

**MUNICIPAL SEWAGE AND WATER SUPPLY SYSTEMS (EXCERPT)**  
**Act 233 of 1955**

**124.288 Municipality or Indian tribe desiring to contract with authority; authorization; resolution; notice; contents; execution and delivery of contract; effective date; petition requesting referendum upon contract; voting; effect of action taken prior to effective date of subsection (2); special election; verification of petition signatures; number of registered electors.**

Sec. 8. (1) A municipality or Indian tribe desiring to enter into a contract with the authority under section 7 shall authorize, by resolution of its governing body, the execution of the contract. After the adoption of such a resolution by a municipality, the municipality shall publish a notice of the resolution in a newspaper of general circulation in the municipality. The notice shall state all of the following:

- (a) That the governing body has adopted a resolution authorizing execution of the contract.
- (b) The purpose of the contract.
- (c) The source of payment for the contractual obligation.
- (d) The right of referendum on the contract.

(e) Other information that the municipality's governing body determines to be necessary to adequately inform all interested persons of the nature of the obligation.

(2) A contract under subsection (1) may be executed and delivered by the municipality upon approval by its governing body without a vote of the electors on the contract, but the contract shall not become effective until the expiration of 45 days after the date of publication of the notice. If within the 45-day period a petition signed by not less than 10% or 15,000, whichever is less, of the registered electors residing within the limits of the municipality is filed with the clerk of the municipality requesting a referendum upon the contract, the contract shall not become effective until approved by the vote of a majority of the qualified electors of the municipality voting on the question at a general or special election. If, before November 19, 1981, a municipality published a resolution authorizing the execution of a contract under this section in substantial compliance with this section as then in effect, and the referendum period formerly provided by this section expired, but the bonds were not issued, the resolution and the publication of the resolution are valid and, if a petition for a referendum on execution of the contract was not signed and filed within the time period formerly provided by this section, the contract may be executed and shall become effective without submitting the proposition for approval to the electors, or if a petition was so signed and filed, the contract may be executed and become effective if approved at an election as formerly provided in this section. A special election called for the purpose provided in this section shall not be included in any statutory or charter limitation as to the number of special elections to be called within any period of time. Signatures on the petition shall be verified under oath as the actual signatures of the persons whose names are signed to the petition. The clerk of the municipality has the same power to reject signatures as city clerks under section 25 of the home rule city act, 1909 PA 279, MCL 117.25. The number of registered electors in any municipality shall be determined by the registration books as of the date of the filing of the petition.

**History:** 1955, Act 233, Eff. Oct. 14, 1955;—Am. 1981, Act 154, Imd. Eff. Nov. 19, 1981;—Am. 2009, Act 166, Imd. Eff. Dec. 14, 2009.