

**MUNICIPAL ANNEXATION REVISIONS**

2020 SIXTH SPECIAL SESSION

STATE OF UTAH

**Chief Sponsor: Calvin R. Musselman**

Senate Sponsor: Kirk A. Cullimore

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**LONG TITLE**

**General Description:**

This bill modifies provisions related to municipal annexation.

**Highlighted Provisions:**

This bill:

- ▶ repeals provisions that allow a municipality to annex certain unincorporated areas without an annexation petition; and
- ▶ makes technical changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**10-2-402**, as last amended by Laws of Utah 2020, Fifth Special Session, Chapter 15

**10-2-418**, as last amended by Laws of Utah 2020, Fifth Special Session, Chapter 15

**17B-1-503**, as last amended by Laws of Utah 2020, Chapter 208

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

Section 1. Section **10-2-402** is amended to read:

**10-2-402. Annexation -- Limitations.**



28 (1) (a) A contiguous, unincorporated area that is contiguous to a municipality may be  
29 annexed to the municipality as provided in this part.

30 (b) Except as provided in Subsection (1)(c), an unincorporated area may not be annexed  
31 to a municipality unless:

32 (i) it is a contiguous area;

33 (ii) it is contiguous to the municipality;

34 (iii) annexation will not leave or create an unincorporated island or unincorporated  
35 peninsula:

36 (A) except as provided in Subsection 10-2-418(3) [~~or(4)~~]; or

37 (B) unless the county and municipality have otherwise agreed; and

38 (iv) for an area located in a specified county with respect to an annexation that occurs  
39 after December 31, 2002, the area is within the proposed annexing municipality's expansion area.

40 (c) A municipality may annex an unincorporated area within a specified county that does  
41 not meet the requirements of Subsection (1)(b), leaving or creating an unincorporated island or  
42 unincorporated peninsula, if:

43 (i) the area is within the annexing municipality's expansion area;

44 (ii) the specified county in which the area is located and the annexing municipality agree  
45 to the annexation;

46 (iii) the area is not within the area of another municipality's annexation policy plan, unless  
47 the other municipality agrees to the annexation; and

48 (iv) the annexation is for the purpose of providing municipal services to the area.

49 (2) Except as provided in Section 10-2-418, a municipality may not annex an  
50 unincorporated area unless a petition under Section 10-2-403 is filed requesting annexation.

51 (3) (a) An annexation under this part may not include part of a parcel of real property and  
52 exclude part of that same parcel unless the owner of that parcel has signed the annexation petition  
53 under Section 10-2-403.

54 (b) A piece of real property that has more than one parcel number is considered to be a  
55 single parcel for purposes of Subsection (3)(a) if owned by the same owner.

56 (4) A municipality may not annex an unincorporated area in a specified county for the  
57 sole purpose of acquiring municipal revenue or to retard the capacity of another municipality to  
58 annex the same or a related area unless the municipality has the ability and intent to benefit the

59 annexed area by providing municipal services to the annexed area.

60 (5) (a) As used in this subsection, "expansion area urban development" means:

61 (i) for a specified county, urban development within a city or town's expansion area; or

62 (ii) for a county of the first class, urban development within a city or town's expansion  
63 area that:

64 (A) consists of 50 or more acres;

65 (B) requires the county to change the zoning designation of the land on which the urban  
66 development is located; and

67 (C) does not include commercial or industrial development that is located within a mining  
68 protection area as defined in Section 17-41-101, regardless of whether the commercial or  
69 industrial development is for a mining use as defined in Section 17-41-101.

70 (b) A county legislative body may not approve expansion area urban development unless:

71 (i) the county notifies the city or town of the proposed development; and

72 (ii) (A) the city or town consents in writing to the development;

73 (B) within 90 days after the county's notification of the proposed development, the city or  
74 town submits to the county a written objection to the county's approval of the proposed  
75 development and the county responds in writing to the city or town's objection; or

76 (C) the city or town fails to respond to the county's notification of the proposed  
77 development within 90 days after the day on which the county provides the notice.

78 (6) (a) An annexation petition may not be filed under this part proposing the annexation of  
79 an area located in a county that is not the county in which the proposed annexing municipality is  
80 located unless the legislative body of the county in which the area is located has adopted a  
81 resolution approving the proposed annexation.

