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Chapter No. 930
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SENATE BILL NO. 2926

Originated in Senate Liz Welch Secretary

SENATE BILL NO. 2926

AN ACT TO AMEND CHAPTER 998, LOCAL AND PRIVATE LAWS OF 1998, AS LAST AMENDED BY CHAPTER 948, LOCAL AND PRIVATE LAWS OF 2012, TO EXPAND THE BOUNDARIES OF THE SEBASTOPOL NATURAL GAS DISTRICT; TO AUTHORIZE BONDS ISSUED BY THE BOARD OF COMMISSIONERS OF THE SEBASTOPOL NATURAL GAS DISTRICT TO BE SOLD ON SEALED BIDS AT PUBLIC SALE OR AT PRIVATE SALE, IN THE DISCRETION OF THE BOARD OF COMMISSIONERS; AND FOR RELATED PURPOSES.

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

SECTION 1. Chapter 998, Local and Private Laws of 1998, as amended by Chapter 943, Local and Private Laws of 2008, as amended by Chapter 948, Local and Private Laws of 2012, is amended as follows:

Section 1. The Board of Supervisors of Scott County, Mississippi, is authorized to create and participate in the "Sebastopol Natural Gas District." The Board of Supervisors of Newton County, Mississippi, may participate in the Sebastopol Natural Gas District if it is authorized to do so by separate legislation. If the Board of Supervisors of Newton County is authorized by separate legislation to participate in the Sebastopol Natural Gas District, its participation shall be

governed by the provisions of this act. The Board of Supervisors of Leake County, Mississippi, by resolution duly adopted and entered on its minutes, may participate in the Sebastopol Natural Gas District and its participation shall be governed by the provisions of this act. The Board of Supervisors of Neshoba County, Mississippi, by resolution duly adopted and entered on its minutes, may participate in the Sebastopol Natural Gas District and its participation shall be governed by the provisions of this act.

Section 2. The Sebastopol Natural Gas District shall be activated by resolution duly adopted and entered on the minutes of the Board of Supervisors of Scott County. The district shall be composed of the following area:

"Sections 1, 2, 3, 9, 10, 11, 12, 13, 14, 15, 16, 20, 21, 22, 23, 24, 25, 26, 27 and 28 of Township 8 North, Range 9 East, in Scott County, Mississippi, and, if the Board of Supervisors of Newton County is authorized by separate legislation to participate in the Sebastopol Natural Gas District, the district also shall be composed of Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 23, 24, 25, 26, 27, 28, 29 and 30 of Township 8 North, Range 10 East, in Newton County, Mississippi, and Sections 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 18, 19, 20, 29 and 30 of Township 8 North, Range 11 East, in Newton County, Mississippi. If

the Board of Supervisors of Leake County, by resolution duly adopted and entered on its minutes, chooses to participate in the district, the district shall also be composed of Sections 21, 22, 23, 24, 25, 26, 27, 28, 33, 34, 35 and 36 of Township 9 North, Range 9 East, in Leake County. If the Board of Supervisors of Neshoba County, by resolution duly adopted and entered on its minutes, chooses to participate in the district, the district shall also be composed of Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35 and 36 of Township 9 North, Range 10 East, * * * Sections 6, 7, 18, 19, 30, 31, 32, 33, 34 and 35 * * * of Township 9 North, Range 11 East, Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35 and 36 of Township 10 North, Range 10 East, Sections 7, 18, 19, 30 and 31 of Township 10 North, Range 11 East, and Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 27, 28, 29, 30, 31, 32, 33 and 34 of Township 11 North, Range 10 East, in Neshoba County."

Section 3. The Sebastopol Natural Gas District shall be and is declared to be a valid political subdivision of the State of

Mississippi, with the power to sue and be sued and to contract and be contracted with.

Section 4. It is found and declared that the object and purpose of creating the district is to provide natural gas service to the residents of the area described in Section 2 of this act and to provide ways and means to carry out and accomplish such purpose, thereby benefiting and making more valuable the lands in the district and preserving and promoting the health, safety and convenience of the residents of the district. In order to carry out and render effective such object and purpose the courts of this state shall construe this act as an exercise by the Legislature of all the power appertaining to it, necessary for the benefit of the health, safety and convenience of the residents of the district; and the necessity in the public interest of the state at large for the provision of this act is declared as a matter of legislative determination. All the terms and provisions of this act are to be liberally construed to effectuate the purposes set forth in this act and all powers required to accomplish the purposes of this act are granted and conferred, including the power to employ engineers and attorneys at such reasonable compensation as the board of commissioners determines.

Section 5. (1) From and after the effective date of this act, the powers of the Sebastopol Natural Gas District shall be vested in and exercised by an interim board of commissioners which shall consist of six (6) members to be composed as follows:

(a) The Supervisor for District Five of Scott County, Mississippi;

(b) The Supervisor for District Three of Newton County, Mississippi; and

(c) Four (4) residents of the district to be appointed by the Governor, their terms of office of which shall expire upon completion of the construction of the district's natural gas transmission and distribution system. The resident members of the board to serve after the initial appointees' terms have expired shall be selected in the manner prescribed in subsection (2) of this section.

