

By: Senator(s) Johnson (19th)

To: Local and Private

SENATE BILL NO. 3163

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

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

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

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

30 SECTION 3. As used in this act:

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

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

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

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

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

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

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

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

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

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

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

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

79 (b) The resolution shall include the following:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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