82 (b) Each county legislative body that declines to adopt a resolution approving a proposed  
83 annexation described in Subsection (6)(a) shall provide a written explanation of its reasons for  
84 declining to approve the proposed annexation.

85 (7) (a) As used in this Subsection (7), "airport" means an area that the Federal Aviation  
86 Administration has, by a record of decision, approved for the construction or operation of a Class  
87 I, II, or III commercial service airport, as designated by the Federal Aviation Administration in 14  
88 C.F.R. Part 139.

89 (b) A municipality may not annex an unincorporated area within 5,000 feet of the center

90 line of any runway of an airport operated or to be constructed and operated by another  
91 municipality unless the legislative body of the other municipality adopts a resolution consenting to  
92 the annexation.

93 (c) A municipality that operates or intends to construct and operate an airport and does  
94 not adopt a resolution consenting to the annexation of an area described in Subsection (7)(b) may  
95 not deny an annexation petition proposing the annexation of that same area to that municipality.

96 (8) (a) As used in this subsection, "project area" means a project area as defined in  
97 Section 63H-1-102 that is in a project area plan as defined in Section 63H-1-102 adopted by the  
98 Military Installation Development Authority under Title 63H, Chapter 1, Military Installation  
99 Development Authority Act.

100 (b) A municipality may not annex an unincorporated area located within a project area  
101 without the authority's approval.

102 (c) (i) Except as provided in Subsection (8)(c)(ii), the Military Installation Development  
103 Authority may petition for annexation of the following areas to a municipality as if it was the sole  
104 private property owner within the area:

105 (A) an area within a project area;

106 (B) an area that is contiguous to a project area and within the boundaries of a military  
107 installation;

108 (C) an area owned by the Military Installation Development Authority; and

109 (D) an area that is contiguous to an area owned by the Military Installation Development  
110 Authority that the Military Installation Development Authority plans to add to an existing project  
111 area.

112 (ii) If any portion of an area annexed under a petition for annexation filed by the Military  
113 Installation Development Authority is located in a specified county:

114 (A) the annexation process shall follow the requirements for a specified county; and

115 (B) the provisions of Subsection 10-2-402(6) do not apply.

116 Section 2. Section 10-2-418 is amended to read:

117 **10-2-418. Annexation of an island or peninsula without a petition -- Notice --**

118 **Hearing.**

119 (1) As used in Subsection (2)(b)(ii), for purposes of an annexation conducted in  
120 accordance with this section of an area located within a county of the first class, "municipal-type

121 services" does not include a service provided by a municipality pursuant to a contract that the  
122 municipality has with another political subdivision as "political subdivision" is defined in Section  
123 [17B-1-102](#).

124 (2) Notwithstanding Subsection [10-2-402\(2\)](#), a municipality may annex an unincorporated  
125 area under this section without an annexation petition if:

126 (a) for an unincorporated area within the expansion area of more than one municipality,  
127 each municipality agrees to the annexation; and

128 (b) (i) (A) the area to be annexed consists of one or more unincorporated islands within  
129 or unincorporated peninsulas contiguous to the municipality;

130 (B) the majority of each island or peninsula consists of residential or commercial  
131 development;

132 (C) the area proposed for annexation requires the delivery of municipal-type services;  
133 and

134 (D) the municipality has provided most or all of the municipal-type services to the area  
135 for more than one year;

136 (ii) (A) the area to be annexed consists of one or more unincorporated islands within or  
137 unincorporated peninsulas contiguous to the municipality, each of which has fewer than 800  
138 residents; and

139 (B) the municipality has provided one or more municipal-type services to the area for at  
140 least one year;

141 (iii) the area consists of:

142 (A) an unincorporated island within or an unincorporated peninsula contiguous to the  
143 municipality; and

144 (B) for an area outside of the county of the first class proposed for annexation, no more  
145 than 50 acres; or

146 (iv) (A) the area to be annexed consists only of one or more unincorporated islands in a  
147 county of the second class;

148 (B) the area to be annexed is located in the expansion area of a municipality; and

149 (C) the county legislative body in which the municipality is located provides notice to each  
150 property owner within the area to be annexed that the county legislative body will hold a public  
151 hearing, no less than 15 days after the day on which the county legislative body provides the

152 notice, and may make a recommendation of annexation to the municipality whose expansion area  
153 includes the area to be annexed after the public hearing.

