

**ACT 90**  
**Bighorn-Desert View Water Agency Law (1969 ch 1175)**

[Added Stats 1969 ch 1175, effective August 31, 1969. Amended Stats 1970 ch 104 operative January 1, 1971; Stats 1970 ch 447; Stats 1975 ch 586, operative July 1, 1976; Stats 1982 ch 1035; Stats 1983 ch 564; Stats 1984 ch 696, 1128; Stats 1985 ch 950; Stats 1989 ch 570.]

AN ACT to provide for the organization and government of the Bighorn-Desert View Water Agency, prescribing its organization, management, and other powers and duties.

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**§1. Citation of act**

This act is designated, and may be cited and referred to as, the “Bighorn-Desert View Water Agency Law.”

**§2. Creation of agency; Description of territory**

The Bighorn-Desert View Water Agency is hereby created, organized and incorporated and shall be managed as herein expressly provided and may exercise the powers herein expressly granted or necessarily implied, and may include contiguous or noncontiguous parcels of both unincorporated and incorporated territory, and shall include all territory lying within the following described boundaries:

All that real property situate in the County of San Bernardino, State of California, more particularly described as follows:

(a) Township 3 North, Range 4 East, San Bernardino Base and Meridian:

Section 7

Section 8

Section 11

South 1/2 Section 2

Southwest 1/4 Section 12

Section 13, excluding the North 1/2 of the Northeast 1/4

Section 14

Section 15

Section 16

Section 17

East 1/2 Section 18

Northeast 1/4, Northeast 1/4, Section 20

North 1/2 Section 21

North 1/2 Section 22

(b) Township 3 North, Range 5 East, San Bernardino Base and Meridian:

South 1/2South 1/2, Southwest 1/4, Section 4

Section 8

Northwest 1/4 and South 1/2, Section 9

Southwest 1/4 Section 10

Section 13

South 1/2 Section 14

Northwest 1/4 and South 1/2, Section 15

Section 16

Section 17

Section 18

Section 21

Section 22

Section 23

Northwest 1/4, Northwest 1/4, Section 24

West 1/2 Section 26

Section 27

Southeast 1/4 Section 33

Section 34

Northwest 1/4 and South 1/2, Section 35

(c) Township 2 North, Range 5 East, San Bernardino Base and Meridian:

Section 2

Section 3

Section 10

Section 11

Section 12

(d) Township 2 North, Range 6 East, San Bernardino Base and Meridian:

Section 3

Section 4

Section 5

Section 6

Section 7

Section 8

Section 9

Section 10

Section 14

Section 16

Section 18

West 1/2, Section 19

Section 22

Section 30

North 1/2, Northwest 1/4, Section 31

Added Stats 1969 ch 1175, effective August 31, 1989.

### **§3. Board of Directors**

The Board of Directors of the Bighorn-Desert View Water Agency organized under this act shall consist of five members, each of whom shall be a resident of the agency, and shall hold office until his/her successor is elected. All successors of the first board shall be elected or chosen at the time and in the manner provided in the Uniform District Election Law.

### **§4. Elections; Who are qualified voters**

No person shall vote at any Bighorn-Desert View Water Agency election who is not a voter within the meaning of the Elections Code.

In case the boundary line of the Bighorn-Desert View Water Agency crosses the boundary line of a county election precinct only those voters within such Bighorn-Desert View Water Agency and within such precinct who are registered as being voters within the Bighorn-Desert View Water Agency shall be permitted to vote, and for that purpose the county clerk or registrar of voters is hereby empowered to provide two sets of ballots within such precincts, one containing the names of candidates for office in said Bighorn-Desert View Water Agency, and the other not containing such names, and it shall be the duty of the election officers in such precincts to furnish only those persons registered as voters within such Bighorn -Desert View Water Agency with the ballots upon which are printed the names of the candidates for office in the Bighorn -Desert View Water Agency.

### **§5. Applicability of Elections Code**

The provisions of the Elections Code so far as they may be applicable shall govern all general and special Bighorn-Desert View Water Agency elections except as in this act or otherwise provided.

**§6. Authorization to recall elective officers**

Every incumbent of an elective office, whether elected by popular vote for a full term, or chosen by the board of directors to fill a vacancy, is subject to recall by the voters of the Bighorn-Desert View Water Agency organized under the provisions of this act in accordance with, the recall provisions of the Elections Code of the state with reference to cities. Added Stats 1969 ch 1175, effective August 31, 1989.

**§7. Board of directors; Meetings; Quorum; President**

The board of directors shall be the governing body of the Bighorn-Desert View Water Agency. At its first meeting in the month of January of each even-numbered year, the board of directors shall choose one of its members president, and shall provide for the time and place of holding its meetings and the manner in which its special meetings may be called. All legislative sessions of the board of directors whether regular or special shall be open to the public. A majority of the board of directors shall constitute a quorum for the transaction of business.

**§8. Appointment of officers and employees**

The board of directors shall appoint by a majority vote a vice president, secretary, treasurer, attorney, chief engineer, general manager and auditor, define their duties and fix their compensation, and each shall serve at the pleasure of the board. The board may consolidate the office of secretary and treasurer, and the offices of chief engineer and general manager. Added Stats 1969 ch 1175, effective August 31, 1989.

**§9. Duties of the treasurer; Designation of depositories for funds; Performance bonds**

The treasurer, or such other person or persons as may be authorized by the board of directors, shall draw checks or warrants to pay demands when such demands shall have been audited and approved in the manner prescribed by the board of directors.

The treasurer, subject to approval of the board of directors shall designate a depository or depositories to have the custody of the funds of the agency, all of which depositories shall give security sufficient to secure the agency against possible loss, and who shall pay the warrants drawn by the treasurer for demands against the agency under such rules as the directors may prescribe.

Added Stats 1969 ch 1175, effective August 31, 1989.

**§10. Duties of the general manager**

The general manager shall:

- (a) Have full charge and control of the maintenance, operation and construction of the waterworks of the Agency;
- (b) Have full power and authority to employ and discharge all employees and assistants at pleasure;
- (c) Prescribe the duties of employees and assistants;
- (d) Fix and alter the compensation of employees and assistants subject to approval by the board;
- (e) Perform other duties imposed by the board; and
- (f) Report to the board in accordance with the rules and regulations as it adopts.

**§11. Action by ordinance, resolution, or motion**

The board of directors shall act only by ordinance, resolution, or motion. No ordinance, motion, or resolution shall be passed or become effective without the affirmative vote of a majority of the members of the board. The enacting clause of all ordinances passed by the board shall be: "Be it ordained by the Board of Directors of the Bighorn-Desert View Water Agency as follows:"

**§12. Compensation**

Each of the members of the board of directors shall receive for each attendance at the meetings of the board compensation in an amount not to exceed the maximum amount authorized by Section 20200 et seq. –of the Water Code.

**§13. Vacancies on the board**

Any vacancy in the board of directors shall be filled by a majority of the remaining directors, the person so chosen shall be a resident of, and otherwise qualified to be a director of, the agency and shall hold office for the remainder of the unexpired term.

