## SECOND REGULAR SESSION [PERFECTED]

## **SENATE BILL NO. 1049**

#### 90TH GENERAL ASSEMBLY

INTRODUCED BY SENATORS CASKEY, HOUSE, SINGLETON, FLOTRON AND EHLMANN.

Read 1st time February 24, 2000, and 1,000 copies ordered printed.

Read 2nd time February 28, 2000, and referred to the Committee on Civil and Criminal Jurisprudence.

Reported from the Committee March 2, 2000, with recommendation that the bill do pass.

Taken up for Perfection March 29, 2000. Bill declared Perfected and Ordered Printed, as amended.

4613S.01P

TERRY L. SPIELER, Secretary.

### AN ACT

To repeal sections 247.031 and 393.130, RSMo 1994, relating to charges for water service, and to enact in lieu thereof two new sections relating to the same subject.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 247.031 and 393.130, RSMo 1994, are repealed and two new sections enacted in lieu thereof, to be known as sections 247.031 and 393.130, to read as follows:

247.031. 1. Territory included in a district that is not being served by such district may be detached from such district provided that there are no outstanding general obligation or special obligation bonds, or if any such bonds are outstanding, that the written consent of the holders thereof is obtained, except such consent shall not be required for special obligation bonds if the district has no waterlines or other facilities located within any of the territory detached. Detachment may be made by the filing of a petition with the circuit court in which the district was incorporated. The petition shall contain a description of the tract to be detached and a statement that the detachment is in the best interest of the district or the inhabitants and property owners of the territory to be detached, together with the facts supporting such allegation. The petition may be submitted by the district acting through its board of directors, in which case the petition shall be signed by a majority of the board of directors of the district. The petition may also be submitted by voters residing in the territory sought to be detached. If there

are more than ten voters in such territory, the petition shall be signed by five or more voters residing in the territory; if there are less than ten voters residing in such territory, the petition shall be signed by fifty percent or more of the voters residing in the territory. In the event there are no voters living within such territory proposed to be detached, then the petition may be submitted by owners of more than fifty percent of the land in the territory proposed to be detached, in which case said petition shall be signed by the owners so submitting the petition.

2. Such petition shall be filed in the circuit court having jurisdiction and the court shall set a date for hearing on the proposed detachment and the clerk shall give notice thereof in three consecutive issues of a weekly newspaper in each county in which any portion of the territory proposed to be detached lies, or in lieu thereof, in twenty consecutive issues of a daily newspaper in each county in which any portion of the tract proposed to be detached lies; the last insertion of the notice to be made not less than seven nor more than twenty-one days before the hearing. Such notice shall be substantially as follows:

To all voters and landowners of land within the boundaries of the above-described district: You are hereby notified:

1. That a petition has been filed in this court for the detachment of the following tracts of land from the above-named public water supply district, as provided by law:

(Describe tracts of land).

- 3. Exceptions or objections to the detachment of said tracts from said public water supply district may be made by any voter or landowner of land within the district from which territory is sought to be detached, provided such exceptions or objections are in writing not less than five days prior to the date set for hearing on the petition.
  - 4. The names and addresses of the attorneys for the petitioner are:

Clerk of the Circuit Court of
County, Missouri

- 3. The court, for good cause shown, may continue the case or the hearing thereon from time to time until final disposition thereof.
  - 4. Exceptions or objections to the detachment of such territory may be made by any voter

or landowner within the boundaries of the district, including the territory to be detached. The exceptions or objections shall be in writing and shall specify the grounds upon which they are made and shall be filed not later than five days before the date set for hearing the petition. If any such exceptions or objections are filed, the court shall take them into consideration when considering the petition for detachment and the evidence in support of detachment. If the court finds that the detachment will be in the best interest of the district and the inhabitants and landowners of the area to be detached will not be adversely affected or if the court finds that the detachment will be in the best interest of the inhabitants and landowners of the territory to be detached and will not adversely affect the remainder of the district, it shall approve the detachment and grant the petition.

