

THE HOUSE OF REPRESENTATIVES
Wednesday, February, 24, 2010

Committee Substitute for
House Bill No. 3314

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 3314 - By: MARTIN (SCOTT)
AND HILLIARD of the House and SCHULZ of the Senate.

An Act relating to conservancy districts; amending 82 O.S. 2001, Sections 564, 568, 569, as amended by Section 1, Chapter 93, O.S.L. 2008 and 630 (82 O.S. Supp. 2009, Section 569), which relate to the organization and funds of the conservancy districts; updating and clarifying statutory language; deleting description of certain employee; modifying description of types of employees and title of certain employee of a conservancy district; deleting requirement for court to approve certain employee payments; updating statutory outline; authorizing the board of directors to implement certain projects and actions; modifying requirement for court to approve certain actions by the board of directors; providing criteria for the court to consider in rendering a decree; changing minimum bid amount for master conservancy district contracts; deleting requirement for certain hearing on contract before the court; deleting requirement for certain documents to be attached to a contract; allowing the waiver of advertising of contracts under certain conditions; deleting certain approval requirement to waive advertisement of a contract; deleting procedure for court review of a contract award; authorizing a board of directors to adopt certain competitive bidding rules; deleting requirement for court approval of certain fund transfers; and declaring an emergency.

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

1 SECTION 1. AMENDATORY 82 O.S. 2001, Section 564, is amended to read as
2 follows:

3 Section 564. The secretary shall be the custodian of the records of the district and
4 of its corporate seal and shall assist the board in such particulars as it may direct in the

1 performance of its duties. It shall be the duty of the secretary to attest, under the
2 corporate seal of the district, all certified copies of the official records and files of the
3 district that may be required of ~~him~~ the secretary by the provisions of this act, or by any
4 person ordering the same and paying the reasonable cost of transcription and any portion
5 of the record so certified and attested shall be prima facie evidence of the facts ~~therein~~
6 contained in the record. The secretary shall serve also as treasurer of the district, unless
7 a treasurer is otherwise provided for by the board. The board may also employ ~~and~~
8 ~~discharge a chief engineer who may be an individual, co-partnership or corporation, or a~~
9 ~~member of the board of directors, who is a civil engineer may be designated as chief~~
10 ~~engineer of the district; an attorney; a district manager and such any other engineers,~~
11 ~~attorneys and or other agents and assistants~~ staff as may be useful and necessary; ~~and~~
12 The board may provide for ~~their~~ compensation of employees of the board, which, with all
13 other necessary expenditures, shall be taken as a part of the cost of the improvement.
14 The employment of ~~the secretary, treasurer, chief engineer and attorney for~~ persons or
15 entities by the district shall be evidenced by agreements in writing; which, ~~so far as~~
16 ~~possible,~~ shall specify the amounts or rates to be paid for their services ~~and be approved~~
17 ~~by the court, having jurisdiction of the proceedings.~~ The ~~chief engineer~~ district manager
18 shall be superintendent of all the works and improvements, and shall make a full report
19 to the board each year, or ~~oftener~~ more often if required by the board, and may make
20 ~~such~~ suggestions and recommendations to the board as ~~he~~ the manager may deem
21 proper.

1 SECTION 2. AMENDATORY 82 O.S. 2001, Section 568, is amended to read as
2 follows:

3 Section 568. A. In order to effect the protection, reclamation or irrigation of the
4 land and other property in the district, the board of directors is authorized and
5 empowered to ~~clean~~:

6 1. Clean out, straighten, widen, alter, deepen or change the course or terminus of
7 any ditch, drain, sewer, river, water course, pond, lake, creek or natural stream in or out
8 of ~~said the~~ district; ~~to fill~~

9 2. Fill up any abandoned or altered ditch, drain, sewer, river, watercourse, pond,
10 lake, creek or natural stream, ~~and to concentrate~~;

11 3. Concentrate, divert or divide the flow of water in or out of ~~said the~~ district; ~~to~~
12 ~~construct~~

13 4. Construct and maintain main and lateral ditches, sewers, canals, levees, dikes,
14 dams, retardation dams, irrigation dams, sluices, revetments, reservoirs, holding basins,
15 floodways, pumping stations and siphons and any other works and improvements
16 deemed necessary to construct, preserve, operate or maintain the works in or out of ~~said~~
17 ~~the~~ district; ~~to construct~~