**§14. Creation of divisions**

The board may, if it deems it to be for the best interest of the agency, by resolution submit to the voters at any agency election the question of whether the directors shall be elected by divisions or from divisions. Such election shall be conducted pursuant to the provisions of Section 30730 et seq. of the Water Code.

**§15. Powers of agency**

The Bighorn-Desert View Water Agency, which may exercise the powers expressly granted or necessarily implied, has all of the following powers:

1. To have perpetual succession.
2. To sue and be sued in all actions and proceedings in all courts and tribunals of competent jurisdiction.
3. To adopt a seal and alter it at pleasure.
4. To take by grant, purchase, gift, devise, condemnation, or lease, hold, use, enjoy, and to lease, with or without the privilege of purchase, sell or dispose of real and personal property of every kind, within or without the Bighorn-Desert View Water Agency.
5. To acquire, or contract to acquire, waterworks or a waterworks system, waters, water rights, lands, rights and privileges, and construct, maintain, and operate conduits, pipelines, reservoirs, works, machinery, and other property useful or necessary to produce, store, convey, supply, or otherwise make use of water for a waterworks plant or system for the benefit of the agency, and to complete, extend, enlarge, add to, repair, or otherwise improve any waterworks or waterworks system acquired by it.
6. To construct, maintain, improve, and operate public recreational facilities appurtenant to any waterworks and to provide regulations binding upon all persons to govern the use of those facilities, including regulations imposing reasonable charges for the use thereof. Violation of any such regulation is an infraction.
7. The agency may supply and deliver water to property not subject to agency taxes at special rates, terms, and conditions as determined by the board.
8. The agency may borrow money, incur indebtedness, and issue bonds or other evidences of indebtedness, and may refund or retire any indebtedness or lien against the agency or its property.
9. To issue bonds, borrow money, and incur indebtedness as authorized by law or in this act; also to refund (by the issuance of the same obligations following the same procedure) or retire any indebtedness or lien that may exist against the agency or property thereof.
10. To issue negotiable promissory notes bearing interest at a rate not exceeding 7 percent per annum; provided, however, that the notes shall be general obligations of the agency payable from revenues and taxes in the same manner as bonds of the agency; and provided further that the maturity shall not be later than five years from the date thereof and that the total aggregate amount of the notes outstanding at anyone time may be at least equal to seventy-five thousand dollars (\$75,000) in the Bighorn Mountains Water Agency, but shall not otherwise exceed the lesser of either one million five hundred thousand dollars (\$1,500,000) or 3 percent of the assessed valuation of the taxable property in the Bighorn Mountains Water Agency or, if the assessed valuation is not obtainable, 3 percent of the county auditor's estimate of the assessed valuation of the taxable property in the agency evidenced by his or her certificate. Promissory notes issued pursuant to Section 34 may be disregarded in computing the aggregate amount of notes that may be issued pursuant to this subdivision.
11. To restrict the use of agency water during any emergency caused by drought, or other threatened or existing water shortage, and to prohibit the wastage of agency water or the use of agency water during those periods, in accordance with the provisions of California Water Code Section 350 et seq.
12. To make contracts, employ labor, and do all acts necessary for the full exercise of the above powers.
13. To provide for the pensioning of officers or employees and the creation of a special fund for the purpose of paying the pensions, and the accumulation of contributions to the fund from the revenues of the agency, the wages of officers or employees, voluntary contributions, gifts, donations, or any source of revenue not inconsistent with the general powers of the board, and to contract with any insurance corporation or any other insurance carrier for the maintenance of a service covering the pension of the officers or employees, and to provide for the terms and conditions under which pensions shall be awarded, and for the time and extent of service of officers or employees before pensions shall be available to them.

14. To acquire, control, distribute, store, spread, sink, treat, purify, reclaim, recapture, and salvage any water, including sewage and storm waters, for the beneficial use and protection of the agency or its inhabitants or the owners of right to water therein.

15. To join with the federal government or the State of California or any department or agency thereof, a county or other public agencies, private corporations, or other persons for the purpose of carrying out any of the powers of the agency and, for that purpose, to contract with the other public agencies, private corporations, or persons for the purpose of financing acquisitions, constructions, and operations. The contracts may provide for contributions to be made by each party thereto and for the division and apportionment of the expenses of the acquisitions and operations, and the division and apportionment of the benefits, the services and products therefrom, and may provide for any agency to effect the acquisitions and to carry on the operations, and shall provide in the powers and methods of procedure for the agency the method by which the agency may contract. The contracts with other public agencies, private corporations, or persons may contain such other and further covenants and agreements as may be necessary or convenient to accomplish the purposes thereof. Contracts include those made with the United States, under the Federal Reclamation Act of June 17, 1902, and all acts amendatory thereof or supplementary thereto or any other act of Congress previously or hereafter enacted permitting cooperation.

16. To commence, maintain, intervene in, defend and compromise, in the name of the agency, or as a class representative of the inhabitants, property owners, taxpayers, or water producers or water users within the agency, or otherwise, and to assume the costs and expenses of any and all actions and proceedings, now or hereafter begun, involving or affecting the ownership or use of water or water rights, used or useful for any purpose, of the agency, or a common benefit to the lands within the agency or its inhabitants.

17. To commence, maintain, intervene in, defend and compromise, in the name of the agency, or as a class representative of the inhabitants, property owners, taxpayers, water producers or water users within the agency or otherwise, and to assume the costs and expenses of any and all actions or proceedings, now or hereafter begun, to prevent, control, or abate the pollution of water used or useful for any purpose of the agency, or a common benefit to lands within the agency, or to the inhabitants of the agency, or any watershed or basin overlain, in whole or in part, by the agency or which contributes to the water supply of the agency.

18. To issue revenue bonds for any purpose for which general obligation bonds may be issued, and for any purpose for which revenue bonds could be issued under the Revenue Bond Law of 1941 or any other law which by its terms is applicable to this agency.

19. To use the Improvement Act of 1911 (Division 7 (commencing with Section 5000) of the Streets and Highways Code) for the construction of any facilities authorized to be constructed under this act. The powers and duties conferred by the Improvement Act of 1911 on the various boards, officers, and agents of cities shall be exercised by the respective boards, officers, and agents of the Bighorn-Desert View Water Agency.

20. To use the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500) of the Streets and Highways Code) for the construction of any facilities authorized to be constructed under this act. The powers and duties conferred by the Improvement Bond Act of 1915 on the various boards, officers, and agents of cities or counties shall be exercised by the respective boards, officers, and agents of the Bighorn-Desert View Water Agency.

21. To prescribe, revise and collect water system connection charges.  
Added Stats 1969 ch 1175, effective August 31, 1989. Amended Stats 1975 ch 586 §2, operative July 1, 1976; Stats 1985 ch 950 §1.

**Editor's Notes** The Federal Reclamation Act of June 17, 1902: 43  
USCS §§372 et seq.

The Revenue Bond Law of 1941: Gov C §§54300 et seq.

