

1 AN ACT relating to the local provision of wastewater services.

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

3 ➔Section 1. KRS 65.240 is amended to read as follows:

4 (1) Any power or powers, privileges or authority exercised or capable of exercise by a  
5 public agency of this state may be exercised and enjoyed jointly with any other  
6 public agency of this state, and jointly with any public agency of any other state or  
7 of the United States to the extent that the laws of the United States permit such joint  
8 exercise or enjoyment. Any agency of the state government when acting jointly with  
9 any public agency may exercise and enjoy all of the powers, privileges and authority  
10 conferred by KRS 65.210 to 65.300 upon a public agency.

11 (2) Any two (2) or more public agencies may enter into agreements with one another  
12 for joint or cooperative action pursuant to the provisions of KRS 65.210 to 65.300.  
13 Appropriate action by ordinance, resolution or otherwise pursuant to law, of the  
14 governing bodies of the participating public agencies shall be necessary before any  
15 such agreement may enter into force.

16 (3) ***Any public agency may enter into agreements with another public agency or***  
17 ***agencies pursuant to KRS 65.210 to 65.300 to acquire by purchase or lease, any***  
18 ***real or personal property, or any interest, right, easement, or privilege therein,***  
19 ***outside of its municipal or jurisdictional boundaries, in connection with the***  
20 ***acquisition, construction, operation, repair, or maintenance of any sewage,***  
21 ***wastewater, or storm water facilities, notwithstanding any other provision of the***  
22 ***Kentucky Revised Statutes restricting, qualifying, or limiting their authority to do***  
23 ***so, except as set forth in KRS Chapter 278.***

24 **(4)** A state-supported institution of higher education and one (1) or more county or  
25 independent public school districts may enter into agreements under KRS 65.210 to  
26 65.300 for the purposes specified in KRS 65.230, notwithstanding any other  
27 provision of the statutes restricting, qualifying or limiting their authority to do so.

1       ➔Section 2. KRS 74.407 is amended to read as follows:

2       (1) (a) In addition to the other authority which water districts presently have under  
3           this chapter, water districts are hereby authorized to acquire, develop,  
4           maintain, and operate sewage disposal systems within the confines of their  
5           respective districts or as authorized in paragraph (b) of this subsection,  
6           except that such sewer systems shall not include territory within the  
7           boundaries of existing municipal corporations having the authority to provide  
8           such sewer services without the consent of such municipal corporations.

9       (b) Water districts may enter into agreements with another entity or entities to  
10       acquire by purchase or lease, any real or personal property, or any interest,  
11       right, easement, or privilege therein, outside of the district's jurisdictional  
12       boundaries, in connection with the acquisition, construction, operation,  
13       repair, or maintenance of any sewage, wastewater, or storm water facilities,  
14       notwithstanding any other provision of the Kentucky Revised Statutes  
15       restricting, qualifying, or limiting their authority to do so, except as set forth  
16       in KRS Chapter 278.

17       (2) In the event of annexation of territory within a water district by another municipal  
18       corporation authorized to provide sewer systems and services, the water district may  
19       continue to provide and charge for sewer services within such newly annexed areas  
20       until such annexing municipal corporation makes adequate payment, by negotiation  
21       or condemnation, for such sewage disposal facilities owned and operated by the  
22       water district. The water district commissioners shall have all of the powers and  
23       authority, as regards sewer systems, that are conferred upon them for the purpose of  
24       furnishing a water supply under KRS 74.010 to 74.415.

25       (3) If a water district that provides sewer services is also the water supplier, the water  
26       district may provide that rates for water service and sewer service be billed  
27       simultaneously and may enforce collection of lawful rates and charges for sewer

1 services by discontinuing water service until payment of the delinquent charges,  
2 including penalties, interest, and reasonable fees for disconnection and  
3 reconnection, is made or some payment arrangement satisfactory to the water  
4 district is reached.

5 (4) If a water district that provides sewer services is not the water supplier, the water  
6 district may enforce collection of delinquent sewer service charges in the manner  
7 provided in KRS 96.930 to 96.943.

8 ➔Section 3. KRS 76.080 is amended to read as follows:

9 The district created under the provisions of KRS 76.010 to 76.210 is empowered:

10 (1) To have jurisdiction, control, possession, and supervision of the existing sewer and  
11 drainage system of the city forming a district pursuant to KRS 76.010; to maintain,  
12 operate, reconstruct, and improve the same as a comprehensive sewer and drainage  
13 system; to make additions, betterments, and extensions thereto within the district  
14 area; and to have all the rights, privileges, and jurisdiction necessary or proper for  
15 carrying such powers into execution. No enumeration of powers in KRS 76.010 to  
16 76.210 shall operate to restrict the meaning of this general grant of power or to  
17 exclude other powers comprehended within this general grant.

