

STATE TRUNK LINE HIGHWAY SYSTEM (EXCERPT)

Act 51 of 1951

247.651d Contract for joint participation in cost; approval; renegotiation; local taxation; bonds; special assessment.

Sec. 1d. The governing body of a city or village and the state highway commission may enter into a contract to effectuate joint participation in the cost of opening, widening and improving, including construction and reconstruction, of a state trunk line highway, the terms of which contract, when approved by the state administrative board, shall establish the responsibilities of each party and provide for the method of payment for such joint obligations. The agreements may provide for deferring payment by the city or village until the completion of the project. Contracts and agreements between the state highway commission and the legislative body of any city or village, approved by the state administrative board, are authorized and approved whether heretofore or hereafter made. All agreements entered into prior to January 1, 1968, between the state highway department and any city or village pursuant to this act may be renegotiated by the state highway commission for the purpose of providing for participation in the cost of construction between the highway commission and the city or village on the basis of the participation provisions of section 1c. The renegotiation shall be authorized only for all or any part or unit of the state trunk line highway projects which have not been placed under contract for construction by the highway commission on January 1, 1968. Under any contract heretofore or hereafter made which relates to a state trunk line highway project for which federal highway funds are allocated or paid, the portion of the cost to be paid by a city or village shall be in accordance with the percentage of participation required by law at the time the contract was entered into applied to the net cost of the project after deduction from the total cost of all federal highway funds allocated or paid for the project. In all contracts hereafter made an amount equivalent to the federal highway funds for the acquisition of right of way as would have been available if application had been made therefor and approved by the federal government, shall also be deducted from the total cost in determining the net cost. Any city or village paying a portion of the cost of improving trunk lines or trunk line structures, including cost of right of way, within its corporate limits may raise money for that purpose, either by taxation or by the issuance of bonds or short term loans therefor, on the faith and credit of the city or village. The bonds or loans shall not be chargeable against the established bonded debt limit of the city or village, if a special assessment district is established in connection with the improvement. The execution of the contracts or agreements shall not restrict any right of the city or village to establish special assessment districts in connection with the improvements. The construction, maintenance and improvement of the trunk line highways and the direction, supervision and control of same by the state highway commission as provided in sections 1a, 1b and 1c may be modified in the contracts authorized by this act to such extent as may be agreed upon.

History: Add. 1957, Act 262, Eff. July 1, 1957;—Am. 1967, Act 298, Eff. Jan. 1, 1968;—Am. 1967, Ex. Sess., Act 4, Eff. Jan. 1, 1968.

Popular name: McNitt Act

Popular name: Michigan Transportation Fund Act