

By: Senator(s) Hawks, Minor

To: Local and Private

## SENATE BILL NO. 3253

1 AN ACT TO AUTHORIZE THE COUNTY OF DESOTO TO CREATE A DESOTO  
2 COUNTY REGIONAL UTILITY AUTHORITY; TO AUTHORIZE OTHER  
3 MUNICIPALITIES, PUBLIC AGENCIES AND POLITICAL SUBDIVISIONS TO  
4 BECOME MEMBERS THEREOF; TO AUTHORIZE THE AUTHORITY TO ACQUIRE,  
5 CONSTRUCT, MAINTAIN AND OPERATE SEWAGE TREATMENT SYSTEMS, WASTE  
6 TREATMENT SYSTEMS, WASTEWATER TREATMENT SYSTEMS, AND GROUNDWATER  
7 TREATMENT SYSTEMS; TO AUTHORIZE PUBLIC AGENCIES TO CONTRACT WITH  
8 THE AUTHORITY AND TO INCLUDE PAYMENTS TO BE MADE UNDER SUCH  
9 CONTRACTS AS AN OPERATING EXPENSE OF SUCH PUBLIC AGENCIES'  
10 TREATMENT SYSTEMS; TO OBLIGATE GENERAL FUNDS AND SPECIAL  
11 ASSESSMENTS IN SUPPORT OF SAID PAYMENTS; TO AUTHORIZE THE  
12 AUTHORITY TO ISSUE BONDS AND TO PLEDGE REVENUES DERIVED FROM SAID  
13 CONTRACTS IN SUPPORT THEREOF; TO ENTER INTO SUCH AGREEMENTS,  
14 CONTRACTS AND FINANCIAL ARRANGEMENTS AS MAY BE NECESSARY TO CARRY  
15 OUT SUCH DUTIES; AND FOR RELATED PURPOSES.

16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

17 SECTION 1. The purpose of this act is to authorize a  
18 cooperative effort by any contiguous area situated within DeSoto  
19 County, including the areas situated within the corporate  
20 boundaries of any existing municipality and other eligible  
21 municipalities, public agencies and political subdivisions, for  
22 the acquisition, construction and operation of user funded systems  
23 for the collection, transportation, treatment and treatment of  
24 wastes; including sewerage systems, sewage treatment systems, and  
25 wastewater and wastewater treatment systems, in order to prevent  
26 and control the pollution of the waters in this state by the  
27 creation of a DeSoto County Regional Utility Authority. This act  
28 may be cited as the "DeSoto County Regional Utility Authority  
29 Act."

30 SECTION 2. Words and phrases used in this act shall have  
31 meanings as follows:

32 (a) "Authority" means the DeSoto County Regional

33 Utility Authority created under this act to serve the metropolitan  
34 area or a designated portion thereof, as set forth in the  
35 resolution creating or expanding the authority.

36 (b) "Board of directors" means the Board of Directors  
37 of the DeSoto County Regional Utility Authority.

38 (c) "Bonds" means revenue bonds and interim notes  
39 having a maturity of three (3) years or less, and other  
40 certificates of indebtedness of the district issued under the  
41 provisions of this act.

42 (d) "Groundwater" means that water occurring beneath  
43 the surface of the ground.

44 (e) "Groundwater system" means a system for the  
45 drainage, conservation, development, utilization, impoundment,  
46 diversion, flowage, distribution and disposal of groundwater.

47 (f) "Horn Lake Creek Basin Interceptor Sewer District"  
48 means the entity created by Chapter 627, Local and Private Laws of  
49 1971, as amended by Chapter 952, Local and Private Laws of 1980,  
50 as amended by Chapter 880, Local and Private Laws of 1990, as  
51 amended by Chapter 910, Local and Private Laws of 1992.

52 (g) "Member agency" means the unincorporated contiguous  
53 area of DeSoto County and any public agency which elects to become  
54 a constituent member of the authority upon its organization, and  
55 which is admitted to the authority by affirmative vote of the  
56 board of directors of such authority, and pursuant to the  
57 resolution creating the authority in accordance with the  
58 provisions of Section 3 of this act.

59 (h) "Metropolitan area" means all of the area or  
60 territory lying within DeSoto County, Mississippi, as more  
61 accurately described in Section 19-1-33 and any such additional  
62 area to be served by the authority, whether or not such area be  
63 contiguous; provided, however, that the metropolitan area shall  
64 not include any area located within the corporate limits of a  
65 municipality which is not a member agency, nor shall it include

66 the Horn Lake Creek Basin Interceptor Sewer District, should they  
67 elect not to be a member agency of the authority.

68 (i) "Metropolitan area plan" means a comprehensive plan  
69 for sewerage systems and sewage treatment systems, wastewater and  
70 wastewater treatment systems within the metropolitan area,  
71 consistent with standards established pursuant to applicable  
72 federal and state law.

73 (j) "Municipality" means any incorporated city, town,  
74 or village of the State of Mississippi, whether operating under  
75 general law or under special charter, lying wholly or partly  
76 within the metropolitan area.

77 (k) "Person" means the State of Mississippi, a  
78 municipality, any public agency or any other city, town, village  
79 or political subdivision or governmental agency of the State of  
80 Mississippi or of the United States of America, or any private  
81 utility, individual, copartnership, association, firm, trust,  
82 estate or any other entity whatsoever. For the purposes of this  
83 act, the term "person" shall also include the Horn Lake Creek  
84 Basin Interceptor Sewer District.

85 (l) The terms "pollution," "wastes," "waters" or  
86 "waters of the state" shall have meanings as set forth in the  
87 Mississippi Air and Water Pollution Control Law, Section 49-17-5  
88 et seq.

89 (m) "Public agency" means any county, municipality, or  
90 persons, as are defined herein, lying wholly or partially within  
91 the metropolitan area, any state board or commission owning or  
92 operating properties within a metropolitan area, a district  
93 created pursuant to Sections 51-9-101 through 51-9-163 or Sections  
94 19-5-151 through 19-5-257, or any other political subdivision of  
95 the State of Mississippi lying wholly or partially within a  
96 metropolitan area and having the power to own and operate  
97 waterworks, water supply systems, sewerage systems, treatment  
98 facilities, sewage treatment systems, or other facilities or

99 systems for the collection, transportation, treatment and  
100 treatment of waste, sewerage and wastewater.

101 (n) "Sewage treatment system" means a system for  
102 collecting, transferring, treating and disposing of waste,  
103 including, but not limited to, sewerage systems and treatment  
104 facilities, as these terms are defined in this act.

105 (o) "Sewerage system" means pipelines or conduits,  
106 canals, pumping stations and force mains, and all other  
107 structures, devices, facilities and appliances appurtenant  
108 thereto, used for collecting or conducting waste to an ultimate  
109 point for treatment.

110 (p) "Treatment facilities" means any plant, treatment  
111 field, lagoon, pumping station, constructing drainage ditch or  
112 surface water intercepting ditch, canal, incinerator, area devoted  
113 to sanitary landfills or other works not specifically mentioned  
114 herein, installed for the purpose of treating, neutralizing,  
115 stabilizing or disposing of waste or facilities to provide cooling  
116 water to collect, control and dispose of waste heat.

117 (q) "Treatment systems" means the collective or  
118 individual systems for collecting, transferring, treating and  
119 disposing of sewage, waste, wastewater, and groundwater, or its  
120 particular individual substance, and including all treatment  
121 facilities, pipelines, conduits, pumping stations and all other  
122 structures, devices and appliances appurtenant thereto, including  
123 land and right-of-way thereto.

124 (r) "Waste" means sewage, industrial waste, municipal  
125 waste, recreational waste and agricultural waste, waste heat, and  
126 any other waste that may cause impairment of the quality of the  
127 waters in the state.

128 (s) "Wastewater" means water being disposed of by any  
129 person and which is contaminated with waste or sewage.

