

1 **SPECIAL DISTRICT AND LOCAL DISTRICT**

2 **GOVERNING BODY ISSUES**

3 2000 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: R. Mont Evans**

6 AN ACT RELATING TO SPECIAL DISTRICTS AND LIMITED PURPOSE LOCAL
7 GOVERNMENT ENTITIES; MODIFYING PROVISIONS RELATING TO THE
8 COMPOSITION, OPERATION, AND COMPENSATION OF THE BOARD OF TRUSTEES OF
9 SPECIAL DISTRICTS AND ENACTING SUCH PROVISIONS FOR LOCAL DISTRICTS;
10 AND MAKING TECHNICAL CHANGES.

11 This act affects sections of Utah Code Annotated 1953 as follows:

12 AMENDS:

13 **17A-2-208**, as last amended by Chapter 227, Laws of Utah 1993

14 **17A-2-210**, as last amended by Chapter 124, Laws of Utah 1996

15 **17A-2-219**, as renumbered and amended by Chapter 186, Laws of Utah 1990

16 **17A-2-305**, as last amended by Chapter 154, Laws of Utah 1999

17 **17A-2-308**, as last amended by Chapter 17, Laws of Utah 1997

18 **17A-2-411**, as last amended by Chapter 368, Laws of Utah 1998

19 **17A-2-506**, as last amended by Chapter 36, Laws of Utah 1997

20 **17A-2-509**, as renumbered and amended by Chapter 186, Laws of Utah 1990

21 **17A-2-511**, as renumbered and amended by Chapter 186, Laws of Utah 1990

22 **17A-2-512**, as renumbered and amended by Chapter 186, Laws of Utah 1990

23 **17A-2-514**, as renumbered and amended by Chapter 186, Laws of Utah 1990

24 **17A-2-529**, as last amended by Chapter 322, Laws of Utah 1997

25 **17A-2-530**, as last amended by Chapter 322, Laws of Utah 1997

26 **17A-2-531**, as last amended by Chapter 365, Laws of Utah 1999

27 **17A-2-532**, as renumbered and amended by Chapter 186, Laws of Utah 1990

- 28 **17A-2-533**, as last amended by Chapter 30, Laws of Utah 1992
- 29 **17A-2-534**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 30 **17A-2-535**, as last amended by Chapter 227, Laws of Utah 1993
- 31 **17A-2-536**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 32 **17A-2-537**, as last amended by Chapter 36, Laws of Utah 1997
- 33 **17A-2-540**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 34 **17A-2-541**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 35 **17A-2-543**, as last amended by Chapter 227, Laws of Utah 1993
- 36 **17A-2-544**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 37 **17A-2-545**, as last amended by Chapter 227, Laws of Utah 1993
- 38 **17A-2-546**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 39 **17A-2-547**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 40 **17A-2-548**, as last amended by Chapter 227, Laws of Utah 1993
- 41 **17A-2-549**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 42 **17A-2-550**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 43 **17A-2-551**, as last amended by Chapter 227, Laws of Utah 1993
- 44 **17A-2-552**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 45 **17A-2-553**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 46 **17A-2-555**, as last amended by Chapter 227, Laws of Utah 1993
- 47 **17A-2-556**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 48 **17A-2-560**, as last amended by Chapter 227, Laws of Utah 1993
- 49 **17A-2-561**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 50 **17A-2-563**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 51 **17A-2-566**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 52 **17A-2-609**, as last amended by Chapters 5 and 273, Laws of Utah 1991
- 53 **17A-2-610**, as last amended by Chapter 227, Laws of Utah 1993
- 54 **17A-2-613**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 55 **17A-2-614**, as last amended by Chapter 322, Laws of Utah 1997
- 56 **17A-2-615**, as last amended by Chapter 227, Laws of Utah 1993
- 57 **17A-2-617**, as last amended by Chapter 227, Laws of Utah 1993
- 58 **17A-2-618**, as last amended by Chapter 227, Laws of Utah 1993

- 59 **17A-2-619**, as renumbered and amended by Chapter 186, Laws of Utah 1990
60 **17A-2-622**, as renumbered and amended by Chapter 186, Laws of Utah 1990
61 **17A-2-703**, as last amended by Chapter 146, Laws of Utah 1994
62 **17A-2-704**, as last amended by Chapter 146, Laws of Utah 1994
63 **17A-2-705**, as last amended by Chapter 146, Laws of Utah 1994
64 **17A-2-706**, as last amended by Chapter 273, Laws of Utah 1991
65 **17A-2-707**, as last amended by Chapter 273, Laws of Utah 1991
66 **17A-2-711**, as renumbered and amended by Chapter 186, Laws of Utah 1990
67 **17A-2-712**, as renumbered and amended by Chapter 186, Laws of Utah 1990
68 **17A-2-714**, as last amended by Chapter 227, Laws of Utah 1993
69 **17A-2-715**, as renumbered and amended by Chapter 186, Laws of Utah 1990
70 **17A-2-716**, as renumbered and amended by Chapter 186, Laws of Utah 1990
71 **17A-2-718**, as last amended by Chapter 227, Laws of Utah 1993
72 **17A-2-719**, as last amended by Chapter 10, Laws of Utah 1997
73 **17A-2-720**, as last amended by Chapter 227, Laws of Utah 1993
74 **17A-2-721**, as renumbered and amended by Chapter 186, Laws of Utah 1990
75 **17A-2-723**, as renumbered and amended by Chapter 186, Laws of Utah 1990
76 **17A-2-724**, as renumbered and amended by Chapter 186, Laws of Utah 1990
77 **17A-2-726**, as renumbered and amended by Chapter 186, Laws of Utah 1990
78 **17A-2-727**, as renumbered and amended by Chapter 186, Laws of Utah 1990
79 **17A-2-728**, as renumbered and amended by Chapter 186, Laws of Utah 1990
80 **17A-2-731**, as renumbered and amended by Chapter 186, Laws of Utah 1990
81 **17A-2-732**, as last amended by Chapter 322, Laws of Utah 1997
82 **17A-2-733**, as renumbered and amended by Chapter 186, Laws of Utah 1990
83 **17A-2-740**, as renumbered and amended by Chapter 186, Laws of Utah 1990
84 **17A-2-741**, as renumbered and amended by Chapter 186, Laws of Utah 1990
85 **17A-2-742**, as renumbered and amended by Chapter 186, Laws of Utah 1990
86 **17A-2-743**, as renumbered and amended by Chapter 186, Laws of Utah 1990
87 **17A-2-744**, as renumbered and amended by Chapter 186, Laws of Utah 1990
88 **17A-2-745**, as renumbered and amended by Chapter 186, Laws of Utah 1990
89 **17A-2-746**, as renumbered and amended by Chapter 186, Laws of Utah 1990

90 **17A-2-747**, as renumbered and amended by Chapter 186, Laws of Utah 1990
91 **17A-2-748**, as last amended by Chapter 227, Laws of Utah 1993
92 **17A-2-749**, as renumbered and amended by Chapter 186, Laws of Utah 1990
93 **17A-2-750**, as renumbered and amended by Chapter 186, Laws of Utah 1990
94 **17A-2-751**, as renumbered and amended by Chapter 186, Laws of Utah 1990
95 **17A-2-752**, as renumbered and amended by Chapter 186, Laws of Utah 1990
96 **17A-2-754**, as renumbered and amended by Chapter 186, Laws of Utah 1990
97 **17A-2-756**, as last amended by Chapter 299, Laws of Utah 1995
98 **17A-2-757**, as renumbered and amended by Chapter 186, Laws of Utah 1990
99 **17A-2-758**, as renumbered and amended by Chapter 186, Laws of Utah 1990
100 **17A-2-759**, as renumbered and amended by Chapter 186, Laws of Utah 1990
101 **17A-2-760**, as last amended by Chapter 227, Laws of Utah 1993
102 **17A-2-761**, as renumbered and amended by Chapter 186, Laws of Utah 1990
103 **17A-2-767**, as renumbered and amended by Chapter 186, Laws of Utah 1990
104 **17A-2-768**, as renumbered and amended by Chapter 186, Laws of Utah 1990
105 **17A-2-801**, as renumbered and amended by Chapter 186, Laws of Utah 1990
106 **17A-2-802**, as renumbered and amended by Chapter 186, Laws of Utah 1990
107 **17A-2-818**, as last amended by Chapters 199 and 299, Laws of Utah 1995
108 **17A-2-819**, as last amended by Chapter 10, Laws of Utah 1997
109 **17A-2-820**, as renumbered and amended by Chapter 186, Laws of Utah 1990
110 **17A-2-821**, as renumbered and amended by Chapter 186, Laws of Utah 1990
111 **17A-2-824**, as renumbered and amended by Chapter 186, Laws of Utah 1990
112 **17A-2-825**, as renumbered and amended by Chapter 186, Laws of Utah 1990
113 **17A-2-827**, as renumbered and amended by Chapter 186, Laws of Utah 1990
114 **17A-2-828**, as renumbered and amended by Chapter 186, Laws of Utah 1990
115 **17A-2-829**, as renumbered and amended by Chapter 186, Laws of Utah 1990
116 **17A-2-830**, as renumbered and amended by Chapter 186, Laws of Utah 1990
117 **17A-2-831**, as renumbered and amended by Chapter 186, Laws of Utah 1990
118 **17A-2-834**, as last amended by Chapter 199, Laws of Utah 1995
119 **17A-2-835**, as renumbered and amended by Chapter 186, Laws of Utah 1990
120 **17A-2-836**, as renumbered and amended by Chapter 186, Laws of Utah 1990

- 121 **17A-2-840**, as renumbered and amended by Chapter 186, Laws of Utah 1990
122 **17A-2-841**, as last amended by Chapter 322, Laws of Utah 1997
123 **17A-2-842**, as last amended by Chapter 322, Laws of Utah 1997
124 **17A-2-843**, as renumbered and amended by Chapter 186, Laws of Utah 1990
125 **17A-2-845**, as renumbered and amended by Chapter 186, Laws of Utah 1990
126 **17A-2-847**, as last amended by Chapter 199, Laws of Utah 1995
127 **17A-2-849**, as renumbered and amended by Chapter 186, Laws of Utah 1990
128 **17A-2-850**, as renumbered and amended by Chapter 186, Laws of Utah 1990
129 **17A-2-907**, as last amended by Chapter 250, Laws of Utah 1999
130 **17A-2-1016**, as last amended by Chapter 365, Laws of Utah 1999
131 **17A-2-1038**, as last amended by Chapter 266, Laws of Utah 1997
132 **17A-2-1039**, as renumbered and amended by Chapter 186, Laws of Utah 1990
133 **17A-2-1040**, as renumbered and amended by Chapter 186, Laws of Utah 1990
134 **17A-2-1044**, as last amended by Chapter 227, Laws of Utah 1993
135 **17A-2-1048**, as last amended by Chapter 368, Laws of Utah 1998
136 **17A-2-1049**, as renumbered and amended by Chapter 186, Laws of Utah 1990
137 **17A-2-1050**, as last amended by Chapter 298, Laws of Utah 1997
138 **17A-2-1051**, as renumbered and amended by Chapter 186, Laws of Utah 1990
139 **17A-2-1052**, as renumbered and amended by Chapter 186, Laws of Utah 1990
140 **17A-2-1054**, as renumbered and amended by Chapter 186, Laws of Utah 1990
141 **17A-2-1056**, as renumbered and amended by Chapter 186, Laws of Utah 1990
142 **17A-2-1326**, as last amended by Chapter 227, Laws of Utah 1993
143 **17A-2-1402**, as last amended by Chapter 5, Laws of Utah 1991
144 **17A-2-1407**, as renumbered and amended by Chapter 186, Laws of Utah 1990
145 **17A-2-1409**, as last amended by Chapter 268, Laws of Utah 1997
146 **17A-2-1412**, as renumbered and amended by Chapter 186, Laws of Utah 1990
147 **17A-2-1413**, as last amended by Chapter 299, Laws of Utah 1995
148 **17A-2-1420**, as last amended by Chapter 227, Laws of Utah 1993
149 **17A-2-1425**, as renumbered and amended by Chapter 186, Laws of Utah 1990
150 **17A-2-1437**, as last amended by Chapter 152, Laws of Utah 1996
151 **17A-2-1439**, as last amended by Chapter 261, Laws of Utah 1996

152 **17A-2-1440**, as last amended by Chapter 261, Laws of Utah 1996
153 **17A-2-1442**, as renumbered and amended by Chapter 186, Laws of Utah 1990
154 **17A-2-1448**, as renumbered and amended by Chapter 186, Laws of Utah 1990
155 **17A-2-1449**, as renumbered and amended by Chapter 186, Laws of Utah 1990
156 **17A-2-1454**, as enacted by Chapter 67, Laws of Utah 1990
157 **17A-2-1808**, as enacted by Chapter 216, Laws of Utah 1995
158 **17B-2-203**, as enacted by Chapter 368, Laws of Utah 1998
159 **17B-2-208**, as enacted by Chapter 368, Laws of Utah 1998

160 ENACTS:

161 **17B-2-401**, Utah Code Annotated 1953
162 **17B-2-402**, Utah Code Annotated 1953
163 **17B-2-403**, Utah Code Annotated 1953
164 **17B-2-404**, Utah Code Annotated 1953
165 **17B-2-405**, Utah Code Annotated 1953
166 **17B-2-406**, Utah Code Annotated 1953

167 REPEALS:

168 **17A-2-209**, as last amended by Chapter 124, Laws of Utah 1996
169 **17A-2-215**, as last amended by Chapter 227, Laws of Utah 1993
170 **17A-2-218**, as renumbered and amended by Chapter 186, Laws of Utah 1990
171 **17A-2-220**, as renumbered and amended by Chapter 186, Laws of Utah 1990
172 **17A-2-508**, as last amended by Chapter 368, Laws of Utah 1998
173 **17A-2-510**, as renumbered and amended by Chapter 186, Laws of Utah 1990
174 **17A-2-513**, as renumbered and amended by Chapter 186, Laws of Utah 1990
175 **17A-2-1410**, as renumbered and amended by Chapter 186, Laws of Utah 1990
176 **17A-2-1411**, as renumbered and amended by Chapter 186, Laws of Utah 1990

177 *Be it enacted by the Legislature of the state of Utah:*

178 Section 1. Section **17A-2-208** is amended to read:

179 **17A-2-208. Cemetery maintenance district board of trustees -- Appointment -- Other**
180 **provisions applicable.**

181 (1) [There] Each cemetery maintenance district shall be [three cemetery maintenance
182 commissioners in each cemetery district who shall constitute the cemetery maintenance board]

183 governed by a board of trustees.

184 (2) (a) The county legislative body shall appoint the first members of a cemetery
185 maintenance [commissioners of the cemetery maintenance district] board of trustees according to
186 the requirements of Title 17A, Chapter 1, Part 3.

187 (b) The certificate of appointment shall be filed with the clerk of the county legislative
188 body.

189 [~~(3) Every cemetery maintenance commissioner shall take and subscribe the official oath,~~
190 ~~and shall file the oath with the county legislative body.]~~

191 (3) (a) The provisions of Title 17B, Chapter 2, Part 4, Board of Trustees, apply to each
192 cemetery maintenance district to the same extent as if the cemetery maintenance district were a
193 local district under Title 17B, Chapter 2, Local Districts.

194 (b) (i) If a change in the number of board of trustees members is necessary to comply with
195 the requirements of Subsection 17B-2-402(1), the board of trustees may by majority vote,
196 notwithstanding Subsection 17B-2-402(3), change the number of board members to the next odd
197 number higher or lower than the number of current board members.

198 (ii) If a change under Subsection (3)(b)(i) decreases the number of board members, the
199 change may not take effect until the expiration of the term of the member whose term next expires.

200 (c) If a change in the length or expiration date of the term of a board of trustees member
201 is necessary to comply with the requirements of Subsection 17B-2-403(2), the change may not take
202 effect until the expiration of the term of the member whose term length or expiration date is to be
203 changed.

204 Section 2. Section **17A-2-210** is amended to read:

205 **17A-2-210. Appointments to fill.**

206 [~~(1)~~] All vacancies on the cemetery maintenance board shall be filled by the county
207 legislative body by following the procedures and requirements of Section 17A-1-303.

208 [~~(2)(a) The board members shall:~~]

209 [~~(i) assume their duties at noon on the first Monday in January;~~]

210 [~~(ii) serve without compensation, but be reimbursed for their actual and necessary~~
211 ~~expenses; and]~~

212 [~~(iii) take and subscribe to the official oath.]~~

213 [~~(b) The subscribed oath shall be filed with the county legislative body.]~~

214 Section 3. Section **17A-2-219** is amended to read:

215 **17A-2-219. Acquisition and possession of property -- Legal title.**

216 The legal title to all property acquired under the provisions of this part shall immediately
217 and by operation of law, vest in such cemetery maintenance district and shall be held by such
218 district in trust for and is dedicated and set aside to the uses and purposes set forth in this part.
219 [~~Said board is authorized and empowered to hold, use, acquire, manage, occupy and possess said
220 property as herein provided and to institute and maintain any and all actions and proceedings, suits
221 at law or in equity or to enforce, maintain, protect or preserve any and all rights, privileges and
222 immunities created by this part or acquired in pursuance thereof. In all courts, actions, suits or
223 proceedings, the said board may sue, appear and defend, in person or by attorney and in the manner
224 of such cemetery maintenance district.]~~

225 Section 4. Section **17A-2-305** is amended to read:

226 **17A-2-305. Board of trustees -- Creation -- Appointment and election of members**
227 **-- Qualifications.**

228 (1) (a) Except as provided in Subsection (3) and Section 17A-2-327, the governing body
229 of each district created under this part, except a district that has boundaries that coincide with the
230 boundaries of an incorporated municipality, shall consist of a board of trustees created as provided
231 in this Subsection (1).

232 (b) (i) [~~Whenever~~] If a district is created that does not include property within the
233 boundaries of an incorporated municipality, the county legislative body of the initiating county
234 may, in the initial resolution creating the district, declare that the county legislative body of that
235 county act as the trustees of the district.

236 (ii) When the county legislative body of the county is designated as the trustees of the
237 district, they may:

238 (A) exercise all the powers, authority, and responsibility vested in the trustees under this
239 chapter; and

240 (B) use any existing county offices, officers, or employees for the purposes of the district.

241 (iii) The county legislative body shall charge the district a reasonable amount for the
242 services rendered to the district by the county officers, offices, and employees, other than the
243 county legislative body, to the county treasurer for the general fund of the county.

244 (c) (i) At any time after creation of [any] a district under [~~the provisions of this subsection~~]

245 this part, the county legislative body of the initiating county may by resolution determine that the
246 interests of the district would be best served by the appointment of a board of trustees.

247 (ii) The trustees shall be appointed by the county legislative body according to the
248 procedures and requirements of Chapter 1, Part 3, Special District Board Selection Procedures.

249 (d) The county legislative body shall hold an election for trustees as provided in Chapter
250 1, Part 3, Special District Board Selection Procedures, when:

251 (i) a petition requesting an election for trustees is filed with the county legislative body at
252 least 30 days before the date set for a bond election or 90 days before the date set for the November
253 municipal elections; and

254 (ii) the petition is signed by at least 10% of the people eligible to vote on a bond issue in
255 [any] the district [~~created under this part~~].

256 (2) In the resolution creating the district, the county legislative body of the initiating
257 county may appoint a board of trustees according to the procedures and requirements of Chapter
258 1, Part 3, Special District Board Selection Procedures, to serve until the election and qualification
259 of the successors as provided in this part.

260 (3) (a) If the district is created for the purpose of providing electric service, the
261 requirements of this Subsection (3) supersede any contrary provision in this part.

262 (i) The initial board of trustees may be appointed by the county legislative body until the
263 election and qualification of successors as provided in this Subsection (3).

264 (ii) The board of trustees shall subsequently be elected by the persons using electricity
265 within the district.

266 (iii) In addition to the qualifications enumerated in this section, each member of the board
267 of trustees shall be a resident of the district and a user of electricity from the district.

268 (iv) The board of trustees may be elected according to geographic areas within the district.

269 (v) A municipality within the district is not entitled to automatic representation on the
270 board of trustees.

271 (b) All proceedings that have taken place in connection with the organization of the board
272 of trustees of an electric service district are considered valid and binding despite any failure to
273 comply with the provisions of this section if the electric service district was created or purported
274 to be created under this part before April 28, 1986.

275 (c) The county legislative body of the initiating county may, in the initial resolution

276 creating an electric service district, set the boundaries of the geographic areas which each trustee
277 will represent [~~and the number of members who may serve on the board of trustees~~].

278 [~~(d) The board of trustees may not consist of less than three or more than nine members.~~]

279 (4) (a) (i) Each incorporated municipality that is contained entirely within, but does not
280 coincide with, the boundaries of the district [~~may request the county legislative body to appoint~~
281 ~~to the board one member who is a resident of the municipality~~] shall be represented on the board
282 as provided in this Subsection (4)(a).

283 (ii) The legislative body of [~~the~~] each municipality or, if municipalities are combined under
284 Subsection (4)(a)(iii)(B), the legislative bodies of those combined municipalities, shall appoint
285 [~~that~~] a member by following the procedures and requirements of Chapter 1, Part 3, Special
286 District Board Selection Procedures.

287 (iii) (A) [~~If~~] Except as provided in Subsection (4)(a)(iii)(B) and subject to Subsection
288 17B-2-402(1), if two or more incorporated municipalities are entitled to representation on the
289 board of trustees, the number of members of the board of trustees shall be increased to the lowest
290 odd number greater than the number of those municipalities.

291 (B) If the number of municipalities plus the number of board members under Subsection
292 (4)(b) exceeds nine, then the number of trustees shall be nine and the least populated
293 municipalities shall be combined for purposes of representation to the extent necessary to result
294 in nine trustees.

295 [~~(B)~~] (b) (i) Except as provided in Subsection (4)[~~(a)(iii)(C)~~](b)(i), the members of the
296 board of trustees who are not appointed from a municipality under Subsections (4)(a)(i) and (ii)
297 shall reside within the district but outside the boundaries of each municipality that has the right to
298 appoint a member to the board of trustees.

299 [~~(C)~~] (ii) Notwithstanding Subsection (4)[~~(a)(iii)(B)~~](b)(i), if the population in the
300 unincorporated part of the district is less than 5% of the total district population, the members of
301 the board of trustees who are not appointed from a municipality under Subsections (4)(a)(i) and
302 (ii) shall be chosen from the district at large.

303 [~~(b)~~] (c) (i) If the boundaries of the newly created district coincide with the boundaries of
304 an incorporated municipality, the legislative body of the municipality shall be the board of trustees
305 for the district.

306 (ii) When the municipal legislative body serves as the board of trustees:

307 (A) they shall maintain separate minutes, accounts, and other records of the affairs of the
308 district;

309 (B) they may use the existing facilities and personnel of the municipality to administer
310 district affairs;

311 (C) notwithstanding Subsections 17B-2-403(1) and (2), their terms coincide with their
312 terms as officials of those municipalities; and

313 (D) they represent the district at large.

314 [(c)] (d) If there is no elected board of trustees for the unincorporated county at the time
315 of the first bond election, election of members of the board of trustees who are not appointed as
316 representatives of municipalities shall be held at the time the bond election is held.

317 [(d)] (e) Candidates for election to the board of trustees shall be taxpayers and qualified
318 voters in the district.

319 [(e)] (f) Subject to Subsection (4)(a)(iii)(C), a registered voter in the district outside of an
320 incorporated municipality that has the right to appoint a member to the board of trustees may file
321 a signed statement announcing as a candidate to be one of the first elected trustees of the district
322 with the county clerk within 30 days after the board of trustees has entered an order calling the
323 bond election, but not less than 15 days before the election.

324 [(f)] (g) The board of trustees, in calling the bond election, shall provide a separate ballot,
325 if required, that contains the names of the candidates and blanks in which the voters may write in
326 additional names.

327 [(g)] (h) Each voter at the election may vote for three persons, or a lesser number qualified
328 to represent the area outside the corporate limits of any incorporated municipality that has the right
329 to appoint a member to the board of trustees, if some members of the board of trustees of the
330 improvement district are appointed by a municipality or incorporated area.

331 [(h)] (i) The three persons, or a lesser number qualified as provided in this section,
332 receiving the highest number of votes at the election are members of the board of trustees, together
333 with those members appointed by an incorporated municipality.

334 [(i)] (j) As a member of the board of trustees, each representative may vote on all
335 questions, orders, resolutions, and ordinances coming before the board.

336 [(j)] (i) ~~The members of the first board of trustees shall serve for two and four year terms~~
337 ~~from the first Monday of the next January following the first election held in the district.]~~

338 ~~[(ii) Initial terms shall be selected by lot, and shall be apportioned so that, as nearly as~~
339 ~~possible, 1/2 of the board will serve for two years and 1/2 for four years.]~~

340 ~~[(k) After the first election, except for appointments made to fill unexpired terms, the term~~
341 ~~of each member shall be four years and until his successor is elected and qualified.]~~

342 ~~[(H) (k) In voting on the election of trustees, all qualified voters in the district outside the~~
343 ~~corporate limits of any incorporated municipality that has the right to appoint a member to the~~
344 ~~board of trustees may vote.~~

345 ~~[(m) (l) Following the election or appointment of the first trustees, any elected trustee~~
346 ~~shall be elected according to the procedures and requirements of Chapter 1, Part 3, Special District~~
347 ~~Board Selection Procedures.~~

348 ~~[(n) Each trustee shall:]~~

349 ~~[(i) take office on the first Monday of the January after his election;]~~

350 ~~[(ii) take the oath of office; and]~~

351 ~~[(iii) give the bond required by law for members of the county legislative body.]~~

352 ~~[(o) The trustees initially appointed shall:]~~

353 ~~[(i) meet immediately after their appointment;]~~

354 ~~[(ii) qualify as trustees;]~~

355 ~~[(iii) elect one of their members as chairman; and]~~

356 ~~[(iv) appoint a clerk and a treasurer.]~~

357 Section 5. Section **17A-2-308** is amended to read:

358 **17A-2-308. Board of trustees -- Other provisions applicable -- No compensation to**
359 **county legislative body -- Audit -- Budget.**

360 ~~[(1) (a) Except for the levy of taxes, and for the powers and duties expressly vested in the~~
361 ~~county legislative body in this part, the board of trustees shall exercise all powers and duties in the~~
362 ~~operation of the properties of the district as are ordinarily exercised by the governing body of a~~
363 ~~political subdivision.]~~

364 ~~[(b) The board of trustees shall:]~~

365 ~~[(i) fix its domicile;]~~

366 ~~[(ii) set a regular meeting time;]~~

367 ~~[(iii) select and have an official seal made; and]~~

368 ~~[(iv) either require all officers and employees who are charged with the handling of any~~

369 district funds to provide surety bonds or provide a blanket surety bond to cover all those officers
370 and employees.]

371 [~~(c) The board of trustees may;~~]

372 [~~(i) adopt regulations and bylaws for the orderly operation of the district;~~]

373 [~~(ii) employ agents and employees for the operation of the properties of the district;~~]

374 [~~(iii) sue and be sued;~~]

375 [~~(iv) enter into all contracts for the benefit of the district; and]~~

376 [~~(v) generally do all things and perform or cause to be performed all acts that are necessary
377 or desirable in the conduct of its affairs and in the operation of the properties of the district.]~~

378 [~~(2) (a) Except as provided in Subsection (b), each trustee shall receive total compensation
379 of not more than \$2,500 per year, as determined by the board of trustees.]~~

380 (1) (a) Except as provided in Section 17A-2-327, the provisions of Title 17B, Chapter 2,
381 Part 4, Board of Trustees, apply to each county improvement district to the same extent as if the
382 county improvement district were a local district under Title 17B, Chapter 2, Local Districts.

383 (b) (i) If a change in the number of board of trustees members is necessary to comply with
384 the requirements of Subsection 17B-2-402(1), the board of trustees may by majority vote,
385 notwithstanding Subsection 17B-2-402(3), change the number of board members to the next odd
386 number higher or lower than the number of current board members.

387 (ii) If a change under Subsection (1)(b)(i) decreases the number of board members, the
388 change may not take effect until the expiration of the term of the member whose term next expires.

389 (c) If a change in the length or expiration date of the term of a board of trustees member
390 is necessary to comply with the requirements of Subsection 17B-2-403(2), the change may not take
391 effect until the expiration of the term of the member whose term length or expiration date is to be
392 changed.

393 [~~(b)] (2) When the county legislative body acts as the board of trustees, they may not
394 receive any compensation.~~

395 [~~(c) The district shall reimburse the trustees for actual and necessary traveling and other
396 expenses incurred in the performance of their duties.]~~

397 [~~(3) (a) At any meeting of the board, the presence of the trustees entitled to cast a majority
398 of all votes entitled to be cast by the entire board of trustees is necessary for a quorum.]~~

399 [~~(b) All meetings of the board are public.]~~

400 ~~[(c) The clerk shall keep a proper record of all proceedings of the board, which is open to~~
401 ~~public inspection.]~~

402 ~~[(d)]~~ (3) The accounts of the district are subject to periodic audits provided by law for the
403 auditing of county accounts.

404 ~~[(4)]~~ (4) The board of trustees shall annually prepare and adopt a budget by following the
405 procedures and requirements of Title 17A, Chapter 1, Part 4, Uniform Fiscal Procedures for
406 Special Districts Act.

407 Section 6. Section **17A-2-411** is amended to read:

408 **17A-2-411. Board of trustees -- Selection procedures -- Surety bonds -- Other**
409 **provisions applicable.**

410 (1) Each service area authorized under this part shall be governed by a board of trustees
411 ~~[consisting of three or more members created as provided in this section].~~

412 (2) (a) Upon the creation of a county service area, the county legislative body may adopt
413 an ordinance declaring that the county legislative body of the county shall act as the trustees of the
414 service area.

415 (b) Upon passage of the ordinance, the county legislative body of the county shall act as
416 trustees of the service area with all the powers, authority, and responsibility vested in the trustees
417 under this part.

418 (c) (i) The county legislative body, when acting as trustees, may use any existing county
419 offices, officers, or employees for the purposes of the service area.

420 (ii) The county legislative body shall charge costs of those services to the service area and
421 require them to be paid to the county treasurer for the general fund of the county.

422 (3) At any time after the creation of a board of trustees as provided in Subsection (1), if
423 no elected board has been established as provided in this section, the county legislative body of
424 the county in which the service area is located may:

425 (a) by ordinance, delegate its powers to an appointed or elected board of trustees as
426 provided in Chapter 1, Part 3, Special District Board Selection Procedures; and

427 (b) provide for the appointment or election of the board by following the procedures and
428 requirements of Chapter 1, Part 3, Special District Board Selection Procedures.

429 (4) At any time after the creation of a board of trustees as provided in Subsections (2) and
430 (3), the county legislative body shall hold an election for trustees by following the procedures and

431 requirements of Chapter 1, Part 3, Special District Board Selection Procedures, if:

432 (a) the county legislative body receives a petition requesting that an election for trustees
433 be held that is:

434 (i) signed by at least 10% of persons eligible to vote in an election in a service area
435 authorized under this part; and

436 (ii) filed with the county legislative body at least 30 days before the date set for a bond
437 election or 90 days before the date set for any municipal election; or

438 (b) territory located within a municipality is annexed into the county service area under
439 Section 17A-2-417.

440 (5) (a) If there is no elected board of trustees at the time of the first bond election, trustees
441 shall be elected in conjunction with that bond election.

442 (b) Candidates for election to the board of trustees shall be taxpayers and qualified voters
443 in the service area.

444 (c) At any time within 30 days after the county legislative body has called a bond election,
445 but not less than 15 days before the day of election, any person who is qualified to vote in the
446 service area may file a signed statement with the county clerk announcing the person's candidacy
447 to be one of the first elected trustees of the service area.

448 (d) The board of trustees shall provide a ballot separate from the bond ballot that contains
449 the names of the candidates and blanks in which the voters may write in additional names.

450 (e) A voter at the election may vote for the number of trustee positions to be filled.

451 (f) The persons receiving the highest number of votes at the election are members of the
452 board of trustees.

453 ~~[(6) (a) Members of the first board of trustees shall serve for two and four year terms,
454 beginning on the first Monday in January after the election.]~~

455 ~~[(b) Initial terms shall be selected by lot and shall be apportioned so that, whenever
456 possible, equal numbers of the board will serve for two years and four years.]~~

457 ~~[(c) After the first election, except for appointments made to fill unexpired terms, the term
458 of each member is four years.]~~

459 [(7)] (6) (a) Each member of the board of trustees may vote on all questions, orders,
460 resolutions, and ordinances coming before the board.

461 (b) ~~[Each trustee shall receive total compensation of not more than \$2,500 per year as~~

462 determined by the board of trustees, except that when] Notwithstanding Section 17B-2-404, if the
463 county legislative body acts as the board of trustees, no compensation may be paid to them as
464 trustees.

465 (c) Each trustee who is also a member of the county legislative body shall take the oath
466 of office and shall give the bond that is required by law for members of the county legislative body.

467 [~~(d) All laws pertinent to the giving and filing of oaths and bonds for members of the~~
468 ~~county legislative body apply to the trustees.]~~

469 [~~(e) Trustees who are not members of the county legislative body shall take the oath of~~
470 ~~office and shall give a bond in the amount, and with the sureties, prescribed by the county~~
471 ~~legislative body.]~~

472 [~~(8)] (7) All qualified voters in the service area may vote in elections to select trustees and~~
473 ~~in elections to approve the issuance of bonds.~~

474 [~~(9)(a)] (8) Following the election or appointment of the first trustees, each elected trustee~~
475 ~~shall be elected according to the procedures and requirements of Chapter 1, Part 3, Special District~~
476 ~~Board Selection Procedures.~~

477 [~~(b) Each trustee shall take office on the first Monday in January following the trustee's~~
478 ~~election.]~~

479 [~~(10) Within a reasonable time after their appointment, the trustees shall meet and elect~~
480 ~~one of their members as chairman and shall appoint a clerk and a treasurer, or a clerk-treasurer.]~~

481 [~~(11)] (9) Each vacancy of an elected trustee in office shall be filled according to the~~
482 ~~procedures and requirements of Chapter 1, Part 3, Special District Board Selection Procedures.~~

483 (10) (a) The provisions of Title 17B, Chapter 2, Part 4, Board of Trustees, apply to each
484 county service area to the same extent as if the county service area were a local district under Title
485 17B, Chapter 2, Local Districts.

486 (b) (i) If a change in the number of board of trustees members is necessary to comply with
487 the requirements of Subsection 17B-2-402(1), the board of trustees may by majority vote,
488 notwithstanding Subsection 17B-2-402(3), change the number of board members to the next odd
489 number higher or lower than the number of current board members.

490 (ii) If a change under Subsection (10)(b)(i) decreases the number of board members, the
491 change may not take effect until the expiration of the term of the member whose term next expires.

492 (c) If a change in the length or expiration date of the term of a board of trustees member

493 is necessary to comply with the requirements of Subsection 17B-2-403(2), the change may not take
494 effect until the expiration of the term of the member whose term length or expiration date is to be
495 changed.

496 Section 7. Section **17A-2-506** is amended to read:

497 **17A-2-506. Corporate status -- Board of supervisors.**

498 (1) A drainage district is a body corporate and politic with the right to sue and be sued, to
499 have perpetual succession, and to adopt and use a corporate seal.

500 (2) The board of [~~supervisors~~] trustees shall lay out and construct the work found by the
501 county legislative body, in connection with its review of the original petition proposing
502 organization of the drainage district, to be necessary or useful for the drainage of lands in the
503 district, and shall levy a tax upon the lands in the drainage district, subject to the approval of the
504 county legislative body, as provided in this part.

505 (3) The board of [~~supervisors~~] trustees and their successors in office shall[:~~(a)~~] constitute
506 the corporate authorities of the drainage district[:];

507 [~~(b) exercise the functions conferred upon them by law;~~]

508 [~~(c) be entitled to enter immediately upon the duties of their respective offices upon~~
509 ~~qualifying in accordance with law; and]~~

510 [~~(d) hold such offices, respectively, until their successors are appointed and have~~
511 ~~qualified.]~~

512 (4) (a) The provisions of Title 17B, Chapter 2, Part 4, Board of Trustees, apply to each
513 drainage district to the same extent as if the drainage district were a local district under Title 17B,
514 Chapter 2, Local Districts.

515 (b) (i) If a change in the number of board of trustees members is necessary to comply with
516 the requirements of Subsection 17B-2-402(1), the board of trustees may by majority vote,
517 notwithstanding Subsection 17B-2-402(3), change the number of board members to the next odd
518 number higher or lower than the number of current board members.

519 (ii) If a change under Subsection (4)(b)(i) decreases the number of board members, the
520 change may not take effect until the expiration of the term of the member whose term next expires.

521 (c) If a change in the length or expiration date of the term of a board of trustees member
522 is necessary to comply with the requirements of Subsection 17B-2-403(2), the change may not take
523 effect until the expiration of the term of the member whose term length or expiration date is to be

524 changed.

525 Section 8. Section **17A-2-509** is amended to read:

526 **17A-2-509. Board to appoint engineer -- Contract with United States -- Eminent**
527 **domain -- Power to obtain water.**

528 [~~Within 30 days after their appointment and qualification, the supervisors shall meet and~~
529 ~~organize as a board, and elect a president, a secretary and a treasurer from among their own~~
530 ~~number. Each of such officers shall hold office during the pleasure of the board. The board of~~
531 ~~supervisors]~~

532 (1) The board of trustees shall appoint a competent engineer and fix [his compensation and
533 shall have power to adopt a code of bylaws governing the conduct of the business and affairs of
534 the district as a corporation in connection with its association with individuals and corporations
535 in and outside of the district, and regulating the use by outsiders of its drainage system. It shall
536 also have the power to make and execute all necessary contracts, to employ and appoint such
537 agents, officers and employees as may be required, prescribe their duties, and generally to perform
538 such acts as shall be necessary fully to carry out the purposes of this part. The board shall also have
539 power to invest the funds accumulated for the purpose of retiring bonds, in government bonds,
540 bonds of the state of Utah, or of the public schools of Utah. The board shall also have power to]
541 the engineer's compensation.

542 (2) The board may enter into any obligation or contract with the United States under any
543 act of Congress now enacted, or which may hereafter be enacted, and the rules and regulations
544 established thereunder, for the construction or operation and maintenance of the drainage system,
545 or any drainage works, or for the assumption as principal or guarantor of indebtedness to the
546 United States on account of district lands.

547 (3) The board and its agents and employees [~~shall likewise have the right to~~] may enter
548 upon any lands to make surveys, and may locate the necessary drainage canal or canals, and the
549 necessary branches of the same, on any lands which may be [~~deemed~~] considered best for such
550 location. [~~It shall have the right~~]

551 (4) The board may also [~~to~~] acquire, on behalf of [~~said~~] the district, by purchase or
552 condemnation or other legal means, all lands and other property necessary for the construction, use,
553 maintenance, repair, and improvement of [~~said~~] a canal or canals, drains and works constructed
554 (including canals, drains, or drain ditches being constructed) by private owners, and all necessary

555 appurtenances.

556 (5) In case of necessity for condemnation proceedings the board shall proceed in the
557 corporate name of the district under the provisions of the law relating to eminent domain.

558 (6) Drainage districts organized under the provisions of this part may appropriate water
559 for useful and beneficial purposes, may regulate and control, for the benefit of the landholders
560 within the district, all water developed, appropriated, or owned by it, and may appropriate, use,
561 purchase, develop, sell and convey water and water rights in the same manner and for the same use
562 and purposes as any corporation, association, or person.

563 Section 9. Section **17A-2-511** is amended to read:

564 **17A-2-511. Duties of secretary.**

565 [It shall be the duty of the]

566 The secretary [tø] shall:

567 (1) attend meetings of the board[,-tø];

568 (2) keep an accurate journal of its proceedings[,-tø];

569 (3) have the care and custody of its records and papers not otherwise provided for[,-tø];

570 and

571 (4) countersign warrants drawn upon the treasurer[,- and to prepare and submit to the board
572 an annual statement, under oath, of receipts and disbursements during the year ending December
573 31. The secretary shall receive for his services such compensation as the board of supervisors may
574 determine].

575 Section 10. Section **17A-2-512** is amended to read:

576 **17A-2-512. Qualification and duties of treasurer.**

577 [~~The treasurer shall subscribe to the oath of office, and when required by the board of~~
578 ~~supervisors shall give a bond to the district with sufficient sureties and in such sum as the board~~
579 ~~may require, the oath and bond to be approved by the board and filed with its secretary.~~] The
580 treasurer shall prepare and submit in writing to the board an annual and a monthly report of
581 receipts and disbursements, and pay out money only upon a warrant signed by the [president] chair,
582 and countersigned by [the secretary. He] another officer other than the treasurer. The treasurer
583 shall likewise perform such other duties as the board may require[,- and shall receive for his
584 services an amount to be determined by the board].

585 Section 11. Section **17A-2-514** is amended to read:

586 **17A-2-514. Employment of assistants.**

587 The board of [supervisors] trustees may employ such clerks and assistants as may be
588 necessary.

589 Section 12. Section **17A-2-529** is amended to read:

590 **17A-2-529. Procedure for annexation -- Petition -- Appeals by persons aggrieved --**
591 **Recordation and filing of order.**

592 (1) A contiguous area lying contiguous to a drainage district may be annexed to the
593 drainage district as provided in this section.

594 (2) Annexation proceedings may be initiated by a petition filed with the clerk of the
595 county:

596 (a) in which the drainage district is located, if within one county; or

597 (b) in which the greatest portion of the drainage district is located, if within more than one
598 county.

599 (3) The petition under Subsection (2) shall be:

600 (a) signed by 2/3 of the owners of real property in the area proposed to be annexed and the
601 owners of at least 2/3 of the total land area within the area; and

602 (b) accompanied by an accurate plat or map of the area proposed to be annexed.

603 (4) Upon receipt of a petition under Subsection (2), the county clerk shall deliver the
604 petition to the county legislative body.

605 (5) (a) Except as provided in Subsection (10), at its next regular meeting after receipt of
606 the petition the county legislative body shall fix a time and place for the hearing of the petition.

607 (b) (i) Except as provided in Subsection (10), the county legislative body shall give notice
608 of the hearing by:

609 (A) serving a copy of the notice, map, and petition upon the board of [supervisors] trustees
610 of the drainage district at least 15 days prior to the time set for the hearing; and

611 (B) publishing the notice at least once each week for two consecutive weeks in a
612 newspaper having general circulation in the county or counties in which such drainage district is
613 situated.

614 (ii) The first publication of the notice under Subsection (5)(b)(i) shall not be less than 15
615 days nor more than 30 days prior to the date set for the hearing.

616 (iii) The notice shall state generally the nature of the petition, the purpose of the hearing,

617 the time and place when the county legislative body shall hear the petition, and that any owner of
618 real property within the drainage district may appear and oppose the petition.

619 (6) (a) At the hearing of the petition:

620 (i) the petitioners or any interested party may appear in support of the petition;

621 (ii) the board of [~~supervisors~~] trustees or any landowner within the drainage district may
622 appear and oppose the petition; and

623 (iii) the petitioners and contestants may offer any competent evidence in regard to the
624 petition.

625 (b) The county legislative body may adjourn the hearing from time to time not exceeding
626 four weeks.

627 (c) The county legislative body shall:

628 (i) hear and determine whether the petition contains the signatures of 2/3 of the owners of
629 real property within the area sought to be annexed and the owners of at least 2/3 of the total land
630 area within the area sought to be annexed; and

631 (ii) hear all competent evidence offered for or against the petition.

632 (7) (a) If the county legislative body, after hearing all competent evidence offered for and
633 against the petition, finds that the petition has not been signed as required in this section, or that
634 it would be inequitable to the landowners within the drainage district to permit such annexation,
635 the county legislative body shall dismiss the petition at the cost of the petitioners.

636 (b) If the county legislative body finds that the petition has been signed as required in this
637 section and that the annexation will not be inequitable to the landowners within the drainage
638 district, the county legislative body shall so find.

639 (c) After hearing all of the evidence offered for or against the petition, the county
640 legislative body shall determine whether or not the area shall be annexed to the drainage district
641 and shall so order.

642 (d) The county legislative body's findings and order shall be conclusive upon the owners
643 of real property within the area that they have assented to the inclusion of their property within the
644 boundaries of the drainage district and that they have accepted all the provisions of this part.

645 (e) (i) Except as provided in Subsection (7)(e)(ii), the county legislative body, in making
646 an order annexing an area to the drainage district, may make such changes in the proposed new
647 boundaries of the drainage district caused by the annexation as the county legislative body

648 considers proper.

649 (ii) Notwithstanding Subsection (7)(e)(i), the county legislative body may not modify the
650 new boundaries so as to exclude any land included in the new boundaries which is susceptible to
651 drainage by the system of drainage works applicable to the other lands annexed to the district
652 pursuant to the petition.

