

By: Senator(s) Johnson (19th)

To: Local and Private

SENATE BILL NO. 3163

1 AN ACT TO AUTHORIZE THE BOARD OF SUPERVISORS OF MADISON
2 COUNTY TO CREATE THE MADISON COUNTY WASTEWATER AUTHORITY; TO
3 PROVIDE THAT THE AUTHORITY SHALL BE GOVERNED BY A BOARD OF
4 DIRECTORS; TO PROVIDE FOR THE MEMBERSHIP OF THE BOARD OF
5 DIRECTORS; TO PROVIDE FOR THE POWERS AND DUTIES OF THE AUTHORITY;
6 TO AUTHORIZE THE AUTHORITY TO ACQUIRE, CONSTRUCT, MAINTAIN AND
7 OPERATE WASTEWATER SYSTEMS WITHIN MADISON COUNTY; TO AUTHORIZE
8 WASTEWATER PROVIDERS TO CONTRACT WITH THE AUTHORITY; TO AUTHORIZE
9 THE MADISON COUNTY WASTEWATER AUTHORITY TO ISSUE REVENUE BONDS TO
10 PROVIDE FUNDS NECESSARY TO ACHIEVE THE PURPOSES OF THIS ACT; TO
11 AUTHORIZE THE MADISON COUNTY WASTEWATER AUTHORITY, WITH THE
12 APPROVAL OF THE AFFECTED WASTEWATER PROVIDER, TO ENTER INTO
13 CONTRACTS WITH THE OWNERS OF PROPERTY TO PROVIDE IMPROVEMENTS
14 NECESSARY TO PROVIDE WASTEWATER SERVICES; TO PROVIDE THAT THE
15 AUTHORITY MAY ISSUE SPECIAL ASSESSMENT BONDS TO FINANCE SUCH
16 IMPROVEMENTS AND TO AUTHORIZE THE AUTHORITY TO LEVY AND COLLECT
17 SPECIAL ASSESSMENTS AGAINST THE PROPERTY BENEFITED THEREBY TO
18 RETIRE SUCH BONDS; AND FOR RELATED PURPOSES.

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

20 SECTION 1. This act may be cited as the "Madison County
21 Wastewater Authority Act."

22 SECTION 2. The purpose of this act is to authorize a
23 cooperative effort by any area situated within Madison County,
24 including the areas situated within the corporate boundaries of
25 any existing municipality and other eligible municipalities,
26 public agencies and political subdivisions, for the acquisition,
27 construction and operation of user-funded wastewater systems, in
28 order to prevent and control the pollution of the waters in this
29 state by the creation of a Madison County Wastewater Authority.

30 SECTION 3. As used in this act:

31 (a) "Authority" means the Madison County Wastewater
32 Authority created under this act to serve Madison County,

33 Mississippi, or a designated portion thereof, as set forth in the
34 resolution creating or expanding the authority.

35 (b) "Board of directors" means the Board of Directors
36 of the Madison County Wastewater Authority.

37 (c) "Bonds" means revenue bonds and interim notes, and
38 other certificates of indebtedness of the authority issued under
39 the provisions of this act.

40 (d) "Madison County wastewater plan" means a
41 comprehensive plan for wastewater systems within the Madison
42 County area, consistent with standards established pursuant to
43 applicable federal and state law.

44 (e) "Municipality" means any incorporated city, town,
45 or village of the State of Mississippi, whether operating under
46 general law or under special charter, lying wholly or partly
47 within Madison County, Mississippi.

48 (f) "Wastewater services provider" or "provider" means
49 a municipality that provides wastewater services or a nonprofit
50 association or other public utility that holds a certificate of
51 public convenience and necessity for wastewater service from the
52 Mississippi Public Service Commission and the Pearl River Valley
53 Water Supply District.

54 (g) "Public agency" means any county, municipality, or
55 persons, as are defined herein, lying wholly or partially within
56 the Madison County area, any state board or commission owning or
57 operating properties within a Madison County area, a district
58 created pursuant to Sections 51-9-101 through 51-9-163 or Sections
59 19-5-151 through 19-5-257, or any other political subdivision of
60 the State of Mississippi lying wholly or partially within Madison
61 County and having the power to own and operate wastewater systems.

62 (h) "Wastewater system" means a system for
63 transporting, transferring, treating and disposing of wastewater,
64 including, but not limited to, transportation systems and
65 treatment facilities, as these terms are defined in this act.

66 (i) "Wastewater" means water being disposed of by any
67 person and which is contaminated with waste or sewage, including
68 residential, industrial, municipal, recreational and any other
69 wastewater that may cause impairment of the quality of the waters
70 of the state.

71 (j) "Point of delivery" means the point where control
72 of wastewater passes from a provider to the authority. A "point
73 of delivery" generally will be a metering station where flow from
74 a provider's collection system is discharged into the authority's
75 transportation (trunk main) system.

76 SECTION 4. (1) (a) Prior to the establishment of the
77 authority, the Board of Supervisors of Madison County must adopt a
78 resolution proposing the establishment of the authority.

79 (b) The resolution shall include the following:

80 (i) A statement of the necessity for the service
81 or services to be supplied by the proposed authority;

82 (ii) The proposed corporate name for the
83 authority;

84 (iii) The proposed boundaries of the authority,
85 which shall be Madison County, Mississippi;

86 (iv) An estimate of the cost of the acquisition or
87 construction of the facilities to be operated by the authority
88 with disclosure that the estimate shall not serve as a limitation
89 upon the financing of the creation, operation, improving upon or
90 extending of the authority;

91 (2) Upon the approval of the Board of Supervisors of Madison
92 County of the appropriate resolution, the Board of Supervisors of
93 Madison County shall fix a time and place for a public hearing
94 upon the question of the public convenience and necessity of the
95 incorporation of the proposed authority. The hearing shall not be
96 more than forty-five (45) days after the approval of the
97 resolution. The date of the hearing, the place at which it shall
98 be held, the proposed boundaries of the authority, and the purpose

99 of the hearing, shall be set forth in a notice to be signed by the
100 clerk of the Board of Supervisors of Madison County to be
101 published in a newspaper having general circulation in the county
102 once a week for at least three (3) consecutive weeks before the
103 date set forth for the hearing. The first such publication shall
104 be made not less than twenty-one (21) days before the date of such
105 hearing and the last publication shall be made not more than seven
106 (7) days before the date of such hearing.

