

**MUNICIPAL WATER SUPPLY SYSTEMS**  
**Act 196 of 1952**

AN ACT to provide for the incorporation of municipal authorities to acquire, own and operate water supply systems; to prescribe the rights, powers and duties thereof; and to authorize contracts between such authorities and other public corporations.

**History:** 1952, Act 196, Imd. Eff. Apr. 29, 1952.

*The People of the State of Michigan enact:*

**124.251 Water supply system; definition.**

Sec. 1. The term "water supply system", as herein used, shall be deemed to include all plants, works, instrumentalities and properties, used or useful in connection with the obtaining of a water supply, the treatment of water and/or the distribution and sale of water.

**History:** 1952, Act 196, Imd. Eff. Apr. 29, 1952.

**124.252 Water supply system; authority, articles of incorporation, adoption, endorsement, form, publication, filing; validity.**

Sec. 2. Any 2 or more cities, villages or townships (hereinafter sometimes referred to as "municipalities") or any combination thereof, may incorporate an authority for the purpose of acquiring, owning, and/or operating a water supply system or systems, by the adoption of articles of incorporation by the legislative body of each municipality. The fact of such adoption shall be endorsed on such articles of incorporation by the mayor and clerk in case of a city, the president and clerk in case of a village, and the supervisor and clerk in case of a township, in form substantially as follows:

"The foregoing Articles of Incorporation were adopted by the ..... of the ..... of .....,  
..... County, Michigan, at a meeting duly held on the ..... day of ....., 19.....

.....  
..... of said .....  
.....  
..... of said ....."

The authority shall be comprised of the territory lying within such incorporating municipalities. The articles of incorporation shall be published at least once in a newspaper designated in said articles and circulating within the authority. One printed copy of such articles of incorporation certified as a true copy by the person or persons designated therefor, with the date and place of such publication, shall be filed with each, the secretary of state and the clerk of the county within which such territory or the major portion thereof is located. Such authority shall become effective at the time provided in said articles of incorporation. The validity of such incorporation shall be conclusively presumed unless questioned in a court of competent jurisdiction within 60 days after the filing of such certified copies with the secretary of state and the county clerk.

**History:** 1952, Act 196, Imd. Eff. Apr. 29, 1952.

**124.253 Water supply system; articles, contents.**

Sec. 3. Said articles of incorporation shall state the name of such authority, the names of the various municipalities creating the same, the purpose or purposes for which it is created, the powers, duties and limitations of the authority and its officers, the method of selecting its governing body, officers and employees, the person or persons who are charged with the responsibilities of causing the articles of incorporation to be published and the printed copies thereof to be certified and filed as above provided, or who are charged with any other responsibility in connection with the incorporation of said authority, and any other matters which the incorporators shall deem advisable, all of which shall be subject to the provisions of the constitution and statutes of the state of Michigan and particularly of this act.

**History:** 1952, Act 196, Imd. Eff. Apr. 29, 1952.

**124.254 Water supply system; authority as body corporate; powers.**

Sec. 4. Such authority shall be a body corporate with power to sue and be sued in any court of this state. It shall possess all the powers necessary to carry out the purposes of its incorporation and those incident thereto. The enumeration of any powers in this act shall not be construed as a limitation upon such general powers.

**History:** 1952, Act 196, Imd. Eff. Apr. 29, 1952.

**124.255 Water supply system; acquisition of property.**

Sec. 5. The authority may acquire property for a water supply system by purchase, construction, lease, gift, devise or condemnation, either within or without its corporate limits, and may hold, manage, control, sell, exchange or lease such property. For the purpose of condemnation, it may proceed under the provisions of Act No. 149 of the Public Acts of 1911, being sections 213.21 to 213.41, inclusive, of the Compiled Laws of 1948, as now or hereafter amended, or any other appropriate statute.

**History:** 1952, Act 196, Imd. Eff. Apr. 29, 1952.

**124.256 Water supply system; sale and purchase of water; contracts.**

Sec. 6. The authority and any of its constituent municipalities shall have authority to contract for the sale and purchase of water. The charges specified in such contract shall be subject to increase by the authority at any time if necessary in order to provide funds to meet its obligations. The authority and any city, village or township, which is not a constituent part thereof, may contract for the sale and purchase of water, which contract may provide for charges greater than those to the constituent municipalities, but the charges thereunder shall be subject to change by the authority from time to time. The authority and any other public corporation may enter into a contract for the purchase by the authority of water from such public corporation. Any contract authorized herein shall be for a period of not exceeding 50 years.

