

SECOND REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1692
97TH GENERAL ASSEMBLY

5446S.02T

2014

AN ACT

To repeal sections 247.060 and 247.080, RSMo, and to enact in lieu thereof three new sections relating to public utility districts.

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

Section A. Sections 247.060 and 247.080, RSMo, are repealed and three new sections
2 enacted in lieu thereof, to be known as sections 247.060, 247.080, and 249.424, to read as
3 follows:

247.060. 1. The management of the business and affairs of the district is hereby vested
2 in a board of directors, who shall have all the powers conferred upon the district except as herein
3 otherwise provided. It shall be composed of five members, each of whom shall be a voter of the
4 district and shall have resided in said district one whole year immediately prior to his **or her**
5 election[, or if not a voter or resident of said district, shall have received service from the district
6 at his or her primary place of residence one whole year immediately prior to his or her election].
7 A member shall be at least twenty-five years of age and shall not be delinquent in the payment
8 of taxes at the time of his election. Except as provided in subsection 2 of this section, the term
9 of office of a member of the board shall be three years. The remaining members of the board
10 shall appoint a qualified person to fill any vacancy on the board. If no qualified person who lives
11 in the subdistrict for which there is a vacancy is willing to serve on the board, the board may
12 appoint an otherwise qualified person who lives in the district but not in the subdistrict in which
13 the vacancy exists to fill such vacancy.

14 2. After notification by certified mail that he or she has two consecutive unexcused
15 absences, any member of the board failing to attend the meetings of the board for three

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.

16 consecutive regular meetings, unless excused by the board for reasons satisfactory to the board,
17 shall be deemed to have vacated the seat, and the secretary of the board shall certify that fact to
18 the board. The vacancy shall be filled as other vacancies occurring in the board.

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

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

30 5. Each member of the board may receive an attendance fee not to exceed one hundred
31 dollars for attending each regularly called board meeting, or special meeting, but shall not be
32 paid for attending more than two meetings in any calendar month, except that in a county of the
33 first classification, a member shall not be paid for attending more than four meetings in any
34 calendar month. However, no board member shall be paid more than one attendance fee if such
35 member attends more than one board meeting in a calendar week. In addition, the president of
36 the board of directors may receive fifty dollars for attending each regularly or specially called
37 board meeting, but shall not be paid the additional fee for attending more than two meetings in
38 any calendar month. Each member of the board shall be reimbursed for his or her actual
39 expenditures in the performance of his or her duties on behalf of the district.

40 6. In no event, however, shall a board member receive any attendance fees or additional
41 compensation authorized in subsection 5 of this section until after such board member has
42 completed a minimum of six hours training regarding the responsibilities of the board and its
43 members concerning the basics of water treatment and distribution, budgeting and rates, water
44 utility planning, the funding of capital improvements, the understanding of water utility financial
45 statements, the Missouri sunshine law, and this chapter.

46 7. The circuit court of the county having jurisdiction over the district shall have
47 jurisdiction over the members of the board of directors to suspend any member from exercising
48 his or her office, whensoever it appears that he or she has abused his or her trust or become
49 disqualified; to remove any member upon proof or conviction of gross misconduct or
50 disqualification for his or her office; or to restrain and prevent any alienation of property of the

51 district by members, in cases where it is threatened, or there is good reason to apprehend that it
52 is intended to be made in fraud of the rights and interests of the district.

53 8. The jurisdiction conferred by this section shall be exercised as in ordinary cases upon
54 petition, filed by or at the instance of any member of the board, or at the instance of any ten
55 voters residing in the district who join in the petition, verified by the affidavit of at least one of
56 them. The petition shall be heard in a summary manner after ten days' notice in writing to the
57 member or officer complained of. An appeal shall lie from the judgment of the circuit court as
58 in other causes, and shall be speedily determined; but an appeal does not operate under any
59 condition as a supersedeas of a judgment of suspension or removal from office.

247.080. 1. The exercise of the powers conferred upon the district by sections 247.010
2 to 247.220 shall be by its board of directors, acting as a board.

3 2. The board shall have power and it shall be its duty to employ necessary help and to
4 contract for such professional service as the demands of the district require in creating and
5 operating a waterworks system contemplated in this law, and shall pay out of the funds of the
6 district available for such purposes reasonable compensation for the service rendered. It shall
7 have made by a competent accountant an annual audit of the receipts and expenditures of the
8 district. All persons employed shall serve for an indefinite term and at the will of the board, and
9 party politics shall not enter into the selection of employees.