154 ~~[(3) Notwithstanding Subsection 10-2-402(1)(b)(iii), (2), or (6), a municipality may annex~~  
155 ~~an unincorporated area without an annexation petition or the consent of the county in which the~~  
156 ~~area proposed for annexation is located, if:]~~

157 ~~[(a) the area proposed for annexation:]~~

158 ~~[(i) is located within a specified county,]~~

159 ~~[(ii) includes private real property that is located within a county that is not the county in~~  
160 ~~which the proposed annexing municipality is located;]~~

161 ~~[(iii) includes real property that is:]~~

162 ~~[(A) owned by a public entity; and]~~

163 ~~[(B) located in the county in which the proposed annexing municipality is located; and]~~

164 ~~[(iv) does not include urban development;]~~

165 ~~[(b) any portion of the private real property described in Subsection (3)(a)(ii) is located~~  
166 ~~within two miles of the proposed annexing municipality's boundary; and]~~

167 ~~[(c) each owner of private real property within the area proposed for annexation consents~~  
168 ~~in writing to the proposed annexation.]]~~

169 ~~[(4)]~~ (3) Notwithstanding Subsection 10-2-402(1)(b)(iii), a municipality may annex a  
170 portion of an unincorporated island or unincorporated peninsula under this section, leaving  
171 unincorporated the remainder of the unincorporated island or unincorporated peninsula, if:

172 (a) in adopting the resolution under Subsection ~~[(6)]~~ (5)(a) the municipal legislative body  
173 determines that not annexing the entire unincorporated island or unincorporated peninsula is in the  
174 municipality's best interest; and

175 (b) for an annexation of one or more unincorporated islands under Subsection (2)(b), the  
176 entire island of unincorporated area, of which a portion is being annexed, complies with the  
177 requirement of Subsection (2)(b)(ii) relating to the number of residents.

178 ~~[(5)]~~ (4) (a) This subsection applies only to an annexation within a county of the first  
179 class.

180 (b) A county of the first class shall agree to an annexation if the majority of private  
181 property owners within the area to be annexed give written consent to the annexation, in  
182 accordance with Subsection ~~[(5)]~~ (4)(d), to the recorder of the annexing municipality.

183 (c) For purposes of Subsection ~~[(5)]~~ (4)(b), the majority of private property owners is  
184 property owners who own:

185 (i) the majority of the total private land area within the area proposed for annexation; and

186 (ii) private real property equal to at least 1/2 the value of private real property within the  
187 area proposed for annexation.

188 (d) A property owner consenting to annexation shall indicate the property owner's  
189 consent on a form which includes language in substantially the following form:

190 "Notice: If this written consent is used to proceed with an annexation of your property in  
191 accordance with Utah Code Section 10-2-418, no public election is required by law to approve the  
192 annexation. If you sign this consent and later decide you do not want to support the annexation of  
193 your property, you may withdraw your signature by submitting a signed, written withdrawal with  
194 the recorder or clerk of [name of annexing municipality]. If you choose to withdraw your  
195 signature, you must do so no later than the close of the public hearing on the annexation conducted  
196 in accordance with Utah Code Subsection 10-2-418~~[(5)]~~(4)(d).".

197 (e) A private property owner may withdraw the property owner's signature indicating  
198 consent by submitting a signed, written withdrawal with the recorder or clerk no later than the  
199 close of the public hearing held in accordance with Subsection ~~[(6)]~~ (5)(b).

200 ~~[(6)]~~ (5) The legislative body of each municipality intending to annex an area under this  
201 section shall:

202 (a) adopt a resolution indicating the municipal legislative body's intent to annex the area,  
203 describing the area proposed to be annexed; and

204 (b) hold a public hearing on the proposed annexation no earlier than 30 days after the  
205 adoption of the resolution described in Subsection ~~[(6)]~~ (5)(a).

