

MICHIGAN ENERGY EMPLOYMENT ACT OF 1976 (EXCERPT)
Act 448 of 1976

460.823 Joint venture agreement; terms, conditions, and provisions; ratification of contracts by resolution; provisions of contract.

Sec. 23. A joint venture agreement entered into by governmental units with respect to joint ownership in a project shall contain those terms, conditions, and provisions, not inconsistent with this act, as the governing bodies of the governmental units determine to be in the interest of the governmental units. The contracts shall be ratified by resolution of the governing body of each governmental unit in the manner as may be prescribed by law or local charter. A contract shall include provisions relating to, but not limited to, the following:

- (a) The purpose or purposes of the contract.
- (b) The duration of the contract.
- (c) The method of appointing or employing the personnel necessary in connection with the project.
- (d) The method of financing the project, including the apportionment of costs and revenues.
- (e) The ownership interests of the parties in property used or useful in connection with the project, and the procedures for disposition of that property when the contract expires or is terminated, or when the project is abandoned, decommissioned, or dismantled.
- (f) The prohibition or restrictions of the alienation or partition of a governmental unit's undivided interest in a project, which provisions shall not be subject to a law restricting covenants against alienation or partition.
- (g) The construction of a project, which may include the determination that a governmental unit jointly participating, or a person, firm, or corporation, may construct the project as agent for all parties to the joint venture agreement.
- (h) The operation and maintenance of a project, which may include a determination that a governmental unit jointly participating, or that a person, firm, or corporation, may operate and maintain the project for all parties.
- (i) Detailed project costs.
- (j) The creation of a committee of representatives of the governmental units or power utility jointly participating, which committee shall have powers regarding the construction and operation of the project as the contract, not inconsistent with this act, may provide.
- (k) If 1 or more of the governmental units defaults in the performance or discharge of its or their obligations with respect to the project, the other party or parties may assume, pro rata or otherwise, the obligations of the defaulting parties, and may succeed to the rights and interests of the defaulting party or parties in the project as may be agreed upon in the contract.
- (l) Methods for amending the contract.
- (m) Methods for terminating the contract.
- (n) Any other necessary or proper matter.

History: 1976, Act 448, Imd. Eff. Jan. 13, 1977.