10 3. The board shall have regular monthly meetings and the president thereof may call
11 special meetings as occasion requires. It shall establish an office for its meeting place and for
12 the transaction of business.

13 4. All persons charged with handling of funds shall be required to give bond to be fixed
14 and approved by the board, but at the expense of the district.

15 5. All contracts made by the district shall conform to [law] **section 432.070** governing
16 contracts [of other municipal corporations]. It shall have power to authorize and enter into all
17 contracts in behalf of the district, and shall provide an official seal for district, and all official
18 documents shall be attested by the seal.

**249.424. 1. If approved by a majority of the voters voting on the proposal, and
2 upon the adoption of a resolution by a majority of the sewer district's board of trustees,
3 any sewer district established and organized under this chapter, may levy and impose
4 annually a fee not to exceed thirty-six dollars per year within its boundaries for the repair
5 of lateral sewer service lines on or connecting residential property having six or fewer
6 dwelling units, except that the fee shall not be imposed on property in the sewer district
7 that is located within any city, town, village, or unincorporated area of a county that
8 already imposes a fee under section 249.422. Any sewer district that establishes or
9 increases the fee used to repair any portion of the lateral sewer service line shall include**

10 all defective portions of the lateral sewer service line from the residential structure to its
11 connection with the public sewer system line. Notwithstanding any provision of chapter
12 448, the fee imposed pursuant to this chapter shall be imposed upon condominiums that
13 have six or fewer condominium units per building and each condominium unit shall be
14 responsible for its proportionate share of any fee charged pursuant to this chapter, and in
15 addition, any condominium unit shall, if determined to be responsible for and served by
16 its own individual lateral sewer line, be treated as an individual residence regardless of the
17 number of units in the development. It shall be the responsibility of the condominium
18 owner or condominium association to notify the sewer district that they are not properly
19 classified as provided in this section.

20 2. The question shall be submitted to the registered voters who reside within the
21 boundaries of the sewer district, excluding any voters who live within the boundaries of
22 any city, town, village, or unincorporated area of a county that already imposes a fee under
23 section 249.422. The question shall be submitted in substantially the following form:

24 Shall a maximum charge not to exceed thirty-six dollars be assessed annually on
25 residential property for each lateral sewer service line serving six or fewer dwelling units
26 on that property and condominiums that have six or fewer condominium units per building
27 and any condominium responsible for its own individual lateral sewer line to provide funds
28 to pay the cost of certain repairs of those lateral sewer service lines which may be billed
29 quarterly or annually?

30 ☐ YES

☐ NO

31 3. If a majority of the voters voting thereon approve the proposal provided for in
32 subsection 2 of this section, any sewer district established and organized under this chapter
33 may, upon the adoption of a resolution by a majority of the sewer district's board of
34 trustees, collect and administer such fee in order to protect the public health, welfare,
35 peace, and safety. The funds collected shall be deposited in a special account to be used
36 solely for the purpose of paying for all or a portion of the costs reasonably associated with
37 and necessary to administer and carry out the defective lateral sewer service line repairs.
38 All interest generated on deposited funds shall be accrued to the special account
39 established for the repair of lateral sewer service lines.

40 4. The collector in any county containing a sewer district that adopts a resolution
41 under this section to collect a fee for the repair of lateral sewer service lines may add such
42 fee to the general tax levy bills of property owners within the boundaries of the sewer
43 district, excluding property located in any city, town, village, or unincorporated area of the
44 county that already imposes a fee under section 249.422. All revenues received on such
45 combined bill for the purpose of providing for the repair of lateral sewer service lines shall

46 be separated from all other revenues so collected and credited to the special account
47 established by the sewer district under subsection 3 of this section.

48 5. If a city, town, village, or county, which is within the sewer district and imposed
49 a fee under section 249.422, later rescinds such fee after voters authorized the fee provided
50 under this section, the sewer district may submit the question provided under subsection
51 2 of this section to the registered voters of such city, town, village, or county that have
52 property within the boundaries of the sewer district. If a majority of voters voting on the
53 proposal approve, the sewer district may levy and impose the fee as provided under r this
54 section on property within such city, town, village, or county.

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