653 (8) (a) Any person aggrieved by an order of annexation may, at any time within 30 days
654 after the entry of the order, appeal to the district court of the county in which the district is situated.

655 (b) The procedure in an appeal shall conform to the Civil Code as nearly as may be.

656 (9) (a) The county legislative body shall:

657 (i) cause a copy of the order of annexation, duly certified, to be filed for record in the
658 office of the county recorder of each county in which any portion of the annexed area is situated;
659 and

660 (ii) immediately file a copy of the order of annexation with the county clerk of each county
661 in which any portion of the district lies.

662 (b) Upon the recording and filing of the order of annexation, the area annexed shall be a
663 part of the drainage district.

664 (10) (a) Notwithstanding Subsections (5), (6), and (7), the county legislative body shall
665 order the area annexed to the drainage district if:

666 (i) the petition filed under Subsection (2) contains the signatures of all the owners of real
667 property within the area proposed to be annexed; and

668 (ii) the county legislative body determines that the petition is supported by the board of
669 [supervisors] trustees of the drainage district.

670 (b) The determination of owners under Subsection (10)(a)(i) shall be according to the last
671 assessment roll for county taxes completed prior to the filing of the petition under Subsection (2).

672 Section 13. Section **17A-2-530** is amended to read:

673 **17A-2-530. Viewing of annexed land by board of trustees -- Assessment for taxation**
674 **-- Board of equalization -- Hearing -- Notice -- Lien for taxes.**

675 (1) The board of [supervisors] trustees shall, as soon as practicable after the recording of
676 the order of annexation:

677 (a) view each tract of land so annexed to the district;

678 (b) carefully consider all the damages and benefits that each particular tract of land shall

679 receive from the annexation to the drainage district and from the construction and maintenance of
680 such drainage system; and

681 (c) assess each tract of land in accordance with the benefits to be received by it, making
682 proper allowance for damage, if there be any.

683 (2) After the assessment under Subsection (1) is made, the secretary of the board of
684 [supervisors] trustees shall transmit the assessment to the county legislative body.

685 (3) (a) The county legislative body shall:

686 (i) at its next regular meeting fix a time and place where it shall sit as a board of
687 equalization and equalize and determine the benefits and taxes to be assessed against the land; and

688 (ii) except as provided in Subsection (3)(b), publish a notice of the board of equalization
689 hearing at least once each week for two consecutive weeks in a newspaper having general
690 circulation in the county or counties where the drainage district is situated.

691 (b) If the annexation resulted from a petition signed by all the owners of real property
692 within the annexed area whose addresses were included in the petition, the county legislative body
693 may, in lieu of the notice under Subsection (3)(a)(ii), give notice of the board of equalization
694 hearing by mailing a copy of the notice to each owner of real property at the address stated in the
695 petition.

696 (c) (i) The first publication of the notice required under Subsection (3)(a)(ii) shall not be
697 less than 15 days or more than 30 days prior to the date of the hearing.

698 (ii) If the residence or post office address of an owner of the lands so annexed is known,
699 the county clerk shall cause a copy of the notice and a copy of the proposed benefits to be sent by
700 United States mail to the landowner at least 15 days prior to the time fixed for the hearing.

701 (d) The notice shall state generally the purpose of the hearing and the time and place where
702 the county legislative body shall meet as a board of equalization to hear and determine any
703 complaint against the assessments.

704 (4) (a) The county legislative body, at the time and place stated in the notice, shall sit as
705 a board of equalization and shall make and determine the benefits to be assessed against each tract
706 of annexed land.

707 (b) The assessment of benefits shall be added to and made a part of the benefit assessment
708 roll of the drainage district, and thereafter:

709 (i) all such lands, easements, or interests in land shall be assessed in accordance with the

710 assessment roll; and

711 (ii) such assessment roll of benefits and taxes shall be the basis of a lien upon the parcels
712 of land or interest in land as thus equalized for all district purposes and indebtedness.

713 Section 14. Section **17A-2-531** is amended to read:

714 **17A-2-531. Bids for construction -- Contracts -- Payment and performance bonds**
715 **-- Retainage.**

716 (1) After adopting a plan and making an estimate of the cost of any drainage canal or
717 canals, drains, drain ditches, and works, the board of [supervisors] trustees shall give notice by
718 publication for at least 20 days in at least one newspaper published or having a general circulation
719 in each of the counties comprising the district, and in any other publication they deem advisable,
720 calling for bids for the construction of such work or of any portion of it. If less than the whole
721 work is advertised, then the portion so advertised shall be particularly described in such notice.
722 Such notice shall state:

723 (a) that plans and specifications can be seen at the office of the board of [supervisors]
724 trustees;

725 (b) that the board of [supervisors] trustees will receive sealed proposals for the work;

726 (c) that the contract will be let to the lowest responsible bidder; and

727 (d) the time and place appointed for opening bids. The bids shall be opened in public, and
728 as soon as convenient thereafter the [supervisors] trustees shall let the work, either in portions or
729 as a whole, to the lowest responsible bidder, or they may reject any or all bids. Contracts for the
730 purchase of material shall be awarded to the lowest responsible bidder. Any person or persons to
731 whom a contract is awarded shall provide the board with bonds under Sections 14-1-18 and
732 63-56-38. The work shall be done under the direction and to the satisfaction of the engineer, and
733 subject to the approval of the board of [supervisors] trustees. This section does not apply in the
734 case of any contract with the United States.

735 (2) If any payment on a contract with a private contractor for the construction of works
736 under this section is retained or withheld, it shall be retained or withheld and released as provided
737 in Section 13-8-5.

738 Section 15. Section **17A-2-532** is amended to read:

739 **17A-2-532. Debt limitation.**

740 The board of [supervisors] trustees or other officers of the district shall have no power to

741 incur any debt or liability whatever, either by issuing bonds or otherwise, in excess of the express
742 provisions of this part. A debt or liability incurred in excess of provisions of this part shall be and
743 remain absolutely void, except that for the purposes of organization or for the purposes of this part
744 the board of [supervisors] trustees may, before the collection of the first annual taxes, cause
745 warrants of the district to issue, bearing interest not exceeding 8% per annum. The limit of the
746 fund for such purposes shall be an amount the equivalent of an average of \$1.50 per acre
747 throughout the district, and it shall be the duty of the board of [supervisors] trustees, in the
748 preparation of the first annual budget, to make provision for the payment of all such warrants and
749 the interest thereon. To meet such expenses, or to cover delinquencies in any annual tax, or in
750 anticipation of the collection of taxes, the board of [supervisors] trustees may incur indebtedness
751 by borrowing money or otherwise, not exceeding the taxes for the current year, and as evidence
752 of such indebtedness may issue warrants or negotiable notes of the district payable in not more
753 than one year from date thereof, and bearing interest not exceeding 8% per annum. Any such
754 indebtedness permitted by this section shall in no sense be the personal obligation of the board of
755 [supervisors] trustees, but shall constitute a lien upon the lands embraced within [said] the
756 drainage district until paid.

757 Section 16. Section **17A-2-533** is amended to read:

758 **17A-2-533. Board to report -- Public hearing -- Removal from office for failure --**
759 **Notices.**

760 (1) The board of [supervisors] trustees shall report as required in Title 17A, Chapter 1, Part
761 5.

762 (2) (a) After filing the report, the board of [supervisors] trustees shall:

763 (i) call an annual meeting of the owners of land in the district; and

764 (ii) give notice of the time and place of the meeting by posting notices in four different
765 public places within the district at least ten days before the holding of the annual meeting.

766 (b) The board shall:

767 (i) hold the annual meeting at the time and place stated in the notice;

768 (ii) present the budget and a report of the district's operation; and

769 (iii) conduct any other business.

770 (c) The [president] chair of the board of [supervisors] trustees shall act as [chairman] chair
771 of the annual meeting.

772 Section 17. Section **17A-2-534** is amended to read:

773 **17A-2-534. Public uses -- Right of entry on lands -- Prohibitions.**

774 (1) The use of any canal, ditch, or the like, created under the provisions of this part, shall
775 be ~~[deemed]~~ considered a public use and for a public benefit.

776 (2) (a) The ~~[supervisors]~~ trustees or their representatives from the time of their
777 appointment may go upon the lands lying within ~~[said]~~ the district for the purpose of examining
778 the same, and making surveys, and after the organization of ~~[said]~~ the district and payment or
779 tender of compensation allowed, may go upon ~~[said]~~ those lands with their servants, teams, tools,
780 instruments, or other equipment, for the purpose of constructing such proposed work, and may
781 forever thereafter enter upon ~~[said]~~ those lands~~[, as aforesaid,]~~ for the purpose of maintaining or
782 repairing such proposed work, doing no more damage than the necessity of the occasion may
783 require~~[, any]~~.

784 (b) Any person or persons who ~~[shall]~~ willfully ~~[prevent or prohibit]~~ prevents or prohibits
785 any of such persons from entering such lands for the purpose ~~[aforesaid]~~ stated in Subsection (2)(a)
786 shall be ~~[deemed]~~ considered guilty of a misdemeanor and upon conviction be fined any sum not
787 exceeding \$25 per day for each day's hindrance, which sum shall be paid into the county treasury
788 for the use of ~~[said]~~ the district.

789 Section 18. Section **17A-2-535** is amended to read:

790 **17A-2-535. Validation of organization proceedings -- Notice of proposed corrections,**
791 **amendments, or changes in assessment of benefits -- Hearing by county legislative body of**
792 **report of board of supervisors -- Board of equalization -- Increase of drainage benefits and**
793 **taxes -- Lien.**

794 Whenever it ~~[shall appear]~~ appears to the board of ~~[supervisors]~~ trustees that any
795 proceedings for the organization of a drainage district have not been strictly in compliance with
796 law, or if any lands within the district have been erroneously assessed for benefits or taxes, or
797 inequitably assessed for benefits or taxes, or that any assessment of damages or benefits under this
798 part has been made in error as to description, ownership, or acreage intended to be assessed, or if
799 it ~~[shall appear]~~ appears to such board of ~~[supervisors]~~ trustees that the assessment of benefits has
800 been inequitably distributed among the various parcels of land, or unjustly equalized as between
801 the various parcels of land within the district, or that any tract of land, easement or interest in land,
802 public, or private road, railroad or railroad right-of-way, has been included in, or omitted from, any

803 assessment roll of benefits or taxes by reason of clerical error or otherwise, or that proper notice
804 or notices as required by law has not or have not been given, such noncompliance, error, omission
805 or want of notice shall not invalidate such organization, neither shall any such assessments of
806 benefits or taxes be lost to the district in case of any omission, nor shall the board of [supervisors]
807 trustees and the county legislative body be held to have lost jurisdiction to correct such error or
808 omission, or to readjust such assessments of benefits or to redistribute such assessment of benefits
809 upon the various parcels of land and interest in lands within such district, and to justly equalize the
810 same as between various parcels of land and interest in lands within the district, but the board of
811 [supervisors] trustees of such district may report any such conditions and recommend such
812 corrections and changes as such board of [~~supervisors may deem~~] trustees considers necessary to
813 remedy the same; and upon receiving such report and recommendation the [said] county
814 legislative body may make such corrections, amendments or changes in the assessment rolls of
815 benefits and taxes, or correct any error, omission, mistake, inequality or want of sufficient notice,
816 as may be just; provided, that when any correction, amendment or change is sought to be made,
817 notice of such proposed correction, amendment or change in the assessment of benefits and taxes
818 shall be given to all persons affected thereby, in the following manner:

819 The board of [supervisors] trustees of the drainage district shall file with the clerk of the
820 county legislative body of the county wherein the drainage district is located, a verified report
821 containing the proposed corrections, amendments, and/or changes in the assessments of benefits
822 and taxes with their recommendation with respect thereto, to the county legislative body. The
823 county legislative body shall, at its first meeting thereafter, fix a time and place for a hearing on
824 [said] the report and shall cause a notice of the hearing thereon to be published three times if in
825 a daily newspaper, twice if in a semiweekly newspaper and once if in a weekly newspaper, not less
826 than 15 days before [said] the hearing, and when the residence or post-office address of any
827 landowner, whose assessment of benefits or taxes is to be corrected, amended or changed is known
828 the clerk of the county legislative body shall cause a copy of the notice to be sent by United States
829 mail to such landowner, not less than 15 days before the time fixed for the hearing on the report.
830 The notice shall state generally the purpose of the hearing and the time and place where the county
831 legislative body shall meet as a board of equalization to hear and determine any complaint made
832 against such report, corrections, amendments and changes in the assessment roll of benefits and
833 taxes.

834 The county legislative body at the time and place fixed in the notice shall sit as a board of
835 equalization and it shall make and finally determine such corrections, amendments and changes
836 in the roll of assessment of benefits and taxes, as it shall determine after such hearing, and
837 thereafter all such lands, easements or interest in lands shall be assessed in accordance with the
838 assessment roll as thus corrected, amended, or changed; and such changed assessment roll of
839 benefits and taxes shall be the basis of lien upon the parcels of land or interest in land, as corrected,
840 amended or changed, for all district indebtedness. Whenever it shall be made to appear to the board
841 of [supervisors] trustees of the drainage district that any owner or operator of any land within the
842 drainage district has so changed the use of such land so as to increase the benefits received by such
843 land by reason of the construction, maintenance, and operation of the drainage system, the board
844 of [supervisors] trustees of the drainage district shall view each tract of such land and shall
845 carefully consider the increased benefits such tract of land is receiving from the construction,
846 maintenance and operation of the drainage system and shall assess such tract of land in accordance
847 with the increased benefits received by it. After such assessment is made, the secretary of the board
848 of [supervisors] trustees shall transmit the same to the county legislative body and the county
849 legislative body shall within 15 days after receipt thereof, cause not less than 15 days notice to be
850 sent by mail to each landowner in the district whose benefits have thus been increased, showing
851 the amount of the benefits as thus increased on the land owned by the landowner within the
852 district; and stating therein the time and place where the county legislative body shall meet as a
853 board of equalization to hear and determine complaints made against such increased assessments.
854 At such hearing any landowner upon whose lands the benefits are thus increased may appear and
855 oppose such increase or any part thereof. The county legislative body shall sit as a board of
856 equalization of the increased drainage benefits and taxes, and shall equalize and determine the
857 assessment of benefits and taxes to be made and levied upon such tract of land within the district.
858 Such increased assessment of benefits shall be the basis of a lien upon such lands within the
859 district for all district indebtedness and taxes.

860 Section 19. Section **17A-2-536** is amended to read:

861 **17A-2-536. Compensation -- Conflict of interest -- Penalties.**

862 Any engineer employed under the provisions of this part shall receive such compensation
863 as shall be fixed and determined by the board of [supervisors. ~~Each member of the board of~~
864 ~~supervisors shall receive as compensation a sum not to exceed \$6 per diem and actual expenses~~

865 incurred in the performance of his duty] trustees. The salaries and all costs and expenses of the
866 district shall be paid by the order of the board of [supervisors] trustees out of the district treasury
867 from drainage funds collected for that purpose upon warrants drawn by the secretary and signed
868 by the [~~president. No supervisor~~] chair. No trustee or any officer named in this part shall in any
869 manner be financially interested directly or indirectly in any contract awarded or to be awarded by
870 the board, or in the profits to be derived therefrom; nor shall receive any bond, gratuity or bribe;
871 and for any violation of this provision such officer shall be [~~deemed~~] considered guilty of a felony
872 and upon conviction therefor [he] shall forfeit [his] the officer's office and be punished by a fine
873 not exceeding \$5,000, or by imprisonment in the penitentiary for a term of not less than one or
874 more than five years.

875 Section 20. Section **17A-2-537** is amended to read:

876 **17A-2-537. Appointment of trustee -- Vacancy -- No more than two trustees from**
877 **same county in multicounty district.**

878 (1) The county legislative body shall appoint [supervisors] trustees and fill vacancies by
879 following the procedures and requirements of Title 17A, Chapter 1, Part 3.

880 (2) If the lands in the drainage district are situated in different counties, not more than two
881 of the members of the board of [supervisors] trustees shall be from any one of those counties.

882 Section 21. Section **17A-2-540** is amended to read:

883 **17A-2-540. Right-of-way -- Highways and railroads may be assessed -- Assessment**
884 **of governmental units.**

885 (1) The board of [~~supervisors shall have the right to~~] trustees may use any part of the
886 right-of-way of any public highway, road or street, for the purpose of the work to be done,
887 provided such use will not permanently destroy or materially impair such public highway, road or
888 street for public use[; and if].

889 (2) (a) If in the judgment of the board of [supervisors] trustees any public highway, road
890 or street, or any railroad right-of-way or any part of the same is or will be [~~benefited~~] benefitted
891 by the drainage canals and works to be constructed[;]:

892 (i) or that have been constructed, benefits and taxes shall be assessed and equalized against
893 such public highway, road, street, or railroad right-of-way in the same manner as against lands in
894 private ownership within the district and such public highways, roads and streets and railroad
895 rights of way are in all respect subject to the provisions of the drainage laws of this state; and

896 (ii) the state, county, city or town having control of such public highway, road or street or
897 the owner of such railroad right-of-way shall pay the taxes assessed and equalized against the same
898 irrespective of whether or not it owns the fee simple title to the land covered by such highway,
899 road or street, or railroad right-of-way[; provided however that].

900 (b) Notwithstanding Subsection (2)(a), the state shall not be required to pay any such taxes
901 for the years prior to 1955.

902 Section 22. Section **17A-2-541** is amended to read:

903 **17A-2-541. Bridges and culverts across highways and railroads.**

904 (1) The board of [~~supervisors is hereby authorized and empowered to~~] trustees may make
905 all necessary bridges and culverts across or under any public highway or railroad right-of-way, to
906 enable it to construct and maintain any canal, drain, or ditch necessary to be constructed as a part
907 of the drainage system of such district, such bridges or culverts to be paid for by the drainage
908 district[; provided, however, that].

909 (2) (a) Before the board exercises the power granted in Subsection (1), notice shall first
910 be given by such board of [~~supervisors~~] trustees to railway authorities empowered to build or
911 construct bridges and culverts, and the railway company shall be allowed 30 days to build such
912 bridges or culverts, at its own expense, if it should so desire, according to its own plans[; provided,
913 that such].

914 (b) Such bridges or culverts shall be [~~so~~] constructed by railway authorities so as not to
915 interfere with the free and unobstructed flow of water, passing through the canal or drain, and shall
916 be placed at such points as are indicated by the drainage engineer.

917 Section 23. Section **17A-2-543** is amended to read:

918 **17A-2-543. Contractual powers -- Bond issues -- Elections -- Limitations -- Uses.**

919 Whenever the board of [~~supervisors deem~~] trustees considers it expedient it shall have
920 power, for the purpose of constructing drains, drainage canals and other required improvements
921 necessary to drain lands in [~~said~~] the district or conserve the public health or welfare, to make a
922 contract or contracts with the United States providing for the repayment of the principal and such
923 other sums due thereunder at such times as may be agreed upon, or to issue bonds of the district
924 to run not less than five years nor more than 40 years, and to bear interest, payable semiannually,
925 at a rate not exceeding 8% per annum to be called "drainage district bonds," which [~~said~~] bonds
926 shall not be sold for less than 90% of their par value, and the proceeds of which shall be used for

927 no other purpose than paying the cost of constructing such drains, drainage canals, or other like
928 work [~~deemed~~] considered necessary to drain lands within [said] the district, or conserve the public
929 health or welfare. Before such contract or contracts shall be made or bonds shall be issued, the
930 board of [~~supervisors~~] trustees shall request the county legislative body to order, and the county
931 legislative body shall at once order a special election on the question of the issuance of bonds. The
932 persons authorized to vote in, the giving of notice, the forms of ballots, and the manner of holding
933 the election, and canvassing the results of the election, shall be as provided in the Utah Municipal
934 Bond Act. The expenses of such election shall be paid out of the funds belonging to [said] the
935 drainage district. The terms and times of payment of the bonds so issued shall be fixed by the
936 board of [~~supervisors. Said~~] trustees. The bonds shall be issued for the benefit of the district
937 authorizing [said] the issue and shall bear the name and number of [said] the district. The board
938 of [~~supervisors~~] trustees shall keep a record of the bonds issued and sold or otherwise disposed of,
939 and such record will also show the lands embraced in [said] the district. In no case shall the
940 amount of bonds exceed the benefits assessed. Each bond issued shall show expressly upon its face
941 that it is to be paid by a tax assessed, levied, and collected on the lands within the drainage district.
942 [~~Said~~] The board of [~~supervisors~~] trustees shall, by resolution, provide for the issuance and
943 disposal of such bonds and for the payment of the interest thereon, the creation of a sinking fund
944 for the ultimate redemption thereof, and for the date and manner of the redemption of [said] the
945 bonds. [~~Said~~] The board of supervisors may sell or dispose of [said] the bonds either at public or
946 private sale. Before making any such sale, either private or public, the board of [~~supervisors~~]
947 trustees shall give due notice of their intention to sell or dispose of [said] the bonds, by publishing
948 notice of sale at least once a week for four consecutive weeks in some newspaper having general
949 circulation in the state [~~of Utah~~] and in the county where [said] the district is situated, and by
950 publishing in any other publication they [~~may deem~~] consider advisable. The notice shall state that
951 sealed proposals will be received by the board of [~~supervisors~~] trustees at their office, for the
952 purchase of the bonds, until the day and hour fixed by the board of [~~supervisors~~] trustees. At the
953 time appointed the board of [~~supervisors~~] trustees shall open the proposals, and award the purchase
954 of the bonds to the highest responsible bidder, or may reject all bids. In case no bid is made and
955 accepted as above provided, the board of [~~supervisors~~] trustees is hereby authorized to use [said]
956 the bonds for the construction of any ditches, drain or drains, drainage canal or drainage canals,
957 or any other required improvement [~~deemed~~] considered necessary to drain lands or for the public

958 health or welfare.

959 Section 24. Section **17A-2-544** is amended to read:

960 **17A-2-544. Bonds -- Lien on land and improvements.**

961 Whenever any such drainage district bonds [~~shall be~~] are issued, or contract with the United
962 States made, in accordance with the provisions of this part, such bonds or contract, shall constitute
963 a lien upon all of the lands and improvements thereon within the boundaries of the district, to the
964 extent of the total benefits, assessed and equalized, and pledged for such purpose, and not in excess
965 thereof, and the board of [~~supervisors~~] trustees of [~~said~~] the district shall from time to time, as by
966 this part provided, levy a sufficient tax to pay the annual interest charge on such bonds, and in
967 addition thereto, such an amount as a sinking fund which shall, in the course of events and
968 ultimately, amount to a sufficient sum to redeem [~~said~~] the bonds, or in case of contract with the
969 United States, shall levy a sufficient tax to meet all payments due, or to become due thereunder,
970 and in addition thereto, a sufficient tax to pay the interest or penalties on any delinquent payment
971 or payments, as provided in [~~said~~] the contract or as required by the statutes of the United States.

972 Section 25. Section **17A-2-545** is amended to read:

973 **17A-2-545. Bond issue -- Statement attached.**

974 Each bond issue as provided for by Section 17A-2-543, shall be signed by the [~~president~~]
975 chair and secretary of the said board of [~~supervisors~~] trustees, and be attested by the county clerk,
976 and [~~said~~] the clerk shall also make a certified statement thereon, affixing [~~his~~] the clerk's seal of
977 office thereto, of the total amount of the assessment of benefits pledged for the payment of [~~said~~]
978 the bonds and other bonds, if any, issued; the date, number, denomination, and time due of all
979 bonds issued; when the assessment of benefits was confirmed by the county legislative body, and
980 the number of acres of land in the district against which [~~said~~] the assessments were made.

981 Section 26. Section **17A-2-546** is amended to read:

982 **17A-2-546. Organization of districts in cities or towns.**

983 For the purpose of organizing a drainage district, which is wholly within the limits of any
984 incorporated city or town, a like procedure may be followed within such city or town; the petition
985 for organization may be presented to the town board, city council or commissioners; and city or
986 town officers, who exercise functions similar or equivalent to the functions of the respective
987 county officers named in this part, shall exercise the same functions with respect to the
988 organization, administration and control of such district, and shall have the same powers in all

989 respects, as such similar or equivalent county officers, with respect to the appointment,
990 qualification and removal of district [supervisors] trustees, the giving of notices, the holding of
991 hearings, issuing of proclamations, fixing boundaries, calling district elections, equalizing
992 assessments of benefits and taxes, certifying bond issues, and doing such other acts or things as
993 will put into effect the provisions of this part in any such district within such city or town, and so
994 as to give to any such city or town, and the officers thereof, the same powers and duties as are had
995 and exercised by a county, and the county officers; provided that, except as varied to meet the
996 requirements of this section, all other provisions of this part shall govern any such district
997 organized pursuant to this section.

998 Section 27. Section **17A-2-547** is amended to read:

999 **17A-2-547. Refunding bonds -- Time limit.**

1000 Any bond or bonds heretofore or hereafter issued by any drainage district may be refunded
1001 at any time by such drainage district when a lower rate of interest or better terms can be obtained,
1002 or to provide means for the payment of maturing bonds. Such refunding bonds may be issued by
1003 resolution of the board of [supervisors] trustees without an election, and may be sold by the board
1004 in such manner and on such terms as it may [~~deem~~] consider for the best interests of the district.
1005 Payment of such refunding bonds shall be provided for in the same manner as the bonds so
1006 refunded, and all statutory and other liens and rights existing under the original issue shall extend
1007 to and apply to [said] the refunding bond; provided, that refunding bonds shall mature in not
1008 exceeding 40 years from date of issue.

1009 Section 28. Section **17A-2-548** is amended to read:

1010 **17A-2-548. Duties of trustees -- Equalizations.**

1011 (1) The board of [supervisors] trustees shall, as soon as may be, view each tract of land
1012 within the district, and shall carefully consider all of the damages and benefits that each particular
1013 tract of land will receive from the construction and maintenance of such drainage system, and
1014 assess each tract of land in accordance with the benefits to be received by it, making proper
1015 allowance for damage, if there be any.

1016 (2) After such assessment is made up, the secretary of the board of [supervisors] trustees
1017 shall transmit the same to the county legislative body and the county legislative body shall within
1018 15 days after receipt thereof, cause not less than 15 days' notice to be sent by mail to each
1019 landowner in the district of the amount of benefits assessed upon the land owned by him within

1020 the district; and stating therein the time and place where the county legislative body shall meet as
1021 a board of equalization to hear and determine complaints made against such assessments.

1022 (3) The county legislative body shall sit as a board of equalization of drainage district
1023 benefits and taxes, and shall equalize and finally determine the assessments of benefits and taxes
1024 to be made and levied upon each tract of land within the district. Such assessments of benefits shall
1025 be the basis of liens upon the lands within the district for all district indebtedness.

1026 Section 29. Section **17A-2-549** is amended to read:

1027 **17A-2-549. Estimates for construction -- Debts -- Sinking fund -- Levy.**

1028 The board of [supervisors] trustees shall, on or before the first Monday in March of each
1029 year, prepare a statement and estimate of the amount of money to be raised by taxation within
1030 [said] the district for the purpose of constructing canals, drains, drain ditches, and other works, and
1031 maintaining the same; liquidating district warrants and notes and paying interest thereon, paying
1032 the interest on the bonded indebtedness of the district; creating a sinking fund for redeeming such
1033 bonds; meeting all payments due or to become due under any contract between the district and the
1034 United States; and for the purpose of maintaining and repairing drainage canals, flumes, and
1035 conduits, bridges, culverts and other works within [said] the district; and for the management and
1036 control of such drainage system; and shall levy the entire amount required in each year against the
1037 lands within [said] the district in proportion to the equalized benefits and after adding [~~15 per cent~~]
1038 15% of each amount to the respective assessments to provide for incidentals and possible
1039 delinquencies, shall certify the same to the county assessor of the county within which such district
1040 is located.

1041 Section 30. Section **17A-2-550** is amended to read:

1042 **17A-2-550. Addition of delinquent taxes in case of contract with the United States.**

1043 In case of contract with the United States government, the board of [supervisors] trustees
1044 may add to such statement and estimate as provided for in Section 17A-2-549, a sufficient amount
1045 to cover any deficit due the United States that may have resulted from nonpayment of delinquent
1046 taxes or assessments for any preceding year; and provided further that in the case of contract with
1047 the United States government it may be provided by contract between the district and the United
1048 States, that assessments shall conform to the requirements of the federal reclamation laws now
1049 enacted or which may hereafter be enacted, and particularly the Act of December 5, 1924, Public
1050 Law No. 292; and that assessments may thereafter be made accordingly.

1051 Section 31. Section **17A-2-551** is amended to read:

1052 **17A-2-551. Attendance of officials.**

1053 The county legislative body, when sitting as a board of equalization of drainage district
1054 benefits, may require the presence of the board of [supervisors] trustees and the engineer of the
1055 drainage district. If the drainage district be in more than one county, the [supervisor or supervisors]
1056 trustee or trustees resident within the county may be required to attend.

1057 Section 32. Section **17A-2-552** is amended to read:

1058 **17A-2-552. Drainage district taxes.**

1059 [~~It shall be the duty of the~~] The county assessor [~~to~~] shall place upon the assessment roll
1060 drainage district taxes as certified by the board of [~~supervisors. It shall be the duty of the~~] trustees.
1061 The county treasurer [~~to~~] shall collect such taxes at the same time and in the same manner that the
1062 county taxes are collected, and pay the same to the treasurer of the board of [supervisors] trustees
1063 as soon as moneys are received [~~by him. It shall be the further duty of the~~]. The county treasurer
1064 shall, after the first day of December and prior to the last day of December of each year, [~~to~~] make
1065 a written report to the treasurer of each drainage district located within the county, setting forth the
1066 amount of taxes paid and the amount of delinquent taxes levied by the district for the current year,
1067 and [~~given~~] giving in detail the names of delinquent landowners and the descriptions of lands upon
1068 which such taxes are delinquent.

1069 Section 33. Section **17A-2-553** is amended to read:

1070 **17A-2-553. Taxes considered lien -- Sale of property -- Time of redemption -- Notice**
1071 **-- Penalty -- Record.**

1072 All drainage taxes levied and assessed under the provisions of this title shall attach to and
1073 become a lien on the real property assessed from and after the second Monday in March. Drainage
1074 taxes shall become due and delinquent at the same time, and shall be collected by the same officers
1075 and in the same manner and at the same time as state and county taxes, and when collected shall
1076 be paid to the treasurer of the board of [supervisors] trustees. The revenue laws of this state for
1077 the assessment, levying and collecting of taxes on real estate for county purposes, except as herein
1078 modified, shall be applicable for the purposes of this part, including the enforcement of penalties
1079 and forfeiture for delinquent taxes; provided, that lands sold for delinquent district taxes shall be
1080 sold separately for such tax and a separate certificate of sale shall issue therefor, and provided
1081 further that the period of redemption from sale for taxes under this part, shall be four years. At the

1082 same time and in the same manner as the county treasurer publishes the delinquent tax list for state
1083 and county taxes in each year, the county treasurer [must] shall publish a delinquent drainage tax
1084 list, which [must] shall contain the names of the owners, when known and a description of the
1085 property delinquent or subject to lien of drainage district taxes with the amount of taxes due
1086 exclusive of penalty. The county treasurer [must] shall publish with such list a notice, each year,
1087 that unless the delinquent drainage taxes, together with the penalty, are paid before the date for tax
1088 sales for state and county taxes the real property upon which such taxes are a lien will be sold for
1089 taxes, penalty and costs, beginning on [said] the date, at the front door of the county courthouse.
1090 The delinquent list shall be published three times if in a daily newspaper, twice if in a semiweekly
1091 and once if in a weekly newspaper. On the date for tax sales for state and county taxes each year,
1092 the county treasurer shall expose for sale, between the hours of [ten] 10 a.m. and [three] 3 p.m.
1093 sufficient of all delinquent real estate to pay the drainage district taxes, penalty and costs for which
1094 such real estate is liable, at public auction, at the front door of the county courthouse, and sell the
1095 same to the highest responsible bidder for cash, and the county treasurer shall continue to sell from
1096 day to day between such hours until the property of all delinquents is exhausted or the taxes,
1097 penalty and costs are paid. In offering such real estate for sale the treasurer shall offer the entire
1098 tract assessed, and the first bid received in an amount sufficient to pay the taxes and costs shall be
1099 accepted unless a further bid in the same amount for less than the entire tract shall be received; and
1100 the highest and best bid shall be construed to mean the bid of that bidder who will pay the full
1101 amount of the taxes and costs for the smallest undivided portion of [said] the real estate. After
1102 receiving a bid for the full amount of the taxes [~~and costs it shall not be the duty of~~], the treasurer
1103 is not required to attempt to secure a higher bid, but [he] shall accept it if made. The treasurer shall
1104 make a record of all sales of real property in a book to be kept by [him] the treasurer for that
1105 purpose therein describing the several parcels of real property on which the taxes and costs were
1106 paid by the purchasers, in the same order as the published list of delinquent sales contained in the
1107 list of advertisements on file in [his] the treasurer's office. Separate columns shall also be provided
1108 in [said] the record in which the treasurer shall enter the description of any tract sold that is less
1109 than the entire tract on which the taxes are due, the date of sale, to whom sold, the penalty, and
1110 costs, and the date of redemption. The purchaser shall [~~be required to~~] pay the penalty to the
1111 county treasurer, which penalty shall in all cases accrue to the benefit of the drainage district.
1112 When all sales have been made the county treasurer shall file the record in [his] the treasurer's

1113 office, in looseleaf bound form. ~~[It shall be the duty of the]~~ The county treasurer ~~[to]~~ shall issue
1114 a receipt to any person paying drainage district taxes on an undivided interest in real estate,
1115 showing the interest on which taxes are paid, and in case any portion of the drainage district taxes
1116 on such real estate remains unpaid, ~~[it shall be the duty of]~~ the treasurer ~~[to]~~ shall sell only such
1117 undivided interest in ~~[said]~~ the real estate as belongs to the co-owners who have not paid their
1118 portion of the taxes. In absence or default of purchaser at any such public sale of drainage district
1119 taxes, the drainage district in which taxes are delinquent shall become the purchaser and shall
1120 receive from the county treasurer the tax sale certificate of the real property on which drainage
1121 district taxes are delinquent upon the same terms upon which the county receives tax sales
1122 certificates on sales for delinquent state and county taxes and shall hold the same in the same
1123 manner as an individual may hold real property upon which state or county taxes are delinquent,
1124 subject to the same rights of redemption. In all respects, a drainage district shall be the beneficiary
1125 of taxes assessed and levied by it, provided, however, that county treasurer shall retain the costs
1126 and expense provided by law for the advertisement, sale and redemption of drainage district taxes.

1127 Section 34. Section **17A-2-555** is amended to read:

1128 **17A-2-555. Statement of indebtedness to be procured -- Fees -- Filing -- Discharge**
1129 **of lien.**

1130 (1) Any person or persons, bank or banks, corporation or corporations or other
1131 organization or any mortgagee or other lien holder desiring to pay the unpaid equalized drainage
1132 district benefit assessments and/or taxes against any tract, lot or parcel of land in any drainage
1133 district may apply to the secretary of the board of ~~[supervisors]~~ trustees of the drainage district for
1134 a written statement of the unpaid amount of the same together with accrued interest thereon, and
1135 ~~[it shall be the duty of]~~ the secretary of such drainage district ~~[to]~~ shall execute and deliver to such
1136 applicant, on payment of a fee of \$1, such a statement duly certified to under ~~[his]~~ the secretary's
1137 hand and the seal of the district, and the applicant shall then present and file the same with the
1138 county treasurer of the county in which such tract, lot or parcel of land is located, and when so
1139 filed and when payment in full of the unpaid amount of equalized drainage district benefit
1140 assessments and taxes is paid, either in lawful money of the United States, or drainage district
1141 bonds, notes, warrants, or matured interest coupons as herein provided, the county treasurer shall
1142 issue and deliver to such applicant a receipt in duplicate for the amount of such payment, stating
1143 therein the amount paid and whether paid in lawful money of the United States or in bonds, notes,

1144 warrants or matured interest coupons of the district, and upon presentation and filing of one copy
1145 of such a receipt with the treasurer of the drainage district, showing payment in full of the unpaid
1146 equalized benefit assessments and/or taxes against any such tract, lot or parcel of land, [~~it shall be~~
1147 ~~the duty of such]~~ the drainage district [~~to~~] shall issue and deliver to the person or persons, bank or
1148 banks, corporation or corporations or other organizations or to such mortgagee or lien holder
1149 making such payment a written release and discharge releasing such tract, lot or parcel of land
1150 from all other and further liability for the payment of any of the then existing bonded indebtedness
1151 of the district or any bonds thereafter given to refund the same, or any notes or warrants theretofore
1152 or that may thereafter be issued for the payment of any interest on such bonds or such refunded
1153 bonds, and releasing and discharging [~~said~~] the land from any and all other liability for the payment
1154 of the same or any part thereof, and releasing and discharging such tract, lot or parcel of land from
1155 the payment of any of the unpaid equalized drainage district assessment of benefits and taxes and
1156 from the lien of the benefit assessment roll as equalized and finally determined by the county
1157 legislative body of the county in which such tract, lot or parcel of land is located[~~; and such tract,~~
1158 ~~lot or parcel of land shall not thereafter be assessed by such drainage district except for the~~
1159 ~~purposes of maintenance and supervision, provided, all assessments or taxes other than those~~
1160 ~~levied for payment of bond, interest or principal shall be payable only in lawful money of the~~
1161 ~~United States, or in warrants of the district issued within the same calendar year in which the~~
1162 ~~warrants are tendered].~~

1163 (2) (a) Such tract, lot, or parcel of land may not thereafter be assessed by the drainage
1164 district except for the purposes of maintenance and supervision.

1165 (b) All assessments or taxes other than those levied for payment of bond, interest, or
1166 principal shall be payable only in lawful money of the United States, or in warrants of the district
1167 issued within the same calendar year in which the warrants are tendered.

1168 Section 35. Section **17A-2-556** is amended to read:

1169 **17A-2-556. Form of release and discharge.**

1170 Such release and discharge shall be substantially in the following form:

1171 Release and discharge from liability for payment of the bonded indebtedness of ____
1172 drainage district in ____ county, Utah, and from the lien of the equalized assessment of benefits
1173 and taxes and the benefit assessment roll.

1174 Whereas, on the ____ day of ____, [19] 20 __, ____ (the owner, part owner, mortgagee or

1206 by me duly sworn, did say that he is the [president] chair of ____ drainage district which executed
1207 the above and foregoing instrument and that [said] the instrument was signed in behalf of [said]
1208 the drainage district by authority of a resolution of its board of [supervisors] trustees, and [said]
1209 ____ acknowledged to me that [said] the drainage district executed the same.

1210 _____
1211 Notary Public.
1212 My Commission expires: ____ Residing at: ____.

1213 Section 36. Section **17A-2-560** is amended to read:

1214 **17A-2-560. Land redeemed when lien discharged -- Lien priority -- Foreclosure.**

1215 Where it appears that the lien of all bond issues outstanding in any drainage district in the
1216 state of Utah, has been discharged and released of record with relation to any parcel or parcels of
1217 land within any drainage district as shown by the equalized benefit assessment roll of [said] the
1218 district by the payment in full of such equalized drainage district benefit assessment, together with
1219 matured interest thereon, lands and improvements sold to a drainage district for delinquent
1220 drainage district taxes or assessments may be redeemed by any person interested in the property,
1221 either as owner or lien holder, at any time while the district holds the tax sale certificate of such
1222 sale and prior to the execution of auditor's tax deed, by the payment of such taxes or assessments
1223 for the delinquency for which the property is sold, together with all unpaid drainage district taxes
1224 or assessments subsequently levied against such lands and improvements and all interest, costs and
1225 penalties, unless in the judgment of the board of [supervisors] trustees of the drainage district and
1226 the county legislative body of the county wherein the land is situated, the interest of the drainage
1227 district will be best subserved by accepting a lesser sum in which case such lesser sum, to be fixed
1228 by the county legislative body, shall be accepted.

1229 Any party in interest as owner or lien holder redeeming property as provided herein shall
1230 have a lien thereon in the amount so paid, with interest after such payment, which lien shall have
1231 the same priority as the tax lien of the district and may be foreclosed by an action in the district
1232 court in the same manner as provided by law for the foreclosure of a mortgage.

1233 Section 37. Section **17A-2-561** is amended to read:

1234 **17A-2-561. Petition for dissolution -- Notice -- Hearings -- Objections -- Liquidation**
1235 **of indebtedness.**

1236 [~~That any~~] (1) A drainage district may be dissolved by an order of the district court of the

1237 county wherein the same is located, and if located in more than one county, then by an order of the
1238 district court in the county wherein the major portion of the land within [said] the district is
1239 located, upon a hearing had upon a verified petition filed with the county clerk of such county
1240 praying for such dissolution and signed by the owners of a majority of the acreage of lands
1241 embraced within the district.

1242 (2) (a) Before [said] a hearing [shall] may be had, the clerk of [said] the court, upon fees
1243 and costs being advanced therefor, shall cause notice of such hearing to be given by posting notices
1244 in six public places in the district sought to be dissolved for a period of four weeks prior to the date
1245 of hearing [said] the petition and by publishing a copy thereof in a newspaper of general circulation
1246 in the county in which such district or major portion thereof is located once a week for four
1247 successive weeks prior to such hearing. [~~Such~~]

1248 (b) The notice under Subsection (2)(a) shall specify the district to be dissolved, the date,
1249 time and place of the hearing of such petition, and shall provide that all persons[;] who have any
1250 objections to the dissolution of [said] the district shall file such objections in writing in the office
1251 of [said] the clerk of [said] the court and serve a copy thereof upon the [supervisors] trustees of
1252 [said] the district at or prior to the date of [said] the hearing, and all persons who have any claims
1253 against [said] the district[;] must present the same duly itemized and verified by the affidavit of
1254 the claimant at or prior to the time of [said] the hearing or be forever barred from thereafter
1255 asserting [said] those claims, and [said] the notice shall be signed by the clerk of [said] the court.

1256 (3) (a) The petition shall be verified by at least three of the petitioners [~~and said~~].

1257 (b) The verification shall set forth that the petition is signed by the owners of a majority
1258 of the acreage within such district.

1259 (4) No district shall be dissolved until all indebtedness of such district [~~shall have~~] has
1260 been paid or until provision has been made for the payment thereof, either by the levying and
1261 collecting of assessments, or by money advanced by petitioners, or by depositing a sufficient bond,
1262 to be approved by the court, with the clerk of the court, which provides for and secures the
1263 payment of all such indebtedness, or by other means approved by the court.

1264 Section 38. Section **17A-2-563** is amended to read:

1265 **17A-2-563. Statement of assessment levied, collected and uncollected, and of**
1266 **indebtedness filed with clerk.**

1267 Upon the filing of the petition or within 20 days thereafter, the [supervisors] trustees of

1268 [said] the drainage district shall file with the clerk of the court in which [said] a petition under
1269 Section 17A-2-561 is filed a detailed statement of the annual assessments levied for each year
1270 since the organization of the district and the payments made thereon by each landowner and the
1271 amounts unpaid and outstanding against all lands within [said] the district and also a statement of
1272 the indebtedness of [said] the drainage district as [same] it appears upon the books of the district,
1273 with the names of the creditors, the nature, date and amount of their respective claims [~~also~~], and
1274 a statement of the district bonded and other indebtedness of such drainage district at the time of
1275 the filing of such petition.

1276 Section 39. Section **17A-2-566** is amended to read:

1277 **17A-2-566. Payment discharges lien, excepting liens for prior assessments.**

1278 Upon the final determination by the court of the amount or portion of the district's
1279 indebtedness, costs, and expenses to be paid by any given acreage or tract of ground and upon the
1280 payment of the amount so determined in accordance with such determination and within the time
1281 and in the manner hereinafter specified the court shall enter a decree discharging [said] the land
1282 from all lien, tax, assessment, and obligation imposed upon [said] the land by reason of the
1283 organization of [said] the district and the assessments levied by [said] the district. Nothing in this
1284 part however shall be construed in the absence of such payment so as to impair or release any lien
1285 the district may have acquired or to which it may be entitled against any land within the district
1286 by reason of assessments heretofore made and all rights to enforce such liens as such rights now
1287 exist are expressly preserved and maintained and nothing in this part shall be construed so as to
1288 prevent the [supervisors] trustees of [said] the district from carrying out their duties in the same
1289 for nonpayment of assessments of any land within the district upon which the drainage district
1290 assessments have not been paid.

1291 Section 40. Section **17A-2-609** is amended to read:

1292 **17A-2-609. Trustees -- Election or appointment -- Countywide fire protection district**
1293 **-- Other provisions applicable.**

1294 (1) [~~Except as provided in Subsection (b), there shall be three~~] Members of a fire
1295 protection district [~~commissioners for each district~~] board of trustees shall be appointed or elected
1296 according to the procedures and requirements of Title 17A, Chapter 1, Part 3.

