

By: Representative Smith (59th)

To: Local and Private  
Legislation; Ways and Means

## HOUSE BILL NO. 1822

1 AN ACT TO AMEND CHAPTER 977, LOCAL AND PRIVATE LAWS OF 1994,  
2 AS LAST AMENDED BY CHAPTER 903, LOCAL AND PRIVATE LAWS OF 2005, TO  
3 PROVIDE THAT THE BOUNDARIES OF THE WEST RANKIN UTILITY AUTHORITY  
4 SHALL ENCOMPASS ALL OF RANKIN COUNTY; TO AUTHORIZE THE AUTHORITY  
5 TO REQUEST THAT THE BOARD OF SUPERVISORS OF RANKIN COUNTY OR ANY  
6 PUBLIC ENTITY UTILIZE EMINENT DOMAIN ON BEHALF OF THE AUTHORITY;  
7 TO ELIMINATE THE NECESSITY FOR PUBLIC HEARINGS BEFORE EACH MEMBER  
8 ENTITY OF THE AUTHORITY BEFORE THE ISSUANCE OF ANY BONDS BY THE  
9 AUTHORITY; TO REVISE THE PROCEDURE TO INITIATE THE ISSUANCE OF  
10 BONDS BY THE AUTHORITY; AND FOR RELATED PURPOSES.

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

12 **SECTION 1.** Chapter 977, Local and Private Laws of 1994, as  
13 amended by Chapter 987, Local and Private Laws of 2000, as amended  
14 by Chapter 1004, Local and Private Laws of 2004, as amended by  
15 Chapter 903, Local and Private Laws of 2005, is amended as  
16 follows:

17 Section 1. This act is for the purpose of authorizing a  
18 cooperative effort by the member agencies and any and all public  
19 agencies situated in whole or in part within Rankin County,  
20 including any existing municipality and other eligible  
21 municipalities or public agencies, for the acquisition,  
22 construction and operation of one or more systems for the  
23 collection, transportation, treatment and disposal of wastewater;  
24 for the treatment and distribution of potable water; and for the  
25 collection, transportation and disposal of nonhazardous solid  
26 waste; all of the foregoing, including sewerage systems, sewage  
27 disposal systems, waterworks and water supply systems, solid waste  
28 collection, transportation and disposal systems, in order to  
29 ensure an adequate supply of water for domestic, commercial and  
30 industrial use and to prevent and control the pollution of the  
31 lands and waters in this state by the creation of a West Rankin

32 Utility Authority. This act may be cited as the "West Rankin  
33 Utility Authority Act."

34 Section 2. Words and phrases used in this act shall have  
35 meanings as follows:

36 (a) "Act" means the West Rankin Utility Authority Act,  
37 as amended from time to time.

38 (b) "Authority" means the West Rankin Utility  
39 Authority.

40 (c) "Board of directors" means the board of directors  
41 of the authority.

42 (d) "Bonds" means revenue bonds, interim notes having a  
43 maturity of three (3) years or less, and other certificates of  
44 indebtedness of the authority issued under the provisions of this  
45 act.

46 (e) "Costs of the project" means:

47 (i) All costs of site preparation and other  
48 start-up costs;

49 (ii) All costs of construction;

50 (iii) All costs of real and personal property  
51 required for the purposes of the project and facilities related  
52 thereto, including land and any rights or undivided interest  
53 therein, easements, franchises, fees, utility charges, permits,  
54 approvals, licenses and certificates and the securing of any  
55 permits, approvals, licenses and certificates and all machinery  
56 and equipment, including motor vehicles, which are used for  
57 project functions;

58 (iv) All costs of engineering, geotechnical,  
59 architectural and legal services;

60 (v) All costs of plans and specifications and all  
61 expenses necessary or incident to determining the feasibility or  
62 practicability of the project;

63 (vi) Administrative expenses; and

64 (vii) Any other expenses as may be necessary or  
65 incidental to the project financing.

66 (f) "Ditch" means any branch or lateral drain, tile  
67 drain, levee, sluiceway, watercourse, floodgate and any other  
68 construction work fund necessary for the reclamation of wet and  
69 overflowed lands.

70 (g) "Facilities" means any structure, building, ditch,  
71 pipe, channel, improvement, land or other real or personal  
72 property used or useful in a system under this act.

73 (h) "Member agencies" means the members of the  
74 authority which include the City of Brandon, the City of Flowood,  
75 the City of Pearl, the City of Richland, the Pearl River Valley  
76 Water Supply District, the Jackson Municipal Airport Authority,  
77 the Mississippi Department of Mental Health and any public agency  
78 which is located in whole or in part within Rankin County and  
79 elects to become a constituent member of the West Rankin Utility  
80 Authority upon its organization or which subsequently elects to  
81 become a member of the West Rankin Utility Authority and which is  
82 admitted to the authority by affirmative vote of the board of  
83 directors of such authority, in accordance with the provisions of  
84 Section 3(2) of this act.

85 (i) "Metropolitan area" means any area served by a  
86 member agency.

87 \* \* \*

88 (j) "Metropolitan area plan" means a comprehensive plan  
89 for a sewage disposal system, water distribution system and solid  
90 waste transportation, collection and disposal system within the  
91 metropolitan area, consistent with standards established pursuant  
92 to applicable federal and state law.

93 (k) "Metropolitan authority" means the authority.

94 (l) "Municipality" means any incorporated city or town  
95 of the State of Mississippi, whether operating under general law

96 or under special charter, lying wholly or partly within the  
97 metropolitan area.