18 (2) To prepare or cause to be prepared and to be thereafter revised and adopted, plans,  
19 designs, and estimates of costs, of a system of trunk, intercepting, connecting,  
20 lateral, and outlet sewers, storm water drains, pumping and ventilating stations,  
21 disposal and treatment plants and works, and all other appliances and structures  
22 which in the judgment of the board will provide an effective and advantageous  
23 means for relieving the district area from inadequate sanitary and storm water  
24 drainage and from inadequate sanitary disposal and treatment of the sewage thereof,  
25 or such sections or parts of such system of the district area as the board may from  
26 time to time deem proper or convenient to construct, consistent with the plans and  
27 purposes of KRS 76.010 to 76.210, and may take all steps the board deems proper

- 1 and necessary to effect the purposes of KRS 76.010 to 76.210.
- 2 (3) To construct any additions, betterments and extensions to the facilities of the  
3 district, within or without the district area, and to construct any construction  
4 subdistrict facilities or additions, betterments and extensions thereto, within or  
5 without the district area, by contract or under, through, or by means of its own  
6 officers, agents and employees. No construction or extensions shall be started  
7 within the city forming a district pursuant to KRS 76.010 until, firstly, the city's  
8 director of works, and secondly, its board of aldermen have approved the plans. No  
9 construction or extensions shall be started in any city with a population greater than  
10 three thousand (3,000) but less than one hundred thousand (100,000) based upon  
11 the most recent federal decennial census until the governing authorities of such city  
12 or cities have approved the plans. No construction or extensions shall be started in  
13 any other part of the county until the plans have been approved, firstly, by the  
14 county engineer and, secondly, by the fiscal court.
- 15 (4) To establish, construct, operate, and maintain, as a part of the sewer and drainage  
16 system of the district, sewage treatment and disposal plants and systems and all the  
17 appurtenances and appliances thereunto belonging. The sewage treatment and  
18 disposal plants may be located in the city, or beyond the limits of the city in the  
19 county in which the city is located, as the board deems expedient.
- 20 (5) To acquire and hold the personal property the board deems necessary and proper for  
21 carrying out the corporate purposes of the district and to dispose of personal  
22 property when the district has no further need therefor.
- 23 (6) To acquire by purchase, gift, lease, or by condemnation, real property or any  
24 interest, right, easement, or privilege therein, as the board determines necessary,  
25 proper and convenient for the corporate purposes of the district, and to use the same  
26 so long as its corporate existence continues, and same is necessary or useful for the  
27 corporate purposes of the district. Condemnation proceedings may be instituted in

1 the name of the district pursuant to a resolution of the board declaring the necessity  
2 for the taking, and the method of condemnation shall be the same as provided in the  
3 Eminent Domain Act of Kentucky. When the board by resolution declares that any  
4 real property which it has acquired, or any interest therein, is no longer necessary or  
5 useful for the corporate purposes of the district, the real property and interest therein  
6 may be disposed of.

7 (7) To make bylaws and agreements for the management and regulation of its affairs  
8 and for the regulation of the use of property under its control and for the  
9 establishment and collection of sewer rates, rentals and charges, which sewer rates,  
10 rentals and charges, applicable within the limits of a city forming a district pursuant  
11 to KRS 76.010, shall be subject to the approval, supervision and control of the  
12 legislative body of the city as hereinafter provided.

13 (8) To make contracts and execute all instruments necessary or convenient in the  
14 premises.

15 (9) To borrow money and to issue negotiable bonds and to provide for the rights of the  
16 holders thereof.

17 (10) To fix and collect sewer rates, rentals, and other charges, for services rendered by  
18 the facilities of the district, which sewer rates, rentals, and other charges, applicable  
19 within the limits of a city forming a district pursuant to KRS 76.010, shall be  
20 subject to the approval, supervision and control of the legislative body of such city  
21 as hereinafter provided.

22 (11) To enter on any lands, waters and premises for the purpose of making surveys, and  
23 soundings and examinations.

24 (12) To approve or revise the plans and designs of all trunk, intercepting, connecting,  
25 lateral and outlet sewers, storm water drains, pumping and ventilating stations,  
26 disposal and treatment plants and works proposed to be constructed, altered or  
27 reconstructed by any other person or corporation, private or public, in the whole

1 county, in order to insure that such proposed construction, alteration or  
2 reconstruction shall conform to and be a part of a comprehensive sewer and  
3 drainage system for the said county. No sewers, drains, pumping and ventilating  
4 stations, or disposal and treatment plants or works shall be constructed, altered or  
5 reconstructed without approval by the board of the district. Any such work shall be  
6 subject to inspection and supervision of the district.

