

By: Senator(s) Browning

To: Local and Private

## SENATE BILL NO. 2367

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 City of Pontotoc, Mississippi, acting by  
13 and through its governing authorities, is hereby authorized and  
14 empowered to acquire the Primrose Water System and to assume the  
15 operation and maintenance of the Primrose Water Association; and,  
16 in connection therewith, such governing authorities are vested  
17 with the power to assume all liabilities, obligations, assets,  
18 duties and responsibilities of such association. The city shall  
19 have such powers and authority concerning the association and its  
20 facilities as is now or hereafter granted by law to municipalities  
21 concerning water systems.

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

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

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

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

47 (2) The authority conferred by this section shall not be  
48 construed as an exemption of Section 77-3-1 et seq., Mississippi  
49 Code of 1972, as to 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  
52 law.

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