, transmission, and supplies it deems necessary or advisable to the operation of PUE. The Board shall not have authority to encumber City assets or obligate the City without approval of the Council.
- J. Utility Contracts. The Board has authority to negotiate on behalf of the City and PUE for any and all contracts necessary for the operation and maintenance of the electric, water and sewer utilities. A negotiated contract shall not be binding until approved by the Council in the form of a resolution.

In deliberating the merits of the contract, the Council may hold a joint meeting with the Board and give great weight to the recommendation of the Board. The Council may approve a utility contract even if the actual sales price is subject to further negotiation or will be set at a later time in accordance with a formula, index, or other method of calculation. The Council may authorize the Board or Utilities General Manager to set and bind the City to the final price without further Council action if it is in the City's best interest. The Council may limit the authority of the Board and Utilities General Manager by establishing parameters of acceptable price terms.

- K. Authority to Provide Utilities Without Charge. The Board shall have authority to return surplus revenues to the ratepayers of PUE in the form of utilities without charge. The Board shall not provide energy without charge if the action would constitute a breach of any covenant or condition of any revenue bond related to the City generally or PUE specifically. The Board shall not provide energy without charge if the action would cause material financial harm to PUE finances. Council shall retain the authority

to approve or disapprove a Board decision to provide energy without charge.

L. Duties of Utilities General Manager:

General Obligations. Notwithstanding the provisions of Section 3-2-1 (E) of the City Code, the Utilities General Manager shall control and manage Page Utility Enterprises and shall be responsible for the operation of PUE. The Utilities General Manager shall report to and serve at the pleasure of the Board and Council and shall not be subject to the jurisdiction of the City Manager. Upon request of the Mayor or Council, the Utilities General Manager shall report on affairs of PUE.

System Maintenance and Inspection. The Utilities General Manager shall maintain an effective inspection program of the utility systems and remain informed of the affairs and management thereof.

Coordination with City Manager. The Utilities General Manager and the City Manager shall coordinate operations of PUE with operations of the City to the end that economies of operation may be achieved. Council does not intend to create supervisory authority of either manager over the other or their respective staffs.

Personnel. The Utilities General Manager shall be responsible for hiring, retaining, and managing PUE employees, consultants, and other professionals with due regard for their safety and training, all in accordance with personnel and purchasing policies as provided by this Article, State and Federal law, and the City Code.

Purchasing. Subject to the provisions of this Article, State law, and the City Code, the Utilities General Manager shall be responsible for ordering and maintaining an adequate inventory of specialized material and equipment required by PUE.

Customer Relations. The Utilities General Manager shall have authority to enforce Board approved rules and regulations pertaining to PUE customers and ratepayers.

Monthly Reports. The Utilities General Manager shall submit a monthly financial statement to the Board and Council.

Surety Bond. If required by the Board, the Utilities General Manager shall furnish an approved corporate surety bond in an amount approved by the Board and conditioned upon the faithful performance of the duties imposed upon the Utilities General Manager. Any premiums for such bond shall be a proper charge against PUE.

[Amended Ord. 588-12]

Section 2-8-4 Finances and Purchasing: PUE Finances; Operating and Reserve (Enterprise) Accounts; Annual Budget; Purchasing; and Annual Audit

- A. PUE Finances. Council shall retain control and authority over PUE finances through periodic reviews and other oversight to assure compliance with applicable law, policies, and procedures.

The Board and Utilities General Manager shall have responsibility over review and recommendations relating to PUE finances. The Board or Utilities General Manager shall audit all bills, statements, and accounts payable of Page Utility Enterprises and shall order payment by the Utilities General Manager in accordance with this Article, State law, and the City Code. PUE shall provide Council a monthly summary report of its financial activities with a courtesy copy to the City Manager. Neither the City Manager nor the City Finance Director shall be responsible for the oversight or supervision of the financial affairs of Page Utility Enterprises. The Board may retain an independent auditor, accountant, or other qualified financial consultant to monitor, analyze, and advise the Board with respect to PUE financial policies, procedures, and performance.

