

By: Senator(s) Hickman

To: Local and Private

SENATE BILL NO. 3141

1 AN ACT TO AMEND CHAPTER 948, LOCAL AND PRIVATE LAWS OF 2014,
 2 TO AUTHORIZE THE BOARD OF SUPERVISORS OF KEMPER COUNTY,
 3 MISSISSIPPI, TO EXPAND THE SCOPE OF AUTHORITY OF THE KEMPER COUNTY
 4 GAS DISTRICT TO BECOME A COUNTY UTILITY DISTRICT WITH THE
 5 AUTHORITY TO ADMINISTER ADDITIONAL PUBLIC UTILITY SERVICES
 6 INCLUDING BUT NOT LIMITED TO THE PROVISION OF DRINKING WATER; TO
 7 REVISE THE NAME OF THE KEMPER COUNTY GAS DISTRICT TO BE THE KEMPER
 8 COUNTY UTILITY DISTRICT; AND FOR RELATED PURPOSES.

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

10 **SECTION 1.** The Board of Supervisors of Kemper County is
 11 authorized, in their discretion, to expand the scope of authority
 12 of the Kemper County Gas District to become the Kemper County
 13 Utility District and provide additional public utility services
 14 including but not limited to the provision of drinking water.

15 **SECTION 2.** Chapter 948, Local and Private Laws of 2014, is
 16 amended as follows:

17 Section 1. The Board of Supervisors of Kemper County,
 18 Mississippi, is authorized to create and participate in the
 19 "Kemper County * * * Utility District."

20 Section 2. The Kemper County * * * Utility District shall be
 21 activated by resolution duly adopted and entered on the minutes of



22 the Board of Supervisors of Kemper County, Mississippi. The
23 district shall be composed of all of Kemper County, Mississippi,
24 less and except any areas that are certificated prior to the
25 effective date of this act. The Kemper County * * * Utility
26 District shall, upon the request of any natural gas operator,
27 release from the district any areas for which the natural gas
28 operator has been issued a certificate of public convenience and
29 necessity by the Mississippi Public Service Commission after the
30 effective date of this act.

31 Section 3. The Kemper County * * * Utility District shall be
32 and is declared to be a valid political subdivision of the State
33 of Mississippi, with the power to sue and be sued and to contract
34 and be contracted with.

35 Section 4. It is found and declared that the object and
36 purpose of creating the district is to provide * * * utility
37 services, including, but not limited to, natural gas and drinking
38 water, to and within the area described in Section 2 of this act
39 as economically feasible and to provide ways and means to carry
40 out and accomplish that purpose, thereby benefiting and making
41 more valuable the lands in the district and preserving and
42 promoting the health, safety and convenience of the businesses,
43 industrial sites and other residents of the district. In order to
44 carry out and render effective this object and purpose the courts
45 of this state shall construe this act as an exercise by the
46 Legislature of all the power appertaining to it, necessary for the



47 benefit of the health, safety and convenience of the businesses,
48 industrial sites and other residents of the district; and the
49 necessity in the public interest of the state at large for the
50 provision of this act are declared as a matter of legislative
51 determination. All the terms and provisions of this act are to be
52 liberally construed to effectuate the purposes set forth in this
53 act and all powers required to accomplish the purposes of this act
54 are granted and conferred, including the power to employ engineers
55 and attorneys at such reasonable compensation as the board of
56 commissioners determines.

57 Section 5. (1) (a) From and after the effective date of
58 this act, the powers of the * * * Utility District shall be vested
59 in and exercised by an interim board of commissioners which shall
60 consist of six (6) members to be appointed by the Board of
61 Supervisors of Kemper County. The terms of office of the members
62 appointed by the board of supervisors shall expire upon completion
63 of the construction of the district's natural gas transmission and
64 distribution system and the selection of resident members of the
65 board as provided in subsection (2) of this section.

66 (b) The resident members of the board to serve after
67 the initial appointees' terms have expired shall be selected in
68 the manner prescribed in subsection (2) of this section.

69 (2) Promptly upon the commencement of natural gas service by
70 the district to not less than one hundred (100) individually
71 billed users, the commissioners shall give notice to each user of



72 an initial election to be held at a time not less than thirty (30)
73 days nor more than sixty (60) days from such date. The notice
74 shall state the time, place and manner in which the users may vote
75 upon the selection of subsequent resident members of the board to
76 serve terms of one (1), two (2) and three (3) years, respectively,
77 by ballot of all users of the district. Such election shall be
78 held in a manner and according to procedures to be established by
79 rules and regulations adopted by the board of commissioners before
80 the giving of notice of such election, and a printed copy of such
81 rules and regulations shall accompany the notice to be forwarded
82 by regular mail to the users.

