

HOUSE BILL 554

IN THE HOUSE

February 3, 1979	Introduced and referred to Committee on Natural Resources.
February 5, 1979	Rereferred to Committee on Local Government.
February 16, 1979	Committee recommend bill, do pass.
February 17, 1979	On motion, postponed until the 42nd Legislative Day.
February 21, 1979	Second reading, do not pass.

1 HOUSE BILL NO. 554
 2 INTRODUCED BY VINCENT Edward Kamaria Skelders

3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR THE
 5 ORGANIZATION, FINANCING, ADMINISTRATION, OPERATION, AND
 6 MAINTENANCE OF A COUNTY ALTERNATIVE ENERGY DISTRICT; AND
 7 AMENDING SECTIONS 7-13-2202, 7-13-2203, 7-13-2210,
 8 7-13-2211, 7-13-2214, 7-13-2218, 7-13-2221, 7-13-2301, AND
 9 7-13-2302, MCA."

10
 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Section 7-13-2202, MCA, is amended to read:

13 "7-13-2202. Interpretation. (1) Nothing in this part
 14 and part 23 shall be so construed as repealing or in any
 15 wise modifying the provisions of any other act relating to
 16 water or sewers or the supply of water to or the acquisition
 17 thereof or to the generation, acquisition, or distribution
 18 of electrical energy or any form of energy derived from
 19 alternative technologies as defined in [this part]; by
 20 counties or municipalities within this state.

21 (2) The terms "alternative forms of energy" and
 22 "alternative technologies" as used in this part are limited
 23 to magnetohydrodynamics and fluidized bed conversion and
 24 technologies which rely upon nonfossil and nonnuclear fuels
 25 and techniques for energy generation."

1 Section 2. Section 7-13-2203, MCA, is amended to read:

2 "7-13-2203. County water and/or sewer districts or
 3 alternative energy districts authorized. (1) A county water
 4 and/or sewer district or an alternative energy district may
 5 be organized and incorporated and managed as herein
 6 expressly provided and may exercise the powers herein
 7 expressly granted or necessarily implied.

8 (2) The people of any county or counties or portion of
 9 a city or a county or city and county or any combination of
 10 these political divisions, whether such portion includes
 11 unincorporated territory or not, in the state of Montana,
 12 may organize a county water and/or sewer district or an
 13 alternative energy district under the provisions of this
 14 part and part 23 by proceeding as therein provided.

15 (3) Alternative energy districts organized pursuant to
 16 this part and part 23 are public utilities as defined in
 17 69-3-101 and are governed by Title 69, chapter 3."

18 Section 3. Section 7-13-2210, MCA, is amended to read:

19 "7-13-2210. Notice of election. (1) The notice of
 20 election required by 7-13-2208 shall describe the boundaries
 21 so established and shall state the proposed name of the
 22 proposed incorporation (which name shall contain the words
 23 ".... county water and/or sewer district" or "....county
 24 alternative energy district").

25 (2) This notice shall be published once each week for

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1 2 consecutive weeks in a newspaper printed and published in
 2 every county in which said district lies. The first
 3 publication shall be made at least 2 weeks before the time
 4 at which the election is to be held."

5 Section 4. Section 7-13-2211, MCA, is amended to read:

6 "7-13-2211. Conduct of election on question of
 7 creating district. (1) The election on the question of
 8 creating the district shall be conducted, the vote
 9 canvassed, and the result declared in the same manner as
 10 provided by law in respect to general elections, so far as
 11 they may be applicable, except as otherwise provided in this
 12 part and part 23.

13 (2) At such election the proposition to be submitted
 14 shall be: "Shall the proposition to organize county
 15 water and/or sewer district or alternative energy district
 16 under parts 22 and 23 of chapter 13 of Title 7 be adopted?"

17 (3) Within 4 days after such election, the vote shall
 18 be canvassed by the board of county commissioners."