**Cross References:**

### **§16. Power to construct, etc., works to develop hydroelectric energy**

The agency shall have the power to construct, operate and maintain works to develop hydroelectric energy, for use by the agency in the operation of its works or as a means of assisting in financing the construction, operation and maintenance of its projects for the control, conservation, diversion and transmission of water and to enter into contracts for the sale of such energy.

### **§17. Power to contract for sale of right to use falling water for electric energy purposes**

In connection with the construction and operation of the works of the agency, the agency shall have the power to contract for the sale of the right to use falling water for electric energy purposes with any public agency or private entity engaged in the retail distribution of electric energy, for a term not to exceed 50 years.

Added Stats 1969 ch 1175, effective August 31, 1989.

### **§18. Additional powers of agency concerning new waterworks systems**

In addition to the powers granted in Section 15, the agency may exercise all powers previously or hereafter granted to or possessed by county water districts organized and governed under the County Water District Law (Division 12 (commencing with Section 30000) of the Water Code) to finance the acquisition of waterworks or waterworks systems, waters, water rights, lands, rights or privileges, and may exercise all those powers to fund construction, maintenance, or operation of new waterworks systems.

### **§19. Provisions governing claims for money or damages**

All claims for money or damages against this agency are governed by Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6 of Title 1 of the Government Code, except as provided therein, or by other statutes or regulations expressly applicable thereto.

Added Stats 1969 ch 1175, effective August 31, 1989. Amended Stats 1970 ch 104 12, operative January 1, 1971.

### **§20. Fixing of water rates**

The board of directors, so far as practicable, shall fix such rate or rates for water in the agency and in each improvement district therein as will result in revenues which will pay the operating expenses of the agency, and the improvement district, provide for repairs and depreciation of works, provide a reasonable surplus for improvements, extensions, and enlargements, pay the interest on any bonded debt, and provide a sinking or other fund for the payment of the principal of such debt as it may become due. Said rates for water in each improvement district may vary from the rates of the agency and from other improvement districts therein.

Added Stats 1969 ch 1175, effective August 31, 1989.

### **§21. Fixing of water standby or availability charge**

The agency, by ordinance or resolution, may fix, on or before the first day of July in any calendar year, a water standby or availability charge within the agency or in any improvement district thereof to which water is made available by the agency through underground or by surface facilities, whether the water is actually used or not. The standby charge shall not exceed ten dollars (\$60) per acre per year for each acre of land within the agency or any improvement district thereof or ten dollars (\$60) per year for any parcel of less than one acre. The standby charge shall be adopted by the board only after compliance with the applicable provisions of the California Constitution. The board of directors may establish schedules varying the charges according to land uses, water uses, and degree of water availability. On or before the third Monday in August, the board shall furnish in writing to the board of supervisors and the county auditor of each affected county a description of each parcel of land within the agency upon which a charge is to be levied and collected for the current fiscal year, together with the amount of standby charge fixed by the district on each parcel of land. The board shall direct that, at the time and in the manner required by law for the levying of taxes for county purposes, the board of supervisors shall levy, in addition to any other tax it levies, a standby charge in the amounts for the respective parcels fixed by the board. All county officers charged with the duty of collecting taxes shall collect agency standby charges with the regular tax payments to the county. The charges shall be collected in the same form and manner as county taxes are collected and shall be paid to the agency. Charges fixed by the agency shall be a lien on all the property benefited thereby. Liens for the charges shall be of the same force and effect as other liens for taxes, and their collection may be enforced by the same means as provided for the enforcement of liens for state and county taxes.

### **§22. Power to levy and collect taxes**

If the revenues of the agency, or any improvement district therein, will be inadequate for any cause to pay the operating expenses of the agency, provide for repairs and depreciation of works owned or operated by it, and to meet all obligations of the agency, including principal of or interest on any bonded debt of the agency, or any improvement district thereof, as it becomes due, then the board of directors of this agency must provide for the levy and collection of a tax sufficient to raise the amount of money determined by such board of directors to be necessary for the purpose of paying such charges and expenses, as well as providing the funds required under Section 20 of this act.

Added Stats 1969 ch 1175, effective August 31, 1989.

### **§23. Levy, etc., of taxes**

The board of directors shall determine the amounts necessary to be raised by taxation during the fiscal year and shall fix the rate or rates of tax to be levied which will raise the amounts of money required by the agency, and within a reasonable time previous to the time when the board of supervisors is required by law to fix its tax rate, the board of

directors shall certify to the board of supervisors the rate or rates so fixed and shall furnish to the board of supervisors a statement in writing containing the following: (a) an estimate of the minimum amount of money required to be raised by taxation during the fiscal year for the payment of the principal of and interest on any bonded debt of the agency or of an improvement district thereof as will become due before the proceeds of a tax levied at the next general tax levy will be available; (b) an estimate of the minimum amount of money required to be raised by taxation during the fiscal year for all other purposes of the agency. The board of directors shall direct that at the time and in the manner required by law for the levying of taxes for county purposes, such board of supervisors shall levy, in addition to such other tax as may be levied by such board of supervisors, at the rate or rates so fixed and determined by the board of directors, a tax upon the property within the agency, or improvement district thereof benefited by the bonded debt, as the case may be, and it is made the duty of the officer or body having authority to levy taxes within each county to levy the tax so required. Taxes for the payment of the interest on or principal of any bonded debts shall be levied on the property within the agency, or improvement district thereof, benefited by the bonded debt, as determined by the board of directors in the resolution declaring the necessity to incur the debt. Taxes for other purposes of the agency shall be levied on all property in the district or portion thereof subject to the particular tax. And it shall be the duty of all county officers charged with the duty of collecting taxes to collect such tax in time, form, and manner as county taxes are collected, and when collected to pay the same to the agency. Taxes for the payment of a bonded debt and the interest thereon shall be a lien on all the property benefited thereby as stated in the resolution of the board of directors declaring the necessity to incur the debt. All taxes for other purposes of the agency shall be a lien on all the property in the agency subject to the respective tax. Agency taxes, whether for payment of a bonded indebtedness and the interest thereon or for other purposes, shall be of the same force and effect as other liens for taxes, and their collection may be enforced by the same means as provided for the enforcement of liens for state and county taxes.

Added Stats 1969 ch 1175, effective August 31, 1989.