98 (m) "Person" means and includes the State of  
99 Mississippi, a municipality as defined herein, any public agency  
100 as defined herein or any other city, town or political subdivision  
101 or governmental agency of the State of Mississippi or of the  
102 United States of America, or any private utility, individual,  
103 copartnership, association, firm, trust, estate or any other  
104 entity whatsoever.

105 (n) The terms "pollution" and "waters of the state"  
106 shall have meanings as set forth in the Mississippi Air and Water  
107 Pollution Control Law, as now or hereafter amended, appearing as  
108 Sections 49-17-1 through 49-17-70, Mississippi Code of 1972.

109 (o) "Public agency" means any \* \* \* municipality  
110 (including the City of Brandon, the City of Flowood, the City of  
111 Richland and the City of Pearl), lying wholly or partially within  
112 Rankin County, the Jackson Municipal Airport Authority, the  
113 Mississippi Department of Mental Health, the Pearl River Valley  
114 Water Supply District, and any public utility district created  
115 pursuant to Sections 19-5-151 through 19-5-257, Mississippi Code  
116 of 1972, or any other state board or commission of the State of  
117 Mississippi lying wholly or partially within Rankin County and  
118 having the power to own and operate waterworks, water supply  
119 systems, sewerage systems, treatment facilities, sewage disposal  
120 systems, solid waste disposal or other facilities or systems for  
121 the collection, transportation, treatment and disposal of waste.

122 (p) "Sewerage system" means pipelines or conduits,  
123 canals, pumping stations and force mains, and all other  
124 structures, devices, facilities and appliances appurtenant  
125 thereto, used for collecting or conducting waste to an ultimate  
126 point for treatment or disposal.

127 (q) "System" means any or all of the following:  
128 sewerage system, waste disposal system and water supply system and

129 all vehicles, structures, devices, facilities and appliances used  
130 for treatment or distribution of potable water or for collecting  
131 or conducting waste, solid waste or sewage to an ultimate point  
132 for treatment or disposal.

133 (r) "Treatment facilities" means any plant, disposal  
134 field, lagoon, pumping station, constructing drainage ditch or  
135 surface water intercepting ditch, canal, incinerator, area devoted  
136 to sanitary landfills or other works not specifically mentioned  
137 herein, installed for the purpose of treating, neutralizing,  
138 stabilizing or disposing of wastewater, sludge or solid waste or  
139 facilities to provide cooling water to collect, control and  
140 dispose of waste heat.

141 (s) "Waste" means sewage, solid waste, industrial  
142 waste, municipal waste, recreational waste and agricultural waste,  
143 waste heat and any other waste that may cause impairment of the  
144 quality of the waters in the state.

145 (t) "Waste disposal system" means a system for  
146 disposing of waste, including, but not limited to, sewerage  
147 systems and treatment facilities, and solid waste disposal  
148 facilities, as such terms are defined herein.

149 (u) "Water supply system" means waterworks, pipelines,  
150 conduits, pumping stations and all other structures, devices and  
151 appliances appurtenant thereto, including land and right-of-way  
152 thereto, for use for transporting water to a point of ultimate  
153 use.

154 (v) "Waterworks" means all works, plants or other  
155 facilities necessary for the purpose of collecting, storing,  
156 treating and transporting water for domestic, municipal,  
157 commercial, industrial, agricultural and manufacturing purposes,  
158 including open channels.

159 Words of the masculine gender shall be deemed and construed  
160 to include correlative words of the feminine and neuter genders.  
161 Unless the context shall otherwise indicate, words and terms

162 herein defined shall be equally applicable to the plural as well  
163 as the singular form of any such words and terms.

164 Section 3. (1) \* \* \* The metropolitan authority shall have  
165 the power to sue and be sued, provided that the metropolitan  
166 authority shall not be liable and shall be immune from suit at law  
167 or in equity on account of any wrongful or tortious act or  
168 omission, including libel, slander or defamation, by it, or any  
169 such act or omission by any employee of the metropolitan  
170 authority, subject to and in accordance with the provisions of  
171 Sections 11-46-1 through 11-46-19, Mississippi Code of 1972.

172 (2) If at any time any public agency within the metropolitan  
173 area \* \* \* shall elect to become a member agency of the  
174 metropolitan authority by a majority vote of the governing body of  
175 such public agency, such public agency may be admitted as a member  
176 agency of the metropolitan authority, upon the approval by a  
177 three-fifths (3/5) affirmative vote of the total membership of the  
178 board of directors of the metropolitan authority and by a  
179 concurrent affirmative vote of directors representing sixty  
180 percent (60%) of the total payments for use of the system of the  
181 metropolitan authority during the preceding fiscal year.

182 Section 4. All powers of the metropolitan authority shall be  
183 exercised by a board of directors to be selected and composed as  
184 follows: The governing body of each member agency shall appoint  
185 one (1) person to serve on the board of directors of the  
186 metropolitan authority, each such director to serve at the  
187 pleasure of the respective governing body.

