

## Chapter 450

### Sanitary Districts

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## CROSS REFERENCES

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**SANITARY DISTRICTS GENERALLY**

**450.005 Definitions.** As used in ORS 450.005 to 450.245, unless the context requires otherwise

(1) "Board" or "district board" means the governing body of a district

(2) "County court" means the county court or board of county commissioners of the county in which the district, or the largest area thereof, is located.

(3) "District" means a district formed in one or more counties and outside the corporate limits of any city pursuant to ORS 450.005 to 450.245 or pursuant to any law which those sections supersede

(4) "Secretary" means the secretary of the district

(5) "Treasurer" means the treasurer of the county in which the district, or the largest area thereof, is located

**450.010 Petition for formation of district.** (1) Whenever 25 or more persons in one or more counties desire the formation of a sanitary district, they may sign and present a petition to the county court of the county in which the district, or the largest area thereof, is located. The petition shall contain:

(a) The name of the proposed district

(b) The boundaries of the proposed district

(c) A request that the territory within the boundaries be formed into a sanitary district

(2) Each petitioner shall be a resident and freeholder in the proposed district

(3) The petition shall be accompanied by a good and sufficient bond in the form and amount to be approved by the county court, conditioned that the petitioners will pay the costs of attempted formation, election and organization in case organization is not effected. In event the district is organized the district shall be liable for costs

**450.015 Verification of petition.** The petition shall be verified by affidavit of one of the petitioners. Verification shall be in substantially the following form

State of Oregon, }  
County of \_\_\_\_\_ } ss.

I, \_\_\_\_\_, being first duly sworn say:  
(Here shall be legibly written or typewritten the names of the signers of the petition) signed this petition and each of them signed his name thereto in my presence; I believe that each has stated his name, postoffice

address and residence correctly, and that each signer is a legal voter of the State of Oregon and a resident and freeholder within the boundaries of the proposed sanitary district

(Signature and postoffice address of affiant)

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, A. D. 19\_\_\_\_.

(Signature and title of officer before whom oath is made, and his postoffice address)

**450.020 Notice of hearing.** (1) Preceding hearing upon the petition, a notice of hearing shall be posted in three public places in the proposed district not less than 20 days before the hearing, and shall also be published at least once a week for two successive weeks in a newspaper of general circulation in the district. If a newspaper is not printed or published in the district, publication shall be made in a newspaper of general circulation in the county in which the largest area of the district is located

(2) The notice shall state:

(a) That a petition has been filed for the establishment of a sanitary district.

(b) The name and boundaries of the proposed district

(c) The time and place that the petition will be presented to the county court for hearing

(d) That all persons interested may appear and be heard.

**450.025 Hearings.** (1) At the time designated the county court shall hear the petition and may adjourn the hearing from time to time

(2) The court may alter the boundaries set forth in the petition to include all territory which may be benefited by inclusion within the sanitary district. The court shall not modify the boundaries of the proposed district as set forth in the petition so as to exclude from the proposed district any land which would be benefited by the formation of the district, nor shall there be included in the proposed district any land which will not, in the judgment of the court, be benefited.

(3) If the court concludes that any land has been improperly omitted from the proposed district and that the owner has not appeared at the hearing, it shall continue the further hearing of the petition, and

shall order notice given to the nonappearing owner, requiring him to appear before it and show cause why his land should not be included in the proposed district. Notice shall be given either by publication in the same manner as the original notice for hearing and for the same period, or by personal service on each nonappearing owner. If notice is given by personal service, it shall be given at least three days prior to the date fixed for the further hearing.

**450.030 Order for election.** Upon the final hearing of the petition the county court, if it approves the petition as originally presented or in an altered form, shall make necessary arrangements for the election and issue an order containing:

(1) A description of the exterior boundaries of the proposed district, as determined by the county court.

(2) The date on which an election will be held in the proposed district.

(3) A description of the polling places at which the election will be held, to be selected by the county court.