107 (3) After the public hearing, should the Board of
108 Supervisors of Madison County determine that the public
109 convenience and necessity require the creation of the authority,
110 and that the creation of the authority is economically sound and
111 desirable, the Board of Supervisors of Madison County shall adopt
112 a resolution making the aforesaid findings and declaring its
113 intention to create the authority on a date to be specified and
114 designating the name of the proposed authority and its boundaries.

115 (4) A certified copy of the resolution as adopted by the
116 Board of Supervisors of Madison County shall be published in a
117 newspaper having a general circulation within Madison County once
118 a week for at least three (3) consecutive weeks before the date
119 specified in such resolution as the date upon which such Madison
120 County Board of Supervisors intends to create the authority. The
121 first such publication shall be made not less than twenty-one (21)
122 days before the date specified, and the last such publication
123 shall be made not more than seven (7) days before such date.

124 (5) When so organized, the authority shall have the power to
125 sue and be sued, provided that the authority shall not be liable
126 and shall be immune from suit at law or in the equity on account
127 of any wrongful or tortuous act or omission, including libel,
128 slander or defamation, by it, or any such act or omission by any
129 employee of the authority, subject to and in accordance with the
130 provisions of Sections 11-46-1 through 11-46-19.

131 SECTION 5. (1) (a) All powers of the authority shall be
132 exercised by a board of directors consisting of one (1) appointed
133 by each of the following: Bear Creek Water Association, a
134 nonprofit corporation; Canton Municipal Utilities; Town of Flora;
135 City of Madison; City of Ridgeland; Pearl River Valley Water
136 Supply District; West Madison Utility District; the Lake Lorman
137 Utility District; and the Board of Supervisors of Madison County.

138 (b) If any appointing public agency or nonprofit
139 corporation, other than the Board of Supervisors of Madison
140 County, shall cease to provide wastewater services for a period of
141 more than six (6) consecutive months, the member appointed by such
142 public agency or corporation shall be removed from the board and
143 the public agency or corporation shall no longer be represented on
144 the board. The board shall determine the facts requiring removal
145 and shall remove the member by action of the board. Removal of a
146 board member under this paragraph shall not affect any contracts
147 previously entered into by the board.

148 (c) Membership in the authority shall be voluntary.
149 Failure to appoint a representative to the board of directors by a
150 public agency or nonprofit corporation within sixty (60) days of
151 the creation of the authority shall exempt such public agency or
152 nonprofit corporation from membership in the authority. However,
153 such agency or nonprofit corporation may apply and be considered
154 for representative membership on the board by the directors at a
155 later date. Representatives appointed to serve on the board of
156 directors as outlined in this subsection (1) shall serve at the
157 will and pleasure of the appointing public agency or nonprofit
158 corporation.

159 (2) Each director shall serve at the will and pleasure of
160 the appointing entity for a term of four (4) years. Any vacancy
161 arising by the expiration of a director's term, or a vacancy
162 created by the removal of a director for any other reason, shall
163 be filled in the same manner as the original appointment.

164 (3) Notwithstanding the appointive authority herein granted
165 to the Board of Supervisors of Madison County, its legal and
166 actual responsibilities, authority and function, subsequent to the
167 creation of the authority, shall be specifically limited to such
168 appointive function and responsibilities.

169 (4) The operation, management, abolition, or dissolution of
170 the authority, and all such other matters in connection therewith,
171 shall be vested solely and only in the board of directors, and the
172 operation, management, abolition, or dissolution of the authority
173 shall be accomplished only by the board of directors.

174 (5) The board of directors of the authority shall elect
175 annually from its membership a president and vice president of the
176 authority and such other officers as, in the judgment of the
177 board, are necessary. The president shall be the chief executive
178 officer of the authority and the presiding officer of the board,
179 and shall have the same right to vote as any other director. The
180 vice president shall perform all duties and exercise all powers
181 conferred by this act upon the president when the president is
182 absent or fails or declines to act, except the president's right
183 to vote. The board also shall appoint a secretary and a treasurer
184 who may or may not be members of the board, and it may combine
185 those offices. The treasurer shall give bond in the sum of not
186 less than Fifty Thousand Dollars (\$50,000.00) as set by the board
187 of directors, and each director may be required to give bond in
188 the sum of not less than Ten Thousand Dollars (\$10,000.00), with
189 sureties qualified to do business in this state. The premiums on
190 such bonds shall be an expense of the authority. Such bonds shall
191 be payable to the State of Mississippi. The bonds shall be
192 conditioned upon the treasurer or director faithfully performing
193 all duties of his office and accounting for all money or other
194 assets which shall come into his custody as treasurer or director
195 of the authority.

196 (6) The members of the board of directors of the authority
197 shall serve without salary, but shall be entitled to receive a per
198 diem in the amount provided for in Section 25-3-69. They shall be
199 reimbursed their actual travel and hotel expenses as provided in
200 Section 25-3-41, incurred while in the performance of their duties
201 as members of the board of directors of the authority. Expenses
202 shall be paid from the available funds of the authority.

203 (7) The board of directors of the authority may increase the
204 number of directors for the authority by adding one (1)
205 representative each for any public agency or nonprofit
206 corporation, which is a provider of wastewater services in Madison
207 County, Mississippi, and which is in existence as of the date of
208 this act or is created subsequent hereto.

209 SECTION 6. (1) Except as may otherwise be provided for in
210 this act, all business of the authority shall be transacted by
211 vote of the board of directors.

212 (2) All business of the authority shall be transacted by a
213 simple majority affirmative vote of the total membership of the
214 board of directors and by a concurrent vote of the directors
215 representing sixty percent (60%) of the total wastewater flowage
216 as expressed in million gallons daily (MGD) for use of the
217 wastewater system of the authority during the preceding fiscal
218 year. However, action of the board of directors may be approved
219 by directors representing sixty percent (60%) of the total
220 wastewater flowage as expressed in MGD for the use of the
221 wastewater system of the authority in addition to action by a
222 simple majority vote of the total membership of the board of
223 directors referred to above. The quorum for any meeting of the
224 board of directors shall be a simple majority of the total
225 membership of the board of directors. A determination as to
226 flowage expressed in MGD shall be made for voting purposes on or
227 before December 31 each year for use in the succeeding year.

228 (a) Industrial wastewater flowage shall not be
229 considered in determining the weight of the vote of a member of
230 the board of directors unless approved by a majority of all board
231 members and sixty (60%) of all nonindustrial flowage. Industrial
232 wastewater is defined as all wastewater generated from an
233 industrial user to include domestic and process wastewater that
234 will be transported to a publicly owned treatment facility.