188 The board of directors of the metropolitan authority shall  
189 annually elect from its number a president and vice president of  
190 the metropolitan authority and such other officers as, in the  
191 judgment of the board, are necessary. The president shall be the  
192 chief executive officer of the metropolitan authority and the  
193 presiding officer of the board, and shall have the same right to  
194 vote as any other director. The vice president shall perform all

195 duties and exercise all powers conferred by this act upon the  
196 president when the president is absent or fails or declines to  
197 act, except the president's right to vote. The board shall also  
198 appoint a secretary and a treasurer who may or may not be members  
199 of the board, and it may combine those officers. The treasurer  
200 shall give bond in the sum of not less than Fifty Thousand Dollars  
201 (\$50,000.00) as set by the board of directors, and each director  
202 may be required to give bond in the sum of not less than Ten  
203 Thousand Dollars (\$10,000.00), with sureties qualified to do  
204 business in this state, and the premiums on the bonds shall be an  
205 expense of the metropolitan authority. Each such bond shall be  
206 payable to the State of Mississippi; the condition of each such  
207 bond shall be that the treasurer or director will faithfully  
208 perform all duties of his office and account for all money or  
209 other assets which shall come into his custody as treasurer or  
210 director of the metropolitan authority.

211 Except for the election or appointment of officers, all  
212 business of the metropolitan authority shall be transacted by a  
213 three-fifths (3/5) affirmative vote of the total membership of the  
214 board of directors and, if the authority shall own or operate a  
215 system, by a concurrent vote of directors representing sixty  
216 percent (60%) of the total payments for use of the system of the  
217 metropolitan authority during the preceding fiscal year. The  
218 quorum for any meeting of the board of directors shall be  
219 three-fifths (3/5) of the total membership of the board of  
220 directors and, if the authority shall own or operate a system, the  
221 presence of directors representing more than sixty percent (60%)  
222 of the total payments for use of the system of the metropolitan  
223 authority during the preceding fiscal year. Upon admission of a  
224 new member agency, the authority and the new member agency are  
225 each authorized to enter into agreements with the other setting  
226 out the responsibilities and obligations of both the authority and

227 the member agency and setting forth the terms and conditions of  
228 the business to be conducted between them.

229 Section 5. The metropolitan authority is authorized and  
230 empowered to acquire, construct, improve, enlarge, extend, repair,  
231 operate and maintain one or more systems and to make contracts  
232 with any person in furtherance thereof; and to make contracts with  
233 any public agency, under the terms of which the metropolitan  
234 authority will collect, transport, treat and dispose of  
235 wastewater; treat and distribute potable water; and collect,  
236 transport and dispose of nonhazardous solid waste. The  
237 metropolitan authority may also enter into contracts with any  
238 person to design and construct any system, and thereafter  
239 purchase, lease or sell, by installments over such terms as may be  
240 deemed desirable, or otherwise, any such system. The metropolitan  
241 authority is also authorized to enter into operating agreements  
242 with any person, for such terms and upon such conditions as may be  
243 deemed desirable, for the operation of any facilities or systems;  
244 and the metropolitan authority may lease to or from any person,  
245 for such term and upon such conditions as may be deemed desirable,  
246 any facilities or systems. Any such contract may contain  
247 provisions requiring any public agency or other person to regulate  
248 the quality of water and the quality and strength of waste to be  
249 handled by the system and may also provide that the metropolitan  
250 authority shall have the right to use any streets, alleys and  
251 public ways and places within the jurisdiction of a public agency  
252 during the term of the contract. Any provision of this act to the  
253 contrary notwithstanding, the metropolitan authority shall not  
254 become the owner of any existing sewage disposal system unless all  
255 municipalities or other public agencies currently utilizing such  
256 system or any portion thereof \* \* \* are offered access to such  
257 sewage disposal system \* \* \*. \* \* \*



258           Section 6. The metropolitan authority, through its board of  
259 directors, in addition to any and all powers now or hereafter  
260 granted to it, is hereby empowered:

261           (a) To develop and maintain long-range planning for  
262 collection treatment and distribution of water and for the  
263 collection, transportation, treatment and disposal of waste and  
264 for pollution abatement.

265           (b) To adopt and issue a certificate of convenience and  
266 necessity to use the power of eminent domain, including the right  
267 of immediate possession, in the acquisition of real property.  
268 Upon the adoption of a certificate of convenience and necessity,  
269 which shall state the description of the real property needed to  
270 be acquired by eminent domain, the authority shall transmit a copy  
271 of the certificate to the Board of Supervisors of Rankin County,  
272 the governing authorities of any public entity with the power of  
273 eminent domain or any other entity with the power of eminent  
274 domain. The board or entities may initiate proceedings under the  
275 provisions of Title 11, Chapter 27, Mississippi Code of 1972, on  
276 behalf of the authority to carry out the purposes set forth in the  
277 certificate. The eminent domain proceeding thereby initiated  
278 shall be conducted according to and governed by the provisions of  
279 Title 11, Chapter 27, Mississippi Code of 1972.

280           (c) To acquire and to own, maintain, use, operate and  
281 convey or otherwise dispose of any and all property of any kind,  
282 real, personal or mixed, or any interest therein within or without  
283 the boundaries of its designated metropolitan area necessary or  
284 convenient to the exercise of the purposes of and the powers  
285 granted by Section 21-27-7 and Sections 21-27-161 through  
286 21-27-191, Mississippi Code of 1972, as amended, unless any of the  
287 foregoing is otherwise prohibited under the State Constitution or  
288 this act. The amount and character of interest in land, other  
289 property, and easements thus to be acquired shall be determined by  
290 the board of directors, and their determination shall be

291 conclusive and shall not be subject to attack in the absence of  
292 manifold abuse of discretion or fraud on the part of such board in  
293 making such determination. However,

294 (i) In acquiring lands, the metropolitan authority  
295 shall not acquire minerals or royalties; provided that sand and  
296 gravel shall not be considered as minerals within the meaning of  
297 this section; and

298 (ii) No person or persons owning the drilling  
299 rights or the right to share in production shall be prevented from  
300 exploring, developing or producing oil or gas with necessary  
301 rights-of-way for ingress and egress, pipelines and other means of  
302 transporting interests on any land or interest thereon of the  
303 metropolitan authority held or used for the purposes of this act;  
304 but any such activities shall be under such reasonable regulations  
305 by the board of directors as will adequately protect the systems  
306 of the metropolitan authority contemplated by this act.