If the Newton County Board of Supervisors is not authorized by separate legislation to participate in the district, then the Supervisor for District Three of Newton County shall not be a member of the board of commissioners and the board shall consist only of the Supervisor for District Five of Scott County and four (4) resident members.

(2) Promptly upon the commencement of natural gas service by the district to not less than one hundred (100) individually billed users, the commissioners shall give notice to each user of an initial election to be held at a time not less than thirty (30) days nor more than sixty (60) days from such date. The notice shall state the time, place and manner in which the users may vote upon the selection of subsequent resident members of the board to serve terms of one (1), two (2), three (3) and four (4) years,

respectively, by ballot of all users of the district. Such election shall be held in a manner and according to procedures to be established by rules and regulations adopted by the board before the giving of notice of such election, and a printed copy of such rules and regulations shall accompany the notice to be forwarded by regular mail to the users.

Rules and regulations for the conduct of the election shall provide for a method of nomination of commissioners, notice of such nominations to be provided to users not less than thirty (30) days before the date upon which the election is to be held, along with a method of balloting by mail as well as personal attendance at the time and place of election, a method of balloting by proxy vote, and a method of making additional nominations by users in addition to any nominations proposed by the board of commissioners. The time of the election shall be fixed between the hours of 10:00 a.m. and 6:00 p.m. on a day of the week other than Sunday.

In this and all succeeding elections, each user of the district shall have one (1) vote; provided that when a billing is made to more than one (1) person at a single location, each such person shall be limited to casting a pro rata share of the one (1) vote to which the billing location is entitled.

Subsequent to the initial election, there shall be held an election annually on a date and in a manner substantially conforming to the initial election, except that in each annual

election following the initial election, commissioners shall be elected to terms of three (3) years.

(3) Vacancies in the office of commissioner during the interim period by an appointee of the Governor shall be filled by appointment of the Governor and, following the holding of the initial election, shall be filled for the unexpired term by the remaining commissioners.

Section 6. The board shall have the power to make such rules and regulations as it deems necessary to the operation of the district and the subsequent election of commissioners and shall possess all necessary power and authority to construct and acquire a natural gas transmission and distribution system and to issue revenue bonds to finance the construction thereof. The amount of revenue bonds authorized to be issued shall not exceed an aggregate of Ten Million Dollars ($10,000,000.00). Except as otherwise provided in this act, all powers with respect to natural gas transmission and distribution systems granted to municipalities of this state by Sections 21-27-11 through 21-27-69, Mississippi Code of 1972, including the issuance of revenue bonds, are conferred upon and may be exercised within the district by the board as if the system and financing thereof as provided in this act were done pursuant to such sections.

Section 7. The commission shall have full power and authority to issue all bonds of the district, but before issuing any bonds, the commission shall adopt a resolution declaring its

intention so to do, stating the amount of the bonds proposed to be issued and the date upon which the commission proposes to direct the issuance of such bonds. Such resolution shall be published once a week for at least three (3) consecutive weeks in at least one (1) newspaper qualified under the provisions of Section 13-3-31, Mississippi Code of 1972, in the county or counties in which the district lies and having a general circulation in the district which lies in such county or counties. The first publication of such resolution shall be made not less than twenty-one (21) days before the date fixed in the resolution for the issuance of the bonds, and the last publication shall be made not more than seven (7) days before such date. If ten percent (10%) of the users of the district file a written protest against the issuance of the bonds on or before the date specified in the resolution, then an election on the question of the issuance of the bonds shall be called and held in the manner to be provided by the commission by rules and regulations promulgated before the adoption of the resolution declaring the commission's intention to issue the bonds. All bonds issued by the commission may be sold on sealed bids at public sale in the manner provided for in Section 31-19-25 or at private sale, in the discretion of the commission.

Section 8. For the purposes of Section 77-3-1, Mississippi Code of 1972, the gas transmission and distribution system of the district shall be deemed to be a municipal gas system not subject

to the jurisdiction of the Mississippi Public Service Commission, except as otherwise provided by Section 77-3-1, Mississippi Code of 1972, and in this act.

Section 9. Any revenue bonds issued under the provisions of this act may be submitted to validation under the provisions of Sections 31-13-1 through 31-13-11, Mississippi Code of 1972.

Section 10. If any provision of this act is held to be invalid by any court of competent jurisdiction, the remainder of this act shall not be affected thereby.

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

PASSED BY THE SENATE
March 27, 2013

Tate Reeves

PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES
March 30, 2013

Philip Gunn

SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR

Phil Bryant

GOVERNOR

4-18-13
9:10 am