130 (t) "Water supply system" means pipelines, conduits,  
131 pumping stations and all other structures, devices and appliances

132 appurtenant thereto, including land and right-of-way thereto, for  
133 use for transporting water to a point of ultimate use.

134 (u) "Waterworks" means all works, plants or other  
135 facilities necessary for the purpose of collecting, storing,  
136 treating and transporting water for domestic, municipal,  
137 commercial, industrial, agricultural and manufacturing purposes,  
138 including open channels.

139 SECTION 3. (1) The formation of the DeSoto County Regional  
140 Utility Authority shall be conducted in accordance with the  
141 provisions of this section. The DeSoto County Board of  
142 Supervisors is authorized to file a petition with the Chancery  
143 Court of DeSoto County, for approval of the formation of the  
144 DeSoto County Regional Utility Authority, which may be joined in  
145 by any municipality or public agency lying wholly or partly within  
146 the metropolitan area, for the organization of the authority in  
147 this state. When organized in accordance with the provisions of  
148 this act, the authority shall be a political subdivision of the  
149 State of Mississippi and shall have the powers granted to the  
150 authority under this act.

151 (2) (a) Before the DeSoto County Board of Supervisors files  
152 its petition with the chancery court, one of the following must  
153 occur:

154 (i) A petition for the organization of a DeSoto  
155 County Regional Utility Authority must be presented to the DeSoto  
156 County Board of Supervisors, signed by not less than twenty-five  
157 (25) owners of real property residing within the boundaries of the  
158 proposed district; or

159 (ii) A resolution of the DeSoto County Board of  
160 Supervisors must be brought forth upon motion of the board.

161 (b) The petition or resolution shall include the  
162 following:

163 (i) A statement of the necessity for the service  
164 or services to be supplied by the proposed district;

165                   (ii) The proposed corporate name for the district;  
166                   (iii) The proposed boundaries of the district;  
167                   (iv) An estimate of the cost of the acquisition or  
168 construction of the facilities to be operated by the district with  
169 disclosure that the estimate shall not serve as a limitation upon  
170 the financing of the creation, operation, improving upon or  
171 extending of the authority;

172                   (v) A statement of whether the DeSoto County Board  
173 of Supervisors intends to levy a tax in support of the authority;  
174 and

175                   (vi) A statement of whether the DeSoto County  
176 Board of Supervisors intends to makes assessments in support of  
177 the authority.

178           (3) Any petition for formation shall be signed in person by  
179 the petitioners, shall set forth their respective addresses, and  
180 shall be accompanied by a sworn statement that each signature is  
181 the signature of the person it purports to be and that each person  
182 so signing was at the time of signing an owner of real property  
183 within DeSoto County.

184           (4) The board of supervisors may initiate the petition  
185 process to incorporate the authority by adopting a resolution of  
186 the board of supervisors to have the appropriate petition prepared  
187 and presented to the public for signature as set forth above.

188           (5) A properly signed petition shall be filed with the  
189 DeSoto County Board of Supervisors. Upon the filing of the  
190 petition with the DeSoto County Board of Supervisors, or upon the  
191 approval of the DeSoto County Board of Supervisors of the  
192 appropriate resolution, the DeSoto County Board of Supervisors  
193 shall fix a time and place for a public hearing upon the question  
194 of the public convenience and necessity of the incorporation of  
195 the proposed authority. The hearing shall not be more than thirty  
196 (30) days after the filing of the petition. The date of the  
197 hearing, the place at which it shall be held, the proposed

198 boundaries of said district, and the purpose of the hearing, shall  
199 be set forth in a notice to be signed by the clerk of the DeSoto  
200 County Board of Supervisors to be published in a newspaper having  
201 general circulation for a period of once a week for at least three  
202 (3) consecutive weeks before the date set forth for the hearing.  
203 The first such publication shall be made not less than twenty-one  
204 (21) days before the date of such hearing and the last publication  
205 shall be made not more than seven (7) days before the date of such  
206 hearing.

207 (6) Upon the public hearing, should the DeSoto County Board  
208 of Supervisors determine that the public convenience and necessity  
209 require the creation of the district, and that the creation of the  
210 district is economically sound and desirable, the DeSoto County  
211 Board of Supervisors shall adopt a resolution making the aforesaid  
212 findings and declaring its intention to create the authority on a  
213 date to be specified and designating the name of the proposed  
214 district and its territorial limits. The resolution shall further  
215 state the authority of the authority to levy taxes and make  
216 assessments.

217 (7) A certified copy of the resolution as adopted by the  
218 DeSoto County Board of Supervisors shall be published in a  
219 newspaper having a general circulation within such proposed  
220 district once a week for at least three (3) consecutive weeks  
221 before the date specified in such resolution as the date upon  
222 which such DeSoto County Board of Supervisors intends to create  
223 the authority. The first such publication shall be made not less  
224 than twenty-one (21) days before the date specified, and the last  
225 such publication shall be made not more than seven (7) days before  
226 such date.

227 (8) If twenty percent (20%) or one thousand five hundred  
228 (1,500), whichever is less, of the qualified electors of the  
229 proposed district file a written petition with the DeSoto County  
230 Board of Supervisors on or before the date specified for the

231 creation of the authority, protesting against the creation of such  
232 district, the DeSoto County Board of Supervisors shall call an  
233 election on the question of the creation of such district. Such  
234 election shall be held and conducted by the election commissioners  
235 of the county as nearly as practicable in accordance with the  
236 general laws governing elections, the election commissioners shall  
237 determine which of the qualified electors of such county who  
238 reside within the proposed metropolitan area plan shall be  
239 entitled to vote in such election. Notice of the election setting  
240 forth the time, place or places, and purpose of such election  
241 shall be published by the clerk of the DeSoto County Board of  
242 Supervisors, within the time periods and in the manner provided in  
243 Section 3(5) of this act for the publication of the resolution of  
244 intent. The ballots to be prepared and used at the election shall  
245 be in substantially the following form:

246           FOR CREATION OF DESOTO COUNTY REGIONAL UTILITY AUTHORITY  
247           DISTRICT ( )  
248           AGAINST CREATION OF DESOTO COUNTY REGIONAL UTILITY AUTHORITY  
249           DISTRICT ( )

250 Each voter shall vote by placing a cross mark (x) opposite his  
251 choice.

252           If three-fifths (3/5) of those voting in the election for the  
253 creation of the authority vote in favor of the creation of the  
254 authority, the DeSoto County Board of Supervisors shall adopt a  
255 resolution creating the district as described in the resolution of  
256 intent.

257           (9) Upon adopting a resolution creating the authority, the  
258 DeSoto County Board of Supervisors shall transmit to the DeSoto  
259 County Chancery Court Clerk the resolution of the DeSoto County  
260 Board of Supervisors approving the creation of the authority, a  
261 copy of all affidavits verifying the publication of all required  
262 notices, the minutes of any hearings before the DeSoto County  
263 Board of Supervisors regarding the formation of the authority, and



264 the results of any elections held under Section 3(8) of this act.

265 The DeSoto County Chancery Court Clerk shall then file the  
266 documents, enter them on the docket of the DeSoto County Chancery  
267 Court and promptly notify the DeSoto County Chancellor in writing  
268 that the papers are on file and the cause has been docketed. The  
269 chancellor shall then notify the chancery court clerk to set the  
270 matter for hearing at some future date, not less than ten (10)  
271 days thereafter, and the clerk shall give not less than five (5)  
272 days' notice by making at least one (1) publication in some paper  
273 published in DeSoto County, addressed to the taxpayers and  
274 qualified electors of the proposed metropolitan area plan and all  
275 other persons interested. The notice shall state the date, place  
276 and time of such hearing; state that a petition has been filed to  
277 organize the DeSoto County Regional Utility Authority under the  
278 provisions of this act, describe the proposed metropolitan area,  
279 and command that any interested persons appear before the DeSoto  
280 County Chancery Court or the chancellor in vacation on the date  
281 and hour of the hearing to show cause, if any they can, why the  
282 proposed authority should not be organized and established as set  
283 forth in the resolution of the DeSoto County Board of Supervisors.

