

By: Reynolds, Ryals

To: Local and Private  
Legislation; Ways and  
Means

HOUSE BILL NO. 1708  
(As Passed the House)

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 Coffeerville, 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.

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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.