

NORTH CAROLINA GENERAL ASSEMBLY
1975 SESSION

CHAPTER 224
SENATE BILL 463

AN ACT AMENDING G.S. 162A-2(7), G.S. 162A-4(b), G.S. 162A-5, AND G.S. 162A-14(1) AND (4), THE SAME BEING A PART OF ARTICLE 1, THE "NORTH CAROLINA WATER AND SEWER AUTHORITIES ACT", OF CHAPTER 162A OF THE GENERAL STATUTES, AND PROVIDING AN ALTERNATIVE PROCEDURE FOR CREATING AN AUTHORITY UNDER SUCH ACT.

The General Assembly of North Carolina enacts:

Sec. 1. Chapter 162A of the General Statutes is amended by inserting a new section therein as follows:

"§ **162A-3.1. Alternative procedure for creation.** — (a) As an alternative to the procedure set forth in G.S. 162A-3, the governing bodies of any two or more political subdivisions may by resolution signify their determination to organize an authority under the provisions of this section of this Article. Each of such resolutions shall be adopted after a public hearing thereon, notice of which hearing shall be given by publication at least once, not less than 10 days prior to the date fixed for such hearing, in a newspaper having a general circulation in the political subdivision. Such notice shall contain a brief statement of the substance of the proposed resolution, shall set forth the proposed articles of incorporation of the authority and shall state the time and place of the public hearing. No such political subdivision shall be required to make any other publication of such resolution under the provisions of any other law.

- (b) Each such resolution shall include articles of incorporation which shall set forth:
- (1) The name of the authority;
 - (2) A statement that such authority is organized under this section of this Article;
 - (3) The names of the organizing political subdivisions;
 - (4) The names and addresses of the members of the authority appointed by the organizing political subdivisions; and
 - (5) A statement that members of the authority will be limited to such members as may be appointed from time to time by the organizing political subdivisions.

(c) A certified copy of each of such resolutions signifying the determination to organize an authority under the provisions of this section of this Article shall be filed with the Secretary of State of North Carolina, together with proof of publication of the notice of hearing on each of such resolutions. If the Secretary of State finds that the resolutions, including the articles of incorporation, conform to the provisions of this section of this Article and that the notices of hearing were properly published, he shall file such resolutions and proofs of publication in his office and shall issue a certificate of incorporation under the seal of the State and shall record the same in an appropriate book of record in his office. The issuance of such certificate of incorporation by the Secretary of State shall constitute the authority a public body and body politic and corporate of the State of North Carolina. Said certificate of incorporation shall be conclusive evidence of the fact that such authority has been duly created and established under the provisions of this section of this Article.

(d) When the authority has been duly organized and its officers elected as herein provided the secretary of the authority shall certify to the Secretary of State the names and addresses of such officers as well as the address of the principal office of the authority."

Sec. 2. G.S. 162A-4(b) is amended to read as follows:

"Any political subdivision desiring to withdraw from or to join an existing authority shall signify its desire by resolution adopted after a public hearing thereon, notice of which hearing shall be given in the manner and at the time provided in G.S. 162A-3 or G.S. 162A-3.1, as appropriate. Such notice shall contain a brief statement of the substance of said resolution and shall state the time and place of the public hearing to be held thereon. In the case of a political subdivision desiring to join the authority, the resolution shall set forth all of the information required under G.S. 162A-3 or G.S. 162A-3.1, as appropriate, in connection with the original organization of the authority, including the name and address of the first member of the authority from the joining political subdivision if the authority was organized under G.S. 162A-3."

Sec. 3. The first paragraph of G.S. 162A-5 is amended to read as follows:

"Each authority organized under this Article shall consist of the number of members as may be agreed upon by the participating political subdivision, such members to be selected by the respective political subdivision. A proportionate number (as nearly as can be) of members of the authority first appointed shall have terms expiring one year, two years and three years respectively from the date on which the creation of the authority becomes effective. Successor members and members appointed by a political subdivision subsequently joining the authority shall each be appointed for a term of three years, but any person appointed to fill the vacancy shall be appointed to serve only for the unexpired term and any member may be reappointed; provided, however, that a political subdivision subsequently joining an authority created under G.S. 162A-3.1 shall not have the right to appoint any members to such authority. Appointments of successor members shall, in each instance, be made by the governing body of the political subdivision appointing the member whose successor is to be appointed. Any member of the authority may be removed, with or without cause, by the governing body appointing said member."

Sec. 4. The last sentence of G.S. 162A-5 is rewritten to read as follows:

"The members of the authority may be paid a per diem compensation set by the authority which per diem may not exceed the total amount of two thousand dollars (\$2,000) annually, and shall be reimbursed for the amount of actual expenses incurred by them in the performance of their duties."

Sec. 5. G.S. 162A-14(1) is amended to read as follows:

"Pursuant to the provisions of G.S. 160A-274 and subject to the approval of the Local Government Commission, except for action taken hereunder by any State agency, to transfer jurisdiction over, and to lease, lend, grant or convey to an authority upon the request of the authority, upon such terms and conditions as the governing body of such political subdivision may agree with the authority as reasonable and fair, the whole or any part of any existing water system or sewer system or such real or personal property as may be necessary or desirable in connection with the acquisition, construction, reconstruction, improvement, extension, enlargement, equipment, repair, maintenance or operation of any water system or sewer system or part thereof by the authority, including public roads and other property already devoted to public use;"

Sec. 6. G.S. 162A-14(4) is amended to read as follows:

"In its discretion, to submit to the qualified electors under the election laws applicable to such political subdivision any contract or agreement which such governing body is authorized to make and enter into with the authority under the provisions of this Article."

Sec. 7. This act shall be in full force and effect from and after its ratification.

In the General Assembly read three times and ratified, this the 5th day of May, 1975.