AN ACT to provide for contracts between political subdivisions relative to systems of sewers and sewage disposal, and to validate existing contracts of such nature; to authorize the issue of joint revenue bonds to construct, acquire, extend or improve such systems and to regulate the use of the revenues thereof.


The People of the State of Michigan enact:

123.231 Definitions.
Sec. 1. The term "political subdivision" as herein used shall be deemed to mean any county, metropolitan district, city, village or township in this state.


123.232 Sewers and sewage disposal; joint contracts.
Sec. 2. Any 2 or more political subdivisions may contract for the joint ownership, use and/or operation of sewers and/or sewage disposal facilities. Any 2 or more political subdivisions may contract relative to the furnishing of sewage disposal services by 1 or more of such political subdivisions to the other political subdivision or subdivisions. Any such contract shall be authorized or approved by the legislative body of each contracting political subdivision and shall be effective for such term as shall be prescribed therein not exceeding 50 years.


123.233 Contracts validated.
Sec. 3. Any contract heretofore made relative to the matters above set forth is hereby validated if such contract would have been valid had the same been made subsequent to the effective date of this act.


123.234 Joint revenue bonds; issuance, authorization.
Sec. 4. For the purpose of constructing, acquiring, extending or improving a system of sewers or sewage disposal, 2 or more political subdivisions may borrow money and issue revenue bonds in the name, and by authority, of said political subdivisions jointly, but payable solely from the revenues of such system. Such political subdivisions shall provide by an ordinance, adopted by their respective governing bodies, for the issuance of such revenue bonds in the name of such political subdivisions jointly, for the execution thereof by suitable officers of said political subdivisions and for the sale of said bonds at a joint meeting of the governing bodies thereof.


123.235 Joint revenue bonds; contracts; revenues.
Sec. 5. In event money shall be borrowed and bonds issued jointly under the provisions of section 4 above, said political subdivisions shall enter into a contract, the terms of which shall be set forth in said ordinance, providing for the operation of such system or systems, and the collection, custody and expenditure of the revenues thereof by a joint board consisting of 1 or more representatives of each of such political subdivisions. Said contract shall authorize such joint board to adopt rules and regulations governing the operation of the system or systems, to fix the rates for the service of such system or systems from time to time as may be necessary for the operation thereof and the payment of the bonds, and to collect the same either from such political subdivisions in proportion to the service furnished to each, or directly from the owners or occupants of the property served. If such rates are charged to the political subdivisions, they shall raise the money necessary to pay the same by charging and collecting rates for such service from the owners or occupants of the property served. Except as herein otherwise provided, such jointly owned systems, the revenues therefrom and the bonds issued therefor shall be subject to all the requirements and provisions of Act No. 94 of the Public Acts of 1933, as now or hereafter amended.

Compiler's note: For provisions of Act 94 of 1933, referred to in this section, see MCL 141.101 et seq.

123.236 Joint sewage disposal facility; body corporate.
Sec. 6. The system herein created shall be a body corporate and may sue or be sued in its own name.