

By: Representatives Wallace, Bozeman,
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To: Local and Private
Legislation; Ways and
Means

HOUSE BILL NO. 1489

1 AN ACT TO AUTHORIZE THE CITY OF JACKSON TO CREATE A STORM
2 WATER AND DRAINAGE UTILITY DISTRICT; TO AUTHORIZE THE APPOINTMENT
3 OF A COMMISSION TO OPERATE AND MANAGE A STORM WATER AND SURFACE
4 DRAINAGE SYSTEM; TO SPECIFY THE POWERS AND DUTIES OF THE
5 COMMISSION AND THE CITY WITH REGARD TO THE SYSTEM; TO AUTHORIZE
6 THE CHARGING OF A FEE FOR SERVICE; TO AUTHORIZE THE ISSUANCE OF
7 REVENUE BONDS; AND FOR RELATED PURPOSES.

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

9 SECTION 1. For purposes of this act, the following words
10 shall have the meanings ascribed in this section, unless the
11 context clearly indicates otherwise:

12 (a) "Acquire" means to construct, purchase, receive as
13 a gift or obtain by any other method.

14 (b) "City" means the City of Jackson, Mississippi.

15 (c) "Commission" means the governing board of the City
16 of Jackson Storm Water and Drainage Utility District.

17 (d) "District" means the City of Jackson Storm Water
18 and Drainage Utility District.

19 (e) "Improve" means to repair, better, enlarge, extend,
20 modify, renovate or otherwise alter a system.

21 (f) "Ordinance" means any order, resolution or other
22 lawful legislative enactment of the city.

23 (g) "System" means any storm water or surface drainage
24 system or systems owned, operated or maintained by the commission
25 or the city.

26 SECTION 2. (1) The governing authorities of the city, by
27 ordinance duly adopted and entered on their minutes, may create a
28 storm water and drainage utility district to be known as the "City

29 of Jackson Storm Water and Drainage Utility District."

30 (2) If the governing authorities create a district, the
31 mayor, with the advice and consent of the city council, may
32 appoint a commission consisting of three (3) members to control,
33 manage and operate the district. The commissioners shall have the
34 power, authority and duty to manage and control the district and
35 the supply of the facilities and services of the district's
36 system, both inside of and outside of the limits of the city. The
37 commissioners must be qualified electors of the city and may not
38 hold any other municipal office for honor or profit. The
39 commissioners shall receive any compensation as may be specified
40 and provided by the city council. The mayor may require the
41 commissioners to furnish bonds for the faithful performance of
42 their duties, in an amount as the mayor deems proper. The
43 premiums on the bonds may be paid from the municipal treasury or
44 any available funds of the district. Of the persons first
45 appointed to the commission, one (1) shall be appointed for a term
46 of one (1) year, one (1) for a term of two (2) years, and one (1)
47 for a term of three (3) years. All subsequent appointees to the
48 commission shall serve a term of three (3) years.

49 (3) If the governing authorities of the city do not elect to
50 create a commission as provided in this section, then the system
51 owned and operated by the city shall be controlled and managed by
52 the governing authorities of the city, who shall have all the
53 power and authority conferred upon such commission.

54 SECTION 3. The mayor of the city may remove any member of
55 the commission for inefficiency or incompetency or any other good
56 cause. If a commission is appointed, the governing authorities of
57 the city may not abolish the commission or diminish its powers,
58 except by a vote of a majority of the qualified electors of the
59 city at a special election, duly called and held for that purpose.

60 SECTION 4. (1) The commission may make any bylaws for the
61 holding and conduct of its meetings and any other rules,
62 regulations, programs and plans as it deems necessary for the
63 safe, economic and efficient management and protection of the
64 district and the district's system, and any bylaws, regulations,
65 programs and plans shall have the same validity as an ordinance

66 duly passed by the governing authorities of the city.