235 (b) Should a member of the authority make a cash
236 capital contribution or contribution in kind to the authority in
237 anticipation of capacity or flowage, the board member representing
238 such member shall be entitled to have such contributions converted
239 to flowage as expressed in MGD for voting purposes. Such voting
240 entitlement shall exist until such time as flowage or capacity is
241 realized or depreciated out according to normal accounting
242 procedures.

243 SECTION 7. (1) The authority is authorized and empowered to
244 acquire wastewater lines; to acquire, construct, improve, enlarge,
245 extend, repair, operate and maintain one or more of its systems
246 used for the transportation, and treatment of wastewater; and to
247 make contracts with any provider in furtherance thereof; to make
248 contracts with any provider, under the terms of which the
249 authority, within Madison County, will transport, treat or dispose
250 of wastewater for such provider. The authority also may enter
251 into contracts with any person to design and construct any
252 wastewater systems, or any other of its treatment facilities or
253 systems and thereafter to purchase, lease, lease-purchase or sell,
254 by installments over such terms as may be deemed desirable,
255 reasonable and necessary, or otherwise, any such system or
256 systems. The authority is authorized to enter into operating
257 agreements with any provider, for such terms and upon such
258 conditions as may be deemed desirable, for the operation of any
259 wastewater systems, or other of its treatment facilities or
260 systems. The authority may lease to or from any person, for such

261 term and upon such conditions as may be deemed desirable, any
262 wastewater systems. Any such contract may contain provisions
263 requiring any provider to regulate the quality and strength of
264 materials to be handled by the respective treatment system or
265 systems and also may provide that the authority shall have the
266 right to use any streets, alleys and public ways and places within
267 the jurisdiction of a provider during the term of the contract.

268 SECTION 8. (1) The authority is hereby authorized and
269 empowered to enter into lease agreements with any corporation,
270 partnership, limited partnership, joint venture or individual
271 under which the authority may agree to lease buildings, facilities
272 and/or machinery and equipment for use in connection with the
273 provisions of wastewater treatment services under this act. The
274 primary term of a lease of buildings or facilities shall not
275 exceed twenty (20) years. For the purposes of this section, the
276 term machinery and equipment shall not include office furniture
277 and/or office machines. The primary term of a lease for machinery
278 and equipment shall not exceed the estimated useful economic life
279 of such machinery and equipment, as such useful economic life is
280 mutually agreed upon by the lessor and lessee.

281 (2) All such leases shall contain an option granting to the
282 authority the right to purchase the leased property upon the
283 expiration of the primary term, or upon such earlier date as may
284 be agreed upon at a price not to exceed the unpaid principal
285 balance at such time.

286 (3) The authority is authorized to lease real property owned
287 by it to any corporation, partnership, limited partnership, joint
288 venture or individual for the purpose of enabling such person to
289 construct or renovate thereon any of the buildings or facilities
290 described in subsection (1) of this section and to lease such
291 buildings and facilities to the authority.

292 (4) Subject to the provisions of this section, any such
293 lease agreement may extend over any period, notwithstanding any

294 provision or rule of law to the contrary, and any such lease
295 agreement shall be binding upon the authority and any other party
296 thereto in accordance with its terms. Any such lease agreement
297 may include, at the discretion of the authority, a pledge of the
298 full faith and credit of the authority for the payment of its
299 monetary obligations thereunder; or may contain a provision that
300 so long as no default of any monetary obligation of the lessee has
301 occurred, the lessee's obligation to pay any amounts due or
302 perform any covenants requiring or resulting in the expenditure of
303 money shall be contingent and expressly limited to the extent of
304 any specific appropriation made by the authority to fund such
305 lease agreement, and that nothing contained in the lease agreement
306 shall be construed as creating any monetary obligation on the part
307 of the lessee beyond such current and specific appropriation.

308 (5) This section, without reference to any other statute,
309 shall be deemed to be full and complete authority for the
310 authorization, execution and delivery of lease agreements
311 authorized hereunder, and shall be construed as an additional and
312 alternative method therefor, and none of the present restrictions,
313 requirements, conditions and limitations of law applicable to the
314 acquisition, construction and drawing of buildings, facilities,
315 machinery or equipment in this state shall apply to lease
316 agreements under this section, and no proceedings shall be
317 required for the authorization, execution and delivery of such
318 leases other than those required herein, and all powers necessary
319 to be exercised in order to carry out the provisions of this
320 section are hereby conferred.

321 SECTION 9. (1) The authority, through its board of
322 directors, in addition to any and all powers now or hereafter
323 granted to it, is hereby empowered:

324 (a) To develop and maintain long-range planning for
325 wastewater systems from within Madison County and for pollution
326 abatement.

327 (b) To adopt and issue a certificate of necessity to
328 use the power of eminent domain, including the right of immediate
329 possession, in the acquisition of real property. Upon the
330 adoption of such certificate of necessity, which shall state the
331 description of the real property needed to be acquired by eminent
332 domain, the authority shall transmit a copy of such certificate to
333 the Board of Supervisors of Madison County, to the governing
334 authorities of any public entity with the power of eminent domain
335 or to any other entity with the power of eminent domain. Such
336 board or entities may initiate proceedings under the provisions of
337 Title 11, Chapter 27, Mississippi Code of 1972. The eminent
338 domain proceedings thereby initiated shall be conducted according
339 to and governed by the provisions of Title 11, Chapter 27,
340 Mississippi Code of 1972.

341 (c) To acquire real and personal property, including,
342 but not limited to, property necessary for the relocation or
343 rerouting of roads and highways, railroad, telephone and telegraph
344 lines and properties, electric power lines, gas pipelines and
345 related facilities, or to require the anchoring or other
346 protection of any of these, provided fair compensation is first
347 paid to the owners thereof or agreement is had with such owners
348 regarding the payment of the cost of such relocation, and to
349 acquire easements or rights-of-way for such relocation or
350 rerouting and to convey the same to the owners of the property
351 being relocated or rerouted in connection with the purpose of this
352 act.

353 (d) To enter into contracts with any provider or any
354 public agency, including, but not limited to, contracts authorized
355 by Section 10 of this act, in furtherance of any of the purposes
356 authorized by this act upon such consideration as the board of
357 directors and such provider may agree. Any such contract may
358 extend over any period of time, notwithstanding any provision or
359 rule of law to the contrary; may be upon such terms as the parties

360 thereto shall agree; and may provide that it shall continue in
361 effect until bonds specified therein, refunding bonds issued in
362 lieu of such bonds, and all other obligations specified therein
363 are paid or terminated. Any such contract shall be binding upon
364 the parties thereto according to its terms.