284 If on the day set for hearing there is no written objection  
285 filed to the formation authority, a decree approving the validity  
286 of the formation of the authority shall be entered by the  
287 chancellor, and if the chancellor be not present, the clerk shall  
288 forward him the decree as prepared by the DeSoto County Board of  
289 Supervisors board attorney for his signature, and shall enter the  
290 decree upon his minutes in vacation. If no written objection has  
291 been filed as to the formation of the authority then the  
292 validation decree shall be final and forever conclusive from its  
293 date, and no appeal whatever shall lie therefrom.

294 If at the time of hearing, any taxpayers, qualified electors  
295 of the proposed metropolitan area plan or other persons interested  
296 appear and file, or have filed written objection to the formation

297 of the authority, then the chancellor, or the DeSoto County  
298 Chancery Court Clerk if the chancellor be not present, shall set  
299 the case over for another day convenient to the chancellor, not  
300 less than ten (10) days thereafter, and shall notify the DeSoto  
301 County Board of Supervisors board attorney to appear and attend  
302 the hearing. At the hearing, the chancellor may hear additional  
303 competent, relevant and material evidence as the chancellor, in  
304 his discretion, deems necessary, pursuant to the applicable rules  
305 to such evidence in the chancery court, so as to inquire into the  
306 validity of the formation of the authority, and enter a decree in  
307 accordance with his findings.

308 (10) When so organized, the authority shall have the power  
309 to sue and be sued, provided that the authority shall not be  
310 liable and shall be immune from suit at law or in the equity on  
311 account of any wrongful or tortious act or omission, including  
312 libel, slander or defamation, by it, or any such act or omission  
313 by any employee of the authority, subject to and in accordance  
314 with the provisions of Sections 11-46-1 through 11-46-19.

315 (11) Upon proper petition to the Chancery Court of DeSoto  
316 County, by the board of directors of the authority, the  
317 metropolitan area of the authority may be expanded or enlarged at  
318 any time by decree of the Chancery Court of DeSoto County, if  
319 after timely publication of notice and a hearing held before the  
320 chancellor, in the manner provided in this section, the chancellor  
321 shall render a decree finding that the public necessity requires  
322 such expansion.

323 SECTION 4. All powers of the authority shall be exercised by  
324 a board of directors consisting of seven (7) members, to be  
325 selected and composed as follows:

326 (a) The governing body of each member agency of the  
327 authority shall appoint one (1) person to serve on the board of  
328 directors of the authority, with no more than five (5) persons  
329 being appointed by said member agencies. Further, the DeSoto

330 County Board of Supervisors shall appoint that number of persons  
331 necessary to fill the board of directors should less than five (5)  
332 be appointed by the member agencies, however, there shall be at  
333 all times a minimum of two (2) at-large members appointed by the  
334 DeSoto County Board of Supervisors.

335 (b) Upon their initial appointment, one (1) of the  
336 directors shall be appointed for a term of one (1) year; one (1)  
337 of the directors shall be appointed for a term of two (2) years;  
338 one (1) of the directors shall be appointed for a term of three  
339 (3) years; one (1) of the directors shall be appointed for a term  
340 of four (4) years; one (1) of the directors shall be appointed for  
341 a term of five (5) years. Additionally, of those appointees  
342 designated as at-large appointees by the DeSoto County Board of  
343 Supervisors, one (1) of the at-large directors shall be appointed  
344 for a term of two (2) years; and one (1) of the at-large directors  
345 shall be appointed for a term of four (4) years. Any vacancy  
346 arising by the expiration of a director's term, or a vacancy  
347 created by the removal of a director for any other reason, shall  
348 be filled by appointment made by the party originally responsible  
349 for the appointment of the director vacating his or her  
350 appointment.

351 (c) Notwithstanding the appointive authority herein  
352 granted to the DeSoto County Board of Supervisors, its legal and  
353 actual responsibilities, authority and function, subsequent to the  
354 creation of the authority, shall be specifically limited to such  
355 appointive function and responsibilities.

356 (d) The operation, management, abolition, or  
357 dissolution of the authority, and all such other matters in  
358 connection therewith, shall be vested solely and only in the board  
359 of directors to the specific exclusion of the DeSoto County Board  
360 of Supervisors, and the operation, management, abolition, or  
361 dissolution of the authority shall be accomplished only by the  
362 authority of the board of directors.

363           (e) The board of directors of the authority shall  
364 annually elect from its number a president and vice-president of  
365 the district and such other officers as, in the judgment of the  
366 board, are necessary. The president shall be the chief executive  
367 officer of the authority and the presiding officer of the board,  
368 and shall have the same right to vote as any other director. The  
369 vice-president shall perform all duties and exercise all powers  
370 conferred by this act upon the president when the president is  
371 absent or fails or declines to act, except the president's right  
372 to vote. The board shall also appoint a secretary and a treasurer  
373 who may or may not be members of the board, and it may combine  
374 those offices. The treasurer shall give bond in the sum of not  
375 less than Fifty Thousand Dollars (\$50,000.00) as set by the board  
376 of directors, and each director may be required to give bond in  
377 the sum of not less than Ten Thousand Dollars (\$10,000.00), with  
378 sureties qualified to do business in this state, and the premiums  
379 on said bonds shall be an expense of such authority. Each such  
380 bond shall be payable to the State of Mississippi; the condition  
381 of each such bond shall be that the treasurer or director will  
382 faithfully perform all duties of his office and account for all  
383 money or other assets which shall come into his custody as  
384 treasurer or director of the authority.

385           (f) The members of the board of directors of the  
386 authority shall serve without salary, but shall be entitled to  
387 receive per diem pay as provided for in Section 25-3-69. Further,  
388 they shall be reimbursed their actual travel and hotel expenses as  
389 provided in Section 25-3-41, incurred while in the performance of  
390 their duties as members of the board of directors of the  
391 authority, to be paid on an itemized statement approved by the  
392 Department of Finance and Administration. Expenses shall be paid  
393 from the available funds of the authority.

394           SECTION 5. (1) Except as may otherwise be provided for in  
395 this act, all business of the authority shall be transacted by

396 vote of the board of directors.

397 (2) Except as provided in Section 4 and Section 10, all  
398 business of the authority shall be transacted by a simple majority  
399 affirmative vote of the total membership of the board of  
400 directors and by a concurrent vote of the directors representing  
401 the simple majority of the total flowage usage of the treatment  
402 systems of the authority during the preceding fiscal year. The  
403 quorum for any meeting of the board of directors shall be a simple  
404 majority of the total membership of the board of directors and the  
405 presence of directors representing a simple majority of the  
406 proportional use of the treatment systems of the authority during  
407 the fiscal year.

408 SECTION 6. (1) The authority is authorized and empowered to  
409 acquire trunk lines; to acquire, construct, improve, enlarge,  
410 extend, repair, operate and maintain one or more of its systems  
411 used for the collection, transportation and treatment of waste,  
412 sewerage and wastewater; and to make contracts with any person in  
413 furtherance thereof; and to make contracts with any person, under  
414 the terms of which the authority, within its designated  
415 metropolitan area, will collect, transport, treat or dispose of  
416 waste, sewerage and wastewater for such person. The authority may  
417 also enter into contracts with any person to design and construct  
418 any waste, sewerage or wastewater, treatment systems, or any other  
419 of its treatment facilities or systems and thereafter to purchase,  
420 lease or sell, by installments over such terms as may be deemed  
421 desirable, reasonable and necessary, or otherwise, any such system  
422 or systems. The authority is authorized to enter into operating  
423 agreements with any person, for such terms and upon such  
424 conditions as may be deemed desirable, for the operation of any  
425 waste, sewerage or wastewater, treatment systems, or other of its  
426 treatment facilities or systems; and the authority may lease to or  
427 from any person, for such term and upon such conditions as may be  
428 deemed desirable, any waste, sewerage or wastewater, collection,

429 transportation, treatment, or its other treatment facilities or  
430 systems. Any such contract may contain provisions requiring any  
431 public agency or other person to regulate the quality and strength  
432 of materials to be handled by the respective treatment system or  
433 systems and may also provide that the authority shall have the  
434 right to use any streets, alleys and public ways and places within  
435 the jurisdiction of a public agency or other person during the  
436 term of the contract.