206 ~~[(7)]~~ (6) A legislative body described in Subsection ~~[(6)]~~ (5) shall publish notice of a  
207 public hearing described in Subsection ~~[(6)]~~ (5)(b):

208 (a) (i) at least once a week for three successive weeks before the public hearing in a  
209 newspaper of general circulation within the municipality and the area proposed for annexation;

210 (ii) if there is no newspaper of general circulation in the combined area described in  
211 Subsection ~~[(7)]~~ (6)(a)(i), at least three weeks before the day of the public hearing, by posting one  
212 notice, and at least one additional notice per 2,000 population in the combined area, in places  
213 within the combined area that are most likely to give notice to the residents within, and the owners

214 of real property located within, the combined area; or

215 (iii) at least three weeks before the day of the public hearing, by mailing notice to each  
216 residence within, and each owner of real property located within, the combined area described in  
217 Subsection [~~7~~] (6)(a)(i);

218 (b) on the Utah Public Notice Website created in Section 63F-1-701, for three weeks  
219 before the day of the public hearing;

220 (c) in accordance with Section 45-1-101, for three weeks before the day of the public  
221 hearing;

222 (d) by sending written notice to:

223 (i) the board of each local district and special service district whose boundaries contain  
224 some or all of the area proposed for annexation; and

225 (ii) the legislative body of the county in which the area proposed for annexation is located;  
226 and

227 (e) if the municipality has a website, on the municipality's website for three weeks before  
228 the day of the public hearing.

229 [~~8~~] (7) The legislative body of the annexing municipality shall ensure that:

230 (a) each notice described in Subsection [~~7~~] (6):

231 (i) states that the municipal legislative body has adopted a resolution indicating the  
232 municipality's intent to annex the area proposed for annexation;

233 (ii) states the date, time, and place of the public hearing described in Subsection [~~6~~]  
234 (5)(b);

235 (iii) describes the area proposed for annexation; and

236 (iv) except for an annexation that meets the requirements of Subsection [~~9~~] (8)(b) or  
237 (c), states in conspicuous and plain terms that the municipal legislative body will annex the area  
238 unless, at or before the public hearing described in Subsection [~~6~~] (5)(b), written protests to the  
239 annexation are filed by the owners of private real property that:

240 (A) is located within the area proposed for annexation;

241 (B) covers a majority of the total private land area within the entire area proposed for  
242 annexation; and

243 (C) is equal in value to at least 1/2 the value of all private real property within the entire  
244 area proposed for annexation; and

245 (b) the first publication of the notice described in Subsection [(7)] (6)(a) occurs within 14  
 246 days after the day on which the municipal legislative body adopts a resolution under Subsection  
 247 [(6)] (5)(a).

248 [(9)] (8) (a) Except as provided in Subsections [(9)] (8)(b)(i) and [(9)] (8)(c)(i), upon  
 249 conclusion of the public hearing described in Subsection [(6)] (5)(b), the municipal legislative body  
 250 may adopt an ordinance approving the annexation of the area proposed for annexation under this  
 251 section unless, at or before the hearing, written protests to the annexation have been filed with the  
 252 recorder or clerk of the municipality by the owners of private real property that:

253 (i) is located within the area proposed for annexation;

254 (ii) covers a majority of the total private land area within the entire area proposed for  
 255 annexation; and

256 (iii) is equal in value to at least 1/2 the value of all private real property within the entire  
 257 area proposed for annexation.

258 (b) (i) Notwithstanding Subsection [(9)] (8)(a), upon conclusion of the public hearing  
 259 described in Subsection [(6)] (5)(b), a municipality may adopt an ordinance approving the  
 260 annexation of the area proposed for annexation under this section without allowing or considering  
 261 protests under Subsection [(9)] (8)(a) if [:(A)] the owners of at least 75% of the total private land  
 262 area within the entire area proposed for annexation, representing at least 75% of the value of the  
 263 private real property within the entire area proposed for annexation, have consented in writing to  
 264 the annexation[; or].

265 [~~(B) the annexation meets the requirements of Subsection (3):~~]

266 (ii) Upon the effective date under Section 10-2-425 of an annexation approved by an  
 267 ordinance adopted under Subsection [(9)] (8)(b)(i), the area annexed is conclusively presumed to  
 268 be validly annexed.

269 (c) (i) Notwithstanding Subsection [(9)] (8)(a), upon conclusion of the public hearing  
 270 described in Subsection [(6)] (5)(b), a municipality may adopt an ordinance approving the  
 271 annexation of an area that the county legislative body proposes for annexation under this section  
 272 without allowing or considering protests under Subsection [(9)] (8)(a) if the county legislative body  
 273 has formally recommended annexation to the annexing municipality and has made a formal finding  
 274 that:

275 (A) the area to be annexed can be more efficiently served by the municipality than by the

276 county;

277 (B) the area to be annexed is not likely to be naturally annexed by the municipality in the  
278 future as the result of urban development;

279 (C) annexation of the area is likely to facilitate the consolidation of overlapping functions  
280 of local government; and

281 (D) annexation of the area is likely to result in an equitable distribution of community  
282 resources and obligations.

