

FIRST REGULAR SESSION

HOUSE BILL NO. 143

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MCCAHERTY.

0736H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 77, RSMo, by adding thereto one new section relating to utilities in third class cities.

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

Section A. Chapter 77, RSMo, is amended by adding thereto one new section, to be known as section 77.671, to read as follows:

2 **77.671. 1. Notwithstanding any other provision of this chapter to the contrary, any**
3 **city of the third classification with more than nineteen thousand but fewer than twenty-one**
4 **thousand inhabitants and located in any county with a charter form of government and**
5 **with more than two hundred thousand but fewer than three hundred fifty thousand**
6 **inhabitants may create a utility board that shall have authority to review and establish all**
7 **rates and fees to be charged by the city for sanitary sewer service, storm water service,**
8 **trash service, or any other utility service that may be deemed by the city council to be in**
9 **the best interests of the city.**

10 **2. The utility board shall consist of not less than five nor more than seven members**
11 **who shall be appointed by the mayor and confirmed by the city council. The terms of the**
12 **board members shall be for five years except that the members first appointed to the board**
13 **shall be appointed for staggered terms. One member shall be appointed to a one-year**
14 **term, one member shall be appointed to a two-year term, one member shall be appointed**
15 **to a three-year term, one member shall be appointed to a four-year term, and all remaining**
16 **members shall be appointed to a five-year term. Members of the utility board must be**
registered voters of the state of Missouri and a resident of the city. Vacancies on the board

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 shall be filled for the remainder of the unexpired term of the board member being replaced.

18 **3. The mayor, one member of the city council, and designated city staff may be**
19 **appointed to serve as nonvoting members of the utility board. All city departments and**
20 **staff shall cooperate fully with the utility board and shall provide all information deemed**
21 **necessary or convenient by the utility board for the discharge of its duties.**

22 **4. The rates and fees for utility services that existed at the time of the creation of**
23 **the utility board shall remain in effect until such time they are changed by the utility**
24 **board. The utility board shall hold at least one public hearing prior to establishing or**
25 **amending any rate or fee to be charged for utility services. The notice for public hearings**
26 **shall be advertised in a newspaper of general circulation within the community. Such**
27 **notice shall be published not less than fifteen days prior to the hearing.**

28 **5. All rates and fees established by the utility board pursuant to the provisions of**
29 **this section shall become the lawful rates and fees charged by the city for those utility**
30 **services for which the rate setting process has been delegated to the utility board.**

31 **6. All meetings of the utility board shall be in accordance with chapter 610.**

32 **7. The city council may create a public nonprofit utility corporation that shall**
33 **assume all responsibility for the management, operation, maintenance, and provision of**
34 **those utility services which have been designated by the city council to be solely under the**
35 **jurisdiction of the corporation. The membership of the utility corporation board shall be**
36 **appointed by the mayor and confirmed by the city council in conformance with this section**
37 **relating to the appointment of a utility board. The process for establishing or amending**
38 **the rates and fees for utility services under the jurisdiction of the utility corporation shall**
39 **be in conformance with this section. The city may charge the utility corporation**
40 **reasonable fees to reimburse the city for staff time, facilities, and services provided to the**
41 **board and to assure the payment of all obligations of the city relating to such utility service.**
42 **The utility corporation created pursuant to the provisions of this section shall be**
43 **considered an independent body and shall have all the powers and authority granted**
44 **sanitary sewer districts pursuant to the provisions of chapters 204 and 249. The utility**
45 **corporation board may hire its own staff, buy its own equipment, and contract for the**
46 **provision of its services to the public or may contract with the city to provide such services.**

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