437 (2) The authority shall have the duty and responsibility to  
438 exercise general supervision over the design, construction,  
439 operation and maintenance of waste, sewerage or wastewater  
440 treatment systems; to adopt rules governing the design,  
441 construction or installation, operation and maintenance of waste,  
442 sewerage or wastewater treatment systems; to adopt rules  
443 establishing performance standards for waste, sewerage or  
444 wastewater treatment systems and rules concerning the operation  
445 and maintenance of the same. Such rules and regulations may  
446 include the implementation of a standard application form for the  
447 installation, operation and maintenance of such treatment systems;  
448 application review; approval or denial procedures for any proposed  
449 system; inspection, monitoring, and reporting guidelines; and  
450 enforcement procedures.

451 (3) No owner, lessee or developer shall construct or place a  
452 residence, building, facility or development which may require the  
453 installation of a waste, sewerage or wastewater treatment system,  
454 without having first submitted a notice of intent to the  
455 authority. Upon receipt of the notice of intent, the board of  
456 directors shall provide the party giving notice with complete  
457 information regarding the rules, regulations and guidelines for  
458 the design, construction, installation, operation and maintenance  
459 of waste, sewerage and wastewater treatment systems. No waste,  
460 sewerage or wastewater treatment systems shall be installed  
461 without proof of the submission of the notice of intent required

462 by this section and the approval of the same by the board of  
463 directors.

464 (4) Within ten (10) working days following the receipt of a  
465 notice of intent and plot plan, as applicable, by an owner, lessee  
466 or developer, of any lot or tract of land, the board of directors  
467 shall make recommendations to the owner, lessor or developer as to  
468 the type or types of systems suitable for installation and  
469 compatible with the existing treatment systems of the authority.  
470 Approval by the board of directors of any system is required by  
471 the installation, operation or maintenance of any system, and no  
472 person shall design, construct or install a system that does not  
473 comply with this act, however, the board of directors may grant  
474 variances from the requirements of this act as deemed necessary  
475 and appropriate. Any person responsible for the design,  
476 construction or installation of a system shall sign and file with  
477 the authority an affidavit that the system complies with this act.

478 (5) Nothing in this act shall preclude a professional  
479 engineer from providing services for the design, construction or  
480 installation of any waste, sewerage and wastewater treatment  
481 systems. However, any such engineer shall notify the authority in  
482 writing of those services provided and shall stamp the appropriate  
483 documentation with that professional's seal certifying the  
484 approval of the board of directors of the design, construction and  
485 installation.

486 (6) Any system of any municipality, public agency or other  
487 persons which becomes connected with, or tied into, the treatment  
488 systems of the authority, shall become the property of the  
489 authority and shall be subject to its control and the terms of  
490 this act. The possession and ownership of any system connecting  
491 with, or tying into, the systems of the authority, shall transfer  
492 to the authority, without the necessity of eminent domain action,  
493 or other action. Each municipality, public agency or other person  
494 is deemed to have waived the necessity of any eminent domain

495 action upon the connecting with, or tying into, of its systems  
496 with the systems of the authority.

497 SECTION 7. The authority, through its board of directors, in  
498 addition to any and all powers now or hereafter granted to it, is  
499 hereby empowered:

500 (a) To develop and maintain long-range planning for  
501 collection and treatment systems of waste, sewerage, wastewater  
502 and groundwater from within the metropolitan area and for  
503 pollution abatement.

504 (b) To acquire by condemnation or otherwise and to own,  
505 maintain, use, operate and convey or otherwise dispose of any and  
506 all property of any kind, real, personal or mixed, or any interest  
507 therein within or without the boundaries of its designated  
508 metropolitan area necessary or convenient to the exercise of the  
509 purposes of and the powers granted herein and by Sections  
510 21-27-161 through 21-27-191, being the Metropolitan Area Waste  
511 Treatment Act, unless any of the foregoing is otherwise prohibited  
512 under this act. However, in acquiring lands by condemnation or  
513 otherwise, the authority shall not acquire the rights to any lands  
514 of a municipality without the consent of such municipality.

515 (c) In the event that the authority is not able to  
516 exercise its eminent domain powers for any reason as set forth in  
517 Section 7(b), any municipality, public agency or other person  
518 being a member agency, or being connected with, or tied into, the  
519 treatment systems of the collection, transportation and treatment  
520 agrees to use its respective eminent domain powers for the benefit  
521 of the authority to acquire such property, easements,  
522 rights-of-way and other property interests as may be required and  
523 requested by the board of directors.

524 (d) For the purposes of this act, the right of eminent  
525 domain of the authority shall be superior and dominant to the  
526 right of eminent domain of any municipality, railroad, telephone,  
527 telegraph, gas, power and other companies or corporations, or



528 other persons as defined in Section 2(k) of this act.

529         The amount and character of interest in land, other property,  
530 and easements thus to be acquired shall be determined by the board  
531 of directors, and their determination shall be conclusive and  
532 shall not be subject to attack in the absence of manifold abuse of  
533 discretion or fraud on the part of such board in making such  
534 determination. However:

535                 (i) In acquiring lands, either by negotiation,  
536 eminent domain or condemnation, the authority shall not acquire  
537 mineral rights or royalties, provided that sand and gravel shall  
538 not be considered as minerals within the meaning of this section;

539                 (ii) No person or persons owning the drilling  
540 rights or the right to share in production shall be prevented from  
541 exploring, developing or producing oil or gas with necessary  
542 rights-of-way for ingress and egress, pipelines and other means of  
543 transporting such interests on any land or interest thereon of the  
544 authority held or used for the purposes of this act, but any such  
545 activities shall be subject to and secondary to such reasonable  
546 regulations by the board of directors as will adequately protect  
547 the systems of the authority contemplated by this act; and

548                 (iii) In acquiring lands, either by negotiation,  
549 eminent domain or condemnation, the authority shall acquire only  
550 any interest or rights in such facilities, components and systems  
551 which are part of the regional plan implemented by the authority.

552                 (e) To acquire the necessary relocation or rerouting of  
553 roads and highways, railroad, telephone and telegraph lines and  
554 properties, electric power lines, gas pipelines and related  
555 facilities, or to require the anchoring or other protection of any  
556 of these, provided fair compensation is first paid to the owners  
557 thereof or agreement is had with such owners regarding the payment  
558 of the cost of such relocation, and to acquire easements or  
559 rights-of-way for such relocation or rerouting and to convey the  
560 same to the owners of the property being relocated or rerouted in

561 connection with the purpose of this act.

562           (f) To enter into contracts with any person or any  
563 public agency, including, but not limited to, contracts authorized  
564 by Section 8 of this act, in furtherance of any of the purposes  
565 authorized by this act upon such consideration as the board of  
566 directors and such person may agree. Any such contract may extend  
567 over any period of time, notwithstanding any provision or rule of  
568 law to the contrary; may be upon such terms as the parties thereto  
569 shall agree; and may provide that it shall continue in effect  
570 until bonds specified therein, refunding bonds issued in lieu of  
571 such bonds, and all other obligations specified therein are paid  
572 or terminated. Any such contract shall be binding upon the  
573 parties thereto according to its terms.