67 (2) The commission may elect any officers and appoint any
68 employees as it deems necessary to operate the district
69 efficiently. The commission shall have the entire control and
70 management of the district, together with all property connected
71 or appertaining in any manner to the district and the district's
72 system. The commission may employ a superintendent or manager of
73 the district, who shall have actual charge of the management and
74 operation of the district and of the enforcement and execution of
75 all the rules, regulations, programs, plans and decisions made and
76 adopted by the commission in making purchases for materials and
77 supplies to be used in the operation of the district and systems
78 of the district. The commission shall advertise for competitive
79 bids in the manner and form as is required in accordance with
80 Section 31-7-13, Mississippi Code of 1972. The superintendent or
81 manager shall make and keep full and proper books and records of
82 all purchases and shall submit them to the commission for its
83 approval and ratification before payment may be made.

84 (3) The commission may (a) fix the salaries and terms of
85 office of all employees and direct them in the discharge of their
86 duties; (b) require good and sufficient bonds from all officers
87 and employees in such amounts as it deems proper; (c) discharge
88 employees when found inefficient or for other good cause; (d) make
89 and collect rates for services and facilities, and appropriate
90 funds for the maintenance and improvements of the district and its
91 system; and (e) insure all property used in the operation of the
92 system, including buildings, furniture, books and records, against
93 loss by fire and tornado, and carry a sufficient amount of
94 employers liability, steam boiler, plate glass and other
95 miscellaneous casualty insurance, as in the discretion of the
96 commission may be deemed proper, and pay premiums for the
97 insurance out of the funds derived from the operation of the
98 district.

99 (4) The commission shall report quarterly to the governing
100 authorities of the city on its activities and transactions and
101 shall make a complete statement of the financial condition of the
102 district and the district's system at the end of each quarter.
103 The commission shall annually make a detailed statement covering
104 the entire management and operation of the district, with any
105 recommendations which it may have for the further development of
106 the district and its system.

107 SECTION 5. The commission shall keep an accurate account and
108 record of services furnished to all departments of the city.

109 SECTION 6. The governing authorities, on behalf of the
110 commission, may:

111 (a) Borrow money and issue revenue bonds solely for the
112 purposes specified in this section and by the procedure provided
113 in this act.

114 Money may be borrowed and bonds issued by the city to acquire
115 or improve any system inside of or outside of the corporate limits
116 of the city, for the purpose of supplying the city and the persons
117 and corporations, both public and private, whether inside of or
118 outside of its corporate limits, with the services and facilities
119 afforded by the district.

120 (b) Assume all indebtedness for any system or systems
121 which may be acquired under this section as all or part of the
122 consideration for the acquisition of the system or systems and
123 issue its revenue bonds in exchange for the bonds or notes
124 evidencing that indebtedness.

125 (c) Acquire or improve any system for which it is
126 authorized to borrow money and issue revenue bonds under paragraph
127 (a) of this section to acquire or improve; and to make contracts
128 in furtherance thereof or in connection therewith.

129 (d) Own, operate and maintain the system or any system
130 acquired.

131 (e) Establish, maintain and collect rates for the

132 facilities and services offered by the district and discontinue
133 any service upon any failure to promptly pay the charges fixed for
134 the service. The rates so fixed for services rendered by the
135 district may be charged for all services rendered thereby,
136 regardless of whether or not the services may have been previously
137 rendered without rates or charges by a previously existing system.

138 The city may pledge for the payment of any bonds issued to
139 acquire or improve the system, or to refund any bonds previously
140 issued to acquire or improve the system or to acquire or improve
141 any system merged with the system, the revenues to be derived from
142 the operation of the district, including the charges authorized to
143 be imposed by this section.

144 If the revenues of any previously existing system being
145 merged into the system are subject to a prior lien, the revenues
146 and the expenses of the previously existing system shall be
147 accounted for separately to the extent necessary to satisfy the
148 covenants relating to a prior lien for so long as the indebtedness
149 secured by the revenues shall remain outstanding. Only surplus
150 revenues remaining after the satisfaction of all covenants
151 relating to any outstanding indebtedness may be pledged to the
152 retirement of any indebtedness to be secured by the revenues of
153 the district. The existence of any outstanding indebtedness shall
154 not, in and of itself, prevent the combining of systems, so long
155 as the prior lien on the revenues of any previously existing
156 system is fully satisfied from the revenues of the previously
157 existing system.

158 (f) Acquire property, real or personal, which may be
159 necessary to effectuate the powers conferred under this act.