283 (ii) The county legislative body may base the finding required in Subsection [~~9~~]

284 (8)(c)(i)(B) on:

285 (A) existing development in the area;

286 (B) natural or other conditions that may limit the future development of the area; or

287 (C) other factors that the county legislative body considers relevant.

288 (iii) A county legislative body may make the recommendation for annexation required in  
289 Subsection [~~9~~] (8)(c)(i) for only a portion of an unincorporated island if, as a result of  
290 information provided at the public hearing, the county legislative body makes a formal finding that  
291 it would be equitable to leave a portion of the island unincorporated.

292 (iv) If a county legislative body has made a recommendation of annexation under  
293 Subsection [~~9~~] (8)(c)(i):

294 (A) the relevant municipality is not required to proceed with the recommended  
295 annexation; and

296 (B) if the relevant municipality proceeds with annexation, the municipality shall annex the  
297 entire area that the county legislative body recommended for annexation.

298 (v) Upon the effective date under Section [10-2-425](#) of an annexation approved by an  
299 ordinance adopted under Subsection [~~9~~] (8)(c)(i), the area annexed is conclusively presumed to  
300 be validly annexed.

301 [~~10~~] (9) (a) Except as provided in Subsections [~~9~~] (8)(b)(i) and [~~9~~] (8)(c)(i), if  
302 protests are timely filed under Subsection [~~9~~] (8)(a), the municipal legislative body may not adopt  
303 an ordinance approving the annexation of the area proposed for annexation, and the annexation  
304 proceedings under this section shall be considered terminated.

305 (b) Subsection [~~10~~] (9)(a) does not prohibit the municipal legislative body from excluding  
306 from a proposed annexation under Subsection (2)(b) the property within an unincorporated island

307 regarding which protests have been filed and proceeding under Subsection [~~(4)~~] (3) to annex  
308 some or all of the remaining portion of the unincorporated island.

309 Section 3. Section **17B-1-503** is amended to read:

310 **17B-1-503. Withdrawal or boundary adjustment with municipal approval.**

311 (1) A municipality and a local district whose boundaries adjoin or overlap may adjust the  
312 boundary of the local district to include more or less of the municipality, including the expansion  
313 area identified in the annexation policy plan adopted by the municipality under Section [10-2-401.5](#),  
314 in the local district by following the same procedural requirements as set forth in Section  
315 [17B-1-417](#) for boundary adjustments between adjoining local districts.

316 (2) (a) Notwithstanding any other provision of this title, a municipality annexing all or part  
317 of an unincorporated island or peninsula under Title 10, Chapter 2, Classification, Boundaries,  
318 Consolidation, and Dissolution of Municipalities, that overlaps a municipal services district  
319 organized under Chapter 2a, Part 11, Municipal Services District Act, may petition to withdraw  
320 the area from the municipal services district in accordance with this Subsection (2).

321 (b) For a valid withdrawal described in Subsection (2)(a):

322 (i) the annexation petition under Section [10-2-403](#) or a separate consent, signed by  
323 owners of at least 60% of the total private land area, shall state that the signers request the area  
324 to be withdrawn from the municipal services district; and

325 (ii) the legislative body of the municipality shall adopt a resolution, which may be the  
326 resolution adopted in accordance with Subsection [10-2-418](#) [~~(6)~~](5)(a), stating the municipal  
327 legislative body's intent to withdraw the area from the municipal services district.

328 (c) The board of trustees of the municipal services district shall consider the  
329 municipality's petition to withdraw the area from the municipal services district within 90 days  
330 after the day on which the municipal services district receives the petition.

331 (d) The board of trustees of the municipal services district:

332 (i) may hold a public hearing in accordance with the notice and public hearing provisions  
333 of Section [17B-1-508](#);

334 (ii) shall consider information that includes any factual data presented by the municipality  
335 and any owner of private real property who signed a petition or other form of consent described in  
336 Subsection (2)(b)(i); and

337 (iii) identify in writing the information upon which the board of trustees relies in approving

338 or rejecting the withdrawal.