307 (d) To provide for the necessary relocation or  
308 rerouting of roads and highways, railroad, telephone and telegraph  
309 lines and properties, electric power lines, gas pipe lines and  
310 related facilities, or to require the anchoring or other  
311 protection of any of these, provided due compensation is first  
312 paid to the owners thereof or agreement is had with such owners  
313 regarding the payment of the cost of such relocation, and to  
314 acquire easements or rights-of-way for such relocation or  
315 rerouting and to convey the same to the owners of the property  
316 being relocated or rerouted in connection with the purpose of this  
317 act.

318 (e) To enter into contracts with any public agency,  
319 including, but not limited to, contracts authorized by Section 7  
320 of this act, in furtherance of any of the purposes authorized by  
321 this act upon such consideration as the board of directors and  
322 such public agency may agree. Any such contract may extend over  
323 any period of time, notwithstanding any provision or rule of law

324 to the contrary, may be upon such terms as the parties thereto  
325 shall agree, and may provide that it shall continue in effect  
326 until bonds specified therein, refunding bonds issued in lieu of  
327 such bonds, and all other obligations specified therein are paid  
328 or terminated. Any such contract shall be binding upon the  
329 parties thereto according to its terms.

330           (f) To make and enforce, and from time to time amend  
331 and repeal, bylaws and rules and regulations for the management of  
332 its business and affairs and for the construction, use,  
333 maintenance and operation of any systems under its management and  
334 control and any other of its properties.

335           (g) To employ staff and other personnel, including  
336 attorneys, engineers and consultants. The board of directors may,  
337 in its discretion, employ a general manager having the authority  
338 to employ and fire employees of the metropolitan authority.

339           (h) To accept and utilize grants and other funds from  
340 any source for systems.

341           (i) To establish and maintain rates and charges for the  
342 use of the services of such systems, and from time to time to  
343 adjust such rates, to the end that the revenues therefrom will be  
344 sufficient at all times to pay the expenses of operating and  
345 maintaining such systems and all of the metropolitan authority's  
346 obligations under any contract or bond resolution with respect  
347 thereto.

348           (j) To adopt rules and regulations necessary to carry  
349 out the implementation of the metropolitan area plan and to assure  
350 the payment by each participating public agency of its  
351 proportionate share of system costs.

352           (k) To refuse to receive waste from any public agency  
353 or subdivision thereof that does not comply with the provisions of  
354 the metropolitan area plan applicable to the particular area  
355 within which such public agency or subdivision thereof is located.

356           (l) To accept industrial waste for treatment and to  
357 require the pretreatment of same when in the opinion of the  
358 metropolitan authority such pretreatment is necessary.

359           (m) To adopt all necessary and reasonable rules and  
360 regulations to carry out and effectuate any water supply, waste  
361 treatment or waste disposal plan adopted for the metropolitan  
362 area, as contractually authorized.

363           (n) So long as any indebtedness on any sewerage system,  
364 treatment facilities and sewage disposal system of the  
365 metropolitan authority remains outstanding, to require by contract  
366 with a public agency or other person that all waste within the  
367 metropolitan area be disposed of through sewerage systems,  
368 treatment facilities and sewage disposal systems which comprise a  
369 part of the metropolitan area plan, to the extent that the same  
370 may be available, but no public agency shall be precluded from  
371 constructing, operating and maintaining its own sewerage system  
372 after the current indebtedness owing on the system as of the  
373 effective date of this act is paid in full.

374           Section 7. (1) Any public agency may, pursuant to a duly  
375 adopted resolution of the governing authority of such public  
376 agency, enter into contracts with the metropolitan authority under  
377 the terms of which the metropolitan authority will collect, \* \* \*  
378 transport, treat and distribute potable water; and collect,  
379 transport and dispose of nonhazardous solid waste. Any public  
380 agency may also, pursuant to a duly adopted resolution of the  
381 governing authority of such public agency, enter into contracts  
382 with the metropolitan authority under the terms of which the  
383 metropolitan authority will collect, store, treat and distribute  
384 water for such public agency. Any public agency may also enter  
385 into contracts with the metropolitan authority for the  
386 metropolitan authority to purchase or sell, by installments over  
387 such terms as may be deemed desirable, or otherwise, any  
388 waterworks, water supply systems, waste collection,