7 **(13) To enter into agreements with another entity or entities to acquire by purchase or**  
8 **lease, any real or personal property, or any interest, right, easement, or privilege**  
9 **therein, outside of the district's jurisdictional boundaries, in connection with the**  
10 **acquisition, construction, operation, repair, or maintenance of any sewage,**  
11 **wastewater, or storm water facilities, notwithstanding any other provision of the**  
12 **Kentucky Revised Statutes restricting, qualifying, or limiting their authority to do**  
13 **so, except as set forth in KRS Chapter 278.**

14 ➔Section 4. KRS 76.231 is amended to read as follows:

- 15 (1) As an alternative to establishing a metropolitan sewer district pursuant to KRS  
16 76.010, any city with a population equal to or greater than twenty thousand (20,000)  
17 but less than one hundred thousand (100,000) based upon the most recent federal  
18 decennial census, together with the county in which it is located, may jointly  
19 establish a sewer agency for the purpose of providing sewer and drainage facilities  
20 within the city and the county.
- 21 (2) A joint sewer agency shall be established upon the enactment of identical  
22 ordinances establishing and setting out the powers of the agency by both the  
23 legislative body of the city and the fiscal court of the county.
- 24 (3) All the powers granted a metropolitan sewer district in cities of the first class by  
25 KRS 76.010 to 76.279 may be granted by ordinance to the sewer agency except that  
26 these powers may be restricted or qualified in order to conform to the local needs of  
27 the county and the city.

- 1 (4) The legislative body of the city and the fiscal court of the county shall establish a  
2 schedule of rates, rentals and charges to be collected from all real property served  
3 by the facilities of the sewer agency in the manner provided by KRS 76.090. If the  
4 city, county, and sewer agency find that local needs warrant, uniformity of rates for  
5 all residential property shall not be required for a period of no more than ten (10)  
6 years from the date the sewer agency is established under subsection (2) of this  
7 section. If for whatever reason the city and county cannot agree to amendments to a  
8 rate schedule, the current schedule shall remain in effect until such time as an  
9 agreement can be reached.
- 10 (5) For purposes of establishing a schedule of rates, rentals, and charges to be collected,  
11 the legislative body of the city and the fiscal court of the county may prescribe by  
12 joint ordinance for the creation of a rate adjustment board that shall be comprised of  
13 the members of both legislative bodies, sitting as a single body. Upon the creation  
14 of a rate adjustment board, a simple majority of the combined membership of the  
15 rate adjustment board shall be required to establish rates, rentals, and charges to be  
16 collected.
- 17 (6) The joint sewer agency shall be administered as a separate legal entity or by a  
18 jointly appointed administrator or joint board as set out in the establishing  
19 ordinances.
- 20 (7) The joint sewer agency may be dissolved only by a joint action of the legislative  
21 body of the city and the fiscal court of the county. The establishing ordinance may  
22 be amended in the same manner as originally enacted.
- 23 (8) The legislative body of any city with a population of less than twenty thousand  
24 (20,000) based upon the most recent federal decennial census may by ordinance  
25 elect to be within the jurisdiction of a joint sewer agency established pursuant to  
26 this section.
- 27 **(9) The joint sewer agency may enter into agreements with another entity or entities**

1 to acquire by purchase or lease, any real or personal property, or any interest,  
2 right, easement, or privilege therein, outside of the agency's jurisdictional  
3 boundaries, in connection with the acquisition, construction, operation, repair, or  
4 maintenance of any sewage, wastewater, or storm water facilities,  
5 notwithstanding any other provision of the Kentucky Revised Statutes restricting,  
6 qualifying, or limiting their authority to do so, except as set forth in KRS Chapter  
7 278.

8 ➔Section 5. KRS 76.232 is amended to read as follows:

- 9 (1) A city with a population less than twenty thousand (20,000) based upon the most  
10 recent federal decennial census together with the county in which it is located or  
11 together with the sanitation district, or any city with a population equal to or greater  
12 than twenty thousand (20,000) but less than one hundred thousand (100,000) based  
13 upon the most recent federal decennial census together with the county in which it  
14 is located or together with the sanitation district, as an alternative to establishing a  
15 metropolitan sewer district under KRS 76.010, may jointly establish a sewer agency  
16 for the purpose of providing sewer and drainage facilities within the city and the  
17 county or within the city and the sanitation district.
- 18 (2) In order to establish a joint sewer agency under this section, the legislative body of  
19 the city, the fiscal court of the county, or the governing body of the sanitation  
20 district may vote to merge any existing agency or sanitation district or any portion  
21 thereof into the jointly established sewer agency or into an existing city or county  
22 sewer agency. If the legislative body of the city, fiscal court of the county, or  
23 governing body of the sanitation district determines to merge an existing agency or  
24 sanitation district into the joint sewer agency, it shall determine a method to satisfy  
25 any legal obligations of the existing agency or sanitation district which might be  
26 affected.
- 27 (3) A joint sewer agency shall be established upon the enactment of identical



1 agreements establishing and setting out the powers of the sewer agency by all  
2 parties establishing the joint sewer agency. Any agreement enacted by a city or  
3 county shall be by ordinance. Any agreement enacted by a sanitation district shall be  
4 done in the same manner as any other official actions taken by the sanitation  
5 district.