83 Rules and regulations for the conduct of the election shall
84 provide for a method of nomination of commissioners, notice of
85 such nominations to be provided to users not less than thirty (30)
86 days before the date upon which the election is to be held, along
87 with a method of balloting by mail as well as personal attendance
88 at the time and place of election, a method of balloting by proxy
89 vote, and a method of making additional nominations by users in
90 addition to any nominations proposed by the board of
91 commissioners. The time of the election shall be fixed between
92 the hours of 10:00 a.m. and 7:00 p.m. on a day of the week other
93 than Sunday.

94 In this and all succeeding elections, each user of the
95 district shall have one (1) vote; provided that when a billing is
96 made to more than one (1) person at a single location, each such



97 person shall be limited to casting a pro rata share of the one (1)
98 vote to which the billing location is entitled.

99 Subsequent to the initial election, there shall be held an
100 election annually on a date and in a manner substantially
101 conforming to the initial election, except that in each annual
102 election following the initial election, commissioners shall be
103 elected to terms of three (3) years.

104 (3) Vacancies in the office of commissioner during the
105 interim period shall be filled by the Board of Supervisors of
106 Kemper County and, following the holding of the initial election,
107 shall be filled for the unexpired term by the remaining
108 commissioners.

109 Section 6. (1) The board of commissioners shall:

110 (a) Have the power to make such rules and regulations
111 as it deems necessary to the operation of the district and the
112 subsequent election of commissioners;

113 (b) Possess all necessary power and authority to
114 construct, acquire and manage a natural gas or water transmission
115 and distribution systems, including, but not limited to:

116 (i) The authority to contract with public or
117 private entities for the operation, management and administration
118 of the system;

119 (ii) The authority to accept money from any
120 source, including, but not limited to, in lieu payments, grants
121 and loans from federal and state agencies; and



122 (c) Have the authority to issue revenue bonds to
123 finance the construction of * * * natural gas or water
124 transmission and distribution systems as provided in this act.

125 (2) The board may enter into a lease-purchase agreement for
126 the construction and ultimate acquisition of * * * natural gas or
127 water transmission and distribution systems. If the system is
128 subject to a lease-purchase agreement with the board, it shall be
129 considered a publicly owned system and exempt from the assessment
130 and levy of ad valorem taxes.

131 (3) Except as otherwise provided in this act, all powers
132 with respect to natural gas or water transmission and distribution
133 systems granted to municipalities of this state by Sections
134 21-27-11 through 21-27-69, Mississippi Code of 1972, including the
135 issuance of revenue bonds, are conferred upon and may be exercised
136 within the district by the board as if the system and financing
137 thereof as provided in this act were done pursuant to such
138 sections.

139 Section 7. For the purposes of Section 77-3-1, Mississippi
140 Code of 1972, the gas or water transmission and distribution
141 systems of the district shall be deemed to be a municipal gas or
142 water system not subject to the jurisdiction of the Mississippi
143 Public Service Commission, except as otherwise provided by Section
144 77-3-1, Mississippi Code of 1972, and in this act.



145 Section 8. The amount of revenue bonds authorized to be
146 issued shall not exceed an aggregate of Ten Million Dollars
147 (\$10,000,000.00).

148 Section 9. The board of commissioners shall have full power
149 and authority to issue all bonds of the district, but before
150 issuing any bonds, the commission shall adopt a resolution
151 declaring its intention so to do, stating the amount of the bonds
152 proposed to be issued and the date upon which the commission
153 proposes to direct the issuance of such bonds. Such resolution
154 shall be published once a week for at least three (3) consecutive
155 weeks in at least one (1) newspaper qualified under the provisions
156 of Section 13-3-31, Mississippi Code of 1972, in the county or
157 counties in which the district lies and having a general
158 circulation in the district which lies in such county or counties.
159 The first publication of such resolution shall be made not less
160 than twenty-one (21) days before the date fixed in the resolution
161 for the issuance of the bonds, and the last publication shall be
162 made not more than seven (7) days before such date. If ten
163 percent (10%) of the users of the district file a written protest
164 against the issuance of the bonds on or before the date specified
165 in the resolution, then an election on the question of the
166 issuance of the bonds shall be called and held in the manner to be
167 provided by the commission by rules and regulations promulgated
168 before the adoption of the resolution declaring the commission's
169 intention to issue the bonds.



170 Section 10. Any revenue bonds issued under the provisions of
171 this act may be submitted to validation under the provisions of
172 Sections 31-13-1 through 31-13-11, Mississippi Code of 1972.

173 Section 11. If any provision of this act is held to be
174 invalid by any court of competent jurisdiction, the remainder of
175 this act shall not be affected thereby.

176 **SECTION 3.** This act shall take effect and be in force from
177 and after its passage.

