

By: Chism

To: Local and Private  
Legislation

HOUSE BILL NO. 1719

1 AN ACT TO AMEND CHAPTER 834, LOCAL AND PRIVATE LAWS OF 1988,  
2 AS LAST AMENDED BY CHAPTER 942, LOCAL AND PRIVATE LAWS OF 1997, TO  
3 GRANT UNTO THE CALEDONIA NATURAL GAS DISTRICT IN LOWNDES COUNTY  
4 THE EXCLUSIVE RIGHT TO PROVIDE, SELL AND DISTRIBUTE NATURAL GAS  
5 WITHIN THE AREA COMPRISING THE DISTRICT; AND FOR RELATED PURPOSES.

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

7 SECTION 1. Chapter 834, Local and Private Laws of 1988, as  
8 amended by Chapter 880, Local and Private Laws of 1989, as amended  
9 by Chapter 808, Local and Private Laws of 1990, as amended by  
10 Chapter 942, Local and Private Laws of 1997, is amended as  
11 follows:

12 Section 1. The Caledonia Natural Gas District is hereby  
13 created composed of the following described area:

14 Beginning at the Northeast Corner of Lowndes County,  
15 which is also on the Mississippi-Alabama State Line, in  
16 Section 19, Township-15-South, Range 16-West, and  
17 proceed South along the Mississippi-Alabama State Line  
18 approximately 12-1/2 miles to the intersection with  
19 Luxapalila Creek; run thence in a Westerly direction  
20 along the tread of Luxapalila Creek as it progresses  
21 through Sections 24, 25, 26, 27, 28, 19, 20, 21, 29, 30,  
22 and 31 of Township-17-South, Range 17-West, and through  
23 Sections 36 and 35 of Township-17-South, Range 18-West,  
24 to a Point where it intersects with the South boundary  
25 of Section 35, Township-17-South, Range 18-West, Lowndes  
26 County, Mississippi; run thence Westerly along the South  
27 boundary of said Section 35, Township-17-South, Range

28 18-West, to the West boundary of the East half of said  
29 Section 35, thence North along said boundary of East  
30 half to the South boundary of Section 26,  
31 Township-17-South, Range 18-West, then run West to the  
32 Southwest Corner of said Section 26, thence run North  
33 1-1/2 miles more or less to the Northwest Corner of the  
34 Southwest Quarter of Section 23, Township-17-South,  
35 Range 18-West; thence run West along the Southern  
36 boundary of the North half of Section 22,  
37 Township-17-South, Range 18-West to the Southwest Corner  
38 of the said North half; thence run North 2 miles more or  
39 less to the Northwest Corner of the South half of  
40 Section 10, Township-17-South, Range 18-West; run thence  
41 West along the South boundary of the North halves of  
42 Section 8 and 9 of Township-17-South, Range 18-West to  
43 the Southwest Corner of the North half of Section 8; run  
44 thence North along the West boundary of Sections 5 and  
45 8, Township-17-South, Range 18-West to the intersection  
46 with the South boundary of the Columbus Air Force Base  
47 said Point being at or near the Northwest Corner of  
48 Section 5, Township-17-South, Range 18-West; run thence  
49 Easterly along the South boundary of the Columbus Air  
50 Force Base to the Southeast Corner of the Columbus Air  
51 Force Base which is on the West right-of-way of Highway  
52 45 at or near the Northeast Corner of Section 4,  
53 Township-17-South, Range 18-West; run thence North and  
54 West along the East boundary of the said Columbus Air  
55 Force Base to a Point where it intersects with the West  
56 boundary of the East half of the East half of Section  
57 33, Township-16-South, Range 18-West; run thence North  
58 along the West boundary of the East half of the East  
59 half of Sections 33, 28, 21, and 16 of  
60 Township-16-South, Range 18-West, until said boundary  
61 line intersects with the main channel of the  
62 Buttahatchie River which is also the North boundary line  
63 of Lowndes County, Mississippi; run thence Northeasterly  
64 along the main channel of the Buttahatchie River to a

65 Point in Section 21, Township-15-South, Range 17-West  
66 where the North boundary of Lowndes County leaves the  
67 River channel; thence run Easterly along the North  
68 boundary of Lowndes County through Sections 21, 22, 23,  
69 and 24 of Township-15-South, Range 17-West, and through  
70 Section 19, Township-15-South, Range 16-West, to the  
71 POINT OF BEGINNING.

