

ENROLLED HOUSE
BILL NO. 2178

By: Beutler and Widener of
the House

and

Long (Ed) of the Senate

An Act relating to waters and water rights; amending 82 O.S. 1991, Sections 1324.2, 1324.12, 1324.16 and 1324.23, which relate to the Rural Water, Sewer, Gas and Solid Waste Management Districts Act; modifying and adding terms; clarifying scope of act; requiring certain training; setting geographical limits on certain training sites; modifying and clarifying control of Corporation Commission; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 82 O.S. 1991, Section 1324.2, is amended to read as follows:

Section 1324.2 As used in this act unless the context clearly requires otherwise:

1. "District" means a public nonprofit water district, a nonprofit sewer district, a public nonprofit natural gas distribution district or a nonprofit solid waste management district or a district for the operation of all or a combination of waterworks, sewage facilities, natural gas distribution facilities and solid waste management systems, created pursuant to this act;

2. "Board" means the governing body of a district;

3. The terms "board of county commissioners" and "county clerk" shall mean, respectively, the board of county commissioners and county clerk of the county in which the greatest portion of the territory of any proposed rural water district, rural sewer district, rural natural gas distribution district or rural solid waste management district is located;

4. "Corporation" means a not-for-profit corporation organized:

a. pursuant to the provisions of the Oklahoma General Corporation Act for a purpose not involving pecuniary gain to its shareholders or members, paying no dividends or other pecuniary remuneration, directly or indirectly to its shareholders or members as such and having no capital stock, and

b. for the purpose of developing and providing rural water supplies to serve rural residents.

5. "Rural resident" means any natural person, firm, partnership, association, corporation, business trust, federal agency, state agency, state or political subdivision thereof, municipality of ten thousand (10,000) persons or less, or any other legal entity, owning or having an interest in lands within the rural area located within the boundaries of the district;

~~5.~~ 6. "Rural area" means any area lying outside the corporate limits of any municipal corporation and includes any areas of open country, unincorporated communities, and, with the consent of the

governing body thereof by ordinance duly adopted, may include the area within the corporate limits of any municipality having a population of less than ten thousand (10,000) persons according to the last decennial census, when said municipality is one of the petitioners for creation of a district or for the annexation of additional territory as provided by Section 1324.13 of this title; provided, further, that when a water, sewer, natural gas or solid waste management district is totally within the municipal city limits of a city with ten thousand (10,000) population or less, the board of directors of the sewer, natural gas, water or solid waste management district shall be the governing body of the town. Provided, further, that when a city or town with a population of ten thousand (10,000) or less receives the majority of its water from a rural water, natural gas, sewer or solid waste management district, any resident of said city or town shall be eligible to serve on the board of directors. Provided, further, that areas lying within the corporate limits of any municipality having a population of more than ten thousand (10,000) persons according to the last decennial census may be included in a water, sewer, natural gas or solid waste management district with the consent of the governing body by ordinance duly adopted when such water, sewer, natural gas or solid waste services are not and cannot be provided in a reasonable time by other sources;

~~6.~~ 7. "Benefit unit" means a legal right to one service connection to the district's facilities and to participate in the affairs of the district;

~~7.~~ 8. "Participating member" means any rural resident who has subscribed to one or more benefit units;

~~8.~~ 9. "Sewage facilities" means the necessary facilities of collection, transportation, storage, treatment or processing and disposal or release of sewage;

~~9.~~ 10. "Solid waste management system" means the entire process of collection, transportation, storage, processing and disposal of solid wastes;

~~10.~~ 11. "Water works" means the necessary facilities from the initial source to the place for consumer utilization, and includes supply, storage, treatment, transportation and distribution;

~~11.~~ 12. "Solid waste" means all putrescible and nonputrescible refuse in solid or semisolid form including, but not limited to, garbage, rubbish, ashes or incinerator residue, street refuse, dead animals, demolition wastes, construction wastes, solid or semisolid commercial and industrial wastes and hazardous wastes including explosives, pathological wastes, chemical wastes, herbicide and pesticide wastes; and

~~12.~~ 13. "Gas distribution facilities" means the necessary facilities from the initial source to the place for consumer utilization and includes supply, transportation and distribution.

