Chapter 450

2011 EDITION

Sanitary Districts and Authorities; Water Authorities

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SANITARY DISTRICTS

(Generally)

450.005 Definitions for ORS 450.005 to 450.245. As used in ORS 450.005 to 450.245, unless the context requires otherwise:

(1) "District board" means the governing body of a district.

(2) "County board" means the county court or board of county commissioners of the county.

(3) "County" means the county in which the district, or the greater portion of the taxable assessed value of the district or proposed district, is located.

(4) "District" means a sanitary district formed in one or more counties and outside the corporate limits of any city pursuant to ORS 450.005 to 450.245 or pursuant to any law which those sections supersede.

(5) "Owner" means the holder of the record title to real property or the vendee under a land sale contract, if there is such a contract.

(6) "Secretary" means the secretary of the district. [Amended by 1969 c.563 §1; 1983 c.83 §87; 2001 c.373 §1]

(Formation)

450.009 Formation purposes; petition. Sanitary districts may be formed for the purpose of providing sanitation facilities and services. In addition to the other matters, a petition for formation of a sanitary district shall state the number of members, three or five, on the district board. [1955 c.442 §2 (enacted in lieu of 450.010); 1969 c.563 §2; 1971 c.727 §119; 1975 c.647 §36]

450.010 [Repealed by 1955 c.442 §1 (450.009 enacted in lieu of 450.010)]

450.015 [Amended by 1969 c.563 §3; repealed by 1971 c.727 §203]

450.017 [1955 c.442 §4; 1969 c.563 §4; repealed by 1971 c.647 §149 and by 1971 c.727 §203]

450.020 [Amended by 1955 c.111 §1; 1969 c.563 §5; repealed by 1971 c.727 §203]

450.025 [Amended by 1969 c.563 §6; repealed by 1971 c.727 §203]

450.030 [Amended by 1969 c.563 §7; repealed by 1971 c.727 §203]

450.035 [Repealed by 1971 c.647 §149]

450.040 [Amended by 1961 c.438 §3; repealed by 1971 c.647 §149]

450.045 Board members; qualifications; first terms. (1) The power and authority given a sanitary district, except as otherwise provided, shall be exercised by a board of three or five members, according to the number set forth in the petition for formation.

(2) A person is qualified to be a member of the board if the person is an elector of or owner in the district.

(3) If the first board to be elected has three members:

(a) The terms of the candidates receiving the highest and second highest votes expire June 30 next following the second regular district election.

(b) The term of the candidate receiving the third highest vote expires June 30 next following the first regular district election.

(4) If the first board to be elected has five members:

(a) The terms of the candidates receiving the first, second and third highest votes expire June 30 next following the second regular district election.

(b) The term of the candidate receiving the fourth or fifth highest vote expires June 30 next following the first regular district election. [Amended by 1955 c.442 §6; 1971 c.647 §83; 1971 c.727 §§120,195; 1973 c.796 §62; 1975 c.647 §34; 1983 c.83 §88; 1983 c.350 §262; 2007 c.168 §1]

450.050 [Amended by 1969 c.563 §8; repealed by 1971 c.727 §203]

450.052 [1955 c.107 §1; 1969 c.563 §9; repealed by 1971 c.727 §203]

450.054 [1955 c.594 §2; 1969 c.563 §10; repealed by 1971 c.727 §203]

(Officers and Elections)

450.055 Board officers; term; vacancy. (1) The officers of the district shall be the district board, consisting of three or five members, and a secretary appointed by the board.

(2) Except as to those members of the board who are elected on formation and those members who are elected at an election when the number of board members is increased to five, the term of office of each elected member shall be four years.

(3) Vacancy in the membership of the board shall occur by reason of the occurrence of any event listed in ORS 236.010 or, unless excused, by failure to attend three successive regular board meetings. The district board shall fill any vacancy on the board as provided in ORS 198.320. [Amended by 1955 c.442 §7; 1967 c.439 §1; 1969 c.563 §§11,29; 1969 c.669 §9; 1975 c.647 §35; 1983 c.350 §263]

450.057 [1961 c.438 §2; 1967 c.609 §9; repealed by 1971 c.647 §149]

450.059 Election laws applicable. (1) ORS chapter 255 governs the following:

(a) The nomination and election of members of the district board.

(b) The conduct of district elections.

(2) The electors of a district may exercise the powers of the initiative and referendum

regarding a district measure, in accordance with ORS 255.135 to 255.205. [1983 c.350 §268]

450.060 [Amended by 1955 c.442 §8; 1967 c.137 §2; 1971 c.647 §84; 1973 c.796 §63; 1975 c.647 §37; repealed by 1983 c.350 §331a]

450.062 Increase of board membership from three to five members; election. (1) A district having a three member board may vote to increase the number of members on the board to five at a regular district election as provided in this section. The board shall order an election on the question of increased membership when a petition is filed with the secretary of the board requesting that the electors of the district be permitted to vote on the question. The requirements for preparing, circulating and filing a petition under this section shall be as provided for an initiative petition in ORS 255.135 to 255.205. The board shall be increased to five members if a majority of the votes cast on the question favors the increase.

(2) At the same election at which the question of increasing the board from three to five members is voted upon, the electors shall vote for a number of candidates:

(a) To fill any vacancy;

(b) To elect a successor to any position the term of which expires June 30 next following the election; and

(c) To elect two candidates to fill the two new board positions if the board membership is increased.

(3) If the board membership is increased under this section, the Secretary of State by rule shall adjust and stagger the terms of the board members elected at the election under this section as necessary so that at least two board members are elected at each subsequent regular district election. [1955 c.442 §5; 1971 c.647 §85; 1983 c.350 §265]

450.065 Election of president; appointment, duties and compensation of secretary. (1) At its first regular meeting each year, or as soon thereafter as practicable, the board shall choose one of its members as president and appoint a secretary.

(2) The secretary shall receive such compensation as is fixed by the order of the board.

(3) The secretary shall perform all duties required by the board and those prescribed in ORS 450.005 to 450.245.

(4) Within 30 days following the entry of the order establishing a district, the secretary of the district shall file a written report with the Environmental Quality Commission, stating the name of the district, the date of its formation and the names and addresses of the board members, and shall furnish with the report a map showing the district boundaries. [Amended by 1957 c.671 §1; 1969 c.345 §9; 1971 c.727 §121]

450.070 Meetings of board. (1) The board shall hold such meetings either in the day or evening, as may be convenient, but must hold one regular monthly meeting at a stated time and public place, at which, so far as practicable, district business shall be conducted.

(2) In case of the absence or inability of the president or secretary to act, the board may, by order entered in its minutes, choose a president pro tempore, or secretary pro tempore, or both.

(3) Special meetings may be called by the president or two members of the board by giving notice of time and place of the meeting six hours in advance.

(Powers)

450.075 Powers of sanitary district. A sanitary district may:

(1) Have and use a common seal.

(2) Sue and be sued in its name.

(3) Acquire, construct, reconstruct, alter, enlarge, renew, replace, operate and maintain such sewage collection and disposal systems as in the judgment of the board are necessary and proper for the area of the district. In the performance of these functions, either in or out of the district, it may join with any other public body as defined in ORS 174.109, a federal agency or another state in the joint establishment, maintenance and operation of such works, and may contract therefor within the limits of authority conferred by ORS 450.005 to 450.245.

(4) Permit the use, by lease or otherwise, of any property of the district by any other public body as defined in ORS 174.109, a federal agency or another state.

(5) Acquire by purchase, gift, devise, condemnation proceedings or otherwise, such real and personal property and rights of way, either within or without the limits of the district, as in the judgment of the board are necessary or proper to the exercise of its powers, and to pay for and hold the same.

(6) Make and accept contracts, deeds, releases and documents that, in the judgment of the board, are necessary or proper in the exercise of any of the powers of the district.

(7) Issue bonds as provided in ORS 450.095 to 450.125.

(8) Determine the rate of levy of taxes in the district, and fix sewer rentals, charges and assessments as provided in ORS 450.130 to 450.175.

(9) Employ and pay necessary agents, employees and assistants.

(10) Lay its sewers and drains in any public street or road in the county, and for this purpose enter upon it and make all necessary and proper excavations, restoring it to its proper condition. However, the consent of the proper city, county or state authorities, as the case may be, shall first be obtained and the conditions of such consent complied with.

(11) Maintain and operate disposal sites and solid waste collection and disposal systems in compliance with ORS 459.005 to 459.437, 459.992 (1) and (2) and 466.995 (1).

(12) Call all necessary elections.

(13) Compel all residents and property owners in the district to connect their houses and structures requiring sewage or drainage disposal with adjacent street sewers, drains or other sewage disposal system of the district.

(14) Do any act necessary or proper to the complete exercise and effect of any of its powers or for the purposes for which it was formed.

(15) Make and enforce all necessary and proper regulations for:

(a) The cleanliness of roads and streets of the district.

(b) All other sanitary purposes not in conflict with the laws of this state.

(16) Make and enforce necessary and proper regulations governing the storage, collection, transportation and disposal of solid wastes where such regulations are supplemental to the requirements of the Environmental Quality Commission adopted pursuant to ORS 459.045 and are necessary to meet special local conditions. [Amended by 1967 c.428 §13; 1969 c.563 §12; 1969 c.593 §38; 1971 c.36 §6; 1971 c.647 §86; 1971 c.648 §25; 1983 c.350 §266; 2001 c.104 §187; 2003 c.802 §116]

450.080 [Repealed by 2011 c.292 §4]

450.082 District may contract for employee health care services or insurance. (1) The district board may enter into contracts for medical or any other remedial care recognized under state law and hospital services or insurance covering employees of the district for remedial care and hospital benefits. Failure to obtain insurance or service contracts shall not be construed as negligence or lack of diligence on the part of the board or the members thereof.

(2) As used in this section "remedial care" includes services rendered by a person licensed to practice one or more of the healing arts within the scope of the license of the person. [1967 c.439 §4]

450.084 Payment for services or insurance by district. (1) The district may agree to pay none, part or all of the premiums or charges on insurance or service contracts, and it may collect from the salary of any employee covered by the contract the percentage of the premiums or charges the employee is required to provide pursuant to the contract. Contributions for premiums or charges by employees shall be only on a voluntary basis.

(2) The board may negotiate more than one contract with one or more companies or associations if necessary to obtain optimum coverage at minimum cost.

(3) No premium or other periodic charge on any insurance or service contract shall be paid unless the insurer or hospital association issuing such policy or contract is authorized to transact business as an insurance company or hospital association in this state.

(4) Expenses incurred by a district in establishing programs or providing benefits authorized by ORS 450.082 and this section are expenses for which a district may levy taxes as provided by ORS 450.170. [1967 c.439 §§3,5]

450.085 Adoption of regulations and ordinances. Any general regulation or ordinance of a district board shall be adopted in accordance with ORS 198.510 to 198.600. Orders not establishing a general regulation need not be posted or published. [Amended by 1971 c.268 §16]

(District Finances)

450.090 Deposit of district funds; contents of withdrawal or payment order. Funds of the district may be deposited, at the discretion of the district board, in one or more depositories, as defined in ORS 295.001, to be designated by the district board. Funds deposited in a depository shall be withdrawn or paid out only upon proper order and warrant or check signed by the president and countersigned by the secretary. The order shall:

(1) Specify the name of the person to whom the moneys are paid;

(2) Specify the fund from which the moneys are paid;

(3) State generally the purpose for which the moneys are paid; and

(4) Be entered in the minutes of the board. [Amended by 1977 c.318 §1; 2001 c.373 §2]

450.095 Bond election. (1) This section establishes the procedure for determining whether bonds of the district, either general obligation, revenue or a combination of both, shall be issued and sold to raise money for the purposes set forth in ORS 450.075 (3). The question shall be decided by election. The board:

(a) May order the election on its own resolution; or

(b) Shall order the election when a petition is filed as provided in this section.

(2) The order of the board calling the election shall determine the form of the bonding proposal as follows:

(a) The order may submit to the electors as one proposal the question of issuing bonds to make all outlays, or so many of them as may be selected; or

(b) The order may submit as separate questions the issuance of bonds for any of the outlays singly or in such combinations as the order may direct.

(3) The requirements for preparing, circulating and filing a petition under this section shall be as provided for an initiative petition under ORS 255.135 to 255.205.

(4) In addition to the information required under ORS 255.085 in a notice for an election on the issuance of bonds, the notice for an election under this section shall describe the form of the bonding proposal as determined under subsection (2) of this section.

(5) When an election is called pursuant to a petition of electors, the proposal under subsection (2) of this section must conform with the proposal of the petition.