160 (g) Contract with the United States of America or any
161 agency thereof, under the provisions of acts of the Congress of
162 the United States, to aid or encourage public works and the
163 regulations made in pursuance thereof, for the sale of bonds
164 issued in accordance with this act or for the acceptance of a

165 grant to aid the city in acquiring or improving the system. A
166 contract may contain any terms and conditions as may be agreed
167 upon by and between the city and the United States of America or
168 any agency thereof, or any purchaser of the bonds.

169 (h) Adopt any ordinances and do all things and perform
170 all acts necessary, proper or desirable to effectuate the full
171 intent and purpose of this act.

172 SECTION 7. The city through its commission, may borrow money
173 and issue its negotiable notes or certificates of indebtedness
174 therefor, in an amount not to exceed ten percent (10%) of the
175 gross revenues of the district in the last preceding fiscal year,
176 in any calendar year, or for the purpose of improving the system,
177 without the necessity of calling and holding an election upon the
178 question or otherwise obtaining the consent of the qualified
179 electors of the city, or giving any notice thereof. However, the
180 commission shall secure approval of the governing authorities of
181 the city. In all cases where money is borrowed under this
182 section, the money shall be repaid within three (3) years and at
183 no time shall the amount of money borrowed under this section
184 exceed thirty percent (30%) of the gross revenues of the district
185 for the last preceding fiscal year.

186 SECTION 8. No free service shall be furnished by the
187 district to any private person, firm, corporation, or association
188 or other entity. However, the district may furnish service, free
189 of charge, to the city or any agency or department of the city, to
190 any public school, or to any hospital or benevolent institution
191 located within the area served by the district, including county,
192 city and community fairs.

193 SECTION 9. Rates charged for services furnished by any
194 district under this act shall not be subject to supervision or
195 regulation by any state agency. It shall not be necessary for the
196 city to obtain any franchise or permit other than applicable
197 environmental permits from any state agency in order to acquire or

198 improve the system. However, billing and service disputes between
199 the system and its customers shall be subject to review and
200 arbitration by the Public Service Commission as provided under
201 Section 77-3-6, Mississippi Code of 1972.

202 SECTION 10. If issuing revenue bonds under this act, the
203 city shall install and maintain proper books of record and account
204 (separate entirely from other records and accounts of the city),
205 in which correct entries shall be made of all dealings or
206 transactions of or in relation to the properties, business and
207 affairs of the district. The governing authorities of the city,
208 not later than three (3) months after the close of any calendar,
209 operating or fiscal year, shall cause to be prepared a balance
210 sheet and an income and operating and surplus account showing,
211 respectively, in reasonable detail, the financial condition of the
212 district at the close of the preceding calendar, operating or
213 fiscal year, and the financial operations of the district during
214 that year. The balance sheet and the income and operating and
215 surplus account shall at all times during the usual business hours
216 be open to examination and inspection by any taxpayer, user of the
217 services furnished by the district, or any holder of bonds issued
218 under this act, or anyone acting for or on behalf of a taxpayer,
219 user of the services of the district's system, or bondholder.

220 SECTION 11. The governing authorities of the city may
221 inspect or cause to be inspected the machinery, appliances and
222 premises of any system within their corporate limits, in order to
223 ascertain whether or not the machinery, appliances and premises
224 are kept in a sanitary condition and in condition to comply with
225 the terms and requirements under which the system is operated.

226 SECTION 12. Whenever the governing authorities of the city
227 shall determine to issue bonds under this act to acquire or
228 improve a system, the governing authorities shall cause an
229 estimate to be made of the cost of the system or improvement, and
230 the fact that such estimate has been made shall appear in the

231 ordinance authorizing the issuance of any bonds. The ordinance
232 shall set forth a brief description in general terms of the
233 contemplated system or improvement, the estimated life of the
234 system or improvement, the estimated cost thereof, the amount,
235 date, denominations, rate of interest, times and places of payment
236 and other details in connection with the issuance of the bonds,
237 and any covenants and restrictions as may be necessary or
238 desirable to safeguard the interests of the holders of the bonds.

239 SECTION 13. Except as otherwise provided in this act, no
240 bonds shall be issued under this act until and unless a majority
241 of those qualified electors of the city, voting on a proposition
242 stating in general terms the maximum amount and purposes of the
243 bonds, have approved the issuance at a special election called
244 thereon according to law.