- B. Operating and Reserve (Enterprise) Accounts. There shall be established a PUE Operating Account for the operating revenue and expenses of Page Utility Enterprises. All revenues received from any source shall be placed into this account, except revenues designated for PUE reserves or the City User Fee, if any.

All revenues received for the PUE reserves shall be deposited or invested in accordance with provisions of Arizona law relative to surplus public funds and shall be separately accounted for in an account labeled "PUE Reserve Account." The PUE Reserve Account shall be an enterprise fund or funds designated only for the upkeep, repair, maintenance, expansion, and capital improvement of the PUE electric, water and sewer systems and/or the purchase and sale of electric power and/or electric generation facilities. The PUE Reserve Account shall be carried on the City's books and on its annual audited financial statement and annual budget with the following notation: "This account is restricted for the upkeep, repair, maintenance, expansion, and capital improvement of the PUE electric, water and sewer systems and/or the purchase and sale of electric power or electric generation facilities."

- C. Annual Budget. The Utilities General Manager shall prepare and present the annual PUE operating budgets which shall be established to cover the cost of maintaining and operating the electric, water and sewer systems, including a proper and necessary allowance for depreciation, debt service, and adequate reserves in accordance with industry standards and generally accepted accounting principles appropriate for utilities.

Decisions of the Board relating to the PUE annual budget, rates, finances, and purchasing shall be made in strict compliance with policies and procedures previously approved by the Council. The Board shall consider, approve, and forward the budget at least three (3) weeks prior to the Council meeting at which the City budget for the ensuing year is to be considered. The Board and the Utilities General Manager shall provide additional information to the Council upon request.

The Council and Board should hold at least one joint meeting at which the Board or its designees shall present its proposed budget. At such meeting the Board shall present in summary format the results of PUE performance during the current fiscal year and the basis for its proposed budget. In determining whether to approve the proposed PUE budget, the Council shall limit its consideration to the needs of Page Utility Enterprises and shall not consider or provide for the general revenue needs of the City.

- D. Purchasing. PUE purchases shall be governed by the purchasing requirements of this Article, compulsory State law, and the City Code, except: (1) the Utilities General Manager shall replace the City Manager as purchasing agent for PUE; (2) purchases above \$20,001 shall be approved by the Board with a monthly notice of all such purchases to be directed to the Mayor and Council; and (3) all purchases of \$100,000 and above, excluding monthly power purchase obligations or other obligations required by Council approved contracts and agreements, are subject to Council approval. [Amended Ord. 610-14]

- E. Annual Audit. There shall be a consolidated annual audit of City and PUE finances. The auditor responsible shall inform the chairperson of the Board of the dates of the audit and shall direct a copy of the audit results to the Utilities General Manager and the chairperson of the Board. The auditor selected to perform the consolidated annual audit shall be knowledgeable in regard to accounting principles appropriate for utilities. The Board shall assure that the books and records of PUE are open and available for review and inspection by the auditor. Whenever an annual audit reveals a deficiency in the accounting methods or books and records of PUE, whether or not material, the Board shall diligently investigate and report its findings and conclusions to the Council within ninety (90) days of the date of the audit. Such findings and conclusions shall include any remedial action the Board concludes is necessary or advisable under the circumstances. The Council shall vote to accept, reject, or modify the Board's findings and conclusions.

[Amended Ord. 588-12]

## Section 2-8-5 Personnel

PUE employees shall be considered City employees of a separate division subject to and governed by personnel policies of PUE, provided such policies receive Council approval.

Employment benefits of PUE employees may differ from employment benefits available to City employees. The Utilities General Manager has authority to determine the number, qualifications, salaries and benefits of all PUE employees subject to the approval of the PEU Board and City Council. Expenditures on personnel and employee related expenses shall remain within the limits of the annual PUE budget approved by Council.