(6) If a majority of the votes cast at a bond election is in favor of the issuance of bonds, the board may issue and dispose of the bonds proposed in the order calling the election. [Amended by 1957 c.671 §2; 1969 c.563 §13; 1983 c.83 §89; 1983 c.350 §269]

450.100 [Repealed by 1971 c.647 §149]

450.105 [Amended by 1961 c.438 §4; repealed by 1971 c.647 §149]

450.110 District bonds; denomination; place of payment; interest. (1) General obligation or revenue bonds shall be of such denominations as the district board determines, except that no bonds shall be of a denomination greater than $5,000.

(2) All bonds shall be payable in lawful money of the United States at a place named by the district board, and shall bear interest at a rate determined by the district board, payable semiannually. [Amended by 1969 c.563 §14; 1981 c.94 §37; 2001 c.373 §3]

450.115 Use of proceeds of bond sale. The proceeds of the sale of bonds shall be paid to the district. The proceeds shall be used for the purpose indicated in the order calling for election upon the question of the issuance of the bonds, and for no other purpose. However, if those purposes are entirely fulfilled, any remaining proceeds shall be used for payment of the principal and interest of the bonds. [Amended by 2001 c.373 §4]

450.120 Debt limitations. The total outstanding district bonds of all types, including improvement bonds of the kind authorized by ORS 223.205 and 223.210 to 223.295, shall at no time exceed in the aggregate 13 percent of the real market value of all taxable property within the district, computed in accordance with ORS 308.207. [Amended by 1955 c.612 §1; 1963 c.9 §27; 1991 c.459 §402]

450.125 Payment of bonds; issuance of improvement bonds. (1) All general obligation and revenue bonds shall be paid within a period of 30 years and in annual installments of such amounts as will make the combined amount of principal and interest payable each year as nearly equal as practicable during the years of payment.

(2) Improvement bonds may be issued in the manner provided by ORS 223.205 and 223.210 to 223.295 without submitting the question of their issuance to the electors of the district. [Amended by 1955 c.612 §2; 1969 c.563 §15; 1983 c.350 §270]

450.130 Sewer service charges; collection and enforcement. (1) The sanitary board may enact ordinances levying sewer service charges within the district, for the purpose of financing the construction, operation and maintenance of the sewage collection and disposal system.

(2) The board may contract with any city or district serving water in such area to collect such service charges with the water bills, and the serving agency may cut off water for nonpayment of such service charges. The board may pay the water serving agency for the reasonable cost of such collection services.

(3) Service charges may also be collected and enforced as provided in ORS 454.225. [Amended by 1975 c.247 §1]

450.135 Ordinance declaring method of payment. (1) For the purposes specified in ORS 450.075 (3), a district may declare by ordinance before doing the same that the cost, or any portion thereof, shall be assessed against the property directly benefited. Or it may provide in the ordinance that the cost shall be paid partly by assessment against the property directly benefited and partly out of the general funds of or sewer service charges collected by the district.

(2) The determination of the board as expressed in the ordinance as to the proportion of the cost shall be based upon an exercise of the board's sound discretion.

450.140 Assessment ordinance. If any of the cost of sewers, drains or sewage treatment plants is assessed against the property directly benefited thereby, the board shall, before attempting to make the improvement or assessment, adopt a general

ordinance providing for the method of assessment. The ordinance shall:

(1) Contain provision for notice to property owners of intention to make the assessment and improvement.

(2) Provide that notice shall be not less than 20 days before action is taken thereon.

(3) Provide an opportunity for property owners to appear before the board for the purpose of remonstrating against assessments.

(4) Provide for the general method of assessing the property directly benefited and of the recording of liens against the property directly benefited, and of making supplementary assessments and rebates.

450.145 Entry of assessments in lien docket; lien docket as public record. (1) When assessments are made they shall be entered into a permanent lien docket which shall be kept in the office of the district and wherein shall be shown the amount of each lien, property against which it has been assessed, the owner thereof and such additional information as is required to keep a permanent and complete record of the lien and the payments thereon.

(2) The lien docket shall be a public record kept by the secretary and shall be open to inspection during all business hours established by the district.

450.150 Hearing of objections to proposed improvements. (1) The board shall appoint a time for the hearing of remonstrances or objections against any proposed improvement regardless of the method of payment. At the time appointed all objectors or remonstrators shall have the right to be heard.

(2) If two-thirds or more of the owners of the property directly benefited, which is liable for any of the cost of the sewers, drains or sewage disposal plants, file written remonstrances objecting to the proposed improvement, the board shall sustain the remonstrances, and no further proceedings in the matter of proposed improvements shall be had for a period of six months.

(3) If two-thirds of the owners of the property directly benefited by the proposed improvements do not file written remonstrances against the improvement, the board may proceed with the making of the improvement.

450.155 [Amended by 1953 c.649 §2; 1955 c.19 §1; repealed by 1995 c.333 §37]

450.160 Collection and enforcement of delinquent liens; reassessment. (1) In case the whole or any portion of the cost of sewers, drains or sewage treatment plants is assessed against the property directly benefited and the owner of the property fails to pay the amount of the lien, or any portion thereof, or the interest thereon, when they become due, the board may proceed to foreclose the lien in any manner provided by law for the collection of liens by local governments as defined in ORS 174.116 and may provide by ordinance a general procedure for the collection of liens in any manner not inconsistent with law.

(2) The provisions of ORS 223.405 to 223.485 relating to reassessment shall be available to sanitary districts where applicable. [Amended by 2003 c.802 §117]

450.165 Preparation and approval of plans for drains and sewer installations. (1) Whenever the board deems it expedient or necessary to cause to be constructed sewers, drains or sewage treatment plants, the cost of which, in whole or in part, is to be paid either by the proceeds of the sale of bonds by the district or assessed against the property directly benefited or by both methods in proportion, the board shall retain a registered professional engineer to prepare plans and specifications for the sewers, drains or sewage treatment plants, which plans and specifications shall be filed in the office of the secretary of the district.

(2) The district board may, however, adopt any plans and specifications they see fit, provided the plans have been prepared by a registered professional engineer and have been approved by the Oregon Health Authority and the Environmental Quality Commission. [Amended by 2009 c.595 §872]

450.170 Levy of taxes. (1) Assessment and collection of property taxes within the district shall be made by the county officers charged with assessment and collection of other property taxes in the county in which the property lies.

(2) The district board shall fix the amount of money to be raised by taxation for district purposes and for the payment of the principal and interest of outstanding indebtedness of the district which will become due during the year.

(3) The district board shall, in the manner and time prescribed by law, transmit to the county assessor a statement of such taxes. If the board fails to levy a direct ad valorem tax sufficient to pay the interest on and the maturing principal of all outstanding general obligation bonds, the county board of any county in which any portion of the district is included shall levy such tax which shall be extended and collected the same as all other sanitary district taxes. [Amended by 1969 c.563 §16]

450.175 Collection of taxes. (1) Taxes levied under ORS 450.170 shall be collected at the same time and in the same manner as county taxes are collected, and when collected shall be paid to the district.

(2) The taxes shall be a lien upon the property against which they are levied in the sanitary district and shall be of the same force and effect as other liens for taxes. Their collection shall be enforced by the same means as provided for the enforcement of liens for state and county taxes. [Amended by 2001 c.373 §5]

450.177 Filing boundary change with county assessor and Department of Revenue. For purposes of ad valorem taxation, a boundary change must be filed in final approved form with the county assessor and the Department of Revenue as provided in ORS 308.225. [2001 c.138 §30]

Note: 450.177 was added to and made a part of 450.005 to 450.245 by legislative action but was not added to any smaller series therein. See Preface to Oregon Revised Statutes for further explanation.

450.178 [1971 c.532 §2; repealed by 1983 c.350 §331a]

450.182 [1971 c.532 §3; repealed by 1983 c.350 §331a]

450.186 [1971 c.532 §4; repealed by 1983 c.350 §331a]

450.190 [1971 c.532 §5; repealed by 1983 c.350 §331a]

450.194 [1971 c.532 §6; repealed by 1975 c.647 §53]

450.198 [1971 c.532 §7; repealed by 1983 c.350 §331a]

450.202 [1971 c.532 §8; repealed by 1983 c.350 §331a]

450.205 [Amended by 1957 c.671 §3; 1969 c.563 §17; repealed by 1971 c.727 §203]

450.207 [1957 c.671 §5; 1969 c.563 §18; repealed by 1971 c.727 §203]

450.210 [Amended by 1957 c.671 §6; 1969 c.563 §19; repealed by 1971 c.727 §203]

(Annexation)

450.215 Plans for division and disposal of properties. (1) If territory proposed to be annexed is within the limits of another sanitary district, the board of the district to which annexation is proposed and the board of such other district shall meet with each other prior to the hearing on the annexation petition to agree upon a division and disposal of the properties of the other district that lie within the territory proposed to be annexed. An agreement between the boards is effective only in the event the proposed annexation is approved by the electors.

(2) The plan of division of properties provided for in subsection (1) of this section shall be arrived at by giving consideration to the assessed valuation of the other district as a whole, the assessed valuation of the territory to be annexed, the types of properties and their location and intended use. If a plan of division of properties is agreed upon, the plan shall be reduced to writing and, if the proposed annexation is approved by the electors, shall be binding upon the districts party to the plan and upon all other interested persons. [Amended by 1957 c.671 §7; 1969 c.563 §20; 1971 c.727 §123]

450.220 [Amended by 1957 c.671 §8; 1969 c.563 §21; repealed by 1971 c.727 §203]

450.225 Effective date of annexation; disposition of properties in territory; liabilities and indebtedness of territory; filing of report. (1) If the territory annexed to the district was, prior to the vote on the petition for annexation, within the limits of another sanitary district, the effective date of the annexation shall be the effective date of the withdrawal from the other district of the territory previously within its limits.

(2) Unless a plan for division of properties has been agreed upon as provided in ORS 450.215 (2), the district from which the territory has been withdrawn shall proceed to turn over to the district to which the territory has been annexed, its properties in the territory withdrawn. The provisions of ORS 222.560 shall govern the method and procedure by which such division of properties shall be made.

(3) Notwithstanding subsection (2) of this section, the district to which the territory was annexed may, in the sound discretion of its board, assume such obligations if the obligations do not bring the total of the district's obligation above any applicable limitations prescribed by law or otherwise. When the district assumes such obligations, it shall be liable to the other district, as provided by ORS 222.520 (2)(a) or (b), at the option of the annexing district. After the district agrees to make the payments referred to in this subsection, neither the annexing district nor the annexed territory shall be charged by the other district with any future liabilities, obligations or functions of the other district.

(4) Within 30 days after the effective date of the county board's order of annexation, the secretary of the annexing district shall file a written report with the Environmental Quality Commission, stating the name of the district and the date of the county board's order of annexation, and shall furnish with the report a map of the district boundaries as they are after the annexation. [Amended by 1957 c.671 §10; 1969 c.563 §22; 1971 c.727 §124]

450.227 [1957 c.112 §§2,3,4; 1967 c.137 §1; 1969 c.563 §23; repealed by 1971 c.727 §203]

450.228 [1957 c.671 §9; 1969 c.563 §24; repealed by 1971 c.727 §203]

450.230 [Amended by 1957 c.671 §11; 1969 c.563 §25; repealed by 1971 c.727 §203]

450.235 [Amended by 1969 c.563 §26; repealed by 1971 c.727 §203]

450.237 [1961 c.679 §§2,3; repealed by 1971 c.727 §203]

450.239 [1961 c.679 §§4,5; 1969 c.563 §27; repealed by 1971 c.727 §203]

450.240 [Repealed by 1957 c.401 §6]

450.242 [1961 c.679 §§6,7,8; 1969 c.563 §28; repealed by 1971 c.727 §203]

(Miscellaneous)

450.245 Application of ORS 450.005 to 450.245 to districts organized under former laws; savings clause. (1) Sanitary districts organized under chapter 385, Oregon Laws 1935, which were exercising the functions of sanitary districts on July 16, 1949, are vested with all rights, powers and obligations prescribed in ORS 450.005 to 450.245 and, after July 16, 1949, shall conduct their business in accordance with and be subject to those sections.

(2) No right or obligation incurred by the formation of a sanitary district pursuant to the provisions of chapter 385, Oregon Laws 1935, as amended by chapter 402, Oregon Laws 1941, is affected by the repeal of those provisions.

(Districts With Valuation Less Than $250,000)

450.250 Definitions for ORS 450.250 to 450.300. (1) "District" means a sanitary district duly organized under the provisions of ORS 450.005 to 450.245, having an assessed valuation of not more than $250,000.