72 Section 2. The Caledonia Natural Gas District shall be and  
73 is hereby declared to be a valid political subdivision of the  
74 State of Mississippi, with the power to sue and be sued and to  
75 contract and be contracted with.

76 Section 3. It is hereby found and declared that the object  
77 and purpose of creating the district is to provide natural gas  
78 service to the residents of the aforesaid area and to provide ways  
79 and means to carry out and accomplish that purpose, thereby  
80 benefiting and making more valuable the lands in the district and  
81 preserving and promoting the health, safety and convenience of the  
82 residents thereof. The Caledonia Natural Gas District shall have  
83 the exclusive right to provide, sell and distribute natural gas in  
84 any area within the district for which a certificate of public  
85 convenience and necessity has not been issued by the Public  
86 Service Commission to another utility for such gas service. In  
87 order to carry out and render effective the object and purpose of of  
88 this act, the courts of this state shall construe this act as an  
89 exercise by the Legislature of all the power appertaining to it,  
90 necessary for the benefit of the health, safety and convenience of  
91 the residents of the district; and the necessity in the public  
92 interest of the state at large for the provision herein enacted is  
93 hereby declared as a matter of legislative determination. All the  
94 terms and provisions of this act are to be liberally construed to  
95 effectuate the purposes herein set forth, and all powers required  
96 to accomplish the purposes of this act are hereby granted and  
97 conferred, including the power to employ engineers and attorneys  
98 at such reasonable compensation as the board of commissioners  
99 shall determine.

100 Section 4. (1) From and after April 26, 1988, and until the  
101 effective date of House Bill No. 1869, 1997 Regular Session, the

102 effective date of this act, the powers of the Caledonia Natural  
103 Gas District shall be vested in and exercised by a board of  
104 commissioners consisting of the Mayor of the Town of Caledonia and  
105 four (4) residents of the district. The Governor shall appoint  
106 the four (4) residents to an interim board, the term of which  
107 shall expire upon completion of the construction of the district's  
108 natural gas transmission and distribution system and the election  
109 of such resident members to a successor board as provided in this  
110 subsection.

111 Promptly upon the commencement of natural gas service by the  
112 district to not less than one hundred (100) individually billed  
113 users, the commissioners shall give notice to each user of an  
114 initial election to be held at a time not less than thirty (30)  
115 days nor more than sixty (60) days from such date. The notice  
116 shall state the time, place, and manner in which the users may  
117 vote upon the selection of the resident members of the board to  
118 terms of one (1), two (2), three (3) and four (4) years by ballot  
119 of all users of the district. Such election shall be held in a  
120 manner and according to procedures to be established by rules and  
121 regulations adopted by the board prior to the giving of notice of  
122 such election, and a printed copy of such rules and regulations  
123 shall accompany the notice to be forwarded by regular mail to the  
124 users.

125 Rules and regulations for the conduct of the election shall  
126 provide for a method of nomination of commissioners, notice of  
127 such nominations to be provided to users not less than thirty (30)  
128 days prior to the date upon which the election is to be held,  
129 along with a method of balloting by mail as well as personal  
130 attendance at the time and place of election, a method of  
131 balloting by proxy vote, and a method of making additional  
132 nominations by users in addition to any nominations proposed by  
133 the board of commissioners. The time of the election shall be  
134 fixed between the hours of 10:00 a.m. and 6:00 p.m. on a day of

135 the week other than Sunday.

136 In this and all succeeding elections, each user of the  
137 district shall have one (1) vote; provided that when a billing is  
138 made to more than one (1) person at a single location, each such  
139 person shall be limited to casting a pro rata share of the one (1)  
140 vote to which the billing location is entitled.

