

STATE OF OKLAHOMA

2nd Session of the 54th Legislature (2014)

HOUSE BILL 2455

By: Turner

AS INTRODUCED

An Act relating to cities and towns; amending 11 O.S. 2011, Section 37-119, which relates to contracts for water; modifying annual review of contract rates; requiring certain entities share costs; authorizing costs for certain capital improvements; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 11 O.S. 2011, Section 37-119, is amended to read as follows:

Section 37-119. A. All contracts for the sale or furnishing of water from a source obtained by or on behalf of a municipality by permit or prior right under state law or by general obligation bonds shall be made in the name of the municipality as provided for by statute or by charter.

B. All such water sold and furnished to persons or public or private entities outside the corporate limits of the municipality shall be sold and furnished upon written contracts which shall ~~provide for~~ be subject to an annual review of the ~~municipality's~~ costs and contract modification of contract's rates to permit rates

1 to be ~~increased or decreased to the purchasers~~ modified as
2 appropriate. Any modification of rates shall be nondiscriminatorily
3 allocated between the municipality's customers and the outside
4 purchaser. Provided, however, ~~that only those costs that are~~
5 ~~attributable to maintaining the ability of the municipality to~~
6 ~~provide water service to the purchaser shall be included in~~
7 ~~purchaser's rates~~ the outside purchasers shall be responsible to the
8 same extent as the municipality's customers for sharing the costs of
9 the municipality's entire water system, and the outside purchasers'
10 rates may include costs for capital improvements to the water system
11 not otherwise shared by outside purchasers with municipality's
12 customers that pay taxes of the municipality.

13 The contracts shall provide that the persons or public or
14 private entities outside the corporate limits of the municipality
15 shall be subject to a rationing program consistent with any
16 rationing program ordered by the municipality.

17 SECTION 2. This act shall become effective November 1, 2014.

18
19 54-2-8192 LRB 12/23/13
20
21
22
23
24