(2) "Sewerage system" means complete or primary sewage treatment and disposal facilities, sewer mains, pumping stations, and all equipment and appurtenances necessary, useful or convenient for the treatment or disposal of sewage, or any portion of such a system, whether within or without the boundaries of a district. [1955 c.577 §1; 1959 c.157 §9]

450.255 Districts eligible for state help in financing sewerage systems. Districts that have been certified by the Environmental Quality Commission as being in need of sewerage systems may apply to the State Treasurer for the financing of such costs under authority of ORS 450.250 to 450.300. The Environmental Quality Commission shall certify to the State Treasurer, in writing, a list of the districts that are in dire need of sewerage and sanitation facilities. [1955 c.577 §2; 1959 c.574 §1]

450.260 Conditions precedent to financing application. A district shall not apply to the State Treasurer for financing under ORS 450.250 to 450.300 unless:

(1) It submits to the State Treasurer plans and specifications prepared by competent registered engineers setting forth the type or character of sewer system or sewerage facilities proposed for the particular district and the estimated cost of the system and of the appurtenances thereto.

(2) It submits to the State Treasurer the proposed plan of the district for liquidation of indebtedness to be incurred for financing the cost of such system or facilities. [1955 c.577 §3; 2009 c.259 §26]

450.265 Bonds issued by district pursuant to ORS 450.250 to 450.300 are subject to State Treasurer control; refunding bonds issuable. The bonds issued by districts pursuant to ORS 450.250 to 450.300 shall bear such dates, be in such form, run for such periods of time, bear such rates of interest, and be sold by the districts at such prices as the State Treasurer may determine. Refunding bonds of like obligation may be issued to replace outstanding bonds, provided the refunding bonds are sold publicly upon competitive bids. [1955 c.577 §4; 1981 c.94 §38]

450.270 Powers of State Treasurer in connection with ORS 450.250 to 450.300. (1) The State Treasurer shall be the sole judge as to whether state funds shall be invested in the bonds of a district and as to which undertakings shall first be financed. The decision of the State Treasurer on the subject of investment and priority shall be final.

(2) The State Treasurer may enlist the technical services of any state officer or department in a study of the feasibility and cost of the sewerage project. The State Treasurer further may employ registered engineers, at the cost of the district, to make such a study for the district and for the State Treasurer.

(3) The State Treasurer, in the discretion of the State Treasurer, may purchase with moneys from the revolving fund provided by ORS 450.250 to 450.300, general obligation sewerage system bonds of any district, issued under authority of ORS 450.250 to 450.300. If the State Treasurer deems it expedient in the acquisition and construction of a sewerage system for a district to furnish sewerage service for territory that is contiguous to or outside the boundaries of the district, the State Treasurer may authorize the district to furnish such service and to construct part of its system outside its boundaries for such purpose.

(4) The State Treasurer may authorize districts to issue sewerage system bonds with the right reserved to them to redeem bonds at par value and accrued interest prior to the final maturity dates of the bonds.

(5) The State Treasurer, in the discretion of the State Treasurer, may authorize deferment of payment of interest upon the sewerage bonds of the district for a period not exceeding three years, and may provide for the issuance of such bonds with graduated rates of interest.

(6) The State Treasurer may specify the procedure to be followed by a district in availing itself of the provisions of ORS 450.250 to 450.300. [1955 c.577 §5; 2009 c.259 §27]

450.275 State Treasurer approval of other bond issues by district whose bonds are owned by state. So long as any of the sewerage bonds of the district are owned by the state, the district shall not issue other bonds of any character without prior written approval of the State Treasurer. [1955 c.577 §6]

450.280 Circumstances and conditions under which State Treasurer may purchase sewerage system bonds. (1) The State Treasurer may purchase from a district at private sale sewerage system bonds bearing interest at a rate agreed upon by the State Treasurer and the district. The bonds shall qualify for investment by the state only if the sewer connection charges and revenues of the sewerage system of the issuing district, after the payment of operation and maintenance expenses, are pledged wholly to the payment of the principal of and interest upon the bonds, and the issuing district shall covenant to levy ad valorem taxes upon all of the taxable property within its boundaries to meet deficiencies in the charges and revenues pledged, and only if the combined indebtedness for all public purposes, other than state or federal, within the boundaries of the district, including the proposed sewerage system indebtedness, but excluding obligations issued for other utilities that are self-supporting or self-liquidating or are approximately so, does not exceed 25 percent of the total real market value of all taxable property within the district as reflected in the last roll certified under ORS 311.105. The limitation shall apply only to districts that finance the costs of their sewerage systems under ORS 450.250 to 450.300. The limitation shall include the ratios of indebtedness to the total valuation, determined in like manner, of other subdivisions that overlap the district to an extent of more than 50 percent of the total value of the district. Indebtedness within the 25 percent limitation may be incurred by a district if approved by the electors of the district at an election called and held for that purpose. Notwithstanding that revenues may have been pledged to the payment of the principal of and the interest upon a particular issue of general obligation bonds owned by the state, the same revenues, with the approval of the State Treasurer, may be pledged to the payment of the principal of and the interest on additional issues of bonds purchased by the state from the district. The additional issues shall be on a parity with previous issues as to the pledge of charges and revenues. In order to complete the financing of a sewerage system, after bonds payable as to principal and interest from revenues and ad valorem taxation have been issued, the State Treasurer may purchase issues of general obligation sewerage system bonds of districts, payable only from ad valorem property taxes, provided such issues, together with other obligations of the district, do not exceed the debt limits specified in this section.

(2) All bonds heretofore issued under authority of ORS 450.250 to 450.300 and sold to the state, and the proceedings under which they were issued, are approved, validated, ratified, and confirmed, and the bonds are the valid and legally binding general obligations of the issuing district. [1955 c.577 §7; 1957 c.121 §1; 1959 c.574 §2; 1971 c.647 §91; 1981 c.94 §39; 1981 c.804 §101; 1991 c.459 §403; 1995 c.79 §224]

450.285 State Sanitary District Sewer Bond Fund. (1) The State Sanitary District Sewer Bond Fund is established separate and distinct from the General Fund. Moneys in the State Sanitary District Sewer Bond Fund are continuously appropriated to the State Treasurer for investment under authority of ORS 450.250 to 450.300, and for payment of costs of the State Treasurer in connection with the investment.

(2) The earnings of the fund established under this section shall accrue to the General Fund, and the amounts received in payment of the principal of investments of the fund established under this section shall be credited to the General Fund, to be available for the payment of general governmental expenses.

(3) The State Treasurer may engage such assistance and incur such expenses to carry out the purposes of ORS 450.250 to 450.300 as may be necessary. [1955 c.577 §8; 1957 c.702 §1; 1957 s.s. c.14 §1; 1963 c.341 §4; 2005 c.755 §39]

450.290 Provisions concerning liquidation of indebtedness incurred by district financing sewerage system under ORS 450.250 to 450.300. (1) Each district financing the cost of a sewerage system under authority of ORS 450.250 to 450.300 shall submit to the State Treasurer for approval, a schedule of its rates and sewer connection charges, and proposed method of collection thereof. The rates and charges shall be such as, in the judgment of the State Treasurer, are sufficient to pay the operation and maintenance costs of the system and to liquidate, during the period approved by the State Treasurer, the indebtedness incurred by the district in the construction of the system. The State Treasurer may further require as part of the agreement to purchase the bonds of the district, that the district levy and collect assessments in the manner provided by ORS 450.005 to 450.245, and that it pledge the receipts from such assessments, both principal and interest, to the payment of its

bonds and the interest thereon. The district shall be fully authorized to levy and collect such assessments against properties within or without the boundaries of the district, that will be benefited by the sewerage system of the district. Should the receipts of the district prove inadequate to pay such costs and such indebtedness, the State Treasurer may direct the district to increase its rates and charges to make the sewerage project self-supporting and self-liquidating, and the district thereupon shall establish the rates and charges prescribed by the State Treasurer.

(2) If the district does not have the ability to collect sewerage charges in connection with or as part of the charge for another service or utility that can be curtailed to secure collection, and if the State Treasurer so directs, delinquent charges for use of or connection with a sewerage system shall be certified to the assessor of the county or counties in which the district is located and shall be entered upon the tax rolls of the county and be collected and accounted for in the same manner in which city taxes are collected and accounted for. The said charges shall constitute liens upon the real property of the corporation or person against whom they are assessed.

(3) The district shall obtain from the State Treasurer approval of its annual budgets and tax levies before they are certified to the clerk and assessor of the county in which the district is located, for extension upon the county tax rolls. [1955 c.577 §9; 1991 c.459 §403a]

450.295 Refinancing indebtedness of district; court-appointed receiver may operate system. If any district fails to meet, when due, any obligations sold to the state under authority of ORS 450.250 to 450.300, the State Treasurer and the district may agree upon and put into effect, any plan they may consider expedient for refinancing the indebtedness of the district, or the State Treasurer, with the approval of the circuit court of the county in which the major portion of the assessed valuation of the district is located, may appoint a receiver to operate the sewerage system. The receiver shall act as such so long as the circuit court deems receivership necessary to protect the interests of the state and of the district. [1955 c.577 §10]

450.300 Duty of treasurer to keep funds separate and to withhold tax receipts for bond payments; liability of treasurer. The treasurer of each district that finances the cost of a sewerage system or facilities under authority of ORS 450.250 to 450.300 shall keep collections or assessments for sewerage service and sewer connection fees separate and distinct from other funds of the district and shall withhold from tax receipts not less often than quarterly the full amounts proportionate to the elapsed portion of the tax year that have been levied for the payment of interest on and the principal of the sewerage system bonds of the district. For failure to account for sewerage revenues and taxes as provided in this section, such treasurers shall be liable upon their official bonds. [1955 c.577 §11]

(Sanitary District Sewerage System Revolving Fund)

450.303 Purchase of general obligation bonds of sanitary districts; Sanitary District Sewerage System Revolving Fund. (1) Any sanitary district in the state having an actual value in excess of $750,000, that has not been able to sell its general obligation bonds on the market upon competitive bids or has not been able to obtain a bid for its bonds pursuant to notice of sale of the bonds published in a newspaper of general circulation printed and published for a period of two consecutive weeks in the county in which the major portion of the assessed value of the district is located, may sell its bonds to the State of Oregon, if the bonds are approved for investment by the State Treasurer. For the purposes of this section, actual value shall be determined in the manner prescribed by ORS 450.120. Bonds issued under authority of this section, together with other outstanding indebtedness of the district, shall not exceed in the aggregate 15 percent of the actual value of the district. For the purposes of this section, the 15 percent limitation shall supersede the limitation imposed by ORS 450.120 or any other law in conflict with this section. Only bonds authorized and issued in compliance with ORS 450.005 to 450.075, 450.085 to 450.115, 450.125 to 450.245 and the provisions of this section may be purchased by the State of Oregon as investments of the fund designated in subsection (2) of this section.

(2) The Sanitary District Sewerage System Revolving Fund is established separate and distinct from the General Fund. Moneys in the Sanitary District Sewerage System Revolving Fund are continuously appropriated to the State Treasurer for investment under the authority of this section. The interest paid on the investments purchased pursuant to this section shall be credited to the General Fund of the State of Oregon, and the principal, as it is repaid to the state by sanitary districts, shall be credited to the General Fund to be available for the payment of general governmental expenses. The State Treasurer is authorized to sell at not less than cost, the bonds, in whole or in part, that have been purchased under the author-

ity of this section. The proceeds of sale of the bonds shall be credited to the General Fund to be available for the payment of general governmental expenses. [1959 c.425 §§1,2; 1963 c.341 §5; 1981 c.94 §40; 2005 c.755 §40]

450.305 [Repealed by 1969 c.25 §1]
450.310 [Repealed by 1969 c.25 §1]
450.315 [Repealed by 1969 c.25 §1]
450.320 [Repealed by 1969 c.25 §1]
450.325 [Repealed by 1969 c.25 §1]
450.330 [Repealed by 1969 c.25 §1]
450.335 [Repealed by 1969 c.25 §1]
450.340 [Repealed by 1969 c.25 §1]
450.345 [Repealed by 1969 c.25 §1]
450.350 [Repealed by 1969 c.25 §1]
450.355 [Repealed by 1969 c.25 §1]
450.360 [Repealed by 1969 c.25 §1]
450.365 [Repealed by 1969 c.25 §1]
450.370 [Repealed by 1969 c.25 §1]
450.375 [Repealed by 1969 c.25 §1]
450.380 [Repealed by 1969 c.25 §1]
450.385 [Repealed by 1969 c.25 §1]
450.390 [Repealed by 1969 c.25 §1]
450.395 [Repealed by 1969 c.25 §1]
450.400 [Repealed by 1969 c.25 §1]
450.405 [Repealed by 1969 c.25 §1]
450.410 [Repealed by 1969 c.25 §1]
450.415 [Repealed by 1969 c.25 §1]
450.420 [Repealed by 1969 c.25 §1]
450.425 [Repealed by 1969 c.25 §1]
450.430 [Repealed by 1969 c.25 §1]
450.435 [Repealed by 1969 c.25 §1]
450.440 [Repealed by 1969 c.25 §1]
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450.450 [Repealed by 1969 c.25 §1]
450.455 [Repealed by 1969 c.25 §1]
450.460 [Repealed by 1969 c.25 §1]
450.465 [Repealed by 1969 c.25 §1]
450.470 [Repealed by 1969 c.25 §1]
450.475 [Repealed by 1969 c.25 §1]
450.480 [Repealed by 1969 c.25 §1]
450.485 [Repealed by 1969 c.25 §1]
450.490 [Repealed by 1969 c.25 §1]
450.495 [Repealed by 1969 c.25 §1]
450.500 [Repealed by 1969 c.25 §1]
450.505 [Repealed by 1969 c.25 §1]
450.510 [Repealed by 1969 c.25 §1]
450.515 [Repealed by 1969 c.25 §1]
450.520 [Repealed by 1969 c.25 §1]
450.525 [Repealed by 1969 c.25 §1]
450.530 [Repealed by 1969 c.25 §1]
450.535 [Repealed by 1969 c.25 §1]
450.540 [Repealed by 1969 c.25 §1]
450.545 [Repealed by 1969 c.25 §1]
450.550 [Repealed by 1969 c.25 §1]
450.555 [Repealed by 1969 c.25 §1]
450.560 [Repealed by 1969 c.25 §1]
450.565 [Repealed by 1969 c.25 §1]
450.570 [Repealed by 1969 c.25 §1]
450.575 [Repealed by 1969 c.25 §1]
450.580 [Repealed by 1969 c.25 §1]

JOINT WATER AND SANITARY AUTHORITIES

450.600 Joint authorities; formation; election of directors upon formation; first terms. (1) A joint water and sanitary authority may be formed as provided in ORS 198.705 to 198.955.

