

1 SB89
2 165009-1
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

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8 SYNOPSIS: This bill would apply to any municipal
9 water works board that serves water customers or
10 has assets in four or more counties in addition to
11 the county where the authorizing municipality is
12 principally located.

13 The bill would provide further for the
14 appointment of two of the existing board positions
15 and would provide for the appointment of additional
16 board members.

17 The bill would also limit the term of all
18 board members, limit the compensation of the board
19 members, specify that the board members would be
20 covered by the State Ethics Law, provide for notice
21 and a public hearing prior to adoption of any rate
22 increase, and specify that the board would be
23 subject to the Alabama Open Meetings Act.

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25 A BILL
26 TO BE ENTITLED
27 AN ACT

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2 Relating to any municipal water works board which
3 serves water customers or has assets in certain counties other
4 than the county where the authorizing municipality is
5 principally located; to provide for the appointment of certain
6 board members; to limit the terms of all board members
7 including members appointed prior to this act becoming
8 applicable to the board; to limit the compensation of the
9 board members; to specify that the board members would be
10 covered by the State Ethics Law; to provide for notice and a
11 public hearing prior to the board adopting any rate increase;
12 and to specify that the board would be subject to the Alabama
13 Open Meetings Act.

14 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

25 Section 2. (a) Subject to the transition provisions
26 in subsection (b), the water works board shall be reorganized
27 and composed of the following members:

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

4 (2) One member shall be appointed by the authorizing
5 municipality who shall reside outside of the corporate limits
6 of the authorizing municipality. This member shall be a
7 resident of the county where the authorizing municipality is
8 located and a water customer of the board.

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

22 (4) One additional board member shall be appointed
23 by the county commission of each county other than the county
24 where the authorizing municipality is principally located
25 where more than 5,000 water customers are served by the board
26 or where the board owns a major reservoir located entirely

1 within the county. Each board member shall be a resident of
2 the county making the appointment.

3 (b) (1) Any member serving on the board when this act
4 becomes applicable to the board shall serve the remainder of
5 his or her term.

6 (2) Upon the occurrence of the first vacancy on the
7 board of a member serving when this act becomes applicable to
8 the board, the vacancy shall be filled by an appointment as
9 provided in subdivision (3) in subsection (a).

10 (3) Upon the occurrence of any subsequent vacancy on
11 the board of a member serving when this act becomes applicable
12 to the board and when no member of the board meets the
13 qualifications in subdivision (2) of subsection (a), not
14 considering the board members appointed as provided for in
15 subdivision (3) of subsection (a), the vacancy shall be filled
16 as provided in subsection (2) of subsection (a).

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

20 (2) Except for vacancies on the board filled
21 pursuant to subdivisions (2) and (3) of subsection (b) of
22 Section 2, a person appointed to fill a vacancy on the board
23 shall serve the remainder of the term of the vacant seat.

24 (3) Except as provided herein, a member of the board
25 may not be appointed to more than two full terms, including,
26 as provided herein, any board member serving when this act
27 becomes applicable to the board. A board member who has been

1 appointed to two full terms on the board prior to this act
2 becoming applicable to the board may not be appointed to an
3 additional term and a board member who has been appointed to
4 one full term prior to this act becoming applicable to the
5 board may be appointed to one additional term on the board.
6 All board members shall continue to serve until a successor is
7 appointed and qualified.

8 Section 4. (a) Notwithstanding any other provision
9 of law, including Section 11-50-234.1, Code of Alabama 1975,
10 no member of the board may receive any compensation that
11 exceeds five hundred dollars (\$500) per month. In addition,
12 the members shall be entitled to any additional expenses or
13 expense allowance for travel or other expenses related to the
14 duties of their office upon approval by a roll call vote of a
15 majority of the board members in an open meeting of the board.

16 (b) All members of the board and employees of the
17 board shall be subject to the State Ethics Law, Chapter 25 of
18 Title 36, Code of Alabama 1975.

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.