574           (g) To make and enforce, and from time to time amend  
575 and repeal, bylaws and rules and regulations for the management of  
576 its business and affairs and for the construction, use,  
577 maintenance and operation of any of the systems under its  
578 management and control and any other of its properties.

579           (h) To employ staff and other personnel, including  
580 attorneys, engineers and consultants as may be necessary to the  
581 functioning of the authority. The board of directors, in its  
582 discretion, may employ a general manager having the authority to  
583 employ and fire employees of the authority.

584           (i) To apply for, accept and utilize grants and other  
585 funds from any source for any purpose necessary in support of the  
586 purpose of this act.

587           (j) To establish and maintain rates and charges for the  
588 use of the services of such of the systems and facilities within  
589 the control of the authority, and within the metropolitan area,  
590 and from time to time to adjust such rates, to the end that the  
591 revenues therefrom will be sufficient at all times to pay the  
592 expenses of operating and maintaining such of its works,  
593 facilities and treatment systems and all of the municipality's

594 obligations under any contract or bond resolution with respect  
595 thereto.

596           (k) To adopt rules and regulations necessary to carry  
597 out the implementation of the metropolitan area plan and to assure  
598 the payment of each participating person or public agency of its  
599 proportionate share of the costs for use of any of the systems and  
600 facilities of the authority.

601           (l) To refuse to receive waste from any public agency  
602 or subdivision thereof not currently using any system and which  
603 may be acquired or within the control of the authority, or any  
604 other person that does not comply with the provisions of the  
605 metropolitan area plan applicable to the particular area within  
606 which such public agency or subdivision thereof or any other  
607 person is located.

608           (m) To accept industrial waste for treatment and to  
609 require the pretreatment of same when within the opinion of the  
610 authority such pretreatment is necessary.

611           (n) To adopt all necessary and reasonable rules and  
612 regulations to carry out and effectuate any waste treatment  
613 systems or treatment system control plan of the authority as  
614 adopted for the metropolitan area, as contractually authorized.

615           (o) So long as any indebtedness on the systems of the  
616 authority remains outstanding, to require by contract with a  
617 public agency, or other person, that all waste within the  
618 metropolitan area be disposed of through the appropriate treatment  
619 system which comprise a part of the metropolitan area plan, to the  
620 extent that the same may be available, but no public agency shall  
621 be precluded from constructing, operating and maintaining its own  
622 such system after the current indebtedness owing on the system as  
623 of the effective date of this act is paid in full.

624           (p) The authority shall not control or operate as part  
625 of its authority the local retail wastewater and sewerage services  
626 and shall not provide or be responsible for direct servicing of

627 said services to any residences, businesses and individuals.

628 SECTION 8. (1) Any public agency, pursuant to a duly  
629 adopted resolution of the governing authority of such public  
630 agency, may enter into contracts with the authority under the  
631 terms of which the authority, within its designated metropolitan  
632 area, will manage, operate, and contract for usage of its  
633 treatment systems and treatment facilities, or other services, for  
634 such person or public agency. Any public agency may also enter  
635 into contracts with the authority for the authority to purchase or  
636 sell, by installments over such terms as may be deemed desirable,  
637 or otherwise, to any person any treatment systems. Any public  
638 agency is authorized to enter into operating agreements with the  
639 authority, for such terms and upon such conditions as may be  
640 deemed desirable, for the operation of any of its treatment  
641 systems of any person by the authority or by any person  
642 contracting with the authority to operate such treatment systems;  
643 and any public agency may lease to or from the authority, for such  
644 term and upon such conditions as may be deemed desirable, any of  
645 its treatment systems. Any such contract may contain provisions  
646 requiring any public agency or other person to regulate the  
647 quality and strength of the material to be handled by the waste,  
648 wastewater, or sewage systems and may also provide that the  
649 authority shall have the right to use any streets, alleys and  
650 public ways and places within the jurisdiction of a public agency  
651 or other person during the term of the contract. Such contracts  
652 may obligate the public agency to make payments to the authority  
653 or to a trustee in amounts which shall be sufficient to enable the  
654 authority to defray the expenses of administering, operating and  
655 maintaining its respective systems, to pay interest and principal  
656 (whether at maturity upon redemption or otherwise) on bonds of the  
657 authority, issued under this act and to fund reserves for debt  
658 service, for operation and maintenance and for renewals and  
659 replacements, and to fulfill the requirements of any rate covenant

660 with respect to debt service coverage contained in any resolution,  
661 trust indenture or other security agreement relating to the bonds  
662 of the authority issued under this act. Any public agency shall  
663 have the power to enter into such contracts with the authority as  
664 in the discretion of the governing authorities of the agency would  
665 be in the best interest of the agency. Such contracts may include  
666 a pledge of the full faith and credit of such public agency and/or  
667 the avails of any special assessments made by such public agency  
668 against property receiving benefits, as now or hereafter is  
669 provided by law. Any such contract may provide for the sale, or  
670 lease to, or use of by the authority, of the systems or any part  
671 thereof, of the public agency; and may provide that the authority  
672 shall operate its systems or any part thereof of the public  
673 agency; and may provide that any public agency shall have the  
674 right to continued use and/or priority use of the systems or any  
675 part thereof during the useful life thereof upon payment of  
676 reasonable charges therefor; and may contain provisions to assure  
677 equitable treatment of persons or public agencies who contract  
678 with the authority under this act; and may contain such other  
679 provisions and requirements as the parties thereto may determine  
680 to be appropriate or necessary. Such contracts may extend over  
681 any period of time, notwithstanding any provisions of law to the  
682 contrary, and may extend beyond the life of the respective systems  
683 or any part thereof or the term of the bonds sold with respect to  
684 such facilities or improvements thereto.

685 (2) The obligations of a public agency arising under the  
686 terms of any contract referred to in this act, whether or not  
687 payable solely from a pledge of revenues, shall not be included  
688 within the indebtedness limitations of the public agency for  
689 purposes of any constitutional or statutory limitation or  
690 provision. To the extent provided in such contract and to the  
691 extent such obligations of the public agency are payable wholly or  
692 in part from the revenues and other monies derived by the public

693 agency from the operation of its treatment systems or of its  
694 combined treatment systems, waterworks and water supply systems or  
695 any part thereof, such obligations shall be treated as expenses of  
696 operating such systems.

697 (3) Contracts referred to in this section may also provide  
698 for payments in the form of contributions to defray the cost of  
699 any purpose set forth in the contracts and as advances for the  
700 respective systems or any part thereof subject to repayment by the  
701 authority. A public agency may make such contributions or  
702 advances from its general fund or surplus fund or from special  
703 assessments or from any monies legally available therefor.

704 (4) Payments made, or to be made, to the authority by a  
705 public agency or other person under a contract for any of its  
706 treatment systems, or any part thereof, shall not be subject to  
707 approval or review by the Mississippi Public Service Commission.

708 (5) Subject to the terms of a contract or contracts referred  
709 to in this act, the authority is hereby authorized to do and  
710 perform any and all acts or things necessary, convenient or  
711 desirable to carry out the purposes of such contracts, including  
712 the fixing, charging, collecting, maintaining and revising of  
713 rates, fees and other charges for the services rendered to any  
714 user of any of the systems operated or maintained by the  
715 authority, whether or not such systems are owned by the authority.

716 (6) No provision of this act shall be construed to prohibit  
717 any public agency, otherwise permitted by law to issue bonds, from  
718 issuing bonds in the manner provided by law for the construction,  
719 renovation, repair or development of any of the authority's  
720 treatment systems, or any part thereof, owned or operated by such  
721 public agency.

