

SENATE BILL No. 1259

May 10, 2006, Introduced by Senator SWITALSKI and referred to the Committee on Local, Urban and State Affairs.

A bill to provide for an authority to manage and operate certain city and village water and sewer systems; and to provide for the appointment of members to the authority.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. As used in this act:

2 (a) "Authority" means an authority created under this act.

3 (b) "City" means a city chartered under the home rule city
4 act, 1909 PA 279, MCL 117.1 to 117.38.

5 (c) "Qualified city" means a city with a population of 750,000
6 or more that is a member of an authority created under this act.

7 (d) "Qualified county" means a county with a population of
8 750,000 or more that is a member of an authority created under this

1 act.

2 (e) "Village" means a village incorporated under the home rule
3 village act, 1909 PA 278, MCL 78.1 to 78.28.

4 (f) "Water or sewer system" or "system" means a water supply
5 facility or sewerage services facility, or both, that provides
6 water or sewerage service to more than 20% of the population of
7 this state.

8 Sec. 2. (1) A city or village that owns a water or sewer
9 system shall establish an authority to provide review and oversight
10 of the management and operation of the system as provided under
11 this act.

12 (2) Not more than 30 days after the effective date of this
13 act, each qualified county and city or village that is a member of
14 an authority shall make appointments to the authority as provided
15 under this section.

16 (3) The authority created under this act shall consist of the
17 following members:

18 (a) Four persons shall be appointed to represent the city or
19 village that owns and operates the water or sewer system. The
20 appointment under this subsection shall be made by the mayor of the
21 city, with the advice and consent of the city's governing body.

22 (b) One person shall be appointed to represent each qualified
23 county that does not have a qualified city located within the
24 county. The appointment under this subsection shall be made by the
25 elected county executive. If the county does not have an elected
26 county executive, the appointment under this subsection shall be
27 made by the county board of commissioners.

1 (c) If a qualified county has a qualified city within the
2 county, 1 person who does not live or work within the qualified
3 city shall be appointed to represent the county. The appointment
4 under this subsection shall be made by the majority vote of the
5 serving members on the county board of commissioners who do not
6 live or work within the qualified city.

7 (4) A person appointed under this section shall serve for a
8 term of 4 years, or until a successor is appointed, whichever is
9 later. A successor to a member shall be appointed in the same
10 manner and shall serve for a term of 4 years, or until a successor
11 is appointed, whichever is later. A person may be reappointed to
12 the authority. A person appointed to the authority may be replaced
13 by the appointing member at any time.

14 Sec. 3. (1) A majority of members of the authority constitute
15 a quorum for the transaction of business.

16 (2) The person appointed to the authority shall have 1 vote.

17 (3) The first meeting of the authority shall be held not more
18 than 45 days after the effective date of this act.

19 (4) The authority shall elect a chairperson and other officers
20 as the authority considers necessary. The authority shall adopt
21 bylaws and rules to govern the operation of the authority.

22 (5) After its first meeting, the authority shall meet not less
23 than quarterly and at such other times as determined by the
24 authority.

25 Sec. 4. (1) Persons appointed to the authority are public
26 servants under 1968 PA 317, MCL 15.321 to 15.330, and are subject
27 to any other applicable law with respect to conflicts of interest.

1 (2) An authority shall establish policies and procedures
2 requiring periodic disclosure by persons appointed to the authority
3 of relationships which may give rise to conflicts of interest.

4 Sec. 5. (1) An authority shall establish an ethics manual
5 governing the conducting of system business and the conduct of
6 employees of the system.

7 (2) An authority shall establish policies under this section
8 that are no less stringent than those provided for public officers
9 and employees by 1973 PA 196, MCL 15.341 to 15.348. The policies
10 established under this section shall include compliance by each
11 member of the authority and employees of the system who regularly
12 exercise significant discretion over the award and management of
13 authority procurements with policies governing all of the
14 following:

15 (a) Immediate disclosure of the existence and nature of any
16 financial interest that would reasonably be expected to create a
17 conflict of interest.

18 (b) Withdrawal by a member or employee from participation in,
19 discussion of, or evaluation of any recommendation or decision
20 involving procurement involving the water or sewer system that
21 would reasonably be expected to create a conflict of interest for
22 that member or employee.