#### **§24. Bond elections; Proceedings**

Whenever the board of directors deem it necessary for the agency to incur a bonded indebtedness for the acquisition, construction, completion, or repair of any or all improvements, works or property mentioned in this act, the board shall, by resolution, so declare and call an election to be held in said agency for the purpose of submitting to the qualified voters thereof the proposition of incurring indebtedness by the issuance of bonds of said agency. Said resolution shall state: (a) the purpose for which the proposed debt is to be incurred, which may include expenses of all proceedings for the authorization, issuance and sale of the bonds; (b) the amount of debt to be incurred; (c) the maximum term the bonds proposed to be issued shall run before maturity, which shall not exceed 40 years; (d) the maximum rate of interest to be paid, which shall not exceed 7 percent per annum, payable semiannually, except that interest for the first year may be payable at the end of said year; (e) the measure to be submitted to the voters; (f) the date upon which an election shall be held for the purpose of authorizing said bonded indebtedness to be incurred; and (g) the designation of precincts, the location of polling places, and the names of the officers selected to conduct the election, who shall consist of one judge, one inspector and two clerks in each precinct. The board of directors shall provide for holding such special election on the day so fixed and in accordance with the provisions of the Elections Code so far as the same shall be applicable, except as herein otherwise provided. Notice of the holding of such election shall be given by publishing pursuant to Section 6066 of the Government Code the resolution calling the election, the last publication to be made not less than two weeks prior to the date of the proposed election, in at least one newspaper published in such agency, if there is a newspaper published in the agency, then such resolution shall be posted in three public places in such agency not less than two weeks prior to the date of the proposed election. No other notice of such election need be given. The returns of such election shall be made, the votes canvassed by said board of directors within seven days following said election, and the results thereof ascertained and declared in accordance with the provisions of the Elections Code, so far as they may be applicable, except as in this act otherwise provided. The secretary of the board of directors, as soon as the result is declared, shall enter in the records of such board a statement of such results. No irregularities or informalities in conducting such election shall invalidate the same, if the election shall have otherwise been fairly conducted.

Any action or proceeding, wherein the validity of any such bonds or of the proceedings in relation thereto is contested, questioned or denied, shall be commenced within three months from the date of such election; otherwise, said bonds and all proceedings in relation thereto shall be held to be valid and in every respect legal and incontestable.

Added Stats 1969 ch 1175, effective August 31, 1989.

#### **§25. Improvement districts for purpose of incurring bonded indebtedness; Formation**

Whenever the board of directors deems it necessary to incur a bonded indebtedness for the acquisition, construction, completion, or repair of any or all improvements, works or property mentioned in this act and to provide for such bonded



indebtedness to be payable from taxes levied upon less than all of the agency, the board shall, by resolution, so declare and state: (a) the purpose for which the proposed debt is to be incurred; (b) the amount of debt to be incurred, which may include expenses of all proceedings for the authorization, issuance and the sale of the bonds; (c) that the board intends to form an improvement district of a portion of the agency which in the opinion of the board will be benefited, the exterior boundaries of which portion are set forth on a map on file with the secretary of the agency, which map shall govern for all details as to the extent of the proposed improvement district, and to call an election in such proposed improvement district on a date to be fixed, for the purpose of submitting to the qualified voters thereof the proposition of incurring indebtedness by the issuance of bonds of the agency for said improvement district; (d) that taxes for the payment of said bonds and the interest thereon shall be levied exclusively upon the taxable property in the improvement district; (e) that a general description of the proposed improvement, together with a map showing the exterior boundaries of said proposed improvement district with relation to the territory immediately contiguous thereto and to the proposed improvement is on file with the secretary of the agency and is available for inspection by any person or persons interested; (f) the time and place for a hearing by the board on the questions of the formation of said proposed improvement district, the extent thereof, the proposed improvement and the amount of debt to be incurred; and (g) that at the time and place specified in the resolution any person interested, including all persons owning property in the agency or in the proposed improvement district, will be heard. Notice of said hearing shall be given by publishing a copy of the resolution pursuant to Section 6066 of the Government Code prior to the time fixed for the hearing in a newspaper printed and published in the agency, if there is a newspaper printed and published in such agency. Such notice shall also be given by posting a copy of said resolution in six public places within the proposed improvement district at least two weeks before the time fixed for said hearing.

At the time and place so fixed, or at any time and place to which the hearing is adjourned, the board shall proceed with the hearing. At the hearing any person interested, including any person owning property within the agency or within any proposed improvement district, may appear and present any matters material to the questions set forth in the resolution declaring the necessity for incurring the bonded indebtedness. The board shall have the power to change the purpose for which the proposed debt is to be incurred, or the amount of bonded debt to be incurred, or the boundaries of said proposed improvement district, or one or all of said matters; provided, however, that said board shall not change such boundaries so as to include any territory which will not, in its judgment, be benefited by said improvement.

The purpose, amount of bonded debt or boundaries shall not be changed by said board except after notices of its intention to do so, given by publication pursuant to Section 6061 of the Government Code in a newspaper printed and published in said Bighorn-Desert View Water Agency, if there is a newspaper printed and published in such agency, and by posting in six public places within said proposed improvement district. Said notice shall state the changed purpose and debt proposed and that the exterior boundaries as proposed to be changed are set forth on a map on file with the secretary of the agency, which map shall govern for all details as to the extent of the proposed improvement district, and specify the time and place for hearing on such change, which time shall be at least 10 days after publication or posting of said notice. At the time and place so fixed, or at any time and place to which the hearing is adjourned, the board shall proceed with the hearing. At the hearing any person interested, including any person owning property within the agency or the proposed improvement district, may appear and present any matters material to the changes stated in the notice. At the conclusion of the hearing the board shall by resolution determine whether it is deemed necessary to incur the bonded indebtedness, and, if so, the resolution shall also state the purpose for which said proposed debt is to be incurred, the amount of the proposed debt, that the exterior boundaries of the portion of the agency which will be benefited are set forth on a map on file with the secretary of the agency which map shall govern for all details as to the extent of the improvement district, and that said portion of the agency set forth on said map shall thereupon constitute and be known as "Improvement District No.---of Bighorn-Desert View Water Agency," and the determinations made in said resolution shall be final and conclusive. After the formation of such improvement district within the Bighorn-Desert View Water Agency pursuant to this section, all proceedings for the purpose of a bond election shall be limited, and shall apply only to the improvement district, and taxes for the payment of said bonds and the interest thereon shall be levied exclusively upon the taxable property in the improvement district.

After the board has made its determination of the matters required to be determined by said last mentioned resolution, and if the board deems it necessary to incur the bonded indebtedness, the board shall by a further resolution call a special election in said improvement district for the purpose of submitting to the qualified voters thereof the proposition of incurring indebtedness by the issuance of bonds of the agency for said improvement district. Said resolution shall state: (a) that the board deems it necessary to incur the bonded indebtedness; (b) the purpose for which the bonded indebtedness will be incurred; (c) the amount of debt to be incurred; (d) the improvement district to be benefited by said indebtedness, as set forth in the resolution making determinations, and that a map showing the exterior boundaries of said improvement

district is on file with the secretary of the 295 agency, which map shall govern for all details as to the extent of the improvement district; (e) that taxes for the payment of such bonds and the interest thereon shall be levied exclusively upon the taxable property in said improvement district; (f) the maximum term the bonds proposed to be issued shall run before maturity, which shall not exceed 40 years; (g) the maximum rate of interest to be paid, which shall not exceed 7 percent per annum, payable semiannually, except that interest for the first year may be payable at the end of the said year; (h) the measure to be submitted to the voters; (i) the date upon which an election shall be held for the purpose of authorizing said bonded indebtedness to be incurred; and (j) the designation of precincts, the location of polling places, and the names of the officers selected to conduct the election, who shall consist of one judge, one inspector and two clerks in each precinct.