1297 (2) (a) As used in this Subsection (2), a "countywide fire protection district" means a fire
1298 protection district that includes all of the county except first and second class cities.

1299 (b) If a complete county organizes into a countywide fire protection district, the county
1300 legislative body of that county is the fire protection district [~~commission~~] board of trustees for as
1301 long as the county remains a countywide fire protection district.

1302 [~~(c) The fire commissioners shall serve without compensation, but shall receive necessary~~
1303 ~~expenses in attending meetings and other district business.~~]

1304 (3) (a) The provisions of Title 17B, Chapter 2, Part 4, Board of Trustees, apply to each fire
1305 protection district to the same extent as if the fire protection district were a local district under Title
1306 17B, Chapter 2, Local Districts.

1307 (b) (i) If a change in the number of board of trustees members is necessary to comply with
1308 the requirements of Subsection 17B-2-402(1), the board of trustees may by majority vote,
1309 notwithstanding Subsection 17B-2-402(3), change the number of board members to the next odd
1310 number higher or lower than the number of current board members.

1311 (ii) If a change under Subsection (3)(b)(i) decreases the number of board members, the
1312 change may not take effect until the expiration of the term of the member whose term next expires.

1313 (c) If a change in the length or expiration date of the term of a board of trustees member
1314 is necessary to comply with the requirements of Subsection 17B-2-403(2), the change may not take
1315 effect until the expiration of the term of the member whose term length or expiration date is to be
1316 changed.

1317 Section 41. Section **17A-2-610** is amended to read:

1318 **17A-2-610. Separate meetings -- County clerk may be secretary.**

1319 [~~The fire commissioners shall organize as a board and shall elect a chairman from their~~
1320 ~~number and shall appoint a secretary and a treasurer. In the event]~~

1321 (1) If the county legislative body [~~become~~] becomes the fire protection district
1322 [~~commissioners~~] board of trustees as provided for in Section 17A-2-609, meetings as [~~fire~~
1323 protection commissioners] the board of trustees shall be held separate and apart from meetings as
1324 the county legislative body.

1325 (2) The board of [~~fire commissioners~~] trustees, at its discretion, may provide that until
1326 further order of the board, the county clerk shall be ex officio secretary of the board and may
1327 similarly provide that the county treasurer shall be ex officio treasurer of the board. [~~If the board~~
1328 appoints its own secretary and treasurer, it may combine the two offices. The county legislative
1329 body shall require all officers and employees who shall be charged with the handling of funds of

1330 the district to furnish good and sufficient surety bonds, or the board in its discretion may provide
1331 for a blanket surety bond covering all such officers and employees. All such bonds shall be at the
1332 expense of the district.]

1333 Section 42. Section **17A-2-613** is amended to read:

1334 **17A-2-613. Office of the board of trustees -- Principal places of business of district.**

1335 The office of the [fire commissioners] board of trustees and principal places of business
1336 of the district shall be within [said] the district or at some place within the county in which the
1337 district is situated and as near as possible to [said] the district. [The board shall hold regular
1338 monthly meetings at their office on such day as they, by resolution previously adopted, shall
1339 determine, and may adjourn such meetings as may be required for the proper transaction of
1340 business. Special meetings of the board may be called at any time by a majority of the
1341 commissioners or by the secretary and the chairman of the board. Any fire commissioner not
1342 joining in the call of a special meeting shall be entitled to a three day written notice by mail of the
1343 same, specifying generally the business proposed to be transacted at said special meeting, but,
1344 when at any special meeting of the board all members are present, lack of previous notice thereof
1345 shall not invalidate the proceedings. All meetings of the fire commissioners shall be public and
1346 a majority shall constitute a quorum for the transaction of business. All records of the board shall
1347 be open to the inspection of any person at any reasonable time. The board shall have the power
1348 and it shall be the duty of the board to adopt a seal of the district, to manage and conduct business
1349 affairs of the district, to make and execute all necessary contracts, to employ any necessary service
1350 and to establish and promulgate reasonable rules and regulations for the government of the district
1351 and for the performance of its functions and generally to perform all such acts as may be necessary
1352 fully to carry out the objects of the creation of the district.]

1353 Section 43. Section **17A-2-614** is amended to read:

1354 **17A-2-614. Annexation of contiguous territory -- Procedure -- Petition -- Special**
1355 **election.**

1356 (1) Territory contiguous with a fire protection district may be annexed to the district as
1357 provided in this section.

1358 (2) (a) Annexation is initiated by filing a petition signed by 25% or more of the owners of
1359 real property within the territory proposed to be annexed.

1360 (b) The petition shall be filed with the [fire commissioners] board of trustees of the fire

1361 protection district.

1362 (c) If the ~~[fire commissioners concur]~~ board of trustees concurs with the petition, ~~[they]~~
1363 it shall then file the petition with the county legislative body.

1364 (3) (a) Except as provided in Subsection (3)(b), the proceedings by the county legislative
1365 body shall be the same as for the organization of a district under this part, except that the special
1366 election shall be held only within the boundaries of the territory proposed to be annexed to the fire
1367 protection district.

1368 (b) Notwithstanding Subsection (3)(a), if a petition filed under Subsection (2)(a) has been
1369 signed by all the owners of real property within the territory proposed to be annexed:

1370 (i) the hearing requirements of Sections 17A-2-603 and 17A-2-604 and the election
1371 requirements of Section 17A-2-605 and 17A-2-606 do not apply; and

1372 (ii) immediately upon receipt of the petition from the fire protection district commissioners
1373 under Subsection (2)(c), the county legislative body shall by resolution declare the territory to be
1374 annexed to the fire protection district.

1375 Section 44. Section **17A-2-615** is amended to read:

1376 **17A-2-615. Association to encourage uniformity and coordination of programs --**
1377 **Contracts between two or more fire protection districts.**

1378 ~~[Any fire protection district organized under this part shall, in addition to the powers stated~~
1379 ~~in Section 17A-2-611, have authority:]~~

1380 (1) ~~[To]~~ In addition to the powers stated in Section 17A-2-611, a fire protection district
1381 organized under this part may contract with any fire protection district, or with any town, city or
1382 municipal corporation or governmental agency or private person or persons to consolidate or
1383 cooperate for mutual fire fighting protection and prevention purposes; or, for mutual fire fighting,
1384 protection and prevention purposes only, may annex or become annexed to any city or town or
1385 governmental agency already provided with fire fighting and protection equipment and fire
1386 protection service upon terms which may be mutually agreed upon. Any city, town, municipal
1387 corporation or governmental agency may contract with a fire protection district established and
1388 maintained under the provisions of this part for the purpose of affording such district fire fighting
1389 and protection equipment and service or fire prevention facilities, and in so contracting the district,
1390 city, town, municipal corporation or other governmental agency shall be deemed for all purposes
1391 to act within its governmental capacity. Any fire protection district established and maintained

1392 under the provisions of this part, or any city, town, municipal corporation or other governmental
1393 agency is hereby authorized to contract with any person, firm or corporation for the purpose of
1394 affording fire fighting, protection or fire prevention facilities to such person, firm or corporation
1395 and such contractual relation shall be deemed for all purposes to be within the governmental power
1396 of such fire protection district, city, town, municipal corporation, or other governmental agency;

1397 (2) [Fire] In addition to the powers stated in Section 17A-2-611, fire protection districts
1398 situated in different counties may contract to operate jointly in carrying out the objects of their
1399 creation. Contracts for joint operation may provide for joint ownership of property and equipment,
1400 and may authorize a joint board of [~~fire commissioners~~] trustees of the contracting districts to
1401 manage the affairs of the joint operations; to employ and discharge the necessary agents and
1402 employees and fix their respective wages and salaries; to provide and designate a suitable place
1403 within [said] the districts or at some place in which any of the contracting districts is situated as
1404 near as possible to said districts, as a regular meeting place for the joint board; to incur the
1405 necessary expenses and direct the payment therefor from the funds of the contracting districts in
1406 such proportions as the joint boards shall determine; and to do all things as may in the judgment
1407 of the joint board, be required to carry out the joint operations of the contracting districts.

1408 The joint board shall consist of the members of the boards of the contracting districts and
1409 a majority of the membership of each district board shall constitute a quorum for the transaction
1410 of the business of the joint board. The members of the boards of [~~fire commissioners~~] trustees of
1411 the contracting districts shall organize a joint board annually in January after the second Monday
1412 thereof, elect a [~~chairman~~] chair and appoint a secretary for the ensuing year. Any member of the
1413 board of any contracting district may act as secretary of the joint board or the joint board may
1414 appoint such other person as the joint board may determine. The joint board shall prepare the
1415 annual budget for the joint operation of the contracting districts and shall determine the share of
1416 revenues for the joint operation to be raised by each district and the share of the expense of joint
1417 operation to be paid by each district in the ensuing year, and the secretary of the joint board shall
1418 certify and deliver within the time required by Section 17A-2-617 hereof, a copy of such annual
1419 budget to the county clerk of each county involved and to each of the contracting districts, showing
1420 the part of the budget to be raised by each contracting district, each contracting district shall then
1421 include that part of the budget to be raised by such district within the budget prepared and
1422 submitted to the county legislative body in accordance with Section 17A-2-617.

1423 Contracts for joint operation of fire districts, as herein authorized, shall run from year to
1424 year and as of January 1st may be terminated by written notice of the board of [~~fire commissioners~~
1425 ~~or~~ trustees of any contracting district to the other contracting district or districts on or before July
1426 1st and the contract for joint operations shall terminate on January 1st following: Provided, that
1427 all obligations of the joint operations must be paid or definitely arranged for before contract
1428 termination and no notice of termination shall relieve any contracting district of its unpaid
1429 obligation incurred under the contract for joint operation[;].

1430 (3) To encourage uniformity and coordination of fire protection district operation
1431 programs, the [~~fire commissioners~~] board of trustees of two or more fire protection districts may
1432 form an association thereof for the purpose of securing data and information of value in fighting
1433 and in preventing fires; hold and attend meetings thereof; and promote more economical and
1434 efficient operation of the associated fire protection districts. The [~~directors~~] trustees of fire
1435 protection districts so associated shall adopt articles of association, select a [~~chairman~~] chair and
1436 secretary and such other officers as they may determine, and may employ and discharge such
1437 agents and employees as the officers [~~deem~~] consider convenient to carry out the purposes of the
1438 association.

1439 (4) Two or more fire protection districts may contract with each other and such a district
1440 may contract with a city or county or the state supervisor of forestry or any association approved
1441 by [~~him~~] the supervisor for the joint leasing, ownership, maintenance and operation of all necessary
1442 and proper apparatus, facilities, machinery, and equipment for the elimination of fire hazards and
1443 for the protection of life and property against fire within the contracting districts, and of real
1444 property, improvements and fixtures thereon suitable and convenient for the housing, repairing and
1445 caring for, such apparatus, facilities, machinery and equipment, and may contribute their agreed
1446 proportion of the cost and expense thereof.

1447 Such contracts shall be executed by the [~~commissioners~~] board of trustees of the
1448 contracting districts and, when the contract is between such districts, the terms and conditions
1449 thereof shall be carried out by the boards of [~~commissioners~~] trustees acting jointly.

1450 Section 45. Section **17A-2-617** is amended to read:

1451 **17A-2-617. Annual budget -- Levy, extension, and collection of taxes.**

1452 Before June 15 of each year the [~~commissioners~~] board of trustees of each fire protection
1453 district shall prepare and adopt a budget for the next ensuing calendar year, and certify such budget

1454 to the county clerk specifying the amount of such budget to be raised by taxes. [It shall be the duty
1455 of the] The county legislative body [to] shall review such budget, [to] determine the tax levy rate
1456 for such district, and in levying general county taxes, [to] levy a tax at such rate for district
1457 purposes on all taxable property in the district. Such taxes shall be extended and collected in the
1458 manner provided by law for the collection of general county taxes and the proceeds thereof shall
1459 as collected be turned over to the treasurer of the district. All laws applicable to the imposition,
1460 collection and enforcement of general county taxes, including those pertaining to the allowance
1461 of collection fees, to the imposition of penalties for delinquencies and to the sale of property for
1462 nonpayment of taxes, shall be applicable to the taxes so levied for the district. The official in
1463 charge of the tax and assessment rolls of the county shall keep the rolls in such a manner as to
1464 show separately the property on the rolls which lies within the boundaries of each district created
1465 under the provisions of this part.

1466 Section 46. Section **17A-2-618** is amended to read:

1467 **17A-2-618. Bonds -- Duty of board of trustees -- Levy of taxes for payment of bonds.**

1468 The [commissioners] board of trustees of each district which has issued bonds under the
1469 provisions of this part shall certify annually to the county legislative body the amount of the
1470 bonded indebtedness unpaid, the amount of principal and interest to be paid during the current
1471 year, and the county legislative body shall levy annually, until principal and interest have been
1472 fully paid, taxes on all taxable property in the district, fully sufficient to assure the prompt payment
1473 of principal and interest as each falls due. The taxes to be levied by the county legislative body for
1474 any district, other than those levied for the payment of principal and of interest on the bonds of the
1475 district, may not in any year exceed .0008 per dollar of taxable value of taxable property in the
1476 district.

1477 Section 47. Section **17A-2-619** is amended to read:

1478 **17A-2-619. Indebtedness not to exceed estimated expendable revenue.**

1479 It shall be unlawful for fire protection district [commissioners] board of trustees to incur
1480 any indebtedness in excess of the estimated expendable revenue for the ensuing year except as
1481 otherwise provided [herein] in this part.

1482 Section 48. Section **17A-2-622** is amended to read:

1483 **17A-2-622. Election regarding issuance of bonds.**

1484 (1) After a fire protection district has been created, a petition may be presented to the fire

1485 protection district [~~commissioners~~] board of trustees requesting [~~such commissioners~~] the board
1486 to order an election to determine whether the bonds of the district shall be issued to the amount
1487 and for the purpose or purposes stated in the petition. Such petition shall comply in all respects
1488 to the requirements of Section 17A-2-602 hereof, except shall be made to the fire protection
1489 district [~~commissioners~~] board of trustees. After the filing of [~~said~~] the petition, the board of
1490 trustees' procedure [~~of said commissioners~~] in respect to publication of notice, contents of notice,
1491 hearing and determination of petition, continuance, objections, determination of amount of bonds
1492 shall comply, as nearly as practicable, with Sections 17A-2-603 and 17A-2-604.

1493 (2) Adoption of the resolution calling the election, determination of voters' qualifications,
1494 notice and conduct of the election, and the canvass of election results shall be accomplished in the
1495 manner prescribed in the Utah Municipal Bond Act. [~~Fire~~] The fire protection district
1496 [~~commissioners~~] board of trustees, for purposes of the election, may treat the entire district as a
1497 single precinct or divide the district into several precincts and it may fix such polling places as they
1498 [~~deem~~] consider appropriate.

1499 Section 49. Section **17A-2-703** is amended to read:

1500 **17A-2-703. Land and water allotments -- Revision and alteration -- Proceedings to**
1501 **list lands -- Writ of mandamus -- Hearing and determination on writ -- Calling election --**
1502 **Conduct of election.**

1503 When a petition has been filed, water survey and allotment made, and notice of hearing
1504 published as required by this part, the county legislative body shall upon the date set, proceed to
1505 determine and list the lands, which need not be contiguous, by acreage and ownership in each
1506 40-acre legal subdivision to be included in [~~said~~] the proposed district, from the petition, and from
1507 such applications for the exclusion of lands therefrom and the inclusion of lands therein, as may
1508 be made in accordance with the intent of this part and may revise the allotment of water made by
1509 the state engineer; provided that no increase shall be made in any such allotment without the
1510 approval of the state engineer; they may adjourn such examination from time to time not exceeding
1511 two months in all, and shall by final order duly entered determine and list the acreage and
1512 ownership in each 40-acre legal subdivision together with the allotment of water made; provided,
1513 that [~~said~~] the county legislative body shall not so alter the included lands, shown by the plat
1514 accompanying the petition, as to change the objects of [~~said~~] the petition, or so as to exempt from
1515 the operation of this part any lands, requiring water, shown on the plat as included within the

1516 petition, and susceptible of irrigation by the same system of waterworks applicable to other lands
1517 in such proposed district; nor shall any land which will not in the judgment of the county
1518 legislative body be [~~benefited~~] benefitted by such proposed system be included in such district; nor
1519 shall any lands of the state of Utah not held under contract of sale and for which the state board
1520 of land commissioners has not petitioned inclusion, be included in such district; provided also that
1521 lands not included in [said] the proposed district as shown on the ownership plat accompanying
1522 the petition, may upon application of the owner or owners be included in such district upon such
1523 hearing, and such included lands shall be listed with such allotment or water as the county
1524 legislative body, using the allotment made by the state engineer for similar lands as a basis, may
1525 make after the conclusion of such hearing; provided further that in the hearing of any such petition
1526 the county legislative body shall disregard any informality therein, and in case they deny the same
1527 or dismiss it for any reason on account of the provisions of this part not having been complied
1528 with, which are the only reasons upon which they shall have a right to refuse or dismiss the same,
1529 they shall state their reasons in writing therefor in detail, which shall be entered upon their records
1530 and in case these reasons are not well founded, a writ of mandamus shall, upon proper application
1531 therefor, issue out of the district court of [said] the county, compelling them to act in compliance
1532 with this part, which writ shall be heard within 20 days from the date of its issuance, and which
1533 20 days shall be excluded from the two months after return of survey by the state engineer given
1534 the county legislative body herein to act upon [said] the petition. When the lands included in the
1535 proposed district [~~shall~~] have been determined and listed as aforesaid, the county legislative body
1536 shall forthwith make an order determining and listing [said] those lands as aforesaid together with
1537 the allotments of water made, and designating the name of such proposed district, and shall by
1538 further order duly entered upon the record call an election of landowners of [said] the district to
1539 be held for the purpose of determining whether such district shall be organized under the
1540 provisions of this part, and by such order shall submit the names of one or more persons from each
1541 of the three divisions of [said] the district as hereinafter provided to be voted for as [directors]
1542 trustees therein, and for the purpose of [said] the election shall divide [said] the district into three
1543 divisions as nearly equal in voting strength as may be practicable, define the boundaries thereof,
1544 designate polling places, and provided that a landowner of each of [said] the divisions shall be
1545 elected a member of the board of [~~directors~~] trustees of [said] the district by the landowners of the
1546 whole district. Each of [said] the divisions shall constitute an election precinct and three judges

1547 shall be appointed for each polling place therein, one of whom shall act as clerk of [said] the
1548 election, provided, that the county legislative body may divide each of such divisions or election
1549 precincts into one or more voting precincts, designate polling places, and appoint judges of the
1550 election therefor.

1551 Section 50. Section **17A-2-704** is amended to read:

1552 **17A-2-704. Notice of election -- Trustees.**

1553 The county legislative body shall thereupon cause a notice embodying [said] the orders in
1554 substance signed by the chairman of the county legislative body, and the clerk of [said] the
1555 legislative body, to be issued, given and published, giving public notice of [said] the election, the
1556 time and place thereof, and the matters submitted to the vote of the landowners; [said] the notice
1557 and substance of such order shall be so published as provided in Section 17A-2-702, and if any
1558 portion of such proposed district lies within any other county, or counties, then such order and
1559 notice shall be published in a newspaper of general circulation within each of [said] those counties.
1560 At all elections held under the provisions of this part, all persons shall be entitled to vote who are
1561 landowners of agricultural lands, to which water has been allotted with the district as defined by
1562 this part; provided, that corporations owning lands within the district shall be considered persons
1563 within the meaning of this section. Landowners shall be entitled to vote only in the division of such
1564 district, wherein their lands, to which water has been allotted, or a major portion thereof are
1565 located; and any individual entitled to vote as aforesaid shall also be eligible to election as a
1566 [~~director~~] trustee in and for the division in such district, in which the major portion of his lands are
1567 located. The ballots to be used and cast at such election for the formation of such district, shall
1568 be substantially as follows: [~~"Water conservation~~] "Irrigation district, _____ Yes,
1569 _____ (Name) _____ acre-feet," or [~~"Water conservation~~] "Irrigation district,
1570 _____ No _____ (Name) _____ acre-feet," or words equivalent thereto, and
1571 shall also contain the names of the persons to be voted for as members of the board of [~~directors~~]
1572 trustees of said district; each landowner may vote for three [~~directors~~] trustees, one for each
1573 division, and shall indicate [~~his~~] a vote by placing a marginal cross upon the ballot for or against
1574 any question submitted or name voted upon and opposite thereto at any election held under this
1575 part. Provided, that at the election for the organization of the district each elector as provided
1576 herein shall be entitled to cast one vote for each acre-foot of water or fraction thereof, allotted to
1577 the land owned by such elector, as shown by the order of the county legislative body, and shall sign

1578 the ballot and indicate along with ~~[his or her]~~ the elector's name the number of acre-feet allotted
1579 to the lands owned by the elector casting the ballot.

1580 Section 51. Section **17A-2-705** is amended to read:

1581 **17A-2-705. Canvass of returns -- Organization of district.**

1582 The county legislative body shall meet on the first Monday next succeeding such election
1583 and proceed to canvass the returns thereof; and if, upon such canvass, it appears that a majority of
1584 the votes cast at ~~[said]~~ the election are ~~["Water conservation]~~ "Irrigation district..... yes," the
1585 county legislative body shall by an order entered on their minutes, declare such territory duly
1586 organized as ~~[a water conservation]~~ an irrigation district, under the name and style theretofore
1587 designated, and shall declare the persons receiving respectively the highest number of votes for
1588 such several offices to be duly elected to such office. The county legislative body shall within a
1589 reasonable time thereafter, cause a copy of such order, including a list and plat of the lands of
1590 ~~[said]~~ the district, with water allotment, to be filed for record in the office of the county clerk of
1591 the county in which the petition is filed and certified copy with the county recorder of each county
1592 in which any portion of such lands are situated, and no county legislative body of any county
1593 including any portion of such district, shall after the date of organization of such district, allow
1594 another district to be formed including any of the land of such district, without the consent of the
1595 board of ~~[directors]~~ trustees thereof; and from and after the date of such filing, the organization of
1596 such district shall be complete ~~[and the officers thereof shall immediately enter upon the duties of~~
1597 ~~their respective offices, upon qualifying in accordance with law, and shall hold such offices,~~
1598 ~~respectively, until their successors are elected and qualified]~~. No filing or recording fees shall be
1599 charged for filing or recording any instruments required to be filed or recorded under this section.

1600 Section 52. Section **17A-2-706** is amended to read:

1601 **17A-2-706. Regular election of district -- Official bond -- Fiscal agents.**

1602 (1) The regular election of the district, for the purpose of electing a board of ~~[directors]~~
1603 trustees, shall be held according to the procedures and requirements of Title 17A, Chapter 1, Part
1604 3.

1605 ~~[(2)(a) Each member of the board of directors shall execute an official bond in the sum~~
1606 ~~of \$3,000.]~~

1607 ~~[(b) That bond shall be approved by the county clerk of the county in which the district~~
1608 ~~was organized.]~~

1609 ~~[(c) The board shall:]~~

1610 ~~[(i) record the bonds in the office of the county clerk; and]~~

1611 ~~[(ii) pay the premium on the bonds.]~~

1612 ~~[(d) All official bonds shall be in the form prescribed by law for official bonds for county~~
1613 ~~officials, except that the obligee named in the bonds shall be the district.]~~

1614 ~~[(3)]~~ (2) (a) If any district organized under this part is appointed fiscal agent of the United
1615 States or is authorized by the United States to collect money for and on behalf of the United States
1616 in connection with any federal project, each [director] trustee shall execute an additional official
1617 bond in whatever sum that the Secretary of the Interior requires, conditioned upon the faithful
1618 discharge of the duties of the [director's] trustee's office.

1619 (b) The district shall execute an additional bond for the faithful discharge by the district
1620 of its duties as fiscal or other agent of the United States under that appointment or authorization.

1621 (c) Those additional official bonds shall be filed in the office of the county clerk.

1622 (d) The United States or any person injured by the failure of a [director] trustee or of the
1623 district to fully, promptly, and completely perform their respective duties may sue upon those
1624 official bonds.

1625 Section 53. Section **17A-2-707** is amended to read:

1626 **17A-2-707. Office location.**

1627 The office of the board of [directors] trustees shall be located in the county that organized
1628 the district.

1629 Section 54. Section **17A-2-711** is amended to read:

1630 **17A-2-711. Board of trustees -- Organization -- Powers and duties -- Other**
1631 **provisions applicable.**

1632 ~~[Once the directors have duly qualified, they shall organize as a board, elect a president~~
1633 ~~from their number, and appoint a secretary. The secretary shall execute a bond, in favor of the~~
1634 ~~district, in a form and amount prescribed by the board. The board shall adopt a seal, manage and~~
1635 ~~conduct the affairs and business of the district, make and execute all necessary contracts, employ~~
1636 ~~agents, attorneys, officers, and employees as required, and prescribe their duties.]~~

1637 (1) The board shall establish boundaries of election precincts and may change them, but
1638 no change may be made less than 30 days prior to an election. Upon the completion of the
1639 organization of the district and before any bond issue or contract is voted on, any assessment

1640 levied, or toll or charge imposed, the board of [~~directors~~] trustees, having first determined the
1641 amount of water available for the use of the district, shall upon notice and a hearing and under
1642 rules determined by the board, make a final revision and allotment of the available water to each
1643 40-acre tract or smaller tract in separate ownership within each legal subdivision; but no allotment
1644 may be increased above the amount originally allotted by the state engineer without the consent
1645 of the state engineer and the final allotment may not be decreased as long as there may be any
1646 outstanding indebtedness in excess of .4% of the fair market value of the lands within the district.
1647 The allotment may, however, be increased to an amount not exceeding the amount allotted by the
1648 state engineer if the additional amount of water becomes available for the use of the district. The
1649 final allotment in acre-feet, or other units of measurement, the service, turnout, construction,
1650 distribution charges, or other charges, if any, shall be the basis for all assessments, tolls, and
1651 charges levied against the land and shall also subsequently be the basis of the vote at all elections.
1652 A copy of the order making the allotment or any increase provided, certified to by the secretary of
1653 the district, shall be immediately filed for record in the office of the county clerk of the county in
1654 which the office of the district is located and a certified copy filed with the county recorder of each
1655 county in which any lands of the district are situated. Nothing in this part may prohibit the state
1656 engineer, upon petition by the board of [~~directors~~] trustees after the organization of the district has
1657 been perfected, from increasing the maximum allotment of water for any tract or tracts of land
1658 embraced within the district when in the opinion of the state engineer the tract or tracts of land
1659 cannot be beneficially irrigated with the amount of water allotted. The board of [~~directors~~] trustees
1660 may construct or may acquire by contract, purchase, condemnation, or otherwise, canals, ditches,
1661 reservoirs, reservoir sites, irrigation systems or works and lands necessary or incidental to the use
1662 and operation of irrigation works, and reservoir sites, which lands may be leased when leasing will
1663 not interfere with their use for irrigation purposes, and also water filings, water rights,
1664 rights-of-way, or other property or any interest in the property, including power plants when
1665 acquired or developed in connection with an irrigation system with the right to sell or dispose of
1666 the surplus power. The board may also purchase stock of irrigation canal, and reservoir
1667 companies. The board may exchange bonds of the district for any such property upon terms and
1668 conditions the board considers best, subject to the approval of the State Board of Certification.
1669 The board, its agents, and employees may enter upon any land in the district to make surveys and
1670 to locate and construct any canal or canals, and the necessary laterals. The board may, by

1671 condemnation, acquire rights of way for the enlargement of any ditches, canals, or reservoirs, but
1672 the board may not occupy the premises proposed to be condemned pending the determination of
1673 a suit, except upon filing the bond required by law in the case of suits by other corporations and
1674 individuals. The right-of-way is given, dedicated, and set apart, to locate, construct, and maintain
1675 the works, or reservoirs, over, through, or upon any of the lands which are now, or may be the
1676 property of the state. The board may make these investigations and based on them, make
1677 representations and assurances to the Secretary of the Interior, as may be requisite under the act
1678 of Congress, approved August 11, 1916, and may enter into any obligation or contract with the
1679 United States for the construction or operation and maintenance of the necessary works for the
1680 delivery and distribution of water or for the assumption, as principal or guarantor of indebtedness
1681 to the United States on account of district lands, or for the temporary rental of water under the
1682 provisions of the Federal Reclamation Act, and all acts amendatory of that act, or supplementary
1683 to it, or any other Acts of Congress now enacted or which may be enacted, and the rules and
1684 regulations established under them; or the board may contract with the United States for a water
1685 supply under any act of Congress providing for or permitting the contract, and may convey to the
1686 United States as partial or full consideration water rights or other property of the district, and in
1687 case the contract has been or may be made with the United States as provided in this section, bonds
1688 of the district may be deposited with the United States at 95% of their par value to the amount to
1689 be paid by the district to the United States under the contract, the interest on the bonds to be
1690 provided for by assessment and levy as in the case of other bonds of the district, and regularly paid
1691 to the United States to be applied as provided in the contract, and if bonds of the district are not
1692 so deposited, the board of [directors] trustees shall include as part of any levy or assessment now
1693 provided for by law, an amount sufficient to meet each year all payments accruing under the terms
1694 of the contract and the board may accept on behalf of the district, appointment of the district as
1695 fiscal agent of the United States, or authorization of the district by the United States, or
1696 authorization of the district by the United States to make collections of moneys for or on behalf
1697 of the United States in connection with any federal reclamation project, at which time the district
1698 shall be authorized so as to act and to assume the duties and liabilities incident to that action, and
1699 the board may do any and all things required by the federal statutes enacted in connection with it,
1700 and all things required by the rules and regulations established by any department of the federal
1701 government. Districts cooperating with the United States may rent or lease water to private lands,

1702 entrymen, or municipalities in the neighborhood of the district, in pursuance of a contract with the
1703 United States. If a contract is proposed to be made with the United States and bonds are not to be
1704 deposited with the United States in connection with the contract, the question to be submitted to
1705 the voters at a special election is whether or not the contract shall be entered into with the United
1706 States. The notice of election shall state under the terms of what Act or Acts of Congress the
1707 contract is proposed to be made, and the maximum amount of money payable to the United States
1708 for construction purposes exclusive of penalties and interest and the water rights and other
1709 property, if any, to be conveyed to the United States as provided in this section. The ballots for
1710 the election shall contain the words "Contract with the United States-Yes" and "Contract with the
1711 United States-No," or the equivalent. If a majority of the votes cast at the election are "Contract
1712 with the United States-Yes," the board of [directors] trustees shall immediately enter into the
1713 contract with the United States. The board shall establish equitable rules for the distribution and
1714 use of water among the owners of lands included in this district, and may provide that no water
1715 may be delivered to lands which are delinquent or in default in the payment of any toll, charge, tax,
1716 or assessment. The rules shall, as soon as adopted, be printed in convenient form for distribution
1717 in the district; but water, the right to the use of which is acquired by the district under any contract
1718 with the United States, shall be distributed and apportioned by the district in accordance with the
1719 Acts of Congress, the rules and regulations, and the provisions of the contract.

1720 (2) The board of [directors] trustees may annually instruct the county assessor of the
1721 county in which the lands to be affected are located to remove from the assessment roll any land
1722 publicly dedicated to streets, highways, and roads, and also other land the use of which has so
1723 permanently changed as to prevent the beneficial use of water, and the assessor shall do so. The
1724 instructions to the assessor shall be accompanied by a written consent to the removal from the
1725 assessment roll signed by all owners of private land affected by it.

1726 (3) When any tract of land in the district which has no water allotment becomes
1727 susceptible to irrigation and use of water, or when any tract has an insufficient water allotment, the
1728 board of [directors] trustees, upon written application of the owner of the land, may temporarily
1729 permit water to be applied on the land, and in that case the board may annually instruct the county
1730 assessor of the county in which the tract to be affected is located to assess the tract for water in the
1731 amount fixed by the board, and the assessor shall do so. Nothing contained in this section may
1732 affect the permanent water allotments in the district.

1733 (4) The board of [directors] trustees may lease or rent the use of water not needed by the
1734 landowners of the district and in addition may contract to supply and deliver the water to
1735 municipalities, corporations, associations, or individuals, within or without the district for
1736 irrigation or any other beneficial use, at prices and terms the board considers best. No lease or
1737 rental agreement running for a period of more than five years may be made, and no vested or
1738 prescriptive right to the use of the water may attach to the land by virtue of the lease or rental; and
1739 any landowner in the district may, where practicable, with the consent of the board of [directors]
1740 trustees, assign the right to the whole or any portion of the water apportioned to the landowner's
1741 land for any one year to any other bona fide landowner, for use in the district for the year; if the
1742 landowners have paid all amounts due on assessments upon the lands. [~~The board shall generally
1743 perform all acts and have all powers necessary to carry out fully the purposes of this part. The
1744 board of directors shall, by resolution, prescribe the dates for holding regular meetings and shall
1745 also hold special meetings as required for the proper transaction of business. A special meeting
1746 may be called by a written request of ten or more of the electors of the district, addressed to the
1747 president of the board of directors, or by the president of the board, or by any two directors. All
1748 meetings of the board shall be public, two members constitute a quorum for the transaction of
1749 business, and on all questions requiring a vote, there shall be a concurrence of at least two
1750 members of the board. All records of the board shall be open to the inspection of any landowner
1751 during business hours.] The board shall, at the end of each fiscal year, prepare and submit to a
1752 public meeting of the landowners within the district, called for that purpose, a report covering all
1753 transactions and operations of the district during the year.~~

1754 (5) (a) The provisions of Title 17B, Chapter 2, Part 4, Board of Trustees, apply to each
1755 irrigation district to the same extent as if the irrigation district were a local district under Title 17B,
1756 Chapter 2, Local Districts.

1757 (b) (i) If a change in the number of board of trustees members is necessary to comply with
1758 the requirements of Subsection 17B-2-402(1), the board of trustees may by majority vote,
1759 notwithstanding Subsection 17B-2-402(3), change the number of board members to the next odd
1760 number higher or lower than the number of current board members.

1761 (ii) If a change under Subsection (5)(b)(i) decreases the number of board members, the
1762 change may not take effect until the expiration of the term of the member whose term next expires.

1763 (c) If a change in the length or expiration date of the term of a board of trustees member

1764 is necessary to comply with the requirements of Subsection 17B-2-403(2), the change may not take
1765 effect until the expiration of the term of the member whose term length or expiration date is to be
1766 changed.

1767 Section 55. Section **17A-2-712** is amended to read:

1768 **17A-2-712. Additional powers of board.**

1769 (1) In addition to any of the powers granted in this part, the board of [directors] trustees
1770 of any irrigation district may acquire, purchase, construct, improve, enlarge, and operate, or
1771 contract for the construction, improvement, enlargement, and operation of:

1772 (a) reservoir sites, reservoirs, water, water filings, water rights, canals, ditches, and all
1773 other related structures and works necessary or proper for the storage and conveyance of water for
1774 irrigation purposes and all other structures and facilities necessary or proper for the purposes of
1775 the irrigation district; and

1776 (b) facilities for the generation of hydroelectric power and all other related structures and
1777 works necessary or proper for the generation of electricity, including hydroelectric power plants,
1778 turbine generators, penstocks, transformers, electrical equipment, and other facilities related to
1779 hydroelectric production plants, not including transmission facilities related to hydroelectric
1780 production plants.

1781 (2) In addition to any of the powers granted in this part, the board of [directors] trustees
1782 of any irrigation district may enter into contracts for the sale of all or a portion of the electric power
1783 generated at a hydroelectric power plant, whether or not the electric power to be sold is surplus to
1784 the needs of the district, for the periods of time and under the terms and conditions the board
1785 deems necessary in order to accomplish the purposes of the district. Any sale of the electric power
1786 may be for the period and upon the terms and conditions as may be provided in contracts
1787 authorized by the board and entered into by the district and any purchaser of the electric power
1788 having, at the time of the commencement of the acquisition and construction of the electric power
1789 plant by the district, a system for distributing the electric power. Any revenues received by the
1790 district pursuant to power sale contracts may be used and pledged for the payment of the principal
1791 of and interest and any premium on bonds or notes of the district issued to pay all or part of the
1792 cost of acquiring, constructing, improving, or enlarging the facilities from which the hydroelectric
1793 power is generated, or for any other lawful purpose of the district. The boards of [directors]
1794 trustees of any two or more irrigation districts may, by appropriate resolutions, enter into

1795 agreements with one another by which the districts may jointly or cooperatively exercise any of
1796 the powers conferred by this section.

1797 (3) The board may issue revenue bonds of the district, in the manner provided in this
1798 section:

1799 (a) to pay for all or part of the costs of the acquisition, construction, improvement, or
1800 enlargement of any facilities described in Subsection (1) and other related structures and works and
1801 to pay expenses preliminary and incidental thereto;

1802 (b) to pay interest on the bonds during acquisition, construction, improvement, or
1803 enlargement; and

1804 (c) to provide for necessary reserves and to pay costs of issuance and sale of the bonds,
1805 including, without limitation, printing, registration, and transfer costs, legal, financial advisor's,
1806 and rating agency fees, insurance premiums, and underwriter's discount.

1807 (4) The board may provide that any revenue bonds issued and sold under this section shall
1808 be payable solely out of a special fund into which the district issuing the revenue bonds shall be
1809 obligated to deposit, as from time to time received, all or a designated portion of the proceeds from
1810 the sale of the services furnished by the facilities of the irrigation district, including the facilities
1811 to be so acquired, constructed, improved, or enlarged, all pursuant to contracts to be entered into
1812 as authorized in this section.

1813 (5) Revenue bonds of the district issued under the authority of this section shall be issued
1814 and sold in compliance with Title 11, Chapter 14, [the] Utah Municipal Bond Act, and may be in
1815 the form and denominations and have the provisions and details as are permitted by the Utah
1816 Municipal Bond Act. The bonds and any evidences of participation interests in the bonds may be
1817 issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply
1818 with Title 15, Chapter 7, [the] Registered Public Obligations Act, or any other statute relating to
1819 the registration of bonds enacted to meet the requirements of Section 149(a) of the Internal
1820 Revenue Code of 1986, or any similar or successor federal law, and applicable regulations. Bonds
1821 may be issued under the authority of this section at one time or from time to time. If more than
1822 one issue or series of bonds is delivered under the authority of this section, the bonds of the
1823 respective issue or series shall have the priorities of payment as provided in the proceedings
1824 authorizing the bonds.

1825 (6) Any resolution authorizing revenue bonds may contain covenants with the future

1826 holders of the bonds as to:

1827 (a) the management and operation of the facilities of the irrigation district, including the
1828 facilities acquired, constructed, improved, enlarged, or operated pursuant to this section;

1829 (b) the imposition and collection of rates for the services furnished thereby;

1830 (c) the disposition of the revenues;

1831 (d) the issuance of future bonds and the creation of future liens and encumbrances against
1832 these facilities and the revenues thereof;

1833 (e) the carrying of insurance on these facilities and the disposition of the proceeds of
1834 insurance;

1835 (f) the sale, disposal, or alienation of these facilities; and

1836 (g) other pertinent matters deemed necessary or proper by the board to assure the
1837 merchantability of the bonds. These covenants and agreements may not be inconsistent with this
1838 section.

1839 (7) When a district has issued revenue bonds and pledged for the payment thereof any
1840 revenues of the facilities of the irrigation district, including the facilities acquired, constructed,
1841 improved, enlarged, or operated pursuant to this section, the district shall establish rates and collect
1842 fees and charges for the services furnished by these facilities in that amount and at those rates
1843 which will be fully sufficient at all times to pay the expenses of operating and maintaining these
1844 facilities, to provide a special fund sufficient to assure the prompt payment of principal of and
1845 interest on the bonds as principal and interest fall due, and to provide funds for reserves and
1846 contingencies and for a depreciation fund for repairs, extensions, and improvements to these
1847 facilities as [~~deemed~~] considered necessary to assure adequate and efficient service, all as required
1848 by the bond resolution. No board or commission other than the board of [~~directors~~] trustees of the
1849 district has authority over or is required to approve the making or fixing of the fees and charges
1850 or the acquisition of property by the district or the issuance of its bonds.

1851 (8) Any restrictions, limitations, or regulations in any other section of this part relative to
1852 the issuance of bonds or the execution of contracts pursuant to the authority contained in this
1853 section do not apply to the revenue bonds issued under this section or the execution of contracts
1854 under the authority of this section. Sections 17A-2-750, 17A-2-751, 17A-2-752, and 17A-2-753
1855 do not apply to any contract entered into by an irrigation district under this section, nor to the
1856 issuance of any revenue bonds by an irrigation district under this section.

1857 Section 56. Section **17A-2-714** is amended to read:

1858 **17A-2-714. Judicial notice -- Presumptions as to organization.**

1859 [~~The said board is hereby authorized and empowered to take conveyances or assurances~~
1860 ~~for all property acquired by it under the provisions of this part in the name of such irrigation~~
1861 ~~district, and to institute and maintain any and all actions and proceedings, suits at law or in equity,~~
1862 ~~necessary or proper in order to fully carry out the provisions of this part or to enforce, maintain,~~
1863 ~~protect, or preserve any or all rights, privileges and immunities created by this part or acquired in~~
1864 ~~pursuance thereof. And in all courts, actions, suits, or proceedings the said board may sue, appear~~
1865 ~~and defend in person or by attorneys and in the name of such irrigation district.] Judicial notice
1866 shall be taken in all actions, suits and judicial proceedings in any court of this state of the
1867 organization and existence of any irrigation district of this state, now or hereafter organized, from
1868 and after the filing in the office of the county clerk of the order of the county legislative body
1869 mentioned in Section 17A-2-705 and a certified copy of [said] the order shall be prima facie
1870 evidence in all actions, suits and proceedings in any court of this state of the regularity and legal
1871 sufficiency of all acts, matters and proceedings therein recited and set forth; and any such irrigation
1872 district, in regard to which any such order has been heretofore or may hereafter be entered, and
1873 which has exercised or shall exercise the rights and powers of such a district, and shall have had
1874 or shall have in office a board of [~~directors~~] trustees exercising the duties of their office, the
1875 legality or regularity of the formation or organization whereof shall not have been questioned by
1876 proceedings in quo warranto instituted in the district court of the county in which such district or
1877 the greater portion thereof is situated within one year from the date of such filing, shall be
1878 conclusively [~~deemed~~] considered to be a legally and regularly organized, established and existing
1879 irrigation district within the meaning of this part, and its due and lawful formation and
1880 organization shall not thereafter be questioned in any action, suit or proceeding whether brought
1881 under the provisions of this part or otherwise.~~

1882 Section 57. Section **17A-2-715** is amended to read:

1883 **17A-2-715. Issuance of bonds -- Special election -- Contract with the United States**
1884 **-- Additional bonding -- Validation of previous issues.**

1885 For the purpose of constructing or purchasing or acquiring necessary reservoir sites,
1886 reservoirs, water, water filings, water rights, canals, ditches and works, stock of irrigation, canal,
1887 or reservoir companies, and other necessary property and rights, for the assumption of any

1888 indebtedness to the United States, for the purpose of paying interest upon the bonds herein
1889 authorized during the period of construction and for not more than four years thereafter, and
1890 otherwise carrying out the provisions of this part, the board of [directors] trustees of any such
1891 district shall as soon after such district has been organized as may be practicable, estimate and
1892 determine the amount of money necessary to be raised for such purposes, and shall forthwith call
1893 a special election, at which election shall be submitted to the landowners of such district,
1894 possessing the qualifications prescribed by this part, the question of whether or not the bonds of
1895 [said] the district shall be issued in the amount so determined. Notice of such election shall be
1896 given by posting notice in one public place in each election precinct in [said] the district for at least
1897 20 days, and also by publication in the manner prescribed in Section 17A-2-702. Such notice shall
1898 specify the time of holding the election, the amount and purpose of bonds proposed to be issued,
1899 and [said] the election must be held and the result thereof determined and declared in all respects
1900 as nearly as possible in conformity with the provisions of this part governing the election of
1901 officers; provided, that no informalities in conducting such election shall invalidate the same, if
1902 the elections [~~shall~~] have been otherwise fairly conducted. At such election, the ballots shall
1903 contain the words "Bonds -- Yes," or "Bonds -- No," or words equivalent thereto. If a two-thirds
1904 majority of the votes cast at such election are "Bonds-Yes," the board of [directors] trustees shall
1905 cause the bonds to be executed and payable in series as follows, to wit:

1906 Not later than at the expiration of 11 years, and annually, after the date of first payment of
1907 principal amount, a certain percentage, not less than 3%, of the whole amount and number of [said]
1908 the bonds; at the expiration of the final period for which the bonds have been issued, which period
1909 shall in no event exceed 40 years, a percentage sufficient to pay off the remainder of [said] the
1910 bonds; that the several enumerated percentages be of the entire amount of the bond issue; that each
1911 bond must be payable at the given time for its entire amount, and not for percentage. That [said]
1912 the bonds shall bear interest at the rate of not to exceed 6% per annum, payable semiannually on
1913 the 1st day of June and December of each year.

