

**RESPONSIBILITIES OF PUBLIC TRANSIT
DISTRICTS**

2006 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Scott D. McCoy

House Sponsor: _____

LONG TITLE

General Description:

This bill modifies the Utah Public Transit District Act by amending provisions related to public transit district responsibilities.

Highlighted Provisions:

This bill:

- requires a public transit district to assist and coordinate with other state agencies to help recipients of public assistance find employment; and
- makes technical changes.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

17A-2-1016, as last amended by Chapter 136, Laws of Utah 2005

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

Section 1. Section **17A-2-1016** is amended to read:

17A-2-1016. Powers and duties of incorporated district -- Bidding -- Eminent



domain.

(1) As used in this section, "operator" means any city, public agency, person, firm, or private corporation engaged in the transportation of passengers for hire.

(2) Any district incorporated under this part may:

(a) have perpetual succession;

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

(c) adopt a corporate seal and alter it at pleasure;

(d) levy and collect taxes only for paying:

(i) the principal and interest of bonded indebtedness of the district; or

(ii) any final judgment obtained against the district beyond the amount of any collectable insurance or indemnity policy if the district is required by final order of any court of competent jurisdiction to levy a tax to pay the judgment;

(e) take by grant, purchase, bequest, devise, or lease, and to hold, enjoy, lease, sell, encumber, alien, or otherwise dispose of real or personal property of every kind within the district;

(f) make contracts and enter into stipulations of any nature, including contracts and stipulations:

(i) to indemnify and save harmless;

(ii) to do all acts to exercise the powers granted in this part; and

(iii) with any department or agency of the United States of America, of the state, or with any public agency or private person, firm, or corporation upon terms and conditions the board of trustees finds are in the best interests of the district;

(g) (i) insure against:

(A) loss of revenues from accident or destruction of the system or any part of the system, from any cause whatsoever; or

(B) public liability or property damage, or against all other types of events, acts, or omissions; and

(ii) provide in the proceedings authorizing the issuance of any bonds for the carrying of any other insurance, in an amount and of such character as may be specified, and for the payment of the premiums on the insurance;

(h) provide a public transit system for the transportation of passengers and their incidental baggage;

(i) purchase all supplies, equipment, and materials;

(j) construct facilities and works, but when the expenditure required exceeds \$25,000 construction shall be let in accordance with Title 63, Chapter 56, Utah Procurement Code;

(k) acquire, contract for, lease, construct, own, operate, control, or use rights-of-way, rail lines, monorails, bus lines, stations, platforms, switches, yards, terminals, parking lots, any facilities necessary or convenient for public transit service, and all structures necessary for access by persons and vehicles;

(l) hire, lease, or contract for the supplying of, or management of, any facilities, operations, equipment, services, employees, or management staff of any operator and provide for subleases or subcontracts by the operator upon terms that are in the public interest; and

(m) operate feeder bus lines and other feeder services as necessary.

(3) A public transit district incorporated under this part shall assist and coordinate with other state agencies to help recipients of public assistance find employment.

~~[(3)]~~ (4) (a) Bids or proposals shall be advertised through public notice as determined by the board.

(b) The notice may include publication in a newspaper of general circulation in the district, trade journal, or other method determined by the board at least once and not less than ten days prior to the expiration of the period within which bids or proposals are received.

(c) The board may reject any and all bids or proposals and readvertise or give renote at its discretion.

(d) If, after rejecting bids or proposals, the board determines and declares by vote of two-thirds of all its members present that in its opinion the supplies, equipment, and materials may be purchased at a lower price in the open market, the board may proceed to purchase the same in the open market without further observance of the provisions requiring contracts, bids or proposals, advertisement, or notice.

(e) Contracts, in writing or otherwise, may be let without advertising for or inviting bids when any repairs, alterations, or other work or the purchase of materials, supplies, equipment, or other property is found by the board upon a two-thirds vote of its members present to be of urgent necessity, or where the general manager certifies by affidavit that there

is only one source for the required supplies, equipment, and materials, or construction items.

(f) If any payment on a contract with a private contractor to construct facilities under this section is retained or withheld, it shall be retained or withheld and released as provided in Section 13-8-5.

~~[(4)]~~ (5) (a) Installations in state highways or freeways are subject to the approval of the Department of Transportation.

(b) It is presumed that the use of the streets, roads, highways, and other public places by the district for any of the purposes permitted in this section constitutes no greater burden on adjoining properties than the uses existing on July 9, 1969.

(c) If facilities, other than state highways or freeways referred to in Subsection (2), including streets, roads, highways, pipelines, sewers, water mains, storm drains, poles, and communications wires of another public agency of the state, or of a private owner must be relocated, replaced, or altered in order for the district to construct or operate its system, or to preserve and maintain already constructed district facilities, the facilities shall be relocated, replaced, or altered with reasonable promptness by the respective public corporation, state, or private owner and the district shall by prior agreement reimburse the public corporation, state, or private owner for the reasonable cost incurred in relocation, replacement, or alteration.

(d) (i) The district may enter into an agreement with any city or county having jurisdiction over the street, road, or highway involved and, as may be provided by agreement, close any city street or county road at or near the point of its interception with any district facility or provide for carrying the city street or county road over or under or to a connection with the district facility and may do any and all work on the city street or county road as is necessary.

(ii) A city street or county road may not be closed directly or indirectly by the construction of district facilities except:

~~[(i)]~~ (A) pursuant to agreement; or

~~[(ii)]~~ (B) while temporarily necessary during the construction of district facilities.

~~[(5)]~~ (6) The state, a municipality, or a county may acquire private property interests within its respective boundaries by eminent domain pursuant to Title 78, Chapter 34, Eminent Domain, including fee simple, easements, air rights, rights-of-way, and other private property interests necessary to the establishment and operation of a public transit district.

Legislative Review Note

as of 2-7-06 1:29 PM

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

Office of Legislative Research and General Counsel

Fiscal Note
Bill Number SB0227

Responsibilities of Public Transit Districts

10-Feb-06

3:27 PM

State Impact

No fiscal impact.

Individual and Business Impact

No fiscal impact.

Office of the Legislative Fiscal Analyst