§ 463. Manner of authorizing interlocal agreements. An interlocal agreement must be authorized and approved by the governing body of the contracting public agency of this state, subject to the following requirements:

1. If the same or substantially similar services, facilities, personnel, equipment, other property or resources may be received, obtained, provided or furnished, or the same or substantially similar functions or activities engaged in or performed under the laws of this state by a joint agreement or undertaking between or among public agencies within this state, and if the statutes applicable to such joint agreement or undertaking require the holding of a public hearing or make it subject to a referendum, the governing board of the contracting public agency of this state shall, before it approves the interlocal agreement, hold a public hearing or provide the same type of referendum in substantially the same manner and on substantially the same notice provided in such statutes.

2. If the contracting public agency of this state has the authority to receive, obtain, provide or furnish the same or substantially similar services, facilities, personnel, equipment, other property or resources, or to engage in or perform the same or substantially similar functions or activities without an interlocal agreement only after a public hearing or subject to a referendum, and if the provisions of subdivision one of this section shall not apply, the governing board of the contracting public agency of this state shall, before it approves the interlocal agreement, hold a public hearing or provide the same type of referendum in the same manner and on the same notice as though such public agency were receiving, obtaining, providing or furnishing such services, facilities, personnel, equipment, other property or resources, or engaging in or performing such functions or activities without an interlocal agreement.

3. An interlocal agreement not covered by subdivision one or subdivision two of this section shall be approved only after the governing board of the contracting public agency of this state has held a public hearing on the interlocal agreement. Notice of such public

hearing shall be published at least twice in a newspaper having general circulation in the territory of such contracting public agency not less than ten days nor more than twenty days before the day designated therein for the hearing. Such notice shall contain a brief description in general terms of the interlocal agreement and specify the place where and time when the governing board will meet to consider such interlocal agreement and to hear all interested persons.