(2) Five or seven directors of the board of the joint water and sanitary authority shall be elected at the election for formation of the joint water and sanitary authority, according to the number set forth in the petition for formation.

(3) When the effective date of the formation of the joint authority occurs in an odd-numbered year:

(a) If the governing body of the joint authority is a board of directors of five members, three district board members shall be elected for four-year terms and the other two district board members shall be elected for two-year terms; and

(b) If the governing body of the joint authority is a board of directors of seven members, four district board members shall be elected for four-year terms and the other three district board members shall be elected for two-year terms.

(4) When the effective date of the formation occurs in an even-numbered year:

(a) If the governing body of the joint authority is a board of directors of five members, three district board members shall be elected for three-year terms and the other two district board members shall be elected for one-year terms; and

(b) If the governing body of the joint authority is a board of directors of seven members, four district board members shall be elected for three-year terms and the other three district board members shall be elected for one-year terms.

(5) The terms of the members of the first board shall be determined by lot at the first meeting of the board after the election. [1993 c.577 §1]

450.605 Formation of joint authority by consolidation; transfer of property, rights and powers to consolidated authority. (1) In addition to formation under ORS 198.705 to 198.955, a joint water and sanitary authority may also be formed by consolidation of a water authority and a sanitary authority as provided by ORS 450.610 to 450.630 if the consolidation is approved by the electors or if it is approved by a local government boundary commission as

provided by ORS 199.480 (1)(c). The authorities included in the consolidation shall be considered joined into a single new joint authority.

(2) If the consolidation is approved, the authority boards and officers of the consolidating authorities shall turn over to the board of the successor authority all funds, property, contracts and records of the consolidating authorities. Upon the effective date of the consolidation, the successor joint authority shall:

(a) Succeed to all the property, contracts, rights and powers of the consolidating authorities, and shall constitute and be a regularly organized authority as if originally organized in the manner provided by ORS 198.705 to 198.955;

(b) Have the right to receive uncollected taxes, assessments or charges levied by the consolidating authorities and upon collection to credit the taxes, assessments or charges to the account of the successor joint authority; and

(c) Subject to any debt distribution plan adopted under ORS 450.615, become liable for all the obligations, legal or contractual, of the consolidating authorities. [1993 c.577 §2]

450.607 Formation of joint authority that includes city or district by consolidation; formation within urban growth boundary; transfer of property to consolidated authority. (1) In addition to formation under ORS 198.705 to 198.955, a joint water and sanitary authority may be formed by consolidation of a water authority and a sanitary authority or by the consolidation of a water authority or sanitary authority and any combination of cities or districts as provided by ORS 450.610 to 450.630 if the consolidation is approved by the electors or if it is approved by a local government boundary commission as provided in ORS 199.480 (1)(c). The entities included in the consolidation shall be considered joined into a single new joint authority. Except for the consolidation of an existing water authority and sanitary authority, if the consolidating entities are within the urban growth boundary of a city or the city provides water supply, wastewater treatment or surface water management and treatment, then the consolidating entities must:

(a) Obtain consent for the consolidation by resolution of the affected city or district prior to calling an election; or

(b) Comply with the formation procedures set forth in ORS 450.600 and satisfy the requirements of ORS 450.787.

(2) If the consolidation is approved, the governing bodies of the affected entities and officers of the consolidating entities shall turn over to the board of the successor authority all funds, property, contracts and records of the consolidating entities. Upon the effective date of the consolidation, the successor joint authority shall:

(a) Succeed to and hold the property, contracts, rights and powers of the consolidating entities with respect to water-related services and be a regularly organized authority as if originally organized in the manner provided by ORS 198.705 to 198.955;

(b) Have the right to receive the uncollected taxes, assessments or charges levied by the consolidating entities and, upon collection, to credit the taxes, assessments or charges to the account of the successor joint authority; and

(c) Subject to any debt distribution plan adopted under ORS 450.615, become liable for all the legal or contractual obligations of the consolidating entities. [1997 c.590 §6]

Note: 450.607 was enacted into law by the Legislative Assembly but was not added to or made a part of ORS chapter 450 or any series therein by legislative action. See Preface to Oregon Revised Statutes for further explanation.

450.610 Initiation of proceedings for consolidation; resolution by governing bodies. (1) Consolidation into a joint water and sanitary authority may be initiated by resolution adopted or approved by two or more authorities or district or city governing bodies. However, of the entities initiating the proceedings for consolidation, at least one must be an authority formed under this chapter while the others may consist of any combination of districts or cities. A resolution adopted or approved under this subsection shall state the names of the affected entities and the name of the successor joint authority.

(2) When proceedings have been initiated as provided in subsection (1) of this section, and the consolidating entities are subject to the jurisdiction of a local government boundary commission, the initiating documents shall be filed with the boundary commission as provided by ORS 199.476. [1993 c.577 §3; 1997 c.590 §7]

450.615 Contents of resolution; debt distribution plan; dissolution of existing entities. (1) A resolution proposing consolidation of a water authority and a sanitary authority shall state the number of members to be on the board of directors of the joint water and sanitary authority.

(2) A resolution proposing consolidation of a water authority and a sanitary authority may include a debt distribution plan to be voted upon as a part of the proposal. The plan may provide for any distribution of indebtedness and may require that a consolidating authority remain solely liable for all

or any portion of any indebtedness outstanding at the time of the consolidation.

(3) A resolution proposing consolidation into a joint water and sanitary authority may include a declaration that some or all of the existing water or sanitary authorities or districts proposing consolidation shall be dissolved upon formation of the joint authority.

(4) If the consolidation is approved, the board of the successor joint authority shall, in accordance with the debt distribution plan, levy taxes and assessments for the liquidation of any prior existing indebtedness. Such a levy shall be subject to the principal Act of the consolidated authority. [1993 c.577 §4; 1997 c.590 §8]

450.620 Assembly of governing bodies; order for election on consolidation. (1) When the governing body of each affected entity has adopted or approved a resolution pursuant to ORS 450.615, the governing body of the affected entity having the largest population according to the most recent federal decennial census shall call a joint assembly of the governing bodies of the affected entities. The governing body calling the joint assembly shall specify the time and place of the assembly. The secretary of the governing body shall give notice of the assembly to each member of the governing body of each affected entity. The notice shall be given by certified mail.

(2) At the joint assembly, a majority of the members of each governing body constitutes a quorum for the transaction of business.

(3) The assembly, by a majority of all members present, shall adopt an order calling an election in each affected authority. The order shall include the matters specified in ORS 198.745. [1993 c.577 §5; 1997 c.590 §9]

450.625 Election result; certification. The governing body of each affected entity shall meet separately not later than the fifth day after receiving from the county clerk the abstract of the votes cast in the election on consolidation. At the meeting, the governing body of the entity shall determine the result of the election and certify the result. [1993 c.577 §6; 1997 c.590 §10]

450.630 Joint meeting of governing bodies after approval of consolidation; declaration of consolidation; election of board. (1) If the proposal for consolidation is approved by a majority of the votes cast in each affected authority or is approved by a local government boundary commission, the governing body of the authority with the largest population according to the most recent federal decennial census shall call a joint meeting of the governing bodies of the affected authorities. The meeting shall be held at a time and place designated by the governing body calling the meeting, not later than 10 days after the canvass of the vote in the authority last canvassed. The secretary of the authority calling the meeting shall give notice of the time and place of the meeting to each member of the governing body of each affected authority.

(2) At the joint meeting, a majority of the members of the governing body of each affected authority constitutes a quorum for the transaction of business. The members so assembled shall from among the members elect five or seven persons to serve as board members of the successor joint authority until June 30 following the next regular district election as defined in ORS 255.005. The board so elected shall immediately meet and organize and shall by resolution declare the joint water and sanitary authority formed. From the date of adoption of the resolution the consolidation is complete.

(3) At the first regular election held in the joint water and sanitary authority after consolidation, five or seven board members shall be elected. The terms of office of the members elected shall be determined by lot at their first meeting after their election. When the resolution proposing consolidation provides for a five-member board for the joint water and sanitary authority, the terms of three of the members first elected to the board shall expire on June 30 next following the date of the first regular district election in the joint authority. The terms of the remaining two members shall expire on June 30 next following the date of the second regular district election in the joint authority. When the resolution proposing consolidation provides for a seven-member board for the joint water and sanitary authority, the terms of four of the members first elected to the board shall expire on June 30 next following the date of the first regular district election in the joint authority. The terms of the remaining three members shall expire on June 30 next following the date of the second regular district election in the joint authority. [1993 c.577 §7]

450.635 Board of directors of joint authority; number; terms; qualifications. (1) The governing body of a joint water and sanitary authority shall be a board of directors of five or seven members, based upon the number of board members specified in the petition for formation or in the resolution proposing consolidation of a water authority and a sanitary authority into the joint water and sanitary authority.

(2) Each director elected shall hold office from July 1 next following election.

(3) The term of office of a director of a joint water and sanitary authority is four

years. However, each director shall hold office until the election and qualification of a successor.

(4) The board of directors of the joint water and sanitary authority shall fill any vacancy on the board as provided in ORS 198.320.

(5) Any elector residing within the joint water and sanitary authority is qualified to be a member of the board of directors of the joint authority.

(6) Notwithstanding subsection (5) of this section, a person who is an employee of a joint water and sanitary authority is not qualified to serve as a director of the joint water and sanitary authority by which the person is employed. [1993 c.577 §9]

450.640 Powers of joint authority; issuance of revenue bonds. (1) Except as otherwise provided in this section, a joint water and sanitary authority possesses all the duties, functions and powers granted to water authorities and to sanitary authorities under ORS 450.600 to 450.989.

(2) Revenue bonds issued by a joint water and sanitary authority shall be issued as prescribed in ORS chapter 287A. [1993 c.577 §10; 2007 c.783 §186]

450.645 Election laws applicable. (1) ORS chapter 255 governs the following:

(a) The nomination and election of the members of the board of directors of a joint water and sanitary authority.

(b) The conduct of elections in the joint authority.

(2) The members of the board of directors of a joint water and sanitary authority shall be elected at large by position number by the electors of the district. [1993 c.577 §8]

WATER AUTHORITIES

450.650 Board of directors; terms; qualifications. (1) The governing body of a water authority shall be a board of directors of five or seven members.

(2) The term of office of a director of a water authority is four years.

(3) Any elector residing within the proposed water authority is qualified to be a member of the board of directors of the authority.

(4) Notwithstanding subsection (3) of this section, a person who is an employee of a water authority is not qualified to serve as a director of the water authority by which the person is employed. [1987 c.863 §4; 1989 c.809 §2; 1993 c.577 §21]

450.655 Methods of election of authority directors. (1) The directors of a water authority may be elected by one of the following methods:

(a) Elected by the electors of zones as nearly equal in population as feasible according to the latest federal decennial census.

(b) Elected at large by position number by the electors of the district.

(2) Candidates for election from zones shall be nominated by the electors of the zones.