389 transportation, sewage disposal or treatment facilities or  
390 systems. Any public agency is also authorized to enter into  
391 operating agreements with the metropolitan authority, for such  
392 terms and upon such conditions as may be deemed desirable, for the  
393 operation of waterworks, water supply systems, waste collection,  
394 transportation, sewage disposal or treatment facilities or systems  
395 by the metropolitan authority or by any person contracting with  
396 the metropolitan authority to operate such systems; and any public  
397 agency may lease to or from the metropolitan authority, for such  
398 term and upon such conditions as may be deemed desirable, any  
399 waterworks, water supply systems, waste collection,  
400 transportation, treatment or sewage disposal or treatment  
401 facilities or systems. Any such contract may contain provisions  
402 requiring any public agency to regulate the quality of water and  
403 the quality and strength of waste to be handled by the sewage  
404 disposal system and may also provide that the metropolitan  
405 authority shall have the right to use any streets, alleys and  
406 public ways and places within the jurisdiction of a public agency  
407 during the term of the contract for any of its systems. Such  
408 contracts may obligate the public agency to make payments to the  
409 metropolitan authority or to a trustee in amounts which shall be  
410 sufficient to enable the metropolitan authority to defray the  
411 expenses of administering, operating and maintaining its  
412 waterworks, water supply system and sewage disposal system and  
413 other systems, to pay interest and principal (whether at maturity  
414 upon redemption or otherwise) on bonds of the metropolitan  
415 authority issued pursuant to this act and to fund reserves for  
416 debt service, for operation and maintenance and for renewals and  
417 replacements, and to fulfill the requirements of any rate covenant  
418 with respect to debt service coverage contained in any resolution,  
419 trust indenture or other security agreement relating to the bonds  
420 of the metropolitan authority issued pursuant to this act. Any  
421 public agency shall have the power to enter into such contracts

422 with the metropolitan authority as in the discretion of the  
423 governing authorities thereof would be in the best interest of  
424 such public agency. Such contracts may include a pledge of the  
425 full faith and credit of such public agency and/or the avails of  
426 any special assessments made by such public agency against  
427 property receiving benefits, as now or hereafter provided by law.  
428 Any such contract may provide for the sale or lease to or use of  
429 by the metropolitan authority of any system or any part thereof of  
430 the public agency; may provide that such metropolitan authority  
431 shall operate any system or any part thereof of the public agency;  
432 may provide that any public agency shall have the right to  
433 continued use and/or priority use of any of its system or any part  
434 thereof during the useful life thereof upon payment of reasonable  
435 charges therefor; may contain provisions to assure equitable  
436 treatment of public agencies who contract with the metropolitan  
437 authority pursuant to this act; and may contain such other  
438 provisions and requirements as the parties thereto may determine  
439 to be appropriate or necessary. Such contracts may extend over  
440 any period of time, notwithstanding any provisions of law to the  
441 contrary, and may extend beyond the life of the system or any part  
442 thereof or the term of any bonds sold with respect to such  
443 facilities or improvements thereto.

444 (2) The obligations of a public agency arising under the  
445 terms of any contract referred to in this act, whether or not  
446 payable solely from a pledge of revenues, shall not be included  
447 within the indebtedness limitations of the public agency for  
448 purposes of any constitutional or statutory limitation or  
449 provision. To the extent provided in such contract and to the  
450 extent such obligations of the public agency are payable wholly or  
451 in part from the revenues and other monies derived by the public  
452 agency from the operation of its system or any part thereof, such  
453 obligations shall be treated as expenses of operating such system.

454           (3) Contracts referred to in this section may also provide  
455 for payments in the form of contributions to defray the cost of  
456 any purpose set forth in the contracts and as advances for the  
457 system or any part thereof subject to repayment by the  
458 metropolitan authority. A public agency may make such  
459 contributions or advances from its general fund or surplus fund or  
460 from special assessments or from any monies legally available  
461 therefor.

462           (4) Payments made or to be made to the metropolitan  
463 authority by a public agency pursuant to a contract for a system  
464 or any part thereof shall not be subject to approval or review by  
465 the Mississippi Public Service Commission.

466           (5) Subject to the terms of a contract or contracts referred  
467 to in this act, the metropolitan authority is hereby authorized to  
468 do and perform any and all acts or things necessary, convenient or  
469 desirable to carry out the purposes of such contracts, including  
470 the fixing, charging, collecting, maintaining and revising of  
471 rates, fees and other charges for the services rendered by any  
472 system operated or maintained by the metropolitan authority,  
473 whether or not such system is owned by the metropolitan authority.

474           (6) No provision of this act shall be construed to prohibit  
475 any public agency, otherwise permitted by law to issue bonds, from  
476 issuing bonds in the manner provided by law for the construction,  
477 renovation, repair or development of a system or any part thereof  
478 owned or operated by such public agency.

479           Section 8. Whenever a public agency shall have executed a  
480 contract pursuant to this act and the payments thereunder are to  
481 be made either wholly or partly from the revenues of a system, of  
482 a public agency or any part thereof or a combination of such  
483 systems, the duty is hereby imposed on the public agency to  
484 establish and maintain and from time to time to adjust the rates  
485 charged by the public agency for the services of such system or  
486 systems, such that the revenues therefrom together with any taxes

487 and special assessments levied in support thereof will be  
488 sufficient at all times to pay: (a) the expense of operating and  
489 maintaining such system or systems, including all of the public  
490 agency's obligations to the metropolitan authority, its successors  
491 or assigns under such contract; and (b) all of the public agency's  
492 obligations under and in connection with revenue bonds theretofore  
493 issued, or which may be issued thereafter and secured by the  
494 revenues of such system or systems. Any such contract may require  
495 the use of consulting engineers and financial experts to advise  
496 the public agency whether and when such rates are to be adjusted.