The board of directors shall provide for holding such special election on the day so fixed and in accordance with the provisions of the Elections Code so far as the same shall be applicable, except as herein otherwise provided. Notice of the holding of such election shall be given by publishing pursuant to Section 6066 of the Government Code the resolution calling the election prior to the date of the proposed election in at least one newspaper printed and published in the agency, if there is a newspaper printed and published in such agency. Such resolution shall also be posted in three public places in such improvement district not less than two weeks prior to the date of the proposed election. No other notice of such election need be given.

The returns of such election shall be made, the votes canvassed by said board of directors within seven days following said election, and the results thereof ascertained and declared in accordance with the provisions of the Elections Code so far as they may be applicable, except as in this act otherwise provided. The secretary of the board of directors, as soon as the result is declared, shall enter in the records of such board a statement of such results. No irregularities or informalities in conducting such election shall invalidate the same, if the election shall have otherwise been fairly conducted.

Any action or proceeding, wherein the validity of the formation of the improvement district or of any such bonds or of the proceedings in relation thereto is contested, questioned or denied, shall be commenced within three months from the date of such election; otherwise, said bonds and all proceedings in relation thereto, including the formation of the improvement district, shall be held to be valid and in every respect legal and incontestable.

Added Stats 1969 ch 1175, effective August 31, 1989.

## **§26. Annexation of territory**

Any portion of the Bighorn-Desert View Water Agency whether contiguous or not to an improvement district thereof may be annexed to said improvement district in the following manner. A petition, which may consist of any number of separate instruments, shall be filed with the secretary of the agency, signed by holders of title to sixty percent (60%) or more of the land in the portion proposed to be annexed, which land as so represented in said petition shall have an assessed valuation of not less than fifty percent (50%) of the land so proposed to be annexed. The petition shall contain the following: (a) a description of the area proposed to be annexed, which may be made by reference to a map on file with the secretary of the agency, which map shall govern for all details as to the extent of the area proposed to be annexed, or in any other definite manner; (b) the terms and conditions upon which said proposed area may be annexed as theretofore determined by resolution adopted by the board of directors of the agency; and (c) a prayer that the board of directors declare such area to be annexed to the improvement district. Said petition shall be accompanied by a certified check payable to the order of the agency in sufficient sum to reimburse said agency for expenses of processing and publishing the petition and preparing and making the filings required by law.

Within 10 days of the date of the filing of such petition the secretary of the agency shall examine the same and ascertain whether or not such petition is signed by the required number of property owners; and, if requested by the secretary of the agency, the board of directors shall authorize him to employ persons especially for that purpose, in addition to the persons regularly employed in his office, and shall provide for their compensation. When the secretary of the agency has completed his examination of the petition, he shall attach to the same his certificate, properly dated, showing the result of such examination; and if from such examination he shall find that said petition is signed by the requisite number of property owners, or is not so signed, he shall certify that the same is sufficient, or insufficient, as the case may be.

If by the certificate of the secretary of the agency the petition is found to be insufficient, said petition may be amended by filing a supplemental petition or petitions within 10 days of the date of such certificate. The secretary of the agency shall within 10 days after the filing of such supplemental petition or petitions, make like examination of the same and certify to the result of such examination as hereinbefore provided.

If by the certificate of the secretary such petition or petition as amended, is shown to be sufficient the secretary shall cause notice of hearing on the petition to be published and posted without delay.

The text of said petition shall be published pursuant to Section 6066 of the Government Code prior to the time at which the same is to be presented to the board of directors of the agency in at least one newspaper printed and published in the Bighorn-Desert View Water Agency, if there is a newspaper printed and published in such agency; together with a notice stating the time and place of the meeting at which the same will be presented. When contained upon one or more instruments one copy only of such petition need be published. No more than five of the names attached to said petition need appear in said publication of said petition and notice, but the number of signers shall be stated. Said notice and petition shall also be posted in three public places in the improvement district and three public places in the area proposed to be annexed, at least two weeks prior to the hearing.

The board of directors of the agency shall proceed to hear the petition at the time and place fixed therefor and any person residing within the agency or improvement district or owning taxable property in said agency or improvement district shall be entitled to appear and be heard at such hearing. Such hearing may be continued from time to time by the board of directors of the agency. At the conclusion of the hearing, and if the board of directors finds and determines from the evidence presented at said hearing that the area proposed to be annexed to an improvement district will be benefited thereby, and that the Improvement district to which said area proposed to be annexed will also be benefited thereby and will not be injured thereby, then and in such case the board of directors of the agency may, by resolution, approve such annexation, describing the territory so annexed, which may be by reference to a map on file with the secretary of the agency shall govern for all details as to the extent of the annexed area, or in any other definite manner, and the terms and conditions of annexation as theretofore determined by resolution of the board of directors.

From and after the date of the adoption of such resolution the area named therein shall be deemed added to and shall form a part of said improvement district and the taxable property therein shall be subject to taxation thereafter for the purposes of said improvement district, including the payment of the principal of and interest on bonds and other obligations of such improvement district at the time authorized and outstanding at the time of said annexation as if said annexed property had always been a part of said improvement district, and the board of directors of the Bighorn-Desert View Water Agency shall be empowered to do all things necessary to enforce and make effective the terms and conditions of annexation fixed as hereinabove authorized.

Any action or proceeding wherein the validity of any such annexation is contested, questioned or denied must be commenced within three months after the date of issuance by the Secretary of State of his certificate; otherwise said annexation shall be held to be valid and in every respect legal and incontestable.

Added Stats 1969 ch 1175, effective August 31, 1989.

#### **§27. Force, value, and use; Exemption from taxation**

Any bonds issued by the Bighorn-Desert View Water Agency are hereby given the same force, value and use as bonds issued by any city and shall be exempt from all taxation within the State of California.

Added Stats 1969 ch 1175, effective August 31, 1989.

#### **§28. Improvement districts for purpose other than incurring bonded indebtedness; Formation etc.**

Whenever the board of directors deems it necessary to form an improvement district of a portion of the agency for a purpose other than the incurring of bonded indebtedness under Section 29 of this act it shall by resolution so declare and state: (a) the purpose for which the proposed improvement district is to be formed, (b) the estimated expense of carrying out said purpose, (c) that the board intends to form an improvement district of a portion of the agency which in the opinion of the board will be benefited, the exterior boundaries of which portion are set forth on a map on file with the secretary of the agency, which map shall govern for all details as to the extent of the proposed improvement district, (d) that taxes for carrying out said purpose shall be levied exclusively upon the taxable property in said proposed improvement district, (e) that a map showing the exterior boundaries of said proposed improvement district, with relation to the territory immediately contiguous thereto, is on file with the secretary of the agency and is available for inspection by any person or persons interested, (f) the time and place for a hearing by the board on the questions of the formation of said proposed improvement district, the extent thereof, the purpose for which it is to be formed, and the estimated expense of carrying out said purpose and (g) that at said time and place any person interested, including all persons owning property in the agency or in the proposed improvement district will be heard. Notice of said hearing shall be given by publishing a copy of the resolution pursuant to Section 6066 of the Government Code prior to the time fixed for the hearing in a newspaper circulated in the Bighorn-Desert View Water Agency, if there is a newspaper circulated therein. Said notice shall also be given by posting a copy of said resolution in three public places within the proposed improvement district for at least two weeks before the time fixed for said hearing.