(3) If the directors of the water authority are elected from zones, the board of the water authority, after each federal decennial census, shall adjust the boundaries of the zones to make them as nearly equal in population as feasible. [1987 c.863 §5; 1993 c.577 §22]

450.658 Election of directors; terms. (1) Five or seven directors of the water authority shall be elected at the election for formation of the authority or, if no election is held on the question of formation, at the election held under ORS 198.825.

(2) When the petition or resolution proposing formation provides for a five-member board for the water authority, the terms of three of the members first elected to the board shall expire on June 30 next following the date of the first regular district election in the water authority. The terms of the remaining two members shall expire on June 30 next following the date of the second regular district election in the water authority. When the petition or resolution proposing formation provides for a seven-member board for the water authority, the terms of four of the members first elected to the board shall expire on June 30 next following the date of the first regular district election in the water authority. The terms of the remaining three members shall expire on June 30 next following the date of the second regular district election in the water authority. [1987 c.863 §6; 1993 c.577 §23]

450.660 Water authority formation. A water authority may be formed by any of the methods provided for in ORS 450.665 to 450.680 or 450.785. [1987 c.863 §2; 1993 c.577 §24]

450.665 Formation of authorities under special districts law. A water authority may be formed as provided in ORS 198.800 to 198.825 except that:

(1) A petition for formation shall be signed by not less than 100 electors registered in the territory subject to the petition and shall state the number of members to be on the board of directors of the proposed authority.

(2) In its order creating the water authority, the county board shall prescribe the method of election of the board of the pro-

posed authority from among the methods described in ORS 450.655. If the county board determines that the directors of the water authority shall be elected from zones, the county board shall establish and describe the zones, using streets and other generally recognizable features. [1987 c.863 §3; 1993 c.577 §25]

450.670 [1987 c.863 §9; 1989 c.809 §6; renumbered 450.987 in 1989]

450.675 Formation of authorities from areas within one or more counties. Any portion of one or more counties, including both incorporated and unincorporated areas as well as areas within domestic water supply districts, county service districts for water supply works and other districts may be formed into a water authority under ORS 450.600 to 450.989. Such areas need not be contiguous. [1971 c.504 §3; 1993 c.577 §26]

450.680 Formation of authorities by cities and water districts. (1) The governing bodies of two or more cities, two or more water districts or one or more cities and one or more water districts, when they consider it necessary for the public health, safety and welfare, may initiate the formation of a water authority by resolution. The resolution shall set forth the name and boundaries of the proposed water authority and the number of members to be on the board of directors of the proposed authority. The governing bodies shall file the resolution with the governing body of the principal county, as defined in ORS 198.705. If any part of the proposed water authority is within a city, the resolution shall be accompanied by a certified copy of a resolution of the governing body of the city approving the resolution that initiates formation of the water authority.

(2) Upon receipt of the resolution, the county governing body or boundary commission shall determine that provision of potable water to the area within the proposed water authority can best be achieved by creation of a water authority rather than by water districts or cities. In making this determination, the county governing body shall consider the following factors:

(a) The ability of the proposed authority to provide water service to the area within the proposed authority;

(b) The effect on both long and short-term rates for patrons within the proposed authority;

(c) The impact, if any, of the proposed water authority on adjacent special districts and cities; and

(d) Consistency of the proposed water authority with the adopted comprehensive plan of the county within the boundaries of the proposed water authority.

(3) After the county governing body or boundary commission makes the determination under subsection (2) of this section, the county governing body shall by order provide for a public hearing on the proposal. The order shall set forth the date, time and place of the hearing. Notice of the hearing shall be given in the manner provided by ORS 198.800 except that the notice shall state that the governing bodies of the cities or water districts have filed a resolution with the county governing body declaring their intention to initiate formation. The hearing and election on the proposal, and election of board members, shall be conducted as provided by ORS 198.800 to 198.825. [1971 c.504 §4; 1983 c.740 §172; 1987 c.863 §11; 1989 c.809 §3; 1993 c.577 §27]

450.685 Application of certain provisions to authorities. (1) Except as provided by subsection (2) of this section, ORS 450.070, 450.084, 450.085 and 450.600 to 450.989 apply to a water authority.

(2) ORS 450.810 (1), 450.815 (7), (8) and (9), 450.820 and 450.835 do not apply to a water authority.

(3) ORS 264.240, 264.250 (2), 264.300 to 264.320 and 264.505 to 264.840 are applicable to a water authority. [1971 c.504 §5; 1989 c.809 §4; 1993 c.577 §28]

450.690 Public body; authority to issue revenue bonds. A water authority is a public body for the purposes of ORS chapter 287A, and revenue bonds issued by a water authority shall be issued in accordance with ORS chapter 287A. [1987 c.863 §8; 1993 c.577 §29; 2007 c.783 §187]

450.693 Services to other local governments authorized. A water authority may provide any of the services that it is authorized to provide under ORS 450.600 to 450.989 to other local governments as defined in ORS 174.116 situated within the boundaries of the authority at wholesale, retail or a combination of wholesale and retail. [1993 c.577 §13; 2003 c.802 §118]

450.695 Acquisition of water rights; effect on priority of rights. (1) A water authority may acquire water rights from any local government as defined in ORS 174.116. Upon request by the authority if the water right acquired was for municipal use, the Water Resources Commission shall issue a new water right certificate to the water authority preserving the previously established priority of water rights.

(2) In accordance with ORS 540.520 and 540.530, a water authority may change the points of diversion of water or move the water intake sources as specified in the water right permits or certificates of those local governments as defined in ORS 174.116 that

were merged into the authority. [1989 c.707 §1; 1993 c.577 §30; 2003 c.802 §119]

Note: 450.695 and 450.700 were enacted into law by the Legislative Assembly but were not added to or made a part of ORS chapter 450 or any series therein by legislative action. See Preface to Oregon Revised Statutes for further explanation.

450.700 Acquisition of water rights; effect on prior rights. (1) A water authority may acquire water rights from any city or any district, as defined in ORS 543.655. Upon request by the authority, the Water Resources Commission shall issue a new water right certificate to the water authority preserving the previously established priority of water rights.

(2) Upon compliance with ORS 540.520 and 540.530, a water authority may change the points of diversion of water or move the water intake sources as specified in the water right permits of those districts that were merged into the authority. Upon the filing of notice of such changes with the Water Resources Department, the changes shall not impair any water right previously vested in those districts. [1989 c.809 §1; 1993 c.577 §31]

Note: See note under 450.695.

SANITARY AUTHORITIES

(Generally)

450.705 Policy; construction. (1) It hereby is recognized and declared that the sewage disposal, drainage, insect control and related problems in many of the areas of the state where the population is rapidly expanding can best be solved through the cooperative and integrated effort and support of unincorporated and incorporated areas. It is the purpose of ORS 450.600 to 450.989 to provide a means whereby such cooperation and integration can be achieved and ORS 450.600 to 450.989 is to be construed liberally to accomplish this purpose.

(2) It is recognized also that potable water supply problems in many areas of the state where the population is rapidly expanding can best be solved through the cooperative and integrated effort and support of unincorporated and incorporated areas. It is the purpose of ORS 450.600 to 450.989 to provide a means whereby water authorities can be formed and such cooperation and integration can be achieved and ORS 450.600 to 450.989 is to be construed liberally to accomplish that purpose. [1955 c.614 §1; 1971 c.504 §1; 1993 c.577 §32]

450.710 Definitions for ORS 450.600 to 450.989. As used in ORS 450.600 to 450.989 unless the context clearly indicates otherwise:

(1) "Authority" means a sanitary authority established under ORS 450.600 to 450.989.

(2) "Board" means the sanitary authority board under ORS 450.600 to 450.989.

(3) "Construction" includes the acquisition of land or other property for the construction of an installation and the improvement, enlargement, alteration and reconstruction of an installation and the acquisition of existing sewage disposal or drainage systems, or portions thereof.

(4) "Governing body" means the county court or board of county commissioners of a county.

(5) "Owner of land" or "landowner" means a vendee under a recorded land sale contract or if there is no such contract the holder of the record title to the land in which vendee or holder has a present interest equal to or greater than a life estate as shown on the last available complete assessment roll in the office of the county assessor. [1955 c.614 §2; 1971 c.647 §92; 1983 c.83 §90; 1989 c.809 §7]

(Formation)

450.715 Areas which may be formed into sanitary authorities. Any portion of one or more counties, including both incorporated and unincorporated areas as well as areas within sanitary, drainage and other districts, may be formed into a sanitary authority under ORS 450.600 to 450.989. Such areas need not be contiguous. [1955 c.614 §3; 1989 c.809 §8]

450.720 [1955 c.614 §4; repealed by 1971 c.727 §203]

450.722 Formation of water or sanitary authority may include dissolution of certain existing districts. (1) When formation of a water authority or a sanitary authority is proposed, the petition or resolution for formation under ORS 198.705 to 198.955 or the resolution or order for formation under ORS 450.600 to 450.989 may include, in addition to the information required under ORS 198.705 to 198.955 and 450.600 to 450.989, a declaration that some or all of the existing water, sanitary or drainage districts located entirely within the proposed water authority or sanitary authority shall be dissolved upon formation of the authority.

(2) Upon formation of a water authority or a sanitary authority, the districts declared to be dissolved in the petition, resolution or order for formation, either as originally filed or as amended by a local government boundary commission or by a county governing body, are extinguished upon the effective date of the formation of the water authority or the sanitary authority. On the effective date of such formation, the water authority or sanitary authority succeeds to all the as-

sets and becomes charged with all the liabilities, obligations and functions of the districts. The district officers shall forthwith deliver to the water authority or sanitary authority the district assets and records. Uncollected taxes theretofore levied by such districts shall become the property of the water authority or the sanitary authority and be delivered to it by the county treasurer upon collection. [1993 c.577 §11]

Note: 450.722 was added to and made a part of 450.600 to 450.989 by legislative action but was not added to any smaller series therein. See Preface to Oregon Revised Statutes for further explanation.

450.725 [1955 c.614 §5; repealed by 1971 c.727 §203]

450.730 [1955 c.614 §6; repealed by 1971 c.727 §203]

450.735 [1955 c.614 §7; repealed by 1971 c.727 §203]

450.740 [1955 c.614 §8; repealed by 1971 c.727 §203]

450.745 [1955 c.614 §9; repealed by 1971 c.727 §203]

450.750 [1955 c.614 §10; repealed by 1971 c.727 §203]

450.755 [1955 c.614 §11; repealed by 1971 c.647 §149 and by 1971 c.727 §203]

450.760 [1955 c.614 §12; repealed by 1971 c.647 §149 and by 1971 c.727 §203]

450.765 [1955 c.614 §13; 1967 c.609 §10; repealed by 1971 c.647 §149]

450.770 [1955 c.614 §14; repealed by 1971 c.647 §149 and by 1971 c.727 §203]

450.775 [1955 c.614 §15; repealed by 1971 c.647 §149 and by 1971 c.727 §203]

450.780 [1955 c.614 §16; repealed by 1971 c.727 §203]

450.785 Initiation of formation of sanitary authority by governing body without petition. In addition to other methods of initiating proceedings for the formation of a sanitary authority under ORS 450.705 to 450.860 and 450.865 to 450.945 and when they consider it necessary for the protection of the public health, safety and welfare, the governing bodies of one or more counties may on their own motion initiate the formation of a sanitary authority by order in the manner provided in ORS 198.835. However, a district proposed to be initiated under this section need not be located entirely within one county. If the governing body of more than one county initiates formation of a sanitary authority under this section, the governing body of the principal county, as that term is defined in ORS 198.705, shall set the date, time and place of the public hearing, give notice of the hearing, conduct the hearing and call the election as provided in ORS 198.800 to 198.825. [1955 c.614 §17; 1971 c.727 §126; 1983 c.740 §173]

450.787 Formation of authorities by cities and sanitary or drainage districts. (1) The governing bodies of two or more cities, two or more sanitary or drainage districts or one or more cities and one or more districts, when they consider it necessary for the public health, safety and welfare, may initiate the formation of a sanitary authority by resolution. The resolution shall set forth the name and boundaries of the proposed sanitary authority. The governing bodies shall file the resolution with the governing body of the principal county, as defined in ORS 198.705. If any part of the proposed sanitary authority is within a city, the resolution shall be accompanied by a certified copy of a resolution of the governing body of the city approving the resolution that initiates formation of the sanitary authority.

(2) Upon receipt of the resolution, the county governing body or boundary commission shall determine that provision of sewage disposal or drainage services to the area within the proposed sanitary authority can best be achieved by creation of a sanitary authority rather than by sanitary or drainage districts or cities. In making this determination, the county governing body shall consider the following factors:

(a) The ability of the proposed authority to provide sewage disposal or drainage services to the area within the proposed authority;

(b) The effect on both long and short-term rates for patrons within the proposed authority;

(c) The impact, if any, of the proposed authority on adjacent special districts and cities; and

(d) Consistency of the proposed authority with the adopted comprehensive plan of the county within the boundaries of the proposed water authority.