365 (e) To make and enforce, and from time to time amend
366 and repeal, bylaws and rules and regulations for the management of
367 its business and affairs and for the construction, use,
368 maintenance and operation of any of the systems under its
369 management and control and any other of its properties.

370 (f) To employ staff and other personnel, including
371 attorneys, engineers and consultants as may be necessary to the
372 functioning of the authority. The board of directors, in its
373 discretion, may employ a general manager having the authority to
374 employ and fire employees of the authority.

375 (g) To apply for, accept and utilize grants and other
376 funds from any source for any purpose necessary in support of the
377 purpose of this act.

378 (h) To establish and maintain rates and charges for the
379 use of the services of such wastewater systems and facilities
380 within the control of the authority, and from time to time to
381 adjust such rates, to the end that the revenues therefrom will be
382 sufficient at all times to pay the expenses of operating and
383 maintaining such of its works, facilities and treatment systems
384 and all of the provider's obligations under any contract or bond
385 resolution with respect thereto.

386 (i) To adopt rules and regulations necessary to carry
387 out the implementation of the Madison County wastewater plan and
388 to assure the payment of each participating provider of its
389 proportionate share of the costs for use of any of the systems and
390 facilities of the authority.

391 (j) So long as any indebtedness on the systems of the
392 authority remains outstanding, to require by contract with a

393 provider, that all wastewater within the authority's area be
394 disposed of through the appropriate treatment system which
395 comprise a part of the authority's area plan, to the extent that
396 the same may be available, but no public agency shall be precluded
397 from constructing, operating and maintaining its own such system.

398 (k) In addition to the authority to borrow funds and
399 issue bonds as set forth elsewhere in this act, to borrow money by
400 issuing its negotiable promissory notes secured by execution of a
401 deed of trust upon any property owned by the authority, or other
402 collateral available to or in the possession of the authority.

403 (2) The authority shall not make contracts for wastewater
404 transportation and treatment services with any individuals, land
405 developers, or other agencies or organizations other than bona
406 fide providers of wastewater collection services who have
407 certificated area or statutory service area except as otherwise
408 provided in this act. The authority shall not provide wastewater
409 collection, transportation or treatment services directly to any
410 customer but rather shall operate through the retail wastewater
411 service providers. The authority shall not make rules or
412 regulations affecting the wastewater collection systems,
413 transportation systems, or treatment systems of retail wastewater
414 service providers except to the extent of regulating by contract
415 with the providers the quantity and strength of wastewater
416 delivered to the authority.

417 (3) Notwithstanding any provision of this act to the
418 contrary, the authority shall not be allowed to (a) invade or
419 condemn the exclusive service area of any retail wastewater
420 provider, or (b) curtail the activities of a retail wastewater
421 service provider, including, but not limited to, activities of
422 Bear Creek Water Association, Inc., as defined in 7 USC 1926(b),
423 except by voluntary contract by and between the authority and such
424 provider.

425 SECTION 10. (1) Any provider, pursuant to a duly adopted
426 resolution of such provider or public agency, may enter into
427 contracts with the authority under the terms of which the
428 authority, within its designated area, will manage, operate, and
429 contract for usage of its wastewater systems, or other services,
430 for such provider. Any provider may also enter into contracts
431 with the authority for the authority to purchase or sell, by
432 installments over such terms as may be deemed desirable, or
433 otherwise, to any person any wastewater systems. Any provider is
434 authorized to enter into operating agreements with the authority,
435 for such terms and upon such conditions as may be deemed
436 desirable, for the operation of any of its wastewater systems by
437 the authority or by any person contracting with the authority to
438 operate such wastewater systems; and any person or public agency
439 may lease to or from the authority, for such term and upon such
440 conditions as may be deemed desirable, any of its wastewater
441 systems. Any such contract may contain provisions requiring any
442 public agency or other person to regulate the quality and strength
443 of the material to be handled by the wastewater systems and may
444 also provide that the authority shall have the right to use any
445 streets, alleys and public ways and places within the jurisdiction
446 of a public agency or other person during the term of the
447 contract. Such contracts may obligate the public agency to make
448 payments to the authority or to a trustee in amounts which shall
449 be sufficient to enable the authority to defray the expenses of
450 administering, operating and maintaining its respective wastewater
451 systems, to pay interest and principal (whether at maturity upon
452 redemption or otherwise) on bonds of the authority issued under
453 this act and to fund reserves for debt service, for operation and
454 maintenance and for renewals and replacements, and to fulfill the
455 requirements of any rate covenant with respect to debt service
456 coverage contained in any resolution, trust indenture or other
457 security agreement relating to the bonds of the authority issued

458 under this act. Any person or public agency shall have the power
459 to enter into such contracts with the authority as, in the
460 discretion of the person or governing authorities of the agency,
461 would be in the best interest of the person or agency. Such
462 contracts may include a pledge of the full faith and credit of
463 such person or public agency and/or the avails of any special
464 assessments made by such person or public agency against property
465 receiving benefits, as now or hereafter is provided by law. Any
466 such contract may provide for the sale, or lease to, or use of by
467 the authority, of the wastewater systems or any part thereof, of
468 the person or public agency; and may provide that the authority
469 shall operate its wastewater systems or any part thereof of the
470 person or public agency; and may provide that any person or public
471 agency shall have the right to continued use and/or priority use
472 of the wastewater systems or any part thereof during the useful
473 life thereof upon payment of reasonable charges therefor; may
474 contain provisions to assure equitable treatment of persons or
475 public agencies who contract with the authority under this act;
476 and may contain such other provisions and requirements as the
477 parties thereto may determine to be appropriate or necessary.
478 Such contracts may extend over any period of time, notwithstanding
479 any provisions of law to the contrary, and may extend beyond the
480 life of the respective wastewater systems or any part thereof or
481 the term of the bonds sold with respect to such facilities or
482 improvements thereto.

483 (2) The obligations of a provider arising under the terms of
484 any contract referred to in this act, whether or not payable
485 solely from a pledge of revenues, shall not be included within the
486 indebtedness limitations of the provider for purposes of any
487 constitutional or statutory limitation or provision. To the
488 extent provided in such contract and to the extent such
489 obligations of the provider are payable wholly or in part from the
490 revenues and other monies derived by the provider from the

491 operation of its wastewater systems, or any part thereof, such
492 obligations shall be treated as expenses of operating such
493 wastewater systems.