497 Section 9. (1) The metropolitan authority shall have the  
498 power and is hereby authorized, from time to time, to borrow money  
499 and to issue revenue bonds in such principal amounts as the  
500 metropolitan authority may determine to be necessary to provide  
501 sufficient funds for achieving one or more of the purposes of this  
502 act, including, without limiting the generality of the foregoing,  
503 to defray all the costs of the project, the cost of the  
504 acquisition, construction, improvement, repair or extension of a  
505 system, or any part thereof, whether or not such facilities are  
506 owned by the metropolitan authority, the payment of interest on  
507 bonds of the metropolitan authority issued pursuant to this act,  
508 establishment of reserves to secure such bonds and payment of the  
509 interest thereon, expenses incident to the issuance of such bonds  
510 and to the implementation of the metropolitan authority's system,  
511 and all other expenditures of the metropolitan authority incident  
512 to or necessary or convenient to carry out the purposes of this  
513 act.

514 (2) Before issuing bonds (other than interim notes or  
515 refunding bonds as provided in Section 10 of this act) hereunder,  
516 the board of directors of the metropolitan authority shall first  
517 hold a public hearing \* \* \* with due notice of the time, date and  
518 place of the hearing published in a newspaper of general  
519 circulation in the metropolitan area. The board of directors



520 shall adopt a resolution declaring its intention to issue such  
521 bonds and stating the maximum principal amount of bonds proposed  
522 to be issued, a general generic description of the proposed  
523 improvements and the proposed location thereof, and the date, time  
524 and place at which the board of directors proposes to take further  
525 action with respect to the issuance of such bonds. The board of  
526 directors shall then cause the resolution of intent to \* \* \* be  
527 published once a week for at least three (3) consecutive weeks in  
528 at least one (1) newspaper having a general circulation within the  
529 metropolitan area. The first publication of such resolution shall  
530 be made not less than twenty-one (21) days before the date fixed  
531 in such resolution to direct the issuance of the bonds and the  
532 last publication shall be made not more than seven (7) days before  
533 such date.

534 \* \* \*

535 (3) Following the public hearing, bonds of the metropolitan  
536 authority may be issued pursuant to this act \* \* \* payable from  
537 and secured by a pledge of all or any part of the revenues under  
538 one or more contracts entered into pursuant to this act between  
539 the metropolitan authority and one or more of its member public  
540 agencies and from all or any part of the revenues derived from the  
541 operation of any designated system or any part or parts thereof  
542 and any other monies legally available and designated therefor, as  
543 may be determined by the metropolitan authority, subject only to  
544 any agreement with the purchasers of the bonds. Such bonds may be  
545 further secured by a trust indenture between the metropolitan  
546 authority and a corporate trustee, which may be any trust company  
547 or bank having powers of a trust company without or within the  
548 state.

549 (4) Bonds of the metropolitan authority issued pursuant to  
550 this act shall be authorized by a resolution or resolutions  
551 adopted by a three-fifths (3/5) affirmative vote of the total  
552 membership of the board of directors of the metropolitan authority

553 and by a concurrent affirmative vote of directors representing  
554 sixty percent (60%) of the total payments for use of the system of  
555 the metropolitan authority during the preceding fiscal year. Such  
556 bonds may be issued in series, and each series of such bonds shall  
557 bear such date or dates, mature at such time or times, bear  
558 interest at such rate or rates (not exceeding the maximum rate set  
559 out in Section 75-17-103, Mississippi Code of 1972, as amended),  
560 be in such denomination or denominations, be in such form, carry  
561 such conversion privileges, have such rank or priority, be  
562 executed in such manner and by such officers, be payable from such  
563 sources in such medium of payment at such place or places within  
564 or without the state, provided that one such place shall be within  
565 the state, and be subject to such terms of redemption prior to  
566 maturity, all as may be provided by resolution or resolutions of  
567 the board of directors.

568 (5) Bonds of the metropolitan authority issued pursuant to  
569 this act may be sold at such price or prices, at public or private  
570 sale, in such manner and at such times as may be determined by the  
571 metropolitan authority to be in the public interest, and the  
572 metropolitan authority may pay all expenses, premiums, fees and  
573 commissions which it may deem necessary and advantageous in  
574 connection with the issuance and sale thereof.

575 (6) Any pledge of earnings, revenues or other monies made by  
576 the metropolitan authority shall be valid and binding from the  
577 time the pledge is made. The earnings, revenues or other monies  
578 so pledged and thereafter received by the metropolitan authority  
579 shall immediately be subject to the lien of such pledge without  
580 any physical delivery thereof or further act, and the lien of any  
581 such pledge shall be valid and binding as against all parties  
582 having claims of any kind in tort, contract or otherwise against  
583 such metropolitan authority irrespective of whether such parties  
584 have notice thereof. Neither the resolution nor any other  
585 instrument by which a pledge is created need be recorded.

586 (7) Neither the members of the board of directors nor any  
587 person executing the bonds shall be personally liable on the bonds  
588 or be subject to any personal liability or accountability by  
589 reason of the issuance thereof.

590 (8) Proceeds from the sale of bonds of the metropolitan  
591 authority may be invested, pending their use, in such securities  
592 as may be specified in the resolution authorizing the issuance of  
593 the bonds or the trust indenture securing them, and the earnings  
594 on such investments applied as provided in such resolution or  
595 trust indenture.

596 (9) Whenever any bonds shall have been signed by the  
597 officer(s) designated by the resolution of the board of directors  
598 to sign the bonds who were in office at the time of such signing  
599 but who may have ceased to be such officer(s) prior to the sale  
600 and delivery of such bonds, or who may not have been in office on  
601 the date such bonds may bear, the manual or facsimile signatures  
602 of such officer(s) upon such bonds shall nevertheless be valid and  
603 sufficient for all purposes and have the same effect as if the  
604 person so officially executing such bonds had remained in office  
605 until the delivery of the same to the purchaser or had been in  
606 office on the date such bonds may bear.