The Utilities General Manager shall have authority to hire and terminate PUE employees in accordance with PUE personnel policies. PUE employee sanctions, including termination, may be appealed in the same manner as for other City employees, except that the Utilities General Manager shall be substituted for the City Manager in all respects. The City director of human resources shall be available to PUE for guidance and direction on all PUE employment related issues.

[Amended Ord. 588-12]

Section 2-8-6 Rates: Setting Rates; PUE Reserves; City User Fee; and Annual Rate Review/Rate Change

The following provisions shall strictly govern the establishment and review of PUE rates for all ratepayers:

Setting Rates. Council and the Board shall not consider the revenue needs of the City in establishing the utility system rates, fees, charges, and reserves. Revenues derived from PUE rates shall not be used to subsidize the City general fund.

Rates for utilities supplied through the utility system to the PUE ratepayers shall be reasonable and just and shall be sufficient to cover costs of operation, maintenance of the system, and a proper and necessary allowance for depreciation and reserves. Rates shall be uniform for each class of customer without regard to whether a ratepayer is located within or without the City municipal limits. PUE rates shall be established with due consideration accorded to the terms, covenants and conditions contained in any contract related to PUE and any ordinance authorizing the issuance of utility revenue bonds. Costs of operations, maintenance, and depreciation shall be determined using generally accepted accounting principles appropriate for utilities.

PUE Reserves. That portion of PUE rates collected for the establishment of a reserve fund shall be separately identified in the rates and shall be included as a separate line item on PUE customer invoices.

City User Fee. Council may set a separate user fee ("City User Fee" or "Franchise Fee") assessable against each ratepayer of PUE. The City User Fee shall be established on a uniform basis according to class of customer without regard to whether a ratepayer is located within or without the City municipal limits. The City User Fee may be established on either a flat fee or a demand basis.

Upon request of Council, the Board shall prepare a City User Fee or Franchise Fee proposal and report to Council at the earliest practicable opportunity as to the projected revenue from the proposed fee and the impact on a typical ratepayer's annual utility bills. The Board may propose an alternative fee or method of fee calculation. The Council shall give great weight to the Board's report in making its determination of an appropriate City User Fee. The City User Fee shall be indicated as a separate line item on PUE invoices, labeled "City User Fee" Or "City Franchise Fee."

City User Fee funds shall be collected by PUE and transferred at least monthly to the City general fund. PUE may with Council approval prepay to the City, in whole or in part, the aggregate projected City User Fee for any period of time, in which event such prepayment shall be made from the PUE Reserve Account; PUE shall collect and deposit into the PUE Reserve Account monies collected from the City User Fee until all prepaid amounts are reimbursed in full, plus interest at a rate determined at the time of prepayment by a joint motion of the Board and Council and recorded in the minutes of each body. Revenues derived from the City User Fee may be used for general revenue purposes of the City and shall be considered unrestricted funds. City User Fee monies reimbursed to the PUE Reserve Account pursuant to this Section shall be restricted funds as provided in Section 2-8-4(B) of this Article.

Annual Rate Review/Rate Change. The Board shall at a hearing held at least annually review the rates, fees, and charges, except the City User Fee, of services rendered by PUE.

The Utilities General Manager shall cause a notice of such hearing to be published in a newspaper of general circulation within the City at least thirty (30) days prior to the hearing and again at least fifteen (15) days prior to the hearing. Notices shall state in bold letters and in clear and comprehensible language whether the Board will consider a rate change at such hearing and whether the change is an increase or decrease. In the event that a rate change is proposed, the Board shall prepare a brief summary of the proposed change, estimate monthly and annual increases for the average ratepayer in each class, and both publish and mail the summary to each ratepayer at least fifteen days prior to the hearing.