1914 The principal and interest shall be payable at the office of the county treasurer of the county
1915 in which the organization of the district was effected as aforesaid, and at such other places as the
1916 board of [directors] trustees may designate in such bonds. [Said] The bonds shall be each of the
1917 denomination of not less than \$100, nor more than \$1,000, shall be negotiable in form, executed
1918 in the name of the district and signed by the [president] chair and secretary and the seal of the

1919 district shall be affixed thereto. Bonds deposited with the United States may call for the payment
1920 of such interest not exceeding 6% per annum, may be of such denomination, and may call for the
1921 repayment of the principal at such times as may be agreed upon between the board and the United
1922 States, and where contract is made and bonds are not deposited with the United States, the contract
1923 may likewise call for the repayment of the principal at such time as may be agreed upon. [Said]
1924 The bonds shall be numbered consecutively as executed and bear the date of authorization.
1925 Coupons for the interest shall be attached to each bond bearing the printed or lithographed
1926 facsimile of the signature of the [president] chair and the secretary. [Said] The bonds shall express
1927 on their face that they are issued by the authority of this part, stating its title and date of approval.
1928 The secretary shall keep a record of the bonds sold, their number, date of sale, the price received,
1929 the name of the purchaser and may keep a transfer register; provided, any such district may provide
1930 for the issuance of bonds that will mature in any number of years less than 40, and arrange for the
1931 payment thereof, in series as above provided; provided, further, that when the money obtained
1932 from any previous issue of bonds has become exhausted by expenditures, herein authorized
1933 therefor, and it becomes necessary to raise additional money for such purposes, additional bonds
1934 may be issued after submitting the question at a special election to the qualified voters of [said]
1935 the district, and otherwise complying with the provisions of this section in respect to an original
1936 issue of such bonds; provided, also that the lien for taxes, for the payment of interest and principal
1937 for any bond issue, or for any indebtedness under any contract with the United States for or with
1938 which bonds have not been deposited, shall be a prior lien to that of any subsequent bond issue.

1939 All bonds heretofore executed by any irrigation district wherein the proceedings for the
1940 organization of such district and authorizing the issuance of such bonds have been approved and
1941 confirmed by the district court of the judicial district within which such irrigation district is
1942 located, are hereby confirmed and validated.

1943 Section 58. Section **17A-2-716** is amended to read:

1944 **17A-2-716. Sale of bonds -- Use of funds.**

1945 The board may sell bonds from time to time in such quantities as may be necessary and
1946 most advantageous to raise the money for the construction or purchase of canals, reservoir sites,
1947 reservoirs, water rights and works, stock and irrigation, canal or reservoir companies, and
1948 otherwise fully to carry out the objects and purposes of this part. Before making any sale the board
1949 shall at a meeting, by resolution declare its intention to sell a specified amount of the bonds and

1950 the day and hour and place of such sale, and shall cause such resolution to be entered in the
1951 minutes, and notice of the sale to be given by publication thereof at least 20 days in any daily
1952 newspaper published in the city of Salt Lake, and in any other newspaper at their discretion. The
1953 notice shall state that sealed proposals will be received by the board at its office, for the purchase
1954 of the bonds, till the day and hour named in the resolution. At the time appointed the board shall
1955 open the proposals and award the purchase of the bonds to the highest responsible bidder, or may
1956 reject all bids, provided that no proposal shall be accepted which is not accompanied by a certified
1957 check for at least 10% of the amount of the bid to apply on the purchase price of the bonds, the
1958 amount of which check shall be forfeited if after the acceptance of the proposal the bidder [shall
1959 refuse] refuses to accept [said] the bonds and complete [his] the purchase of the bonds on the
1960 conditions stated in [his] the bidder's proposal. In case no bid is made and accepted as above
1961 provided the board of [directors] trustees, subject to the approval of the state board of certification
1962 is hereby authorized to use [said] the bonds for the purchase of canals, reservoir sites, reservoirs,
1963 water rights and works, stock of irrigation, canal, or reservoir companies; or for the construction
1964 of any canal, reservoir and works or otherwise fully to carry out the purposes of this part; provided
1965 that bids for all such construction work are first called for in accordance with Section 17A-2-723.
1966 The board shall make no sale of bonds either at public or private sale, or use [said] the bonds for
1967 payment of construction work for less than the amount authorized by the state board of
1968 certification.

1969 Section 59. Section **17A-2-718** is amended to read:

1970 **17A-2-718. Trustees to determine amounts required for current years --**
1971 **Establishment of sinking funds and reserve funds -- Certification of amounts.**

1972 [It shall be the duty of the board of directors] The board of trustees shall, on or before July
1973 1st of each year, [to] determine the amount of money required for the current year, [to] pay interest
1974 on and all maturing installments of principal of any bonds, and warrants, and all payments due or
1975 to become due to the United States under any contract between the district and the United States
1976 accompanying which bonds of the district have not been deposited with the United States as in
1977 Section 17A-2-711, and all operation and maintenance or rental payments to be made by the
1978 district to the United States under the provisions of any such contract between the United States
1979 and the district, and all water payments and all operation and maintenance or rental payments to
1980 be made by the district to other entities under the provisions of any contract between the district

1981 and other entities, and [tø] meet the cost of any construction or reconstruction proposed to be
1982 covered by annual assessments, and all maintenance, operating and current expenses, including
1983 the payment of assessments upon stock of irrigation, canal, or reservoir companies owned by the
1984 district, and the amount necessary to meet the obligations of local improvement districts, and [tø]
1985 establish, keep, and maintain sinking funds sufficient to assure the prompt payment of principal
1986 of and interest on the bonds as principal and interest fall due, and reserve funds at the level
1987 required by any contract between the district and the United States, and other entities; and [tø]
1988 establish, keep and maintain adequate reserve funds for depreciation, repairs, extensions and
1989 improvements to the works necessary to assure adequate and efficient service, as determined by
1990 the board, and [tø] certify to the county legislative body of the county in which the office of [said]
1991 the district is located, [said] those amounts together with such additional amount as may be
1992 necessary to meet any deficiencies theretofore incurred, and if so provided in case of contract with
1993 the United States a further amount to cover any deficit in payments due the United States
1994 thereunder which may have resulted from delinquent assessments for any preceding year.

1995 Section 60. Section **17A-2-719** is amended to read:

1996 **17A-2-719. Duty of county assessors -- Basis of valuation -- Uniformity -- Returns**
1997 **-- Apportionment in case of contracts with United States.**

1998 [~~It shall be the duty of the~~] The county assessor of [any] each county embracing the whole
1999 or a part of any irrigation district [tø] shall assess and enter upon [his] the assessor's record [as
2000 assessor] in its appropriate column the assessment of all real estate, to which water has been
2001 allotted, exclusive of improvements, situate, lying and being within any irrigation district in whole
2002 or in part in such county. The assessor shall assess the lands on the basis of the value per acre-foot
2003 of water allotted to the lands within the district; provided, that the board of [directors] trustees of
2004 any such irrigation district may divide the district into units and fix a different value per acre-foot
2005 of water, or other units of measurement, to cover the service, turnout, construction, distribution
2006 charges, or other charges, if any, in the respective units, and in such case, the assessor shall assess
2007 the lands within each such unit upon the same basis of value per acre-foot of water, or other units
2008 of measurement, to cover the service, turnout, construction, distribution charges, or other charges,
2009 if any, within such unit; and the assessor shall enter on [his] the assessment roll the amount of
2010 special benefits assessed against each tract of land within any local improvement district situate
2011 in the irrigation district as the same is shown on the equalized benefit assessment roll of [said] the

2012 improvement district. Immediately after [said] the assessment [shall have] has been extended as
2013 provided by law, the assessor shall make returns of the total amount of such assessment to the
2014 county legislative body of the county in which the office of [said] the district is located.

2015 In case of contract with the United States, however, under the federal laws, the assessment
2016 of real estate within the district may be otherwise apportioned in the following manner:

2017 (1) It may be provided by contract with the United States that assessments shall conform
2018 to the requirements of the federal reclamation laws now enacted or which may hereafter be
2019 enacted.

2020 (2) It may be provided by contract with the United States that water shall be furnished to
2021 the district, or to part of the irrigable lands thereof, upon a temporary rental basis, whereupon lands
2022 of the district for which rental charges for any given year are not required to be paid to the United
2023 States by the district shall not be taxed for such purposes.

2024 (3) District lands shall not be taxed for purposes of payment to the United States in any
2025 year when, and to the extent, on account of exceptional difficulties of reclamation, the district shall
2026 be exempted by contract with the United States from [said] the payment to the United States for
2027 such lands.

2028 (4) The lands of any irrigation district may be by contract with the United States, divided
2029 into units and placed upon a basis of repayment to the United States in successive units, which
2030 shall not necessarily be composed of contiguous lands, and in such event the lands of units not yet,
2031 in any year, placed upon the repayment basis shall not during such year be subject to taxation for
2032 payment of building costs.

2033 (5) In case lands, which shall have been irrigated by means of ditches, canals and
2034 reservoirs constructed prior to the organization of any district shall be included within such district
2035 under the terms of Section 17A-2-701, equitable credit shall be given in the making of assessments
2036 for any water and ditch rights appurtenant to such lands, such adjustment shall be made by the
2037 board of [~~directors~~] trustees of such irrigation district, which adjustment shall be equitably made
2038 so that the cost of the additional rights, property, or benefits acquired by the district under contract
2039 from the United States will be fairly and equitably apportioned between the lands having rights in
2040 such old ditches, reservoirs or other works, and the lands of the district having no such rights, and
2041 due and equitable allowance made to the lands to which any such rights may be appurtenant;
2042 provided, that before making any such adjustment or allowance, the board of [~~directors~~] trustees

2043 shall publish notice for a period of at least three weeks in a newspaper published in the county in
2044 which the greater portion of the irrigable lands of the district are located or if there be no such
2045 newspaper published in such county, then in some newspaper of general circulation in that county,
2046 which notice shall state that a meeting of the board will be held for the purpose of making such
2047 adjustment and allowance, and that all parties interested therein who desire to be heard on the
2048 matter will be given an opportunity to appear and present evidence, and such notice shall state the
2049 date, the day and hour that such meeting will be held and the place of meeting, and at the date and
2050 place provided in the notice the board shall proceed to hear such evidence, if any be presented, and
2051 to make such adjustment or allowance in the manner herein prescribed. After such adjustment and
2052 allowance by the board of [~~directors~~] trustees, the board shall proceed in the manner prescribed in
2053 Sections 17A-2-749, 17A-2-750, 17A-2-751, 17A-2-752, and 17A-2-753 to have such adjustment
2054 and allowance duly confirmed by decree of court in similar manner to that provided in [~~said~~] those
2055 sections with reference to confirmation of the bond issue, and the court shall proceed in like
2056 manner as provided in [~~said~~] Sections 17A-2-749, 17A-2-750, 17A-2-751, 17A-2-752, and
2057 17A-2-753 to examine into the regularity of [~~said~~] the proceedings of the board and the equity of
2058 the adjustment or allowance made by the board, and should the court find [~~said~~] the proceedings
2059 regular and [~~said~~] the allowance or adjustment equitable, then the court shall file its findings and
2060 decree confirming the [~~said~~] allowance and adjustment, but if the court [~~shall find~~] finds that such
2061 allowance and adjustment is not equitable, then the court shall itself make an allowance and
2062 adjustment which shall be just and equitable as between the various classes of lands in the district,
2063 and shall file a decree, confirming such apportionment in like manner and with like effect as the
2064 findings and decree provided for in [~~said~~] Section 17A-2-753, provided, that in no case shall any
2065 land be taxed for irrigation purposes under this part, which from any natural cause cannot be
2066 irrigated, or is incapable of cultivation.

2067 Section 61. Section **17A-2-720** is amended to read:

2068 **17A-2-720. Fixing tax levy -- Covering delinquencies -- All taxes special.**

2069 It shall be the duty of the county legislative body of the county in which is located the
2070 office of any irrigation district, immediately upon receipt of the returns of the total assessment of
2071 [~~said~~] the district, and upon the receipt of the certificate of the board of [~~directors~~] trustees
2072 certifying the total amount of money required to be raised as herein provided, to fix the rate of levy
2073 necessary to provide [~~said~~] the amount of money, including the amount required to pay the interest

2074 and principal of the bonds of [said] the district as the same shall become due and all payments due
2075 or to become due to the United States on contract accompanying which bonds of the district have
2076 not been deposited with the United States as in Section 17A-2-711; and to fix the rate necessary
2077 to provide the amount of money required for any local improvement district; also to fix the rate
2078 necessary to provide the amount of money required for any other purposes as in this part provided,
2079 and which are to be raised by the levy of assessments upon the real property of [said] the district
2080 and to certify [said] the respective rates to the county legislative body of each county embracing
2081 any portion of [said] the district. In fixing the rates of levy the basis shall be the total assessment
2082 returned for the district, except that in the case of districts under contract with the United States,
2083 all amounts assessed against land held by the county on district tax sales shall be excluded. The
2084 rates of levy as above determined shall be increased 15% to cover delinquencies; except that in
2085 fixing the rate necessary to meet all payments due or to become due under any contract with the
2086 United States such further and additional increases above [said] 15% shall be made if so provided
2087 in [said] the contract as are sufficient to cover any deficit that may have resulted from delinquent
2088 assessments for any preceding year. For the purposes of [said] the district it shall be the duty of the
2089 county legislative body of each county in which any irrigation district is located, in whole or in
2090 part, at the time of making levy for county purposes, to make a levy at the rates above specified,
2091 upon all real estate in [said] the district within their respective counties. It shall furthermore be the
2092 duty of the county legislative body of each county embracing any portion of [said] the district when
2093 sitting as a board of equalization for general county taxes to equalize district taxes. All taxes levied
2094 under this part are special taxes.

2095 Section 62. Section **17A-2-721** is amended to read:

2096 **17A-2-721. Duties of county treasurer -- Liability -- Secretary of district as treasurer**
2097 **-- Accounts to be kept and methods of payments -- Deposit of funds.**

2098 The county treasurer of each county in which any irrigation district is located shall be liable
2099 upon the treasurer's official bond and to indictment and criminal prosecution for malfeasance, or
2100 failure to perform any duty as county treasurer as provided by law in other cases as county
2101 treasurer. The treasurer shall collect, receive, and receipt for all moneys belonging to the district
2102 arising through taxation. The county treasurer of each county in which any irrigation district is
2103 located shall, in whole or in part, furnish each landowner under the district within the county with
2104 the valuation notice for general taxes, and a separate notice of the taxable value for district taxes,

2105 and of the day fixed by the board of equalization for hearing complaints, and collect and receipt
2106 for all taxes levied, but payment of district taxes may be received and receipted for separately from
2107 taxes upon real estate for county purposes. The county treasurer shall receive in payment of the
2108 general fund tax for the year in which the taxes are levied, warrants drawn against the general fund
2109 the same as so much lawful money of the United States, if the warrant does not exceed the amount
2110 of the general fund tax which the person tendering it owes. The county treasurer shall receive in
2111 payment of the district bond fund taxes for the year in which the taxes were levied, interest
2112 coupons or bonds of the irrigation district maturing within the year the same as so much lawful
2113 money of the United States, if the interest coupons or bonds do not exceed the amount of district
2114 bond fund tax which the person tendering them owes. Except in case of contract obligation due
2115 to the United States as provided in Section 17A-2-717, any landowner may tender, and the county
2116 treasurer shall receive, money, bonds, or coupons of the district equaling the landowner's
2117 proportion of the total issue of bonds of the district, with interest to maturity, based on the
2118 proportion of the landowner's water allotment to the total final water allotment of the district, and
2119 taxes for payment of the bonds or interest on the bonds of the district may not subsequently be
2120 levied against the landowner. The county treasurer of each county comprising a portion of the
2121 irrigation district shall, on the first Monday of each month, remit to the district all moneys,
2122 warrants, coupons, or bonds previously collected or received on account of the district. The funds
2123 so remitted shall be deposited to the credit of the district by the secretary of the district. The
2124 secretary of the district shall serve also as treasurer of the district, unless a treasurer is otherwise
2125 provided by the board. The district shall keep a bond fund account, United States contract fund
2126 account, local improvement fund accounts, reserve fund account and a general fund account. The
2127 bond fund account shall consist of all moneys received on account of interest and principal of
2128 bonds issued by the district, the accounts for interest and principal shall be kept separate, and the
2129 United States contract fund account shall consist of all moneys received on account of any and all
2130 payments due or to become due the United States accompanying which bonds of the district have
2131 not been deposited with the United States as provided in Section 17A-2-711. The local
2132 improvement fund accounts shall consist of moneys received on account of local improvements
2133 of local improvement district or districts respectively. The reserve fund account shall consist of
2134 funds required contractually to be kept and maintained and for depreciation, repairs, extensions,
2135 and improvements as determined by the board. The general fund shall consist of all other moneys

2136 or general fund warrants received by the collection of taxes or otherwise. The district shall pay
2137 out of the bond fund, when due, the interest and principal of the bonds of the district, at the time
2138 and place specified in the bonds, and shall pay out of the United States contract under any fund
2139 when due all payments due to the United States under any contract between the district and the
2140 United States accompanying which bonds of the district have not been deposited with the United
2141 States as provided in Section 17A-2-711, and shall pay out of the local improvement fund accounts
2142 respectively, all obligations of local improvement districts as they become due, and shall pay out
2143 of the reserve fund those amounts contractually to be paid from it and repairs, extensions, and
2144 improvement charges for which the reserve funds were provided.

2145 In cases where bonds have been deposited with the United States as provided in this part,
2146 the moneys to be paid to the United States for rentals or operation and maintenance charges, if not
2147 secured by bonds, shall be paid out of the general fund account along with all other construction,
2148 operation, and maintenance charges of the district for which no reserve funds exist. The district
2149 shall pay out of the general fund only upon the order of the board of [directors] trustees of the
2150 district, signed by the [president] chair or other [director] trustee authorized by the board and
2151 countersigned by the secretary of the district. All district taxes collected and paid to county
2152 treasurers as provided shall be received by the treasurers in their official capacity, and they shall
2153 be responsible for the safekeeping and remittance of the taxes to the district the same as for other
2154 moneys collected by them as treasurers. County treasurers shall receive as sole compensation for
2155 the collection of the taxes the amount allowed by the board of [directors] trustees, which is in
2156 addition to the regular salary of the county treasurers as provided by law. The district may deposit
2157 the district funds with any bank or trust company.

2158 Section 63. Section **17A-2-723** is amended to read:

2159 **17A-2-723. Construction -- Notice -- Awarding contracts -- Contractor's bonds.**

2160 After adopting a plan for the construction of canals, reservoirs, and works, the board of
2161 [directors] trustees shall give notice thereof by publication in the county in which the principal
2162 office of the district is located at least once not less than ten days prior to the expiration of the
2163 period in which bids shall be received, and such other notice as they [~~may deem~~] consider
2164 advisable calling for bids for the furnishing of material or construction of [said] the work or any
2165 portion thereof. If less than the whole work is advertised, then the portion so advertised must be
2166 particularly described in such notice; [said] the notice shall set forth that plans and specifications,

2167 or specifications alone where there are no plans, may be seen at the office of the board, and that
2168 the board will receive sealed proposals therefor, and that the contract will be let to the lowest
2169 responsible bidder, stating the time and the place for opening the proposal which at [said] that time
2170 and place shall be opened in public, and as soon as convenient thereafter the board shall let [said]
2171 the work, either in portions or as a whole, or award and order for materials, to the lowest
2172 responsible bidder, or it may reject any or all bids, and thereupon readvertise for proposals, or
2173 proceed to construct the work under its own superintendence. Contracts for the purchase of
2174 material shall be awarded to the lowest responsible bidder unless all bids are rejected or the board
2175 determines to readvertise for bids. The person or persons to whom a contract may be awarded
2176 shall enter into a bond, with good and sufficient sureties, to be approved by the board, payable to
2177 [said] the district for not less than 25% of the amount of the contract price and conditioned for the
2178 faithful performance of [said] the contract, but no such bond need be required by the board where
2179 materials are contracted for the bond requirement. The work shall be done under the direction and
2180 to the satisfaction of the engineer in charge, and be approved by the board, and shall be paid for
2181 out of the general fund account; provided, that the provisions of this section shall not apply in the
2182 case of any contract between the district and the United States. Nothing herein contained shall be
2183 construed to prohibit the district from purchasing material or doing any work required by it without
2184 advertising for bids and without the letting of a contract where the estimated cost of such work or
2185 such material does not exceed \$30,000 or in cases of emergencies the board of [directors] trustees
2186 may let contracts for the work required in the emergency without advertising for bids or may cause
2187 such work to be done by the district itself.

2188 Section 64. Section **17A-2-724** is amended to read:

2189 **17A-2-724. Claims -- Manner of payment -- Registry of warrants -- Emergency loans.**

2190 No claims shall be paid by the district until the same shall have been allowed by the board,
2191 and then only upon warrants signed by the [president] chair, or other [director] trustee authorized
2192 by the board, and countersigned by the secretary, which warrants shall state the date authorized by
2193 the board and for what purpose; and if the district has not sufficient money on hand to pay such
2194 warrant when it is presented for payment, the secretary or treasurer of the district shall endorse
2195 thereon "Not paid for want of funds; this warrant draws interest from date of presentation at 6%
2196 per annum," and endorse thereon the date when so presented, over [his] the secretary or treasurer's
2197 signature, and from the time of such presentation until paid such warrant shall draw interest at the

2198 rate of 6% per annum; provided, when there is more than the sum of \$100 in the hands of the
2199 district it shall be applied upon [said] the warrant. All claims against the district shall be verified
2200 as required in the case of claims filed against counties in this state, and the secretary of the district
2201 is hereby authorized and empowered to administer oaths to the parties verifying [said] the claims,
2202 as the county clerk or a notary public might do. The district shall keep a register in which shall
2203 be entered[;] each warrant, to whom payable, the date of the presentation for payment, the date of
2204 payment, and the amount paid in redemption thereof, and all warrants shall be paid in the order of
2205 their presentation for payment to the district. All warrants shall be drawn payable to the claimant
2206 or bearer in the same manner as county warrants. The district is also authorized to pay claims
2207 against the district by checks signed by the [president] chair, or other [director] trustee authorized
2208 by the board, and countersigned by the secretary. To meet necessary expenses in anticipation of
2209 the collection of taxes, the board of [directors] trustees may incur indebtedness by borrowing
2210 money or otherwise, not exceeding the taxes for the current year, and as evidence of such
2211 indebtedness may issue negotiable notes of the district, payable in not more than one year from
2212 date thereof. In case of a break in the reservoir or canal or other disaster, the board of [directors]
2213 trustees is authorized to borrow money and make the necessary repairs.

2214 Section 65. Section **17A-2-726** is amended to read:

2215 **17A-2-726. Compensation of officials -- Prohibitions -- Penalties.**

2216 [~~Each member of the board of directors shall receive compensation for his services, not in~~
2217 ~~excess of \$1,000 per annum, to] The salary of the secretary, manager, engineer, and other officers
2218 and employees shall be fixed by the board[, payable monthly, and his actual and necessary
2219 traveling expenses while engaged in official business. ~~The salary of the secretary, manager,~~
2220 ~~engineer and other officers and employees shall be fixed by the board of directors] of trustees. No
2221 director or any officer named in this part shall, in any manner be interested, directly or indirectly,
2222 in any contract awarded or to be awarded by the board, or in the profits to be derived therefrom;
2223 nor shall receive any bonds, gratuity, or bribe, and for any violation of this provision, such officer
2224 shall be [deemed] considered guilty of a felony, and upon conviction therefor he shall forfeit [his]
2225 office, and be punished by a fine not exceeding \$5,000, or by imprisonment in the penitentiary for
2226 a term of not less than one or more than five years.~~~~

2227 Section 66. Section **17A-2-727** is amended to read:

2228 **17A-2-727. Debt limit -- Interest on warrants.**

2229 The board of [~~directors~~] trustees, or other officers of the district, [~~shall have no power to~~]
2230 may not incur any debt or liability whatever, either by issuing bonds or otherwise, in excess of the
2231 express provisions of this part, and any debt or liability incurred in excess of such express
2232 provisions shall be and remain absolutely void; provided, however, that the district shall assume
2233 the expense incurred in its organization and may incur additional indebtedness for the conduct of
2234 its business until bonds are sold or returns from first district taxes are received, which additional
2235 indebtedness, together with such expense assumed, shall not exceed \$3 per acre of land embraced
2236 within the district; such indebtedness shall be the general obligation of the district and the board
2237 of [~~directors~~] trustees may cause warrants or notes of the district to issue therefor, bearing interest
2238 not exceeding 7% per annum. [~~Said~~] Those warrants or notes shall be payable not later than the
2239 1st day of January following the receipt of the first district taxes levied and collected and the board
2240 of [~~directors~~] trustees of the district shall include in their first annual budget for the ensuing year
2241 the amount necessary to liquidate all such outstanding warrants, or notes.

2242 Section 67. Section **17A-2-728** is amended to read:

2243 **17A-2-728. Distribution of water.**

2244 In case the volume of water in any canal, reservoir, or other works in any district [~~shall~~] is
2245 not [~~be~~] sufficient to supply the continual wants of the entire district lands susceptible of irrigation
2246 therefrom, then [~~it shall be the duty of~~] the board of [~~directors to~~] trustees shall distribute all
2247 available waters upon certain or alternate days to different localities, as they may in their judgment
2248 think best for the interest of all parties concerned. All water, however, the right to the use of which
2249 is acquired by the district under any contract with the United States shall be distributed and
2250 apportioned by the district in accordance with the acts of Congress, rules and regulations
2251 established thereunder and the provisions of [~~said~~] the contract in relation thereto.

2252 Section 68. Section **17A-2-731** is amended to read:

2253 **17A-2-731. Petition for inclusion.**

2254 The holder or holders of title, or evidence of title, representing a majority of the acreage
2255 of any body of land in the vicinity of the lands in any irrigation district, may file with the board of
2256 [~~directors~~] trustees of [~~said~~] the district a petition in writing, praying that such lands be included
2257 in such district. The petition shall describe the tracts, or body of land owned by the petitioners,
2258 and the proposed method of supplying water thereto, but such description of the lands need not be
2259 more particular than is required, when such lands are entered by the county assessor in the

2260 assessment book. Such petition shall be [deemed] considered to give the assent of the petitioners
2261 to the inclusion in [said] the district of the lands described in the petition, and such petition must
2262 be acknowledged in the same manner that conveyances of land are required to be acknowledged.

2263 Section 69. Section **17A-2-732** is amended to read:

2264 **17A-2-732. Notice of application -- Procedure -- Time -- Costs.**

2265 (1) (a) (i) Except as provided in Subsection (1)(b), the secretary of the board of [directors]
2266 trustees shall cause notice of the filing of a petition under Section 17A-2-731 to be given as
2267 provided in Section 17A-2-702.

2268 (ii) The notice shall:

2269 (A) state the filing of such petition and the names of the petitioners, a description of the
2270 lands mentioned in [said] the petition, and the prayer of the petitioners; and

2271 (B) notify all persons interested to appear at the office of the board at a time named in the
2272 notice and show cause, in writing, why the petition should not be granted.

2273 (iii) The time specified in the notice under Subsection (1)(a)(ii)(B) shall be the regular
2274 meeting of the board next after the expiration of the time for the publication of the notice.

2275 (b) If a petition under Section 17A-2-731 has been signed by all the owners of real
2276 property within the area proposed for inclusion and contains their addresses:

2277 (i) the requirement under Subsection (1)(a)(i) to give notice of the petition as provided in
2278 Section 17A-2-702 does not apply;

2279 (ii) the meeting at which the board will consider the petition may not occur until the next
2280 regular meeting of the board that is at least seven days after mailing the notice under Subsection
2281 (1)(b)(iii); and

2282 (iii) the secretary of the board of [directors] trustees shall give the owners written notice
2283 through the United States mail, addressed to the address specified in the petition under Section
2284 17A-2-731, of the date, time, and place of the meeting of the board where the board will consider
2285 the petition.

2286 (2) The petitioner or petitioners shall advance to the secretary sufficient money to pay the
2287 estimated cost of all proceedings under such petition before the secretary shall be required to give
2288 notice required under this section.

2289 Section 70. Section **17A-2-733** is amended to read:

2290 **17A-2-733. Hearing on petition.**

2291 The board of [~~directors~~] trustees, at the time and place mentioned in [~~said~~] the notice, or
2292 at the time or times to which the hearing of [~~said~~] the petition [~~may have~~] has been adjourned, shall
2293 proceed to hear the petition and all objections thereto, presented in writing by any person, showing
2294 cause as aforesaid, why [~~said~~] the petition should not be granted. The failure of any person
2295 interested to show cause, in writing, as aforesaid, shall be [~~deemed and taken as an~~] considered as
2296 the person's assent [~~on his part~~] to the inclusion of such lands in [~~said~~] the district as prayed for in
2297 [~~said~~] the petition.

2298 Section 71. Section **17A-2-740** is amended to read:

2299 **17A-2-740. Petition for exclusion.**

2300 The owner or owners of any lands constituting a portion of any irrigation district may file
2301 with the board of [~~directors~~] trustees of the district a petition praying that such lands may be
2302 excluded and taken from [~~said~~] the district. The petition shall describe the lands which the
2303 petitioners desire to have excluded, and the description of such lands shall be with the same
2304 particularity that is required when lands are entered in the assessment book by the county assessor.
2305 Such petition [~~must~~] shall be acknowledged in the same manner and form as is required in case
2306 of a conveyance of land.

2307 Section 72. Section **17A-2-741** is amended to read:

2308 **17A-2-741. Notice of petition -- Objections.**

2309 The secretary of the board of [~~directors~~] trustees shall cause a notice of the filing of such
2310 petition to be published as in Section 17A-2-702 provided; or if no newspaper be published as
2311 therein provided, then by posting such notice for the same time in at least three public places in
2312 [~~said~~] the district, and in case of the posting of [~~said~~] those notices, one of [~~said~~] the notices [~~must~~]
2313 shall be so posted on the lands proposed to be excluded. The notice shall state the filing of such
2314 petition, the names of the petitioners, description of the lands mentioned in [~~said~~] the petition, and
2315 the prayer of [~~said~~] the petitioners; and it shall notify all persons interested to appear at the office
2316 of [~~said~~] the board at a time named in [~~said~~] the notice, and show cause in writing, if any they have,
2317 why [~~said~~] the petition should not be granted. The time to be specified in the notice at which they
2318 shall be required to show cause shall be the regular meeting of the board next after the expiration
2319 of the time for the publication of the notice. The petitioner or petitioners shall advance to the
2320 secretary sufficient money to pay the estimated cost of all proceedings under such petition before
2321 the secretary shall give such notice.

2322 Section 73. Section **17A-2-742** is amended to read:

2323 **17A-2-742. Hearings by board -- Assent by petitioners.**

2324 The board of [~~directors~~] trustees at the time and place mentioned in the notice, or at the
2325 time or times to which the hearing of [said] the petition may be adjourned, shall proceed to hear
2326 the petition and all objections thereto, presented in writing by any person showing cause as
2327 aforesaid why the prayer of [said] petition should not be granted. The filing of such petition with
2328 such board as aforesaid, shall be [~~deemed and taken~~] considered as an assent by each and all such
2329 petitioners to the exclusion from such district of the lands mentioned in the petition, or any part
2330 of [said] those lands.

2331 Section 74. Section **17A-2-743** is amended to read:

2332 **17A-2-743. Exclusion of lands, when -- Contracts with the United States.**

2333 The board of [~~directors~~] trustees, if they [~~deem~~] consider it not for the best interest of the
2334 district that the lands mentioned in the petition, or some portion thereof, should be excluded from
2335 [said] the district, shall order that [said] the petition be denied; but if they [~~deem~~] consider it for
2336 the best interest of the district that the lands mentioned in the petition, or some portion thereof, be
2337 excluded from the district, and if there are no outstanding bonds of the district, then the board may
2338 order the lands mentioned in the petition, or some defined portion thereof, excluded from the
2339 district; provided, however, that the board shall require as a condition precedent to the granting of
2340 such petition that the petitioners shall severally pay to such district their pro rata share of the
2341 outstanding obligations and indebtedness of the district provided, if within 30 days from the
2342 making of such order a majority of the landowners of the district protest in writing to [said] the
2343 board against the exclusion of such lands from [said] the district, [said] the order shall be held for
2344 naught and such lands shall not be excluded therefrom; provided, further, that in case contract has
2345 been made between the district and the United States, no lands shall be excluded from [said] the
2346 district unless the United States shall assent thereto in writing and such assent be filed with the
2347 board of [~~directors~~] trustees.

2348 Section 75. Section **17A-2-744** is amended to read:

2349 **17A-2-744. Filings with county clerk and recorder.**

2350 Upon the allowance of such petition and in case no protest has been filed with the board
2351 within 30 days after the entry of [said] the order as aforesaid, a certified copy of the order of the
2352 board of [~~directors~~] trustees making such change and a plat of such district showing such change,

2353 certified by the [president] chair and secretary, shall be filed for record in the office of the clerk
2354 of the county in which the office of the district is located and with the recorder of each county in
2355 which lands of the district are situate, and the district shall remain an irrigation district as fully to
2356 every intent and purpose as if the lands which are excluded by the change as aforesaid had not been
2357 excluded therefrom.

2358 Section 76. Section **17A-2-745** is amended to read:

2359 **17A-2-745. Division of districts -- Representation.**

2360 At least 30 days before the next general election of such district the board of [directors]
2361 trustees thereof shall make an order dividing such district into three divisions as nearly equal in
2362 size as may be practicable, which shall be numbered first, second and third, and one [director]
2363 trustee shall be elected from each division.

2364 Section 77. Section **17A-2-746** is amended to read:

2365 **17A-2-746. Dissolution of district -- Election -- Procedure.**

2366 Whenever landowners representing a majority of the number of acre-feet of water allotted
2367 to the lands in any irrigation district organized, or hereafter to be organized, under this part, [shall]
2368 petition the board of [directors] trustees to call a special election[;] for the purpose of submitting
2369 to the landowners of [said] the irrigation district a proposition to vote on the dissolution of [said]
2370 the irrigation district, setting forth in [said] the petition that all bills and claims of every nature
2371 whatsoever have been fully satisfied and paid, [~~it shall be the duty of said directors~~] the trustees
2372 shall, if they [~~shall be~~] are satisfied that all claims and bills have been fully satisfied, [~~to~~] call an
2373 election, setting forth the object of [said] the election, and [~~to~~] cause notice of [said] the election
2374 to be published, as in Section 17A-2-702, setting forth the time and place for holding [said] the
2375 election in each of the three voting precincts in [said] the district. [~~It~~] The trustees shall also [~~be~~
2376 ~~the duty of the directors to~~] prepare ballots to be used at [said] the election on which shall be
2377 written or printed the words: "For Dissolution -- Yes," and "For Dissolution -- No," provided, that
2378 in case contract has been made between the district and the United States the board shall have no
2379 jurisdiction to consider any such petition for dissolution of the district, no such special election
2380 shall be held, and such district shall not be disorganized or declared disorganized until it shall have
2381 been certified to the board of [directors] trustees by the United States that all payments and
2382 obligations due or to become due to the United States under such contract have been fully paid or
2383 that the United States consents to such dissolution.

2384 Section 78. Section **17A-2-747** is amended to read:

2385 **17A-2-747. Returns and canvass of election.**

2386 The board of [~~directors~~] trustees shall name a day for canvassing the returns of election,
2387 and if it [~~shall appear~~] appears that a majority of the votes cast are "For Dissolution -- Yes," then
2388 [~~it shall be the duty of said~~] the board of [~~directors to~~] trustees shall declare [~~said~~] the district to
2389 be disorganized, and shall certify to the county clerk of the county in which the office of the district
2390 is located, stating the number of signers to [~~said~~] the petition and the number of acre-feet of water
2391 allotted to them; that [~~said~~] the election was called and set for the day of month of
2392 year, that [~~said~~] the election was held and that so many votes (stating the number) had been cast
2393 for, and that so many votes (stating the number) had been cast against [~~said~~] the proposition; [~~said~~]
2394 the certificates to bear the seal of the district, and the signatures of the [~~president~~] chair and
2395 secretary of [~~said~~] the board of [~~directors~~] trustees. And it shall be the duty of [~~said~~] the clerk to
2396 have such certificate recorded with the county recorder of the respective counties embracing any
2397 lands of the district. Should it appear that a majority of the votes cast at [~~said~~] the election were
2398 "For Dissolution -- No," then the board of directors shall declare the proposition lost and shall
2399 cause the result and the vote to be made a part of the records of [~~said~~] the irrigation district.

2400 Section 79. Section **17A-2-748** is amended to read:

2401 **17A-2-748. Irrigation district's failure to function -- Dissolution -- Increase of**
2402 **assessment -- Lien and tax sale.**

2403 If after its organization [~~a water conservation~~] an irrigation district [~~shall fail~~] fails to
2404 function as provided by this part for a period of three years after the notice issued by the county
2405 legislative body and a majority of the owners of acre-feet of water allotted to such district shall
2406 evidence a desire to dissolve the district by the filing of a petition for that purpose with the board
2407 of [~~directors, it shall be the duty of~~] trustees, the board of [~~directors to~~] trustees shall file a petition
2408 with the district court requesting the dissolution of the district. Upon the filing of such petition the
2409 court shall give such notice regarding the hearing thereof as it [~~shall deem~~] considers necessary and
2410 shall proceed to hear all objections against such dissolution. If no bonds have been issued or other
2411 obligations incurred which may not be paid by a pro rata assessment against the landowners within
2412 [~~said~~] the district, or if no contract has been entered into with the United States or other persons
2413 which cannot be abrogated or the value of which cannot be assessed as liquidated damages, the
2414 court shall order a dissolution of the district upon the payment by each person therein of his pro

2415 rata share of the obligations of the district, provided that if it shall appear to the court that there are
2416 lands within the district the value of which will not satisfy such pro rata share, then assessment
2417 against the remaining lands shall be increased in an amount sufficient to repay the total obligations
2418 of the district. If any landowner [~~shall fail~~] fails to pay the amounts so assessed [~~against him~~], such
2419 amount shall be a prior lien against [~~his~~] the landowner's land and the same shall be sold by court
2420 order as upon a tax sale as provided in Section 17A-2-722, and the proceeds of the sale shall be
2421 applied toward the payment of the amount assessed against him. In such proceeding for dissolution
2422 the court shall have power to adjust the obligations of the district, allotment of benefits, and other
2423 matters affecting the property of the landowners.

2424 Section 80. Section **17A-2-749** is amended to read:

2425 **17A-2-749. Special proceedings for judicial examination.**

2426 The board of [~~directors of a water conservation~~] trustees of an irrigation district organized
2427 under the provisions of this part may commence special proceedings, in and by which all
2428 proceedings had in the organization of the district or in and by which its acts and the acts of the
2429 district in authorizing the issue and sale of the bonds of [~~said~~] the district or providing for the
2430 authorization of contract with the United States and the validity of such contract, whether [~~said~~]
2431 the bonds or any of them have or have not been sold or disposed of, or such contract or proposed
2432 contract shall or shall not have been actually signed by the United States or the district, may be
2433 judicially examined, approved and confirmed.

2434 Section 81. Section **17A-2-750** is amended to read:

2435 **17A-2-750. Petition for confirmation.**

2436 The board of [~~directors of a water conservation~~] trustees of an irrigation district shall file
2437 in the district court of the county in which the lands of the district, or some portion thereof, are
2438 situate, a petition praying, in effect, that the proceedings aforesaid may be examined, approved and
2439 confirmed by the court. The petition in case bonds or a contract with the United States has been
2440 authorized shall state the facts showing the proceedings had for the issue and sale of [~~said~~] the
2441 bonds, or for the authorization of contract with the United States, as the case may be, and shall
2442 state generally that the [~~water conservation~~] irrigation district was duly organized, and that the first
2443 board of [~~directors~~] trustees was duly elected, but the petition need not state the facts showing such
2444 organization of the district, or the election of [~~said~~] the first board of [~~directors~~] trustees.

2445 Section 82. Section **17A-2-751** is amended to read:

2446 **17A-2-751. Notice -- Contest -- Time for hearing.**

2447 The court shall fix the time for the hearing of [said] the petition and shall order the clerk
2448 of the court to give and publish notice of the filing of [said] the petition. The notice shall be given
2449 and published as in Section 17A-2-702. The notice shall state the time and place fixed for the
2450 hearing of the petition and the prayer of the petitioners, and that any person interested in the
2451 organization of [said] the district, or in the proceedings for the issue or sale of [said] the bonds,
2452 or in the making of contract with the United States, may, on or before the day fixed for the hearing
2453 of [said] the petition, demur to or answer [said] the petition. The petition may be referred to and
2454 described in [said] the notice as the petition of the board of [directors] trustees of [water
2455 conservation] irrigation district (giving its name) praying that the proceedings for the issue and sale
2456 of [said] the bonds of [said] the district, or that the proceedings for the contract with the United
2457 States, or the proceedings had for the organization of [said] the district and the validity thereof, be
2458 examined, approved and confirmed by the court.

2459 Section 83. Section **17A-2-752** is amended to read:

2460 **17A-2-752. Parties -- Appearances -- Practice and procedure.**

2461 Any person interested in [said] the district, or in the issue or sale of [said] the bonds, or in
2462 the making of contract with the United States, may demur to or answer [said] the petition. The
2463 provisions of the Code of Civil Procedure respecting the demurrer and answer to a verified
2464 complaint shall be applicable to a demurrer and answer to [said] the petition. The person so
2465 demurring or answering [said] the petition shall be the defendant to the special proceedings, and
2466 the board of [directors] trustees shall be the plaintiff. Every material statement of the petition not
2467 specifically controverted by the answer shall, for the purpose of [said] the special proceedings, be
2468 taken as true, and each person failing to answer the petition shall be [~~deemed~~] considered to admit
2469 as true all the material statements of the petition. The rules of pleading and practice relating to
2470 appeals and writs of error provided by the [Code] Rules of Civil Procedure which are not
2471 inconsistent with the provisions of this part are applicable to the special proceedings herein
2472 provided for.

2473 Section 84. Section **17A-2-754** is amended to read:

2474 **17A-2-754. Transfer of water rights -- Notice to landowners.**

2475 The board of [directors] trustees of any irrigation district, with the consent of the
2476 bondholders and other creditors, [~~shall have authority to~~] may sell, transfer, and convey the water

2477 rights and all or any other property belonging to the district to any irrigation company; provided,
2478 however, that no such sale, transfer, or conveyance shall be made until notice of the intention of
2479 [said] the board to make the same shall have been published, as in Section 17A-2-702, and mailed
2480 to each landowner in the district at his last known address at least 30 days prior to the expiration
2481 of the time fixed for protest, and provided further that no such sale, transfer, or conveyance shall
2482 be made if within 30 days from the last publication of such notice the owners of [~~one-third~~] 1/3
2483 of the acre-feet of water allotted in [said] the district file with [said] the board their written protest
2484 against such sale, transfer, or conveyance.

2485 Section 85. Section **17A-2-756** is amended to read:

2486 **17A-2-756. Inclusion of state lands.**

2487 (1) Lands belonging to the state not under contract of sale may be included in any
2488 irrigation district upon petition by the state entity responsible for the administration of the affected
2489 lands for the inclusion of those lands.

2490 (2) No such state lands included within any legally organized irrigation district shall ever
2491 be assessed, nor shall any of the preceding sections relative to the levying and collection of
2492 assessments and taxes apply.

2493 (3) The entity responsible for the administration of the affected lands and the state engineer
2494 shall make a thorough examination as to the benefits to accrue to these lands by reason of the
2495 inclusion of the lands in the irrigation district, and by reason of the acquiring of water rights for
2496 the lands.

2497 (4) (a) The entity responsible for the administration of the affected lands may enter into
2498 contract with the board of [~~directors~~] trustees of the irrigation district, specifying by legal
2499 subdivisions the land [~~benefited~~] benefitted and the amount of benefit to accrue to each tract of
2500 land.

2501 (b) The contract shall provide that annual payments shall be made to the district, to be
2502 applied on the cost of constructing the irrigation works for the district, until the full amount of the
2503 benefit is paid.

2504 (c) The entity responsible for the administration of the affected lands has the option to pay
2505 the full amount of the contract at any time, upon any or all of the legal subdivisions.