(3) After the county governing body or boundary commission makes the determination under subsection (2) of this section, the county governing body shall by order provide for a public hearing on the proposal. The order shall set forth the date, time and place of the hearing. Notice of the hearing shall be given in the manner provided by ORS 198.800 except that the notice shall state that the governing bodies of the cities or districts have filed a resolution with the county governing body declaring their intention to initiate formation. The hearing and election on the proposal, and election of board members, shall be conducted as provided by ORS 198.800 to 198.825. [1989 c.809 §10]

(Dissolution)

450.788 Law applicable to dissolution of authority. A water authority or a sanitary authority formed under ORS 450.600 to 450.989 may be dissolved in the manner set forth in ORS 198.920 to 198.955 for other districts. [1993 c.577 §12]

Note: 450.788 was added to and made a part of 450.600 to 450.989 by legislative action but was not added to any smaller series therein. See Preface to Oregon Revised Statutes for further explanation.

(Board and Elections)

450.790 Sanitary authority board. (1) The officers of the authority shall be a board of five members elected as provided in ORS 450.793 and 450.795, a chairperson of the board appointed under ORS 450.806 and a manager appointed by the board under ORS 450.806.

(2) Any elector residing within the proposed authority is qualified to be a member of the board of the authority.

(3) Notwithstanding subsection (2) of this section, a person who is an employee of a sanitary authority is not qualified to serve as a member of the board of the sanitary authority by which the person is employed. [1955 c.614 §18; 1983 c.350 §270a; 1989 c.809 §5]

450.793 Election laws applicable. (1) ORS chapter 255 governs the following:

(a) The nomination and election of members of the district board.

(b) The conduct of district elections.

(2) The electors of a district may exercise the powers of the initiative and referendum regarding a district measure, in accordance with ORS 255.135 to 255.205. [1983 c.350 §272b]

450.795 Nomination and election of first board members; terms. (1) The five persons receiving the highest number of votes shall be elected as members of the board.

(2) The terms of the members of the first board shall be determined by lot at their first meeting after their election. The terms of two of the members shall expire June 30 next following the date of the first regular election in the authority. The terms of three of the members shall expire June 30 next following the date of the second regular election in the authority. [1955 c.614 §19; 1971 c.647 §97; 1971 c.727 §§127,196; 1973 c.796 §64; 1975 c.647 §38; 1983 c.350 §271]

450.800 Regular and special elections; terms of members; vacancies. (1) The board may call special elections in the authority to be held on a date specified in ORS 255.345.

(2) Except as provided in ORS 450.795, the term of a board member is four years.

(3) The board shall fill any vacancy on the board as provided in ORS 198.320.

(4) The board may submit to the electors of the district at the regular election any measure which may properly be submitted to the electors. [1955 c.614 §20; 1969 c.669 §10; 1971 c.647 §98; 1973 c.796 §65; 1975 c.647 §39; 1983 c.83 §91; 1983 c.350 §272]

450.802 [1955 c.614 §21; repealed by 1971 c.403 §18]

450.804 [1955 c.614 §22; repealed by 1969 c.669 §21]

(Powers)

450.806 General powers of board; selection of board chairperson; appointment of authority manager. (1) The board is the governing body of the authority and shall exercise all powers thereof.

(2) The board shall every two years appoint one of its members as chairperson to serve for a two-year term. A chairperson so appointed is eligible for reappointment as chairperson.

(3) The board shall appoint a professionally qualified person as manager of the authority. The manager shall serve at the pleasure of the board and receive such compensation as is fixed by the board. [1955 c.614 §23; 2011 c.292 §3]

450.808 General duties of authority manager. The manager of the authority shall, subject to the direction and control of the board, serve as the administrator and supervisor of the functions and operations of the authority and shall perform all duties prescribed by the board. [1955 c.614 §24]

450.810 Board may adopt and enforce ordinances for sanitary purposes. (1) The district board may, for the protection of the health, safety and general welfare of the authority, adopt and enforce all necessary and proper regulations or ordinances for:

(a) The control of sewage disposal and drainage.

(b) The storage, collection, transportation and disposal of solid wastes where such regulations are supplemental to the requirements of the rules of the Environmental Quality Commission adopted pursuant to ORS 459.045, and are necessary to meet special local conditions.

(c) The cleanliness of roads and streets in the authority.

(d) The control of mosquitoes and other insects.

(e) All other sanitary purposes not in conflict with the laws of this state.

(2) Any general ordinance of the district board shall be enacted in accordance with ORS 198.510 to 198.600. [1955 c.614 §26; 1967 c.428 §14; 1969 c.593 §39; 1971 c.268 §17; 1971 c.648 §26; 1973 c.835 §163]

450.815 General powers of authority. For the purpose of carrying out the powers granted to the authority under other provisions of ORS 450.600 to 450.989 and in addition thereto, the authority may:

(1) Have and use a common seal.

(2) Sue and be sued in its name.

(3) Permit the use, by lease or otherwise, of any property of the authority by any other authority, district, city or other governmental agency.

(4) Acquire by purchase, gift, devise, condemnation proceedings or otherwise, such real and personal property and rights of way, either within or without the authority, as in the judgment of the board are necessary or proper to the exercise of its powers, and to pay for and hold the same.

(5) Make and accept contracts, deeds, releases and documents which, in the judgment of the board, are necessary or proper in the exercise of any of the powers of the authority.

(6) Employ and pay necessary agents, employees and assistants.

(7) Lay its sewers and drains in any public street, highway or road in the county, and for this purpose enter upon it and make all necessary and proper excavations, restoring it to its proper condition. However, the consent of the proper city, county or state authorities, as the case may be, shall first be obtained and the conditions of such consent complied with.

(8) Compel all residents and property owners in the authority to connect their houses and structures requiring sewage disposal with adjacent sewers within the authority.

(9) Fix sewer charges and rentals.

(10) Do any act necessary or proper to effect and carry out the purposes for which the authority was formed pursuant to ORS 450.600 to 450.989. [1955 c.614 §25; 2001 c.104 §188]

450.817 Services to other local governments authorized. A sanitary authority may provide any of the services that it is authorized to provide under ORS 450.600 to 450.989 to other local governments as defined in ORS 174.116 situated within the boundaries of the authority at wholesale, retail or a combination of wholesale and retail. [1993 c.577 §14; 2003 c.802 §120]

Note: 450.817 was added to and made a part of 450.600 to 450.989 by legislative action but was not added to any smaller series therein. See Preface to Oregon Revised Statutes for further explanation.

450.820 Authority may maintain garbage collection system and engage in insect control activities. In addition to other powers granted to it under ORS 450.600 to 450.989, the authority may:

(1) Maintain and operate disposal sites and garbage collection systems in compliance with the requirements of ORS 459.005 to 459.437, 459.992 (1) and (2) and 466.995 (1).

(2) Engage in mosquito and other insect control activities. [1955 c.614 §27; 1967 c.428 §15; 1969 c.593 §40; 1971 c.648 §27]

450.825 Plan for sewage disposal and drainage to be developed by authority. As soon as practicable after the election of the first members of the board, the board shall make a study and survey of the existing sewage disposal facilities and systems in the authority and of its sewage disposal needs, both present and future, and prepare an overall coordinated plan for the authority which incorporates, so far as practicable, existing sewage disposal and drainage systems, future sewage treatment plants, including connecting trunk and lateral sewers, and future drainage systems. Such plan shall be revised from time to time as circumstances may require. In preparing the plan or revisions thereto, the board shall take into consideration expected fluctuations in population and in business and industrial activity. [1955 c.614 §28]

450.830 Authority may construct and operate sewage disposal and drainage systems; operation beyond authority boundaries. The sanitary authority may construct, maintain or operate sewage disposal and drainage systems, including sewage treatment plants, trunk and lateral sewers and drains, or any combination thereof, for any area within the authority. Portions of such systems may be constructed outside the authority where necessary or expedient. The authority may furnish sewage disposal service to areas outside the authority on a contract basis. [1955 c.614 §29]

450.835 Contract for or purchase of sewage disposal and drainage systems. A sanitary authority may, in performing the powers conferred by ORS 450.830:

(1) Contract with any person, or enter into intergovernmental agreements under ORS chapter 190, for the use or joint operation of all or any portion of any sewage disposal or drainage system; or

(2) Purchase all or any portion of any sewage disposal or drainage system on such terms as are fair and reasonable. Where the area served by such system, or part thereof, is situated within the authority, the authority may agree, on such terms as are fair and reasonable, to furnish sewage disposal or

drainage functions for the area then served by such sewage disposal or drainage system. Under this subsection, as a part of the purchase agreement and on such terms as are fair and reasonable, the authority may assume liability for any outstanding bonded or other indebtedness incurred prior to the time of purchase in connection with the facilities to be purchased. [1955 c.614 §30; 2003 c.802 §121]

450.837 Water and sanitary authority as municipality for purpose of enforcing plumbing code; limitations. (1) Water authorities and sanitary authorities are municipalities for the purposes of administering and enforcing the plumbing code as provided under ORS 455.150.

(2) However, notwithstanding ORS 455.150 (3), a building official appointed by a water authority or sanitary authority or an inspector acting under the authority and direction of such a building official shall administer and enforce only that portion of the plumbing code governing the installation and maintenance of connections between structures and the mains and sewers of the authority.

(3) Nothing in this section authorizes a building official or inspector of a water authority or sanitary authority to administer or enforce all or part of any specialty code except the plumbing code.

(4) A water authority or sanitary authority shall notify the Director of the Department of Consumer and Business Services not later than May 1 of each year as to whether the authority will or will not exercise the code enforcement power granted by this section. [1989 c.809 §11; 1993 c.577 §33; 1995 c.553 §6]

(Finances)

450.840 Costs for construction and operation of systems and general expenses of sanitary authority; how borne. (1) The cost of construction of a sewage disposal system, including treatment plants and trunk or lateral sewers, or a drainage system shall be borne by the area directly benefited by the system. The property within such area shall bear such cost in the manner provided in ORS 450.855.

(2) The cost of operation and maintenance of sewage disposal systems and drainage systems shall be borne by the area directly benefited by such systems. The property within such area shall bear such cost in the manner provided in ORS 450.880.

(3) The costs and expenses of the authority which are not chargeable under ORS 450.600 to 450.989 to any particular area within the authority such as overall planning, expenses of the board, conduct of elections and hearings and mosquito and other insect control shall be borne by the entire authority in the manner provided in ORS 450.885 (1)(a). [1955 c.614 §31]

450.845 Areas needing sewerage installations to be determined and plans for installations to be made. Whenever the board deems it expedient or necessary for the protection of the public health, safety and welfare to cause to be constructed treatment plants or trunk or lateral sewers or drains, or any combination thereof, the board shall determine the proposed boundaries of the area to be directly benefited thereby and have a registered professional engineer prepare plans and specifications for such plants, sewers or drains. Such plans and specifications must be approved by the Oregon Health Authority and the Environmental Quality Commission and shall be filed in the office of the sanitary authority. Parcels of land which may be served practicably by lateral sewers or drains connected with treatment plants or trunk sewers or drains and are not adequately served by existing plants, sewers or drains, as the case may be, are considered to be directly benefited by the plants, sewers or drains of the sanitary authority. If all or any portion of the cost of construction is to be specially assessed against individual property, the engineer shall include in the plans and specifications, a description of the location and assessed value of each lot, tract or parcel of land, or portion thereof, to be specially benefited by the improvement, with the names of the record owners thereof and an estimate of the unit cost of the improvement to the specially benefited property. [1955 c.614 §32; 2009 c.595 §873]

450.850 Hearing on board's proposed construction plans and estimated special assessments; notice of hearing. (1) After plans and specifications have been prepared and filed as provided in ORS 450.845, the board shall hold a hearing within the authority and may adjourn the hearings from time to time.