141 (2) From and after the effective date of House Bill No.  
142 1869, 1997 Regular Session, the powers of the Caledonia Natural  
143 Gas District shall be vested in and exercised by a board of  
144 commissioners consisting of five (5) residents of the district.  
145 The term of office of the four (4) resident members of the board  
146 who are in office on the effective date of House Bill No. 1869,  
147 1997 Regular Session, shall continue uninterrupted until such  
148 terms are scheduled to expire in accordance with subsection (1) of  
149 this section. At the next regularly scheduled election of  
150 commissioners following the effective date of House Bill No. 1869,  
151 1997 Regular Session, the users of the district shall elect, in  
152 the same manner that all other commissioners are elected, a fifth  
153 resident of the district to serve as a commissioner. However,  
154 until such time that the fifth commissioner is duly elected and  
155 takes office, an interim commissioner shall be appointed to serve  
156 by the four (4) resident members of the board.

157 (3) Subsequent to the initial election, there shall be held  
158 an election annually on a date and in a manner substantially  
159 conforming to the initial election, except that in each annual  
160 election following the initial election, all commissioners shall  
161 be elected to terms of three (3) years.

162 (4) Vacancies in the office of commissioner during the  
163 interim period by an appointee of the Governor shall be filled by  
164 appointment of the Governor and, following the holding of the  
165 initial election, shall be filled for the unexpired term by the  
166 remaining commissioners.

167 (5) Each commissioner shall be entitled to receive

168 reasonable salary and compensation for the performance of his  
169 duties as commissioner, the amount of such salary and compensation  
170 to be fixed by resolution duly adopted and entered on the minutes  
171 of the commission.

172 The Caledonia Natural Gas District is hereby authorized to  
173 pay the commissioners per diem and travel expenses in an amount as  
174 determined and approved by the board of commissioners, and the  
175 district is also authorized to implement a health care insurance  
176 program for the commissioners in an appropriate amount as  
177 determined and approved by the board of commissioners.

178 Section 5. The board shall have the power to make such rules  
179 and regulations as it deems necessary to the operation of the  
180 district and the subsequent election of commissioners and shall  
181 possess and is hereby granted all necessary power and authority to  
182 construct and acquire a natural gas transmission and distribution  
183 system, including the authority to exercise the power of eminent  
184 domain for the acquisition of property necessary to carry out its  
185 powers and duties under this act, and to issue revenue bonds to  
186 finance the construction thereof. The amount of revenue bonds  
187 authorized to be issued shall not exceed an aggregate of Ten  
188 Million Dollars (\$10,000,000.00). Except as otherwise provided in  
189 this act, all powers with respect to natural gas transmission and  
190 distribution systems granted to municipalities of this state by  
191 Sections 21-27-11 through 21-27-69, Mississippi Code of 1972,  
192 including the issuance of revenue bonds, are hereby conferred upon  
193 and may be exercised within the district by the board as if the  
194 system and financing thereof as provided herein were pursuant to  
195 said sections.

196 Section 6. The commission shall have full power and  
197 authority to issue all bonds of the district, but before issuing  
198 any bonds, the commission shall adopt a resolution declaring its  
199 intention so to do, stating the amount of the bonds proposed to be  
200 issued, and the date upon which the commission proposes to direct

201 the issuance of such bonds. Such resolution shall be published  
202 once a week for at least three (3) consecutive weeks in at least  
203 one (1) newspaper qualified under the provisions of Section  
204 13-3-31, Mississippi Code of 1972, in the county in which the  
205 district lies and having a general circulation in the district  
206 which lies in such county. The first publication of such  
207 resolution shall be made not less than twenty-one (21) days prior  
208 to the date fixed in such resolution for the issuance of the  
209 bonds, and the last publication shall be made not more than seven  
210 (7) days prior to such date. If ten percent (10%) of the users of  
211 the district shall file a written protest against the issuance of  
212 such bonds on or before the date specified in such resolution,  
213 then an election on the question of the issuance of such bonds  
214 shall be called and held in the manner to be provided by the  
215 commission by rules and regulations promulgated prior to the  
216 adoption of the resolution declaring the commission's intention to  
217 issue such bonds.

218 Section 7. For the purposes of Section 77-3-1, Mississippi  
219 Code of 1972, the gas transmission and distribution system of the  
220 district shall be deemed to be a municipal gas system not subject  
221 to the jurisdiction of the Mississippi Public Service Commission,  
222 except as provided by Section 77-3-1, Mississippi Code of 1972,  
223 and in this act.

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

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

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