SECTION 2. AMENDATORY 82 O.S. 1991, Section 1324.12, is amended to read as follows:

Section 1324.12 Plans, specifications, proposed operating budget, schedules of unit fees and benefit units, rules and regulations, estimates of cost for any proposed improvement authorized by this act shall be filed with the secretary of the district. The total benefits of any such improvement shall be divided into a suitable number of benefit units. Upon determining a schedule of benefit units and unit fees, the board of directors shall cause a declaration of availability of such units for subscription to be entered in its minutes and except for residents of cities and towns as provided in paragraph 5 of Section 1324.2 of this title any individual who fails to become a participating member

within thirty (30) days thereafter shall not be eligible to hold office as a director, nor shall any individual, firm, partnership, association, or corporation which fails to become a participating member within ninety (90) days after such declaration be qualified to participate at any meeting or vote at any election held thereafter unless such individual, firm, partnership, association, or corporation shall thereafter become a participating member. Each landowner within the district shall subscribe to a number of such units in proportion to the extent he desires to participate in the benefits of the improvements. As long as the capacity of the district's facilities permits, participating members of the district may subscribe to additional units upon payment of a unit fee for each such unit. Owners or tenants of land located within the district who are not participating members may subscribe to such units as the Board in its discretion may grant, and upon payment of the unit fee for each such unit shall be entitled to the same rights as original participating members.

SECTION 3. AMENDATORY 82 O.S. 1991, Section 1324.16, is amended to read as follows:

Section 1324.16 A. The term of office of every member elected to an original board shall be until the date of the annual meeting of the participating members of either the first, second or third year following the year of the incorporation of the district and until their successors are elected and have qualified, and as nearly as possible the terms of an equal number of directors on any such board shall expire on each of said dates. At the annual meeting of each year after the year of the election of the original board members, elections shall be held to elect directors to fill any position on the board, the term of office of which has expired, and any director so elected shall hold office for a term of three (3) years and until his successor is elected and has qualified. For the purpose of election of board members and for such other purposes as the bylaws may prescribe, annual meetings of participating members shall be held by each district each year following the year of incorporation of such district. The board of directors shall cause notice of the time and place of each annual meeting and the purpose thereof to be given to each of its participating members. Each participating member shall be entitled to a single vote, regardless of the number of benefit units to which he has subscribed.

B. Provided, from January 1, ~~1986~~ 1995, a requirement for qualification to serve as a board member for a rural water district ~~may shall~~ be a written pledge that upon election such board member ~~will shall~~ attend a minimum of six (6) hours of workshop training to be offered periodically on a regional basis within twelve (12) months following election of such board member, and to be organized by the Oklahoma Water Resources Board in cooperation with the Oklahoma Rural Water Association with the purpose of study and instruction in areas of district financing, law, and the ethics, duties and responsibilities of district board members; provided further, that said requirement shall not apply to any board member who has had at least one (1) year of experience prior to the date of the board election as a member of the district board to which membership is sought. The district shall reimburse all reasonable expenses incurred by any board member for attending such training workshop. To avoid members having to interfere with their jobs or employment, such training sessions may be divided into three-hour segments, and insofar as possible be scheduled for evening sessions. Vocational-technical facilities, college facilities or other public facilities may be utilized in all parts of the state for convenience

of the members. Such workshops must be offered within seventy-five (75) miles of the members' residences.

SECTION 4. AMENDATORY 82 O.S. 1991, Section 1324.23, is amended to read as follows:

Section 1324.23 Rural water, sewer, gas and solid waste management districts, and corporations shall be exempt in any and all respects from the jurisdiction and control of the Corporation Commission of this state.

SECTION 5. This act shall become effective September 1, 1994.
Passed the House of Representatives the 3rd day of May, 1994.

Speaker of the House of
Representatives

Passed the Senate the 19th day of April, 1994.

President of the Senate