245 However, the requirement for an election to be held before
246 issuance of any bonds shall not apply to the issuance of revenue
247 bonds for the purpose of improving the system owned or operated by
248 the city. Revenue bonds may be issued for those purposes in the
249 following manner: notice of intention to issue the revenue bonds,
250 setting out the amount and other terms or conditions of the
251 proposed issue, shall be given by publication once a week for
252 three (3) consecutive weeks in a local newspaper of general
253 circulation published in the city. After ten (10) days from the
254 last publication of the notice, the bonds may be sold under the
255 regular procedure for selling bonds unless, within ten (10) days
256 after the last publication of such notice, a petition signed by
257 not less than twenty percent (20%) of the qualified voters of the
258 city is filed objecting to and protesting against the revenue bond
259 issue. If the petition is filed, the revenue bond issue shall not
260 be made unless submitted to a special election ordered for the
261 purpose of determining whether or not a majority of those voting
262 in an election shall vote for or against the revenue bond issue.
263 The election shall be ordered to be held not later than forty (40)

264 days after the date of the last notice of the proposed revenue
265 bond issue. Notice of the election, stating the purpose of the
266 election, shall be published once each week for three (3)
267 consecutive weeks next preceding the time set for holding the
268 election in the same newspaper, as provided in this section. The
269 laws governing municipal elections shall govern the order and
270 conduct of the election. However, nothing in this section shall
271 prevent the governing authorities from calling an election,
272 whether required by petition of twenty percent (20%) of the
273 qualified voters, or not. This section shall have no application
274 to and it shall not affect the authority granted public utilities
275 commissions under this act.

276 SECTION 14. Revenue bonds as may be issued under this act
277 may be serial or term; redeemable, with or without premium, or
278 nonredeemable; registered or coupon bonds with registration
279 privileges as to either principal and interest, principal only or
280 both. They shall bear interest at a rate to be determined
281 pursuant to the sale of the bonds, and shall be payable at such
282 time or times as shall be prescribed in the ordinance authorizing
283 them. They shall mature at such time or times, not exceeding the
284 estimated life of the contemplated system or improvement, and in
285 no event longer than thirty (30) years from their date, and at
286 such place or places as shall be prescribed in the ordinance
287 authorizing their issuance. Any provisions of the general laws to
288 the contrary notwithstanding, any bonds and interest coupons
289 issued under this act shall possess all the qualities of
290 negotiable instruments. The bonds and the interest coupons shall
291 be executed in such manner and shall be substantially in the form
292 prescribed in the authorizing ordinance. In case any of the
293 officers whose signatures or countersignatures appear on the bonds
294 or interest coupons shall cease to be such officers before
295 delivery of such bonds, such signatures or countersignatures shall
296 nevertheless be valid and sufficient for all purposes the same as

297 if they had remained in office until such delivery. No bond shall
298 bear more than one (1) rate of interest. Each bond shall bear
299 interest from its date to its stated maturity date at the interest
300 rate specified in the bid. All bonds of the same maturity shall
301 bear the same rate of interest from date to maturity. All
302 interest accruing on such bonds so issued shall be payable
303 semiannually or annually, except that the first interest coupon
304 attached to any such bond may be for any period not exceeding one
305 (1) year.

306 No interest payment shall be evidenced by more than one (1)
307 coupon and neither cancelled nor supplemental coupons shall be
308 permitted. The lowest interest rate specified for any bonds
309 issued shall not be less than seventy percent (70%) of the highest
310 interest rate specified for the same bond issue. Such bonds shall
311 be sold in such manner and upon such terms as the governing
312 authorities of the city determines; however, such bonds shall not
313 bear a greater overall maximum interest rate to maturity than that
314 allowed in Section 75-17-103, Mississippi Code of 1972, and the
315 interest rate on any one (1) interest maturity shall not exceed
316 the maximum interest rate allowed on such bonds. Each interest
317 rate specified in any bid must be in multiples of one-eighth of
318 one percent (1/8 of 1%) or in multiples of one-tenth of one
319 percent (1/10 of 1%). If serial bonds, such bonds shall mature
320 annually, and the first maturity date thereof shall not be more
321 than five (5) years from the date of such bonds. Such bonds shall
322 be legal investments for trustees and other fiduciaries, and for
323 savings banks, trust companies and insurance companies organized
324 under the laws of the State of Mississippi. The bonds and
325 interest coupons shall be exempt from all state, county, municipal
326 and other taxation under the laws of the State of Mississippi.
327 The principal of and interest upon such bonds shall be payable
328 solely for the revenues derived from the operation of the system
329 acquired or improved with proceeds of the sale of such bonds. No