607 Section 10. The metropolitan authority may by resolution  
608 adopted by its board of directors issue refunding bonds for the  
609 purpose of paying any of its bonds at or prior to maturity or upon  
610 acceleration or redemption. Refunding bonds may be issued at such  
611 time prior to the maturity or redemption of the refunded bonds as  
612 the board of directors deems to be in the public interest, without  
613 an election on the question of the issuance thereof. The  
614 refunding bonds may be issued in sufficient amounts to pay or  
615 provide the principal of the bonds being refunded, together with  
616 any redemption premium thereon, any interest accrued or to accrue  
617 to the date of payment of such bonds, the expenses of issue of the  
618 refunding bonds, the expenses of redeeming the bonds being

619 refunded, and such reserves for debt service or other capital or  
620 current expenses from the proceeds of such refunding bonds as may  
621 be required by the resolution, trust indenture or other security  
622 instruments. The issue of refunding bonds, the maturities and  
623 other details thereof, the security therefor, the rights of the  
624 holders and the rights, duties and obligations of the metropolitan  
625 authority in respect of the same shall be governed by the  
626 provisions of this act relating to the issue of bonds other than  
627 refunding bonds insofar as the same may be applicable. Any such  
628 refunding may be effected, whether the obligations to be refunded  
629 shall have then matured or shall thereafter mature, either by the  
630 exchange of the refunding bonds for the obligations to be refunded  
631 thereby with the consent of the holders of the obligations so to  
632 be refunded, or by sale of the refunding bonds and the application  
633 of the proceeds thereof to the payment of the obligations proposed  
634 to be refunded thereby, and regardless of whether the obligations  
635 proposed to be refunded shall be payable on the same date or  
636 different dates or shall be due serially or otherwise.

637 Section 11. All bonds (other than refunding bonds, interim  
638 notes and certificates of indebtedness, which may be validated)  
639 issued pursuant to this act shall be validated as now provided by  
640 law in Sections 31-13-1 through 31-13-11, Mississippi Code of  
641 1972, as amended from time to time; however, notice of such  
642 validation proceedings shall be addressed to the citizens of the  
643 State of Mississippi and the citizens of the respective member  
644 public agencies (a) which have contracted with the metropolitan  
645 authority pursuant to this act, and (b) whose contracts and the  
646 payments to be made by the public agencies thereunder constitute  
647 security for the bonds of the metropolitan authority proposed to  
648 be issued, and that such notice shall be published at least once  
649 in a newspaper \* \* \* having a general circulation within the  
650 metropolitan area. Such validation proceedings shall be  
651 instituted in the Chancery Court of Rankin County. The validity

652 of the bonds so validated and of the contracts and payments to be  
653 made by the public agencies thereunder constituting security for  
654 the bonds shall be forever conclusive against the metropolitan  
655 authority and the public agencies which are parties to said  
656 contracts; and the validity of said bonds and said contracts and  
657 the payments to be made thereunder shall never be called in  
658 question in any court in this state.

659         Section 12. Bonds issued under the provisions of this act  
660 shall not be deemed to constitute, within the meaning of any  
661 constitutional or statutory limitation, an indebtedness of the  
662 metropolitan authority or any member agency thereof. Such bonds  
663 shall not be secured by a pledge of the full faith and credit of  
664 the State of Mississippi, the metropolitan authority or any member  
665 agency thereof, but shall be payable solely from the revenues or  
666 assets of the metropolitan authority pledged therefor. Each bond  
667 issued under this act shall contain on the face thereof a  
668 statement to the effect that the metropolitan authority shall not  
669 be obligated to pay the same nor the interest thereon except from  
670 the revenues or assets pledged therefor.

671         Section 13. The metropolitan authority shall have power in  
672 connection with the issuance of its bonds to:

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

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

677                 (c) Covenant to charge rates, fees and charges  
678 sufficient to meet operating and maintenance expenses, renewals  
679 and replacements, principal and debt service on bonds, creation  
680 and maintenance of any reserves required by a bond resolution,  
681 trust indenture or other security instrument and to provide for  
682 any margins or coverages over and above debt service on the bonds  
683 deemed desirable for the marketability of the bonds.

684 (d) Covenant and prescribe as to events of default and  
685 terms and conditions upon which any or all of its bonds shall  
686 become or may be declared due before maturity, as to the terms and  
687 conditions upon which such declaration and its consequences may be  
688 waived and as to the consequences of default and the remedies of  
689 the registered owners of the bonds.

690 (e) Covenant as to the mortgage or pledge of or the  
691 grant of a security interest in any real or personal property and  
692 all or any part of the revenues from any designated system or any  
693 part thereof or any revenue-producing contract or contracts made  
694 by the metropolitan authority with any person to secure the  
695 payment of bonds, subject to such agreements with the registered  
696 owners of bonds as may then exist.

697 (f) Covenant as to the custody, collection, securing,  
698 investment and payment of any revenues, assets, monies, funds or  
699 property with respect to which the metropolitan authority may have  
700 any rights or interest.

701 (g) Covenant as to the purposes to which the proceeds  
702 from the sale of any bonds then or thereafter to be issued may be  
703 applied, and the pledge of such proceeds to secure the payment of  
704 the bonds.

