

By: Chism

To: Local and Private
Legislation

HOUSE BILL NO. 1719
(As Passed the House)

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.