494 (3) Contracts referred to in this section may also provide
495 for payments in the form of contributions to defray the cost of
496 any purpose set forth in the contracts and as advances for the
497 respective wastewater systems or any part thereof subject to
498 repayment by the authority. A provider may make such
499 contributions or advances from its general fund or surplus fund or
500 from special assessments or from any monies legally available
501 therefor.

502 (4) Payments made, or to be made, to the authority by a
503 provider under a contract for any of its wastewater systems, or
504 any part thereof, shall not be subject to approval or review by
505 the Mississippi Public Service Commission.

506 (5) Subject to the terms of a contract or contracts referred
507 to in this act, the authority is hereby authorized to do and
508 perform any and all acts or things necessary, convenient or
509 desirable to carry out the purposes of such contracts, including
510 the fixing, charging, collecting, maintaining and revising of
511 rates, fees and other charges for the services rendered to any
512 user of any of the wastewater systems operated or maintained by
513 the authority, whether or not such wastewater systems are owned by
514 the authority.

515 (6) No provision of this act shall be construed to prohibit
516 any provider, otherwise permitted by law to issue bonds, from
517 issuing bonds in the manner provided by law for the construction,
518 renovation, repair or development of any of the authority's
519 wastewater systems, or any part thereof, owned or operated by such
520 provider.

521 SECTION 11. Whenever a provider shall have executed a
522 contract under this act and the payments thereunder are to be made
523 either wholly or partly from the revenues of the provider's

524 wastewater systems, or any part thereof, or a combination of such
525 wastewater systems, the duty is hereby imposed on the provider to
526 establish and maintain and, from time to time, to adjust the rates
527 charged by the provider for the services of such wastewater
528 systems, so that the revenues therefrom, together with any taxes
529 and special assessments levied in support thereof, will be
530 sufficient at all times to pay: (a) the expense of operating and
531 maintaining such wastewater systems including all of the
532 provider's obligations to the authority, its successors or assigns
533 under such contract; and (b) all of the provider's obligations
534 under and in connection with revenue bonds theretofore issued, or
535 which may be issued thereafter and secured by the revenues of such
536 wastewater systems. Any such contract may require the use of
537 consulting engineers and financial experts to advise the provider
538 whether and when such rates are to be adjusted.

539 SECTION 12. (1) The Madison County Wastewater Authority
540 shall have the power and is hereby authorized, from time to time,
541 to borrow money and to issue revenue bonds in such principal
542 amounts as the Madison County Wastewater Authority may determine
543 to be necessary to provide sufficient funds for achieving the
544 purposes of this act, including:

545 (a) Defraying the cost of the acquisition,
546 construction, improvement, repair or extension of its wastewater
547 systems, or any part thereof, whether or not such facilities are
548 owned by the authority;

549 (b) The payment of interest on bonds of the authority
550 issued under this act;

551 (c) Establishing reserves to secure such bonds and
552 payment of the interest thereon; and

553 (d) Paying expenses incident to the issuance of such
554 bonds and to the implementation of the authority's wastewater
555 systems, and all other expenditures of the authority incident to
556 or necessary or convenient to carry out the purposes of this act.

557 (2) Before issuing bonds (other than interim notes or
558 refunding bonds as provided in Section 13 of this act) hereunder,
559 the board of directors of the authority first shall hold a public
560 hearing with due notice of the time, date and place of said
561 hearing published in a newspaper of general circulation in Madison
562 County, Mississippi. Upon an affirmative vote of the board of
563 directors approving the resolution of intent, the board of
564 directors shall adopt a resolution declaring its intention to
565 issue such bonds and stating the maximum principal amount of bonds
566 proposed to be issued, a general generic description of the
567 proposed improvements and the proposed location thereof and the
568 date, time and place at which the board of directors proposes to
569 take further action with respect to the issuance of such bonds.
570 The board of directors then shall cause the resolution of intent
571 to be published once a week for at least three (3) consecutive
572 weeks in at least one (1) newspaper having a general circulation
573 within the geographical limits of Madison County, Mississippi.
574 The first publication of such resolution shall be made not less
575 than twenty-one (21) days before the date fixed in such resolution
576 to direct the issuance of the bonds and the last publication shall
577 be made not more than seven (7) days before such date.

578 (3) Bonds of the authority issued under this act shall be
579 payable from, and secured by, a pledge of all or any part of the
580 revenues under any contract entered into pursuant to this act, and
581 from all or any part of the revenues derived from the operation of
582 the wastewater systems, or any part thereof, and any other monies
583 legally available therefor, as may be determined by the authority,
584 subject only to any agreement with the purchasers of the bonds.
585 Such bonds may be further secured by a trust indenture between the
586 authority and a corporate trustee, which may be any trust company
587 or bank having powers of a trust company without or within the
588 state.

589 (4) Bonds of the authority issued under this act shall be
590 authorized by a resolution or resolutions adopted by the board of
591 directors of the authority. Such bonds shall bear such date or
592 dates, mature at such time or times, bear interest at such rate or
593 rates (not exceeding the maximum rate set out in Section
594 75-17-103), be in such denomination or denominations, be in such
595 form, carry such conversion privileges, have such rank or
596 priority, be executed in such manner and by such officers, be
597 payable from such sources in such medium of payment at such place
598 or places within or without the state, provided that one (1) such
599 place shall be within the state, and be subject to such terms of
600 redemption prior to maturity, all as may be provided by resolution
601 or resolutions of the board of directors.

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

608 (6) Any pledge of earnings, revenues or other monies made by
609 the authority shall be valid and binding from the time the pledge
610 is made. The earnings, revenues or other monies so pledged and
611 thereafter received by the authority shall immediately be subject
612 to the lien of such pledge without any physical delivery thereof
613 or further act, and the lien of any such pledge shall be valid and
614 binding as against all parties having claims of any kind in tort,
615 contract or otherwise against the authority irrespective of
616 whether such parties have notice thereof. Neither the resolution
617 nor any other instrument by which a pledge is created need be
618 recorded.

619 (7) Neither the members of the board of directors nor any
620 person executing the bonds shall be personally liable on the bonds

621 or be subject to any personal liability or accountability by
622 reason of the issuance thereof.

623 (8) Proceeds from the sale of bonds of the authority may be
624 invested, pending their use, in such securities as may be
625 specified in the resolution authorizing the issuance of the bonds
626 or the trust indenture securing them, and the earnings on such
627 investments applied as provided in such resolution or trust
628 indenture.

