

By: Representative Foster

To: Local and Private  
LegislationHOUSE BILL NO. 1553  
(As Passed the House)

1 AN ACT TO AUTHORIZE THE CITY OF PONTOTOC, MISSISSIPPI, TO  
2 ACQUIRE AND ASSUME THE OPERATION AND MAINTENANCE OF THE PRIMROSE  
3 WATER ASSOCIATION AND TO ASSUME ALL THE LIABILITIES, OBLIGATIONS,  
4 ASSETS, DUTIES AND RESPONSIBILITIES OF SUCH ASSOCIATION; TO  
5 AUTHORIZE THE CITY OF PONTOTOC TO OPERATE ITS WATER DISTRIBUTION  
6 SYSTEM FOR A DISTANCE OF MORE THAN FIVE MILES FROM THE CORPORATE  
7 LIMITS OF THE CITY OF PONTOTOC IN ORDER TO OPERATE THE WATER  
8 SYSTEM WITHIN THE AREA PRESENTLY SERVED BY THE PRIMROSE WATER  
9 SYSTEM; AND FOR RELATED PURPOSES. BE IT ENACTED BY THE  
10 LEGISLATURE OF THE STATE OF MISSISSIPPI:

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12 SECTION 1. (1) The governing authorities of the City of  
13 Pontotoc, Mississippi, in their discretion, may acquire and  
14 assume the operation and maintenance of the water distribution  
15 systems owned by Primrose Water Association; and, in connection  
16 therewith, the governing authorities of the City of Pontotoc may  
17 assume all liabilities, obligations, assets, duties and  
18 responsibilities of the association. The city shall have such  
19 powers and authority concerning the association and its facilities  
20 as is granted by law to municipalities concerning water systems.

21 (2) Any indebtedness incurred by the City of Pontotoc as a  
22 result of the exercise of the authority granted under subsection  
23 (1) of this section shall not constitute a debt within the meaning  
24 of any statutory limitation as to the amount of debt which may be  
25 incurred by the municipality.

26 SECTION 2. (1) (a) Notwithstanding any provisions of  
27 Section 21-27-39, Mississippi Code of 1972, to the contrary, the  
28 governing authorities of the City of Pontotoc, Mississippi, in  
29 their discretion, may construct, expand, operate and maintain the  
30 water distribution system of the City of Pontotoc for a distance

31 of more than five (5) miles from the corporate limits of the City  
32 of Pontotoc in order to operate the water system within the area  
33 served by Primrose Water Association on the effective date of  
34 House Bill No. , 1999 Regular Session. The rate charged to  
35 consumers of water service furnished by the water system who  
36 reside outside the corporate limits of the City of Pontotoc shall  
37 be no greater than twice the rate charged to consumers who reside  
38 within the corporate limits of the city, until the provisions of  
39 paragraph (b) are applicable.

40 (b) Upon the completion of any construction, expansion  
41 or improvement of the water system and the retirement of any  
42 indebtedness incurred in connection therewith, the consumers of  
43 water service furnished by the water distribution system who  
44 reside outside the corporate limits of the City of Pontotoc shall  
45 be charged the same rate as that charged to consumers who reside  
46 within the corporate limits of the city.

47 (2) The authority conferred by this section shall not be  
48 construed as an exemption to Chapter 3, Title 77, Mississippi Code  
49 of 1972, concerning the requirements of obtaining a Certificate of  
50 Public Convenience and Necessity, the jurisdiction of the Public  
51 Service Commission to regulate rates or any other provision of law  
52 related to the regulation of public utilities.

53 SECTION 3. This act shall take effect and be in force from  
54 and after its passage.