At the time and place so fixed, or at any time or place to which the hearing is adjourned, the board shall proceed with the hearing at which hearing any person interested, including all persons owning property in the agency, or in the

proposed improvement district, may appear and present any matters material to the questions set forth in the resolution. At the conclusion of the hearing the board shall by resolution determine whether it is necessary to form said improvement district, and, if so, the resolution shall also state the purpose for which the proposed improvement district is to be formed, estimated expense of carrying out said purpose, that the exterior boundaries of the portion of the agency which will be benefited are set forth on a map on file with the secretary of the agency, which map shall govern for all details as to the extent of the improvement district, and that said portion of the agency set forth on said map, shall thereupon constitute and be known as "Improvement District (A, B, C, or other letter designation) of the Bighorn-Desert View Water Agency," and the determinations made in said resolution shall be final and conclusive. After the formation of such improvement district within the Bighorn-Desert View Water Agency pursuant to this section all taxes levied for the carrying out of said purpose shall be levied exclusively upon the taxable property in the improvement district.

A copy of the resolution forming the improvement district shall be published pursuant to Section 6066 of the Government Code in a newspaper printed and published in the agency, if there is a newspaper printed and published in the agency, and a copy of said resolution shall also be posted in three public places within the proposed improvement district for at least two weeks. Said resolution shall not be effective until the 31st day after completion of said publication and/or posting. If before said effective date a petition signed by not less than 10 percent of the voters of the improvement district requesting that an election be held on the formation thereof is presented to the board of directors, said board shall call a special election in the improvement district for the purpose of submitting the question of the formation of the improvement district to the voters of said improvement district.

The board of directors shall provide for holding such special election on the day so fixed and in accordance with the provisions of the Elections Code so far as the same shall be applicable, except as herein otherwise provided. Notice of the holding of such election shall be given by publishing the resolution calling the election pursuant to Section 6066 of the Government Code prior to the date of the proposed election, in at least one newspaper printed and published in the Bighorn-Desert View Water Agency, if there is a newspaper printed and published in such agency. Such resolution shall also be posted in three public places in such improvement district not less than two weeks prior to the date of the proposed election. No other notice of such election need be given.

The returns of such election shall be made, the votes canvassed by said board of directors within seven days following said election, and the results thereof ascertained and declared in accordance with the provisions of the Elections Code so far as they may be applicable, except as in this act otherwise provided. The secretary of the board of directors, as soon as the result is declared, shall enter in the records of such board a statement of such results. No irregularities or informalities in conducting such election shall invalidate the same, if the elections shall have otherwise been fairly conducted.

If from such returns it appears that a majority of the votes cast at such election were in favor of the formation of such improvement district, the formation of such improvement district shall be complete.

Any action or proceeding wherein the validity of the formation of the improvement district or of any of the proceedings in relation thereto is contested, questioned or denied, shall be commenced within three months from the effective date of the resolution forming such district, or if an election is held, within three months from the date of such election, otherwise the formation of the improvement district and all proceedings in relation thereto, shall be held to be valid and in every respect legal and incontestable.

Added Stats 1969 ch 1175, effective August 31, 1989.

### **§29. Advancement of general funds to improvement districts; Provisions for repayment**

The board of directors may advance general funds of the agency to accomplish the purposes of an improvement district and repay the agency from the proceeds of the sale of bonds authorized for such purpose, or from the special taxes levied exclusively upon the taxable property in said improvement district.

### **§30. Payment of interest on bonds**

Interest on any bonds issued by the agency coming due before the proceeds of a tax levied at the next general tax levy after the sale of said bonds are available, and interest on any bonds issued by the agency coming due before the expiration of one year following completion of the acquisition and construction of the works and improvements for which the bonds were issued may be paid from the proceeds of the sale of such bonds.

Added Stats 1969 ch 1175, effective August 31, 1969.

### **§31. Authorization for voters to pass ordinances**

Ordinances may be passed by the voters of the Bighorn-Desert View Water Agency organized under the provisions of this act in accordance with the methods provided by the Elections Code for direct legislation in cities.

Added Stats 1969 ch 1175, effective August 31, 1969.

### **§32. Authorization for voters to veto ordinances**

Ordinances may be disapproved and thereby vetoed by the voters of this agency by proceeding in accordance with the methods provided by the Elections Code for protesting against legislation in cities.

Added Stats 1969 ch 1175, effective August 31, 1969.

### **§33. Prohibition against disincorporation before full payment of bonded indebtedness**

It is the intention that the Bighorn-Desert View Water Agency shall not be disincorporated until all bonded indebtedness shall have been fully paid.

Added Stats 1969 ch 1175, effective August 31, 1969.

### **§34. Issuance of promissory notes**

The agency may issue negotiable promissory notes pursuant to this section, bearing interest at a rate not to exceed the rate specified in Article 7 (commencing with Section 53530) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code, for the purpose of acquiring funds to finance the construction or acquisition of administrative offices, construction headquarters, commercial offices, or facilities for similar agency purposes and for the acquisition of land for agency purposes. The maturity of such promissory notes shall not be later than 10 years from the date thereof. The total aggregate amount of such notes outstanding at anyone time may be at least equal to one hundred thousand dollars (\$100,000), but shall not exceed the lesser of either five hundred thousand dollars (\$500,000) or 1 percent of the assessed valuation of the taxable property in the agency or, if the assessed valuation is not obtainable, 1 percent of the county auditor's estimate of the assessed valuation of the taxable property in the agency evidenced by his certificate. Promissory notes issued pursuant to subdivision 10 of Section 15 may be disregarded in computing the aggregate amount of notes that may be issued pursuant to this section.

Added Stats 1969 ch 1175, effective August 31, 1969. Amended Stats 1982 ch 1035 §5.

### **§35. Uninhabited improvement districts for purpose of incurring bonded indebtedness; Formation, etc.**

Whenever the board deems it necessary to incur a bonded indebtedness for the acquisition, construction, completion, or repair of any or all improvements, works, or property mentioned in this law and to provide for such bonded indebtedness to be payable from taxes levied upon an uninhabited portion of the agency, the board shall, by resolution, declare its intention to form an uninhabited improvement district in such portion of the agency and to incur such indebtedness.

For the purposes of this law the portion of the agency formed into an uninhabited improvement district shall be deemed uninhabited if less than 12 voters reside therein at the time of the formation thereof.

The resolution of intention shall state that the board intends to form an improvement district of an uninhabited portion of the agency which in the opinion of the board will be benefited, and to incur indebtedness by the issuance of bonds of the agency for such uninhabited improvement district.

The resolution of intention shall also state:

(a) The purpose for which the proposed debt is to be incurred.

(b) The amount of debt to be incurred, which may include expenses of all proceedings for the authorization, issuance, and sale of the bonds.

(c) That taxes for the payment of the bonds and the interest thereon will be levied exclusively upon the taxable property in the uninhabited improvement district.

