

By: Reynolds, Ryals

To: Local and Private
Legislation; Ways and
Means

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1708

1 AN ACT TO AMEND CHAPTER 910, LOCAL AND PRIVATE LAWS OF 1988,
2 TO REVISE THE AREA THAT THE OAKLAND/YALOBUSHA NATURAL GAS DISTRICT
3 MAY SERVE; TO INCREASE FROM \$1,500,000.00 TO \$7,500,000.00, THE
4 AMOUNT OF REVENUE BONDS THE DISTRICT MAY ISSUE TO FINANCE THE
5 CONSTRUCTION OF A NATURAL GAS TRANSMISSION AND DISTRIBUTION
6 SYSTEM; AND FOR RELATED PURPOSES.

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

8 SECTION 1. Chapter 910, Local and Private Laws of 1988, is
9 amended as follows:

10 Section 1. The Town of Oakland or Yalobusha County, or both
11 jointly, are hereby authorized and empowered to create a natural
12 gas district to be known as the Oakland/Yalobusha Natural Gas
13 District to provide natural gas service for the district. The
14 physical limits of such district may include any of the area
15 located within the following described area:

16 An area 5 miles on either side of the centerline of U.S.
17 Highway 51 beginning at the intersection of said highway
18 with the Panola-Yalobusha County line and running
19 southward along the centerline of said U.S. Highway 51
20 to the south corporate limits of the Town of Oakland,
21 Mississippi, and an area 5 miles on either side of the
22 centerline of the Yalobusha County highway referred to
23 as Old State Highway 330 and beginning at the point
24 where Old State Highway 330 intersects U.S. Highway 51
25 and extending east along said Old Highway 330 to the
26 western line of the area certificated to Entex, Inc.,
27 for service to the Town of Coffeenville, Mississippi, on
28 May 16, 1988;

29 and
30 Township 24 North, Range 4 East; Township 25 North,
31 Range 4 East; Township 24 North, Range 5 East; Township
32 25 North, Range 5 East; and that portion of Yalobusha
33 County, Mississippi, in Township 23 North, Range 5 East;
34 and an area of land located in Yalobusha County,
35 Mississippi, six miles on the other side of Mississippi
36 State Highway 32, beginning at the intersection of
37 Mississippi Highway 32 with U.S. Highway 51 and running
38 thence East along the center line of said Mississippi
39 Highway 32 to the point on the East line of Township 11
40 South, Range 5 West in Yalobusha County, where the
41 center line of Mississippi Highway 32 intersects with
42 the East line of Township 11 South, Range 5 West, less
43 and except Sections 1, 2, 11, 12, 13, 14, 23, 24 and 25
44 of Township 11 South, Range 5 West and all sections in
45 Township 10 South, Range 5 West.

46 It is not the intent of this act to infringe upon the
47 certificated area of any current operating gas utility as said
48 certificated areas exist on the effective date of this act.

49 In order to form the natural gas district the Mayor and Board
50 of Aldermen of the Town of Oakland and the Board of Supervisors of
51 Yalobusha County shall adopt a resolution which shall state that
52 the gas district shall be formed on the date a certified copy of
53 each resolution shall be filed with the Secretary of State's
54 office. Such resolution shall contain a description of the area
55 included within such district and a statement that such district
56 is being formed pursuant to this act.

57 Section 2. Upon formation of the district as provided in
58 Section 1 of this act, the Oakland/Yalobusha Natural Gas District
59 shall be a valid political subdivision of the State of
60 Mississippi, with the power to sue and be sued and to contract and
61 be contracted with.

62 Section 3. It is hereby found and declared that the object
63 and purpose of creating said district is to provide natural gas
64 service to the residents of the aforesaid areas and to provide
65 ways and means to carry out and accomplish said purpose, thereby
66 benefiting and making more valuable the lands in said district and
67 preserving and promoting the health, safety and convenience of the
68 residents thereof. In order to carry out and render effective
69 said object and purpose the courts of this state shall construe
70 this act as an exercise by the Legislature of all the power
71 appertaining to it, necessary for the benefit of the health,
72 safety and convenience of the residents of the district; and the
73 necessity in the public interest of the state at large for the
74 provision herein enacted is hereby declared as a matter of
75 legislative determination. All the terms and provisions of this
76 act are to be liberally construed to effectuate the purposes
77 herein set forth and all powers required to accomplish the
78 purposes of this act are hereby granted and conferred, including
79 the power to employ engineers and attorneys at such reasonable
80 compensation as the board of commissioners shall determine. The
81 district shall have the authority to construct and own a
82 transmission pipeline to obtain natural gas from an interstate
83 natural gas pipeline whether the land over which such transmission
84 line is located is within or without the district.