2506 Section 86. Section **17A-2-757** is amended to read:

2507 **17A-2-757. Special-benefit construction -- Terms -- Costs.**

2508 Any drain, ditch, canal, or drainage system, or any other desired special construction,
2509 reconstruction, betterment, or improvement for the special benefit of particular lands lying within
2510 an irrigation district, may be constructed and provision made to meet the cost thereof, as follows:
2511 The holders of title or evidence of title of one-quarter of the acreage proposed to be assessed for
2512 any such improvement may file with the board of [directors] trustees of the irrigation district a
2513 petition in writing, setting out the nature and general plan of the desired improvement, and
2514 specifying the lands proposed to be specially assessed therefor. Such petition shall be
2515 accompanied with a bond in such sum and with surety or sureties as may be required by [said] the
2516 board of [directors] trustees, conditioned that the petitioners will pay the cost of the investigation
2517 of the proposed improvement and of the hearing on the petition if the same be not allowed. Upon
2518 the filing of such petition the board of [directors] trustees, with the assistance of a competent
2519 engineer, shall make an investigation of the feasibility, cost, and need of the proposed local
2520 improvement together with the ability of the land to pay such cost, and if same appears feasible
2521 they shall have plans and estimate of the cost thereof prepared. If the cost [~~shall appear~~] appears
2522 to the board to exceed the benefits to accrue therefrom, or if the lands proposed to be embraced
2523 within the local improvement district shall be found to be insufficient security for the return of the
2524 cost, or if a protest against the establishment of the proposed improvement signed by a majority
2525 of the holders of title to lands in the proposed local improvement district be presented at or prior
2526 to the hearing hereinafter provided for, or if in other respects the proposed local improvement
2527 district shall be found not feasible, the board shall dismiss the petition at the expense of the
2528 petitioners.

2529 Section 87. Section **17A-2-758** is amended to read:

2530 **17A-2-758. Local improvement districts.**

2531 In the event the [said] board shall find the proposed local improvement feasible, it shall
2532 approve the petition, fix a time and place for the hearing thereof, and shall publish notice thereof,
2533 as in Section 17A-2-702, stating that the certain lands, describing them, are proposed to be
2534 organized as a local improvement district and stating generally the nature of the proposed
2535 improvements; that warrants for such local improvement are proposed to be issued as the warrants
2536 of the irrigation district; and that the lands within [said] the local improvement district are to be
2537 assessed for such improvement. At the time and place of hearing named in [said] the notice all
2538 persons interested may appear before the board and show cause for or against the formation of the

2539 proposed improvement district and the issuance of warrants as aforesaid. Upon the hearing the
2540 board shall determine whether or not the proposed local improvement district shall be established.
2541 Any landowner whose lands can be served or will be ~~[benefited]~~ benefitted by the proposed
2542 improvement may make application to the board at the time of hearing to include such lands, and
2543 the board of ~~[directors]~~ trustees in such case may, at their discretion, include such lands within
2544 such district. The board of ~~[directors]~~ trustees may exclude any land specified in ~~[said]~~ the notice
2545 from ~~[said]~~ the district, provided that in the judgment of the board the inclusion thereof will not
2546 be practicable.

2547 Section 88. Section **17A-2-759** is amended to read:

2548 **17A-2-759. Establishment -- Limit as to costs -- Authorization -- Construction**
2549 **warrants -- Orders.**

2550 If the board ~~[shall determine]~~ determines in favor of the improvement it shall enter an order
2551 establishing the improvement district and shall list and plat lands included therein, and shall adopt
2552 plans for the proposed improvement, estimate the cost, and determine the number of equal annual
2553 installments, in which the cost of ~~[said]~~ the improvement shall be paid; provided, however, that
2554 no local improvement, the cost of which will exceed \$10,000 and be less than \$25,000, ~~[shall]~~ may
2555 be undertaken unless such improvement ~~[shall]~~ is first ~~[be]~~ authorized and ratified, in writing, by
2556 a majority of the landowners within the local improvement district; nor ~~[shall]~~ may any
2557 improvement the cost of which will exceed \$25,000 be undertaken unless first authorized and
2558 ratified, in writing, by a two-thirds majority of the landowners within the local improvement
2559 district, and not then if protests, in writing, signed by landowners of the irrigation district having
2560 a majority of the votes according to the number of votes cast at the last election, be submitted
2561 within 30 days after completion of publication of notice of the proposed improvement, published
2562 as in Section 17A-2-702. The cost of such improvement shall be paid by the issuance of the
2563 warrants of the district, from time to time, therefor, either directly for the payment of the labor and
2564 material or for the securing of the funds for such purposes. ~~[Said]~~ The warrants shall bear interest
2565 at a rate of not to exceed 7% per annum, payable semiannually, and shall state upon their face that
2566 they are issued as warrants of the irrigation district for the benefit of the local improvement district
2567 within ~~[said]~~ the irrigation district, that all lands within ~~[said]~~ the local improvement district shall
2568 be primarily liable to assessment for the principal and interest of ~~[said]~~ the warrants, and that such
2569 warrants are also a general obligation of ~~[said]~~ the district. No warrant ~~[shall]~~ may be issued in

2570 denomination exceeding \$500 and no warrant shall be sold for less than par. A copy of the order
2571 establishing any local improvement district, together with list and plat of lands included, certified
2572 by the [president] chair and secretary, shall be filed and recorded in accordance with the provisions
2573 of Section 17A-2-705 relating to the filing and recording of the order declaring the organization
2574 of the irrigation district.

2575 Section 89. Section **17A-2-760** is amended to read:

2576 **17A-2-760. Assessment of damages and benefits -- Board of equalization.**

2577 The board of [~~directors~~] trustees shall, as soon as may be after the establishment of a local
2578 improvement district, view each tract of land within the district, and shall carefully consider the
2579 benefits and damages that each particular tract of land will receive from the construction and
2580 maintenance of such local improvement and assess each tract of land in accordance with the
2581 benefits received by it, making proper allowance for damages if there be any. After such
2582 assessment is made up the secretary of the board of [~~directors~~] trustees shall transmit the same to
2583 the county legislative body and the county legislative body shall cause notice to be sent by mail
2584 to each landowner in the local improvement district of the amount of benefits assessed against the
2585 landowner's land [~~owned by him~~] within the local improvement district, and shall state therein the
2586 time and place when the county legislative body shall meet as a board of equalization to hear and
2587 determine complaints made against such assessment. The county legislative body shall sit as a
2588 board of equalization of local improvement district benefits and shall equalize and finally
2589 determine the assessment to be made and levied upon each tract of land within the local
2590 improvement district, in the manner provided for by law for equalizing state and county taxes, and
2591 shall thereupon certify the same to the county assessor of each county within which any part of
2592 [~~said~~] the local improvement district is located, who shall enter the same in the tax rolls.

2593 Section 90. Section **17A-2-761** is amended to read:

2594 **17A-2-761. Validation of the creation and organization of irrigation districts and of**
2595 **district elections.**

2596 All proceedings that have been adopted and actions taken before March 16, 1987, under
2597 authority of Chapter 2, Part 7, purporting to create any irrigation district or purporting to provide
2598 for the inclusion of any additional area in any irrigation district, including all petitions filed and
2599 all notices given, published, and mailed in connection with any such creation and any inclusion,
2600 are validated, ratified, and confirmed, notwithstanding any failure to comply with any one or more

2601 pertinent statutory provisions, and each irrigation district so created or enlarged is declared to be
2602 a validly created and existing district. All proceedings and actions taken with respect to the
2603 appointment, election, and organization of a board of [~~directors~~] trustees and officers for each
2604 irrigation district are validated, ratified, and confirmed and each board of [~~directors~~] trustees is
2605 declared to be the de facto and de jure governing body of its respective irrigation district.

2606 Section 91. Section **17A-2-767** is amended to read:

2607 **17A-2-767. Default of district -- Court procedure.**

2608 If, after the issuance and sale of bonds, warrants, or other evidence of debt by any irrigation
2609 district, such district [~~shall~~] for any reason[~~,-become~~] becomes insolvent, and [~~fail~~] fails to
2610 maintain a board of [~~directors~~] trustees, or other organization as herein provided, and [~~shall~~] for
2611 more than two years [~~fail~~] fails to pay its bonded indebtedness, or interest thereon, or its other
2612 indebtedness, after the same [~~shall become~~] becomes due and payable, the district court of the
2613 county wherein such irrigation district, or the major portion thereof, is situate, shall, by virtue of
2614 its general equity powers, have jurisdiction to appoint a commissioner to take charge of the
2615 property of such irrigation district, sell and dispose of the same for the benefit of creditors and
2616 close the affairs of the district under the orders and directions of [~~said~~] the district court.

2617 Section 92. Section **17A-2-768** is amended to read:

2618 **17A-2-768. Effect of repeals construed -- Procedure against defaulting members.**

2619 The repeal by the Revised Statutes of sections 2403-2427, both inclusive, of the Compiled
2620 Laws of Utah, 1888, shall not be construed to affect the existence of any district or company
2621 organized under the aforesaid sections; but any such company or district shall, notwithstanding
2622 such repeal, continue in existence with all the rights, privileges, and limitations heretofore
2623 conferred or imposed upon it by law until discontinued or dissolved according to law. In any
2624 case in which an irrigation company or district [~~shall have~~] has a right of action against a
2625 delinquent member of such company or district for the nonpayment of taxes voted according to
2626 law the board of [~~directors~~] trustees thereof may proceed to sell the interest of such member in the
2627 canals or ditches of such company or district and his right to the use of the water flowing therein.

2628 Section 93. Section **17A-2-801** is amended to read:

2629 **17A-2-801. Short title.**

2630 This act shall be known as the "Metropolitan Water District Act" and shall apply to the
2631 incorporation, organization, government, maintenance and operation of the water districts herein

2632 provided for and described, and to the board of [~~directors~~] trustees herein referred to.

2633 Section 94. Section **17A-2-802** is amended to read:

2634 **17A-2-802. Definitions.**

2635 As used [~~herein the term "municipality"~~] in this part:

2636 (1) "Municipality" or "city" [~~shall be deemed to mean and include~~] means and includes any
2637 incorporated city or town of the state [~~of Utah~~].

2638 [~~The terms "board"~~] (2) "Board" and "board of [~~directors~~" shall be deemed to refer]
2639 trustees" refers to the board of [~~directors~~] trustees created under Section 17A-2-819.

2640 (3) [~~The term "governing body" as used herein shall be deemed to mean~~] "Governing
2641 body" means the legislative body of any municipality.

2642 [~~The term "public"~~] (4) "Public corporation" [~~as used herein shall be deemed to mean and~~
2643 include] means and includes the United States or any public agency thereof, this or any other state
2644 or any political district or subdivision thereof.

2645 Section 95. Section **17A-2-818** is amended to read:

2646 **17A-2-818. Powers of incorporated districts -- Preferential right of city to purchase**
2647 **water.**

2648 (1) (a) Any district incorporated as provided in this part may:

2649 (i) have perpetual succession;

2650 (ii) sue and be sued in all actions and proceedings and in all courts and tribunals of
2651 competent jurisdiction;

2652 (iii) adopt a corporate seal and alter it;

2653 (iv) take by grant, purchase, bequest, devise, or lease, and hold, enjoy, lease, sell,
2654 encumber, alienate, or otherwise dispose of, water, waterworks, water rights, and sources of water
2655 supply, and any real and personal property of any kind within or without the district and within and
2656 without Utah necessary or convenient to the full exercise of its powers;

2657 (v) acquire, construct, or operate, control, and use works, facilities, and means necessary
2658 or convenient to the exercise of its powers, both within and without the district and within and
2659 without Utah; and

2660 (vi) perform any and all things necessary or convenient to the full exercise of the powers
2661 granted under this section.

2662 (b) (i) Any district incorporated as provided in this part may have and exercise the power

2663 of eminent domain and, in the manner provided by law for the condemnation of private property
2664 for public use, take any property necessary to the exercise of the powers granted under this section.

2665 (ii) In any proceeding relative to the exercise of the power of eminent domain, the district
2666 has the same rights, powers, and privileges as a municipal corporation.

2667 (2) (a) Any district incorporated as provided in this part may:

2668 (i) construct and maintain works and establish and maintain facilities across or along any
2669 public street or highway and in, upon, or over any vacant public lands, that are now, or may
2670 become, the property of the state, other than those lands defined in Subsection 53C-1-103(6); and

2671 (ii) construct works and establish and maintain facilities across any stream of water or
2672 watercourse if the district promptly restores the street or highway to its former state of usefulness
2673 as nearly as may be and does not use the street or highway in a manner that completely or
2674 unnecessarily impairs the usefulness of it.

2675 (b) (i) In the use of streets, the district is subject to the reasonable rules and regulations
2676 concerning excavations and the refilling of excavations, the relaying of pavements and the
2677 protection of the public during periods of construction of the county or municipality in which the
2678 streets are located.

2679 (ii) The county or municipality may not require the district to pay any license or permit
2680 fees, or file any bonds.

2681 (iii) The county or municipality may require the district to pay reasonable inspection fees.

2682 (3) (a) Any district incorporated as provided in this part may borrow money, incur
2683 indebtedness, and issue bonds and other obligations.

2684 (b) A district may not issue bonds that pledge the full faith and credit of the district for
2685 payment if those bonds, in the aggregate, exceed 10% of the fair market value, as defined under
2686 Section 59-2-102, of the taxable property in the district as computed from the last equalized
2687 assessment roll for county purposes before the issuance of the bonds.

2688 (c) For purposes of Subsection (3), the district shall include the fair market value of all tax
2689 equivalent property, as defined under Section 59-3-102, as a part of the fair market value of taxable
2690 property in the district.

2691 (4) Contracts and agreements with the United States of America, and with any water users'
2692 association or any other public, cooperative, or private entity from which the district procures
2693 water, and bonds payable solely from revenues of the district other than from the proceeds of ad

2694 valorem taxes, are not within the limitation established by [~~this subsection~~] Subsection (3).

2695 (5) (a) Any district incorporated as provided in this part may fix and determine the funds
2696 required for district purposes of every nature and apportion and charge the same against the area
2697 of each city within the district by following the procedures and requirements of this Subsection (5).

2698 (b) As to the costs of all water, water rights, reservoirs, canals, conduits, and other works
2699 for which the district as a whole receives the benefit, and because of which the district is indebted
2700 or because of which the district has made payment without any previous apportionment and charge
2701 having been made, and the charges made against the district because of its ownership of stock in
2702 any water users' association, in the same proportion as the water and water rights set apart or
2703 allotted to each area bear to the total water and water rights owned or held by the district.

2704 (c) As to that portion of these funds required for operation, maintenance, and the cost of
2705 construction of distributing systems, the district shall equitably apportion these costs and determine
2706 and base them on the benefits and the relative cost of service provided by the district to each
2707 respective area.

2708 (6) (a) Any district incorporated as provided in this part may:

2709 (i) levy and collect taxes for the purposes of carrying on the operations and paying the
2710 obligations of the district; and

2711 (ii) in any year, levy a tax sufficient to cover in full any deficit that may have resulted from
2712 tax delinquencies for any preceding year.

2713 (b) (i) Taxes levied under this [~~subsection~~] Subsection (6) for administering the district
2714 and maintaining and operating its properties may not exceed .0005 per dollar of taxable value of
2715 taxable property in the district.

2716 (ii) Taxes levied to pay principal of and interest on the bonds of the district, to pay
2717 indebtedness and interest owed to the United States of America, or to pay assessments or other
2718 amounts due any water users' association or other public cooperative, or private entity from which
2719 the district procures water are not subject to the limitation established by this Subsection (5)(b).

2720 (c) (i) The district shall:

2721 (A) levy taxes for the payment of principal of and interest on the bonds of the district as
2722 separate and special levies for that specific purpose; and

2723 (B) apply the proceeds from them solely to the payment of this principal and interest.

2724 (ii) As separate and special levies, these levies are not subject to any priorities in favor of

2725 obligations of the district in existence at the time the bonds were issued.

2726 (d) (i) The district may not levy any of the taxes authorized by this subsection unless it has
2727 conducted, at its regular place of business, a public hearing on the purposes and necessities of the
2728 taxation.

2729 (ii) The board of [~~directors~~] trustees of the district shall publish notice of the public
2730 hearing at least seven days prior to the hearing in a newspaper of general circulation published in
2731 the county or counties in which the district is located.

2732 (e) Any district incorporated as provided in this part may:

2733 (i) enter into contracts, employ and retain personal services, and employ laborers;

2734 (ii) create, establish, and maintain and elect, appoint, and employ necessary and
2735 convenient:

2736 (A) officers, attorneys, and agents convenient for the transaction of the business of the
2737 district;

2738 (B) officers and positions as necessary; and

2739 (C) employees.

2740 (7) (a) Any district incorporated as provided in this part may:

2741 (i) join with one or more other corporations, public or private, for the purpose of carrying
2742 out any of its powers;

2743 (ii) contract with any other corporation or corporations for the purposes of financing
2744 acquisitions, constructions, and operations;

2745 (iii) in the contract, obligate itself severally or jointly with the other corporations; and

2746 (iv) secure, guarantee, or become surety for the payment of any indebtedness, or the
2747 performance of any contract or other obligation that may be, or has been, incurred or entered into
2748 by any corporation in which the district has acquired shares of stock by subscription or otherwise.

2749 (b) The contracts may provide for:

2750 (i) contributions to be made by each party to them;

2751 (ii) the division and apportionment of the expenses of the acquisitions and operations;

2752 (iii) the division and apportionment of the benefits, the services, and the products from
2753 them; and

2754 (iv) an agency to effect the acquisitions and carry on these operations.

2755 (c) The contracts shall provide the powers and the methods of procedure for the agency

2756 the method by which the agency may contract.

2757 (d) The contract may contain further covenants and agreements as necessary and
2758 convenient to accomplish its purposes.

2759 (8) Any district incorporated as provided in this part may:

2760 (a) acquire water and water rights within or without Utah;

2761 (b) develop, store, and transport water;

2762 (c) subscribe for, purchase, and acquire stock in canal companies, water companies, and
2763 water users' associations;

2764 (d) provide, sell, lease, and deliver water within or outside of the district for municipal and
2765 domestic purposes, irrigation, power, milling, manufacturing, mining, and metallurgical and any
2766 and all other beneficial uses;

2767 (e) fix the rates;

2768 (f) acquire, construct, operate, and maintain any works, facilities, improvements, and
2769 property that are necessary or convenient; and

2770 (g) in the doing of all of these things:

2771 (i) obligate itself jointly with other persons and corporations, public and private; and

2772 (ii) execute and perform these obligations according to their tenor.

2773 (9) (a) Any district incorporated as provided in this part may invest any surplus money in
2774 the district treasury, including any money in any sinking fund established for the purpose of
2775 providing for the payment of the principal or interest of any bonded contract or other indebtedness
2776 or for any other purpose, not required for immediate necessities of the district, by following the
2777 procedures and requirements of Title 51, Chapter 7, State Money Management Act.

2778 (b) The district shall ensure that the sales of any bonds or treasury notes purchased and
2779 held are made in season so that the proceeds may be applied to the purposes for which the money,
2780 with which the bonds or treasury notes were originally purchased, was placed in the treasury of the
2781 district.

2782 (c) The treasurer and controller, with the approval of the attorney, shall perform the
2783 functions and duties authorized by this subsection under rules adopted by the board of [directors]
2784 trustees of the district.

2785 (10) Each city, the area of which is a part or all of any district incorporated under this part,
2786 has a preferential right to purchase from the district, at rates determined by the board of [directors]

2787 trustees of the district, for distribution by the city, or any public utility empowered by the city for
2788 the purpose, for domestic, municipal, and other beneficial uses within the city, a portion of the
2789 water served by the district which shall bear the same ratio to all of the water supply of the district
2790 as the total accumulation of amounts levied as taxes by the district against the property of the city
2791 which is within the area of the district shall bear to the total of all taxes levied by the district
2792 against the property in all of the cities in the areas of which are within the area of the district.

2793 Section 96. Section **17A-2-819** is amended to read:

2794 **17A-2-819. Trustees -- Representation -- Voting -- Organization and membership**
2795 **-- Other provisions apply.**

2796 (1) [~~All powers, privileges and duties vested in or imposed upon any district incorporated~~
2797 ~~under this part shall be exercised and performed by and through a~~] The board of [~~directors, all the~~
2798 ~~members of which shall serve without compensation for the terms of office as provided and who,~~
2799 ~~in all events;~~] trustees shall be designated and appointed by the legislative body or bodies,
2800 respectively, of a city or cities the area of which is within a metropolitan water district. [~~The~~
2801 ~~exercise of any and all executive, administrative, and ministerial powers may be by the board of~~
2802 ~~directors delegated and redelegated to any of the offices created by this part or by the board of~~
2803 ~~directors acting under this part.]~~

2804 (2) If the district is organized to comprise the area of two or more cities, the board of
2805 [~~directors~~] trustees shall consist of at least one representative from each municipality, the area of
2806 which shall lie within the metropolitan water district. As a member of the board of [~~directors~~]
2807 trustees, each representative may vote on all questions, orders, resolutions, and ordinances coming
2808 before the board, and may cast one vote for each \$10,000,000, or major fractional part of that
2809 amount, of the taxable value of property taxable for district purposes in the city represented by the
2810 representative as shown by the assessment records of the county and evidenced by the certificate
2811 of the county auditor. Each city shall have at least one vote. In lieu of one representative any city
2812 may at its option designate and appoint several representatives not exceeding one additional
2813 representative for each \$1,000,000 of taxable value, but the representative shall cast the vote to
2814 which the city would otherwise be entitled as a unit and as a majority of such representatives
2815 present shall determine. The affirmative vote of members representing more than 50% of the total
2816 number of votes of all the members shall be necessary and, except as otherwise provided, shall be
2817 sufficient to carry any order, resolution, or ordinance coming before the board of [~~directors~~]

2818 trustees. For the purposes of this section, the term "major fractional part" means a fractional part
2819 larger than [~~one-half~~] 1/2.

2820 (3) If a district includes the area of only one municipality, the board of [~~directors~~] trustees
2821 may consist of either five or seven members, as determined by the legislative body of the
2822 municipality. Each [~~director~~] trustee may cast one vote on all matters coming before the board[;
2823 on a board of five members, the affirmative vote of three, and on a board of seven members, the
2824 affirmative vote of four, shall, except as otherwise provided, be necessary and sufficient to carry
2825 any order, resolution, or ordinance coming before the board].

2826 [~~(4) Members of the board of directors of any metropolitan water district who have been~~
2827 ~~appointed as provided shall convene at the time and place fixed by the presiding officer of the~~
2828 ~~municipality initiating the proceedings, and immediately upon convening, the board of directors~~
2829 ~~shall elect from its membership a chairman, a vice-chairman, and a secretary, who shall serve for~~
2830 ~~a period of two years, or until sooner recalled or resigning, or until a successor is elected and~~
2831 ~~qualified.]~~

2832 [~~(5)~~] (4) Every member of the board of [~~directors~~] trustees of a metropolitan water district
2833 shall be a registered voter, a property taxpayer, and a resident of the municipality by the legislative
2834 body of which the member is appointed. In each municipality, the area of which is in a
2835 metropolitan water district, except in districts occupying the area of more than one city, one of the
2836 [~~directors~~] trustees appointed by its legislative body to the board of [~~directors~~] trustees shall be the
2837 commissioner of water supply and waterworks, or other comparable officer, however designated,
2838 who is in charge of the municipality's water supply and distribution system, if municipally owned,
2839 and who shall be known as the ex officio [~~director~~] trustee. Except for the ex officio [~~director~~]
2840 trustee, all other elected or appointed officers, or the employees of the municipality shall be
2841 ineligible for appointment to any district board; and except for the ex officio [~~director~~] trustee, any
2842 member of the metropolitan water district board of [~~directors~~] trustees who at a time after
2843 appointment to the board becomes elected or appointed to office in, or who becomes an employee
2844 of, the municipality in which the member resides shall immediately become disqualified as a
2845 [~~director~~] trustee and shall forfeit the office, and the legislative body of the municipality shall
2846 immediately appoint a successor to serve the unexpired portion of the term of office. The
2847 appointment of [~~directors~~] trustees by the legislative body of a municipality shall be made without
2848 regard to partisan political affiliations from among citizens of the highest integrity, attainment,

2849 competence, and standing in the community, and it is the intent of this part that each municipality
2850 shall adhere so far as possible to a policy of continuing reappointment, at the expiration of their
2851 terms of office, of [directors] trustees of high character and proven competence.

2852 ~~[(6)]~~ (5) Except as to an ex officio [director] trustee, the terms of office of members of the
2853 board of [directors] trustees are as follows:

2854 (a) in metropolitan water districts comprising the area of two or more cities, six years;

2855 (b) in metropolitan water districts comprising the area of only one city where the number
2856 of members of the board of directors is five, one member shall be appointed for a two-year term;
2857 one for a three-year term; one for a five-year term; one for a six-year term all as determined by lot;
2858 and upon the expiration of these terms, the ensuing terms of office for each shall be six years; and

2859 (c) in metropolitan water districts comprising the area of only one city where the number
2860 of members of the board of [directors] trustees is seven, two members shall be appointed for a
2861 two-year term; two for a four-year term and two for a six-year term, all as determined by lot; and
2862 upon the expiration of these terms, the ensuing terms of office for each shall be six years.

2863 ~~[(7) Every member of a board of directors shall serve until the member resigns or until a
2864 successor has been duly appointed and qualified. Before assuming office, every director, other
2865 than an ex officio director, shall first subscribe to the constitutional oath of office of the state, and
2866 the oath shall be delivered to and retained among the records of the secretary of the district.]~~

2867 ~~[(8)]~~ (6) Members of the board of [directors] trustees of any metropolitan water district
2868 who are serving as such on the effective date of this amendment and who are otherwise qualified
2869 as provided in Subsection ~~[(5)]~~ (4), shall immediately be reappointed to office by the legislative
2870 body or bodies, respectively, of the city or cities the area of which is included in a metropolitan
2871 water district, and for the terms of office provided in Subsection ~~[(6)]~~ (5).

2872 (7) (a) The provisions of Title 17B, Chapter 2, Part 4, Board of Trustees, apply to each
2873 metropolitan water district to the same extent as if the metropolitan water district were a local
2874 district under Title 17B, Chapter 2, Local Districts.

2875 (b) (i) If a change in the number of board of trustees members is necessary to comply with
2876 the requirements of Subsection 17B-2-402(1), the board of trustees may by majority vote,
2877 notwithstanding Subsection 17B-2-402(3), change the number of board members to the next odd
2878 number higher or lower than the number of current board members.

2879 (ii) If a change under Subsection (7)(b)(i) decreases the number of board members, the

2880 change may not take effect until the expiration of the term of the member whose term next expires.

2881 (c) If a change in the length or expiration date of the term of a board of trustees member
2882 is necessary to comply with the requirements of Subsection 17B-2-403(2), the change may not take
2883 effect until the expiration of the term of the member whose term length or expiration date is to be
2884 changed.

2885 Section 97. Section **17A-2-820** is amended to read:

2886 **17A-2-820. Powers of trustees.**

2887 [~~The board of directors shall have power:~~]

2888 [~~Meetings:~~]

2889 [~~(1) To fix the time and place or places at which its regular meetings shall be held, and~~
2890 ~~shall provide for the calling and holding of special meetings.]~~

2891 [~~Ordinances, Resolutions and Orders -- Roll Call.]~~

2892 [~~(2) (1) To make and pass ordinances, resolutions and orders not repugnant to the~~
2893 ~~Constitution of the United States or of the state of Utah, or to the provisions of this part, necessary~~
2894 ~~for the government and management of the affairs of the district, for the execution of the powers~~
2895 ~~vested in the district and for carrying into effect the provisions of this part. On all ordinances the~~
2896 ~~roll shall be called and the ayes and noes recorded. Resolutions and orders may be adopted by viva~~
2897 ~~voce, but on demand of any member the roll shall be called.] No ordinance [shall] may be adopted~~
2898 ~~unless it [shall have] has been introduced on a day previous to the time of such adoption except~~
2899 ~~by unanimous vote of all the members of the board of [directors] trustees present, provided there~~
2900 ~~shall be present [directors] trustees from not less than [three-fourths] 3/4 of all cities composing~~
2901 ~~[said] the metropolitan water district and representing not less than [three-fourths] 3/4 of the total~~
2902 ~~votes of [said] the district; provided, that in lieu of such previous introduction or unanimous vote~~
2903 ~~any ordinance may be mailed by registered mail, postage prepaid to each member of the board of~~
2904 ~~[directors] trustees at least five days prior to the day upon which such ordinance shall be presented~~
2905 ~~for adoption.~~

2906 (2) All ordinances shall take effect upon their adoption by the board of [directors] trustees.

2907 [~~Location of Offices.]~~

2908 [~~(3) To fix the location of the principal place of business of the district and the location~~
2909 ~~of all offices and departments maintained hereunder.]~~

2910 [~~Business Administration, Officers and Employees.]~~

2911 ~~[(4) To prescribe by ordinance a system of business administration and to create any and~~
2912 ~~all necessary offices which shall include the offices of controller and of treasurer and to select and~~
2913 ~~employ, and establish and re-establish the powers, duties and compensation of all officers and~~
2914 ~~employees and prescribe the periods, terms and conditions of their employment, and to require and~~
2915 ~~fix the amount of all official bonds necessary for the protection of the funds and the property of~~
2916 ~~the district.]~~

2917 ~~[Civil Service.]~~

2918 ~~[(5) To prescribe by ordinance a system of civil service.]~~

2919 ~~[Delegation of Authority to Officers.]~~

2920 ~~[(6) By ordinance or resolution to delegate and redelegate to officers of the district power~~
2921 ~~to employ clerical, legal and engineering assistants and labor, and, under such conditions and~~
2922 ~~restrictions as shall be fixed by the directors, power to bind the district by contract.]~~

2923 ~~[Claims, Method of Auditing -- Construction of Works -- Letting Contracts.]~~

2924 ~~[(7) To] (3) (a) The board of trustees may prescribe a method of auditing and allowing or~~
2925 ~~rejecting claims and demands[; also to] and may prescribe methods for the construction of works~~
2926 ~~and for the letting of contracts for the construction of works, structures or equipment, or the~~
2927 ~~performance or furnishing of labor, materials or supplies, required for the carrying out of any of~~
2928 ~~the purposes of this part[; provided, that in cases where].~~

2929 ~~(b) Notwithstanding Subsection (3)(a):~~

2930 ~~(i) if work is not to be done by the district itself by force account, and the amount involved~~
2931 ~~[~~shall be~~] is \$10,000[;] or more, the board of [~~directors~~] trustees shall provide for the letting of~~
2932 ~~contracts to the lowest responsible bidder, after publication of notices inviting bids, at least once~~
2933 ~~and not less than ten days prior to the expiration of the period within which bids [~~shall be~~] are~~
2934 ~~received, subject always to the right of [~~said~~] the board to reject any and all proposals[. ~~Provided,~~~~
2935 ~~~~likewise,~~ that];~~

2936 ~~(ii) the board of [~~directors~~] trustees, in advertising for bids and in letting contracts as above~~
2937 ~~provided, may require all articles to be furnished to the district thereunder to be manufactured,~~
2938 ~~produced or fabricated in the United States or its territories, and may prohibit the use in, or~~
2939 ~~employment in connection with, the carrying out of such contracts by the contractor or any~~
2940 ~~subcontractor, of all machinery or materials except such as [~~shall~~] have been manufactured,~~
2941 ~~produced or fabricated in the United States or its territories, if such are available, the question of~~

2942 such availability to be determined by the board of [~~directors. Provided, further, that~~] trustees; and
2943 (iii) contracts, in writing or otherwise, may be let without advertising for or inviting bids,
2944 when any repairs, alterations, or other work or the purchase of materials, supplies, equipment or
2945 other property [~~shall be deemed~~] are considered by the board of [~~directors~~] trustees to be of urgent
2946 necessity, and shall be authorized by a two-thirds vote thereof.

2947 [~~Rates.~~]

2948 [~~(8) To~~] (4) (a) The board of trustees may fix the rates, from time to time, at which water
2949 [~~shall be~~] is sold[; ~~provided, however, the rates~~].

2950 (b) Rates fixed under Subsection (4)(a) shall be equitable, although not necessarily equal
2951 or uniform, for like classes of service throughout the district.

2952 Section 98. Section **17A-2-821** is amended to read:

2953 **17A-2-821. Resolution or ordinance proposing obligations or indebtedness --**

2954 **Election.**

2955 [~~Whenever~~] If the board of [~~directors~~] trustees of any metropolitan water district
2956 incorporated under this part [~~shall~~] determines, by resolution or ordinance adopted by a vote of a
2957 majority of the aggregate number of votes of all the members of the board of [~~directors, determine~~]
2958 trustees, that the interests of the district and the public interest or necessity demand the acquisition,
2959 construction, or completion of any source of water supply, water, waterworks or other
2960 improvement, works or facility, or the making of any contract with the United States or other
2961 persons or corporations, or the incurring of any preliminary expense, necessary or convenient to
2962 carry out the objects or purposes of the district wherein an indebtedness or obligation shall be
2963 created to satisfy which shall require a greater expenditure than the ordinary annual income and
2964 revenue of the district shall permit, the board of [~~directors~~] trustees may order the submission of
2965 the proposition of incurring the obligation or bonded or other indebtedness, for the purposes set
2966 forth in the resolution or ordinance, to the qualified electors of the district at an election held for
2967 that purpose. The resolution or ordinance calling the election shall be adopted, the notice of the
2968 election shall be given, the election shall be held, the voters' qualifications shall be determined, and
2969 the results of the elections canvassed in the manner and subject to such conditions as are provided
2970 in the Utah Municipal Bond Act. The declaration of public interest or necessity so required and
2971 the provision for the holding of the election may be included within the same resolution or
2972 ordinance, which resolution or ordinance, in addition to the declaration of public interest or

2973 necessity, shall recite the objects and purposes for which the indebtedness is proposed to be
2974 incurred, the estimated cost of the public works or improvements, or the estimated amount of
2975 preliminary expenses, as the case may be, and the maximum amount of the principal of the
2976 indebtedness to be incurred.

2977 Section 99. Section **17A-2-824** is amended to read:

2978 **17A-2-824. Revenue indebtedness or general obligation indebtedness -- Procedure**
2979 **for incurring -- Terms.**

2980 (1) (a) Any district which has determined to issue bonds shall issue its bonds under Title
2981 11, Chapter 14, [the] Utah Municipal Bond Act, for the acquisition through construction, purchase,
2982 or otherwise and for the improvement or extension of any properties necessary or desirable in the
2983 obtaining, treatment, and distribution of water and any other properties which the district is
2984 authorized to own under this part. Bonds may be issued or a contract indebtedness or obligation
2985 may be created [(a)];

2986 (i) payable solely from the revenues of the district other than the proceeds of taxes, in
2987 which case they shall be known for purposes of this section as "revenue indebtedness"[-or-(b)];

2988 (ii) payable solely from the proceeds of taxes, in which case they shall be known for
2989 purposes of this section as "general obligation indebtedness"[-]; or [(c)]

2990 (iii) payable from both operating revenues and the proceeds of taxes, in which case they
2991 shall be known for purposes of this section as "general obligation revenue indebtedness."

2992 (b) The full faith and credit of the district shall be pledged to the payment of its general
2993 obligation and general obligation revenue indebtedness, and taxes shall be levied fully sufficient
2994 to pay that part of the principal of and interest on general obligation revenue indebtedness as the
2995 revenues of the district pledged for this purpose may not be sufficient to meet.

2996 (c) General obligation indebtedness and general obligation revenue indebtedness may be
2997 issued only after approval at an election as provided in Section 17A-2-821.

2998 (d) Revenue indebtedness may be similarly submitted at an election as provided in Section
2999 17A-2-821 if considered desirable by the board of [directors] trustees, but nothing in this part shall
3000 be construed to require such submission.

3001 (e) Refunding bonds may be issued without approval at an election.

3002 (2) Revenue indebtedness and general obligation revenue indebtedness may be payable
3003 from and secured by the pledge of all or any specified part of the revenues to be derived by the

3004 district from its water supply and the operation of its water facilities and other properties. It is the
3005 duty of the board of [directors] trustees to impose for water and water services rendered thereby,
3006 rates fully sufficient to carry out all undertakings contained in the resolution authorizing the bonds
3007 or the contract. The board of [directors] trustees may in the resolution agree to pay the expenses
3008 of maintaining and operating the properties of the district from the proceeds of the ad valorem
3009 taxes authorized in Subsection 17A-2-818 (1)(i) and may enter into those covenants with the future
3010 holders of the bonds or the other contracting party as to the management and operation of the
3011 properties, the imposition and collection of fees and charges for water and services furnished
3012 thereby, the disposition of the fees and revenues, the issuance of future bonds or the creation of
3013 future contract indebtedness or obligations and the creation of future liens and encumbrances
3014 against the properties and the revenues from them, the carrying of insurance on the properties, the
3015 keeping of books and records, the deposit, securing, and paying out of the proceeds of the bonds,
3016 and other pertinent matters, as [~~deemed~~] considered proper by the board of [directors] trustees to
3017 assure the marketability of the bonds or the making of the contract. The board of [directors]
3018 trustees may undertake in the resolution to make the revenues of the properties sufficient to pay
3019 all or any specified part of the expense of the operation and maintenance of them. Covenants may
3020 be contained in the resolution with respect to the manner of the imposition and collection of water
3021 charges, and provision also may be made in it for the appointment of a receiver for the properties
3022 of the district in the event of a default by the district in carrying out the covenants and agreements
3023 contained in the resolution. Provision may also be made in the resolution for a [~~trustee~~] receiver
3024 to perform those services with respect to the holding and paying out of the revenues of the district
3025 and the proceeds of the bonds, and otherwise, as may be considered advisable. Maintenance and
3026 operation costs and expenses as referred to in this section shall be construed to include any
3027 payments made by the district to the United States of America, to any water users' association, or
3028 to any other public or private entity for the cost of operating facilities used in providing water for
3029 the district.

3030 Section 100. Section **17A-2-825** is amended to read:

3031 **17A-2-825. Validity of signatures and facsimile signatures.**

3032 [~~In case~~] If any of such officers, whose signatures or countersignatures appear on the bonds
3033 or coupons, [~~shall~~] cease to be such officer before the delivery of such bonds to the purchaser, such
3034 signatures or countersignatures shall nevertheless be valid and sufficient for all purposes, the same

3035 as if they had remained in office until the delivery of such bonds.

3036 Any officer whose signature or countersignature is required on bonds and coupons may
3037 make written request to, and the board of [directors] trustees of the metropolitan water district
3038 issuing bonds as herein provided shall thereupon grant and by resolution authorize the[.] use of
3039 [his] the officer's signature on bonds and coupons by facsimile imprinting in lieu of [his] a
3040 hand-affixed signature, and such imprinted facsimile signature shall in every instance be valid and
3041 sufficient for all of the purposes of such bonds and coupons.

3042 Section 101. Section **17A-2-827** is amended to read:

3043 **17A-2-827. Proceeds of sale of bonds.**

3044 Such bonds may be issued and sold by [said] the board of [directors] trustees as they [shall]
3045 determine, and the proceeds thereof, excepting premium and accrued interest, shall be placed in
3046 the treasury of [said] the district to the credit of the proper improvement fund, and shall be applied
3047 exclusively to the purposes and objects mentioned in [said] the ordinance; provided, that the
3048 interest on [said] the bonds accruing during the construction period and for one year thereafter
3049 shall be [deemed] considered to be a construction cost within the meaning of the purposes and
3050 objects mentioned in [said] the ordinance, and such interest may be paid from [said] the proceeds
3051 of the sales of such bonds. Premium and accrued interest shall be placed in the fund to be applied
3052 to the payment of interest on, and the retirement of, the bonds so sold. For the purposes of this
3053 section, the construction period shall be [deemed] considered to end when the works, the
3054 construction of which shall have been authorized from the proceeds of any such bond issue, [shall]
3055 have been placed in operation to such extent as to result in the sale and delivery in the district, of
3056 water transported and provided by means of such works.

3057 Section 102. Section **17A-2-828** is amended to read:

3058 **17A-2-828. Action to test validity of contracts, bonds, and other contract obligations**
3059 **or indebtedness.**

3060 The board of [directors] trustees may, within 90 days from the date of the election
3061 authorizing the issuance of bonds, the making of any contract, the incurring of any contract
3062 obligation or indebtedness, cause to be brought in the name of the district an action in the district
3063 court of the county in which [said] the district, or the greater portion of the property subject to
3064 taxation by [said] the district, according to the most recent assessment, is located, to determine the
3065 validity of any such bonds, contract, contract obligation, or indebtedness, and the sufficiency of

3066 the provision for the collection of an annual tax sufficient to pay the interest on such bonded or
3067 other indebtedness and the principal thereof as such interest and principal shall fall due and/or to
3068 constitute a sinking fund for the payment of principal on or before maturity. Such action shall be
3069 in the nature of a proceeding in rem, and jurisdiction of all parties interested may be had by
3070 publication of summons for at least once a week for three weeks in some paper of general
3071 circulation published in the county where the action is pending, such paper to be designated by the
3072 court having jurisdiction of the proceedings. Jurisdiction shall be complete within ten days after
3073 the full publication of such summons in the manner herein provided. Anyone interested may at
3074 any time before the expiration of [said] the ten days appear and by proper proceedings contest the
3075 validity of such bonds, contract or contract obligation, or indebtedness and the sufficiency of the
3076 provisions for the collection of [said] the annual tax. Such action shall be speedily tried and
3077 judgment rendered declaring such bonds, contract or contract obligation, or indebtedness to be
3078 valid or invalid, and declaring the provision for the collection of an annual tax for [said] those
3079 purposes, to be sufficient or insufficient. Either party may have the right to appeal to the Supreme
3080 Court at any time within 30 days after the rendition of such judgment, which appeal must be heard
3081 and determined within three months from the time of taking such appeal. After the expiration of
3082 90 days from the date of the election authorizing the making of such contract or contracts, the
3083 issuance of bonds, or the incurring of other obligation or indebtedness, no action may be brought
3084 to contest or question the validity of [said] the bonds, contract, obligation, or indebtedness and
3085 proceedings in relation thereto or the sufficiency of the provision for the collection of an annual
3086 tax sufficient to pay the interest on such indebtedness, or the principal thereof, as it falls due and/or
3087 to constitute a sinking fund for the payment of principal on or before maturity. If there [~~be~~] is
3088 more than one action or proceeding involving the validity of any such bonds, indebtedness or
3089 contract, or the sufficiency of the provision for the collection of an annual tax sufficient for [~~the~~
3090 said] those purposes, they shall be consolidated and tried together. The court hearing any
3091 proceeding or action inquiring into the regularity, legality or correctness of the proceedings leading
3092 up to the making of such contract or contracts, the incurring of [said] the indebtedness or issuance
3093 of bonds or the validity of such bonds or the sufficiency of such provision for the collection of an
3094 annual tax, must disregard any error, irregularity or omission which does not affect the substantial
3095 rights of the parties to [said] the action or proceeding. The rules of pleading and practice provided
3096 by the [~~Code~~] Rules of Civil Procedure, which are not inconsistent with the provisions of this part,

3097 are applicable to all actions or proceedings herein provided for. The motion for a new trial of any
3098 such action or proceeding [must] shall be heard and determined within ten days from the filing of
3099 the notice of intention. The costs on any proceeding or action herein provided for may be allowed
3100 and apportioned between the parties or taxed to the losing party, in the discretion of the court.

3101 Section 103. Section **17A-2-829** is amended to read:

3102 **17A-2-829. Water rates to pay operating expenses, repairs, and depreciation --**
3103 **Interest and principal of bonded and other debt to be paid so far as practicable from water**
3104 **rates -- Tax levy.**

3105 The board of [~~directors~~] trustees shall fix such rate or rates for water furnished as will, in
3106 conjunction with the proceeds of the maintenance and operation tax authorized by Section
3107 17A-2-818, pay the operating expenses of the district, provide for repairs and depreciation of
3108 works owned or operated by such district, pay the interest on any bonded or other debt, and so far
3109 as practicable, provide a sinking or other fund for the payment of the principal of such debt as the
3110 same may become due; it being the intention of this section to require the districts to pay the
3111 interest and principal of its indebtedness from the revenues of such district, so far as practicable.
3112 If, however, from any cause, the revenues of the district [~~shall be~~] are inadequate to pay the interest
3113 or principal of any debt, other than revenue bonds, as the same [~~shall become~~] becomes due, the
3114 board of [~~directors~~] trustees shall, at the time of fixing the tax levy and in the manner for such tax
3115 levy provided, levy and collect annually until [~~said~~] the indebtedness [~~shall be~~] is paid or until
3116 there [~~shall be~~] is a sum in the treasury of the district set apart for that purpose sufficient to meet
3117 all sums coming due for principal and interest thereon, a tax sufficient to pay the annual interest
3118 on such indebtedness, or such part thereof as [~~shall~~] is not [~~be~~] met from revenues of the district,
3119 and also sufficient to pay such part of the principal of such bonds and other debt as shall become
3120 due before the time when money will be available from the next general tax levy, or such portion
3121 thereof as [~~shall~~] is not [~~be~~] met from revenues of the district; provided, however, that if the
3122 maturity of such indebtedness [~~be~~] is made to begin more than one year after the date when the
3123 same [~~shall be~~] is incurred, such tax shall be levied and collected at the time and in the manner
3124 aforesaid annually sufficient when added to revenues of the district available for that purpose to
3125 pay the interest on such indebtedness as it falls due and also to constitute, together with the
3126 revenues of the district available for such purpose, a sinking fund for the payment of the principal
3127 thereof on or before maturity. The taxes herein required to be levied and collected shall be in

3128 addition to all other taxes levied for district purposes and shall be collected at the time and in the
3129 same manner as other district taxes are collected and shall be used for no purpose other than the
3130 payment of such indebtedness and accruing interest. Nothing in this part shall be so construed as
3131 to prevent the making of long term contracts by the district for the sale of water to industrial or
3132 other large consumers at fixed rates.

