

**EHB 1458**

**THE STATE SENATE**  
**Wednesday, April 13, 2005**

**ENGROSSED**

**House Bill No. 1458**

**As Amended**

ENGROSSED HOUSE BILL NO. 1458 - By: ELLIS of the House and WILSON of the Senate.

**[ environment - rural water districts - restrictions - effective date ]**

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

SECTION 1. AMENDATORY 82 O.S. 2001, Section 1324.10, is amended to read as follows:

Section 1324.10 A. Every district incorporated hereunder shall have perpetual existence, subject to dissolution as provided by the Rural Water, Sewer, Gas and Solid Waste Management Districts Act, and shall have power to:

- 1. Sue and be sued, complain and defend, in its corporate name;
- 2. Adopt a seal which may be altered at pleasure, and to use it, or a facsimile thereof, as required by law;
- 3. Acquire by purchase, lease, gift, or in any other manner, and to maintain, use, and operate any and all property of any kind, real, personal, or mixed, or any interest therein; and to acquire and own water rights or rights to natural gas under the laws of this state, and to construct, erect, purchase, lease as lessee and in any

1 manner acquire, own, hold, maintain, operate, sell, dispose of,  
2 lease as lessor, exchange and mortgage plants, buildings, works,  
3 machinery, supplies, equipment, apparatus, facilities, property  
4 rights and transportation and distribution lines, facilities,  
5 equipment or systems necessary to transport, distribute, sell,  
6 furnish and dispose of water or gas, and either subsequent to, or in  
7 connection with, the installation of water distribution, sewage  
8 facilities, gas distribution facilities or solid waste management  
9 system, to construct, operate and maintain sewage disposal  
10 facilities or solid waste management system to serve the users of  
11 the district. Provided, all projects of the district shall be  
12 self-liquidating, and the costs of construction shall be payable  
13 solely from the income, revenues, and properties of the district,  
14 and all property, assets and revenues of the district shall  
15 constitute a special fund for the accomplishment of the purposes and  
16 objectives of the Rural Water, Sewer, Gas and Solid Waste Management  
17 Districts Act;

18 4. Borrow money and otherwise contract indebtedness for the  
19 purposes set forth in this act, and, without limitation of the  
20 generality of the foregoing, to borrow money and accept grants from  
21 the United States of America, or from any corporation or agency  
22 created or designated by the United States of America, and, in  
23 connection with such loan or grant, to enter into such agreements as

1 the United States of America or such corporation or agency may  
2 require; and to issue its notes or obligations therefor, and to  
3 secure the payment thereof by mortgage, pledge or deed of trust on  
4 all or any property, assets, franchises, rights, privileges,  
5 licenses, rights-of-way, easements, revenues, or income of the said  
6 district;

7 5. Make bylaws for the management and regulation of its  
8 affairs;

9 6. Appoint officers, agents and employees, to prescribe their  
10 duties and to fix their compensation; and to employ such common and  
11 skilled labor and professional and other services as may be  
12 necessary to the proper performance of such work or improvement as  
13 is proposed to be done within any such district, and the maintenance  
14 thereof;

15 7. Sell or otherwise dispose of any property of any kind, real,  
16 personal, or mixed, or any interest therein, which shall not be  
17 necessary to the carrying on of the business of the district;

18 8. In connection with the acquisition, construction,  
19 improvement, operation or maintenance of its transportation, and  
20 distribution lines, system, equipment, facilities or apparatus, use  
21 any street, road, alley or highway which is owned or held by the  
22 state, or any political subdivision. The location of sewer, gas or  
23 water lines or other facilities connected with the water, sewer, gas

1 or solid waste management district in such streets, roads, alleys or  
2 highways, must be concurred in by the governing or appropriate  
3 bodies of the cities, counties or state, which have jurisdiction  
4 over said property. The district plans for locating lines shall  
5 comply with the written specifications for location of lines and  
6 facilities as set forth by the governing body of the county for  
7 property within their jurisdiction. If the governing body of the  
8 county does not have written specifications for location of lines  
9 and facilities for property within their jurisdiction, they shall  
10 concur with the district plans or provide the district with an  
11 alternative plan. The governing body of any such city, county or  
12 state agency may require that if a district attaches a gas line to  
13 any bridge, underpass or overpass, that such district furnish  
14 liability insurance in an amount to be determined by the governing  
15 body, covering damage which may be occasioned to such bridge,  
16 underpass or overpass, as a result of fire or explosion originating  
17 from said gas line. Provided that the relocation or rearrangement  
18 of any public utility's or common carrier's facilities of service  
19 required to be made to permit or accommodate installation or  
20 maintenance of a district's facilities on, across or under any such  
21 publicly owned or held real property or interest therein shall be  
22 performed at the sole cost of the district;