The resolution of intention shall also state that a general description of the .. proposed improvement, together with a map showing the exterior boundaries of the proposed uninhabited improvement district with relation to the territory immediately contiguous thereto and to the proposed improvement is on file with the secretary and is available for inspection by any person or persons interested. This map shall govern for all details as to the extent of the proposed uninhabited improvement district.

The resolution of intention shall also state:

(a) The time and place for a hearing by the board on the questions of the formation and extent of the proposed uninhabited improvement district, the proposed improvement, and the amount of debt to be incurred.

(b) That at the time and place specified in the resolution any person interested will be heard, and that any owner of property within the proposed uninhabited improvement district may file with the secretary at any time prior to the time set for the hearing thereon written protest to the formation of the proposed uninhabited improvement district.

Notice of the hearing shall be given by publishing a .copy of the resolution pursuant to Section 6066 of the Government Code prior to the time fixed for the hearing in a newspaper circulated in the agency, if there is a newspaper

circulated in the agency. Such notice shall also be given by posting a copy of the resolution of intention in three public places within the proposed uninhabited improvement district for at least two weeks before the time fixed for the hearing.

A copy of the resolution of intention shall also be mailed, postage prepaid, to each person to whom land in the proposed uninhabited improvement district is assessed as shown on the last equalized county assessment roll, at his address as shown upon the roll, and to any person, whether owner in fee or having a lien upon, or legal or equitable interest in, any land within the proposed uninhabited improvement district, whose name and address and a designation of the land in which he is interested is on file with the secretary.

At the time and place fixed in the resolution of intention, or at any time or place to which the hearing is adjourned, the board shall proceed with the hearing. At the hearing any person interested may appear and present any matters material to the questions set forth in the resolution. Also at the hearing the board shall hear and pass upon all written protests filed by the owners of property within the proposed uninhabited improvement district.

If written protests are filed by the owners of one-half of the value of the property within the proposed uninhabited improvement district, as shown by the last equalized assessment roll of the county, further proceedings shall not be taken. If such protests are not made the board shall by resolution determine whether it is necessary to incur the bonded indebtedness and if so, the resolution shall also state:

(a) The purpose for which the proposed debt is to be incurred.

(b) The amount of the proposed debt.

(c) That the exterior boundaries of the portion of the agency which will be benefited are set forth on a map on file with the secretary, which map shall govern for all details as to the extent of the uninhabited improvement district.

(d) That such portion of the agency set forth on the map shall thereupon constitute and be known as "Improvement District No. .... of ..... Bighorn-Desert View Water Agency".

The determinations made in the resolution of formation shall be final and conclusive.

After the formation of the uninhabited improvement district pursuant to this law the board may, by resolution, at such time or times as it deems proper, issue bonds of the agency, pursuant to Section 31 of this law, for the whole or any part of the amount of the indebtedness authorized by the resolution of formation. All taxes levied for the payment of the bonds and the interest thereon shall be levied exclusively upon the taxable property in the uninhabited improvement district.

Any action or proceeding in which the validity of the formation of an uninhabited improvement district or of any of the proceedings in relation thereto is contested, questioned, or denied shall be commenced within three months from the date of the resolution forming such district; otherwise the formation of the uninhabited improvement district and all proceedings in relation thereto shall be held to be valid and in every respect legal and incontestable.

The board may advance general funds of the agency to accomplish the purposes of an improvement district formed pursuant to this law.

The board may repay the agency for any advance of funds from the proceeds of the sale of bonds authorized for the purposes of the improvement district.

Added Stats 1969 ch 1175, effective August 31, 1969.

### **§36. Annexation of territory to improvement districts; Proceedings**

The board, by resolution, may initiate proceedings for the annexation of territory within the agency whether contiguous or not to an improvement district to such improvement district.

The resolution proposing annexation shall:

(a) Declare that proceedings have been initiated by the board pursuant to this law.

(b) State the reason for proposing the annexation.

(c) Set forth a description of the area proposed to be annexed, which may be made by reference to a map on file with the secretary of the agency which map shall govern for all details as to the extent of the area proposed to be annexed.

(d) State the terms and conditions of the annexation.

(e) State that the holders of title to any of the land sought to be annexed may file written protests with the secretary to the annexation or the annexation upon such terms and conditions.

(f) Fix the time and place of a meeting at which the board will receive written protests theretofore filed with the secretary, receive additional written protests, and hear from any and all persons interested in the annexation.

The text of the resolution proposing annexation shall be published, pursuant to Section 6066 of the Government Code, prior to the time of hearing in at least one newspaper printed and published in the agency, if there is a newspaper published and printed in the agency.

A copy of the resolution proposing annexation shall also be posted in three public places within the improvement district and three public places in the area proposed to be annexed at least two weeks prior to the hearing."

The board shall proceed with the hearing at the time and place fixed therefor and may continue the hearing, if need be, from time to time. All interested persons will be heard at the hearing.

If written protests are filed by the holders of title of one-half of the value of the territory proposed to be annexed as shown by the last equalized assessment roll of each county in which the territory is situated, further proceedings shall not be taken, and the board shall refuse the annexation by a resolution so stating.

If written protest is not made by the owners of one-half of the value of the territory proposed to be annexed, and if, at the conclusion of the hearing, the board finds and determines from the evidence presented at the hearing that the area proposed to be annexed to an improvement district will be benefited thereby, and that the improvement district to which the area proposed to be annexed will also be benefited thereby and will not be injured thereby, the board may, by resolution, approve such annexation.

The resolution shall describe the territory annexed, which may be by reference to a map on file with the secretary, which map shall govern for all details as to the extent of the annexed area. The resolution shall also state the terms and conditions of annexation as theretofore determined by resolution of the board.

If the board finds and determines that either the area proposed to be annexed to the improvement district will not be benefited thereby or that the improvement district to which the area is proposed to be annexed will not be benefited thereby and will be injured thereby, the board shall by resolution disapprove such annexation.

From and after the date of the adoption of the resolution approving the annexation, the area described therein is added to and forms a part of the improvement district.

The taxable property in the annexed area shall be subject to taxation after the annexation thereof for the purposes of the improvement district, including the payment of the principal of and interest on bonds and other obligations of the improvement district authorized and outstanding at the time of the annexation as if the annexed property had always been a part of the improvement district.

The board may do all things necessary to enforce and make effective the terms and conditions of annexation fixed by it.

Any action or proceeding in which the validity of an annexation to an improvement district pursuant to this section is contested, questioned, or denied shall be commenced within three months after the date of the resolution of the board approving the annexation of the territory to an improvement district; otherwise, the annexation shall be held valid and in every respect legal and incontestable.

Added Stats 1969 ch 1175, effective August 31, 1969.

### **§37. Same; When notice and hearing not required**

Notwithstanding the provisions of Section 36, if the petition for annexation of land to an improvement district formed under Section 28 is signed by all of the holders of title of land in the portion proposed to be annexed, the board may proceed and act thereon without notice and hearing, but shall otherwise comply with the applicable provisions of this law.