330 bond issued under this act shall constitute an indebtedness of the
331 city within the meaning of any statutory or charter restriction,
332 limitation or provision. It shall be plainly stated on the face
333 of each bond in substance that the same has been issued under this
334 act and that the taxing power of the city issuing the same is not
335 pledged to the payment of such bond or interest thereon, and that
336 such bond and the interest thereon are payable solely from the
337 revenues of the district to acquire or improve which such bond is
338 issued.

339 Such bonds shall be sold on sealed bids at public sale in the
340 manner provided by Section 31-19-25, Mississippi Code of 1972. If
341 the issuing municipality receives a commitment from any agency of
342 the United States of America for the purchase of all or any
343 portion of an issue of such bonds before the sale thereof or for
344 financial assistance in providing debt service on such bonds, then
345 the issue or any part thereof may be sold to the United States of
346 America or any agency thereof at private sale. However, no bonds
347 issued under the authority of this act shall bear an overall
348 maximum interest rate greater than that allowed in Section
349 75-17-103, Mississippi Code of 1972.

350 It is specifically provided that any bond issue to be awarded
351 and sold to the United States of America or any agency thereof
352 shall mature at such time or times, not to exceed thirty-five (35)
353 years, as shall be prescribed in the ordinance of the city
354 authorizing their issuance.

355 It is specifically provided that any bond issue to be awarded
356 and sold to the United States of America or any agency thereof may
357 be issued as one or more amortized bonds without coupons, may be
358 dated the date of delivery thereof, and the purchase price for
359 such bond or bonds may be delivered in multiple advances, with
360 interest to accrue on the principal advanced from the date of each
361 such advance. The amount of each such advance and the date
362 thereof shall be registered on the reverse of each such bond and

363 attested by the manual signature of the clerk of the city.

364 On issues of Five Million Dollars (\$5,000,000.00) or more,
365 the governing authorities of the city may retain the services of a
366 fiscal advisor to assist in the sale of bonds hereunder and pay to
367 such fiscal advisor a fee not to exceed the following amount:
368 Twenty-five Thousand Dollars (\$25,000.00) plus one-quarter of one
369 percent (1/4 of 1%) of the amount of the issue in excess of Five
370 Million Dollars (\$5,000,000.00). No fiscal advisor shall be
371 eligible to bid for or participate in the underwriting of the
372 bonds for which that person acted as advisor.

373 Before a person can qualify as a fiscal advisor under the
374 terms of this section, that person shall have been actively
375 engaged in the business of fiscal counseling for municipalities,
376 or the underwriting of municipal bonds, for a period of five (5)
377 years before qualifying under this section. A partnership or
378 corporation may become a fiscal advisor under this section with
379 the same qualifications. Such person, corporation, or partnership
380 shall have had prior experience as a fiscal advisor or been
381 involved in the underwriting or investing in bonds of the State of
382 Mississippi, or one or more of the subdivisions thereof, and such
383 person, partnership or corporation shall be recognized in the
384 fiscal community as a reputable and qualified fiscal advisor.