**History:** 1952, Act 196, Imd. Eff. Apr. 29, 1952.

**124.257 Water supply system; city, village or township may become constituent municipality; amendment of articles.**

Sec. 7. Any city, village or township, which did not join in the incorporation of an authority, may become a constituent part thereof by amendment to the articles of incorporation adopted by the legislative body of such city, village or township and by the legislative body of each city, village or township of which such authority is composed. Other amendments may be made to such articles of incorporation if adopted by the legislative body of each city, village or township of which the authority is composed. Any such amendment shall be endorsed, published, and certified printed copies filed, in the same manner as the original articles of incorporation, except that the printed copies shall be certified and filed by the recording officer of the authority.

**History:** 1952, Act 196, Imd. Eff. Apr. 29, 1952.

**124.258 Water supply system; taxation, taxing power.**

Sec. 8. The legislative body of each city, village or township which is a part of such authority is authorized to raise by tax or pay from its general funds, any moneys required to be paid by the articles of incorporation or by the terms of any contract between it and the authority, unless some other method is provided therefor in such articles of incorporation or contract. The authority shall have no direct taxing power.

**History:** 1952, Act 196, Imd. Eff. Apr. 29, 1952.

**124.259 Water supply system; bonds, issuance, payment.**

Sec. 9. For the purpose of acquiring, improving, enlarging and/or extending a water supply system, the authority may issue self-liquidating revenue bonds in accordance with the provisions of Act No. 94 of the Public Acts of 1933, being sections 141.101 to 141.139, inclusive, of the Compiled Laws of 1948, as now or hereafter amended, or any other act providing for the issuance of such bonds: Provided, That no such bonds shall be a general obligation of the authority, but shall be payable solely from the revenues of the water supply system.

**History:** 1952, Act 196, Imd. Eff. Apr. 29, 1952.

**124.260 Water supply system; water service, determination.**

Sec. 10. Within the scope of the definition contained in section 1 of this act, any authority shall have the right to determine what shall constitute its water supply system and the functions thereof, and may determine that its water services shall be furnished to public corporations and/or private consumers.

The authority may also furnish water direct to any city water supply district as defined in section 3 of Act No. 107 of the Public Acts of 1941, as now amended, or to any similar independently financed and operated supply system in a prescribed water supply district. If the territory within such a water supply district shall become incorporated as a city, then any contract for supplying water by the authority to such district, shall remain in full force and effect during the life of such contract and shall be carried out by the authority and such city.

**History:** 1952, Act 196, Imd. Eff. Apr. 29, 1952.

**124.261 Water supply system; jurisdiction; amendment of articles.**

Sec. 11. No change in the jurisdiction over any territory in any city, village or township which has contracted for a supply of water from the authority, shall in any manner impair the obligations of such contract, but the same shall be carried out, insofar as such territory is concerned, by the authority and such municipality or municipalities as shall have jurisdiction to furnish water to such territory. No change in municipal jurisdiction over any territory within an authority shall in any manner affect the authority or its boundaries. If a new city shall be incorporated from a township in the authority and if such city shall exercise jurisdiction over the water supply system within its boundaries, then it shall be deemed to be a constituent municipality of the authority. If the territory within a water supply district, as defined in section 10 hereof, is incorporated as a new city having jurisdiction over the water supply system and if at the time of such incorporation there shall exist a contract with the authority for a water supply to such territory, then such city shall be a constituent municipality of the authority upon the approval of the legislative bodies of 2/3 of the cities, villages and townships constituting the authority and upon acceptance by the city of the articles of incorporation. If it shall be necessary to amend the articles of incorporation in order to give any such new city comparable rights with other constituent municipalities, the same may be accomplished upon the approval of the legislative bodies of 2/3 of the cities, villages and townships constituting the authority.

**History:** 1952, Act 196, Imd. Eff. Apr. 29, 1952.

#### **124.262 Water supply system; powers.**

Sec. 12. The powers herein granted shall be in addition to those granted by any charter or other statute.

**History:** 1952, Act 196, Imd. Eff. Apr. 29, 1952.

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