3133 Section 104. Section **17A-2-830** is amended to read:

3134 **17A-2-830. Conversion of coupon bonds into registered bonds -- Reconversion --**
3135 **Exchanging for higher denomination.**

3136 Coupon bonds issued hereunder, at the request of the holder, may be registered as to
3137 principal and interest in the holder's name on the books of the treasurer of the district, and the
3138 coupons surrendered and the principal and interest made payable only to the registered holder of
3139 the bond. For that purpose the treasurer of the district shall detach and cancel the coupons, and
3140 shall endorse a statement on the bonds that the coupon sheet issued therewith has been surrendered
3141 by the holder, and the coupons canceled by such treasurer, and that the principal and the
3142 semiannual interest are thereafter to be paid to the registered holder, or order, by draft, check or
3143 warrant drawn payable at a place of payment specified in the bond, after which no transfer shall
3144 be valid unless made on such treasurer's books by the registered holder, or by his attorney duly
3145 authorized, and similarly noted on the bond. After such registration, the principal and interest of
3146 such bond shall be payable only to the registered owner. Bonds registered under this section may,
3147 with the consent of the district and the holders of the bonds, be reconverted into coupon bonds at
3148 the expense of the holder thereof, and again reconverted into registered bonds from time to time,
3149 as the board of [directors] trustees of the district and the holders of the bonds may determine. In
3150 converting coupon bonds into registered bonds, coupon bonds may be exchanged for registered
3151 bonds of \$100 each, or multiples thereof, but not exceeding \$50,000 each, in which event new
3152 registered bonds shall be issued at the expense of the holder. Coupon bonds may be exchanged
3153 for other coupon bonds of \$100 each, or multiples thereof, but not exceeding \$50,000 each, in
3154 which event new coupon bonds shall be issued at the expense of the holder.

3155 Section 105. Section **17A-2-831** is amended to read:

3156 **17A-2-831. Fees.**

3157 For each conversion or reconversion of a coupon or registered bond, the treasurer of the
3158 district [~~shall be entitled to~~] may charge and collect such fee as the board of [directors] trustees of

3159 the district may prescribe from time to time.

3160 Section 106. Section **17A-2-834** is amended to read:

3161 **17A-2-834. Rate of taxation.**

3162 Before June 22 of each year, the board of [directors] trustees of the district shall, by
3163 resolution, determine the amount of money necessary to be raised by taxation and shall fix the rate
3164 of taxation of the areas of each separate city within the district, designating the levy on taxable
3165 value of taxable property in each of the areas in each county and shall levy a tax accordingly:

3166 (1) sufficient to meet interest and sinking fund requirements on, and/or any payment to
3167 principal of, outstanding bonded and other indebtedness of the district; and sufficient to meet the
3168 payment of the principal and interest on any refunding bonds, or on any bonds the issuance of
3169 which may have been authorized as provided in this part, and which bonds have not been sold but
3170 which, in the judgment of the board of [directors] trustees, will be sold prior to the time when
3171 money will be available from the next subsequent tax levy, and in case the bonds are not so issued
3172 and sold or the tax for any other reason is not required for that purpose, the tax levied shall be
3173 applied to the payment of interest and/or principal on any refunding bonds, or on any bonds
3174 authorized as provided in this part, then outstanding or subsequently issued and/or sold, or on any
3175 contract or other indebtedness; and

3176 (2) for all other district purposes.

3177 Section 107. Section **17A-2-835** is amended to read:

3178 **17A-2-835. Amounts due from cities declared in resolution.**

3179 The board of [directors] trustees shall also cause to be computed and shall declare in [said]
3180 the resolution the amount of money to be derived from the area of the district lying within each
3181 separate municipality by virtue of the tax levy in accordance with the provisions of Section
3182 17A-2-818. The board shall immediately cause certified copies of such resolution to be
3183 transmitted to the presiding officer of the governing body of each such city.

3184 Section 108. Section **17A-2-836** is amended to read:

3185 **17A-2-836. Tax rates for cities.**

3186 Before June 22 the controller of the district shall cause to be prepared and transmitted to
3187 the auditor of each county in which the district lies, a statement showing the tax rate to be applied
3188 to taxable property in each city, which rate shall be the rate fixed by resolution of the board of
3189 [directors] trustees.

3190 Section 109. Section **17A-2-840** is amended to read:

3191 **17A-2-840. Expenses of incorporation.**

3192 Any city [~~which shall incur~~] that incurs expenses in preliminary work in preparing for the
3193 incorporation of or in the incorporation of any district hereunder likewise may certify the amount
3194 thereof, without interest, to the board of [~~directors~~] trustees of [~~said~~] the district at any time within
3195 four years from the date of the incorporation of such district, and if allowed by the board of
3196 [~~directors~~] trustees, such amount shall be credited to the city incurring the same, and shall be
3197 considered as a payment for water purchased, or to be purchased, by such city from the district.

3198 Section 110. Section **17A-2-841** is amended to read:

3199 **17A-2-841. Annexation to district -- Validity of proceedings.**

3200 (1) Territory may be annexed to a metropolitan water district as provided in this section.

3201 (2) If a city within a metropolitan water district adds territory to the city by annexation or
3202 by consolidation with another city, that territory shall, by virtue of the annexation or consolidation,
3203 become and be a part of the district and is taxable in accordance with the provisions of this part,
3204 to pay the indebtedness of the district outstanding at the time of annexation or consolidation.

3205 (3) (a) If the governing or legislative body of a municipality requests the controller of a
3206 metropolitan water district for a statement showing the amount of the bonded and other
3207 indebtedness of the district, the taxable value of the taxable property in the district according to
3208 the most recent assessment, and the names of all municipalities included within the district, the
3209 controller shall furnish the requested information.

3210 (b) After consideration of the statement, the governing or legislative body of the
3211 municipality may apply to the board of [~~directors~~] trustees of the metropolitan water district for
3212 consent to annex the municipality to the metropolitan water district.

3213 (c) (i) The board of [~~directors~~] trustees may grant or deny the application.

3214 (ii) If the board of [~~directors~~] trustees grants the application, it may fix the terms and
3215 conditions upon which the city may be annexed to the metropolitan water district.

3216 (d) The board of [~~directors~~] trustees shall promptly transmit to the governing or legislative
3217 body of the applying city a copy of the board's order indicating its action on the application.

3218 (e) (i) If the board grants the application, the city's governing or legislative body shall,
3219 except as provided in Subsection (3)(f), submit to the qualified electors of the city, at any general
3220 or special election held in the city, the proposition of the annexation subject to the terms and

3221 conditions fixed as provided in this part.

3222 (ii) The governing or legislative body shall give notice of the election:

3223 (A) by posting the notice at least ten days and in three public places in the city; or

3224 (B) publishing the notice once at least ten days before the date fixed for the election in a
3225 newspaper of general circulation in the city.

3226 (iii) The notice shall contain the substance of the terms and conditions fixed by the board
3227 of [~~directors~~] trustees.

3228 (iv) The election shall be conducted and the returns canvassed in the manner provided by
3229 law for municipal elections in the city.

3230 (f) (i) An election is not required under Subsection (3)(e) if a petition approving
3231 annexation is filed with the city's governing or legislative body that:

3232 (A) is signed by a majority of the registered voters residing in the city; and

3233 (B) contains the substance of the terms and conditions fixed by the metropolitan water
3234 district's board of [~~directors~~] trustees.

3235 (ii) If a petition filed under Subsection (3)(f)(i) meets the requirements of that subsection,
3236 the city's governing or legislative body shall so certify to the board of [~~directors~~] trustees of the
3237 metropolitan water district.

3238 (g) If annexation receives approval either by the affirmative vote of a majority of electors
3239 of the city voting at the election under Subsection (3)(e) or by a petition under Subsection (3)(f),
3240 the governing or legislative body of the municipality shall certify the result of the election or
3241 petition on the proposition to the board of [~~directors~~] trustees of the district.

3242 (h) (i) Upon the board's receipt of the certification under Subsection (3)(g), the secretary
3243 of the district shall prepare and file with the lieutenant governor a certificate of annexation
3244 indicating that all the requirements of this section for annexation have been complied with.

3245 (ii) Upon the filing of the certificate in the office of the lieutenant governor, the
3246 municipality shall be part of the metropolitan water district, and the taxable property in the
3247 municipality shall be subject to taxation for the purposes of the metropolitan water district,
3248 including the payment of bonds and other obligations of the district at the time authorized or
3249 outstanding.

3250 (4) The validity of proceedings for the annexation of a municipality or city to any district
3251 organized under this part may not be contested in an action unless the action is brought within

3252 three months after the completion of the proceedings, or, in case such proceedings are completed
3253 prior to the time that this section takes effect, then within three months after this section becomes
3254 effective.

3255 Section 111. Section **17A-2-842** is amended to read:

3256 **17A-2-842. Withdrawal from district.**

3257 Any municipality whose corporate area has become or is a part of any water district may
3258 withdraw therefrom in the following manner:

3259 The governing body of any such municipality may submit to the electors thereof at any
3260 general or special election the proposition of withdrawing from any water district incorporated
3261 thereunder. Notice of such election shall be given in the manner provided in Subsection
3262 17A-2-841(3)(e). Such election shall be conducted and the returns thereof canvassed in the
3263 manner provided by law for the conduct of municipal elections in [said] the city. In the event that
3264 the majority of the electors voting thereon vote in favor of such withdrawal, the result thereof shall
3265 be certified by the governing body of such municipality to the board of [directors] trustees of the
3266 district. A certificate of the proceedings hereunder shall be made by the secretary of the district
3267 and filed with the lieutenant governor, and upon the filing of such certificate the area of the
3268 municipality so withdrawing shall be excluded from the [said] water district, and shall no longer
3269 be a part thereof; provided, however, that the property within the [said] municipality as it [shall
3270 exist] exists at the time of such exclusion shall continue taxable for the purpose of paying [said]
3271 the bonded and other indebtedness outstanding or contracted for, at the time of such exclusion and
3272 until such bonded or other indebtedness [shall have] has been satisfied.

3273 Section 112. Section **17A-2-843** is amended to read:

3274 **17A-2-843. Interest of trustees or employees in contracts.**

3275 Except as herein provided, no [director] trustee or any other officer or employee of the
3276 district [shall] may in any manner be interested, directly or indirectly, in any contract awarded or
3277 to be awarded by the board of [directors] trustees, or made or to be made by such officer or
3278 employee pursuant to discretionary authority vested in [him] the officer or employee, or in the
3279 profits to be derived therefrom. Notwithstanding the fact that such [director] trustee or other
3280 officer or employee of the district may be a stockholder or bondholder or director or other officer
3281 or employee of a corporation contracting with the district, contracts may be made with such
3282 corporation for its general benefit unless such [director] trustee or officer or employee of the

3283 district [~~shall own or control~~] owns or controls, directly or indirectly, stock or bonds to an amount
3284 exceeding 5% of the total amount of the stock or bonds, respectively, of such contracting
3285 corporation issued and outstanding. For any violation of this section such [~~director~~] trustee or
3286 other officer or employee of the district shall be [~~deemed~~] considered guilty of a misdemeanor, and
3287 such conviction shall work a forfeiture of [~~his~~] office, or employment, and [~~he~~] the trustee or other
3288 officer or employee shall be punished by a fine not exceeding \$500, or by imprisonment in the
3289 county jail not exceeding six months, or by both such fine and imprisonment.

3290 Section 113. Section **17A-2-845** is amended to read:

3291 **17A-2-845. Administration.**

3292 All matters and things necessary for the proper administration of the affairs of [~~said~~] the
3293 district which are not provided for in this part shall be provided for by the board of [~~directors~~]
3294 trustees of the district by ordinance.

3295 Section 114. Section **17A-2-847** is amended to read:

3296 **17A-2-847. Fiscal year -- Annual statements.**

3297 (1) The fiscal year of any metropolitan water district incorporated hereunder shall begin
3298 July 1 of each year and shall end on June 30 of the following year.

3299 (2) As promptly as shall be possible after the close of each fiscal year, [~~it shall be the duty~~
3300 ~~of~~] the controller of the district [~~to~~] shall prepare and transmit to the chief executive officer of each
3301 municipality, the area of which [~~shall lie~~] lies within the district:

3302 (a) a statement of revenues and expenditures in such detail as shall be prescribed by the
3303 board of [~~directors~~] trustees; and

3304 (b) a statement of the amount of water stored by or made available to the district and the
3305 amounts used by the respective cities.

3306 Section 115. Section **17A-2-849** is amended to read:

3307 **17A-2-849. Time for expenditure of tax revenues.**

3308 Tax revenues levied and collected pursuant to the provisions of Sections 17A-2-818 and
3309 17A-2-834 need not necessarily be expended during the fiscal year of their levy or collection but
3310 may, when so elected by the board of [~~directors~~] trustees, be expended in the fiscal year or years
3311 ensuing.

3312 Section 116. Section **17A-2-850** is amended to read:

3313 **17A-2-850. Reserve funds -- Creation -- Use of funds -- Limitation.**

3314 The board of ~~[directors]~~ trustees of a metropolitan water district ~~[is hereby authorized to]~~
3315 may create and maintain, out of revenues of any nature available to it, a reserve fund and ~~[to]~~ may
3316 expend therefrom when it ~~[deems]~~ considers necessary sums to meet immediate needs and
3317 emergencies such as major catastrophe, earthquake, drought relief or any other happening which
3318 imperils the public health and safety, and, among other things, but without intention to limit, for
3319 any district purposes necessary for the health, safety and security of the inhabitants of the district;
3320 provided, that such reserve fund shall in no event exceed 10% of the total investment value, at
3321 cost, of such metropolitan water district in water acquisitions, water rights, reservoirs, pipelines
3322 and water treatment plants and the like, whether such investments are financed by such district
3323 directly or for its benefit by the United States or the state ~~[of Utah]~~. Such reserve funds may also
3324 be drawn upon by the board of ~~[directors]~~ trustees when in its discretion it is advisable to do so
3325 either in abatement of a tax levy, in lieu of a tax levy, or in avoidance of an increase in a tax levy
3326 for any year.

3327 Section 117. Section **17A-2-907** is amended to read:

3328 **17A-2-907. Board of trustees -- Vacancies -- Other provisions applicable.**

3329 ~~[(1) (a) The members of the board of trustees shall:]~~

3330 ~~[(i) meet on the first Monday that is at least 30 days after the certificate of incorporation~~
3331 ~~is issued by the lieutenant governor; and]~~

3332 ~~[(ii) organize by electing one of their members as president, one as secretary, and other~~
3333 ~~officers as desired.]~~

3334 ~~[(b) A member of the board may receive:]~~

3335 ~~[(i) total compensation of not more than \$1,000 per year as determined by the board of~~
3336 ~~trustees; and]~~

3337 ~~[(ii) reasonable mileage and expenses necessarily incurred to attend meetings or conduct~~
3338 ~~business connected with the board.]~~

3339 ~~[(2)]~~ (1) Any vacancy on the board shall be filled as provided in Chapter 1, Part 3, Special
3340 District Board Selection Procedures.

3341 ~~[(3) (a) The board of trustees shall:]~~

3342 ~~[(i) provide for the time, place, and manner of calling its regular meetings; and]~~

3343 ~~[(ii) establish rules for its proceedings.]~~

3344 ~~[(b) Subject to the requirements of Title 52, Chapter 4, Open and Public Meetings:]~~

3345 ~~[(i) three trustees may call a special meeting by giving notice to each member;]~~
3346 ~~[(ii) all meetings are open to the public; and]~~
3347 ~~[(iii) the majority of the members of the board are a quorum for the transaction of~~
3348 ~~business.]~~

3349 (2) (a) The provisions of Title 17B, Chapter 2, Part 4, Board of Trustees, except Section
3350 17B-2-402, apply to each mosquito abatement district to the same extent as if the mosquito
3351 abatement district were a local district under Title 17B, Chapter 2, Local Districts.

3352 (b) If a change in the length or expiration date of the term of a board of trustees member
3353 is necessary to comply with the requirements of Subsection 17B-2-403(2), the change may not take
3354 effect until the expiration of the term of the member whose term length or expiration date is to be
3355 changed.

3356 Section 118. Section **17A-2-1016** is amended to read:

3357 **17A-2-1016. Powers of incorporated district -- Bidding -- Eminent domain.**

3358 (1) As used in this section, "operator" means any city, public agency, person, firm, or
3359 private corporation engaged in the transportation of passengers for hire.

3360 (2) Any district incorporated under this part may:

3361 (a) have perpetual succession;

3362 (b) sue and be sued in all actions and proceedings and in all courts and tribunals of
3363 competent jurisdiction;

3364 (c) adopt a corporate seal and alter it at pleasure;

3365 (d) levy and collect taxes only for paying:

3366 (i) the principal and interest of bonded indebtedness of the district; or

3367 (ii) any final judgment obtained against the district beyond the amount of any collectable
3368 insurance or indemnity policy if the district is required by final order of any court of competent
3369 jurisdiction to levy a tax to pay the judgment;

3370 (e) take by grant, purchase, bequest, devise, or lease, and to hold, enjoy, lease, sell,
3371 encumber, alien, or otherwise dispose of real or personal property of every kind within the district;

3372 (f) make contracts and enter into stipulations of any nature, including contracts and
3373 stipulations:

3374 (i) to indemnify and save harmless;

3375 (ii) to do all acts to exercise the powers granted in this part; and

3376 (iii) with any department or agency of the United States of America, of the state, or with
3377 any public agency or private person, firm, or corporation upon terms and conditions the board of
3378 [directors] trustees finds are in the best interests of the district;

3379 (g) (i) insure against:

3380 (A) loss of revenues from accident or destruction of the system or any part of the system,
3381 from any cause whatsoever; or

3382 (B) public liability or property damage, or against all other types of events, acts, or
3383 omissions; and

3384 (ii) provide in the proceedings authorizing the issuance of any bonds for the carrying of
3385 any other insurance, in an amount and of such character as may be specified, and for the payment
3386 of the premiums on the insurance;

3387 (h) provide a public transit system for the transportation of passengers and their incidental
3388 baggage;

3389 (i) purchase all supplies, equipment, and materials;

3390 (j) construct facilities and works, but when the expenditure required exceeds \$25,000
3391 construction shall be let by contract to the lowest responsible bidder or proposer;

3392 (k) acquire, contract for, lease, construct, own, operate, control, or use rights-of-way, rail
3393 lines, monorails, bus lines, stations, platforms, switches, yards, terminals, parking lots, any
3394 facilities necessary or convenient for public transit service, and all structures necessary for access
3395 by persons and vehicles;

3396 (l) hire, lease, or contract for the supplying of, or management of, any facilities, operations,
3397 equipment, services, employees, or management staff of any operator and provide for subleases
3398 or subcontracts by the operator upon terms that are in the public interest; and

3399 (m) operate feeder bus lines and other feeder services as necessary.

3400 (3) (a) Bids or proposals shall be advertised through public notice as determined by the
3401 board.

3402 (b) The notice may include publication in a newspaper of general circulation in the district,
3403 trade journal, or other method determined by the board at least once and not less than ten days
3404 prior to the expiration of the period within which bids or proposals are received.

3405 (c) The board may reject any and all bids or proposals and readvertise or give renote at
3406 its discretion.

3407 (d) If, after rejecting bids or proposals, the board determines and declares by vote of
3408 two-thirds of all its members present that in its opinion the supplies, equipment, and materials may
3409 be purchased at a lower price in the open market, the board may proceed to purchase the same in
3410 the open market without further observance of the provisions requiring contracts, bids or
3411 proposals, advertisement, or notice.

3412 (e) Contracts, in writing or otherwise, may be let without advertising for or inviting bids
3413 when any repairs, alterations, or other work or the purchase of materials, supplies, equipment, or
3414 other property is found by the board upon a two-thirds vote of its members present to be of urgent
3415 necessity, or where the general manager certifies by affidavit that there is only one source for the
3416 required supplies, equipment, and materials, or construction items.

3417 (f) If any payment on a contract with a private contractor to construct facilities under this
3418 section is retained or withheld, it shall be retained or withheld and released as provided in Section
3419 13-8-5.

3420 (4) (a) Installations in state highways or freeways are subject to the approval of the
3421 Department of Transportation.

3422 (b) It is presumed that the use of the streets, roads, highways, and other public places by
3423 the district for any of the purposes permitted in this section constitutes no greater burden on
3424 adjoining properties than the uses existing on July 9, 1969.

3425 (c) If facilities, other than state highways or freeways referred to in Subsection (2),
3426 including streets, roads, highways, pipelines, sewers, water mains, storm drains, poles, and
3427 communications wires of another public agency of the state, or of a private owner must be
3428 relocated, replaced, or altered in order for the district to construct or operate its system, or to
3429 preserve and maintain already constructed district facilities, the facilities shall be relocated,
3430 replaced, or altered with reasonable promptness by the respective public corporation, state, or
3431 private owner and the district shall by prior agreement reimburse the public corporation, state, or
3432 private owner for the reasonable cost incurred in relocation, replacement, or alteration.

3433 (d) The district may enter into an agreement with any city or county having jurisdiction
3434 over the street, road, or highway involved and, as may be provided by agreement, close any city
3435 street or county road at or near the point of its interception with any district facility or provide for
3436 carrying the city street or county road over or under or to a connection with the district facility and
3437 may do any and all work on the city street or county road as is necessary. A city street or county

3438 road may not be closed directly or indirectly by the construction of district facilities except:

3439 (i) pursuant to agreement; or

3440 (ii) while temporarily necessary during the construction of district facilities.

3441 (5) The state, a municipality, or a county may acquire private property interests by eminent
3442 domain pursuant to Title 78, Chapter 34, Eminent Domain, including fee simple, easements, air
3443 rights, rights-of-way, and other private property interests necessary to the establishment and
3444 operation of a public transit district.

3445 Section 119. Section **17A-2-1038** is amended to read:

3446 **17A-2-1038. Board of trustees -- Appointment -- Apportionment -- Qualifications --**
3447 **Quorum -- Compensation -- Terms.**

3448 (1) (a) All powers, privileges, and duties vested in any incorporated district shall be
3449 performed by a board of [~~directors~~] trustees.

3450 (b) The board may delegate the exercise of any duty to any of the offices created under this
3451 part.

3452 (2) If 200,000 people or less reside within the district boundaries:

3453 (a) the board of [~~directors~~] trustees shall consist of [~~directors~~] trustees appointed by the
3454 legislative bodies of each municipality, county, or unincorporated area within any county on the
3455 basis of one [~~director~~] trustee for each full unit of regularly scheduled passenger routes proposed
3456 to be served by the district in each municipality or unincorporated area within any county in the
3457 following calendar year;

3458 (b) the number of service miles comprising a unit shall be determined jointly by the
3459 legislative bodies of the municipalities or counties comprising the district;

3460 (c) [~~Directors~~] trustees shall be appointed and added to the board or omitted from the
3461 board at the time scheduled routes are changed, or as municipalities, counties, or unincorporated
3462 areas of counties annex to or withdraw from the district using the same appointment procedures;
3463 and

3464 (d) municipalities, counties, and unincorporated areas of counties in which regularly
3465 scheduled passenger routes proposed to be served by the district in the following calendar year is
3466 less than a full unit, as defined in Subsection (2)(a), may combine with any other similarly situated
3467 municipality or unincorporated area to form a whole unit and may appoint one [~~director~~] trustee
3468 for each whole unit formed.

3469 (3) If more than 200,000 people reside within the district boundaries, the board of
3470 [directors] trustees shall consist of 15 [directors] trustees appointed as described under Subsections
3471 (4) and (5).

3472 (4) (a) Except as provided under Subsections (4)(b) and (c), the board shall apportion
3473 members to each county within the district based on:

3474 (i) from the effective date of this act until the apportionment following the year 2000
3475 decennial United States Census Bureau report, the proportion of population included in the district
3476 and residing within each county, rounded to the nearest 1/15 of the total transit district population;
3477 and

3478 (ii) beginning with the first apportionment following the year 2000 decennial United States
3479 Census Bureau report, an average of:

3480 (A) the proportion of population included in the district and residing within each county,
3481 rounded to the nearest 1/15 of the total transit district population; and

3482 (B) the proportion of transit sales and use tax collected from areas included in the district
3483 and within each county, rounded to the nearest 1/15 of the total transit sales and use tax collected
3484 for the transit district.

3485 (b) The board shall join an entire or partial county not apportioned a member under this
3486 subsection with an adjacent county for representation. The combined apportionment basis
3487 included in the district of both counties shall be used for the apportionment.

3488 (c) If rounding to the nearest 1/15 of the total transit district apportionment basis under
3489 Subsection (4)(a) results in an apportionment of:

3490 (i) more than 15 members, the county or combination of counties with the smallest
3491 additional fraction of a whole member proportion shall have one less member apportioned to it;
3492 or

3493 (ii) less than 15 members, the county or combination of counties with the largest additional
3494 fraction of a whole member proportion shall have one more member apportioned to it.

3495 (5) (a) If the unincorporated area of a county is at least 1/15 of the district's population, the
3496 county executive, with the advice and consent of the county legislative body, shall appoint one
3497 [director] trustee to represent each 1/15 of the district's population within a county's unincorporated
3498 area population.

3499 (b) If a municipality's population is at least 1/15 of the district's population, the chief

3500 municipal executive, with the advice and consent of the municipal legislative body, shall appoint
3501 one [director] trustee to represent each 1/15 of the district's population within a municipality.

3502 (c) The number of [directors] trustees appointed from a county and municipalities within
3503 a county under Subsections (5)(a) and (b) shall be subtracted from the county's total member
3504 apportionment under Subsection (4).

3505 (d) If the entire county is within the district, the remaining [directors] trustees for the
3506 county shall represent the county or combination of counties if Subsection (4)(b) applies, or the
3507 municipalities within the county.

3508 (e) If the entire county is not within the district, and the county is not joined with another
3509 county under Subsection (4)(b), the remaining [directors] trustees for the county shall represent
3510 a municipality or combination of municipalities.

3511 (f) Except as provided under [Subsection] Subsections (5)(a) and (b), [directors] trustees
3512 representing counties, combinations of counties if Subsection (4)(b) applies, or municipalities
3513 within the county shall be designated and appointed by a simple majority of the chief executives
3514 of the municipalities within the county or combinations of counties if Subsection (4)(b) applies.
3515 The appointments shall be made by joint written agreement of the appointing municipalities, with
3516 the consent and approval of the county legislative body of the county that has at least 1/15 of the
3517 district's apportionment basis.

3518 (g) [~~D~~irectors] Trustees representing a municipality or combination of municipalities shall
3519 be designated and appointed by the chief executive officer of the municipality or simple majority
3520 of chief executive officers of municipalities with the consent of the legislative body of the
3521 municipality or municipalities.

3522 (h) The appointment of [directors] trustees shall be made without regard to partisan
3523 political affiliation from among citizens in the community.

3524 (i) Each [director] trustee shall be a bona fide resident of the municipality, county, or
3525 unincorporated area or areas which the [director] trustee is to represent for at least six months
3526 before the date of appointment, and must continue in that residency to remain qualified to serve
3527 as a [director] trustee.

3528 (j) (i) Each [director] trustee whose term has not expired and is serving on the effective
3529 date of this act shall continue to serve as a [director] trustee until the expiration of the term for
3530 which the [director] trustee was appointed, subject to the term limitations under which the

3531 [director] trustee was initially appointed.

3532 (ii) Beginning on the effective date of this act, any vacancy for which the successor has
3533 not taken the oath of office shall be filled in the following order:

3534 (A) by a municipality eligible to make an appointment under Subsection (5)(b);

3535 (B) by a county eligible to make an appointment for its unincorporated area under
3536 Subsection (5)(a); and

3537 (C) as otherwise provided under this section.

3538 (k) (i) All population figures used under this section shall be the most recent official
3539 census or census estimate of the United States Bureau of the Census.

3540 (ii) If population estimates are not made for any county, city, or town by the United States
3541 Bureau of Census, population figures shall be determined according to the biennial estimate from
3542 the Utah Population Estimates Committee.

3543 (iii) All transit sales and use tax totals shall be obtained from the Tax Commission.

3544 (l) After the initial apportionment immediately following the effective date of this act, the
3545 board shall be apportioned as provided under this section in conjunction with the decennial United
3546 States Census Bureau report every ten years.

3547 (6) (a) Except the initial [directors] trustees, the terms of office of the [directors] trustees
3548 shall be three years or until their successors are appointed, qualified, seated, and have taken the
3549 oath of office.

3550 (b) At the first meeting of the initial [directors] trustees, the directors shall designate by
3551 the drawing of lots 1/3 of their number to serve for one-year terms, 1/3 for two-year terms, and 1/3
3552 for three-year terms.

3553 (c) A [director] trustee may not be appointed for more than two successive full terms.

3554 (7) (a) Vacancies shall be filled by the official appointing the member creating the vacancy
3555 for the unexpired term, unless the official fails to fill the vacancy within 90 days.

3556 (b) If the appointing official under Subsection (2) does not fill the vacancy within 90 days,
3557 the board of [directors] trustees of the authority shall fill the vacancy.

3558 (c) If the appointing official under Subsection (5) does not fill the vacancy within 90 days,
3559 the governor, with the advice and consent of the Senate, shall fill the vacancy.

3560 (8) (a) Each [director] trustee may cast one vote on all questions, orders, resolutions, and
3561 ordinances coming before the board of [directors] trustees.

3562 (b) A majority of all members of the board of [directors] trustees are a quorum for the
3563 transaction of business.

3564 (c) The affirmative vote of a majority of all [directors] trustees present at any meeting at
3565 which a quorum was initially present shall be necessary and, except as otherwise provided, is
3566 sufficient to carry any order, resolution, ordinance, or proposition before the board of [directors]
3567 trustees.

3568 (9) The district shall pay to each [director] trustee:

3569 (a) an attendance fee of \$50 per board or committee meeting attended, not to exceed \$200
3570 in any calendar month to any [director] trustee; and

3571 (b) reasonable mileage and expenses necessarily incurred to attend board or committee
3572 meetings.

3573 (10) (a) Members of the initial board of [directors] trustees shall convene at the time and
3574 place fixed by the chief executive officer of the entity initiating the proceedings.

3575 (b) Immediately upon convening, the board of [directors] trustees shall elect from its
3576 membership a president, vice president, and secretary who shall serve for a period of two years or
3577 until their successors shall be elected and qualified.

3578 (11) ~~[(a)]~~ At the time of a [director's] trustee's appointment or during a [director's] trustee's
3579 tenure in office, a [director] trustee may not hold:

3580 ~~[(i) hold]~~ (a) any elected public office with the United States, the state, or any political
3581 subdivision of either; or

3582 ~~[(ii)]~~ (b) any employment, except as an independent contractor, with a county or
3583 municipality within the district.

3584 ~~[(b) Each director shall:]~~

3585 ~~[(i) take an oath of office before entering the office; and]~~

3586 ~~[(ii) file a copy of the oath with the lieutenant governor and the secretary of the district.]~~

3587 Section 120. Section **17A-2-1039** is amended to read:

3588 **17A-2-1039. Board of directors -- Powers and duties.**

3589 (1) The board of trustees:

3590 ~~[(1) Shall be the legislative body of the district and, in connection with the provisions of~~
3591 ~~this part, shall determine all questions of district policy.]~~

3592 ~~[(2) Shall fix the time and place when regular meetings shall be held and shall provide for~~

3593 ~~the calling and holding of special meetings.]~~

3594 ~~[(3) May contract and take all actions and proceedings and do all other things necessary~~
3595 ~~to carry out the purposes of this part.]~~

3596 ~~[(4)]~~ (a) Shall determine what transit facilities should be acquired or constructed.

3597 ~~[(5)]~~ (b) Shall supervise and regulate every transit facility owned and operated by the
3598 district, including the fixing of rates, fares, rentals, charges, and classifications thereof, and making
3599 and enforcement of rules, regulations, contracts, practices, and schedules, for or in connection with
3600 any transit facility owned or controlled by the district.

3601 ~~[(6) Shall prescribe by resolution a system of business administration and create any and~~
3602 ~~all necessary offices and positions of employment, and select and employ, establish, and~~
3603 ~~re-establish the powers, duties, and compensation of all officers and employees and prescribe the~~
3604 ~~periods, terms, and conditions of their employment, and require and fix the amount of all official~~
3605 ~~bonds necessary for the protection of the funds and property of the district.]~~

3606 ~~[(7) May contract for or employ any professional services required by the district or for~~
3607 ~~the performance of work or services for the district which in the opinion of the board cannot~~
3608 ~~satisfactorily be performed by the officers or employees of the district.]~~

3609 ~~[(8)]~~ (c) May make and pass ordinances, resolutions, and orders not repugnant to the
3610 Constitution of the United States or of the state [of Utah], or of the provisions of this part,
3611 necessary for the government and management of the affairs of the district for the execution of the
3612 powers vested in the district and for carrying into effect the provisions of this part. On all
3613 ordinances, the roll shall be called and the ayes and nays recorded. Resolutions and orders may
3614 be adopted by voice vote, but on demand of any member the roll shall be called. No ordinance
3615 shall be adopted unless it is introduced at least a day prior to the time of adoption except by
3616 unanimous vote of all members of the board present at a meeting at which there is present not less
3617 than ~~[three-fourths]~~ 3/4 of all directors; provided, that in lieu of such previous introduction or
3618 unanimous vote, any ordinance may be mailed by registered mail, postage prepaid, to each member
3619 of the board of directors at least five days prior to the day upon which the ordinance shall be
3620 presented for adoption. All ordinances shall take effect upon their adoption by the board, unless
3621 otherwise provided therein. The board shall fix the location of the principal place of business of
3622 the district and the location of all offices and departments.

3623 ~~[(9) May, by ordinance or resolution, delegate and redelegate to officers of the district~~

3624 power to employ clerical, legal, and engineering assistants and labor, and, under such conditions
3625 and restrictions as shall be fixed by the directors, power to bind the district by contract.]

3626 [(10)] (d) Shall cause an annual audit made of all books and accounts of the district by an
3627 independent certified public accountant, and shall as soon as practicable after the close of each
3628 fiscal year submit to the chief administrative officers and legislative bodies of cities and counties
3629 within the district a financial report showing the result of operations during the preceding fiscal
3630 year and the financial status of the district on the final day thereof. Copies of the report shall be
3631 supplied to the general public upon request in the quantity deemed appropriate by the board.

3632 [(11)] (e) May provide by resolution, under terms and conditions it [deems] considers fit,
3633 for the payment of demands against the district, without prior specific approval by the board if the
3634 demand is for a purpose for which an expenditure has been previously approved by the board and
3635 in an amount no greater than the amount so authorized, and if the demand is approved by the
3636 general manager or such other officer or deputy as the board may prescribe.

3637 [(12)] (f) May hold public hearings, subpoena witnesses, and perform all other acts
3638 necessary to properly carry out its duties. The board may appoint other officers of the district to
3639 conduct any hearing who shall make findings and conclusions and report thereon to the board.
3640 Each director or designated hearing officer may administer oaths and affirmations in any district
3641 investigation or proceeding.

3642 (2) The provisions of Title 17B, Chapter 2, Part 4, Board of Trustees, except Sections
3643 17B-2-402, 17B-2-403, and 17B-2-404, apply to each public transit district to the same extent as
3644 if the public transit district were a local district under Title 17B, Chapter 2, Local Districts.

3645 Section 121. Section **17A-2-1040** is amended to read:

3646 **17A-2-1040. District officers -- Appointment -- Duty -- Compensation -- Oath --**
3647 **Bond.**

3648 (1) The officers of the district shall consist of: the members of the board of [directors]
3649 trustees; a president and vice president who shall be members of the board; a secretary, a general
3650 manager, a general counsel, a treasurer, a comptroller, and any other officers, assistants, and
3651 deputies the board [deems] considers necessary.

3652 (2) The general manager shall be a full-time officer appointed by the affirmative vote of
3653 a majority of the members of the board. The general manager shall serve at the pleasure of the
3654 board and may be removed by a majority vote of the board. All other officers and employees other

3655 than those mentioned in Subsection (1) shall be appointed by the general manager and shall serve
3656 at his pleasure.

3657 (3) The compensation of all district officers and employees, except as otherwise provided
3658 in this part, shall be fixed by ordinance or resolution of the board.

3659 (4) The general counsel shall be a person admitted to practice law in the state [~~of Utah~~]
3660 and shall have been actively engaged in the practice of law for not less than seven years next
3661 preceding his appointment. The person appointed comptroller shall have been actively engaged
3662 in the practice of accounting for not less than seven years next preceding his appointment.

3663 (5) The oath of office of all officers appointed by the board of [~~directors~~] trustees or by the
3664 general manager of the district shall be taken, subscribed, and filed with the secretary of the district
3665 at any time after the officer has notice of his appointment but not later than 15 days after the
3666 commencement of his term of office. No other filing is required.

3667 (6) The board may require officers, assistants, deputies, and employees to give bonds and
3668 fix the amount thereof.

3669 (7) The treasurer shall be the custodian of the funds of the district and make payments only
3670 upon warrants duly and regularly signed by the president or vice president, secretary, or general
3671 manager or other person authorized by the board. [~~He~~] The treasurer shall keep an account of all
3672 receipts and disbursements.

3673 Section 122. Section **17A-2-1044** is amended to read:

3674 **17A-2-1044. Annual tax levy -- Election.**

3675 Before June 22, the board of [~~directors~~] trustees of the district shall, by resolution,
3676 determine the amount of money necessary to be raised by taxation during the fiscal year beginning
3677 January 1 next preceding to pay the district's operating needs and obligations for the fiscal year,
3678 and to recommend to the governing body of each county within the district the rate of taxation for
3679 the areas within the district. Upon receipt of the resolution by the board of [~~directors~~] trustees of
3680 the district, the governing body of each county may levy a tax not to exceed .0004 per dollar of
3681 taxable value of taxable property within the district. This tax may not be imposed unless the county
3682 legislative body has provided by resolution [~~for the submittal of~~] to submit the proposed tax to a
3683 general election within the county in which all electors situated both within and without the
3684 incorporated areas of the county may participate and a majority of the electors voting on the
3685 proposal have approved it. The county legislative body shall cause 15 days notice of the election

3686 to be given in the manner provided by law for giving notice of general elections. The election shall
3687 be held, its results canvassed, and the returns made under the provisions of the general election
3688 laws. If a majority of the electors voting on the proposal to impose the additional tax have
3689 approved the proposal, the additional tax shall become effective on the date fixed by the governing
3690 body.

3691 Section 123. Section **17A-2-1048** is amended to read:

3692 **17A-2-1048. Annexations to or consolidations with municipalities already within**
3693 **district.**

3694 Additional municipalities and county areas may be included within or become part of a
3695 district by either of the following methods:

3696 (1) If any area is annexed to or consolidated with any municipality which is a part of a
3697 district organized under these provisions, the annexed or consolidated area shall by virtue of its
3698 annexation or consolidation become part of the district and be taxable in accordance with the
3699 provisions of this part to pay the indebtedness of the district outstanding at the time of annexation
3700 or consolidation.

3701 (2) The governing body of any municipality or of any county may apply to and obtain from
3702 the comptroller of the district a financial statement showing the financial condition of the district,
3703 its assets and liabilities, taxable value of taxable property according to the last assessment, and the
3704 names of the municipalities and a description of other areas included in the district. After
3705 consideration of the statement, the governing body of the municipality or county may apply to the
3706 board of [directors] trustees of the district for consent to annex the municipality or described
3707 county area. The board of [directors] trustees after reasonable notice and public hearing may grant
3708 or deny the application and in granting it may fix the terms and conditions upon which the area
3709 may be annexed. The action of the board of [directors] trustees evidenced by order made on
3710 motion shall be promptly transmitted to the governing body or bodies of the entities applying for
3711 annexation, which shall promptly submit the proposition of annexation to the qualified electors
3712 of the area. Notice of election shall be given by posting or publication. When notice is given by
3713 posting, notice shall be posted for at least ten days in three public places in each area to be
3714 annexed. When notice is given by publication, notice shall be published at least once ten days
3715 before the date fixed for election in a newspaper of general circulation in the municipality and
3716 county area. Publication may be made in one newspaper having general circulation in each of the

3717 areas sought to be annexed. Notice shall contain the substance of the terms and conditions fixed
3718 by the board of [directors] trustees. Elections shall be conducted and returns canvassed by the
3719 governing bodies of the areas seeking annexation. If the annexation proposition receives the
3720 affirmative vote of a majority of the electors, the governing body of the municipality or county
3721 shall certify the election results to the board of [directors] trustees of the district and a certificate
3722 of proceedings shall be made by the secretary of the district and filed with the lieutenant governor.
3723 Upon filing the certificate in the office of the lieutenant governor, the municipality or county area
3724 shall become an integral part of the district and the taxable property in the municipality or area
3725 subject to taxation for the purposes of the district, including the payment of bonds and other
3726 obligations of the district at the time authorized or outstanding.

3727 (3) No action to contest the validity of annexation proceedings may be commenced more
3728 than three months after the certificate of proceedings is filed with the lieutenant governor.

3729 (4) Upon annexation the annexed area shall have a representative on the board of
3730 [directors] trustees on the same basis as it would have had if it had [it] been included in the district
3731 as originally organized.

3732 Section 124. Section **17A-2-1049** is amended to read:

3733 **17A-2-1049. Withdrawal from district.**

3734 Any municipality or unincorporated county area may withdraw from the district in the
3735 following manner:

3736 The governing body of such municipality, or unincorporated area, may submit to the
3737 electors at a special election a proposition for withdrawal from the district. Notice of election shall
3738 be given in the manner provided in Section 17A-2-1048. Elections shall be conducted and returns
3739 canvassed in the manner provided by law for the conduct of municipal elections. If a majority of
3740 the electors voting thereon vote in favor of withdrawal, the result thereof shall be certified by the
3741 governing body of the municipality or unincorporated area to the board of [directors] trustees of
3742 the district and filed with the lieutenant governor. Withdrawal shall become effective upon filing
3743 the certificate with the lieutenant governor. Taxable property within the withdrawn area at the
3744 time of exclusion shall continue taxable for purposes of paying any bonded indebtedness or
3745 judgments against the district incurred prior to the date of withdrawal.

3746 Section 125. Section **17A-2-1050** is amended to read:

3747 **17A-2-1050. Conflict of interests prohibited -- Disclosure -- Violation -- Penalty.**

3748 (1) As used in this section, "relative" means any parent, spouse, child, grandparent,
3749 grandchild, great grandparent, great grandchild, or sibling of a [director] trustee, officer, or
3750 employee.

3751 (2) Except as provided in this section, a [director] trustee or any other officer or employee
3752 of the district may not be interested in any manner, directly or indirectly, in any contract or in the
3753 profits derived from any contract:

3754 (a) awarded by the board of [directors] trustees; or

3755 (b) made by any officer or employee pursuant to discretionary authority vested in him.

3756 (3) Notwithstanding Subsection (2), when a [director] trustee or other officer or employee
3757 of the district is a stockholder, bondholder, director, or other officer or employee of a corporation
3758 contracting with the district, the district may contract with that corporation for its general benefit
3759 unless the [director] trustee, officer, or employee of the district owns or controls, directly or
3760 indirectly, stock or bonds in an amount greater than 5% of the total amount of outstanding stock
3761 or bonds.

3762 (4) (a) (i) A [director] trustee, officer, or employee of the district who has, or whose
3763 relative has, a substantial interest in any contract, sale, purchase, or service to the district shall
3764 disclose that interest to the board of [directors] trustees of the district in a public meeting of the
3765 board.

3766 (ii) The board of [directors] trustees of the district shall disclose that interest in the minutes
3767 of its meeting.

3768 (b) A [director] trustee, officer, or employee of the district who has, or whose relative has,
3769 a substantial interest in any contract, sale, purchase, or service to the district may not vote upon
3770 or otherwise participate in any manner as a [director] trustee, officer, or employee in the contract,
3771 sale, or purchase.