385 SECTION 15. If the city has outstanding bonds issued under
386 this act, it shall maintain rates for all services and facilities
387 afforded by any system, the revenues of which are pledged to the
388 payment of the bonds, which rates shall be sufficient at all times
389 to maintain an interest and bond redemption fund sufficient to pay
390 the interest on and principal of the bonds as and when the bonds
391 become due and payable and, if so provided in the ordinance
392 authorizing the bonds, to accumulate a reserve in a fund, and to
393 provide for the payment of the cost of operation and maintenance
394 as may be necessary to keep the system at all times in good repair
395 and working order. The rates shall be fixed by separate ordinance

396 precedent to or at the time of the issuance of the bonds and shall
397 be revised from time to time so as to produce the amounts
398 necessary to provide for the foregoing. Bonds issued under this
399 act to acquire or improve a system shall be secured by a pledge of
400 an amount of the gross revenues of the district sufficient to
401 maintain an interest and bond redemption fund. However, if there
402 are then outstanding bonds to the payment of which the revenues of
403 a district have been previously pledged, then, until the
404 outstanding bonds have been retired, bonds issued to improve the
405 system shall be secured by a pledge of the revenues of the
406 district in an amount only after deductions have been made for
407 servicing the outstanding bonds and for maintaining and operating
408 the system. Notwithstanding the above provisions, all revenue
409 bonds issued for a specific utility may be issued on an equivalent
410 basis, provided that each ordinance authorizing each bond issued
411 shall clearly state the basis on which future revenue bond issues
412 shall be provided for in order to place them on an equivalent
413 basis with prior issues.

414 SECTION 16. If the city has issued bonds under this act and
415 any portion of those bonds remain outstanding and unpaid, the
416 city, in connection with the issuance of additional bonds, may
417 issue refunding bonds for the purpose of taking up, paying and
418 redeeming all outstanding and unpaid bonds issued under this act.

419 The refunding bonds and any additional bonds may be authorized
420 and issued separately or may be consolidated into one (1) issue.
421 Any outstanding and unpaid bonds may be refunded without notice
422 and without an election thereon, and the additional bonds may be
423 refunded without notice and without an election, except as
424 provided in this act. The proceeds of any consolidated bonds
425 shall be used to take up, pay and redeem all outstanding and
426 unpaid bonds issued under this act, at their redemption price, and
427 the balance of any proceeds shall be used and expended for the
428 purposes for which the additional bonds were authorized to be

429 issued. If any outstanding bonds, by the terms thereof, shall be
430 redeemable before maturity at the option of the city, then the
431 option of redemption shall be exercised in the manner provided in
432 the bonds, and the refunding bonds shall not be issued or
433 delivered more than two (2) calendar months in advance of the date
434 upon which any outstanding bonds shall have been called for
435 redemption. If the outstanding bonds, by the terms thereof, are
436 not redeemable before maturity, then the refunding bonds shall not
437 be issued, except concurrently with the surrender and cancellation
438 of a like amount of the bonds to be refunded thereby. All bonds
439 issued under this section shall have like incidents and shall be
440 payable from the same source or sources and the payment thereof
441 shall be secured in like manner as are bonds issued under this
442 act. In lieu of selling the portion of any consolidated bonds, as
443 may be required to provide for the redemption of any outstanding
444 bonds, the consolidated bonds may be issued and delivered in
445 exchange for and upon surrender and cancellation of a like amount
446 of the bonds to be refunded thereby.

447 SECTION 17. The holder of any bond or any interest coupon
448 issued under this act may, by suit, action, mandamus or other
449 proceedings at law or in equity, enforce and compel performance by
450 the appropriate official or officials of the city of any or all
451 acts and duties to be performed by the city under this act and the
452 ordinance authorizing the issuance of the bond or interest coupon.

453 If there is any default in the payment of the interest on and
454 principal of any of the bonds, any court having jurisdiction in
455 the proper action may, upon petition of the holder of any of the
456 bonds, appoint a receiver to administer and operate the district
457 with power to fix rates and collect charges sufficient to provide
458 for the payment of all bonds outstanding to the payment of which
459 the revenues of the district are pledged and to pay the expenses
460 of operating and maintaining the district and to apply the
461 revenues of the district, all in conformity with this act and of

462 the ordinance authorizing the issuance of the bonds.