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

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

710 (j) Covenant as to the procedure by which the terms of  
711 any contract with or for the benefit of the registered owners of  
712 bonds may be amended or abrogated, the amount of bonds the  
713 registered owners of which must consent thereto, and the manner in  
714 which such consent may be given.

715 (k) Covenant as to the custody of any of its properties  
716 or investments, the safekeeping thereof, the insurance to be

717 carried thereon, and the use and disposition of insurance  
718 proceeds.

719 (l) Covenant as to the vesting in a trustee or  
720 trustees, within or outside the state, of such properties, rights,  
721 powers and duties in trust as the metropolitan authority may  
722 determine.

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

726 (n) Make all other covenants and to do any and all such  
727 acts and things as may be necessary or convenient or desirable in  
728 order to secure its bonds, or in the absolute discretion of the  
729 metropolitan authority tend to make the bonds more marketable,  
730 notwithstanding that such covenants, acts or things may not be  
731 enumerated herein; it being the intention hereof to give the  
732 metropolitan authority power to do all things in the issuance of  
733 bonds and in the provisions for security thereof which are not  
734 inconsistent with the Constitution of the state.

735 (o) Execute all instruments necessary or convenient in  
736 the exercise of the powers herein granted or in the performance of  
737 covenants or duties, which may contain such covenants and  
738 provisions, as any purchaser of the bonds of the metropolitan  
739 authority may reasonably require.

740 Section 14. The metropolitan authority may, in any  
741 authorizing resolution of the board of directors, trust indenture  
742 or other security instrument relating to its bonds, provide for  
743 the appointment of a trustee who shall have such powers as are  
744 provided therein to represent the registered owners of any issue  
745 of bonds in the enforcement or protection of their rights under  
746 any such resolution, trust indenture or security instrument. The  
747 metropolitan authority may also provide in such resolution, trust  
748 indenture or other security instrument that the trustee, or in the  
749 event that the trustee so appointed shall fail or decline to so

750 protect and enforce such registered owners' rights then such  
751 percentage of registered owners as shall be set forth in, and  
752 subject to the provisions of, such resolution, trust indenture or  
753 other security interest, may petition the court of proper  
754 jurisdiction for the appointment of a receiver of the waterworks,  
755 water supply system or sewage disposal system the revenues of  
756 which are pledged to the payment of the principal of and interest  
757 on the bonds of such registered owners. Such receiver may  
758 exercise any power as may be granted in any such resolution, trust  
759 indenture or security instrument to enter upon and take possession  
760 of, acquire, construct or reconstruct or operate and maintain such  
761 system fix charges for services of the system and enforce  
762 collection thereof, and receive all revenues derived from such  
763 system or facilities and perform the public duties and carry out  
764 the contracts and obligations of the metropolitan authority in the  
765 same manner as the metropolitan authority itself might do, all  
766 under the direction of such court.

767 Section 15. (1) The exercise of the powers granted by this  
768 act will be in all respects for the benefit of the people of the  
769 state, for their well-being and prosperity and for the improvement  
770 of their social and economic conditions, and the metropolitan  
771 authority shall not be required to pay any tax or assessment on  
772 any property owned by the metropolitan authority under the  
773 provisions of this act or upon the income therefrom; nor shall any  
774 metropolitan authority be required to pay any recording fee or  
775 transfer tax of any kind on account of instruments recorded by it  
776 or on its behalf.

777 (2) Any bonds issued by the metropolitan authority under the  
778 provisions of this act, their transfer and the income therefrom  
779 shall at all times be free from taxation by the state or any local  
780 unit or political subdivision or other instrumentality of the  
781 state, excepting inheritance and gift taxes.



782           Section 16. All bonds issued under the provisions of this  
783 act shall be legal investments for trustees, other fiduciaries,  
784 savings banks, trust companies and insurance companies organized  
785 under the laws of the State of Mississippi; and such bonds shall  
786 be legal securities which may be deposited with and shall be  
787 received by all public officers and bodies of the state and all  
788 municipalities and other political subdivisions thereof for the  
789 purpose of securing the deposit of public funds.

790           Section 17. The state hereby covenants with the registered  
791 owners of any bonds of the metropolitan authority that so long as  
792 the bonds are outstanding and unpaid the state will not limit or  
793 alter the rights and powers of the metropolitan authority under  
794 this act to conduct the activities referred to herein in any way  
795 pertinent to the interests of the bondholders, including, without  
796 limitation, the metropolitan authority's right to charge and  
797 collect rates, fees and charges and to fulfill the terms of any  
798 covenants made with the registered owners of the bonds, or in any  
799 other way impair the rights and remedies of the registered owners  
800 of the bonds, unless provision for full payment of such bonds, by  
801 escrow or otherwise, has been made pursuant to the terms of the  
802 bonds or the resolution, trust indenture or security interest  
803 securing the bonds.

804           Section 18. The provisions of this act are cumulative of  
805 other statutes now or hereafter enacted relating to the issuance  
806 of bonds and systems; and to the design, construction, acquisition  
807 or approval of facilities for such purposes, and any public agency  
808 may exercise all presently held powers in the furtherance of this  
809 act.

810           Section 19. If any clause, sentence, paragraph, section or  
811 part of the provisions of this act shall be adjudged by any court  
812 of competent jurisdiction to be invalid, such judgment shall not  
813 affect, impair or invalidate the remainder thereof directly

814 involved in the controversy in which such judgment shall have been  
815 rendered.

816           **SECTION 2.** This act shall take effect and be in force from  
817 and after its passage.