3772 (5) A [director] trustee, officer, or employee of the district, in contemplation of official
3773 action by himself or by the district or in reliance on information to which he has access in his
3774 official capacity and which has not been made public, commits misuse of official information if
3775 he:

3776 (a) acquires a pecuniary interest in any property, transaction, or enterprise that may be
3777 affected by the information or official action;

3778 (b) speculates or wagers on the basis of the information or official action; or

3779 (c) aids, advises, or encourages another to do so with intent to confer upon any person a
3780 special pecuniary benefit.

3781 (6) Each [director] trustee, officer, and employee who violates this section:

3782 (a) is guilty of a class B misdemeanor; and

3783 (b) if convicted, his board appointment or district employment is terminated.

3784 Section 126. Section **17A-2-1051** is amended to read:

3785 **17A-2-1051. Members of board subject to recall.**

3786 Every member of the board of [directors] trustees of a district shall be subject to recall for
3787 cause by the governing body of the municipality or unincorporated county area from which he is
3788 appointed, and any member upon notice may resign his position as [director] trustee.

3789 Section 127. Section **17A-2-1052** is amended to read:

3790 **17A-2-1052. Board may promulgate additional rules.**

3791 The board of [directors] trustees has authority to promulgate rules and regulations not
3792 provided in this part for the administration of districts.

3793 Section 128. Section **17A-2-1054** is amended to read:

3794 **17A-2-1054. Fiscal year -- Annual statement of revenues and expenditures.**

3795 The fiscal year of any district incorporated hereunder shall commence on the first day of
3796 January of each year and shall continue until the close of the 31st day of December. As promptly
3797 as shall be possible after the close of each fiscal year, it shall be the duty of the comptroller of the
3798 district to prepare and transmit to the chief executive officer of each municipality or
3799 unincorporated county area within the district a statement of revenues and expenditures in the
3800 detail prescribed by the board of [directors] trustees.

3801 Section 129. Section **17A-2-1056** is amended to read:

3802 **17A-2-1056. Claims against district -- Procedures.**

3803 Any person who believes [~~he has~~] to have a claim against the district for death, injury, or
3804 damage alleged to have been caused by the negligent act or omission of the district shall:

3805 (1) file a written notice of claim with the board of [directors] trustees as provided in Title
3806 63, Chapter 30, [~~the~~] Utah Governmental Immunity Act; and

3807 (2) comply with all the requirements of Title 63, Chapter 30, [~~the~~] Utah Governmental
3808 Immunity Act, in seeking satisfaction of the claim.

3809 Section 130. Section **17A-2-1326** is amended to read:

3810 **17A-2-1326. Administrative control board -- Powers -- Compensation.**

3811 (1) (a) The governing authority of a municipality or the county legislative body that has
3812 established a service district may, by resolution adopted at the time of the establishment or at any
3813 time afterwards, create an administrative control board for the service district.

3814 (b) (i) The administrative control board shall consist of at least three and no more than
3815 seven persons, each of whom is a qualified elector of the service district.

3816 (ii) If a county establishes a service district that includes all or part of one or more
3817 municipalities or one or more improvement districts organized under Title 17A, Chapter 2, Part
3818 3, to provide the same service as the service district, the municipality or improvement district may
3819 appoint one member to represent it on any administrative control board created.

3820 (iii) That member may, but need not, be a qualified elector of the service district.

3821 (c) (i) If a service district is providing commodities, services, or facilities to an institution
3822 of higher education, that institution may appoint the number of members necessary to assure that
3823 it has at least [~~one-third~~] 1/3 of the total of the board members to represent it on the board.

3824 (ii) Those members may, but need not, be qualified electors of the service district.

3825 (d) The number of members of the administrative control board shall be increased by the
3826 number of improvement district, municipal, or institution of higher education members appointed.

3827 (2) Members of the administrative control board other than improvement district,
3828 municipal, or institution of higher education members shall be either appointed or elected as
3829 provided in Title 17A, Chapter 1, Part 3.

3830 (3) (a) If a service district was established to provide either water or sewerage service or
3831 both, the governing authority may by resolution adopted at or after the time of establishment, or
3832 if the service district was established before March 29, 1983, or within 90 days after that date,
3833 create an administrative control board according to Subsection (1).

3834 (b) A resolution creating a service district for water or sewerage purposes adopted under
3835 Section 17A-2-1305 after March 29, 1983, shall identify all existing water and sewerage districts
3836 within the area of the proposed service district.

3837 (4) (a) One-half of the members initially elected or appointed shall serve two-year terms
3838 and [~~one-half~~] 1/2 shall serve four year terms.

3839 (b) The initial terms shall be determined by lot.

3840 (5) (a) The governing authority of the municipality or the county legislative body that

3841 established the service district may, by resolution, delegate any of its powers to the administrative
3842 control board, including the power to act as the governing authority of the service district and to
3843 exercise all or any of the powers provided for in Sections 17A-2-1314, 17A-2-1316, 17A-2-1320,
3844 and 17A-2-1321.

3845 (b) Notwithstanding anything to the contrary in this part, the governing authority of the
3846 municipality or the county legislative body may not delegate the power to:

3847 (i) levy a tax on the taxable property of the service district;

3848 (ii) issue bonds payable from taxes;

3849 (iii) call or hold an election for the authorization of the tax or bonds;

3850 (iv) levy assessments for improvements in an improvement district created under Title
3851 17A, Chapter 3, Part 3, or Title 17A, Chapter 3, Part 2;

3852 (v) issue interim warrants or bonds payable from those assessments; or

3853 (vi) appoint a board of equalization under Section 17A-3-217 or Section 17A-3-317.

3854 (c) The administrative control board may not hold an election, levy a tax or assessment,
3855 or issue bonds or interim warrants unless the county or municipal legislative body that created the
3856 district has approved.

3857 (d) The county or municipal legislative body that created the district may revoke in whole
3858 or in part any power or authority delegated to an administrative control board or other officers or
3859 employees.

3860 (6) ~~[(a)] Administrative control board members [shall be paid at a per diem rate to be set~~
3861 ~~by resolution of the governing authority.] may receive compensation and reimbursement of~~
3862 ~~expenses as provided in Section 17B-2-404 to the same extent as if they were members of a board~~
3863 ~~of trustees of a local district.~~

3864 ~~[(b) The administrative control board shall be assigned or authorized to employ staff~~
3865 ~~commensurate with the duties and functions assigned to it by the governing authority.]~~

3866 Section 131. Section **17A-2-1402** is amended to read:

3867 **17A-2-1402. Short title -- Title of districts and bonds -- Requirements as to**
3868 **publication -- Definitions.**

3869 This part is known as "Water Conservancy Act"; the districts created hereunder may be
3870 termed "water conservancy districts"; and the bonds which may be issued hereunder may be called
3871 "water conservancy bonds," and such designation may be engraved or printed on their face.

3872 (1) Wherever the term "publication" is used in this part and no manner specified therefor,
3873 it shall be taken to mean once a week for three consecutive weeks in at least one newspaper of
3874 general circulation in each county wherein such publication is to be made. It shall not be necessary
3875 that publication be made on the same day of the week in each of the three weeks, but not less than
3876 14 days (excluding the day of the first publication) shall intervene between the first publication and
3877 the last publication, and publication shall be complete on the date of the last publication.

3878 (2) Whenever the term "person" is used in this part, and not otherwise specified, it shall
3879 be taken to mean a person, firm, copartnership, association or corporation, other than a county,
3880 town, city, city and county, or other political subdivision. Similarly, the words "public
3881 corporation" shall be taken to mean counties, city and counties, towns, cities, school districts,
3882 metropolitan water districts, irrigation districts, water districts, park districts, subdistricts, and all
3883 other governmental agencies of this state, clothed with the power of levying or providing for the
3884 levy of general or special taxes or special assessments; and any political subdivision of another
3885 state of the United States.

3886 (3) Whenever the word "board" is used in this part, and not otherwise specified, it shall
3887 be taken to mean the board of [~~directors~~] trustees of the district.

3888 (4) Whenever the term "works" is used in this part, it shall unless otherwise specified, be
3889 held to mean dams, storage reservoirs, compensatory and replacement reservoirs, canals, conduits,
3890 pipelines, drains, tunnels, power plants and any and all works, facilities, improvements, and
3891 property necessary or convenient for the supplying of water for domestic, irrigation, power,
3892 milling, manufacturing, mining, metallurgical and any and all other beneficial uses, and for
3893 otherwise accomplishing the purposes of this part.

3894 (5) Whenever the term "court" is used in this part, and not otherwise specified, it shall be
3895 taken to mean the district court of that judicial district of the state [~~of Utah~~] wherein the petition
3896 for the organization of a water conservancy district [~~shall be~~] is filed.

3897 (6) Whenever the term "property" is used in this part, it shall unless otherwise specified,
3898 be held to mean real estate and personal property.

3899 (7) Whenever the term "land" or "real estate" is used in this part, it shall unless otherwise
3900 specified, be held to mean real estate, as the words "real estate" are defined by the laws of the state
3901 [~~of Utah~~], and shall embrace all railroads, tramroads, highways, electrical roads, street and
3902 interurban railroads, roads, streets, and street improvements, telephone, telegraph, and transmission

3903 lines, gas, sewer and water systems, water rights, pipelines and rights of ways for public service
3904 corporations and all other real property whether held for public or private use.

3905 (8) Whenever the term "land" or "property" is used in this part with reference to benefits,
3906 appraisals, assessments, or taxes, public corporations shall as political entities, according to
3907 benefits received, be considered as included in such reference in the same manner as "land" or
3908 "property."

3909 Section 132. Section **17A-2-1407** is amended to read:

3910 **17A-2-1407. Protest petition -- Objections -- Hearing -- Decree establishing district**
3911 **-- Meetings -- Dismissal of petition or proceedings -- Finality and conclusiveness of order --**
3912 **Appeal.**

3913 (1) At any time after the filing of a petition for the organization of a conservancy district,
3914 and not less than 30 days prior to the time fixed by the order of the court for the hearing upon the
3915 petition, a petition protesting the creation of the district may be filed in the office of the clerk of
3916 the court where the proceeding for the creation of the district is pending. The petition must be
3917 signed by not fewer than 20% of the owners of the lands in the proposed district outside the limits
3918 of any incorporated city or town, who have not signed the petition for creating the district. The
3919 aggregate taxable value of their lands, together with improvements, shall equal at least 20% of the
3920 total taxable value of land in the proposed district situated outside the limits of incorporated cities
3921 and towns. The protesting petition must also be signed by not fewer than 20% of owners of lands
3922 within the limits of each incorporated city and town situated in the proposed district who have not
3923 signed the petition for creating the district. The aggregate taxable value of their lands, together
3924 with improvements, shall equal at least 20% of the total taxable value of land within the limits of
3925 each incorporated city and town in the proposed district. The signers of the protesting petition
3926 shall state in the petition:

3927 (a) a description of the land owned by each signer; and

3928 (b) the land's value as shown by the last preceding assessment.

3929 (2) If a proposed water conservancy district will consist of more than one county, the lands
3930 within a county shall be eliminated from the petition for organization of the district if a protesting
3931 petition is filed, signed by the percentage of owners of land specified in Subsection (1) of the
3932 requisite taxable value located in the protesting county.

3933 (3) If a petitioner signs the petition as an owner of land situated both inside and outside

3934 a municipality, [his] the petitioner's name shall be counted only as an owner of land situated
3935 outside a municipality.

3936 (4) After the protesting petition is filed, the clerk of the court shall make as many certified
3937 copies of the petition, including the signatures, as there are counties in which any part of the
3938 proposed district extends, and shall send a certified copy to the county treasurer of each of the
3939 counties. Prior to the hearing date each county treasurer shall determine from the tax rolls of [his]
3940 the treasurer's county, and certify to the district court under [his] the treasurer's official seal, the
3941 total valuation of the tracts of land listed in the protest, situated in the proposed district within [his]
3942 the treasurer's county. On the hearing date of the original petition, if it appears to the court from
3943 the certificate and evidence that the protesting petition is not signed by the requisite number of
3944 owners of land and of the requisite value as set forth in Subsection (1), the court shall:

3945 (a) dismiss the protesting petition; and

3946 (b) proceed with the original hearing as provided in this section.

3947 (5) If the court finds that the protesting petition is signed by the requisite number of
3948 owners of lands, and of the requisite values, the court shall dismiss the original petition for the
3949 creation of the district. The finding and order of the court on the issues regarding total valuation,
3950 the genuineness of the signatures, and all matters of law and fact incident to the determination shall
3951 be final and conclusive on all parties in interest whether appearing or not, unless within 30 days
3952 from entry of the order of dismissal an appeal is taken to the Supreme Court as provided in this
3953 section.

3954 (6) (a) If any owner of real property in the proposed district did not individually sign a
3955 petition for the organization of a conservancy district, and objects to the organization and
3956 incorporation of the district, [he] the owner may file an objection to the organization and
3957 incorporation of the district on or before the date set for the hearing.

3958 (b) The objection is limited to a denial of the statements in the petition and shall be heard
3959 by the court as an advanced case without unnecessary delay.

3960 (7) (a) The court shall, by order, adjudicate all questions of jurisdiction, declare the district
3961 organized, and give it a corporate name, if it appears at the hearing that:

3962 (i) a petition for the organization of a water conservancy district has been signed and
3963 presented pursuant to this part;

3964 (ii) the allegations of the petition are true; and

3965 (iii) no protesting petition has been filed, or if filed has been dismissed as provided in this
3966 section.

3967 (b) The district shall be a political subdivision of the state [~~of Utah~~] and a body corporate
3968 with all the powers of a public or municipal corporation.

3969 (8) (a) In the decree establishing the district, the court shall designate the place where the
3970 office or principal place of the district shall be located, which shall be within the corporate limits
3971 of the district, and may be changed by order of the court from time to time.

3972 (b) The official records and files of the district shall be kept in the district office.

3973 (c) The regular meetings of the board shall be held at the office or place of business, but
3974 may be held at another convenient place. If a change in meeting place is proposed and the time
3975 and place agreed upon by a majority of [~~directors~~] trustees at a regular meeting of the board held
3976 at the district's office or principal place of business, no other public notice of the changed meeting
3977 is required. If, however, a change in the meeting place of the board is set at a place other than the
3978 district office or principal place of business, and the time and place are not fixed in a prior meeting
3979 of the board at its office or principal place of business during a regular meeting of the board, notice
3980 of the time and place of the meeting shall be given by:

3981 (i) posting notice at the district's office or principal place of business at least three days
3982 before the meeting; and

3983 (ii) by publication of a notice of the time and place of the meeting in one issue of a
3984 newspaper with general circulation within the district at least three days before the meeting.

3985 (9) The court shall dismiss the proceedings and adjudge the costs against the signers of the
3986 petition proportionately and equitably if it finds that:

3987 (a) the petition has not been signed and presented pursuant to this part; or

3988 (b) the material facts are not as set forth in the petition.

3989 (10) An appeal to the Supreme Court from the order of dismissal may be taken as provided
3990 in this section. Nothing in this part shall be construed to prevent the filing of a subsequent petition
3991 for similar improvements or water conservancy districts, and the right to renew the proceedings
3992 is expressly granted.

3993 (11) If an order is entered establishing the district, the order is final and shall conclusively
3994 establish the regular organization of the district against all persons, unless an appeal is taken to the
3995 Supreme Court as provided in this section or quo warranto proceedings attacking the order are

3996 instituted on behalf of the state by the attorney general within three months of the order. The
3997 organization of the district shall not be directly nor collaterally questioned in any suit, action, or
3998 proceeding except as expressly authorized in this part.

3999 (12) Any petitioner, protestant, or objector may appeal to the Supreme Court from the
4000 order of the district court entered pursuant to this section. Those appeals shall be taken within 30
4001 days from the entry of the order in accordance with the Utah Rules of Civil Procedure.

4002 Section 133. Section **17A-2-1409** is amended to read:

4003 **17A-2-1409. Board of trustees -- Selection of members -- Number -- Qualifications**
4004 **-- Terms -- Vacancies -- Surety bonds -- Meetings -- Reports.**

4005 (1) (a) Within 45 days after entry of the decree incorporating the district, the board of
4006 [~~directors~~] trustees shall be selected as provided in this Subsection (1).

4007 (b) For a district that consists of a single county, the county legislative body of that county
4008 shall appoint each [~~director~~] trustee.

4009 (c) (i) For a district that consists of more than a single county, the governor, with the
4010 advice and consent of the Senate, shall appoint each [~~director~~] trustee from nominees submitted
4011 as provided in this Subsection (1)(c).

4012 (ii) (A) Except as provided in Subsection (1)(c)(ii)(B), in a division composed solely of
4013 incorporated cities, the legislative body of each city within the division shall submit two nominees
4014 per [~~director~~] trustee.

4015 (B) Notwithstanding Subsection (1)(c)(ii)(A), the legislative body of a city may submit
4016 fewer than two nominees per [~~director~~] trustee if the legislative body certifies in writing to the
4017 governor that the legislative body is unable, after reasonably diligent effort, to identify two
4018 nominees who are willing and qualified to serve as [~~director~~] trustee.

4019 (iii) (A) Except as provided in Subsection (1)(c)(iii)(B), in all other divisions, the county
4020 legislative body of the county in which the division is located shall submit three nominees per
4021 [~~director~~] trustee.

4022 (B) Notwithstanding Subsection (1)(c)(iii)(A), the county legislative body may submit
4023 fewer than three nominees per [~~director~~] trustee if the county legislative body certifies in writing
4024 to the governor that the county legislative body is unable, after reasonably diligent effort, to
4025 identify three nominees who are willing and qualified to serve as [~~director~~] trustee.

4026 (iv) If a [~~director~~] trustee represents a division located in more than one county, the county

4027 governing bodies of those counties shall collectively compile the list of three nominees.

4028 (d) In districts where substantial water is allocated for irrigated agriculture, one [director]
4029 trustee appointed in that district shall be a person who owns irrigation rights and uses those rights
4030 as part of that person's livelihood.

4031 [~~(2) (a) (i) The terms of office shall be fixed so that:~~]

4032 [~~(A) approximately 1/4 of the directors trustees first appointed, after organization of the~~
4033 ~~district, shall serve for one year;~~]

4034 [~~(B) approximately 1/4 of the directors trustees first appointed shall serve for two years;~~]

4035 [~~(C) approximately 1/4 of the directors trustees first appointed shall serve for three years;~~]

4036 and

4037 [~~(D) the remainder of the directors trustees shall serve for four years.~~]

4038 [~~(ii) All succeeding terms of office shall be four years.~~]

4039 [~~(b)~~] (2) (a) The court shall establish the number, representation, and votes of [directors]
4040 trustees for each district in the decree creating the district. The board of [directors] trustees of the
4041 district shall consist of not more than 11 persons who are residents of the district. If the district
4042 consists of five or more counties, the board of [directors] trustees shall consist of not more than
4043 21 persons who are residents of the district.

4044 [~~(c)~~] (b) At least 90 days before expiration of a [director's] trustee's term, the secretary of
4045 the board shall:

4046 (i) give written notice of vacancies in any office of [director] trustee and of the expiration
4047 date of terms of office of [directors] trustees to the county legislative body in single county districts
4048 and to the nominating entities and the governor in all other districts; and

4049 (ii) publish the notice in a newspaper having general circulation.

4050 [~~(d)~~] (c) (i) Upon receipt of the notice of the expiration of a [director's] trustee's term or
4051 notice of a vacancy in the office of [director] trustee, the legislative body of the city or the county
4052 legislative body, as the case may be, shall nominate candidates to fill the unexpired term of office
4053 pursuant to Subsection (1).

4054 (ii) If the entity charged with nominating candidates for appointment by the governor has
4055 not submitted the list of nominees within 90 days after service of the notice, the governor shall
4056 make the appointment from qualified candidates without consultation with the legislative body of
4057 the city or the county legislative body.

4058 (iii) If the governor fails to appoint, the incumbent shall continue to serve until [his] a
4059 successor is appointed and qualified.

4060 (iv) Appointment by the governor vests in the appointee, upon qualification, the authority
4061 to discharge the duties of [director] trustee, subject only to the advice and consent of the Senate.

4062 [(e)] (d) Each [director] trustee shall hold office during the term for which appointed and
4063 until a successor is duly appointed and has qualified.

4064 (3) Each [director] trustee shall furnish a corporate surety bond at the expense of the
4065 district, in amount and form fixed and approved by the court, conditioned for the faithful
4066 performance of duties as a [director] trustee.

4067 [(4) (a) An annual meeting of the board of directors trustees shall be held on a date to be
4068 fixed by the court in the order incorporating the district. The board shall also hold special
4069 meetings at least quarterly.]

4070 [(b)] (4) (a) A report of the business transacted during the preceding year by the district,
4071 including a financial report prepared by certified public accountants, shall be filed with:

4072 (i) the clerk of the district court;

4073 (ii) the governing bodies of counties with lands within the district; and

4074 (iii) cities charged with nominating [directors] trustees.

4075 [(c)] (b) No more than 14 days and no less than five days prior to the annual meeting, the
4076 district shall have published at least once in a newspaper having general circulation within the
4077 district:

4078 (i) a notice of the annual meeting; and

4079 (ii) the names of the [directors] trustees.

4080 [(d)] (c) The district shall have published a summary of its financial report in a newspaper
4081 having general circulation within the district. The summary shall be published no later than 30
4082 days after the date the audit report required under Title 51, Chapter 2, Audits of Political
4083 Subdivisions, Interlocal Organizations and Other Local Entities, is required to be filed with the
4084 state auditor.

4085 [(e)] (d) Subsections (4)[(c)](b) and [(d)] (c) do not apply to districts with annual revenues
4086 of less than \$1,000,000.

4087 Section 134. Section **17A-2-1412** is amended to read:

4088 **17A-2-1412. Duties of secretary -- Board may employ chief engineer, attorney, and**

4089 **other employees.**

4090 The secretary shall be custodian of the records of the district and of its corporate seal, and
4091 shall assist the board in such particulars as it may direct in the performance of its duties. The
4092 secretary shall attest, under the corporate seal of the district, all certified copies of the official
4093 records and files of the district that may be required [~~of him~~] by this part or by any person ordering
4094 the same and paying the reasonable cost of transcription, and any portion of the record so certified
4095 and attested shall prima facie import verity. [~~The secretary shall serve also as treasurer of the~~
4096 ~~district, unless a treasurer is otherwise provided for by the board.~~] The board may also employ a
4097 chief engineer, who may be an individual, copartnership or corporation; an attorney, and such other
4098 engineers, attorneys and other agents and assistants as may be needful; and may provide for their
4099 compensation which, with all other necessary expenditures, shall be taken as a part of the cost or
4100 maintenance of the improvement. The chief engineer shall be superintendent of all the works and
4101 improvements, and shall make a full report to the board each year, or oftener if required by the
4102 board, and may make such suggestions and recommendations to the board as [~~he may deem~~] the
4103 chief engineer considers proper. The secretary and treasurer and such other agents or employees
4104 of the district as the court may direct shall furnish corporate surety bonds, at the expense of the
4105 district, in amount and form fixed and approved by the court, conditioned upon the faithful
4106 performance of their respective duties.

4107 Section 135. Section **17A-2-1413** is amended to read:

4108 **17A-2-1413. District powers -- Powers of board of trustees -- Other provisions**
4109 **applicable.**

4110 (1) (a) Each water conservancy district established under this part:

4111 (i) shall have perpetual succession;

4112 (ii) except as provided in Subsection (1)(b), may exercise the power of eminent domain,

4113 as provided by law, to take any property necessary to exercise powers granted to the district.

4114 (b) Notwithstanding Subsection (1)(a)(ii), a water conservancy district may not:

4115 (i) exercise the power of eminent domain to acquire title to or beneficial use of vested
4116 water rights for transmountain diversion; and

4117 (ii) carry or transport water in transmountain diversion, the title to which has been acquired
4118 by a municipality by virtue of eminent domain proceedings.

4119 (2) The board [~~shall have power~~] of trustees may, on behalf of the district [to]:

4120 ~~[(1) have perpetual succession;]~~

4121 ~~[(2)]~~ (a) take by appropriation, grant, purchase, bequest, devise, or lease, and [tø] hold and
4122 enjoy water, waterworks, water rights, sources of water supply, and any real and personal property
4123 within or without the district necessary or convenient to [fully] exercise fully its powers;

4124 ~~[(3)]~~ (b) sell, lease, encumber, alienate, or otherwise dispose of water, waterworks, water
4125 rights, and sources of water supply for any beneficial use within or without the district, and [tø]
4126 fix rates and terms for the sale, lease, or other disposal of water;

4127 ~~[(4)]~~ (c) acquire, construct, operate, control, and use any works or facilities within or
4128 without the district necessary or convenient to exercise its powers;

4129 ~~[(5) have and to exercise the power of eminent domain, as provided by law, to take any~~
4130 ~~property necessary to exercise powers granted, except the district may not exercise the power of~~
4131 ~~eminent domain to acquire title to or beneficial use of vested water rights for transmountain~~
4132 ~~diversion, and the district may not carry or transport water in transmountain diversion, the title to~~
4133 ~~which has been acquired by any municipality by virtue of eminent domain proceedings;]~~

4134 ~~[(6)]~~ (d) construct, establish, or maintain works or facilities:

4135 ~~[(a)]~~ (i) across or along any public street or highway;

4136 ~~[(b)]~~ (ii) in, upon, or over any vacant public lands which are now, or may become, the
4137 property of this state in accordance with Titles 53C and 65A, except that any such action upon
4138 school or institutional trust lands may only be undertaken with the consent of the director of the
4139 School and Institutional Trust Lands Administration, acting pursuant to Sections 53C-1-102 and
4140 53C-1-303; or

4141 ~~[(c)]~~ (iii) across any streams of water or watercourses;

4142 ~~[(7)]~~ (e) contract with any agency of the United States, person, or corporation, public or
4143 private, for the construction, preservation, operation, or maintenance of tunnels, drains, pipelines,
4144 reservoirs, regulating basins, diversion canals and works, dams, power plants, and any necessary
4145 incidental works;

4146 ~~[(8)]~~ (f) acquire perpetual rights to the use of water from the works referred to in
4147 Subsection ~~[(7)]~~ (2)(e) and to sell perpetual rights to the use of water from those works to persons
4148 and corporations, public and private;

4149 ~~[(9)]~~ (g) list in separate ownership the lands within the district which are susceptible of
4150 irrigation from district sources and to make an allotment of water to all those lands, which

4151 allotment of water may not exceed the maximum amount that the board determines could be
4152 beneficially used on the lands;

4153 [(10)] (h) levy assessments, as provided for by this part, against lands within the district
4154 to which water is allotted on the basis of:

4155 [(a)] (i) a uniform district-wide value per acre-foot of irrigation water; or

4156 [(b)] (ii) a uniform unit-wide value per acre-foot of irrigation water provided that the board
4157 divides the district into units and fixes a different value per acre-foot of water in the respective
4158 units;

4159 [(11)] (i) fix rates for the sale, lease, or other disposal of water, other than irrigation water,
4160 at rates that are equitable, although not necessarily equal or uniform, for like classes of service;

4161 [(12)] ~~contract for services, employ persons, and elect or appoint officers as shall be~~
4162 ~~necessary and convenient to transact the district's business;]~~

4163 [(13)] (j) adopt and modify plans and specifications for the works for which the district
4164 was organized;

4165 [(14)] (k) investigate and promote water development;

4166 [(15)] (l) appropriate and otherwise acquire water and water rights within or without the
4167 state;

4168 [(16)] (m) develop, store, and transport water;

4169 [(17)] (n) acquire stock in canal companies, water companies, and water users'
4170 associations;

4171 [(18)] (o) make and adopt plans for and to acquire, construct, operate, and maintain dams,
4172 reservoirs, canals, conduits, pipelines, tunnels, power plants, and any works, facilities,
4173 improvements, and property necessary or convenient for those purposes;

4174 [(19)] (p) generate, distribute, or sell electric power from hydroelectric power plants
4175 owned, operated, licensed, or leased by the district if, as determined by the board, the electric
4176 power plant was acquired or constructed as an incidental and not the primary purpose of a project
4177 for the conservation, development, storage, transportation, or distribution of water;

4178 [(20)] (q) invest any surplus money in the district treasury pursuant to the State Money
4179 Management Act;

4180 [(21)] (r) refund bonded indebtedness incurred by the district pursuant to rules prescribed
4181 by the board;

4182 ~~[(22)]~~ (s) borrow money and to issue bonds or other evidence of indebtedness;

4183 ~~[(23)]~~ adopt bylaws not in conflict with the Utah Constitution and laws of the state for
4184 carrying on the business of the board and district;]

4185 ~~[(24)]~~ (t) construct works and improvements on land not subject to acquisition by
4186 condemnation held by the district for a term of not less than 50 years under lease, easement, or
4187 otherwise and to issue bonds to pay the costs for which bonds may be issued as in this part;

4188 ~~[(25)]~~ (u) acquire, construct, operate, or maintain works for the irrigation of land;

4189 ~~[(26)]~~ (v) sell water and water services to individual customers and to charge sufficient
4190 rates for the water and services supplied; however, no sale of water for domestic or culinary use
4191 shall be made to a customer located within the limits of any incorporated municipality without the
4192 consent of the municipality, except as provided by Subsection 17A-2-1439 (7);

4193 ~~[(27)]~~ (w) make and collect fees for customer connections to the works of the district and
4194 for permitting and supervising the making of the connections;

4195 ~~[(28)]~~ (x) use the proceeds of connection charges for any lawful corporate purpose,
4196 including the construction or acquisition of facilities, payment of principal of and interest on
4197 bonds, and the creation of a reserve for such purposes;

4198 ~~[(29)]~~ (y) own property for its corporate purposes within the boundaries of incorporated
4199 municipalities; and

4200 ~~[(30)]~~ (z) adopt a fiscal year, which may end June 30 or December 31.

4201 (3) (a) The provisions of Title 17B, Chapter 2, Part 4, Board of Trustees, except Section
4202 17B-2-402, apply to each water conservancy district to the same extent as if the water conservancy
4203 district were a local district under Title 17B, Chapter 2, Local Districts.

4204 (b) If a change in the length or expiration date of the term of a board of trustees member
4205 is necessary to comply with the requirements of Subsection 17B-2-403(2), the change may not take
4206 effect until the expiration of the term of the member whose term length or expiration date is to be
4207 changed.

4208 Section 136. Section **17A-2-1420** is amended to read:

4209 **17A-2-1420. Organization of subdistricts -- Authority -- Bonds -- Board of trustees**
4210 **-- Powers -- Validation of proceedings -- Separability clause.**

4211 (1) Subdistricts may be organized upon the petition of owners of real property, within or
4212 partly within and partly without the district, which petition shall be in substantially the same form

4213 and shall fulfill the same requirements concerning the subdistricts as the petition outlined in
4214 Section 17A-2-1404 is required to fulfill concerning the organization of the main district. The
4215 petition shall also contain a statement of the initial quantity of water which the subdistrict proposes
4216 to acquire from the district for perpetual use, and the court shall, prior to the entry of its decree
4217 organizing a subdistrict, require that the petitioners attach to the petition written evidence of the
4218 consent of the board of [~~directors~~] trustees of the district to furnish each subdistrict the perpetual
4219 use of water for the purpose specified. Petitions for the organization of subdistricts shall be filed
4220 with the clerk of the court and shall be accompanied by a bond as provided for in Section
4221 17A-2-1405. The procedure for the organization of subdistricts shall be the same as for the
4222 organization of districts, except that the provisions of Section 17A-2-1404 respecting the minimum
4223 taxable value of land and improvements within districts does not apply to subdistricts. A
4224 subdistrict shall be a separate entity within the district, may contract with the district for the
4225 furnishing of water and for other purposes, and in addition to any other authority granted under this
4226 part, may issue its bonds pursuant to and in conformity with the provisions of this part for the
4227 following purposes: (a) acquiring or constructing all or part of an irrigation water system to be
4228 operated by the subdistrict for the purpose of providing irrigation water for agricultural and
4229 residential land within the boundaries of the subdistrict, including as a part of the subdistrict, the
4230 purchase or acquisition of stock in canal companies, water companies, and water users'
4231 associations and the acquisition or purchase of water rights and sources of water supply; and (b)
4232 constructing water pipelines and storage works, purchase of water and water rights, operation of
4233 waterworks systems for the purpose of providing municipal water within the boundaries of the
4234 subdistrict and for this purpose the subdistrict board has the same powers, rights, and privileges
4235 granted to a district board referred to in Sections 17A-2-1413, 17A-2-1421, 17A-2-1422, and
4236 17A-2-1424, to carry out its separate purposes under the provisions of this part. The subdistrict
4237 board may contract with the district for the furnishing of water for the purposes as stated in the
4238 initial petition as well as other purposes. Within 30 days after entering the decree incorporating
4239 a subdistrict, the county legislative body of the county shall appoint a board of [~~directors~~] trustees
4240 of the subdistrict not exceeding seven persons who are owners of real property in the subdistrict
4241 and who are not [~~directors~~] trustees of the district. Vacancies in subdistricts shall be filled by the
4242 county legislative body of the county. The board of [~~directors~~] trustees of a subdistrict has all of
4243 the powers, rights, and privileges granted to a district board, including specifically, but not limited

4244 to, the right of the subdistrict board to levy and collect taxes and assessments referred to in
4245 Sections 17A-2-1423 through 17A-2-1430, to carry out its separate purposes, including the
4246 payment of principal and interest on bonds payable in whole or in part from the proceeds of
4247 assessments and taxes levied under this part issued by the subdistrict under this part. These taxes
4248 and assessments may be levied and collected by a subdistrict, notwithstanding the fact that taxes
4249 and assessments are being levied and collected by the district in which the subdistrict may lie, to
4250 carry out the district purposes; but the taxes levied and collected pursuant to Section 17A-2-1423
4251 may not exceed .0002 per dollar of taxable value of taxable property within the subdistrict to pay
4252 the expenses of its organization and administration and may not exceed .0002 per dollar of taxable
4253 value of taxable property for all purposes.

4254 (2) Each subdistrict created under this section may exercise all powers granted to
4255 subdistricts under this part, it being expressly found and determined that all taxable property lying
4256 in each subdistrict will be [~~benefited~~] benefitted by the acquisition or construction of the
4257 improvements acquired or constructed by the district to an amount not less than the aggregate of
4258 the taxes and assessments levied against the property to pay for the cost of acquisition or
4259 construction. Wherever proceedings are adopted under authority of this part purporting to create
4260 any subdistrict, all proceedings in connection with the creation of each subdistrict are validated,
4261 ratified, and confirmed, notwithstanding any failure to comply with any one or more pertinent
4262 statutory provisions; and each subdistrict is declared to be a validly created and existing subdistrict
4263 under authority of law.

4264 (3) If any provision of this part, or the application of any provision to any person or
4265 circumstance, is held invalid, the remainder of this part is not affected.

4266 Section 137. Section **17A-2-1425** is amended to read:

4267 **17A-2-1425. Board may sell or lease water to irrigation districts -- Levy and**
4268 **collection of special assessments under class C.**

4269 To levy and collect special assessments upon lands under class C as herein provided, the
4270 board shall make an allotment of water to each of the petitioning irrigation districts within the
4271 district in the manner as hereinafter provided in such quantity as will in the judgment of the board,
4272 when added to the present supply of water of such irrigation district, make an adequate supply of
4273 water for such irrigation district, and shall fix and determine the rates per acre-foot or other unit
4274 of measurement, the service, turnout, connection, distribution system charges or other charges and

4275 terms at and upon which water shall be sold, leased or otherwise disposed of to such irrigation
4276 district; provided, however, that such rates and charges shall be equitable although not necessarily
4277 equal or uniform for like classes of services throughout the district. ~~[In the event]~~ If any irrigation
4278 district ~~[shall desire]~~ desires to purchase, lease, or otherwise obtain the beneficial use of waters of
4279 the district, the board of such irrigation district shall by resolution authorize and direct its
4280 ~~[president]~~ chair and secretary to petition the board for an allotment of water, upon terms
4281 prescribed by the board, which petition shall contain, inter alia, the following:

- 4282 (1) Name of irrigation district.
- 4283 (2) Quantity of water to be purchased or otherwise acquired.
- 4284 (3) Price per acre-foot or other unit of measurement and the amount of any service,
4285 connection, distribution system charge or other charges to be paid.
- 4286 (4) Whether payments are to be made in cash or annual installments.
- 4287 (5) Agreement by such irrigation district to make payments for the beneficial use of such
4288 water, together with annual maintenance and operating charges, and to be bound by the provision
4289 of this part and the rules and regulations of the board.

4290 The secretary of the board shall cause notice of the filing of such petition to be given and
4291 published, which notice shall state the filing of such petition and giving notice to all persons
4292 interested to appear at the office of the board at a time named in ~~[said]~~ the notice and show cause
4293 in writing, if any they have, why the petition should not be granted. The board at the time and
4294 place mentioned in ~~[said]~~ the notice, or at such time or times at which the hearing of ~~[said]~~ the
4295 petition may be adjourned, shall proceed to hear the petition and objections thereto, presented, in
4296 writing, by any person showing cause ~~[as aforesaid]~~ why ~~[said]~~ the petition should not be granted.
4297 The failure of any person interested to show cause in writing, as aforesaid, shall be ~~[deemed and~~
4298 ~~taken as]~~ considered an assent ~~[on his part]~~ to the granting of ~~[said]~~ the petition. The board may,
4299 at its discretion, accept or reject the ~~[said]~~ petition, but if it ~~[deems]~~ considers it for the best interest
4300 of the district that the ~~[said]~~ petition ~~[shall]~~ be granted, shall enter an order to that effect granting
4301 the ~~[said]~~ petition, and from and after such order, the irrigation district, and/or persons therein shall
4302 be deemed to have purchased, leased, or otherwise acquired the beneficial use of water as set forth
4303 in ~~[said]~~ the order. If ~~[said]~~ the petition is granted, the board shall, in each year, determine the
4304 amount of money necessary to be raised by special assessment on lands within such irrigation
4305 district and shall determine whether such special assessment shall be levied by the district or by

4306 the irrigation district. If the board determines that such assessments shall be levied by the district,
4307 it shall certify to the county auditor of the county in which the lands of such irrigation district are
4308 located the amount of the assessment, plus a fair proportionate amount of the estimated operating
4309 and maintenance charges for the next succeeding year on each tract of land on or before the 1st day
4310 of July of each year, and such county auditor shall extend the amount of such special assessment,
4311 plus [said] the operating and maintenance charges on the tax roll as a special assessment against
4312 the lands on which [said] the special assessment is made. If the board determines that such
4313 assessments shall be levied by the irrigation district, the district shall make a contract with the
4314 irrigation district which shall provide among other things for the annual payment to the district of
4315 an amount to be obtained from the levy by the irrigation district of annual assessments in
4316 accordance with the irrigation district law. If subdistrict or subdistricts are organized as herein
4317 provided, assessments of special benefits shall be made, spread on the tax rolls and collected in
4318 the same manner as herein provided in the case of irrigation districts.

4319 Section 138. Section **17A-2-1437** is amended to read:

4320 **17A-2-1437. Change of boundaries -- Petitions for and against inclusion within**
4321 **district -- Hearing -- Petition protesting inclusion -- Hearing -- Appeal -- Annexation --**
4322 **Hearings -- Objections -- Order of inclusion -- Findings and decrees -- Appeal.**

4323 (1) The boundaries of any district organized under this part may be changed as provided
4324 by this section, but the change of boundaries of the district shall not impair or affect:

- 4325 (a) its organization;
- 4326 (b) its rights in or to property;
- 4327 (c) any of its other rights or privileges; or
- 4328 (d) any contract, obligation, lien, or charge for or upon which it might be liable or
4329 chargeable had the change of boundaries not been made.

4330 (2) (a) (i) The owners of lands which are either contiguous or noncontiguous to the district
4331 and to each other may file a written petition with the board requesting that their lands be included
4332 in the district. The petition shall contain:

- 4333 (A) a description of the tracts or body of land sought to be included; and
- 4334 (B) the signatures, acknowledged in the same form as conveyances of real estate, of the
4335 owners of the lands.

4336 (ii) A petition filed in this form will be considered to give assent of the petitioners to the

4337 inclusion within the district of the lands described in the petition.

4338 (b) The board shall, within 90 days after the filing of the petition, set and convene a
4339 hearing to consider the petition and all objections.

4340 (c) The secretary of the board shall cause notice of the filing of the petition to be given and
4341 published in the county in which the lands are situated. This notice shall state:

4342 (i) the names of petitioners;

4343 (ii) a description of lands mentioned;

4344 (iii) the request of the petitioners; and

4345 (iv) that all persons interested must appear at the office of the board at the time named in
4346 the notice and state in writing why the petition should not be granted.

4347 (d) The board shall at the appropriate time, proceed to hear the petition and review the
4348 written objections to the petition. The failure of any person to show cause, in writing, shall be
4349 considered to be [his] that person's assent to the inclusion of these lands within the district.

4350 (e) If any of the lands proposed for inclusion in the district are located within a
4351 municipality, the petitioners shall, before the date of the hearing set by the board, obtain from the
4352 municipality's governing body its written consent to the inclusion of the land located within the
4353 municipality.

4354 (f) (i) If any of the lands proposed for inclusion in the district are located within a
4355 municipality's proposed municipal expansion area established by the municipality's annexation
4356 policy declaration adopted under Title 10, Chapter 2, Part 4, [~~Extension of Corporate Limits =~~
4357 ~~Local Boundary Commissions~~] Annexation, the petitioners shall, before the date of the hearing set
4358 by the board, obtain from that municipality's governing body its written consent to the inclusion
4359 of the land located within the area proposed for municipal expansion.

4360 (ii) Subsection (2)(f)(i) does not apply if the land proposed for inclusion in the district is
4361 located within the proposed municipal expansion area of more than one municipality in a county
4362 of the first class.

4363 (g) If any of the lands proposed for inclusion in the district are located within a county not
4364 previously containing any part of the district, the petitioners shall, before the date of the hearing
4365 set by the board, obtain from the county's legislative body its written consent to the inclusion of
4366 the land located within that county.

4367 (h) If any of the lands proposed for inclusion in the district are located within the

4368 unincorporated portion of a county, the petitioners shall, before the date of the hearing set by the
4369 board, obtain from the county's legislative body its written consent to the inclusion of that land.

4370 (i) If the petition is granted, the board shall make an order to that effect and file the petition
4371 with the clerk of the court and upon order of the court the lands shall be included in the district.

4372 (3) (a) In addition to the method provided in Subsection (2), additional areas may be
4373 included in a district by petition as described in this subsection. A written petition may be filed to
4374 include:

4375 (i) irrigated lands;

4376 (ii) nonirrigated lands;

4377 (iii) land in towns and cities;

4378 (iv) other lands; or

4379 (v) any combination of lands under this Subsection (3)(a). These lands may be contiguous
4380 or noncontiguous to the district and to each other.

4381 (b) The petition [~~must~~] shall:

4382 (i) be filed in the district court of the county in which the petition for organization of the
4383 original district was filed;

4384 (ii) include the signatures, acknowledged in the same form as conveyances of real estate,
4385 of not fewer than 20% or 500, whichever is the lesser, of the owners of irrigated lands in the area,
4386 but outside the corporate limits of a city or town;

4387 (iii) include the signatures, acknowledged in the same form as conveyances of real estate,
4388 of not fewer than 5% or 100, whichever is the lesser, of the owners of nonirrigated lands and lands
4389 within the incorporated limits of a city or town, which are within the area specified in the petition;

4390 (iv) list a description of each tract of land owned by the signer opposite the name of the
4391 signer, with an indication that each tract, together with its improvements, has a taxable value of
4392 not less than \$300; and

4393 (v) set forth:

4394 (A) a general description of the territory in the area sought to be included in the district;

4395 (B) the name of the district in which it is sought to be included;

4396 (C) the terms and conditions upon which inclusion is sought;

4397 (D) a statement that the property sought to be included will be [~~benefited~~] benefitted by
4398 the accomplishment of the purposes for which the original district was formed; and

4399 (E) a request for inclusion of the area in the district.

4400 (c) No petition with the requisite signatures [shall] may be declared null and void because
4401 of alleged defects, but the court may permit the petition to be amended to conform to the facts by
4402 correcting any errors. However, similar petitions or duplicate copies of the petition for the
4403 inclusion of the same area may be filed and shall together be regarded as one petition. All petitions
4404 filed prior to the hearing on the first petition shall be considered by the court the same as though
4405 filed with the first petition. In determining whether the requisite number of landowners has signed
4406 the petition, the names as they appear upon the tax roll shall be prima facie evidence of their
4407 ownership.

4408 (d) At the time of filing the petition or at any time before, and prior to the time of hearing
4409 on the petition, a bond shall be filed, with security approved by the court sufficient to pay all
4410 expenses connected with the proceedings in the case. If at any time during the proceeding the court
4411 determines that the first bond is insufficient, the court may require that an additional bond be
4412 obtained within ten days following the court's request. If the petitioner fails to obtain a bond, the
4413 petition shall be dismissed.