(2) The board shall post notice of the time and place of the hearing in at least three conspicuous places in the area directly benefited, for two weeks prior to the hearing and publish such notice in a newspaper of general circulation printed and published in the area once a week for two successive weeks prior to the hearing or, if there is no such newspaper, in a newspaper of general circulation printed and published in the county in which the area, or the largest portion thereof, is situated. Such notice shall contain a statement that the board proposes to construct a sewage treatment plant or trunk or lateral sewers or drains, or any combination thereof, for the area and a statement, if special assessments are to be

levied against property specially benefited, showing the estimated total cost of the improvement which is to be paid for by special assessment of benefited property and the engineer's estimated unit cost of the improvement to the specially benefited property, clearly indicating that this is an estimate and not an assessment; and set forth the proposed boundaries of the area and that all interested persons may appear and be heard. [1955 c.614 §33; 1973 c.399 §1]

450.855 Action board may take at hearing concerning boundaries, installations to be constructed, costs and financing. At the hearing under ORS 450.850 the board may:

(1) Modify the proposed boundaries of the area directly benefited by and to pay for the proposed installations except that no land in the authority which could not be directly benefited by the proposed installation may be included and no land in the authority which could be directly benefited by the proposed installation may be excluded. If it appears that land should be included in the area which was not included within the boundaries designated in the notice of the hearing and that the owners of such land have not appeared at the hearing the board shall adjourn the hearing and give notice to such owners by registered mail, by certified mail with return receipt or by posting and publishing notice in the area to be included in substantially the same manner that notice is given under ORS 450.850 (2). If the notice is given by registered or certified mail, the notice shall be mailed at least 10 days prior to the date fixed for the further hearing. The notice shall contain the date, time and place of the adjourned hearing, a statement that the board proposes to construct sewage treatment plants or trunk or lateral sewers or drains for an area within the authority, a description of the additional area to be included within such area and a statement that all persons interested may appear and be heard.

(2) Determine what installations shall be constructed and the total cost of the construction. The cost of making engineering plans and specifications shall be borne by the area directly benefited by the installation as a part of the construction costs.

(3) Determine the manner in which the property within the area shall bear the cost of the proposed installations. The board may provide, in its sound discretion, that the cost shall be borne by assessments against the property directly benefited, by sewer connection charges, by collection of sewer service charges in the area or, if general obligation bonds are to be issued and sold to finance the construction of the installations, by annual levies of taxes against property in the area, or by any combination of these methods. If all or a part of the cost of the proposed installations are to be borne by assessments against the property directly benefited, the board may, in its sound discretion, levy the assessments in an amount based upon the engineer's estimate of the cost, or may delay the assessments until the total cost of the installation is determined. Such cost shall be apportioned, so far as practicable, in accordance with the special and peculiar benefit each parcel of land in the area could receive from the installation. Where parcels of land in the area are partially or wholly undeveloped or are devoted to uses which in no way require sewage disposal service, the board may, in its sound discretion, defer assessing, imposing or levying all or any part of the assessments, sewer service charges or taxes against such parcels until the parcels or the undeveloped portions thereof are connected with the installations.

(4) Determine the method of financing the construction of the proposed installations and the amount and type of bonds, if any, to be issued and sold under ORS 450.895 to 450.920 to finance the construction of the proposed installations. [1955 c.614 §34; 1973 c.399 §2; 1977 c.621 §1; 1991 c.249 §37]

450.860 Portion of installation construction costs in an authority chargeable to area benefited. When in providing sewage disposal or drainage systems for an area within the authority the board determines that any portion of sewage treatment plants or trunk or lateral sewers or drains constructed or acquired, or being constructed or acquired, by the authority, will be used by the area, a fair and equitable portion of the original cost of such plants, sewers or drains and of improvements thereto, less depreciation, shall be charged to the area on an assessment or sewer service charge basis, or any combination thereof. The proceeds of such assessments or charges shall be used by the board, in its discretion, for payment of bonds issued to construct such plants, sewers or drains or for future improvements or additions to or maintenance of such plants, sewers or drains. The determination made under this section shall be made at the hearing of the board in connection with any proposed construction of sewage disposal or drainage systems for the area. [1955 c.614 §57]

450.865 Ordinance specifying action of board at hearing; remonstrances. (1) After the board has concluded the hearing under ORS 450.850 and 450.855 it may adopt an ordinance specifying the installations to be constructed for the area, the boundaries of the area, the method of apportioning the construction cost to the area directly bene-

fited, whether by assessment, by sewer connection charges, by sewer service charges or annual levy, or combinations thereof, and the method of financing the construction of the installations. A copy of the ordinance shall be published once a week for two successive weeks in a newspaper of general circulation printed and published in the area directly benefited or, if there is no such newspaper, in a newspaper of general circulation printed and published in the county in which the area, or the largest portion thereof, is situated.

(2) If within 30 days after the last publication of such ordinance written remonstrances against the proposed construction are filed in the office of the authority by a majority of the owners of the land in the area directly benefited, no further proceedings shall be had in connection with the proposed construction. However, a modified proposal may be initiated within six months thereafter.

(3) If such remonstrances are not filed by a majority of the owners of the land in the area directly benefited, the board may proceed with the construction of the installation in accordance with the ordinance. [1955 c.614 §35; 1973 c.399 §3]

450.867 Election on ordinance adopted under ORS 450.865. (1) If the ordinance adopted under ORS 450.865 specifies that all or a part of the cost of construction of the installation is to be financed through the sale of general obligation bonds of the authority to be repaid by annual levies of taxes against property in the area, the board may call an election within the area to be directly benefited by the construction on the question of whether or not the construction and financing plan adopted by the ordinance should be implemented by the board. The date of the election and a brief description of the proposition to be voted upon shall be included in the ordinance adopted under ORS 450.865.

(2) If a majority of the electors voting on the question at the election vote against the proposal, there shall be no further proceedings in connection with the proposed construction. However, a modified proposal may be initiated within six months after the date of the election.

(3) If a majority of the qualified electors voting at the election approve the proposal, the board may proceed with the construction of the installation in accordance with the ordinance, subject to the right of property owners within the area to remonstrate under ORS 450.865. [1973 c.399 §6; 1975 c.647 §40; 1983 c.350 §273]

450.870 Assessments against benefited property. (1) All assessments made pursuant to ORS 450.855 (3) shall be determined and made by an order of the board adopted in accordance with such procedures as shall be established by a general ordinance adopted by the board. Such general ordinance shall establish a procedure for assessing property directly benefited by the installation, making supplementary assessments and rebates, notice of the proposed assessment, provide for correction of errors, establish the form of the assessment order and such other procedures as are necessary to the adoption of the assessment order. It shall not be necessary to issue a separate order for each parcel of land, and any number of parcels in the same area and the same county may be included in one order. A copy of the order making an assessment, certified and acknowledged by the manager of the authority, shall be filed with the county clerk of the county in which the land is located. Upon being filed, the assessment shall constitute a lien against the land assessed.

(2) Notice of all assessments levied by an authority shall be given to the landowner by mail and shall be payable on the 30th day after such notice is mailed unless agreements for payment of such installments are made pursuant to ORS 223.205 and 223.210 to 223.295. All assessments shall be paid to the authority and a receipt shall be issued therefor. From time to time the board shall order the satisfaction of the liens against lands on which assessments have been paid, and a copy of such order shall be filed with the county clerk of the county in which the lands are located. [1955 c.614 §36; 1973 c.399 §4; 1977 c.621 §2; 1995 c.333 §23; 2001 c.215 §8]

450.875 Collection of delinquent assessments by lien foreclosure procedure; reassessment procedure. (1) In case the whole or any portion of the cost of sewage treatment plants, trunk or lateral sewers or drains is assessed against property directly benefited and the owner of the property fails to pay the amount of the lien, or any portion thereof, or the interest thereon, when due, the board may proceed to foreclose the lien in any manner provided by law for the collection of liens by local governments as defined in ORS 174.116 and may provide by ordinance a general procedure for the collection of liens in any manner not inconsistent with law.

(2) The provisions of ORS 223.405 to 223.485 relating to reassessment shall be available to sanitary authorities where applicable. [1955 c.614 §37; 2003 c.802 §122]

450.880 Sewer service charges. (1) The authority may adopt ordinances imposing sewer service charges within an area within

the authority, for the purpose of financing the improvement, operation and maintenance of a sewage disposal or drainage system acquired or constructed by the authority for the area.

(2) The board may contract with any city or district serving water in such area to collect such service charges with the water bills, and the serving agency may cut off water for nonpayment of such service charges. The board may pay the water-serving agency for the reasonable cost of such collection services.

(3) Service charges may also be collected and enforced in substantially the manner provided in ORS 454.225. [1955 c.614 §38; 1983 c.740 §174]

450.885 Tax levies on property in the authority; budget for authority. (1) The authority may, annually as provided in this section:

(a) Levy a tax on all the property in the authority to provide funds with which to pay expenses of the authority and pay general obligation bonds of the authority which expenses and bonds are not chargeable under ORS 450.600 to 450.989 to any particular area in the authority.

(b) Levy an additional tax on the property in any particular area within the authority to provide funds with which to pay any part of the principal and interest on general obligation bonds which are to be paid by such area where sewer service charges or assessments will not be sufficient to pay such principal and interest.

(2) Assessment and collection of taxes levied on property within the authority shall be made by the county officers charged with assessment and collection of other property taxes in the county in which the property lies.

(3) Each year, immediately after the necessary records are made, the county assessor of each county in which the authority is situated shall transmit to the board a statement in writing, showing the total value of all property within the authority and within each area within the authority which is subject to levy under subsection (1)(b) of this section as ascertained for that year from the assessment rolls of each county in which property of the authority lies.

(4) The board shall prepare a budget in the form, manner and time prescribed in the Local Budget Law and in accordance therewith fix the amount of money to be raised by taxation for carrying out its functions and activities and for the payment of the principal and interest of outstanding indebtedness of the authority which will become due during the year. The board shall determine the amount of taxes to be raised from the entire authority and the additional amount to be raised from each of the areas within the authority which are directly benefited by particular installations.

(5) The board shall, in the manner and time prescribed by law, transmit to the county assessor of each county a statement of taxes which are to be collected in such county. If the board fails to levy taxes under this section sufficient to pay the interest on and the maturing principal of all outstanding general obligation bonds of the entire authority or on property in areas which are primarily obligated to pay the bonds, the governing body of the counties in which the authority is situated shall cause such taxes to be levied, extended and collected and, if necessary, cause a tax on all the property in the authority to be levied, extended and collected to pay general obligation bonds of the authority. However, any levy against all property in the authority under this subsection shall not alter or limit the obligation of the area primarily obligated on the bonds as between such area and the authority. [1955 c.614 §39; 1995 c.79 §225]

450.890 Collection of taxes; taxes are liens on property. (1) Taxes levied under ORS 450.885 shall be collected at the same time and in the same manner as county taxes are collected and, when collected, shall be paid to the sanitary authority. Taxes collected to pay expenses or obligations of a particular area shall be credited to separate accounts or funds of the authority to be used for such purposes.

(2) The taxes shall be a lien upon the property against which they are levied and shall be of the same force and effect as other liens for taxes. Their collection shall be enforced by the same means as provided for the enforcement of liens for county property taxes. [1955 c.614 §40; 1975 c.122 §1; 2001 c.215 §9]

450.895 Bonds, general obligation or revenue or combination of both; bonds to mature serially and be paid in installments. The authority may, when authorized by a majority of the votes cast at an election by electors of the authority, issue general obligation bonds or revenue bonds, or a combination of both, for the purpose of paying the cost of acquisition or construction, operation and maintenance of sewage treatment plants or trunk or lateral sewers or drains for any area or areas within the authority or to carry out any other purpose authorized under ORS 450.600 to 450.989. Each issue of general obligation bonds shall be the general obligation of the entire authority but shall be the primary obligation of the area directly benefited by the sewage treatment plant or trunk or lateral sewers

or drains constructed with the proceeds of each issue of such bonds and paid by assessment, annual levy or sewer service charges, or combinations thereof, as determined by the board under ORS 450.855. Revenue bonds shall be payable solely out of designated revenues of the authority and shall not be deemed to be a general obligation of the authority or a charge upon its tax revenues. All bonds issued shall mature serially within not to exceed 30 years from date of issue, and shall be paid in annual installments of such amounts as will make the combined amount of principal and interest payable each year as nearly equal as practicable during the years of payment. [1955 c.614 §41]

450.897 Bancroft Bonding Act applicable. Sanitary authorities organized under ORS chapter 450 that are in existence on November 1, 1981, or thereafter, are authorized to use the bonding provisions of ORS 223.205 to 223.314. [1981 c.351 §1; 1991 c.902 §113; 1997 c.249 §151]

Note: 450.897 was enacted into law by the Legislative Assembly but was not added to or made a part of ORS chapter 450 or any series therein by legislative action. See Preface to Oregon Revised Statutes for further explanation.

450.900 Election on bond issues; limitation on indebtedness. (1) Before issuing any bonds under ORS 450.895, the board at a regular meeting shall call an election and submit to the electors of the authority the question whether bonds of the authority, either general obligation, revenue, or a combination of both, shall be issued and sold to raise money for the construction of sewage treatment plants or trunk or lateral sewers or drains for any area or areas within the authority.

(2) The order calling a bond election shall be signed by not less than four members of the board and may submit to the electors as one proposal the question of issuing bonds to finance one or more sewage treatment plants or trunk or lateral sewers or drains; or the order may submit as separate questions the issuance of bonds for any sewage treatment plants or trunk or lateral sewers or drains in such combinations as the order may direct.