722 SECTION 9. Whenever a public agency shall have executed a  
723 contract under this act and the payments thereunder are to be made  
724 either wholly or partly from the revenues of the public agency's  
725 treatment systems, or any part thereof, or a combination of such

726 systems, the duty is hereby imposed on the public agency to  
727 establish and maintain and from time to time to adjust the rates  
728 charged by the public agency for the services of such treatment  
729 systems, so that the revenues therefrom together with any taxes  
730 and special assessments levied in support thereof will be  
731 sufficient at all times to pay: (a) the expense of operating and  
732 maintaining such treatment systems including all of the public  
733 agency's obligations to the authority, its successors or assigns  
734 under such contract; and (b) all of the public agency's  
735 obligations under and in connection with revenue bonds theretofore  
736 issued, or which may be issued thereafter and secured by the  
737 revenues of such treatment systems. Any such contract may require  
738 the use of consulting engineers and financial experts to advise  
739 the public agency whether and when such rates are to be adjusted.

740 SECTION 10. (1) The DeSoto County Regional Utility  
741 Authority shall have the power and is hereby authorized, from time  
742 to time, to borrow money and to issue revenue bonds in such  
743 principal amounts, up to a maximum amount of Forty Million Dollars  
744 (\$40,000,000.00), as the DeSoto County Regional Utility Authority  
745 may determine to be necessary to provide sufficient funds for  
746 achieving the purposes of this act, including, (a) defraying the  
747 cost of the acquisition of trunk lines and the acquisition,  
748 construction, improvement, repair or extension of its treatment  
749 systems, or any part thereof, whether or not such facilities are  
750 owned by the authority; (b) the payment of interest on bonds of  
751 the authority issued under this act; (c) establishing reserves to  
752 secure such bonds and payment of the interest thereon; (d) paying  
753 expenses incident to the issuance of such bonds and to the  
754 implementation of the authority's systems, and all other  
755 expenditures of the authority incident to or necessary or  
756 convenient to carry out the purposes of this act.

757 (2) Before issuing bonds (other than interim notes or  
758 refunding bonds as provided in Section 11 of this act) hereunder,

759 the board of directors of the authority first shall hold a public  
760 hearing before the governing authorities of each affected public  
761 agency with due notice of the time, date and place of said hearing  
762 published in a newspaper of general circulation in each said  
763 public agency. Upon an affirmative vote of the board of directors  
764 approving the resolution of intent, the board of directors shall  
765 adopt a resolution declaring its intention to issue such bonds and  
766 stating the maximum principal amount of bonds proposed to be  
767 issued, a general generic description of the proposed improvements  
768 and the proposed location thereof and the date, time and place at  
769 which the board of directors proposes to take further action with  
770 respect to the issuance of such bonds. The board of directors  
771 then shall cause the resolution of intent to be published once a  
772 week for at least three (3) consecutive weeks in at least one (1)  
773 newspaper having a general circulation within the geographical  
774 limits of all of the public agencies: (a) which have contracted  
775 with the authority pursuant to this act; and (b) whose contracts  
776 relate to the bonds proposed to be issued.

777 Each member agency which meets all of the criteria set forth  
778 in paragraphs (a) and (b) of this subsection is hereinafter  
779 referred to as an "affected member agency," and, together with  
780 other such agencies, collectively referred to as the "affected  
781 member agencies."

782 If no newspaper has a general circulation within the  
783 geographical limits of all of the affected member agencies, then  
784 such resolution shall be published in as many different newspapers  
785 as may be required to provide general circulation of the  
786 publication of such resolution within the geographical limits of  
787 each affected member agency. If no newspaper has a general  
788 circulation within the geographical limits of any particular  
789 affected member agency, then notice in such affected member agency  
790 shall be made by posting a copy of such resolution for at least  
791 twenty-one (21) days next preceding the date therein at two (2)



792 public places within the geographical limits of such member  
793 agency. The first publication of such resolution shall be made  
794 not less than twenty-one (21) days before the date fixed in such  
795 resolution to direct the issuance of the bonds and the last  
796 publication shall be made not more than seven (7) days before such  
797 date. If twenty percent (20%) of the qualified electors residing  
798 in the authority or one thousand five hundred (1,500), whichever  
799 is less, shall file a written protest against the issuance of such  
800 bonds on or before the date specified in such resolution, then an  
801 election on the question of the issuance of such bonds shall be  
802 called and held as herein provided. If no such protest be filed,  
803 then such bonds may be issued without an election on the question  
804 of the issuance thereof at any time within a period of two (2)  
805 years after the date specified in the above-mentioned resolution.

806 Where an election is to be called, notice of such election shall  
807 be signed by the president of the board of directors, and shall be  
808 published once a week for at least three (3) consecutive weeks in  
809 the same manner as publication of the resolution. The first  
810 publication of such notice shall be made not less than twenty-one  
811 (21) days before the date fixed for such election and the last  
812 publication shall be made not more than seven (7) days before such  
813 date. The election shall be conducted by the election  
814 commissioners of the county in which the authority is located.  
815 The election shall be held, as far as is practicable, in the same  
816 manner as other county special elections are held in the county  
817 where the authority is located. At the election, all qualified  
818 electors residing in the authority may vote, and the ballots used  
819 at such election shall have printed thereon a brief statement of  
820 the amount and purpose of the proposed bond issue and the words  
821 "FOR THE BOND ISSUE" and "AGAINST THE BOND ISSUE," and the voter  
822 shall vote by placing a cross (X) opposite his choice on the  
823 proposition. When the results of the election on the question of  
824 the issuance of such bonds shall have been canvassed by the

825 election commissioners of the county, in which the authority is  
826 located, and certified by them to the board of directors of the  
827 authority, it shall be the duty of the board of directors of the  
828 authority to determine and adjudicate whether or not a majority of  
829 the qualified electors who voted thereon in such election voted in  
830 favor of the issuance of such bonds, and unless a majority of the  
831 qualified electors who voted thereon in such election shall have  
832 voted in favor of the issuance of such bonds, then such bonds  
833 shall not be issued. Should a majority of the qualified electors  
834 who vote thereon in such election vote in favor of the issuance of  
835 such bonds, then the board of directors may issue such bonds,  
836 either in whole or in part, within two (2) years after the date of  
837 the election or the date of the final favorable termination of any  
838 litigation affecting the issuance of such bonds.

839 (3) Bonds of the authority issued under this act shall be  
840 payable from and secured by a pledge of all or any part of the  
841 revenues under any contract entered into pursuant to this act and  
842 from all or any part of the revenues derived from the operation of  
843 the treatment systems, or any part thereof, and any other monies  
844 legally available therefor, as may be determined by the authority,  
845 subject only to any agreement with the purchasers of the bonds.  
846 Such bonds may be further secured by a trust indenture between the  
847 authority and a corporate trustee, which may be any trust company  
848 or bank having powers of a trust company without or within the  
849 state.

850 (4) Bonds of the authority issued under this act shall be  
851 authorized by a resolution or resolutions adopted by the board of  
852 directors of the authority. Such bonds shall bear such date or  
853 dates, mature at such time or times, bear interest at such rate or  
854 rates (not exceeding the maximum rate set out in Section  
855 75-17-103), be in such denomination or denominations, be in such  
856 form, carry such conversion privileges, have such rank or  
857 priority, be executed in such manner and by such officers, be

858 payable from such sources in such medium of payment at such place  
859 or places within or without the state, provided that one (1) such  
860 place shall be within the state, and be subject to such terms of  
861 redemption prior to maturity, all as may be provided by resolution  
862 or resolutions of the board of directors.

863 (5) Bonds of the authority issued under this act may be sold  
864 at such price or prices, at public or private sale, in such manner  
865 and at such times as may be determined by the authority to be in  
866 the public interest, and the authority may pay all expenses,  
867 premiums, fees and commissions which it may deem necessary and  
868 advantageous in connection with the issuance and sale thereof.