19 Section 5. Section 7-13-2214, MCA, is amended to read:

20 "7-13-2214. Order creating district upon sufficient
 21 favorable vote. (1) If at least 40% of all registered voters
 22 residing within the proposed district have voted and if a
 23 majority of the votes cast at such election in each
 24 municipal corporation or part thereof and in the
 25 unincorporated territory of each county included in such

1 proposed district shall be in favor of organizing such
 2 county district, said board of county commissioners of each
 3 such county shall, by an order entered on its minutes,
 4 declare the territory enclosed within the proposed
 5 boundaries duly organized as a county water and/or sewer
 6 district or alternative energy district under the name
 7 theretofore designated.

8 (2) The county clerk of each such county shall
 9 immediately cause to be filed with the secretary of state
 10 and shall cause to be recorded in the office of the county
 11 recorder of the county or each county in which such district
 12 is situated a certificate stating that such a proposition
 13 was adopted."

14 Section 6. Section 7-13-2218, MCA, is amended to read:

15 "7-13-2218. District powers related to water and
 16 sewer, and alternative energy projects. (1) Any water and/or
 17 sewer district incorporated as provided in this part shall
 18 have power to:

19 ~~++(a)~~ construct, purchase, lease, or otherwise
 20 acquire and operate and maintain water rights, waterworks,
 21 sanitary sewerworks, storm sewerworks, canals, conduits,
 22 reservoirs, lands, and rights useful or necessary to store,
 23 conserve, supply, produce, convey, or drain water or sewage
 24 for purposes beneficial to the district; such purposes to
 25 include but not be limited to flood prevention, flood

1 control, irrigation, drainage, municipal and industrial
2 water supplies, domestic water supplies, wildlife,
3 recreation, pollution abatement, livestock water supply, and
4 other similar purposes;

5 ~~(2)~~(b) store water for the benefit of the district;
6 conserve water for future use; appropriate, acquire, and
7 conserve water and water rights for the purposes of the
8 district; commence, maintain, intervene in, and compromise,
9 in the name of the district, and assume the costs of any
10 action or proceeding involving or affecting the ownership or
11 use of waters, water rights, or sewer rights within the
12 district used or useful for any purpose of the district or a
13 benefit to any land situated therein;

14 ~~(3)~~(c) commence, maintain, intervene in, defend, and
15 compromise actions and proceedings to prevent interference
16 with or diminution of the natural flow of any stream or
17 natural subterranean supply of waters used or useful for any
18 purpose of the district or a common benefit to the lands
19 within the district or its inhabitants;

20 ~~(4)~~(d) commence, maintain, and defend actions and
21 proceedings to prevent any interference with the aforesaid
22 waters or rights as may endanger the inhabitants or lands of
23 the district;

24 ~~(5)~~(e) lease of and from any person, firm, or public
25 or private corporation, with the privilege of purchase or

1 otherwise, existing water rights, waterworks, sewerworks,
2 canals, or reservoir systems; and carry on and maintain the
3 same;

4 ~~(6)~~(f) sell water or the use thereof for household or
5 domestic use or other similar purposes and, whenever there
6 is a surplus of water, sell or otherwise dispose of the same
7 to municipalities or towns or to consumers located within or
8 without the boundaries of the district.

9 (2) Any alternative energy district may:

10 (a) build, own, operate, lease, and maintain, within
11 or outside its boundaries, alternative forms of energy
12 generation, and facilities for the distribution of such
13 energy;

14 (b) acquire rights-of-way, easements, and real
15 property, within or outside its boundaries, by purchase or
16 lease; and

17 (c) purchase and sell gas, electricity, or other forms
18 of energy. Such sale may be by distribution, metered or
19 otherwise, directly to consumers within the district, or to
20 public utilities and rural electric cooperatives;

21 (d) enter into agreements with public utilities and/or
22 rural electric cooperatives for access to electrical or
23 other energy transmission and/or distribution systems, and
24 for access to electric power generated and distributed by
25 public utilities and rural electric cooperatives."

