

1 AN ACT relating to metropolitan sewer districts.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 76.090 is amended to read as follows:

- 4 (1) The district may establish a schedule of rates, rentals, and charges, to be collected
5 from all the real property within the district area served by the facilities of the
6 district, and prescribe the manner in which and the time at which the rates, rentals,
7 and charges are to be paid, and may change the schedule from time to time as the
8 district deems necessary, advisable or expedient. The schedule may be based upon
9 either:
- 10 (a) The consumption of water on premises connected with the facilities, taking
11 into consideration commercial and industrial use of water;~~[-or]~~
 - 12 (b) The number and kind of plumbing fixtures connected with the facilities;~~[-or]~~
 - 13 (c) The number of persons served by the facilities; ~~[-or]~~
 - 14 (d) May be determined by the district on any other basis or classification which
15 the district determines to be fair and reasonable, whether similar or dissimilar
16 to those enumerated, except that the schedule shall be uniform for all
17 residential property; or
 - 18 (e) Any combination thereof.
- 19 This schedule may include additional charges for treatment of sewage, with a
20 surcharge where the sewage contains industrial wastes or other wastes in excess of
21 limitations established by regulations of the district.
- 22 (2) Prior to the final adoption or modification of the schedule for the district area, the
23 district shall adopt a proposed schedule and publish notice thereof pursuant to KRS
24 Chapter 424. The notice so published shall be dated as of the date of first
25 publication thereof and shall state that the proposed or revised schedule of rates,
26 rentals, and charges will remain open for inspection in the office of the district for
27 thirty (30) days from the date of the notice, and that objections thereto in writing

1 may be filed during that period with the district by any person aggrieved thereby.
2 The district shall examine and hear any and all complaints, may modify the
3 proposed schedule, and shall adopt and establish a final schedule within sixty (60)
4 days after the date of the notice; the schedule, however, shall not become final
5 within a county outside a city of the first class until it has been approved by the
6 fiscal court of the county, or shall not become final within a city of the first class,
7 unless and until it has received the approval of the legislative body of the city of the
8 first class by ordinance approved by the mayor; provided, however, the schedule
9 finally adopted shall be sufficient and adequate to cover the purposes of this
10 chapter. The schedules shall be uniform for all property falling within the same
11 classification, which classification may be based upon the length of time the
12 property has been in the district area, the drainage area within which the property
13 lies, or any similar or dissimilar reasonable classification, except that the schedule
14 shall be uniform for all residential property. The schedule so adopted and
15 established shall thereafter be the rates, rentals, and charges for the use of the
16 facilities of the district by users within the district area, until changed in the manner
17 herein provided. The schedule of rates, rentals, and charges shall be established and
18 revised from time to time so as to produce aggregate revenues to the district
19 sufficient:

- 20 (a) For the payment of the interest on and principal of all revenue bonds and other
21 obligations of the district except construction subdistrict obligations and
22 bonds;
- 23 (b) For the payment of all cost and expenses of operating and maintaining the
24 sewer and drainage system of the district within the district area, including but
25 not limited to that portion of the salaries, wages, and fees of all officers and
26 employees of the district equitably allocable to operations within or for the
27 district area; and

1 (c) For the payment of all cost of renewals and replacement of such system
2 within the district area; provided, however, that all expenses, salaries, wages,
3 and fees necessary or incident to improvements for the account of which
4 bonds are issued, may be included as a part of the cost of the improvements
5 and paid from the proceeds of the bonds.