### **§38. Exclusion of territory from improvement district formed for purpose other than incurring of bonded indebtedness; Proceedings**

Proceedings to exclude territory from an improvement district, formed pursuant to Section 28, may be initiated by the board upon its own motion, or shall be initiated by the board upon receipt of a petition for exclusion signed by not less than 10 percent of the voters of the area proposed to be excluded, which states reasons such exclusion will be beneficial to the agency or the improvement district or the territory to be excluded.

Upon adoption of said motion to initiate exclusion proceedings or upon receipt of said petition for exclusion, the board shall adopt a resolution of intention to exclude which shall state:

(a) The method by which said exclusion proceedings were initiated; by motion of the board or by petition of voters.

(b) That taxes for carrying out the purpose of the improvement district will not be levied upon taxable property in the excluded territory following such exclusion in the event such territory is excluded.

(c) That following such exclusion, the taxable property in the territory remaining in said improvement district shall continue to be levied upon and taxed to provide funds for the purposes of said improvement district.

The resolution of intention to exclude shall also state that a map showing the exterior boundaries of the proposed territory to be excluded, with relation to the territory remaining in said improvement district, is on file with the secretary and is available for inspection by any person or persons interested.

This map shall govern for all details as to the extent of the proposed exclusion. The resolution of intention shall also state:

(a) The time and place for a hearing by the board on the questions of the proposed exclusion and the effect of such exclusion upon the agency, the improvement district and the territory to be excluded.

(b) That at such time and place any person interested, including all persons owning property in the agency or in the improvement district, will be heard.

Notice of the hearing shall be given by publishing a copy of the resolution of intention to exclude, pursuant to Section 6066 of the Government Code, prior to the time fixed for the hearing in a newspaper circulated in the agency, if there is a newspaper printed and published in the agency. Such notice shall also be given by posting a copy of the resolution of intention to exclude in three public places within the affected improvement district for at least two weeks before the time fixed for the hearing.

At the time and place so fixed in the resolution of intention to exclude, or any time or place to which the hearing is adjourned, the board shall proceed with the hearing. At the hearing any person interested, including any person owning property in the agency, or in the improvement district may appear and present any matters material to the, questions set forth in the resolution of intention to exclude.

At the conclusion of the hearing, the board shall by resolution determine whether it is necessary or desirable to exclude said territory. If so, the resolution shall also state:

(a) The reasons why such exclusion is necessary or desirable.

(b) That the exterior boundaries of the improvement district following such exclusion are set forth on a map on file with the secretary, which map shall govern all details as to the extent of said, then existing, improvement district.

The determinations, made in the resolution of exclusion shall be final and conclusive.

After the exclusion of territory from the improvement district pursuant to this section, all taxes levied for the carrying out of said improvement district's purpose shall be levied exclusively upon the taxable property in the improvement district as then constituted.

A copy of the resolution of exclusion shall be published pursuant to Section 6066 of the Government Code in a newspaper printed and published in the agency, if there is a newspaper printed and published in the agency. A copy of the resolution shall also be posted in three public places within the improvement district for at least two weeks.

The resolution of exclusion shall not be effective until the 31st day after completion of the publication and posting.

Any action or proceeding in which the validity of the exclusion of territory from the improvement district or of any of the proceedings in relation thereto is contested, questioned, or denied shall be commenced within three months from the effective date of the resolution of exclusion; otherwise the exclusion and all proceedings in relation thereto shall be held to be valid and in every respect legal and incontestable.

Added Stats 1969 ch 1175, effective August 31, 1969.

### **§39. Dissolution of improvement districts**

Notwithstanding any other provision herein, whenever the board deems it necessary for any improvement district formed pursuant to this act to be dissolved, it shall by resolution declare its intention to dissolve the improvement district.

As used in this act, "improvement district" includes an uninhabited improvement district formed pursuant to Section 52.

The resolution of intention shall state:

(a) The reason why the improvement district should be dissolved.

(b) If the improvement district was formed pursuant to Section 25 or Section 35 of this act, that no bonds have been issued for the improvement district or are outstanding.

(c) If the improvement district was formed pursuant to Section 28 of this act, that no indebtedness or liability was incurred for the improvement district or is outstanding.

(d) That a map showing the exterior boundaries of the improvement district, with relation to the territory immediately contiguous thereto, is on file with the secretary and is available for inspection by any person or persons interested.

(e) The time and place for a hearing by the board on the question of the dissolution of the improvement district.

(f) That at such time and place any person interested, including all persons owning property in the agency or in the improvement district will be heard.

Notice of the hearing shall be given by publishing a copy of the resolution, pursuant to Section 6066 of the Government Code, prior to the time fixed for the hearing in a newspaper circulated in the agency, if there is a newspaper circulated in the agency. Such notice shall also be given by posting a copy of the resolution in three public places within the improvement district for at least two weeks before the time fixed for the hearing.



At the time and place fixed in the resolution of intention, or at any time or place to which the hearing is adjourned, the board shall proceed with the hearing. At the hearing any person interested, including all persons owning property in the agency, or in the improvement district, may appear and present any matters material to the proposed dissolution.

At the conclusion of the hearing, the board shall by ordinance determine whether it is necessary to dissolve the improvement district. If so, the ordinance shall state that the exterior boundaries of the improvement district are set forth on a map on file with the secretary and shall declare the improvement district dissolved. The determinations made in the ordinance shall be final and conclusive.

When the ordinance declaring an improvement district dissolved becomes effective, the dissolution of such improvement district is complete.

The taxable property within the boundaries of the dissolved improvement district shall continue to be taxed for any indebtedness of the agency contracted for such dissolved improvement district until the indebtedness has been satisfied, to the same extent that such property would be taxable for such purpose if the dissolution had not occurred.

Any action or proceeding in which the validity of the dissolution of an improvement district, or of any of the proceedings in relation thereto, is contested, questioned, or denied shall be commenced within three months from the effective date of the ordinance dissolving the improvement district; otherwise, the dissolution of the improvement district and, all proceedings in relation thereto, shall be held to be valid and in every respect legal and incontestable.

After a bond election has been held in an improvement district formed pursuant to Section 25 of this law and less than two-thirds of the votes cast in such election were in favor of the measure the board may within one year of the date of such election call and hold another election as provided in Sections 24 and 25 of this law for the purpose of resubmitting said measure to the electors of said improvement district. If said measure is not so resubmitted said improvement district, on the anniversary date of the election, is dissolved without further action by the board. If said measure is resubmitted and fails to receive more than two-thirds of the votes cast in such election in favor of said measure said improvement district is dissolved following the canvass of the election returns.

Added Stats 1969 ch 1175, effective August 31, 1969.

#### **§40. Severability of provisions**

If any section, subsection, sentence, clause or phrase of this act or the application thereof to any person or circumstance is for any reason held invalid the validity of the remainder of the act or the application of such provision to other persons or circumstances shall not be affected thereby. The Legislature hereby declares that it would have passed this act and each section, subsection, sentence, clause and phrase thereof irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof to any person or circumstance be held invalid.

Added Stats 1969 ch 1175, effective August 31, 1969.