

**ALBC MSJ Brief
Exhibit 11**

1 SB89
2 167881-3
3 By Senators Waggoner, Williams, Scofield, Blackwell, Reed,
4 Livingston, Ward, Whatley, Shelnut, Marsh, Bussman, Allen and
5 Orr
6 RFD: Fiscal Responsibility and Economic Development
7 First Read: 03-MAR-15

1 SB89

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4 ENGROSSED

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7 A BILL
8 TO BE ENTITLED
9 AN ACT

10
11 Relating to any municipal water works board which
12 serves water customers or has assets in certain counties other
13 than the county where the authorizing municipality is
14 principally located; to provide for the appointment of certain
15 board members; to limit the terms of all board members
16 including members appointed prior to this act becoming
17 applicable to the board; to limit the compensation and
18 expenses of the board members; to specify that the board
19 members would be covered by the State Ethics Law and could not
20 be elected officials; to provide for notice and a public
21 hearing prior to the board adopting any rate increase; and to
22 specify that the board would be subject to the Alabama Open
23 Meetings Act.

24 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

25 Section 1. Notwithstanding any other provisions of
26 law, this act shall apply to any municipal water works board
27 authorized to be incorporated by a municipality which, on

1 January 1, 2015, either served water customers or has assets
2 in four or more counties other than the county where the
3 authorizing municipality is principally located, or after
4 January 1, 2015, either serves water customers or has assets
5 in four or more counties other than the county where the
6 authorizing municipality is located, and the organization and
7 operation of the board, shall be subject to this act.

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

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

14 (2) One additional board member shall be appointed
15 by the association of mayors in the county where the
16 authorizing municipality is located if there is an organized
17 incorporated countywide association of mayors or by the mayors
18 of the county acting jointly if not. This member shall
19 hereafter be referred to as the board member appointed by the
20 association of mayors. The board member shall reside outside
21 of the corporate limits of the authorizing municipality and
22 shall be a resident of the county where the authorizing
23 municipality is principally located and be a water customer of
24 the board. Notwithstanding any other provision of this act,
25 the person appointed as a board member by the association of
26 mayors may only serve one full term on the board.

1 (3) One additional board member shall be appointed
2 by the county commission of each county other than the county
3 where the authorizing municipality is principally located
4 where more than 5,000 water customers are served by the board
5 or where the board owns a major reservoir located entirely
6 within the county. Each board member shall be a resident of
7 the county making the appointment.

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

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

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

25 Section 4. (a) Notwithstanding any other provision
26 of law, including Section 11-50-234.1, Code of Alabama 1975,
27 no member of the board may receive any compensation that

1 exceeds one thousand dollars (\$1,000) per month. In addition,
2 the members shall be entitled to any additional personal
3 expenses for the member only or expense allowance for personal
4 travel or other personal expenses for the member related to
5 the duties of their office upon approval by a roll call vote
6 of a majority of the board members in an open meeting of the
7 board. No member of the board may be reimbursed for any
8 expenditure for alcoholic beverages or entertainment. Records
9 relating to each expense voucher shall be itemized as to any
10 expense and shall be a public record and placed on the website
11 of the board.

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

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

19 (c) No increase in rates for water may be adopted by
20 the board unless notice of the meeting at which the rate
21 increase is to be considered is given at least 30 days prior
22 to the meeting in the same manner as provided in the Alabama
23 Open Meeting Act and a public hearing is held at the meeting
24 prior to any vote on the rate increase. Notice of the meeting
25 shall also be given by posting a notice of the meeting on the
26 website of the board at least 30 days in advance of the board
27 meeting.

1 (d) The board shall otherwise be subject to Chapter
2 25A of Title 36, Code of Alabama 1975, the Alabama Open
3 Meetings Act.

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

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

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

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

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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