339 (e) The board of trustees of the municipal services district shall approve the withdrawal,  
340 effective upon the annexation of the area into the municipality or, if the municipality has already  
341 annexed the area, as soon as possible in the reasonable course of events, if the board of trustees  
342 makes a finding that:

343 (i) (A) the loss of revenue to the municipal services district due to a withdrawal of the  
344 area will be offset by savings associated with no longer providing municipal-type services to the  
345 area; or

346 (B) if the loss of revenue will not be offset by savings resulting from no longer providing  
347 municipal-type services to the area, the municipality agreeing to terms and conditions, which may  
348 include terms and conditions described in Subsection 17B-1-510(5), can mitigate or eliminate the  
349 loss of revenue;

350 (ii) the annexation petition under Section 10-2-403, or a separate petition meeting the  
351 same signature requirements, states that the signers request the area to be withdrawn from the  
352 municipal services district; or

353 (iii) the following have consented in writing to the withdrawal:

354 (A) owners of more than 60% of the total private land area; or

355 (B) owners of private land equal in assessed value to more than 60% of the assessed  
356 value of all private real property within the area proposed for withdrawal have consented in  
357 writing to the withdrawal.

358 (f) If the board of trustees of the municipal services district does not make any of the  
359 findings described in Subsection (2)(e), the board of trustees may approve or reject the  
360 withdrawal based upon information upon which the board of trustees relies and that the board of  
361 trustees identifies in writing.

362 (g) (i) If a municipality annexes an island or a part of an island before May 14, 2019, the  
363 legislative body of the municipality may initiate the withdrawal of the area from the municipal  
364 services district by adopting a resolution that:

365 (A) requests that the area be withdrawn from the municipal services district; and

366 (B) a final local entity plat accompanies, identifying the area proposed to be withdrawn  
367 from the municipal services district.

368 (ii) (A) Upon receipt of the resolution and except as provided in Subsection (2)(g)(ii)(B),

369 the board of trustees of the municipal services district shall approve the withdrawal.

370 (B) The board of trustees of the municipal services district may reject the withdrawal if  
371 the rejection is based upon a good faith finding that lost revenues due to the withdrawal will  
372 exceed expected cost savings resulting from no longer serving the area.

373 (h) (i) Based upon a finding described in Subsection (e) or (f):

374 (A) the board of trustees of the municipal services district shall adopt a resolution  
375 approving the withdrawal; and

376 (B) the chair of the board shall sign a notice of impending boundary action, as defined in  
377 Section 67-1a-6.5, that meets the requirements of Subsection 67-1a-6.5(3).

378 (ii) The annexing municipality shall deliver the following to the lieutenant governor:

379 (A) the resolution and notice of impending boundary action described in Subsection  
380 (2)(g)(i);

381 (B) a copy of an approved final local entity plat as defined in Section 67-1a-6.5; and

382 (C) any other documentation required by law.

383 (i) (i) Once the lieutenant governor has issued an applicable certificate as defined in  
384 Section 67-1a-6.5, the municipality shall deliver the certificate, the resolution and notice of  
385 impending boundary action described in Subsection (2)(h)(i), the final local entity plat as defined in  
386 Section 67-1a-6.5, and any other document required by law, to the recorder of the county in which  
387 the area is located.

388 (ii) After the municipality makes the delivery described in Subsection (2)(i)(i), the area,  
389 for all purposes, is no longer part of the municipal services district.

390 (j) The annexing municipality and the municipal services district may enter into an  
391 interlocal agreement under Title 11, Chapter 13, Interlocal Cooperation Act, stating:

392 (i) the municipality's and the district's duties and responsibilities in conducting a  
393 withdrawal under this Subsection (2); and

394 (ii) any other matter respecting an unincorporated island that the municipality surrounds  
395 on all sides.

396 (3) After a boundary adjustment under Subsection (1) or a withdrawal under Subsection  
397 (2) is complete:

398 (a) the local district shall, without interruption, provide the same service to any area added  
399 to the local district as provided to other areas within the local district; and

400           (b) the municipality shall, without interruption, provide the same service that the local  
401 district previously provided to any area withdrawn from the local district.

402           (4) No area within a municipality may be added to the area of a local district under this  
403 section if the area is part of a local district that provides the same wholesale or retail service as  
404 the first local district.