

# SENATE BILL No. 1266

May 26, 2004, Introduced by Senators BISHOP, KUIPERS, CASSIS and BIRKHOLZ and referred to the Committee on Local, Urban and State Affairs.

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 30903 and 30927 (MCL 324.30903 and 324.30927), as added by 1995 PA 59, and by adding section 30929.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 30903. (1) The lake board shall consist of all of the  
2 following:

3       (a) A member of the county board of commissioners appointed  
4 by the chairperson of the county board of commissioners of each  
5 county affected by the lake improvement project; ~~a~~  
6 ~~representative of~~ **2 representatives from** each local unit of  
7 government appointed by the legislative body of each local unit  
8 of government, other than a county, affected by the project; **and**  
9 the county drain commissioner **or his or her designee**, or a member  
10 of the county road commission in counties not having a drain

SENATE BILL No. 1266

1 commissioner. ~~—, and a representative of the department.~~

2 (b) A member elected by the members of the lake board serving  
3 pursuant to subdivision (a) at the first meeting of the board or  
4 at any time a vacancy exists under this subdivision. Only a  
5 person who has an interest in a land contract or a record  
6 interest in the title to a piece or parcel of land that abuts the  
7 lake to be improved is eligible to be elected and to serve under  
8 this subdivision. An organization composed of and representing  
9 the majority of lakefront property owners on the affected lake  
10 may submit up to 3 names to the board, from which the board shall  
11 make its selection. The terms served by this member shall be 4  
12 years in length.

13 (2) The lake board shall elect a chairperson and **shall elect**  
14 a secretary **who shall be 1 of the representatives of the local**  
15 **units of government. The secretary shall attend meetings of the**  
16 **lake board and shall keep a record of the proceedings and perform**  
17 **other duties delegated by the lake board. The treasurer for the**  
18 **local unit of government affected most by the project shall keep**  
19 **the financial records and sign all vouchers for expenditures**  
20 **approved by the lake board. All records of the lake board not**  
21 **required to be maintained by the treasurer shall be transmitted**  
22 **to the clerk for a local unit of government who shall maintain**  
23 **the records.** A majority of the members of the lake board  
24 constitutes a quorum. The concurrence of a majority in any  
25 matter within the duties of the board shall be required for the  
26 determination of a matter.

27 (3) **The clerk for a local unit of government shall maintain**

1 all records for the lake board. A local unit of government may  
2 charge a lake board for the cost of maintaining records and the  
3 administration of financial affairs of the lake board, which  
4 shall be an expense to the special assessment district.

5 (4) ~~—(3)—~~ The department, upon request of the lake board,  
6 shall provide whatever technical data it has available and make  
7 recommendations in the interests of conservation.

8 Sec. 30927. (1) Within 10 days after the letting of  
9 contracts or, ~~in case of~~ for an appeal, then immediately after  
10 the appeal has been decided, the lake board shall make a  
11 computation of the entire cost of a project under this part that  
12 includes all preliminary costs and engineering and inspection  
13 costs incurred and all of the following:

14 (a) The fees and expenses of special commissioners.

15 (b) The compensation to be paid the board.

16 (c) The contracts for dredging or other work to be done on  
17 the project.

18 (d) The estimated cost of an appeal if the apportionment made  
19 by the lake board is not sustained.

20 (e) The estimated cost of inspection.

21 (f) The cost of publishing all notices required.

22 (g) All costs of the circuit court.

23 (h) Attorney fees for legal services in connection with the  
24 project.

25 (i) Interest on bonds for the first year, if bonds are to be  
26 issued.

27 (j) **Any other costs necessary for the administration of lake**

1 board proceedings, including, but not limited to, compensation of  
2 county or local representatives serving on the lake board, record  
3 compilation and retention, and state, county, or local government  
4 professional staff services.

5 (2) In addition to the amounts computed under subsection (1),  
6 the lake board may add not less than 10% or more than 15% of the  
7 gross sum to cover contingent expenses, including additional  
8 necessary hydrological studies by the department. ~~—, and the~~  
9 ~~entire sum so ascertained shall be~~ The sum of the amounts  
10 computed under subsection (1) plus the amount added under this  
11 subsection is considered to be the cost of the lake improvement  
12 project.

13 (3) A lake board shall meet at least once a year to establish  
14 a budget for improvements, services, or other expenditures  
15 approved by the lake board.

16 (4) A lake board may retain an attorney to advise the lake  
17 board in the proper performance of its duties. The attorney  
18 shall represent the lake board in actions brought by or against  
19 the lake board.

20 Sec. 30929. If a local governing body of any local unit of  
21 government in which the whole or any part of the waters of any  
22 public inland lake is situated, upon its own motion or by  
23 petition of 2/3 of the freeholders owning land abutting the lake,  
24 determines that a lake board is no longer necessary for the  
25 improvement of the lake or adjacent wetlands because the reasons  
26 for the establishment of the lake board no longer exist, the  
27 local governing body may dissolve the lake board. However, the

1 lake board may be dissolved only if all outstanding indebtedness  
2 and expenses have been paid in full and any excess funds have  
3 been refunded based on the last approved assessment roll. Before  
4 dissolution of a lake board, the local governing body shall hold  
5 a public hearing and notice of the hearing on the dissolution of  
6 the lake board shall be published twice in a newspaper of general  
7 circulation in each local unit of government that is affected.  
8 The first notice shall be published not less than 10 days before  
9 the date of the public hearing.