869 (6) Any pledge of earnings, revenues or other monies made by  
870 the authority shall be valid and binding from the time the pledge  
871 is made. The earnings, revenues or other monies so pledged and  
872 thereafter received by the authority shall immediately be subject  
873 to the lien of such pledge without any physical delivery thereof  
874 or further act, and the lien of any such pledge shall be valid and  
875 binding as against all parties having claims of any kind in tort,  
876 contract or otherwise against the authority irrespective of  
877 whether such parties have notice thereof. Neither the resolution  
878 nor any other instrument by which a pledge is created need be  
879 recorded.

880 (7) Neither the members of the board of directors nor any  
881 person executing the bonds shall be personally liable on the bonds  
882 or be subject to any personal liability or accountability by  
883 reason of the issuance thereof.

884 (8) Proceeds from the sale of bonds of the authority may be  
885 invested, pending their use, in such securities as may be  
886 specified in the resolution authorizing the issuance of the bonds  
887 or the trust indenture securing them, and the earnings on such  
888 investments applied as provided in such resolution or trust  
889 indenture.

890 (9) Whenever any bonds shall have been signed by the

891 officer(s) designated by the resolution of the board of directors  
892 to sign the bonds, who were in office at the time of such signing,  
893 but who may have ceased to be such officer(s) prior to the sale  
894 and delivery of such bonds, or who may not have been in office on  
895 the date such bonds may bear, the manual or facsimile signatures  
896 of such officer(s) upon such bonds shall nevertheless be valid and  
897 sufficient for all purposes and have the same effect as if the  
898 person so officially executing such bonds had remained in office  
899 until the delivery of the same to the purchaser or had been in  
900 office on the date such bonds may bear.

901 SECTION 11. The authority may, by resolution adopted by its  
902 board of directors, issue refunding bonds for the purpose of  
903 paying any of its bonds at or prior to maturity or upon  
904 acceleration or redemption. Refunding bonds may be issued at such  
905 time prior to the maturity or redemption of the refunded bonds as  
906 the board of directors deems to be in the public interest, without  
907 an election on the question of the issuance thereof. The  
908 refunding bonds may be issued in sufficient amounts to pay or  
909 provide the principal of the bonds being refunded, together with  
910 any redemption premium thereon, any interest accrued or to accrue  
911 to the date of payment of such bonds, the expenses of issue of the  
912 refunding bonds, the expenses of redeeming the bonds being  
913 refunded, and such reserves for debt service or other capital or  
914 current expenses from the proceeds of such refunding bonds as may  
915 be required by the resolution, trust indenture or other security  
916 instruments. The issue of refunding bonds, the maturities and  
917 other details thereof, the security therefor, the rights of the  
918 holders and the rights, duties and obligations of the authority in  
919 respect to the same shall be governed by the provisions of this  
920 act relating to the issue of bonds other than refunding bonds  
921 insofar as the same may be applicable. Any such refunding may be  
922 effected, whether the obligations to be refunded shall have then  
923 matured or shall thereafter mature, either by the exchange of the

924 refunding bonds for the obligations to be refunded thereby with  
925 the consent of the holders of the obligations so to be refunded,  
926 or by sale of the refunding bonds and the application of the  
927 proceeds thereof to the payment of the obligations proposed to be  
928 refunded thereby, and regardless of whether the obligations  
929 proposed to be refunded shall be payable on the same date or  
930 different dates or shall be due serially or otherwise.

931 SECTION 12. All bonds (other than refunding bonds, interim  
932 notes and certificates of indebtedness, which may be validated)  
933 issued pursuant to this act shall be validated as now provided by  
934 law in Sections 31-13-1 through 31-13-11, which constitute the  
935 Validation of Public Bonds Act, except that notice of such  
936 validation proceedings shall be addressed to the taxpayers of the  
937 respective member agencies (a) which have contracted with the  
938 authority under this act, and (b) whose contracts, and the  
939 payments to be made by the public agencies thereunder, constitute  
940 security for the bonds of the authority proposed to be issued.  
941 Such notice shall be published at least once in a newspaper or  
942 newspapers having a general circulation within the geographical  
943 boundaries of each of the member agencies to whose taxpayers the  
944 notice is addressed. Such validation proceedings shall be  
945 instituted in the Chancery Court of DeSoto County. The validity  
946 of the bonds so validated, and of the contracts and payments to be  
947 made by the public agencies, thereunder constituting security for  
948 the bonds, shall be forever conclusive against the authority and  
949 the public agencies which are parties to said contracts; and the  
950 validity of said bonds and said contracts and the payments to be  
951 made thereunder shall never be called in question in any court in  
952 this state.

953 SECTION 13. Bonds issued under the provisions of this act  
954 shall be payable solely from the revenues or assets of the  
955 authority pledged therefor. Each bond issued under this act shall  
956 contain on the face thereof a statement to the effect that the

957 authority shall not be obligated to pay the same nor the interest  
958 thereon except from the revenues or assets pledged therefor.

959 SECTION 14. The authority shall have power in connection  
960 with the issuance of its bonds to:

961 (a) Covenant as to the use of any or all of its  
962 property, real or personal.

963 (b) Redeem the bonds, to covenant for their redemption  
964 and to provide the terms and conditions thereof.

965 (c) Covenant to charge rates, fees and charges  
966 sufficient to meet operating and maintenance expenses, renewals  
967 and replacements, principal and debt service on bonds, creation  
968 and maintenance of any reserves required by a bond resolution,  
969 trust indenture or other security instrument and to provide for  
970 any margins or coverages over and above debt service on the bonds  
971 deemed desirable for the marketability of the bonds.

972 (d) Covenant and prescribe as to events of default and  
973 terms and conditions upon which any or all of its bonds shall  
974 become or may be declared due before maturity, as to the terms and  
975 conditions upon which such declaration and its consequences may be  
976 waived and as to the consequences of default and the remedies of  
977 the registered owners of the bonds.

978 (e) Covenant as to the mortgage or pledge of or the  
979 grant of a security interest in any real or personal property and  
980 all or any part of the revenues from any treatment systems, or any  
981 part thereof, or any revenue-producing contract or contracts made  
982 by the authority with any person to secure the payment of bonds,  
983 subject to such agreements with the registered owners of bonds as  
984 may then exist.

985 (f) Covenant as to the custody, collection, securing,  
986 investment and payment of any revenues, assets, monies, funds or  
987 property with respect to which the authority may have any rights  
988 or interest.

989 (g) Covenant as to the purposes to which the proceeds

990 from the sale of any bonds then or thereafter to be issued may be  
991 applied, and the pledge of such proceeds to secure the payment of  
992 the bonds.

993 (h) Covenant as to the limitations on the issuance of  
994 any additional bonds, the terms upon which additional bonds may be  
995 issued and secured, and the refunding of outstanding bonds.

996 (i) Covenant as to the rank or priority of any bonds  
997 with respect to any lien or security.

998 (j) Covenant as to the procedure by which the terms of  
999 any contract with or for the benefit of the registered owners of  
1000 bonds may be amended or abrogated, the amount of bonds the  
1001 registered owners of which must consent thereto, and the manner in  
1002 which such consent may be given.

1003 (k) Covenant as to the custody of any of its properties  
1004 or investments, the safekeeping thereof, the insurance to be  
1005 carried thereon, and the use and disposition of insurance  
1006 proceeds.

1007 (l) Covenant as to the vesting in a trustee or  
1008 trustees, within or outside the state, of such properties, rights,  
1009 powers and duties in trust as the authority may determine.

1010 (m) Covenant as to the appointing and providing for the  
1011 duties and obligations of a paying agent or paying agents or other  
1012 fiduciaries within or outside the state.