(3) The authority's total outstanding bonds of all kinds, including improvement bonds of the kind authorized by ORS 223.205 and 223.210 to 223.295, and revenue bonds shall at no time exceed in the aggregate 13 percent of the real market value of all property by law assessable for state and county purposes within the authority as reflected in the last roll certified under ORS 311.105. [1955 c.614 §42; 1981 c.804 §102; 1983 c.83 §92; 1991 c.459 §404; 1995 c.79 §226]

450.905 Notice of bond election. Notice of a bond election shall contain:

(1) The information required by ORS 255.085 (3).

(2) If general obligation bonds, which are to be paid by particular areas in the authority, are to be issued, a statement that the bonds will be the general obligation of the entire authority but will be the primary obligation of the areas in the authority which will be directly benefited by the sewage treatment plants or trunk or lateral sewers or drains constructed with the proceeds of the bonds and paid through assessment, annual levy, or sewer service charges, or combinations thereof, as determined by the board under ORS 450.855 and designating specifically the boundaries of such area or areas.

(3) If revenue bonds are to be issued, a statement that the bonds will be payable solely out of designated revenues of the authority and will not be a general obligation of the authority or a charge upon the tax revenues of the authority. [1955 c.614 §43; 1971 c.647 §99; 1975 c.647 §41; 1989 c.923 §20]

450.910 [1955 c.614 §44; repealed by 1971 c.647 §149]

450.915 Issuance of bonds. If, at the bond election, a majority of the votes cast is in favor of the issuance of bonds, the board may issue the bonds as prescribed in ORS chapter 287A. [1955 c.614 §45; 1969 c.694 §11; 1975 c.642 §24; 1977 c.188 §4; 1981 c.526 §6; 2001 c.215 §10; 2007 c.783 §188]

450.920 Disposition of proceeds of sale of bonds. The proceeds of the sale of bonds shall be deposited with the county treasurer who is custodian of the funds of the authority and shall be placed by the county treasurer in the sanitary authority fund and credited to a special account or accounts which are designated for use for the particular purpose or purposes for which the bond proceeds are to be used. The proceeds of such bonds shall be used solely for the purpose or purposes indicated in the order calling for election upon the question of the issuance of the bonds and for no other purpose. However, the proceeds of the sale of the bonds may be used for payment of the principal and interest of such bonds and expenses of the formation of the authority. [1955 c.614 §46]

450.925 Issuance of refunding bonds. (1) The board may, without authorization from the electors, issue refunding bonds for the purpose of refunding outstanding bonds issued under ORS 450.895 to 450.920.

(2) The provisions of ORS 287A.360 to 287A.380 are applicable to refunding bonds issued and sold under this section.

(3) The refunding bonds may be issued to refund bonds originally issued or to refund

bonds previously issued for refunding purposes and for no other purpose. [1955 c.614 §47; 2007 c.783 §189]

450.930 Redemption of bonds before maturity dates. In its discretion, the board may issue bonds of the authority with reservation of the right to redeem them for retirement or refunding purposes prior to the final dates of maturity. [1955 c.614 §48; 1983 c.347 §28]

450.935 [1955 c.614 §49; 1983 c.124 §11; 1993 c.97 §27; repealed by 2007 c.783 §234]

450.940 [1955 c.614 §50; repealed by 1995 c.333 §37]

450.945 Custody and disbursement of authority funds by county treasurer. (1) The county treasurer of the county in which the authority, or the largest area thereof, is situated shall be custodian of all sanitary authority taxes paid to the county treasurer in accordance with ORS 450.890 and such other funds that the authority may pay to the county treasurer for deposit to the credit of the authority. The county treasurer shall pay out moneys of the authority only upon written order of the board, signed by the chairperson of the board and countersigned by the manager of the authority. However, where the board has authorized the manager to approve and order the payment of claims in the amount of $500 or less, the treasurer shall pay out moneys of the authority on such orders of the manager.

(2) The order shall specify the name of the person to whom the money is to be paid, the fund from which it is to be paid and shall state generally the purpose for which payment is to be made.

(3) A copy of the order shall be filed in the records of the board. The county treasurer shall keep the order as a voucher and shall keep account of the receipts and disbursements of money for the sanitary authority.

(4) The county treasurer shall keep separate accounts and funds, where necessary, to segregate the various operations and construction projects of the authority.

(5) Notwithstanding the provisions of subsections (1) to (4) of this section, any funds of the authority other than taxes may be deposited, at the discretion of the board, in one or more banks or savings and loan associations to be designated by the board. Funds deposited in a bank or savings and loan association shall be withdrawn or paid out only upon proper order and warrant or check signed by the chairperson and countersigned by the manager. [1955 c.614 §51; 1975 c.122 §2]

(Programs for Employees)

450.947 Contracts for medical, dental and hospital services; insurance for employees; effect of failure to contract. (1) An authority may enter into contracts for medical, dental and hospital services or insurance covering employees of the authority for life, accidental death and dismemberment, weekly wage indemnity during disability, dental care, remedial care and hospital benefits. Failure to obtain insurance or service contracts shall not be construed as negligence or lack of diligence on the part of the board or the members thereof.

(2) As used in this section, "remedial care" includes services rendered by a person licensed to practice one or more of the healing arts within the scope of the license of the person or any other remedial care recognized under the law of this state. [1973 c.399 §8]

450.949 Payment of contract costs by authority and by employee; multiple contracts; qualification of insurer or hospital association. (1) The authority may agree to pay none, part or all of the premiums or charges on insurance or service contracts, and it may collect from the salary of any employee covered by the contract the percentage of the premiums or charges the employee is required to provide pursuant to the contract. Contributions for premiums or charges by employees shall be only on a voluntary basis.

(2) The authority may negotiate more than one contract with one or more companies or associations if necessary to obtain optimum coverage at minimum cost.

(3) No premium or other periodic charge on any insurance or service contract shall be paid unless the insurer or hospital association issuing such policy or contract is authorized to transact business as an insurance company or hospital association in this state. [1973 c.399 §9]

450.950 [1955 c.614 §52; repealed by 1971 c.727 §203]

450.955 [1955 c.614 §53; repealed by 1971 c.727 §203]

450.960 [1955 c.614 §54; repealed by 1971 c.727 §203]

450.963 Employees' retirement system. (1) An authority may establish an employees' retirement system pursuant to ORS 450.963 to 450.973. The authority may enter into agreements necessary to establish the system and carry out the plan and may agree to modifications of such agreements from time to time.

(2) The retirement plan may provide for retirement benefits measured on the basis of services rendered or to be rendered by an employee, either before or after the date on which such employee first becomes a member of the retirement plan. The retirement plan may provide for a minimum of years of ser-

vice and a minimum and maximum age of retirement for the employee. [1973 c.399 §10]

450.965 [1955 c.614 §55; repealed by 1971 c.727 §203]

450.967 Funding of retirement plan. The authority may budget and provide for payment into the fund of the retirement plan an amount sufficient:

(1) To provide, on an actuarial reserve basis, the amortized level premium cost of the retirement benefits which, under the provision of the retirement system, are to be provided by the authority to its employees who attain the retirement age or retire in accordance with the terms of the retirement plan.

(2) To meet the actuarially computed costs of retirement benefits measured on the basis of services rendered or to be rendered by an employee before or after the date on which such employee becomes a member of the retirement plan. [1973 c.399 §11]

450.970 [1955 c.614 §56; repealed by 1971 c.727 §203]

450.971 Employee contribution. The authority may collect, as a contribution from any employee, that percentage of the salary received by the employee which is necessary to fund on an actuarial reserve basis the cost of retirement benefits which the employee is required to provide pursuant to the provisions of the retirement plan. [1973 c.399 §12]

450.973 Eligibility for retirement plan. Nothing in ORS 450.947 to 450.977 authorizes the authority to budget, provide for payments or collect contributions to fund retirement benefits for an individual who is not in the employment of the authority at the time of the creation of a membership status under a retirement plan. [1973 c.399 §13]

450.975 [1955 c.614 §58; repealed by 1971 c.727 §203]

450.977 Tax levy to finance programs under ORS 450.947 to 450.977. Expenses incurred by a district in establishing programs or providing benefits authorized by ORS 450.947 to 450.977 are expenses for which an authority may levy taxes as provided in ORS 450.885. [1973 c.399 §7]

(Miscellaneous)

450.980 Procedure for testing proceedings and acts of sanitary authorities. The provisions of ORS 261.605 to 261.630 relating to court proceedings to test the validity of acts and proceedings of People's Utility Districts hereby are made applicable, so far as practicable, to the proceedings and acts of sanitary authorities. [1955 c.614 §59]

450.985 Authority of South Suburban Sanitary District of Klamath Falls to incur indebtedness. (1) Subject to subsections (3) to (6) of this section, the South Suburban Sanitary District of Klamath Falls, Oregon, may incur indebtedness by borrowing money from financial institutions or issuing revenue bonds and using real property of the district to secure the loan or provide security for payment of the bonds.

(2) No recourse shall be had for payment of a loan made under this section, or interest thereon, against the general fund of the district, nor shall the credit or taxing power of the district be deemed to be pledged thereto.

(3) The governing body of the district, prior to borrowing money or issuing revenue bonds under subsections (1) and (2) of this section, must find that the real property tendered as security for the loan or bonds is:

(a) Not designated for use as park or open space land; and

(b) Surplus to the needs of the district.

(4) Prior to incurring indebtedness under subsections (1) and (2) of this section, the governing body of the district shall adopt an ordinance authorizing the indebtedness and shall submit the ordinance to the electors of the district for approval. The ordinance shall take effect and the indebtedness shall be incurred only upon approval of the ordinance by a majority of those voting upon the question.

(5) Loans made or revenue bonds issued under subsections (1) and (2) of this section and secured by real property of the district shall bear interest at the rate per annum fixed by the governing body of the district after consultation with the State Treasurer.

(6) Prior to foreclosure of real property used to secure a loan made or revenue bonds issued under subsections (1) and (2) of this section, the governing body of the district shall submit to the electors of the district the question of levying upon the taxable property within the district a sum sufficient to pay the principal and interest due on a loan made or revenue bonds issued under subsections (1) and (2) of this section. Upon approval by a majority of those voting on the question, the governing body shall levy the tax and pledge the revenues derived therefrom toward the discharge of the obligation incurred under subsections (1) and (2) of this section.

(7) As used in this section:

(a) "District" means the South Suburban Sanitary District of Klamath Falls, Oregon.

(b) "Financial institution" means a state or national bank, a mutual savings bank or a savings association. [1981 c.284 §§1,2,3,4,5,6]

Note: 450.985 was enacted into law by the Legislative Assembly but was not added to or made a part of ORS chapter 450 or any series therein by legislative action. See Preface to Oregon Revised Statutes for further explanation.

MISCELLANEOUS

450.987 Annexation by city of water or sanitary authority territory. Upon formation of a water authority or sanitary authority, a city may annex territory situated within the boundaries of the water authority or sanitary authority, but shall not remove any water mains, sewers and drains, service installations, reservoirs, structures, facilities and other improvements or any service provision capability from the water or sanitary authority unless the county governing body or boundary commission determines that:

(1) Withdrawal of the territory or improvements from the water or sanitary authority will have no substantial adverse impact on the ability of the water or sanitary authority to provide service to the remaining territory;

(2) The withdrawal is not solely for the tax advantage of a property owner;

(3) The withdrawal will not result in noncontiguous parcels being served by the water or sanitary authority; and

(4) The water or sanitary authority cannot provide adequate service to the subject territory within a reasonable time. [Formerly 450.670; 1993 c.577 §34]

450.988 Filing boundary change with county assessor and Department of Revenue. For purposes of ad valorem taxation, a boundary change must be filed in final approved form with the county assessor and the Department of Revenue as provided in ORS 308.225. [2001 c.138 §32]

450.989 Apportionment of cost among serviced property owners; determination by authority. (1) If any person is required by an authority to pay the cost of extending a sewer main adjacent to another person's property so that sewer service for domestic use is provided for that other property without further extension of the sewer main, the authority may require the owner of the other property to refund to the authority for disbursement to the person required to pay the cost of extending the sewer main, a portion of the cost of the extension.

(2) The board may adopt an ordinance specifying the method of apportioning the construction costs to the property served and establishing a procedure for application for and payment of a refund.

(3) The right to require a refund under this section shall not continue for more than 10 years after the date of installation of the sewer main.

(4) The amount to be refunded shall be determined by the authority and such determination shall be final.

(5) The authority may refuse to provide sewer service until a refund is paid. [1983 c.435 §2]

PENALTIES

450.990 Penalties. Violation of any regulation or ordinance under ORS 450.085 is a Class C misdemeanor. [Amended by 2011 c.597 §202]