629 (9) Whenever any bonds shall have been signed by the
630 officer(s) designated by the resolution of the board of directors
631 to sign the bonds, who were in office at the time of such signing,
632 but who may have ceased to be such officer(s) prior to the sale
633 and delivery of such bonds, or who may not have been in office on
634 the date such bonds may bear, the manual or facsimile signatures
635 of such officer(s) upon such bonds shall nevertheless be valid and
636 sufficient for all purposes and have the same effect as if the
637 person so officially executing such bonds had remained in office
638 until the delivery of the same to the purchaser or had been in
639 office on the date such bonds may bear.

640 SECTION 13. The authority, by resolution adopted by its
641 board of directors, may issue refunding bonds for the purpose of
642 paying any of its bonds at or prior to maturity or upon
643 acceleration or redemption. Refunding bonds may be issued at such
644 time prior to the maturity or redemption of the refunded bonds as
645 the board of directors deems to be in the public interest, without
646 an election on the question of the issuance thereof. The
647 refunding bonds may be issued in sufficient amounts to pay or
648 provide the principal of the bonds being refunded, together with
649 any redemption premium thereon, any interest accrued or to accrue
650 to the date of payment of such bonds, the expenses of issue of the
651 refunding bonds, the expenses of redeeming the bonds being
652 refunded, and such reserves for debt service or other capital or
653 current expenses from the proceeds of such refunding bonds as may

654 be required by the resolution, trust indenture or other security
655 instruments. The issue of refunding bonds, the maturities and
656 other details thereof, the security therefor, the rights of the
657 holders and the rights, duties and obligations of the authority in
658 respect to the same shall be governed by the provisions of this
659 act relating to the issue of bonds other than refunding bonds
660 insofar as the same may be applicable. Any such refunding may be
661 effected, whether the obligations to be refunded shall have then
662 matured or shall thereafter mature, either by the exchange of the
663 refunding bonds for the obligations to be refunded thereby with
664 the consent of the holders of the obligations so to be refunded,
665 or by sale of the refunding bonds and the application of the
666 proceeds thereof to the payment of the obligations proposed to be
667 refunded thereby, and regardless of whether the obligations
668 proposed to be refunded shall be payable on the same date or
669 different dates or shall be due serially or otherwise.

670 SECTION 14. (1) Owners of property who own a certificate of
671 public convenience and necessity, or who are located in an area
672 served by an existing provider, may contract with the authority
673 only for the purpose of wastewater system improvements financed
674 pursuant to this section, with the approval of the affected
675 provider, or may contract with the authority and the affected
676 provider, to provide improvements in order to provide wastewater
677 services.

678 (2) The authority is authorized to issue special assessment
679 bonds to finance wastewater system improvements by levying and
680 collecting special assessments against the property benefited
681 thereby. The amount borrowed may include that portion of the cost
682 of such improvements to be paid by the issuing entity.

683 (3) When the authority shall determine to construct such
684 wastewater system improvements, the cost of which, or any part
685 thereof, is to be assessed against the property benefited, it
686 shall adopt a resolution declaring necessary the proposed

687 improvement describing the nature and extent of the work, the
688 general character of the material to be used and the location and
689 terminal points of the improvements or clearly define the boundary
690 of areas in which such improvements are to be made. In publishing
691 such resolution declaring the work necessary, the plans and
692 specifications of such work need not be published but may be
693 referred to as being on file in the office of the authority. Such
694 resolution shall fix a date when the governing body shall meet,
695 which shall be not less than fifteen (15) days after the date of
696 the first publication of the notice herein provided for, to hear
697 any objection or remonstrance that may be made to such
698 improvements. The notice herein provided for shall be published
699 once each week for three (3) successive weeks in a public
700 newspaper having a general circulation in Madison County. The
701 authority shall also send a copy of the notice, by certified mail,
702 postage prepaid, within five (5) days after the first publication
703 of the notice herein provided for, to the owners of property
704 affected by the resolution at the address shown on the land rolls
705 last approved by the county. However, failure of the clerk to
706 mail such notice, or failure of the owner to receive such notice,
707 shall not invalidate any proceedings in this section, where such
708 notice has been published as provided herein. Notice declaring
709 the work necessary shall be notice to the property owners that the
710 work has been declared necessary.

711 (4) At the meeting provided for by subsection (3) of this
712 section, or at a time and place to which such meeting may be
713 adjourned, any person aggrieved may appear in person, by attorney
714 or by petition, and may object to or protest against the
715 improvement or any part thereof. The governing body shall
716 consider the objections and protests, if any, and may confirm,
717 amend, modify or rescind the resolution of necessity, and shall
718 determine whether the improvement shall be made and how the cost

719 shall be paid. The determination of the authority shall be final
720 and conclusive.

721 (5) The resolution determining to proceed with the
722 improvements may direct that the cost and expense of the
723 improvements authorized, or such part as the authority shall fix,
724 shall be a charge upon the property benefited. In such resolution
725 the authority shall direct that the whole, or such part of the
726 cost and expense thereof as it shall fix, shall be assessed
727 against the benefited property. The resolution shall define the
728 entire area to be benefited by the improvement and shall direct
729 that the cost be assessed against each lot or parcel of land as
730 the amount of special tax for the owner's part of the cost of the
731 entire improvement.

732 (6) The full faith, credit and resource of the authority may
733 be pledged for the payment of the principal and interest on such
734 obligations, and the special assessments levied against the
735 property benefiting from the special improvements to be made
736 hereunder shall be pledged for the payment of such obligations.
737 All funds derived for special assessments levied against the
738 property benefiting from the improvements shall be placed into a
739 special assessment bond fund and shall be used only for the
740 purpose of paying principal and interest on such obligations. Any
741 surplus funds may be invested as provided by law and may be used
742 to pay such obligation at or before maturity.

743 (7) The obligations authorized to be issued by this section
744 may be issued at any time after the estimated cost of the
745 improvements shall have been ascertained by the authority and the
746 amount of indebtedness thereby incurred shall not exceed the
747 estimated cost of such improvements.

748 (8) All obligations issued pursuant to this section shall
749 mature not longer than twenty (20) years from the date thereof.
750 Other details regarding issuance of the bonds shall be as provided

751 in the applicable provisions of Section 12 of this act and such
752 other applicable provisions as appropriate.

753 (9) All special assessments levied under the provisions of
754 this section, unless otherwise provided by the authority, shall
755 become due and shall be paid to the Madison County Tax Collector
756 in full within ninety (90) days from the date of confirmation
757 thereof. However, the authority may, by resolution, confer upon
758 the property owners the privilege of paying the assessment in not
759 exceeding twenty (20) installments with interest from the date of
760 the special assessment bonds at the average rate as that fixed in
761 the bonds issued to raise money to pay the cost of the
762 improvements, which is to be paid in whole or in part by the owner
763 of the property benefited thereby. The installments of the
764 assessment shall be due and payable at the same time that the
765 annual real property tax becomes due and payable commencing with
766 the first tax levy which is payable after the issuance of special
767 assessment bonds of such levying authority. The tax collector
768 shall remit payments to the authority within thirty (30) days
769 after receipt thereof.

