

1 AN ACT relating to sanitation districts.

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

3 ➔Section 1. KRS 220.010 is amended to read as follows:

4 As used in KRS 220.010 to 220.540, unless the context otherwise requires:

- 5 (1) "Sanitary works," "improvements," "sanitary system" or "sanitary sewers," means
6 any works constructed by a sanitation district in accordance with the purposes of
7 KRS 220.010 to 220.540, as set forth in KRS 220.030.
- 8 (2) "Person" means any person, firm, copartnership, association or corporation other
9 than a public corporation.
- 10 (3) "Public corporation" means any county, city, school district, water district or
11 drainage district, and any other governmental agency or political subdivision
12 clothed with the power of levying general or special taxes or issuing bonds payable
13 from special funds.
- 14 (4) "Land" or "property" means real property.
- 15 (5) "Board of directors," "directors" or "board" means the governing body of a
16 sanitation district.
- 17 (6) "Sanitation commissioner" or "commissioner" means the commissioner of
18 sanitation districts, as provided for in KRS 220.020.
- 19 (7) "District" means a sanitation district authorized by KRS 220.010 to 220.540.
- 20 (8) "District area," "within the district," "corporate limits of the district" and similar
21 terms mean that area established to be within the district in accordance with KRS
22 220.020 to 220.540. No construction subdistrict shall be construed to be within the
23 district area.
- 24 (9) "Construction subdistrict bonds and obligations" and like phrases mean any
25 obligation whatsoever that has been incurred by the district because of some
26 function or activity of a construction subdistrict. Such debts are not obligations of
27 the district, and such debts may be paid only from moneys received by the district

1 on account of the construction subdistrict, or from the funds, if any, in the
2 construction subdistrict, or from the funds, if any, in the construction subdistrict
3 reserve fund.

4 (10) "Construction subdistrict facilities" are all sewage facilities within a construction
5 subdistrict, and all sewage facilities outside the district area which join together two
6 (2) or more construction subdistricts or lead from a construction subdistrict to the
7 district area or lead from a construction subdistrict to a disposal plant or a treatment
8 plant outside the construction subdistrict and outside the district area, and which are
9 not a part of a sewer system of a municipal corporation or a sewer system of a water
10 district organized pursuant to KRS 74.010 to 74.415.

11 (11) "District facilities" are all facilities of the district as provided for in KRS 220.020 to
12 220.540.

13 **(12) "Homeowner" or "homeowners" means an individual person or persons who**
14 **own and occupy a single family residence.**

15 **(13) "On-site sewage disposal system" means a complete system installed on a parcel**
16 **of land, under the control and ownership of a homeowner, which accepts sewage**
17 **from the homeowner's residence for treatment and ultimate disposal under the**
18 **surface of the ground.**

19 **(14) "Service waiver" means a waiver issued by the sanitation district that authorizes**
20 **a homeowner to refuse sewer service from the sanitation district.**

21 ➔Section 2. KRS 220.170 is amended to read as follows:

22 (1) The board of directors shall, upon taking oath, elect one (1) of their members as
23 president of the board, and shall select some suitable person as secretary, who need
24 not be a member of the board. The secretary shall serve as treasurer of the district,
25 or the board may select a treasurer. The selection of the secretary and treasurer shall
26 be evidenced on the minutes of the board, with their compensation. They shall serve
27 at the pleasure of the board.