1 Section 7. Section 7-13-2221, MCA, is amended to read:
 2 "7-13-2221. Powers related to district finances. Any
 3 district incorporated as provided in this part shall have
 4 power to:
 5 (1) accept funds and property or other assistance,
 6 financial or otherwise, from federal, state, and other
 7 public or private sources for the purposes of aiding the
 8 construction or maintenance of water or sewer development
 9 projects and projects undertaken by the county alternative
 10 energy district;
 11 (2) cooperate and contract with the state or federal
 12 government or any department or agency thereof in furnishing
 13 assurances for and meeting local cooperation requirements of
 14 any alternative energy project, or project involving
 15 control, conservation, and use of water;
 16 (3) borrow money and incur indebtedness and issue
 17 bonds or other evidence of such indebtedness; also refund or
 18 retire any indebtedness or lien that may exist against the
 19 district or property thereof;
 20 (4) cause taxes to be levied in the manner provided
 21 for in this part and part 23 for the purpose of paying any
 22 obligation of the district and to accomplish the purposes of
 23 this part and part 23 in the manner provided in this part
 24 and part 23."
 25 Section 8. Section 7-13-2301, MCA, is amended to read:

1 "7-13-2301. Establishment of charges for services. (1)
 2 The board of directors shall fix all water, and sewer, or
 3 energy rates and shall, through the general manager, collect
 4 the sewer charges, and the charges for the sale and
 5 distribution of water to all users, or the energy charges.
 6 (2) The board in the furnishing of water, sewer
 7 service, energy service, or other services, and facilities
 8 shall fix such rate, fee, toll, rent, or other charge as
 9 will pay the operating expenses of the district, provide for
 10 repairs and depreciation of works owned or operated by it,
 11 pay the interest on any bonded debt, and so far as possible,
 12 provide a sinking or other fund for the payment of the
 13 principal of such debt as it may become due.
 14 (3) Notwithstanding any other section of this part or
 15 part 22 or limitation imposed therein and when the board has
 16 applied for and received from the federal government any
 17 money for the construction, operation, and maintenance of
 18 treatment services and works, the board may adopt a system
 19 of charges and rates to require that each recipient of
 20 treatment works services pays its proportionate share of the
 21 costs of operation, maintenance, and replacement and to
 22 require industrial users of treatment works to pay the
 23 portion of the cost of construction of the treatment works
 24 which is allocable to the treatment of that industrial
 25 user's wastes."

1 Section 9. Section 7-13-2302, MCA, is amended to read:
 2 "7-13-2302. Levy of taxes to meet bond obligations and
 3 other expenses. (1) If from any cause the revenues of the
 4 district shall be inadequate to pay the interest or
 5 principal of any bonded debt as it becomes due or any other
 6 expenses or claims against the district, then the board of
 7 directors must (at least 15 days before the first day of the
 8 month in which the board of county commissioners of the
 9 county, city and county, or counties in which such district
 10 is located are required by law to levy the amount of taxes
 11 required for county or city and county purposes) furnish to
 12 the board or boards of county commissioners and to the
 13 auditor or auditors, respectively, an estimate in writing:
 14 (a) of the amount of money required by the district
 15 for the payment of the principal of or interest on any
 16 bonded debt as it becomes due;
 17 (b) of the amount of money required to establish
 18 reasonable reserve funds for either of said purposes,
 19 together with a description of the lands benefited thereby,
 20 as stated by the board of directors in the resolution
 21 declaring the necessity to incur such bonded indebtedness;
 22 and
 23 (c) of the amount of money required by the district
 24 for any other purpose set forth in this section.
 25 (2) The board of county commissioners of such county

1 or city and county, annually, at the time and in the manner
 2 of levying other county or city and county taxes, must:
 3 (a) until any such bonded debt is fully paid, levy
 4 upon the lands so benefited and cause to be collected the
 5 proportionate share to be borne by the land located in their
 6 county of a tax sufficient for the payment thereof, to be
 7 known as the district bond tax; and
 8 (b) until all other expenses or claims are fully paid,
 9 levy upon all of the lands of the district and cause to be
 10 collected the proportionate share to be borne by the land
 11 located in their county of a tax sufficient for the payment
 12 thereof, to be known as the district water and/or
 13 sewer tax or the district alternative energy tax.
 14 (3) Such taxes for the payment of any such bonded debt
 15 shall be levied on the property benefited thereby, as stated
 16 by the board of directors in the resolution declaring the
 17 necessity therefor, and all taxes for other purposes shall
 18 be levied on all property in the territory comprising the
 19 district."

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