The aforementioned notice and summary shall provide in bold face and in clear and comprehensible language that any ratepayer may be heard at the hearing (as an "Intervenor") by providing PUE with notice at least two (2) business days

prior to the hearing. The ratepayer's notice shall include the name of legal counsel that will appear, if any, and shall include eight (8) copies of any document to be presented to the Board. The Board may have legal counsel present at the hearing.

Councilors shall receive separate copies of the notice of Board hearing and may attend the hearing as non-participating members. The Mayor or designee, as ex-officio member of the Board, shall make best efforts to attend the hearing in order to provide a report to Council. A court reporter shall be present at the hearing if an Intervenor will appear or there is a proposed rate change.

At the hearing the chairperson of the Board shall swear witnesses, take testimony, and receive evidence. The Utilities General Manager and designees shall present to the Board the basis and justification for current rates or the proposed rate change including, but not limited to, reserves. At the conclusion of the hearing the Board shall vote to maintain or change the rates. The Board shall submit to Council a report of its recommendation, including the public comments received at the public hearing, accompanied by a written request for approval and adoption of the rates by resolution of the Council. If the Board recommends a rate change, a separate notice with summary shall be prepared and mailed to ratepayers.

If the Board does not recommend a rate change, Council may at its next regular meeting consider the Board recommendation and by resolution continue the current rates. If the Board recommends a rate change, Council shall set a public hearing. Intervenors who appeared before the Board shall receive notice of the public hearing and may appear before Council. If Council approves the rate adjustment recommended by the Board, Council shall adopt a resolution placing such rates and fees in effect.

If Council does not accept the recommendation, the matter shall be referred back to the Board with a written explanation and specific recommendations for modification of the original Board recommendation. If the Board fails to file a subsequent report with the Council within thirty (30) days from the date of receipt of the recommended changes, Council may proceed to set the rates by resolution. In the event the Board disagrees with the recommendation of Council, the Board shall inform the Council in writing together with a written explanation. Within forty-five (45) days of the written notification, Council shall hold a joint public hearing with the Board. Intervenors who appeared before the Board shall receive notice of the public hearing and may appear before the joint public hearing. The Council shall make the final determination of PUE rates.

[Amended Ord. 588-12]

Section 2-8-7 [Repealed by Ordinance No. 588-12]

Section 2-8-8 [Repealed by Ordinance No. 588-12]

Section 2-8-9 Repeal

Any Code provision(s), ordinance(s), or section(s) thereof, which is (are) in conflict with this ordinance is (are) hereby repealed.

Section 2-8-10 Severability

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable.

**ARTICLE 2-9 INITIATIVE AND REFERENDUM**

2-9-1 Power Reserved; Time of Election

2-9-2 Manner of Exercising Initiative and Referendum

Section 2-9-1 Power Reserved; Time of Election

There is reserved to the qualified electors of the City the power of the initiative and the referendum as prescribed by state law. Any initiative or referendum matter may be voted on at the next ensuing Primary or General Election, or at a Special Election called by the Council for such purpose.

Section 2-9-2 Manner of Exercising Initiative and Referendum

- A. The total number of registered voters qualified to vote at the last municipal election, whether regular or special, immediately preceding the date upon which any initiative petition is filed shall be the basis upon which the number of qualified electors of the City of Page required to file an initiative petition shall be computed.
- B. The basis upon which the number of qualified electors of the City of Page required to file a referendum petition shall be as determined by state law.

[Amended Ord. 534-08]

**ARTICLE 2-10 SUBSTANCE ABUSE TASK FORCE**

[Repealed Ord. 622-15]

**ARTICLE 2-11 TOURISM BOARD**

[Repealed Ord. 622-15]

**ARTICLE 2-12 LAKE POWELL NATIONAL GOLF COURSE ADVISORY BOARD**

[Repealed Ord. 622-15]

**ARTICLE 2-13 PAGE COMMUNITY CENTER BOARD**

[Repealed Ord. 622-15]

**ARTICLE 2-14 PARKS AND RECREATION ADVISORY BOARD**

[Repealed Ord. 622-15]