6 The district may collect the sewer rates, rentals, and charges, or cause them to be
7 collected and paid to it by agencies it designates, and with whom it may make such
8 contracts or arrangements as the district deems proper. No moneys received on
9 account of the existence or operation of construction subdistricts shall be used for
10 the payment of district obligations, and no other moneys received by the district
11 shall be used for the payment of construction subdistrict bonds or obligations.
12 Except as provided in the preceding sentence, the use of all moneys of the district
13 received from any and all sources is hereby limited exclusively and shall be devoted
14 solely to the payment of all obligations of the district and board created by KRS
15 76.010 to 76.210, and no funds from any sources authorized by KRS 76.010 to
16 76.210, shall be diverted to any other purposes than those in KRS 76.010 to 76.210
17 set forth, except that the district shall pay from district area revenues an equitably
18 allocable share of the cost of constructing and operating any nondistrict area
19 facilities to which sewage from the district area is diverted in order to relieve
20 facilities from excessive sewage and costs described in KRS 76.248 but otherwise
21 paid for.

22 (3) *In addition to the restrictions on the allowable expenditures of funds in*
23 *subsection (2) of this section, funds from any sources authorized by KRS 76.010*
24 *to 76.210 shall not be expended for any of the following purposes:*

25 *(a) Advertising, except for the recruitment of personnel or volunteers. As used*
26 *in this paragraph, "advertising" does not mean or include the publication*
27 *or dissemination of information regarding district services, or any legally*

1 required notifications;

2 (b) Vehicles or allowances for vehicles used for any personal purposes by
3 members of the board, employees, or contractors of the district;

4 (c) Bonus compensation for any member of the board, employee, or contractor
5 of the district, except as approved by the legislative body of the city or
6 consolidated local government in which the district was established for
7 employees with specialized technical expertise in providing district services;

8 (d) Club memberships for any member of the board, employee, or contractor of
9 the district;

10 (e) Sponsorships; or

11 (f) Any other expenses that the legislative body of the city or consolidated local
12 government in which the district was established deems are unnecessary for
13 the provision of sewer utility service.

14 **(4)** Whenever an area located within the district is served initially by a construction
15 subdistrict facility, the schedule of rates, rentals, and charges applicable to the
16 particular construction subdistrict shall, at the discretion of the board, be applied to
17 the area.

18 ~~**(5)**~~ Whenever any such sewer rates, rentals, or charges for services rendered
19 remains unpaid for a period of thirty (30) days after the same becomes due and
20 payable, the district shall declare the property, the owner thereof, and the user of the
21 service, delinquent until such time as all service rates, rentals, and charges are fully
22 paid and may cut off the sewer connection and service. It is unlawful for any
23 delinquent to use water from any public water service or system and discharge same
24 into a public sewer. No public water service or system shall furnish the delinquent
25 with water to be discharged into a public sewer. The district may enter into
26 agreements with any public water company or public water service providing for
27 the discontinuance of water service to delinquents.

1 ➔Section 2. KRS 76.030 is amended to read as follows:

- 2 (1) Except in counties containing a consolidated local government, the business,
 3 activities, and affairs of ~~the~~_[such] district shall be managed, controlled, and
 4 conducted by a board composed of at least seven (7) members, four (4) of whom
 5 shall be appointed by the mayor of ~~the~~_[such] city in which the district was
 6 established, subject to the approval of the city legislative body, and three (3) of
 7 whom shall be appointed by the county judge/executive of ~~the~~_[such] county in
 8 which the district was established, subject to the approval of the fiscal court~~, and~~
 9 ~~which seven (7) members thus appointed shall constitute the board of such district].~~
 10 For each adjoining county that in any part is served by the district, the county
 11 judge/executive of that county shall also appoint one (1) additional member to the
 12 board, subject to the approval of the fiscal court of that county. Not more than
 13 sixty-five percent (65%) of the members of the~~[four (4) members of a seven (7)~~
 14 ~~member board nor more than five (5) members of an eight (8) member]~~ board shall
 15 be affiliated with the same political party. ~~[After March 19, 1977,]~~Members shall
 16 be so selected and appointed so that no more than one (1) member resides in any
 17 one (1) state senatorial district. In a county containing a city of the first class, the
 18 county judge/executive, with approval of the fiscal court, shall appoint one (1)
 19 additional member to the board of such district who may be a resident of any state
 20 senatorial district in the county.
- 21 (2) Each such member shall be at least twenty-five (25) years of age.~~[;]~~ Each member
 22 appointed by the mayor to represent the city served by the district shall be a
 23 resident of ~~that~~_[such] city and~~[wherein he]~~ shall have actually resided in that city
 24 continuously for at least three (3) years next prior to appointment.~~[;]~~ Each member
 25 appointed by the county judge/executive of the county in which the district was
 26 established shall be a resident of ~~that~~_[such] county and~~[wherein he]~~ shall have
 27 actually resided in that county continuously for at least three (3) years next prior to

