

**MINUTES OF THE  
SPECIAL DISTRICT SUBCOMMITTEE OF THE  
POLITICAL SUBDIVISIONS INTERIM COMMITTEE**

Tuesday, November 6, 2001 - 1:00 p.m. - Room 414/416 State Capitol

**Members Present:**

Sen. David L. Gladwell, Chair  
Rep. David N. Cox  
Rep. Scott Daniels  
Rep. David L. Hogue  
Rep. Joseph G. Murray

**Staff Present:**

Mr. Joseph Wade, Research Analyst  
Mr. Keith M. Woodwell, Associate General Counsel  
Ms. Joy L. Miller, Legislative Secretary

**Note:** A list of others present and a copy of materials can be found at <http://www.image.le.state.ut.us/imaging/history.asp> or contact the Office of Legislative Research and General Counsel.

**1. Welcome and Committee Business**

Chair Gladwell called the meeting to order at 1:15 p.m.

**MOTION:** Rep. Hogue moved to approve the minutes of the October 16, 2001 meeting. The motion passed unanimously.

**2. Continue Discussion of Proposed Uniform Withdrawal Procedures for Special Districts**

Mr. Woodwell reviewed draft legislation "Uniform Withdrawal Procedures for Special Districts." The legislation establishes the requirement for petitions for withdrawal from a local district and creates a streamlined process for unopposed withdrawals. It also provides a process for a local district and a municipality to jointly adjust the boundaries of a local district. It sets out the criteria for a local district board to approve or reject a proposed withdrawal and outlines the procedures for allocating assets and liabilities upon withdrawal. Mr. Woodwell explained the legislation provides for the continuation of tax levies in withdrawn areas and other protections for local district bonds and allows for judicial review of the decision of the local district board.

**MOTION:** Rep. Daniels moved to delete lines 140 and 141 and to renumber the bill accordingly. The motion passed unanimously.

**MOTION:** Rep. Hogue moved to amend line 183 as follows:

Delete "qualified electors" and insert "registered voters." The motion passed unanimously.

**MOTION:** Rep. Hogue moved to amend line 252 as follows:

After "(5)(a)" delete "Unless" and insert "After receiving the notice required by Subsection 17B-2-603(2) and unless." The motion passed unanimously.

**MOTION:** Rep. Hogue moved to amend line 230 as follows:

After "90 days" insert "or within 90 days of the conclusion of an arbitration under Subsection (2)(b)." The motion passed unanimously.

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**MOTION:** Rep. Hogue moved to amend line 258 as follows:  
After "rights" delete "for political purposes." The motion passed unanimously.

Mr. Mark Anderson, Utah Association of Counties, stated that the cross reference to Section 17B-2-603 on line 263 should be changed to Subsection 17B-2-604(1)(f).

Ms. Kathryn Pett, Utah Transit Authority, indicated that "Removal of land from the withdrawal" in the boldface of Section 17B-2-605 should be deleted since it is not referenced in the body of the section.

**MOTION:** Rep. Hogue moved to delete "(3)(d)" on line 309. The motion passed unanimously.

**MOTION:** Rep. Hogue moved to amend line 486 as follows:  
After "entity." insert "the board of trustees and." The same language should be added in all sections of the bill that apply. The motion passed unanimously.

**MOTION:** Rep. Hogue moved to amend lines 424 and 425 as follows:  
At the end of line 424 and at the beginning of line 425 delete "if the resolution includes" and insert "imposing." The motion passed unanimously.

**MOTION:** Rep. Cox moved to amend line 487 as follows:  
After "(5)(f)" delete "and" and insert "or." The motion passed unanimously.

**MOTION:** Rep. Hogue moved to amend line 383 as follows:  
At the beginning of the line delete "The board of trustees may" and insert "Unless denial of the petition is required under Subsection (3), the board of trustees shall." On line 384 after "that" delete the remainder of the language through line 385. The motion passed unanimously.

**MOTION:** Rep. Daniels moved to amend line 608 as follows:  
After "(3)" delete "Any person in interest" and insert "Any sponsor of a petition or a receiving entity." The motion passed unanimously.

**MOTION:** Rep. Daniels moved to amend line 609 as follows:  
After "submitting a" delete "petition" and insert "request." The change should be made throughout the bill where applicable. The motion passed unanimously.

Mr. Anderson discussed the repealer section of the bill. He explained that the Olympic speed skating oval is within the Salt Lake County Regional Service Area that he represents. After the Olympics the service area will own and operate the oval. He noted that unless there is Legacy funding available, the cost of operating and maintaining the oval will be an extreme financial burden on the service area. Mr. Anderson noted that some of the provisions that are in the Regional Service Area Act were designed to provide stability and security to the service area because of the facility. He stressed that any kind of withdrawal from the service area would place a greater burden on those left behind to maintain the facility. He

requested that the Regional Service Area Act be removed from the repealer section.

Mr. Paul Ashton, Boyack Ashton, felt that it was important not to sacrifice the uniformity that has been reached through the legislation.

Mr. Mike Mazuran, Mazuran and Hayes, discussed Section 17A-2-418 regarding annexation of all or part of a county service area into a city or town. He requested the language in the section be modified and removed from the repealer.

**MOTION:** Rep. Cox moved to remove Section 17A-2-418 from the repealer and modify the language by inserting "If all or any portion of the county service area is annexed into an incorporated city or town, the annexed territory may not be excluded from the county service area unless the provisions of Title 17B, Chapter 2, Part 6 have been met." The motion passed unanimously with Rep. Hogue absent for the vote.

**MOTION:** Rep. Murray moved to adopt draft legislation "Uniform Withdrawal Procedures for Special Districts" as a subcommittee bill, as amended. The motion passed unanimously with Rep. Hogue absent for the vote.

### **3. Bonding Authority for Irrigation Districts**

Mr. Terel Grimley, representing the Weber-Box Elder Conservation District and the South Ogden Conservation District, said the districts were organized under the irrigation code. He said these organizations have never bonded in the past but have borrowed money through the Division of Water Resources. They requested bond counsel review the code in an effort to bring it up to date. Mr. Grimley pointed out that the legislation does not expand their authority, only clarifies it.

Mr. Eric Hunter, Chapman and Cutler, said in updating the code they incorporated most of the provisions in the Municipal Bond Act as they applied to irrigation districts.

**MOTION:** Rep. Daniels moved to adopt draft legislation "Bonding Authority For Irrigation Districts" as a committee bill. The motion passed unanimously with Rep. Hogue absent for the vote.

### **4. Subcommittee Final Report**

Sen. Gladwell indicated the final report of the subcommittee will be presented to the Political Subdivisions Interim Committee on November 14.

### **5. Other Business**

Mr. Craig Moody, Sandy City, mentioned that an individual in a water district showed him a bill they received that contained a 60 percent late fee. He said that although it is a legal practice, he suggested the Legislature may want to review it.

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**6. Adjourn**

**MOTION:** Rep. Cox moved to adjourn the meeting. The motion passed unanimously with Rep. Hogue absent for the vote. Chair Gladwell adjourned the meeting at 3:30 p.m.

