

Guthrie Challenges Rural Water District Over Service Territory

The City of Guthrie and a neighboring rural water district are currently in litigation in federal court over Section 1926(b) service territory. In the course of the federal litigation, three certified questions were sent to the Oklahoma Supreme Court. What is pending before the Supreme Court is the interaction between the monopoly protection afforded the rural water district as a borrower of funds under a federal loan and various provisions of Oklahoma Constitutional law including the prohibition on exclusive franchises and the authority of municipalities to engage in any business for which it can grant a franchise.

In addition to other state and federal issues, the rural water district pursued innovative arguments regarding the U.S. Constitution's Spending Clause and the existence of a general federal Police Power. Acting on the request of the City of Guthrie for assistance in this matter, the OML Board of Directors approved OML's entry into the lawsuit. To read the League's two briefs filed in the Fall of 2009 click the links below.

[Complete brief web1.doc](#)

[Complete answer brief web1.doc](#)