

SECOND REGULAR SESSION

[P E R F E C T E D]

SENATE BILL NO. 956

94TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR KENNEDY.

Read 1st time January 16, 2008, and ordered printed.

Read 2nd time January 22, 2008, and referred to the Committee on Commerce, Energy and the Environment.

Reported from the Committee March 6, 2008, with recommendation that the bill do pass and be placed on the Consent Calendar.

Taken up March 31, 2008. Read 3rd time and placed upon its final passage; bill passed.

TERRY L. SPIELER, Secretary.

3441S.02P

AN ACT

To repeal sections 247.060 and 247.160, RSMo, and to enact in lieu thereof two new sections relating to public water supply districts.

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

Section A. Sections 247.060 and 247.160, RSMo, are repealed and two
2 new sections enacted in lieu thereof, to be known as sections 247.060 and
3 247.160, to read as follows:

247.060. 1. The management of the business and affairs of the district is
2 hereby vested in a board of directors, who shall have all the powers conferred
3 upon the district except as herein otherwise provided, who shall serve without
4 pay. It shall be composed of five members, each of whom shall be a voter of the
5 district and shall have resided in said district one whole year immediately prior
6 to his election. A member shall be at least twenty-five years of age and shall not
7 be delinquent in the payment of taxes at the time of his election. Except as
8 provided in subsection 2 of this section, the term of office of a member of the
9 board shall be three years. The remaining members of the board shall appoint
10 a qualified person to fill any vacancy on the board. If no qualified person who
11 lives in the subdistrict for which there is a vacancy is willing to serve on the
12 board, the board may appoint an otherwise qualified person, who lives in the
13 district but not in the subdistrict in which the vacancy exists to fill such vacancy.

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

14 2. After notification by certified mail that he or she has two consecutive
15 unexcused absences, any member of the board failing to attend the meetings of
16 the board for three consecutive regular meetings, unless excused by the board for
17 reasons satisfactory to the board, shall be deemed to have vacated the seat, and
18 the secretary of the board shall certify that fact to the board. The vacancy shall
19 be filled as other vacancies occurring in the board.

20 3. The initial members of the board shall be appointed by the circuit court
21 and one shall serve until the immediately following first Tuesday after the first
22 Monday in ~~[June]~~ **April**, two shall serve until the first Tuesday after the first
23 Monday in ~~[June]~~ **April** on the second year following their appointment and the
24 remaining appointees shall serve until the first Tuesday after the first Monday
25 in ~~[June]~~ **April** on the third year following their appointment. On the expiration
26 of such terms and on the expiration of any subsequent term, elections shall be
27 held as otherwise provided by law, and such elections shall be held in April
28 pursuant to section 247.180.

29 4. In 2008, 2009, and 2010, directors elected in such years shall serve
30 from the first Tuesday after the first Monday in June until the first Tuesday in
31 April of the third year following the year of their election. All directors elected
32 thereafter shall serve from the first Tuesday in April until the first Tuesday in
33 April of the third year following the year of their election.

247.160. 1. Whenever all or any part of the territory of any public water
2 supply district organized under sections 247.010 to 247.220 is or has been
3 included by annexation within the corporate limits of a municipality, the board
4 of directors of any such district shall have the power to contract with such
5 municipality for operating the waterworks system within such annexed area, or
6 the board of directors, may, subject to the provisions of sections 247.160 and
7 247.170, lease, contract to sell, sell or convey, any or all of its water mains, plant
8 or equipment located within such annexed area to such municipality and such
9 contract shall also provide for the detachment and exclusion from such public
10 water supply district of that part thereof located within the corporate limits of
11 such city; provided, that in case of sale or conveyance, all bonds of the district,
12 whether general obligation bonds constituting a lien on the property located
13 within the district, or special obligation or revenue bonds constituting a lien on
14 the income and revenues arising from the operation of the water system:

15 (1) Are paid in full, or

16 (2) A sum sufficient to pay all of such bonds together with interest

17 accrued or to accrue thereon, together with other items of expense provided in
18 such bonds, is deposited with the fiscal agent named in the bonds for the purpose
19 of full payment, or

20 (3) Such city has entered into a firm commitment to pay in lump sum or
21 installments not less than that proportion of the sum of all existing liquidated
22 obligations and of all unpaid revenue bonds, with interest thereon to date, of such
23 public water supply district, as the assessed valuation of the real and tangible
24 personal property within the area annexed bears to the assessed valuation of all
25 the real and tangible personal property within the entire area of such district,
26 according to the official county assessment of such property as to December
27 thirty-first of the calendar year next preceding, or

28 (4) Consent in writing is obtained from the holders of all such bonds.

29 2. In any such case in which the board of directors by agreement, leases,
30 contracts to sell, sells or conveys the property of the district within the annexed
31 area to such a municipality, an application shall be made by one of the
32 contracting parties to the circuit court originally incorporating such district,
33 which application shall set forth a description of the annexed area, that part
34 thereof sought to be detached and excluded, a copy of the agreement entered into
35 by the parties, the facts concerning bondholders and their rights, and requesting
36 an order of the court approving or disapproving such contract.

37 3. Upon the filing of such application, the court shall set a time for the
38 hearing thereof and shall order a public notice setting forth the nature of the
39 application, the annexed area affected and sought to be detached and excluded,
40 a description of the property within the annexed area leased, contracted to be
41 sold, sold or conveyed, and the time and place of such hearing, to be published for
42 three weeks consecutively, in a newspaper published in the county in which the
43 application is pending, the last publication to be not more than **[five] seven** days
44 before the date set for hearing.

45 4. If the court finds that the agreement protects the bondholders' rights
46 and provides for the rendering of necessary water service in the territory
47 embracing the district, then such agreement shall be fully effective upon approval
48 by the court. Such decree shall also thereupon vest in said city the absolute title,
49 free and clear of all liens or encumbrances of every kind and character, to all
50 tangible real and personal property of such public water supply district located
51 within the part of such district situated within the corporate limits of such city,
52 with full power in such city to use and dispose of such tangible real and personal

53 property as it deems best in the public interest. **In the event that territory**
54 **is detached and excluded from the district, the court shall include in**
55 **its decree a description of the district after such detachment. If a**
56 **detachment of territory is made, the court shall also make any changes**
57 **in subdistrict boundary lines the court deems necessary to meet the**
58 **requirements of sections 247.010 to 247.227. No subdistrict changes**
59 **shall become effective until the next annual election of the board of**
60 **directors.**

61 **5. In the event that territory is detached and excluded from the**
62 **district, a certified copy of the court's order shall be filed by the circuit**
63 **clerk in the office of the recorder of deeds, in the office of the county**
64 **clerk in each county in which any of the territory of the district before**
65 **the detachment is located, and in the office of the secretary of**
66 **state. Costs of the proceeding shall be borne by the petitioner or**
67 **petitioners.**

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Bill

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