85 Section 4. From and after the effective date of this act,
86 the powers of the Oakland/Yalobusha Natural Gas District shall be
87 vested in and exercised by a board of commissioners, hereinafter
88 in this act referred to as "commission," consisting of three (3)
89 residents of the district appointed by the Board of Aldermen of
90 the Town of Oakland and two (2) residents of the district
91 appointed by the Board of Supervisors of Yalobusha County. The
92 commissioners shall serve for a term of five (5) years, and at the
93 end of such terms the above-mentioned county and municipal
94 governing authorities shall appoint successors for the board of

95 commissioners.

96 Section 5. The commission shall have the power to make such
97 rules and regulations as it deems necessary to the operation of
98 the district and the subsequent appointment of commissioners and
99 shall possess, and is hereby granted, all necessary power and
100 authority to construct and acquire a natural gas transmission and
101 distribution system and to issue revenue bonds to finance the
102 construction thereof. The amount of revenue bonds authorized to
103 be issued shall not exceed an aggregate of Seven Million Five
104 Hundred Thousand Dollars (\$7,500,000.00). Except as herein
105 provided, all powers with respect to natural gas transmission and
106 distribution systems granted to municipalities of this state by
107 Sections 21-27-11 through 21-27-69, Mississippi Code of 1972,
108 including the issuance of revenue bonds, are hereby conferred upon
109 and may be exercised within the district by the commission as if
110 the system and financing thereof as provided herein were pursuant
111 to said sections.

112 Section 6. The commission shall have full power and
113 authority to issue all bonds of the district; but before issuing
114 any bonds, the commission shall adopt a resolution declaring its
115 intention so to do, stating the amount of the bonds proposed to be
116 issued, and the date upon which the commission proposes to direct
117 the issuance of such bonds. Such resolution shall be published
118 once a week for at least three (3) consecutive weeks in at least
119 one (1) newspaper qualified under the provisions of Section
120 13-3-31, Mississippi Code of 1972, in each county in which part of
121 the district lies and having a general circulation in the portion
122 of the district which lies in such county. The first publication
123 of such resolution shall be made not less than twenty-one (21)
124 days prior to the date fixed in such resolution for the issuance
125 of the bonds, and the last publication shall be made not more than
126 seven (7) days prior to such date. If ten percent (10%) of the
127 users of the district shall file a written protest against the

128 issuance of such bonds on or before the date specified in such
129 resolution, then an election on the question of the issuance of
130 such bonds shall be called and held in the manner to be provided
131 by the commission by rules and regulations promulgated prior to
132 the adoption of the resolution declaring the commission's
133 intention to issue such bonds.

134 Section 7. For the purposes of Section 77-3-1, Mississippi
135 Code of 1972, the gas transmission and distribution system of the
136 district shall be deemed to be a municipal gas system not subject
137 to the jurisdiction of the Mississippi Public Service Commission,
138 except as provided by Section 77-3-1, Mississippi Code of 1972,
139 and in this act. Notwithstanding any provision to the contrary,
140 this act shall not be interpreted to extend authority to serve
141 areas outside the service area described in Section 1 of this act
142 and said gas district shall have no authority to serve areas
143 outside the service area described in Section 1 of this act.

144 Section 8. Any revenue bonds issued under the provisions of
145 this act may be submitted to validation under the provisions of
146 Sections 31-13-1 through 31-13-11, Mississippi Code of 1972.

147 Section 9. If any provisions of this act shall be held to be
148 invalid by any court of competent jurisdiction, the remainder of
149 this act shall not be affected thereby.

150 * * *

151 Section 10. No member of the Legislature, elected official
152 or appointed official, or any partner or associate of any member
153 of the Legislature, elected official or appointed official shall
154 derive any income from the issuance of any bonds under this act.

155 SECTION 2. This act shall take effect and be in force from
156 and after its passage.