1013 (n) Make all other covenants and to do any and all such  
1014 acts and things as may be necessary or convenient or desirable in  
1015 order to secure its bonds, or in the absolute discretion of the  
1016 district tend to make the bonds more marketable, notwithstanding  
1017 that such covenants, acts or things may not be enumerated herein;  
1018 it being the intention hereof to give the authority the power to  
1019 do all things in the issuance of bonds and in the provisions for  
1020 security thereof which are not inconsistent with the Constitution  
1021 of this state.

1022 (o) Execute all instruments necessary or convenient in

1023 the exercise of the powers herein granted or in the performance of  
1024 covenants or duties, which may contain such covenants and  
1025 provisions, as any purchaser of the bonds of the authority may  
1026 reasonably require.

1027 SECTION 15. For the purposes of satisfying any temporary  
1028 cash flow demands and deficiencies, and to maintain a working  
1029 balance for the authority, the DeSoto County Board of Supervisors,  
1030 or other persons as defined in Section 2(k) of this act, subject  
1031 to their lawful authority to do so, are authorized to advance, at  
1032 any time, such funds which, in its discretion, are necessary, or  
1033 borrow such funds by issuance of notes, for initial capital  
1034 contribution and to cover start-up costs until such times as  
1035 sufficient bonds, assets and revenues have been secured to satisfy  
1036 the needs of the authority for its management, operation and  
1037 formation. To this end, the DeSoto County Board of Supervisors,  
1038 or other persons as defined in Section 2(k) of this act, subject  
1039 to their lawful authority to do so, shall advance such funds, or  
1040 borrow such funds by issuance of notes, under such terms and  
1041 conditions as may be provided by resolution of the DeSoto County  
1042 Board of Supervisors, or other persons as defined in Section 2(k)  
1043 of this act, subject to their lawful authority to do so, except  
1044 that each such resolution shall state:

1045 (a) The need for the proceeds advanced or borrowed;

1046 (b) The amount to be advanced or the amount to be  
1047 borrowed;

1048 (c) The maximum principal amount of any note issued,  
1049 the interest rate or maximum interest rate to be incurred, and the  
1050 maturity date of said note;

1051 In addition, the DeSoto County Board of Supervisors, or other  
1052 persons as defined in Section 2(k) of this act, subject to their  
1053 lawful authority to do so, may arrange for lines of credit with  
1054 any bank, firm or person for the purpose of providing an  
1055 additional source of repayment for notes issued pursuant to this



1056 section. Amounts drawn on a line of credit may be evidenced by  
1057 negotiable or nonnegotiable notes or other evidences of  
1058 indebtedness and contain such terms and conditions as the DeSoto  
1059 County Board of Supervisors, or other persons as defined in  
1060 Section 2(k) of this act, subject to their lawful authority to do  
1061 so, may authorize in the resolution approving the same.

1062 The DeSoto County Board of Supervisors, or other persons as  
1063 defined in Section 2(k) of this act, subject to their lawful  
1064 authority to do so, may authorize the repayment of such advances,  
1065 notes, lines of credit and other debt incurred under this section,  
1066 along with all costs associated with the same, including, but not  
1067 limited to, rating agency fees, printing costs, legal fees, bank  
1068 or trust company fees, line of credit fees and other charges to be  
1069 reimbursed by the authority under such terms and conditions as are  
1070 reasonable and are to be provided for by resolution of the DeSoto  
1071 County Board of Supervisors, or terms agreed upon with other  
1072 persons as defined in Section 2(k) of this act, subject to their  
1073 lawful authority to do so.

1074 SECTION 16. The authority, in any authorizing resolution of  
1075 the board of directors, trust indenture or other security  
1076 instrument relating to its bonds, may provide for the appointment  
1077 of a trustee who shall have such powers as are provided therein to  
1078 represent the registered owners of any issue of bonds in the  
1079 enforcement or protection of their rights under any such  
1080 resolution, trust indenture or security instrument. The authority  
1081 also may provide in such resolution, trust indenture or other  
1082 security instrument that the trustee, or in the event that the  
1083 trustee so appointed shall fail or decline to so protect and  
1084 enforce such registered owners' rights then such percentage of  
1085 registered owners as shall be set forth in, and subject to the  
1086 provisions of, such resolution, trust indenture or other security  
1087 interest, may petition the court of proper jurisdiction for the  
1088 appointment of a receiver of the authority's treatment systems for

1089 the revenues of which are pledged to the payment of the principal  
1090 of and interest on the bonds of such registered owners. Such  
1091 receiver may exercise any power as may be granted in any such  
1092 resolution, trust indenture or security instrument to enter upon  
1093 and take possession of, acquire, construct or reconstruct or  
1094 operate and maintain such sewage such as the authority treatment  
1095 systems fix, charge, collect, enforce and receive all revenues  
1096 derived from such of the systems or facilities and perform the  
1097 public duties and carry out the contracts and obligations of the  
1098 authority in the same manner as the authority itself might do, all  
1099 under the direction of such court.

1100 SECTION 17. (1) The exercise of the powers granted by this  
1101 act will be in all respects for the benefit of the people of the  
1102 State of Mississippi, for their well-being and prosperity and for  
1103 the improvement of their social and economic conditions, and the  
1104 authority shall not be required to pay any tax or assessment on  
1105 any property owned by the authority under the provisions of this  
1106 act or upon the income therefrom; nor shall the authority be  
1107 required to pay any recording fee or transfer tax of any kind on  
1108 account of instruments recorded by it or on its behalf.

1109 (2) Any bonds issued by the authority under the provisions  
1110 of this act, and their transfer and any income derived therefrom,  
1111 shall at all times be free from taxation by the state or any local  
1112 unit or political subdivision or other instrumentality of the  
1113 state, excepting inheritance and gift taxes.

1114 SECTION 18. All bonds issued under the provisions of this  
1115 act shall be legal investments for trustees, other fiduciaries,  
1116 savings banks, trust companies and insurance companies organized  
1117 under the laws of the State of Mississippi; and such bonds shall  
1118 be legal securities which may be deposited with and shall be  
1119 received by all public officers and bodies of the state and all  
1120 municipalities and other political subdivisions thereof for the  
1121 purpose of securing the deposit of public funds.

1122 SECTION 19. The State of Mississippi hereby covenants with  
1123 the registered owners of any bonds of the authority that so long  
1124 as the bonds are outstanding and unpaid the State of Mississippi  
1125 will not limit or alter the rights and powers of the authority  
1126 under this act to conduct the activities referred to herein in any  
1127 way pertinent to the interests of the bondholders including  
1128 without limitation the authority's right to charge and collect  
1129 rates, fees and charges and to fulfill the terms of any covenants  
1130 made with the registered owners of the bonds, or in any other way  
1131 impair the rights and remedies of the registered owners of the  
1132 bonds, unless provision for full payment of such bonds, by escrow  
1133 or otherwise, has been made pursuant to the terms of the bonds or  
1134 the resolution, trust indenture or security interest securing the  
1135 bonds.

1136 SECTION 20. The provisions of this act are cumulative to  
1137 other statutes now or hereafter enacted relating to the issuance  
1138 of bonds or the components which make up the authority's treatment  
1139 systems and to the design, construction, acquisition or approval  
1140 of facilities for such purposes, and any public agency may  
1141 exercise all presently held powers in the furtherance of this act;  
1142 provided that the authority may issue bonds only under the  
1143 provisions of this act.

1144 SECTION 21. The Board of Supervisors of DeSoto County shall  
1145 submit this act, immediately upon approval by the Governor, or  
1146 upon approval by the Legislature subsequent to a veto, to the  
1147 Attorney General of the United States or to the United States  
1148 District Court for the District of Columbia in accordance with the  
1149 provisions of the Voting Rights Act of 1965, as amended and  
1150 extended.

1151 SECTION 22. This act shall take effect and be in force from  
1152 and after the date that it is effectuated under Section 5 of the  
1153 Voting Rights Act of 1965, as amended and extended.