SB89

167881-3

By Senators Waggoner, Williams, Scofield, Blackwell, Reed, Livingston, Ward, Whatley, Shelnutt, Marsh, Bussman, Allen and Orr

RFD: Fiscal Responsibility and Economic Development

First Read: 03-MAR-15
SB89

ENGROSSED

A BILL

TO BE ENTITLED

AN ACT

Relating to any municipal water works board which serves water customers or has assets in certain counties other than the county where the authorizing municipality is principally located; to provide for the appointment of certain board members; to limit the terms of all board members including members appointed prior to this act becoming applicable to the board; to limit the compensation and expenses of the board members; to specify that the board members would be covered by the State Ethics Law and could not be elected officials; to provide for notice and a public hearing prior to the board adopting any rate increase; and to specify that the board would be subject to the Alabama Open Meetings Act.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Notwithstanding any other provisions of law, this act shall apply to any municipal water works board authorized to be incorporated by a municipality which, on
January 1, 2015, either served water customers or has assets in four or more counties other than the county where the authorizing municipality is principally located, or after January 1, 2015, either serves water customers or has assets in four or more counties other than the county where the authorizing municipality is located, and the organization and operation of the board, shall be subject to this act.

Section 2. (a) Subject to the effective date in Section 8, the water works board shall be reorganized and composed of the following members:

(1) Six of the members shall be appointed by the authorizing municipality and shall be residents of the authorizing municipality and water customers of the board.

(2) One additional board member shall be appointed by the association of mayors in the county where the authorizing municipality is located if there is an organized incorporated countywide association of mayors or by the mayors of the county acting jointly if not. This member shall hereafter be referred to as the board member appointed by the association of mayors. The board member shall reside outside of the corporate limits of the authorizing municipality and shall be a resident of the county where the authorizing municipality is principally located and be a water customer of the board. Notwithstanding any other provision of this act, the person appointed as a board member by the association of mayors may only serve one full term on the board.
(3) One additional board member shall be appointed by the county commission of each county other than the county where the authorizing municipality is principally located where more than 5,000 water customers are served by the board or where the board owns a major reservoir located entirely within the county. Each board member shall be a resident of the county making the appointment.

Section 3. (1) Except as otherwise provided in this act, after the effective date of this act, the term of members of the board shall be four years.

(2) A person appointed to fill a vacancy on the board shall serve the remainder of the term of the vacant seat.

(3) Except as provided herein, a member of the board may not be appointed to more than two full terms, including, as provided herein, any board member serving when this act becomes applicable to the board. A board member who has been appointed to two full terms on the board prior to this act becoming applicable to the board may not be appointed to an additional term and a board member who has been appointed to one full term prior to this act becoming applicable to the board may be appointed to one additional term on the board. All board members shall continue to serve until a successor is appointed and qualified.

Section 4. (a) Notwithstanding any other provision of law, including Section 11-50-234.1, Code of Alabama 1975, no member of the board may receive any compensation that
exceeds one thousand dollars ($1,000) per month. In addition, the members shall be entitled to any additional personal expenses for the member only or expense allowance for personal travel or other personal expenses for the member related to the duties of their office upon approval by a roll call vote of a majority of the board members in an open meeting of the board. No member of the board may be reimbursed for any expenditure for alcoholic beverages or entertainment. Records relating to each expense voucher shall be itemized as to any expense and shall be a public record and placed on the website of the board.

(b)(1) All members of the board and employees of the board shall be subject to the State Ethics Law, Chapter 25 of Title 36, Code of Alabama 1975. No consultant or party contracting with or doing business with the board may expend any funds on entertainment of a board member.

(2) No member of the board shall be an elected official.

(c) No increase in rates for water may be adopted by the board unless notice of the meeting at which the rate increase is to be considered is given at least 30 days prior to the meeting in the same manner as provided in the Alabama Open Meeting Act and a public hearing is held at the meeting prior to any vote on the rate increase. Notice of the meeting shall also be given by posting a notice of the meeting on the website of the board at least 30 days in advance of the board meeting.
(d) The board shall otherwise be subject to Chapter 25A of Title 36, Code of Alabama 1975, the Alabama Open Meetings Act.

Section 5. This act shall not apply to a municipal utilities board which operates a water works system and an electric distribution system and does not apply to an entity which only serves wholesale water customers.

Section 6. All laws or parts of laws which conflict with this act are repealed.

Section 7. The provisions of this act are severable. If any part of this act is declared invalid or unconstitutional, that declaration shall not affect the part which remains.

Section 8. This act shall become effective immediately following its passage and approval by the Governor, or its otherwise becoming law, except that Section 2 of this act shall become effective on January 1, 2017.
Senate

Read for the first time and referred to the Senate committee on Fiscal Responsibility and Economic Development............................... 03-MAR-15

Read for the second time and placed on the calendar.............................. 11-MAR-15

Read for the third time and passed as amended .... 16-APR-15

Patrick Harris
Secretary