



Lynn Fitch
ATTORNEY GENERAL
OPINIONS AND POLICY

November 10, 2020

Robert W. Lawrence, Esq.
City Attorney, City of Crystal Springs
Post Office Box 473
Crystal Springs, Mississippi 39059

Re: Contracting with private business to collect municipal utility bills

Dear Mr. Lawrence:

The Office of the Attorney General has received your request for an official opinion.

Questions Presented

1. May the City of Crystal Springs (the “City”) contract with a private business to accept payment of municipal water and sewer bills?
2. If the response to question 1 is affirmative, what parameters are required (i.e., payment of fees, bonding) or, what does the Office of the Attorney General suggest with respect to these parameters?

Brief Response

With respect to your first question, yes. The governing authority of a municipality may enter into a contract with a private entity for the billing and collection of fees for water services and sewer services, pursuant to the municipality’s authority under Sections 21-27-7 and 21-27-11 *et seq.*

With respect to your second question, given its broad nature, we make no suggestion regarding the parameters of the City’s billing arrangement with the private company.

Applicable Law and Discussion

Mississippi Code Annotated Section 21-27-7 authorizes the governing authorities of municipalities to, among other things, “erect, purchase, maintain and operate waterworks, and to regulate the same” and to “contract with any person for the maintenance and operation of waterworks.” Section 21-27-11 *et seq.* governs the formation and operation of municipally-owned utility systems.

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Our office has previously opined that the governing authority of a municipality may enter into a contract with a private entity for the billing and collection of fees for water services and sewer services, pursuant to its authority under Sections 21-27-7 and 21-27-11 *et seq.* MS AG Op., *Herring* at *1 (Jan. 12, 2007) (citing MS AG Op., *Thompson* (June 5, 1998); MS AG Op., *Littlejohn* (Feb. 23, 1995); MS AG Op., *Hall* (Oct. 3, 1997)). In our *Herring* opinion, we noted that “prior to entering into a contract on behalf of the municipality, authorization must be given to the Mayor to take such action and such approval must be accurately reflected in the official minutes of the municipality as the governing authority speaks only through its official minutes.” MS AG Op., *Herring* at *1 (citing MS AG Op., *Carroll* (July 14, 2003)). Accordingly, the City is authorized to contract with a private business to accept payment of municipal water and sewer bills.

With respect to your second question, given its broad nature, we make no suggestion regarding the parameters of the City’s billing arrangement with the private company.

If this office may be of any further assistance to you, please do not hesitate to contact us.

Sincerely,

LYNN FITCH, ATTORNEY GENERAL

By: */s/ Phil Carter*

Phil Carter
Special Assistant Attorney General

OFFICIAL OPINION