18 5. Construct or enlarge or cause to be constructed or enlarged any and all bridges
19 that may be needed in or out of ~~said the~~ district; ~~to construct~~

20 6. Construct or elevate roadways and streets; ~~to construct~~

1 7. Construct any and all ~~of said~~ works and improvements across, through or over
2 any public highway, canal, railroad right-of-way, track, grade, fill or cut, in or out of ~~said~~
3 the district; ~~to remove~~

4 8. Remove or change the location of any fence, building, railroad, canal or other
5 improvements in or out of ~~said~~ the district; and ~~shall have the right to hold~~

6 9. Hold, encumber, control, ~~to~~ acquire by donation, purchase or condemnation, ~~to~~
7 construct, own, lease, use and sell real and personal property, and ~~to~~ acquire, construct,
8 own, lease, use or sell any easement, riparian right, railroad right-of-way, canal,
9 cemetery, sluice, reservoir, holding basin, mill dam, water power, wharf, holding basin or
10 franchise in or out of ~~said~~ the district for right-of-way, or for any necessary purpose, or ~~to~~
11 acquire, own, lease, use and sell any real estate for material to be used in constructing
12 and maintaining said works and improvement, ~~to~~ replat or subdivide land, open new
13 roads, streets and alleys, or change the course of any existing one; ~~provided, however,~~
14 ~~that said.~~

15 B. All engineering, planning, design and execution, the operations of the district,
16 and the construction, operation, and maintenance of infrastructure to serve the purpose
17 for which the district was established, or to serve any purposes as may have been
18 amended from time to time as provided for in this act, may be implemented at the
19 discretion of the board of directors under the administration of the district manager.
20 Except for engineering, operations, and the construction, operation and maintenance of
21 infrastructure to implement its approved purposes, the board of directors shall not
22 exercise any of ~~said~~ the powers specified herein in this section without first ~~having~~ filing

1 in the court having jurisdiction a full and complete petition stating in detail the acts
2 intended to be done, ~~and upon.~~ Upon the filing of ~~said~~ the petition, a notice shall be
3 published in the county or counties in ~~said~~ the district, as hereinbefore provided, setting
4 forth the nature of the relief prayed for, which notice shall be published for not less than
5 thirty (30) days, and shall specify a date on which ~~said~~ the petition will be heard by ~~said~~
6 the court, and in. In the event a protest is filed, ~~said~~ the court shall hear all parties
7 interested and make its decree ~~thereon and said.~~ The court shall base its decision on the
8 petition, granting the relief sought in whole or in part, or denying the relief prayed for,
9 upon whether the proposed action of the district lies within the scope of its authority
10 pursuant to this act and the agreements and decrees establishing the district and
11 governing its operation. The decree may be appealed to the Supreme Court of the State
12 of Oklahoma, as is provided in ~~our~~ the statutes relating to civil procedure. ~~The decree of~~
13 ~~said Court on said hearing shall, either grant in whole or in part, or deny the relief~~
14 ~~prayed for.~~

15 SECTION 3. AMENDATORY 82 O.S. 2001, Section 569, as amended by
16 Section 1, Chapter 93, O.S.L. 2008 (82 O.S. Supp. 2009, Section 569), is amended to read
17 as follows:

18 Section 569. A. When it is determined to let the work of a master conservancy
19 district by contract, contracts in amounts to exceed ~~Twenty-five Thousand Dollars~~
20 ~~(\$25,000.00)~~ Fifty Thousand Dollars (\$50,000.00) shall be advertised after notices calling
21 for bids have been published once a week, for three (3) consecutive weeks completed on
22 date of last publication, which shall not be less than fourteen (14) days from the first