6 (4) All the powers granted a metropolitan sewer district and cities of the first class by  
7 KRS 76.010 to 76.279 may be granted by ordinance to the joint sewer agency  
8 except that such powers may be restricted or qualified in order to conform to the  
9 local needs of the county, city, and sanitation district.

10 (5) The joint sewer agency shall be administered as a separate legal entity or by a  
11 jointly appointed administrator, joint board, or one of the merging entities, as set out  
12 in the ordinance creating the joint sewer agency.

13 (6) The joint sewer agency may be dissolved only by adoption of an ordinance of the  
14 legislative body of the city and the fiscal court of the county. The ordinance creating  
15 the joint sewer agency shall be amended in the same manner as originally enacted.

16 (7) The legislative body of any city with a population of less than twenty thousand  
17 (20,000) based upon the most recent federal decennial census may by ordinance  
18 elect to be within the jurisdiction of a joint sewer agency established pursuant to  
19 this section.

20 **(8) The joint sewer agency may enter into agreements with another entity or entities**  
21 **to acquire by purchase or lease, any real or personal property, or any interest,**  
22 **right, easement, or privilege therein, outside of the agency's jurisdictional**  
23 **boundaries, in connection with the acquisition, construction, operation, repair, or**  
24 **maintenance of any sewage, wastewater, or storm water facilities,**  
25 **notwithstanding any other provision of the Kentucky Revised Statutes restricting,**  
26 **qualifying, or limiting their authority to do so, except as set forth in KRS Chapter**  
27 **278.**

1           ➔Section 6. KRS 76.325 is amended to read as follows:

2       The powers of the commission shall be:

- 3       (1) To construct, operate and maintain a sewerage and/or drainage system and sewers  
4           and drains within the boundaries of the sewer construction district, or to contract  
5           with a metropolitan sewer district for such construction, operation and/or  
6           maintenance;
- 7       (2) To provide for disposition of the sewage and/or drainage, and for treatment of  
8           sewage, either through its own facilities or by contract with the metropolitan sewer  
9           district;
- 10      (3) To clean out, straighten, alter, deepen, fill up or otherwise improve any stream,  
11           watercourse receiving sewage, liquid wastes or drainage, located in or out of the  
12           district;
- 13      (4) To construct, operate and maintain trunk sewers, intercepting sewers, laterals,  
14           siphons, pumping stations, sewage treatment and disposal works necessary for the  
15           purposes of the district, through its own facilities or by contract with the  
16           metropolitan sewer district;
- 17      (5) To hold, control, acquire by purchase, donation or condemnation any real or  
18           personal property necessary for location, construction, operation or maintenance of  
19           its works and improvements and easements for rights of way;
- 20      (6) Upon completion of construction of any integral part of the sewer or drainage  
21           system, to contract for the operation and maintenance of its works and  
22           improvements or easements for rights of way;
- 23      (7) Upon completion of construction of any integral part of the sewer or drainage  
24           system, to contract for the operation and maintenance of, and extensions to, such  
25           part of the system, with the metropolitan sewer district on a service basis for the  
26           users, or, with the approval of the court, to have the territory in such part of the  
27           sewer construction district incorporated into the metropolitan sewer district for

1 service as provided to other property within said metropolitan sewer district; and  
2 (8) To enter into agreements with another entity or entities to acquire by purchase or  
3 lease, any real or personal property, or any interest, right, easement, or privilege  
4 therein, outside of the district's jurisdictional boundaries, in connection with the  
5 acquisition, construction, operation, repair, or maintenance of any sewage,  
6 wastewater, or storm water facilities, notwithstanding any other provision of the  
7 Kentucky Revised Statutes restricting, qualifying, or limiting their authority to do  
8 so, except as set forth in KRS Chapter 278.

9 ➔SECTION 7. A NEW SECTION OF KRS 220.010 TO 220.540 IS CREATED  
10 TO READ AS FOLLOWS:

11 A sanitation district may enter into agreements with another entity or entities to  
12 acquire by purchase or lease, any real or personal property, or any interest, right,  
13 easement, or privilege therein, outside of the district's jurisdictional boundaries, in  
14 connection with the acquisition, construction, operation, repair, or maintenance of any  
15 sewage, wastewater, or storm water facilities, notwithstanding any other provision of  
16 the Kentucky Revised Statutes restricting, qualifying, or limiting their authority to do  
17 so, except as set forth in KRS Chapter 278.