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.