770 (10) The authority shall annually certify to the tax
771 collector, or other officer charged with the duty of collecting
772 taxes in the area in which the property assessed is located, the
773 annual installment of assessment due for each tract of land
774 against which an assessment has been levied, together with the
775 amount of the interest on all unpaid installments at the average
776 interest rate of the bonds issued to raise money to pay the cost
777 of the improvement, which is to be paid in whole or in part by the
778 owners of property benefited by the proposed improvements. Any
779 property owner who has elected to pay his assessment in
780 installments shall have the right at any time to pay the balance
781 of the assessment against his assessment in full, but in so doing
782 he shall be required to pay all accrued interest thereon. The
783 collector shall thereupon enter upon the annual tax roll of the

784 county, in a separate column, the amount of the installment and
785 interest to be collected from each tract of land assessed, and the
786 collector shall collect the installment together with the interest
787 on all unpaid installments, at the same time he collects the
788 annual tax.

789 (11) (a) If, after the original assessment shall have been
790 made, the owner of the entire lot or parcel of land so assessed in
791 solido desires that a change or division of the assessment be
792 made, then such owner, or other party interested therein, may
793 apply to the Madison County Tax Assessor for a change or division
794 of the assessment.

795 (b) If, after the original assessment shall have been
796 made, a portion of any lot or parcel of land so assessed in
797 solido, shall have changed ownership so that no one (1) person is
798 the owner of the entire lot or parcel of land so assessed in
799 solido, then such owner or other party interested therein, may
800 apply to the Madison County Tax Assessor for a change or division
801 of the assessment. Such application shall be in writing, filed
802 with the assessor, under the same notice as provided in Section
803 21-41-31.

804 (c) If the assessor is satisfied that the land in each
805 instance will be adequate security for the assessment placed
806 thereon, and that the rights of the authority will not be
807 adversely affected, he may order the change or divide the
808 assessments as requested. The decision of the assessor as to the
809 right to change or divide assessments may be appealed to the
810 governing body of the authority, whose decision shall be final.
811 Any aggrieved party shall have the right to appeal the decisions
812 of the authority.

813 (12) The provisions of Sections 21-41-7, 21-41-11, 21-41-13,
814 21-41-15, 21-41-21, 21-41-23, 21-41-25, 21-41-27, 21-41-29,
815 21-41-31, 21-41-33, 21-41-35, 21-41-37 and 21-41-39 are hereby
816 incorporated by reference for purposes of implementing the

817 authority granted by this section, except that if such provisions
818 conflict with the provisions of this act, the provisions of this
819 act shall prevail. Any authority granted by any reference in such
820 sections to Chapter 41 of Title 21, Mississippi Code of 1972, or
821 any section thereof, shall be effective in granting such authority
822 pursuant to this section. Where appropriate, references to the
823 municipality or any board or official thereof shall be deemed to
824 refer to the authority, its governing body or any official
825 thereof.

826 (13) No special assessment or contract for improvements
827 shall be authorized pursuant to this section without the approval
828 of the wastewater services provider whose certificate or statutory
829 service area within which the special assessment and improvement
830 shall occur.

831 SECTION 15. All bonds (other than refunding bonds, interim
832 notes and certificates of indebtedness, which may be validated)
833 issued pursuant to this act shall be validated as now provided by
834 law in Sections 31-13-1 through 31-13-11, which constitute the
835 Validation of Public Bonds Act. Such notice shall be published at
836 least once in a newspaper or newspapers having a general
837 circulation within Madison County, Mississippi. Such validation
838 proceedings shall be instituted in the Chancery Court of Madison
839 County. The validity of the bonds so validated, and of the
840 contracts and payments to be made by the public agencies,
841 thereunder constituting security for the bonds, shall be forever
842 conclusive against the authority and the public agencies which are
843 parties to said contracts; and the validity of said bonds and said
844 contracts and the payments to be made thereunder shall never be
845 called in question in any court in this state.

846 SECTION 16. Bonds issued under the provisions of this act
847 shall be payable solely from the revenues or assets of the
848 authority pledged therefor. Each bond issued under this act shall
849 contain on its face thereof a statement to the effect that the

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

852 SECTION 17. The authority shall have power in connection
853 with the issuance of its bonds to:

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

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

858 (c) Covenant to charge rates, fees and charges
859 sufficient to meet operating and maintenance expenses, renewals
860 and replacements, principal and debt service on bonds, creation
861 and maintenance of any reserves required by a bond resolution,
862 trust indenture or other security instrument and to provide for
863 any margins or coverages over and above debt service on the bonds
864 deemed desirable for the marketability of the bonds.

865 (d) Covenant and prescribe as to events of default and
866 terms and conditions upon which any or all of its bonds shall
867 become or may be declared due before maturity, as to the terms and
868 conditions upon which such declaration and its consequences may be
869 waived and as to the consequences of default and the remedies of
870 the registered owners of the bonds.

871 (e) Covenant as to the mortgage or pledge of, or the
872 grant of a security interest in, any real or personal property and
873 all or any part of the revenues from any wastewater systems, or
874 any part thereof, or any revenue-producing contract or contracts
875 made by the authority with any person to secure the payment of
876 bonds, subject to such agreements with the registered owners of
877 bonds as may then exist.

878 (f) Covenant as to the custody, collection, securing,
879 investment and payment of any revenues, assets, monies, funds or
880 property with respect to which the authority may have any rights
881 or interest.

882 (g) Covenant as to the purposes to which the proceeds
883 from the sale of any bonds then or thereafter to be issued may be
884 applied, and the pledge of such proceeds to secure the payment of
885 the bonds.

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

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

891 (j) Covenant as to the procedure by which the terms of
892 any contract with, or for the benefit of, the registered owners of
893 bonds may be amended or abrogated, the amount of bonds the
894 registered owners of which must consent thereto, and the manner in
895 which such consent may be given.

896 (k) Covenant as to the custody of any of its properties
897 or investments, the safekeeping thereof, the insurance to be
898 carried thereon, and the use and disposition of insurance
899 proceeds.