1           9. Make any and all contracts necessary or convenient for the  
2 exercise of the powers of the district;

3           10. Fix, regulate and collect rates, fees, rents or other  
4 charges for water, gas and any other facilities, supplies, equipment  
5 or services furnished by the district. Said rates shall be just,  
6 reasonable and nondiscriminatory;

7           11. Do and perform all acts and things, and to have and  
8 exercise any and all powers as may be necessary, convenient or  
9 appropriate to effectuate the purposes for which the district is  
10 created;

11           12. Buy from or sell water or gas to any municipality, or to  
12 another district created under this act, or to any other legal  
13 entity engaged in the distribution and storage of water or gas,  
14 provided quantities of water sold do not exceed any vested right of  
15 appropriation granted by the Oklahoma Water Resources Board;

16           13. Enter into contracts with the United States of America, or  
17 any agency thereof, or the state, or any political subdivision or  
18 agency thereof, for the construction, operation and maintenance of  
19 structures needed to provide water storage to meet present and  
20 future anticipated needs and demands of the district;

21           14. Enter into contracts jointly with any other district,  
22 municipality, city or town, the state, the United States of America,  
23 or any governmental agency, for the purpose of purchasing water,

1 constructing, acquiring, operating water facilities or purchasing or  
2 leasing reservoir space;

3 15. Enter into contracts for fire protection and to construct,  
4 enlarge, extend or otherwise improve community facilities providing  
5 essential services to rural residents, including, but not limited  
6 to, fire protection, ambulance service, community centers and  
7 outdoor recreational facilities; and

8 16. Have and exercise the right of eminent domain in the same  
9 manner and according to the procedures provided for in Sections 51  
10 through 65 of Title 66 of the Oklahoma Statutes, provided, that the  
11 use of said eminent domain provisions, shall be restricted to the  
12 purpose of developing and providing rural gas distribution, water  
13 works and sewage disposal facilities. Provided, however, no  
14 personal or real property, easement or right-of-way of any utility  
15 may be acquired by eminent domain.

16 B. No district organized hereunder shall ~~sell~~:

17 1. Sell or export water or gas pursuant to the Rural Water,  
18 Sewer, Gas and Solid Waste Management Districts Act outside of the  
19 state without consent of the Legislature; or

20 2. Remove a service connection or residential water meter  
21 originally located on the property of the landowner purchasing water  
22 from the district for reasons other than a billing delinquency  
23 cutoff, without the express written consent of the landowner. Any

1 landowner whose connection or meter was moved without such written  
2 consent may make a complaint to the Department of Environmental  
3 Quality to request that the connection or meter shall be relocated  
4 to the landowner's property. The Department shall investigate and  
5 upon a finding of fact, order the district to restore the service  
6 connection or residential water meter to the property of the  
7 landowner purchasing water from the rural water district. This  
8 section shall only apply when the original connection or meter was  
9 originally located on the property of the landowner purchasing water  
10 from the rural water district.

11 C. Appropriative rights to water held by the district shall not  
12 be alienated or encumbered apart from the alienation or encumbrance  
13 of the facilities of the district.

14 D. The board of directors shall, on or before July 1 of each  
15 year, file with the county clerk of each county in which any part of  
16 said district is located, an annual report for the preceding  
17 calendar year. Such report shall list all monies collected and all  
18 monies disbursed during said calendar year. Said report shall also  
19 specify any and all indebtedness outstanding at the end of the  
20 calendar year.

21 SECTION 2. This act shall become effective November 1, 2005.

22 COMMITTEE REPORT BY: COMMITTEE ON ENERGY & ENVIRONMENT, dated 4-7-05  
23 - DO PASS, As Amended.