- 1 (2) The board shall adopt a seal, and shall keep in a well-bound book a record of all
2 proceedings, minutes of meetings, certificates, contracts, bonds given by employees,
3 and all corporate acts, which shall be open to the inspection of any owner of
4 property in the district as well as all other interested persons.
- 5 (3) The board of directors shall be the governing body of the sanitation district and
6 shall exercise all the powers and manage and control all the affairs and property of
7 the district. If the board of a multicounty district governed by the provisions of KRS
8 220.135 has an executive committee, each county shall have a member on the
9 committee.
- 10 (4) The board of directors may prescribe the duties and fix the compensation of all the
11 officers of the district, subject to the limits fixed in this section. No member of the
12 board of directors, except the president, shall receive more than thirty-six hundred
13 dollars (\$3,600) per annum. The president shall receive not more than six hundred
14 dollars (\$600) per annum in addition to his compensation as a director. The
15 treasurer shall receive not more than nine hundred dollars (\$900) and the secretary
16 not more than three hundred dollars (\$300) per annum.
- 17 (5) The board may adopt all necessary rules and regulations for the proper management
18 and conduct of the business of the board and of the corporation, and for carrying
19 into effect the other objects for which the district was formed. All such rules or
20 regulations shall become effective only upon posting in at least ten (10) public
21 places within the district.
- 22 (6) The board of directors of an established district shall develop a procedure to hear,
23 review, and resolve customers' complaints and grievances on any matter for which
24 there is otherwise no requirement in this chapter for a hearing. Upon written request
25 setting forth the basis of the complaint or grievance by the customer, mailed or
26 delivered to the principal office of the district, the secretary of the board of directors
27 shall schedule a hearing for the next regular board of directors' meeting if the

1 meeting is not held within fourteen (14) days of the date of receipt of the request,
2 and shall give the customer at least ten (10) days' written notice of the hearing by
3 mail. If the receipt of the request is within fourteen (14) days of the next regularly
4 scheduled meeting of the board of directors, the hearing shall be held at the regular
5 meeting following the next scheduled meeting. The board of directors shall provide
6 a written response to the customer concerning his complaint within seven (7) days
7 after the conclusion of the hearing unless the customer waives his right to a written
8 response or agrees to a delay.

9 (7) Any homeowner whose residence will become part of a sanitation district may
10 apply for a sanitary sewer service waiver from the sanitation district and avoid
11 being billed for sewer service by the water district if:

12 (a) The residence has an existing on-site sewage disposal system, as defined in
13 subsection (13) of Section 1 of this Act, installed and maintained in
14 accordance with KRS 211.350 to 211.380 and all administrative regulations
15 promulgated thereto, which has been approved by the local health
16 department;

17 (b) The homeowner's residence is located in the county served by or that will be
18 served by the sanitation district; and

19 (c) The homeowner has completed and submitted the application for a service
20 waiver along with any required documents to the board.

21 (8) The board shall develop a service waiver application and a process for reviewing
22 and approving or denying the application. The service waiver application shall be
23 made available to the public at the district office. The board shall review and
24 approve or deny the application for a service waiver thirty (30) days from the
25 receipt of a completed application. The board shall submit notification of its
26 action on the application to the homeowner not less than three (3) days after the
27 board's decision.

1 **(9) The service waiver application shall require the homeowner to provide the on-site**
2 **sewage disposal system permit number issued by the Energy and Environment**
3 **Cabinet, the name and phone number of the local board of health that approved**
4 **the on-site sewage disposal system, and the date the on-site sewage disposal**
5 **system was approved by the local board of health.**

6 **(10) The board shall not cancel or otherwise refuse to provide drinking water service**
7 **to any customer that requests or is granted a service waiver for sanitary sewer**
8 **services. The sanitation district shall amend any customer bill of rights to include**
9 **information about the service waiver.**

10 ➔Section 3. KRS 220.250 is amended to read as follows:

11 Upon the approval of the official plan by the **Energy and Environment Cabinet**~~[Natural~~
12 ~~Resources and Environmental Protection Cabinet]~~ the board of directors shall pass a
13 resolution accepting the official plan as final and fixing all financing, taxes and rentals as
14 authorized by KRS 220.010 to 220.520 necessary for the construction, maintenance, and
15 operation required to place the plan in effect. After final resolutions are passed fixing the
16 rates and rentals, no alterations of the plan shall be made except as provided herein and as
17 approved by the **Energy and Environment Cabinet**~~[Natural Resources and~~
18 ~~Environmental Protection Cabinet]~~.