1 appointment. *Each member appointed by a county judge/executive to represent an*
2 *adjoining county served by the district shall be a resident of that county and shall*
3 *have resided in that county continuously for at least three (3) years prior to the*
4 *appointment.* No officer or employee of such city or county, whether holding a paid
5 or unpaid position, shall be eligible for appointment as a member of such board.

6 (3) The term of each of such members shall be four (4) years, ending on July first. A
7 member is eligible to succeed himself *or herself* and shall continue in office until
8 his *or her* successor has been appointed and qualified. Vacancies in the
9 membership shall be filled for the unexpired portion of the term by the mayor or the
10 county judge/executive as the case may be, subject to the same approval.

11 (4) Any member of the board appointed by the mayor may be removed by the mayor,
12 for cause, after hearing by the mayor, and after at least ten (10) days' notice in
13 writing shall have been given to the member, which notice shall embrace the
14 charges preferred against him *or her*. At the hearing he *or she* may be represented
15 by counsel. The finding of the mayor shall be final and removal results in vacancy
16 in such office. Any member of the board appointed by ~~a~~the county
17 judge/executive may be removed by the county judge/executive, for cause, after
18 hearing by the county judge/executive, and after at least ten (10) days' notice in
19 writing shall have been given to the member, which notice shall embrace the
20 charges preferred against him *or her*. At the hearing he *or she* may be represented
21 by counsel. The finding of the county judge/executive shall be final and removal
22 results in vacancy in such office.

23 (5) The members of the board shall be paid seventy-five dollars (\$75) for each meeting
24 of the board attended by such member, and fifty dollars (\$50) for attendance at any
25 meeting of a committee which has been authorized or duly appointed by the board.
26 But in no instance shall any member of said board be paid for more than one (1)
27 meeting per day, nor more than one thousand eight hundred dollars (\$1,800) during

- 1 any fiscal year of the board, nor for more than twenty-four (24) board meetings and
2 twenty-eight (28) committee meetings held during any fiscal year of said board.
- 3 (6) Notwithstanding subsection (3) of this section, when a city of the first class and a
4 county containing such city have in effect a compact under KRS 79.310 to 79.330,
5 the terms of the members of the board shall be for three (3) years and until their
6 successors are appointed and qualified. Upon the effective date of the compact, the
7 mayor shall adjust the terms of the sitting members appointed by the mayor so that
8 the terms of two (2) members expire in one (1) year, the term of one (1) member
9 expires in two (2) years, and the term of one (1) member expires in three (3) years;
10 the county judge/executive with the approval of the fiscal court shall adjust the
11 terms of the sitting members appointed by the county judge/executive so that the
12 term of one (1) member expires in one (1) year, the term of one (1) member expires
13 in two (2) years, and the term of one (1) member expires in three (3) years. Upon
14 expiration of these staggered terms, successors shall be appointed for a term of
15 three (3) years.
- 16 (7) Upon the establishment of a consolidated local government in a county where a city
17 of the first class and a county containing that city have had in effect a cooperative
18 compact pursuant to KRS 79.310 to 79.330, all members of the board, except for a
19 member from an adjoining county who is appointed by the county judge/executive
20 of that county, shall be appointed by the mayor of the consolidated local
21 government pursuant to the provisions of KRS 67C.139 for a term of three (3)
22 years. Incumbent members upon the establishment of the consolidated local
23 government shall continue to serve as members of the board for the time remaining
24 on their current term of appointment.