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

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

906 (n) Make all other covenants and to do any and all such
907 acts and things as may be necessary or convenient or desirable in
908 order to secure its bonds, or in the absolute discretion of the
909 authority, tend to make the bonds more marketable, notwithstanding
910 that such covenants, acts or things may not be enumerated herein;
911 it being the intention hereof to give the authority the power to
912 do all things in the issuance of bonds and, in the provisions for
913 security thereof, which are not inconsistent with the Constitution
914 of this state.

915 (o) Execute all instruments necessary or convenient in
916 the exercise of the powers herein granted or in the performance of
917 covenants or duties, which may contain such covenants and
918 provisions, as any purchaser of the bonds of the authority may
919 reasonably require.

920 SECTION 18. For the purposes of satisfying any temporary
921 cash flow demands and deficiencies, and to maintain a working
922 balance for the authority, the Board of Supervisors of Madison
923 County or other providers are authorized to advance, at any time,
924 such funds which, in its discretion, are necessary, or borrow such
925 funds by issuance of notes, for initial capital contribution and
926 to cover start-up costs until such times as sufficient bonds,
927 assets and revenues have been secured to satisfy the needs of the
928 authority for its management, operation and formation. To this
929 end, the Board of Supervisors of Madison County or other providers
930 may advance such funds, or borrow such funds by issuance of notes,
931 under such terms and conditions as may be provided by resolution
932 of the Board of Supervisors of Madison County or other providers,
933 except that each such resolution shall state:

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

935 (b) The amount to be advanced or the amount to be
936 borrowed;

937 (c) The maximum principal amount of any note issued,
938 the interest rate or maximum interest rate to be incurred and the
939 maturity date of said note.

940 In addition, the Board of Supervisors of Madison County or
941 other providers may arrange for lines of credit with any bank,
942 firm or person for the purpose of providing an additional source
943 of repayment for notes issued pursuant to this section. Amounts
944 drawn on a line of credit may be evidenced by negotiable or
945 nonnegotiable notes or other evidences of indebtedness and contain
946 such terms and conditions as the Board of Supervisors of Madison

947 County or other providers may authorize in the resolution
948 approving the same.

949 The Board of Supervisors of Madison County or other providers
950 may authorize the repayment of such advances, notes, lines of
951 credit and other debt incurred under this section, along with all
952 costs associated with the same, including, but not limited to,
953 rating agency fees, printing costs, legal fees, bank or trust
954 company fees, line of credit fees and other charges to be
955 reimbursed by the authority under such terms and conditions as are
956 reasonable and are to be provided for by resolution of the Board
957 of Supervisors of Madison County or terms agreed upon with other
958 providers.

959 Under this section, the board of supervisors shall not have
960 the authority to contribute substantial amounts for capital
961 improvements to the authority from proceeds derived from ad
962 valorem taxes.

963 SECTION 19. The authority, in any authorizing resolution of
964 the board of directors, trust indenture or other security
965 instrument relating to its bonds, may provide for the appointment
966 of a trustee who shall have such powers as are provided therein to
967 represent the registered owners of any issue of bonds in the
968 enforcement or protection of their rights under any such
969 resolution, trust indenture or security instrument. The authority
970 also may provide in such resolution, trust indenture or other
971 security instrument that the trustee, or in the event that the
972 trustee so appointed shall fail or decline to so protect and
973 enforce such registered owners' rights, then such percentage of
974 registered owners as shall be set forth in, and subject to the
975 provisions of, such resolution, trust indenture or other security
976 interest, may petition the court of proper jurisdiction for the
977 appointment of a receiver of the authority's wastewater systems
978 for the revenues of which are pledged to the payment of the
979 principal of and interest on the bonds of such registered owners.

980 Such receiver may exercise any power as may be granted in any such
981 resolution, trust indenture or security instrument to enter upon
982 and take possession of, acquire, construct or reconstruct or
983 operate and maintain the authority's wastewater systems; fix,
984 charge, collect, enforce and receive all revenues derived from
985 such of the wastewater systems; and perform the public duties and
986 carry out the contracts and obligations of the authority in the
987 same manner as the authority itself might do, all under the
988 direction of such court.

989 SECTION 20. (1) The exercise of the powers granted by this
990 act will be in all respects for the benefit of the people of the
991 State of Mississippi, for their well-being and prosperity and for
992 the improvement of their social and economic conditions, and the
993 authority shall not be required to pay any tax or assessment on
994 any property owned by the authority under the provisions of this
995 act or upon the income therefrom; nor shall the authority be
996 required to pay any recording fee or transfer tax of any kind on
997 account of instruments recorded by it or on its behalf.

998 (2) Any bonds issued by the authority under the provisions
999 of this act, and their transfer and any income derived therefrom,
1000 shall at all times be free from taxation by the state or any local
1001 unit or political subdivision or other instrumentality of the
1002 state, excepting inheritance and gift taxes.

1003 SECTION 21. All bonds issued under the provisions of this
1004 act shall be legal investments for trustees, other fiduciaries,
1005 savings banks, trust companies and insurance companies organized
1006 under the laws of the State of Mississippi; and such bonds shall
1007 be legal securities which may be deposited with and shall be
1008 received by all public officers and bodies of the state and all
1009 municipalities and other political subdivisions thereof for the
1010 purpose of securing the deposit of public funds.

1011 SECTION 22. The State of Mississippi hereby covenants with
1012 the registered owners of any bonds of the authority that, so long

1013 as the bonds are outstanding and unpaid, the State of Mississippi
1014 will not limit or alter the rights and powers of the authority
1015 under this act to conduct the activities referred to herein in any
1016 way pertinent to the interests of the bondholders, including the
1017 authority's right to charge and collect rates, fees and charges
1018 and to fulfill the terms of any covenants made with the registered
1019 owners of the bonds, or in any other way impair the rights and
1020 remedies of the registered owners of the bonds, unless provision
1021 for full payment of such bonds, by escrow or otherwise, has been
1022 made under the terms of the bonds or the resolution, trust
1023 indenture or security interest securing the bonds.

1024 SECTION 23. The provisions of this act are cumulative to
1025 other statutes now or hereafter enacted relating to the issuance
1026 of bonds or the components which make up the authority's
1027 wastewater systems and to the design, construction, acquisition or
1028 approval of facilities for such purposes, and any public agency
1029 may exercise all presently held powers in the furtherance of this
1030 act; provided that the authority may issue bonds only under the
1031 provisions of this act.

1032 SECTION 24. The activities of the Madison County Wastewater
1033 Authority authorized herein shall not be subject to review or
1034 regulation by the Mississippi Public Service Commission.

1035 SECTION 25. This act shall take effect and be in force from
1036 and after its passage.