- 5. If the court approves the detachment, it shall make its order detaching the territory described in the petition from the remainder of the district, or in the event it shall find that only a portion of said territory should be detached, the court shall order such portion detached from the district. The court shall also make any changes in subdistrict boundary lines it deems necessary to meet the requirements of sections 247.010 to 247.220. Any subdistrict line changes shall not become effective until the next annual election of a member of the board of directors.
- 6. A certified copy of the court's order shall be filed in the office of the recorder and in the office of the county clerk in each county in which any of the territory of the district prior to detachment is located, and in the office of the secretary of state. Costs of the proceeding shall be borne by the petitioner or petitioners.
- 7. In a county of the first classification with a noncharter form of government having a population of more than ninety thousand inhabitants but less than one hundred ten thousand, any resident who currently lives in a water district but is unable to receive services from the district, may elect to be removed from the district. If the resident elects to be removed from the district, the resident shall compensate the water district for any costs incurred by the district directly relating to the attempt to provide services to the resident.
- 393.130. 1. Every gas corporation, every electrical corporation, every water corporation, and every sewer corporation shall furnish and provide such service instrumentalities and facilities as shall be safe and adequate and in all respects just and reasonable. All charges made or demanded by any such gas corporation, electrical corporation, water corporation or sewer corporation for gas, electricity, water, sewer or any service rendered or to be rendered shall be just and reasonable and not more than allowed by law or by order or decision of the commission. Every unjust or unreasonable charge made or demanded for gas, electricity, water, sewer or any such service, or in connection therewith, or in excess of that allowed by law or by order or decision of the commission is prohibited.
  - 2. No gas corporation, electrical corporation, water corporation or sewer corporation shall

directly or indirectly by any special rate, rebate, drawback or other device or method, charge, demand, collect or receive from any person or corporation a greater or less compensation for gas, electricity, water, sewer or for any service rendered or to be rendered or in connection therewith, except as authorized in this chapter, than it charges, demands, collects or receives from any other person or corporation for doing a like and contemporaneous service with respect thereto under the same or substantially similar circumstances or conditions.

- 3. No gas corporation, electrical corporation, water corporation or sewer corporation shall make or grant any undue or unreasonable preference or advantage to any person, corporation or locality, or to any particular description of service in any respect whatsoever, or subject any particular person, corporation or locality or any particular description of service to any undue or unreasonable prejudice or disadvantage in any respect whatsoever.
- 4. Nothing in this section shall be taken to prohibit a gas corporation, electrical corporation, water corporation or sewer corporation from establishing a sliding scale for a fixed period for the automatic adjustment of charges for gas, electricity, water, sewer or any service rendered or to be rendered and the dividends to be paid stockholders of such gas corporation, electrical corporation, water corporation or sewer corporation; provided, that the sliding scale shall first have been filed with and approved by the commission; but nothing in this subsection shall operate to prevent the commission after the expiration of such fixed period from fixing proper, just and reasonable rates and charges to be made for service as authorized in sections 393.110 to 393.285.
- 5. No water corporation shall be permitted to charge any municipality or fire protection district a rate for the placing and providing of fire hydrants for distribution of water for use in protecting life and property from the hazards of fire within such municipality or fire protection district. Nothing herein shall prevent such water corporation from including the cost of placement and maintenance of such fire hydrants in its cost basis in determining a fair and reasonable rate to be charged for water. Any such fee or rental charge being made for such fire hydrants whether by contract or otherwise at the time this act shall take effect may remain in effect for a period of one hundred twenty days after this section shall take effect.
- 6. Other provisions of law to the contrary notwithstanding, no water corporation that provides water service in two or more geographically separate service areas which service areas are not physically interconnected by water transmission mains or not located within the same county shall be permitted to charge any ratepayer in any service area a rate for water service that includes the capital costs associated with any water plant that is not physically located within and does not directly serve that ratepayer's service area; provided that the commission shall ensure that tariffs for any such company allocate operating costs to the rate base served by such operations. Such practice, and any cost allocation methodology that achieves a

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# Unofficial

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