463 SECTION 18. In the authorizing ordinance, the governing
464 authorities of the city shall set aside monthly and shall pledge
465 the revenues of the district, in separate and special funds as
466 follows: (a) operation and maintenance fund; (b) depreciation
467 fund; (c) bond and interest fund; and (d) contingent fund. A
468 sufficient amount shall be set aside each year for the retirement
469 of the bonds and interest. Any surplus revenue remaining shall be
470 disposed of by the governing authorities of the city as they may
471 determine from time to time for the best interest of the city.
472 However, in the segregation into the several funds, the governing
473 authorities may prescribe a reasonable excess amount to be placed
474 in the revenue bond and interest fund from time to time during the
475 earlier years of maturity of any bonds so as to thereby provide
476 and produce a cushion fund to meet any possible deficiencies
477 therein in future years. If excess amounts are provided in the
478 earlier years, then those excess amounts would be available for
479 such purposes. Bonds issued under this act shall be payable
480 solely from revenues of the district and out of the bond and
481 interest fund.

482 SECTION 19. Nothing in this act shall be construed to
483 prohibit the city from appropriating and using any part of its
484 available income or revenues derived from any source other than
485 from the operation of the district in paying any immediate
486 expenses of operation or maintenance, or both, of the district.
487 Nothing in this act shall be construed, however, to require the
488 municipality to do so.

489 SECTION 20. The Commission shall devote all monies of the
490 district derived from any source other than the issuance of bonds
491 for purposes authorized by the laws of the State of Mississippi,
492 to or for the payment of all operating expenses; to or for the
493 payment of all bonds and interest on outstanding revenue bonds, if
494 any, of the district; to or for the acquisition and improvement of

495 the system contingencies; to or for the payment of all other
496 obligations incurred in the operation and maintenance of the
497 district and the furnishing of service; and to or for the creation
498 and maintenance of a cash working fund or a surplus fund to be
499 used for improvement of the system and emergencies. The balance
500 of any monies, including, but not limited to, any which have
501 heretofore been classified as revenues or surplus of the district,
502 if any, may be used for any lawful, municipal purpose and may be
503 paid to the governing authorities of the city for distribution to
504 the various municipal funds or may be disbursed for any purpose by
505 the governing authorities at their direction. The purpose of any
506 allocation or expenditure of money made under this section shall
507 be spread upon the minutes of the governing authorities of the
508 city.

509 SECTION 21. Nothing in this act shall be construed as
510 authorizing the city to impair or commit a breach of the
511 obligation of any valid lien or contract created or entered into
512 by it. It is the intent of this section to authorize the
513 pledging, setting aside and segregation of gross revenue only
514 where consistent with outstanding obligations of the city.

515 SECTION 22. If, after the governing authorities of the city
516 have issued revenue bonds under this act, those governing
517 authorities fail or refuse to carry out their duties with
518 reference to setting aside the trust funds, the officers shall be
519 guilty of a misdemeanor and, upon trial and conviction, shall be
520 removed from office.

521 SECTION 23. This act, being necessary for and to secure the
522 public health, safety, convenience and welfare of the City of
523 Jackson, shall be liberally construed to effectuate its purposes.

524 The powers conferred by this act shall be in addition to the
525 powers conferred by any other law, general, special or local, and
526 these sections shall, without reference to any other statute or to
527 any charter, be deemed full authority to acquire or improve and to

528 own and operate the authorized revenue producing systems, to fix,
529 maintain, and to collect rates for the facilities afforded by the
530 system, to issue and to sell the authorized bonds, and shall be
531 construed as an additional and alternative method therefor, any
532 provisions of the general laws of the state or of any charter to
533 the contrary notwithstanding.

534 SECTION 24. The governing authorities of the city
535 authorizing the issuance of revenue bonds under this act may make
536 provisions for the revenue bonds to be called for payment at any
537 interest payment date before maturity, provided the city shall
538 have on hand in its bond and interest fund sufficient monies, not
539 otherwise appropriated or pledged, in excess of the interest and
540 principal requirements within the next two (2) succeeding
541 calendar, operating or fiscal years.

542 SECTION 25. The governing authorities of the City of Jackson
543 shall submit this act, immediately upon approval by the Governor,
544 or upon approval by the Legislature subsequent to a veto, to the
545 Attorney General of the United States or to the United States
546 District Court for the District of Columbia in accordance with the
547 provisions of the Voting Rights Act of 1965, as amended and
548 extended.

549 SECTION 26. This act shall take effect and be in force from
550 and after the date it is effectuated under Section 5 of the Voting
551 Rights Act of 1965, as amended and extended.