4414 (e) Immediately after the filing of the petition, the district court of the county where the
4415 petition is filed shall fix a place and time between 60 and 90 days after the petition is filed for a
4416 hearing. The clerk of the court shall then publish notice of the pendency of the petition and of the
4417 time and place of hearing. The clerk of the court shall also mail a copy of the notice by registered
4418 mail to:

4419 (i) the board of [~~directors~~] trustees of the district;

4420 (ii) the county legislative body of each of the counties with land within the area proposed
4421 to be included in the district; and

4422 (iii) the governing body of each of the cities or towns having territory within the area
4423 proposed to be included within the district.

4424 (f) If any of the lands proposed for inclusion in the district are located within a
4425 municipality, the petitioners shall, before the date of the hearing set by the district court, obtain
4426 from the municipality's governing body its written consent to the inclusion of the land located
4427 within the municipality.

4428 (g) (i) If any of the lands proposed for inclusion in the district are located within a
4429 municipality's proposed municipal expansion area established by the municipality's annexation

4430 policy declaration adopted under Title 10, Chapter 2, Part 4, [~~Extension of Corporate Limits =~~
4431 ~~Local Boundary Commissions~~] Annexation, the petitioners shall, before the date of the hearing set
4432 by the board, obtain from that municipality's governing body its written consent to the inclusion
4433 of the land located within the area proposed for municipal expansion.

4434 (ii) Subsection (3)(g)(i) does not apply if the land proposed for inclusion in the district is
4435 located within the proposed municipal expansion area of more than one municipality in a county
4436 of the first class.

4437 (h) If any of the lands proposed for inclusion in the district are located within a county not
4438 previously containing any part of the district, the petitioners shall, before the date of the hearing
4439 set by the district court, obtain from the county's legislative body its written consent to the
4440 inclusion of the land located within that county.

4441 (i) If any of the lands proposed for inclusion in the district are located within the
4442 unincorporated portion of a county, the petitioners shall, before the date of the hearing set by the
4443 district court, obtain from the county's legislative body its written consent to the inclusion of that
4444 land.

4445 (j) After the filing of a petition for inclusion of an additional area and at least 30 days prior
4446 to the time fixed by the court for the hearing on the petition, a petition protesting the inclusion of
4447 the lands within the district may be filed in the clerk's office of the court where the proceeding for
4448 inclusion is pending. The protest petition must contain:

4449 (i) the signatures, acknowledged in the same form as conveyances of real estate, of at least:

4450 (A) 35% of the owners of irrigated lands in the area sought to be included, but not within
4451 the incorporated limits of a city or town; and

4452 (B) 20% of the owners of nonirrigated lands and lands within the incorporated limits of
4453 a city or town within the area proposed to be included within the district; and

4454 (ii) a description of each tract of land opposite the name of the signer, with an indication
4455 that each tract, together with its improvements, has an assessed value of at least \$300.

4456 (k) A landowner may protest if he:

4457 (i) did not sign the petition for inclusion; and

4458 (ii) owns land, including improvements thereon, which had a taxable value of at least \$300
4459 as shown by the last preceding assessment.

4460 (l) If a petitioner signs the petition both as owner of irrigated and nonirrigated land, his

4461 name counts only as an owner of irrigated lands.

4462 (m) On the day set for the hearing on the original petition, if it appears to the court that the
4463 protesting petition does not meet the requirements of Subsection (3)(j), the court shall dismiss the
4464 protesting petition and proceed with the original hearing as provided in this section. If the court
4465 finds from the evidence that the protesting petition does qualify, the court shall dismiss the original
4466 petition for inclusion. The finding of the court upon the question of valuation, the genuineness of
4467 the signatures, and all matters of law and fact incident to this determination shall be final and
4468 conclusive on all parties in interest whether appearing or not, unless within 30 days from entry of
4469 the order of dismissal an appeal is taken to the Supreme Court.

4470 (n) (i) Any owner of real property in the proposed area who did not individually sign a
4471 petition for the inclusion, but who desires to object to the inclusion, may, on or before ten days
4472 prior to the date set for the cause to be heard, file an objection to the inclusion. This objection shall
4473 be heard by the court as an advanced case without unnecessary delay.

4474 (ii) An owner of irrigated lands may file a petition asking to have ~~[his]~~ the owner's
4475 irrigated lands excluded from the inclusion pursuant to the requirements of Subsection (3)(n)(i).
4476 This petition shall be heard by the district court on the date set for the hearing of the petition for
4477 inclusion of the area and the district court shall exclude these irrigated lands from the area
4478 proposed for inclusion within the district.

4479 (o) If it appears at the hearing that a petition for the inclusion has been signed and
4480 presented as provided in Subsections ~~(3)~~(a) and (b), that each written consent required by
4481 Subsections (3)(f), (g),(h), and (i) has been obtained, that the allegations of the petition are true,
4482 and that no protesting petition has been filed, or if filed has been dismissed as provided in
4483 Subsection (3)(m), the court shall:

4484 (i) adjudicate all questions of jurisdiction;

4485 (ii) find that the property described in the petition will, if included, be ~~[benefited]~~
4486 benefitted by the accomplishment of the purposes for which the original district was formed;

4487 (iii) declare the area included in the district;

4488 (iv) declare whether the area is annexed to an existing division, or constitutes a separate
4489 division; and

4490 (v) declare whether the area can be properly represented by existing ~~[directors]~~ trustees
4491 or whether the number of ~~[directors]~~ trustees shall be increased to provide for representation of the

4492 area annexed. However, prior to the entry of its decree including such area within the district, the
4493 court shall obtain the verified consent of the board of [directors] trustees of the district to the
4494 inclusion of such area.

4495 (p) If the court finds that the petition for inclusion has not been signed and presented
4496 pursuant to this section, that any written consent required by Subsections (3)(f), (g), (h), and (i) has
4497 not been obtained, or that the material facts are not as set forth in the petition filed, it shall dismiss
4498 the proceedings and adjudge the costs against the signers of the petition in such proportion as it
4499 considers just and equitable. An appeal to the Supreme Court shall lie from an order dismissing
4500 the proceeding. Nothing in this part shall be construed to prevent the filing of a subsequent petition
4501 or petitions for similar purposes, and the right to renew such proceeding is expressly granted.

4502 (4) (a) If lands are annexed into a public corporation which corporation is already part of
4503 the district described in this part and these annexed lands are not located within the district's
4504 boundaries, the board may make a finding that these lands are not part of the district, and that these
4505 lands are or may be [~~benefited~~] benefitted from the service provided by the district. Upon making
4506 this finding, the board shall set a time and place for a public hearing to hear objections as to why
4507 these lands should not be annexed and included within the district. The secretary of the board shall
4508 cause notice of the time and place of the hearing to consider the inclusion of the lands within the
4509 district to be given and published in the county in which the lands are situated. The notice shall:

4510 (i) state a general description of the lands;

4511 (ii) state that the lands are being considered for inclusion within the district; and

4512 (iii) give notice to all interested persons to appear at the time and place named in the notice
4513 and show cause, in writing, as to why the lands should not be included within the district. The
4514 secretary shall mail a copy of the notice by registered mail to the governing body of the public
4515 corporation and to the landowners.

4516 (b) Before the date set for the hearing, the board shall obtain the written consent of the
4517 public corporation's governing body to the inclusion of the lands into the district.

4518 (c) The board shall, at the time and place named in the notice or at any time at which the
4519 hearing may be adjourned, proceed to hear all objections to the inclusion of the lands within the
4520 district. The failure of any interested person to appear or show cause, in writing, shall be [~~taken~~]
4521 considered as an assent on his part to the inclusion of the lands within the district. If, after hearing
4522 all objections to the inclusion of the land within the district, the board has obtained the consent of

4523 the public corporation's governing body as required in Subsection (4)(b) and determines that the
4524 lands will be [benefited] benefitted by inclusion within the district, the board shall make an order
4525 to that effect. Upon filing the order with the clerk of the court and upon order of the court, the
4526 lands shall be included in the district.

4527 (d) A finding by the board that the lands will not be [benefited] benefitted by inclusion
4528 within the district shall not preclude the board at any subsequent date from finding that changed
4529 conditions or circumstances now benefit the lands. After making this finding the board may renew
4530 the proceedings for inclusion of these lands in whole or in part and find that the lands will be
4531 [benefited] benefitted by inclusion in the district and make an order to that effect. Upon filing the
4532 order with the clerk of the court and upon order of the court, the lands shall be included in the
4533 district.

4534 (e) If the board finds that any portion of land to be annexed into the district is presently
4535 receiving water from another public water system, the board shall exclude that portion of land from
4536 the land to be annexed into the district.

4537 (5) Upon the entry of the decree, the clerk of the court shall transmit to the Division of
4538 Corporations and Commercial Code and the county recorder in each of the counties having lands
4539 in the area, copies of the findings and decrees of the court. The findings and decrees shall be filed
4540 with the Division of Corporations and Commercial Code pursuant to the general laws concerning
4541 corporations. Copies shall also be filed in the office of the county recorder in each county in which
4542 the district is located where they will become permanent records. The recorder in each county shall
4543 receive the fee designated by the county legislative body for filing and preservation. The Office
4544 of the Lieutenant Governor shall receive fees as may be provided by law for like services in similar
4545 cases.

4546 (6) If an order is entered establishing the inclusion of the area into the district, such order
4547 shall be final unless within 30 days an appeal is taken to the Supreme Court. The entry of a final
4548 order shall conclusively establish the inclusion of the area against all persons, except that the state
4549 may attack the order in an action in the nature of a writ of quo warranto, commenced by the
4550 attorney general within three months after the decree declaring the area included. The inclusion
4551 of the area shall not be directly or collaterally questioned in any suit, action, or proceeding, except
4552 as expressly authorized.

4553 (7) Any area included in a district pursuant to this part shall be subject to taxes and

4554 assessments levied for the payment of indebtedness of the district which was outstanding at the
4555 time of the entry of the order for inclusion, and for the payment of indebtedness thereafter incurred
4556 as if the area were a part of the district as originally established.

4557 (8) The boundaries of any subdistrict may be changed in the manner provided in this part
4558 for the change of the boundaries of districts.

4559 Section 139. Section **17A-2-1439** is amended to read:

4560 **17A-2-1439. Contracts providing for payment in installments -- Issuance and sale**
4561 **of bonds -- Sinking fund -- Covenants -- Default -- Revenue obligations -- Refunding bonds.**

4562 (1) (a) (i) To pay for construction, operation, and maintenance of works, and expenses
4563 preliminary and incidental to them, the board may enter into contracts with the United States of
4564 America or its agencies, providing for payment in installments.

4565 (ii) To pay for all or part of the cost of the construction or acquisition of any works, to pay
4566 for the improvement and extension of them, to pay expenses preliminary and incidental to them,
4567 to pay interest on the bonds during acquisition and construction, to provide for necessary reserves,
4568 and to pay costs of issuance and sale of the bonds (including, without limitation, printing,
4569 registration and transfer costs, legal fees, financial advisor's fees, and underwriter's discount), the
4570 board may issue the bonds of the district as provided in this section.

4571 (b) The indebtedness or obligation represented by any bonds issued by or any contract
4572 entered into by the board may be payable in whole or in part from all or part of the revenues
4573 derived by the district from the operation of all or any designated portion of its works, from the
4574 proceeds of assessments and taxes levied under this part, or from any combination of those
4575 revenues, assessments, and taxes.

4576 (c) The indebtedness or obligation represented by any bonds issued by or any contract
4577 entered into by the board may be incurred for the acquisition, construction, or both, of all or part
4578 of any works, for the improvement or extension of any works, or for a system of works for the
4579 distribution of water or for the treatment of water or both, whether or not the works of the district
4580 so acquired, constructed, improved, or extended include a source of water supply.

4581 (d) (i) These bonds shall be issued and sold in compliance with Title 11, Chapter 14, Utah
4582 Municipal Bond Act, and may be in the form and denominations and have provisions and details
4583 permitted by the Utah Municipal Bond Act, except that the bonds shall mature serially or otherwise
4584 and contract payment installments shall fall due at any time or times not later than 50 years from

4585 their date.

4586 (ii) The bonds and any evidences of participation interests in the bonds may be issued,
4587 executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with
4588 Title 15, Chapter 7, Registered Public Obligations Act, or any other statute relating to the
4589 registration of bonds enacted to meet the requirements of Section 103 of the Internal Revenue
4590 Code of 1954, as amended, or any similar or successor federal law, and applicable regulations.

4591 (2) (a) Bonds may be issued hereunder at one time or from time to time.

4592 (b) If more than one issue or series of bonds is delivered hereunder, the bonds of the
4593 respective issues or series shall have priorities of payment as provided in the proceedings
4594 authorizing the bonds.

4595 (3) (a) Any resolution authorizing the issuance of bonds or the entering into of a contract
4596 indebtedness or obligation payable in installments hereunder shall provide for the creation of a
4597 sinking fund into which shall be paid from the revenues, assessments, and taxes, any or all,
4598 pledged to the payment in the authorizing resolution sums fully sufficient to pay the principal of
4599 and interest on the bonds or on the contract indebtedness or obligation and to create a reserve for
4600 contingencies as required by the resolution.

4601 (b) Any resolution so authorizing bonds or the entering into of a contract indebtedness or
4602 obligation may contain those covenants with the future holders of the bonds or the other
4603 contracting party as to the management and operation of the properties and works of the district,
4604 the imposition and collection of fees and charges, including taxes and assessments, for the water
4605 and services furnished thereby, the disposition of the fees and revenues, the issuance of future
4606 bonds and the incurring of future contract indebtedness or obligations and the creation of future
4607 liens and encumbrances against the works and the revenues thereof, the carrying of insurance on
4608 the works and the disposition of the proceeds of insurance, the sale, disposal, or alienation of the
4609 works, and other pertinent matters [~~deemed~~] considered necessary or proper by the board to assure
4610 the merchantability of the bonds or the execution of the contract.

4611 (c) These covenants and agreements may not be inconsistent with this section.

4612 (4) (a) It may be provided in the resolution that any holder of the bonds or any contracting
4613 party may by appropriate legal action compel performance of all duties required of the board and
4614 the officials of the district by this part and the resolution authorizing the bonds or contract.

4615 (b) If any bond issued or any contract entered into hereunder is permitted to go into default

4616 as to any installment of principal or interest, any court of competent jurisdiction may, pursuant to
4617 the application of the holder of any bond or of the other contracting party, appoint a receiver to
4618 operate the works of the district and to collect and distribute the revenues thereof under the
4619 resolution, this part, and as the court may direct.

4620 (5) (a) When the district has issued bonds or entered into a contract and pledged any
4621 revenues of the works for the payment of them as provided in this part, the district shall impose
4622 and collect fees and charges for water and services furnished by the works in that amount and at
4623 those rates fully sufficient at all times (in conjunction with the proceeds of available taxes and
4624 assessments if the bonds or contract indebtedness or obligation are also payable in part from the
4625 proceeds of assessments and taxes levied under this part) to pay the expenses of operating and
4626 maintaining the works, to provide a sinking fund sufficient to assure the prompt payment of
4627 principal of and interest on the bonds or contract indebtedness or obligation as principal and
4628 interest fall due, and to provide those funds for reserves and contingencies and for a depreciation
4629 fund for repairs, extensions, and improvements to the works as [~~deemed~~] considered necessary to
4630 assure adequate and efficient service, all as may be required by the resolution.

4631 (b) No board or commission other than the board of [~~directors~~] trustees of the district has
4632 authority over or is required to approve the making or fixing of fees and charges, the acquisition
4633 of property by the district, the issuance of its bonds, or the entering into of a contract.

4634 (6) (a) The board of any district that issues or has issued any bonds under this part, or that
4635 enters or has entered into any contracts under this part, may issue bonds hereunder for the purpose
4636 of refunding all or any part of the outstanding bonds, or the outstanding indebtedness or obligation
4637 represented by the contracts, or in part for the purpose of the refunding and in part for the purpose
4638 of acquiring, constructing, improving, or extending works for the district.

4639 (b) If bonds are issued solely for refunding purposes, the election required by Section
4640 17A-2-1440 is not a condition precedent to the issuance of the bonds.

4641 (c) Refunding bonds so authorized:

4642 (i) may be sold and the proceeds thereof applied to or deposited in an escrow and invested
4643 pending the retirement of the outstanding bonds; or

4644 (ii) may be delivered in exchange for the outstanding bonds.

4645 (d) The refunding bonds shall be authorized and secured in the manner herein provided
4646 for the issuance and securing of other bonds and may, but are not required to, have the same source

4647 of security and payment as the bonds refunded.

4648 (7) (a) If bonds have been issued or a contract indebtedness or obligation has been incurred
4649 hereunder payable in whole or in part from revenues to be derived from supplying water to the
4650 inhabitants of territory which was not at the time of the issuance of the bonds or the entering into
4651 of the contract contained within the corporate limits of any municipality or any other district
4652 created for the purpose of supplying water to the territory, the district shall thereafter be the sole
4653 public corporation or political subdivision authorized to supply water to this area.

4654 (b) No municipal corporation or other district into which any part of the territory is
4655 incorporated or included has authority either to supply water to the inhabitants of the corporation
4656 or district or to grant a franchise for the supplying of the water.

4657 (c) Nothing contained in this Subsection (7) prevents the modification of this restriction
4658 contained by the district if modification does not in any way jeopardize the prompt payment of
4659 principal of and interest on the bonds of the district then outstanding or of the payment of
4660 installments of indebtedness or obligation under a contract.

4661 Section 140. Section **17A-2-1440** is amended to read:

4662 **17A-2-1440. Election for issuance of bonds or incurring contract indebtedness or**
4663 **obligation -- When an election is not required.**

4664 (1) If the majority of a water conservancy district board approves a resolution determining
4665 that the interests of the district and the public interest or necessity demand the acquisition,
4666 construction, or completion of any water supply, waterworks, improvements, or facilities, or the
4667 making of any contract with the United States or other persons or corporations, public or private,
4668 to carry out the purposes of the district, wherein an indebtedness or obligation is created, to satisfy
4669 which requires an expenditure greater than the ordinary annual income and revenue of the district,
4670 the board shall adopt a resolution directing that an election be held to determine whether bonds
4671 shall be issued, or an indebtedness or obligation under a contract shall be incurred in the amount
4672 and for the purposes specified in the resolution.

4673 (2) The following shall be subject to the conditions provided in Title 11, Chapter 14, Utah
4674 Municipal Bond Act:

4675 (a) adoption of the resolution calling the election;

4676 (b) giving notice of the election;

4677 (c) conduct of the election;

- 4678 (d) determination of voters' qualifications; and
4679 (e) canvassing of election results.
- 4680 (3) The board may, for purposes of the election:
4681 (a) treat the entire district as a single precinct or divide the district into precincts; and
4682 (b) fix polling places.
- 4683 (4) If bonds or the indebtedness or obligations under a contract are payable solely from
4684 revenues derived from the operation of all or any part of the district's works, no election is required
4685 under this section prior to issuance of the bonds or the entering into of the contract, except as
4686 provided in Subsection (5).
- 4687 (5) No district may issue bonds or incur an indebtedness or obligation under a contract
4688 payable solely from revenues unless:
- 4689 (a) the issuance of the bonds or the incurring of the contract indebtedness or obligation has
4690 been approved at an election called and held as provided in this section; or
4691 (b) the board of [~~directors~~] trustees adopts a resolution declaring the intention of the
4692 district to issue bonds or incur a contract indebtedness or liability payable solely from revenues in
4693 the amount and for the purpose provided in the resolution and directs that notice of this intention
4694 be published once in a newspaper of general circulation in the district.
- 4695 (i) The notice of intention shall set forth:
4696 (A) the amount and purpose of the proposed bond issue or contract; and
4697 (B) when and where petitions may be filed requesting the calling of an election to
4698 determine whether the bonds may be issued or the contract indebtedness or obligation may be
4699 incurred.
- 4700 (ii) The resolution of the board shall specify the form of the petitions.
- 4701 (iii) If, within 30 days after the publication of the notice of intention, a petition is filed with
4702 the secretary of the board, signed by not less than 5% of the qualified electors of the district,
4703 requesting that an election be called to authorize the issuance of the bonds or the incurring of the
4704 contract indebtedness or liability payable solely from revenues, then the board shall proceed to call
4705 and hold an election as provided in this section. The qualified electors of the district shall be
4706 certified to the board, prior to the adoption of the resolution, by the clerks of the counties in which
4707 portions of the district are located.
- 4708 (iv) If no petition is filed, or if the number of signatures filed within the 30-day period is

4709 less than the required number, the board of [directors] trustees may adopt the resolution and
4710 proceed to issue the bonds or enter into the contract.

4711 Section 141. Section **17A-2-1442** is amended to read:

4712 **17A-2-1442. Board may petition district court for judicial determination of its acts**
4713 **-- Procedure.**

4714 The board may, in its discretion, at any time file a petition in the court, praying a judicial
4715 examination and determination of any power conferred hereby or by any amendment hereto or of
4716 any tax or assessment levied or of any act, proceeding or contract of the district, whether or not
4717 [said] the contract shall have been executed, including proposed contracts for the acquisition,
4718 construction, maintenance or operation of works for the district. Such petition shall set forth the
4719 facts whereon the validity of such power, assessment, act, proceeding or contract is founded and
4720 shall be verified by the [president] chair of the board. Notice of the filing of [said] the petition
4721 shall be given by the clerk of the court, under the seal thereof, stating in brief outline the contents
4722 of the petition and showing where a full copy of any contract or contracts, therein mentioned, may
4723 be examined. [Said] The notice shall be served by publication at least once a week for five
4724 consecutive weeks (five issues) in a newspaper of general circulation in the county in which the
4725 principal office of the district is located, and by posting the same in the office of the district at least
4726 30 days prior to the date fixed in [said] the notice for the hearing on [said] the petition. Any owner
4727 of property in the district or person interested in the contract or proposed contract may appear and
4728 demur to or answer [said] the petition at any time prior to the date fixed for [said] the hearing or
4729 within such further time as may be allowed by the court; and the petition shall be taken as
4730 confessed by all persons who fail so to appear. The [said] petition and notice shall be sufficient
4731 to give the court jurisdiction and, upon hearing, the court shall examine into and determine all
4732 matters and things affecting the question submitted, shall make such findings with reference
4733 thereto and render such judgment and decree thereon as the case warrants. Costs may be divided
4734 or apportioned among the contesting parties in the discretion of the trial court. Review of the
4735 judgment of the court may be had as in other similar cases, except that such review must be applied
4736 for within 30 days after the time of the rendition of such judgment, or within such additional time
4737 as may be allowed by the court within 30 days. The [~~Code~~] Rules of Civil Procedure shall govern
4738 in matters of pleading and practice where not otherwise specified herein. The court shall disregard
4739 any error, irregularity or omission which does not affect the substantial rights of the parties.

4740 Section 142. Section **17A-2-1448** is amended to read:

4741 **17A-2-1448. Validation of proceedings -- Changes.**

4742 [~~That wherever~~] If proceedings have been [~~heretofore~~] adopted under authority of the Water
4743 Conservancy Act purporting to create any conservancy district thereunder, all proceedings had in
4744 connection with the creation of each such district are hereby validated, ratified and confirmed
4745 notwithstanding any failure to comply with any one or more pertinent statutory provisions and each
4746 such district is declared to be a validly created and existing district under authority of [~~said~~] the
4747 law. It is expressly found and determined that all taxable property lying in each such district will
4748 be [~~benefited~~] benefitted by the construction of the improvements to be constructed by such district
4749 to an amount not less than the aggregate of the taxes and assessments to be levied against such
4750 property to pay for the cost of such improvements. All proceedings had in connection with the
4751 appointment election and organization of board of [~~directors~~] trustees for each such district are
4752 ratified and approved and each such board of [~~directors~~] trustees is declared to be de facto and de
4753 jure governing body of each such district. [~~Where~~] If in any such district an election has been
4754 [~~heretofore~~] held on the approval of a contract with the United States of America or on the
4755 issuance of the bonds of the district or both, all proceedings had in connection with the calling and
4756 holding of each such election are validated, ratified and confirmed despite any irregularity which
4757 may have occurred therein and any contract so approved by any such election and any bonds so
4758 authorized at any such election are validated and confirmed and the board of [~~directors~~] trustees
4759 and officers of each such district are authorized and empowered to proceed to do all things
4760 necessary to the execution of such contract or to the issuance of such bonds as the case may be and
4761 each such contract when duly executed and all such bonds when delivered and paid for are
4762 declared to be valid and binding obligations of such district in accordance with the terms thereof
4763 and to be fully negotiable for all purposes. All construction contracts heretofore entered into by
4764 any such district for the construction or acquisition of works or facilities for such district are
4765 validated, ratified, and confirmed and declared to be valid obligations of such district in
4766 accordance with the terms thereof. The board of directors of any such district may make such
4767 changes in any contract or in any bond proceedings or bonds hereby validated as may in its opinion
4768 be desirable for the best interests of such district without in any wise impairing or making
4769 ineffective any of the curative effect of this section. Any such change or changes may be so made
4770 despite the fact that such change or changes may be inconsistent with the proceedings at which any

4771 such contract, if voted at an election, or any such bonds, where voted, and no new election to
4772 approve or authorize such change or changes shall be necessary.

4773 Section 143. Section **17A-2-1449** is amended to read:

4774 **17A-2-1449. Validation of proceedings and actions -- Changes in validated contracts,**
4775 **bond proceedings or bonds authorized.**

4776 All proceedings that have been adopted and actions taken before May 13, 1969, under
4777 authority of the Water Conservancy Act, purporting to create any water conservancy district
4778 thereunder or purporting to provide for the inclusion of any additional area or areas in any such
4779 district, including all petitions filed and all notices given, published and mailed in connection with
4780 any such creation and any such inclusion, are hereby validated, ratified and confirmed,
4781 notwithstanding any failure to comply with any one or more pertinent statutory provisions and each
4782 such district as so created or enlarged is declared to be a validly created and existing district. It
4783 is expressly determined that all taxable property lying in each such district shall be [benefited]
4784 benefitted by any improvements constructed before or after this part takes effect to an amount not
4785 less than the aggregate of the taxes and assessments levied against such property to pay for the cost
4786 of such improvements. All proceedings and actions taken with respect to the appointment, election
4787 and organization of a board of [directors] trustees and officers thereof for each such district are
4788 validated, ratified and confirmed and each such board of [directors] trustees is declared to be the
4789 de facto and de jure governing body of each such district. [Where] If in any such district an
4790 election has been held, before May 13, 1969, on the question of approving a contract with the
4791 United States of America or on the question of the issuance of the bonds of the district, or both,
4792 all proceedings and actions concerned with the calling, holding and conduct of any such elections
4793 are validated, ratified and confirmed despite any irregularities which may have occurred in
4794 connection therewith. Any contract so approved at such an election and any bonds so authorized
4795 at such an election are validated, ratified and confirmed. The board of [directors] trustees and
4796 officers of each such district may do all things necessary to execute any such contract or issue such
4797 bonds, and each such contract when executed and all such bonds when delivered and paid for shall
4798 be valid and binding obligations of such district in accordance with the tenor and terms thereof.
4799 Any contracts made by such district for the construction or acquisition of works or facilities for
4800 such district are validated, ratified and confirmed and shall be valid obligations of such district in
4801 accordance with the terms thereof. Changes made after May 13, 1969 by the board of directors of

4802 any such district in any contract, bond proceedings or bonds hereby validated shall be considered
4803 not to nullify any curative effect of this section.

4804 Section 144. Section **17A-2-1454** is amended to read:

4805 **17A-2-1454. Terms of trustees representing excluded lands cease.**

4806 If land being excluded from a district constitutes all or substantially all of the land in a
4807 division of the district:

4808 (1) on the effective date of the exclusion the [directors] trustees representing the division
4809 shall cease to be [directors] trustees of the board of the district; and

4810 (2) the court shall issue an order amending the decree which created the district to show:

4811 (a) a reduction in the number of [directors] trustees of the district; and

4812 (b) the elimination of the [directors] trustees representing the division from the board.

4813 Section 145. Section **17A-2-1808** is amended to read:

4814 **17A-2-1808. Board of trustees -- Selection procedure -- Other provisions applicable.**

4815 (1) Each regional service area organized under this part shall be governed by a board of
4816 trustees [consisting of not less than three but not more than five members].

4817 (2) Except as otherwise provided in this section, members of the board of trustees shall
4818 be elected by following the procedures and requirements of Title 17A, Chapter 1, Part 3, Special
4819 District Board Selection Procedures.

4820 (3) Candidates for election to the board of trustees shall be taxpayers and qualified voters
4821 in the regional service area.

4822 (4) Those persons serving on the board of trustees of the county service area when the
4823 county service area is reorganized as a regional service area shall be the initial board of trustees
4824 of the regional service area for the remainder of the term to which they were each elected or
4825 appointed as trustees of the county service area.

4826 [~~(5) (a) The board of trustees may by resolution, at any time after the regional service area
4827 is organized, including in the organizing resolution, increase the number of trustees to the
4828 maximum number allowed under Subsection (1).]~~]

4829 [~~(b)~~] (5) If the number of trustees is increased, additional trustees shall be appointed by
4830 the board of trustees following the procedures of Section 17A-1-302.

4831 [~~(c) The terms of the appointed additional trustees shall expire the first Monday in January
4832 after the next municipal election which is at least six months after the date of appointment.]~~]

4833 (6) (a) The board of trustees may, at any time, divide the regional service area into districts
4834 for the purpose of electing some or all of the trustees. Before dividing the regional service area,
4835 the board of trustees shall:

4836 (i) prepare a districting proposal that includes the boundaries of the proposed election
4837 districts; and

4838 (ii) hold a public hearing at which any interested person may appear and speak for or
4839 against the districting proposal.

4840 (b) If trustee election districts are established, each election district shall be as nearly equal
4841 in population as practicable and shall be of a compact form.

4842 (c) Except for land excluded from or annexed to the regional service area under this part,
4843 the boundaries of established trustee election districts may not be changed more often than once
4844 every five years and election district boundaries shall be reviewed at least every ten years.

4845 (d) After election districts are established, every part of the regional service area shall be
4846 included in a trustee election district.

4847 (e) One or more trustee position may be an at large position to be voted upon by all
4848 registered voters within the regional service area.

4849 [~~(7) (a) Trustee terms shall be apportioned so that as close to an equal number of trustee
4850 positions as possible will be voted on at each special district election.]~~

4851 [~~(b) Trustees elected after the organization of the regional service area and trustees elected
4852 after having been appointed under Subsection (5) shall serve two-, four-, or six-year terms,
4853 beginning on the first Monday in January after the election, as necessary to achieve the
4854 apportionment required under Subsection (a).]~~

4855 [~~(c) Initial elected terms shall be selected by lot as necessary to apportion the terms.]~~

4856 [~~(d) After terms have been properly apportioned, except for appointments to fill unexpired
4857 terms, the term of each member of the board of trustees is six years.]~~

4858 [~~(8)] (7) Subject to districting for election purposes, all qualified voters in the regional
4859 service area may vote in trustee elections.~~

4860 [~~(9)] (8) Each member of the board of trustees may vote on all questions, orders,
4861 resolutions, and ordinances coming before the board.~~

4862 [~~(10) Each trustee shall receive compensation at a rate to be set by resolution of the board
4863 of trustees after holding at least one public hearing at which all interested persons may appear and~~

4864 speak in favor of or against the compensation proposal. After the public hearing, the board of
4865 trustees may establish the rate of compensation in an amount which is not more than the maximum
4866 amount proposed at the public hearing not to exceed \$5,000 per year.]

4867 [(11) Each trustee shall give a bond in the amount, and with the sureties, prescribed in the
4868 bylaws of the regional service area.]

4869 [(12) Each trustee shall take the oath of office and take office on the first Monday in
4870 January following the election of the trustee.]

4871 [(13) The trustees shall meet and elect one of their members as chair and shall appoint a
4872 clerk and a treasurer, or a clerk-treasurer, and other officers approved by the board of trustees.]

4873 [(14)] (9) All vacancies of elected trustees in office shall be filled as provided under
4874 Section 17A-1-302.

4875 (10) (a) The provisions of Title 17B, Chapter 2, Part 4, Board of Trustees, apply to each
4876 regional service area to the same extent as if the regional service area were a local district under
4877 Title 17B, Chapter 2, Local Districts.

4878 (b) (i) If a change in the number of board of trustees members is necessary to comply with
4879 the requirements of Subsection 17B-2-402(1), the board of trustees may by majority vote,
4880 notwithstanding Subsection 17B-2-402(3), change the number of board members to the next odd
4881 number higher or lower than the number of current board members.

4882 (ii) If a change under Subsection (10)(b)(i) decreases the number of board members, the
4883 change may not take effect until the expiration of the term of the member whose term next expires.

4884 (c) If a change in the length or expiration date of the term of a board of trustees member
4885 is necessary to comply with the requirements of Subsection 17B-2-403(2), the change may not take
4886 effect until the expiration of the term of the member whose term length or expiration date is to be
4887 changed.

4888 Section 146. Section **17B-2-203** is amended to read:

4889 **17B-2-203. Process to initiate the creation of a local district -- Petition or resolution.**

4890 (1) The process to create a local district may be initiated by:

4891 (a) subject to Section 17B-2-204, a petition signed by the owners of private real property
4892 that:

4893 (i) is located within the proposed local district;

4894 (ii) covers at least 33% of the total private land area within the proposed local district as

4895 a whole and within each applicable area;

4896 (iii) is equal in value to at least 25% of the value of all private real property within the
4897 proposed local district as a whole and within each applicable area; and

4898 (iv) complies with the requirements of Subsection 17B-2-205(1) and Section 17B-2-208;

4899 (b) subject to Section 17B-2-204, a petition that:

4900 (i) is signed by registered voters residing within the proposed local district as a whole and
4901 within each applicable area, equal in number to at least 33% of the number of votes cast in the
4902 proposed local district as a whole and in each applicable area, respectively, for the office of
4903 governor at the last regular general election prior to the filing of the petition; and

4904 (ii) complies with the requirements of Subsection 17B-2-205(1) and Section 17B-2-208;

4905 or

4906 (c) a resolution proposing the creation of a local district, adopted by the legislative body
4907 of each county whose unincorporated area includes and each municipality whose boundaries
4908 include any of the proposed local district.

4909 (2) (a) Each resolution under Subsection (1)(c) shall:

4910 (i) describe the area proposed to be included in the proposed local district;

4911 (ii) be accompanied by a map that shows the boundaries of the proposed local district;

4912 (iii) describe the service proposed to be provided by the proposed local district;

4913 (iv) explain the anticipated method of paying the costs of providing the proposed service;

4914 [and]

4915 (v) state the estimated average financial impact on a household within the proposed local
4916 district[-]; and

4917 (vi) state the number of members that the board of trustees of the proposed local district
4918 will have, consistent with the requirements of Subsection 17B-2-402(1).

4919 (b) Each county or municipal legislative body adopting a resolution under Subsection
4920 (1)(c) shall, on or before the first public hearing under Section 17B-2-210, mail or deliver a copy
4921 of the resolution to the responsible body if the county or municipal legislative body's resolution
4922 is one of multiple resolutions adopted by multiple county or municipal legislative bodies proposing
4923 the creation of the same local district.

4924 Section 147. Section **17B-2-208** is amended to read:

4925 **17B-2-208. Additional petition requirements and limitations.**

4926 (1) Each petition shall:

4927 (a) be filed with the responsible clerk; [and]

4928 (b) separately group signatures by county and municipality, so that all signatures of the
4929 owners of real property located within or of registered voters residing within each county whose
4930 unincorporated area includes and each municipality whose boundaries include part of the proposed
4931 local district are grouped separately[-]; and

4932 (c) state the number of members that the board of trustees of the proposed local district
4933 will have, consistent with the requirements of Subsection 17B-2-402(1).

4934 (2) (a) A petition may not propose the creation of a local district that includes an area
4935 located within the unincorporated part of a county or within a municipality if the legislative body
4936 of that county or municipality has adopted a resolution under Subsection 17B-2-212(1) indicating
4937 that the county or municipality will provide to that area the service proposed to be provided by the
4938 proposed local district.

4939 (b) Subsection (2)(a) does not apply if the county or municipal legislative body is
4940 considered to have declined to provide the requested service under Subsection 17B-2-212(3).

4941 (c) Subsection (2)(a) may not be construed to prevent the filing of a petition that proposes
4942 the creation of a local district whose area excludes that part of the unincorporated area of a county
4943 or that part of a municipality to which the county or municipality has indicated, in a resolution
4944 adopted under Section 17B-2-212, it will provide the requested service.

4945 (3) A petition may not propose the creation of a local district whose area includes:

4946 (a) some or all of an area described in a previously filed petition that, subject to Subsection
4947 17B-2-202(4)(b):

4948 (i) proposes the creation of a local district to provide the same service as proposed by the
4949 later filed petition; and

4950 (ii) is still pending at the time the later petition is filed; or

4951 (b) some or all of an area within a political subdivision that provides in that area the same
4952 service proposed to be provided by the proposed local district.

4953 (4) A petition may not be filed more than 12 months after a county or municipal legislative
4954 body declines to provide the requested service under Subsection 17B-2-212(1) or is considered to
4955 have declined to provide the requested service under Subsection 17B-2-212(2) or (3).

4956 Section 148. Section **17B-2-401** is enacted to read:

4957 **Part 3. Reserved**

4958 **Part 4. Board of Trustees**

4959 **17B-2-401. Board of trustees duties and powers.**

4960 (1) Each local district shall be governed by a board of trustees which shall manage and
4961 conduct the business and affairs of the district and shall determine all questions of district policy.

4962 (2) The board of trustees may:

4963 (a) fix the location of the local district's principal place of business and the location of all
4964 offices and departments, if any;

4965 (b) select and use an official district seal;

4966 (c) employ employees and agents, or delegate to district officers power to employ
4967 employees and agents, for the operation of the local district and its properties and prescribe or
4968 delegate to district officers the power to prescribe the duties, compensation, and terms and
4969 conditions of employment of those employees and agents;

4970 (d) require district officers and employees charged with the handling of district funds to
4971 provide surety bonds in an amount set by the board or provide a blanket surety bond to cover all
4972 those officers and employees;

4973 (e) contract for or employ professionals to perform work or services for the local district
4974 that cannot satisfactorily be performed by the officers or employees of the district;

4975 (f) through counsel, prosecute on behalf of or defend the local district in all court actions
4976 or other proceedings in which the district is a party or is otherwise involved;

4977 (g) adopt bylaws for the orderly functioning of the board;

4978 (h) adopt rules and regulations for the orderly operation of the local district and for
4979 carrying out the purposes for which the district was created;

4980 (i) prescribe a system of civil service for district employees;

4981 (j) on behalf of the local district, enter into contracts that the board considers to be for the
4982 benefit of the district;

4983 (k) acquire, construct or cause to be constructed, operate, occupy, control, and use
4984 buildings, works, or other facilities for carrying out the purposes of the local district;

4985 (l) on behalf of the local district, acquire, use, hold, manage, occupy, and possess property
4986 necessary to carry out the purposes of the district, dispose of property when the board considers
4987 it appropriate, and institute and maintain in the name of the district any action or proceeding to

4988 enforce, maintain, protect, or preserve rights or privileges associated with district property; and
4989 (m) exercise all powers and perform all functions in the operation of the local district and
4990 its properties as are ordinarily exercised by the governing body of a political subdivision of the
4991 state and as are necessary to accomplish the purposes of the district.

4992 Section 149. Section **17B-2-402** is enacted to read:

4993 **17B-2-402. Number of board of trustees members.**

4994 (1) The number of members of each board of trustees shall be an odd number that is no
4995 less than three and no more than nine.

4996 (2) For a newly created local district, the number of members of the board of trustees shall
4997 be the number specified:

4998 (a) for a local district whose creation was initiated by a petition under Subsection
4999 17B-2-203(1)(a) or (b), in the petition; or

5000 (b) for a local district whose creation was initiated by a resolution under Subsection
5001 17B-2-203(1)(c), in the resolution.

5002 (3) (a) For an existing local district, the number of members of the board of trustees may
5003 be changed by a two-thirds vote of the board of trustees.

5004 (b) No change in the number of members of a board of trustees under Subsection (3)(a)
5005 may:

5006 (i) violate Subsection (1); or

5007 (ii) serve to shorten the term of any member of the board.

5008 Section 150. Section **17B-2-403** is enacted to read:

5009 **17B-2-403. Term of board of trustees members -- Oath of office -- Bond.**

5010 (1) The term of each member of a board of trustees shall begin at noon on the first Monday
5011 of January following the member's election or appointment.

5012 (2) (a) The term of each member of a board of trustees shall be four years, except that
5013 approximately half the members of the initial board of trustees, chosen by lot, shall serve a
5014 two-year term so that the term of approximately half the board members expires every two years.

5015 (b) If application of Subsection (2)(a) causes the local district to violate a provision of a
5016 bond issued by the district, that application may be modified to the extent necessary to avoid a
5017 violation.

5018 (3) (a) Before entering upon the duties of office, each member of a board of trustees shall

5019 take the oath of office specified in Utah Constitution Article IV, Section 10.

5020 (b) The failure of a board of trustees member to take the oath required by Subsection (3)(a)
5021 does not invalidate any official act of that member.

5022 (4) A board of trustees member is not limited in the number of terms the member may
5023 serve.

5024 (5) (a) Each member of a board of trustees shall give a bond for the faithful performance
5025 of the member's duties, in the amount and with the sureties prescribed by the board of trustees.

5026 (b) The local district shall pay the cost of each bond required under Subsection (5)(a).

5027 Section 151. Section **17B-2-404** is enacted to read:

5028 **17B-2-404. Annual compensation -- Per diem compensation -- Participation in group**
5029 **insurance plan -- Reimbursement of expenses.**

5030 (1) (a) A member of a board of trustees may receive compensation for service on the
5031 board, as determined by the board of trustees.

5032 (b) The amount of compensation under this Subsection (1) may not exceed \$3,500 per
5033 year.

5034 (c) (i) As determined by the board of trustees, a member of the board of trustees may
5035 participate in a group insurance plan provided to employees of the local district on the same basis
5036 as employees of the local district.

5037 (ii) The amount that the local district pays to provide a member with coverage under a
5038 group insurance plan shall be included as part of the member's compensation for purposes of
5039 Subsection (1)(b).

5040 (2) (a) As determined by the board of trustees, a member of a board of trustees may receive
5041 per diem compensation, in addition to the compensation provided in Subsection (1), for attendance
5042 at up to 12 meetings or activities per year related to any district business.

5043 (b) The amount of per diem compensation under Subsection (2)(a) shall be as established
5044 by the Division of Finance for policy boards, advisory boards, councils, or committees within state
5045 government.

5046 (3) In addition to any compensation a member receives under this section, each member
5047 of a board of trustees shall be reimbursed by the local district for all actual and necessary expenses
5048 incurred in attending board meetings and in performing the member's official duties.

5049 Section 152. Section **17B-2-405** is enacted to read:

5050 **17B-2-405. Board officers -- Term.**

5051 (1) (a) The board of trustees shall elect from their number a chair and may elect other
5052 officers as the board considers appropriate.

5053 (b) The offices of treasurer and clerk may not be held by the same person.

5054 (2) Each officer serves at the pleasure of the board of trustees, but the board may designate
5055 a set term for officers.

5056 Section 153. Section **17B-2-406** is enacted to read:

5057 **17B-2-406. Quorum of board of trustees -- Meetings of the board.**

5058 (1) (a) Except as provided in Subsection (1)(b), a majority of the board of trustees
5059 constitutes a quorum for the transaction of board business, and action by a majority of a quorum
5060 constitutes action of the board.

5061 (b) A board may adopt bylaws or other rules that require more than a majority to constitute
5062 a quorum or that require action by more than a majority of a quorum to constitute action by the
5063 board.

5064 (2) The board of trustees shall hold such regular and special meetings as the board
5065 determines at a location that the board determines.

5066 (3) Each meeting of the board of trustees shall comply with Title 52, Chapter 4, Open and
5067 Public Meetings.

5068 Section 154. **Repealer.**

5069 This act repeals:

5070 Section **17A-2-209, Terms of office.**

5071 Section **17A-2-215, Board of cemetery maintenance commissioners -- Organization**
5072 **-- Vacancies -- Officers -- Certified copies of appointments -- Regular and special meetings**
5073 **-- Bills payable-- Oath of office and bond.**

5074 Section **17A-2-218, Powers of commissioners.**

5075 Section **17A-2-220, Compensation and expenses of commissioners -- Compensation**
5076 **of agents and employees.**

5077 Section **17A-2-508, Bonds of supervisors.**

5078 Section **17A-2-510, Duties of president.**

5079 Section **17A-2-513, Meetings of the board -- Records.**

5080 Section **17A-2-1410, Directors to take oath -- Chairman, president, and secretary --**

5081 **Compensation.**

5082 Section 17A-2-1411, Quorum.

Legislative Review Note

as of 2-3-00 1:13 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel