

12-825j. Municipalities owning or operating utility; contracts for purchase of water, gas or electricity. (a) Any municipality which owns or operates, or which hereafter owns or operates, a utility furnishing water, gas or electricity is hereby authorized and empowered to enter into contracts for the purchase of water, gas or electricity from any person, firm, corporation or other municipality, upon such terms and conditions as may be deemed necessary and reasonable by the governing body of such municipality. Any such contract may include an agreement for the purchase of water, gas or electricity not actually received. No such contract shall be made for a period in excess of forty (40) years, but renewal options in favor of the purchasing municipality may be included therein. Nothing in this section shall be construed to authorize the levy of a tax by any municipality entering a contract as herein provided.

(b) As used in this act, the term "municipality" shall mean and include any city, county or township.

History: L. 1976, ch. 67, § 1; July 1.