1 publication, in at least one newspaper in each county, where any part of the work under
2 terms of the contract is to be performed, ~~and the~~. The board may let the contract to the
3 lowest and best bidder, who shall give a good and approved bond, with ample security,
4 equal in amount to the total of the bid, conditioned on the carrying out of the contract, to
5 completion, and shall file the bond and contract with the secretary of the district in
6 amount and conditions as provided by law, conditioned on the carrying out of the
7 contract. ~~This contract shall not be let to another than the lowest bidder until a hearing~~
8 ~~before the court occurred with notice to all parties interested, as ordered by the court and~~
9 ~~an order obtained from the court.~~ Such The contract shall be in writing; and shall be
10 accompanied by or shall refer to plans and specifications for the work done, prepared by
11 ~~the chief engineer.~~ The contract shall be approved by the board of directors and signed
12 by the president of the board and by the contractor, ~~and shall be executed in duplicate.~~
13 ~~Provided, that in~~ In the case of sudden emergency when it is necessary in order to protect
14 the district or when the board determines that the contract must be implemented by a
15 sole source or in any situation in which the Public Competitive Bidding Act of 1974 would
16 allow a state agency to do so, the advertising of contracts may be waived ~~upon the~~
17 ~~unanimous consent of the board of directors, with the approval of the court or the judge~~
18 ~~in vacation; and provided, further, that the action of the board of directors in awarding a~~
19 ~~contract shall, upon application of any interested taxpayer, be reviewed by the district~~
20 ~~court at a time and place specified by the judge of the court and the order of the district~~
21 ~~court may be appealed from, by either the board of directors or any interested taxpayer,~~

1 to the Supreme Court of the State of Oklahoma in the same manner as other appeals
2 under civil procedure.

3 B. The board of directors of any conservancy district may adopt rules establishing a
4 district competitive bidding process not in conflict with the provisions of this section.

5 SECTION 4. AMENDATORY 82 O.S. 2001, Section 630, is amended to read as
6 follows:

7 Section 630. ~~(a)~~ A. The monies of every conservancy district organized ~~hereunder~~
8 pursuant to this act shall be administered through the following funds:

9 ~~(1) Preliminary~~ 1. A preliminary fund, by which is meant the funds borrowed in
10 accordance with Section 632 of this title, which shall be used for the payment of expenses
11 incurred for the purposes for which ~~such~~ the funds may be borrowed; ~~(2) Improvement~~

12 2. An improvement fund, by which is meant the proceeds of levies made against the
13 special assessments of benefits equalized and confirmed under the provisions of this act
14 which have not been pledged for the retirement of bonds, notes, warrants or agreements
15 or the payment of interest thereon and the proceeds of all bonds, notes or warrants
16 issued, which shall be used for defraying expenditures incurred in the execution of the
17 official plan and the relocation of utilities, acquisition or construction of properties,
18 works, and improvements of the district including the cost of preparing the official plan
19 and the appraisal, except as paid out of the preliminary funds, the entire cost of
20 construction and superintendence, with all charges incidental thereto, and the cost of
21 administration during the period of construction and may also be used for defraying
22 preliminary expenses in accordance with Section 632 of this ~~act~~ title; ~~(3) Bond~~

1 3. A bond fund, by which is meant the proceeds of levies made against the special
2 assessment of benefits equalized and confirmed under the provisions of this act which
3 has been anticipated in the issuance of bonds, notes or warrants together with all other
4 receipts pledged for the retirement of bonds, notes or warrants or the payment of interest
5 thereon, which shall be used only for such purposes; ~~(4) Maintenance and~~

6 4. A maintenance fund, which is a special assessment to be levied annually for the
7 purpose of upkeep, administration and current expenses as hereinafter provided.

8 ~~(b) B.~~ B. Any surplus monies in any fund of a conservancy district may be transferred
9 to any other fund by the board ~~with the approval of the court~~, but no transfer shall be
10 made from the bond fund prior to the final maturity of the bonds, notes or warrants
11 payable therefrom, and no transfer shall thereafter be made which would reduce the
12 balance in ~~such the~~ the fund below the amount required for the payment of all obligations
13 outstanding against ~~such the~~ the fund.

14 ~~(c) C.~~ C. No vouchers shall be drawn against the maintenance fund of a conservancy
15 district until assessments have been levied as provided by this act, ~~no~~ No bonds shall be
16 issued against the bond fund until an assessment-levying resolution shall have been
17 properly passed by the board of directors and duly entered upon its records, and not until
18 the property owners shall have been given an opportunity for a period of not less than
19 thirty (30) days to pay the assessments so levied against their respective properties.

20 SECTION 5. It being immediately necessary for the preservation of the public
21 peace, health and safety, an emergency is hereby declared to exist, by reason whereof
22 this act shall take effect and be in full force from and after its passage and approval.

1 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET,
2 dated 02-23-10 - DO PASS, As Amended and Coauthored.