(4) The day fixed for the election which shall be within 40 days from the date of the order, stating also that at the election there shall be elected three members of the sanitary board.

**450.035 Publication of order.** A copy of the order for election shall be posted for four successive weeks prior to the election in three public places within the proposed district, and shall be published once a week for four successive weeks prior to the election in some newspaper of general circulation in the proposed district, if there is one, and if not, in some newspaper published in the county in which the largest area of the district lies.

**450.040 Ballots; qualifications of voters; applicability of election laws.** (1) The ballots shall contain a description of the area proposed to be incorporated into the district and the words "Sanitary district. Yes —," "Sanitary district. No —," or equivalent words.

(2) Every registered voter, resident within the proposed district, shall be eligible to vote at the election.

(3) The election and all subsequent elections shall be conducted as nearly as practicable in accordance with the general election laws of the state other than the general

election laws relating to the nomination of candidates.

**450.045 Original officers of sanitary board; nomination; qualification; terms; election.** (1) At the election for formation there shall be elected the first three members of the sanitary board.

(2) To be qualified to be a member of the board, a person must be a registered voter and freeholder within the area of the district.

(3) Nominations for such officers shall be made by petition, signed by 10 registered voters in the proposed district. The petition shall be filed with the county clerk of the county having jurisdiction of the petition at least 20 days preceding the date of said election.

(4) The county clerk shall cause the names of all persons nominated to be placed on the ballots as candidates for the offices of directors of the sanitary district.

(5) The ballots shall have three blank lines under the names printed, wherein may be written the names of other candidates for office.

(6) The candidate receiving the highest vote shall be elected for a period of three years. The candidate receiving the next highest vote shall be elected for a term of two years. The person receiving the third highest vote shall be elected for a term of one year. The terms of office of the first directors shall expire in one, two and three years, respectively, from the first Tuesday in January next succeeding their election.

**450.050 Order proclaiming result of election; contesting validity of formation.**

(1) If a majority of the votes cast is in favor of formation of the district, the county court shall make and cause to be entered in its journal an order that a district of the name and with the boundaries stated in the order calling the election, setting forth the boundaries, has been established. No proceeding may be maintained contesting the validity of the formation of such district unless instituted within 90 days after the entering of such order.

(2) If a majority of the votes cast is against the formation of the district, the county court shall by order so declare. No other proceedings shall then be taken in relation thereto until the expiration of one year from the date the petition was presented to the county court.

**450.055 Sanitary board; officers; term; vacancy; compensation.** (1) The officers of the district shall be the sanitary board, consisting of three members and a secretary appointed by the board

(2) Except as to those members of the board who are elected on formation, the term of office of each elective member shall be three years, and until his successor is elected and qualified.

(3) Vacancy in the membership of the board shall occur by reason of resignation, removal of residence from the district, death, inability to act or, unless excused, failure to attend three successive regular board meetings. Vacancies shall be filled for the unexpired term by appointment by the county court.

(4) Each member of the board shall receive \$5 for each attendance of the meetings of the board, and shall be allowed seven cents per mile for traveling expenses necessarily incurred on district business by automobile, and his actual traveling expenses when he travels by rail

**450.060 Nomination and election of sanitary board directors.** (1) An election shall be held in the district on the first Tuesday after the first Monday of November in each year to elect a successor to the office of one director whose term expires. The election shall be conducted in the manner provided in ORS 450 045.

(2) Qualified persons shall be nominated and elected as provided in ORS 450.045, except that nominating petitions shall be filed with the secretary of the board, who shall also make necessary arrangements for the election

(3) Notice of an election shall be given as provided in ORS 450 035

(4) Qualified nominees or write-in candidates receiving a plurality of votes cast shall be elected

(5) Each officer elected shall take office on the first Tuesday in January following his election

**450.065 Election of president; appointment, bond, duties and compensation of secretary.** (1) At its first regular meeting each year, or as soon thereafter as practicable, the board shall choose one of its members as president and appoint a secretary.

(2) Before taking office, the secretary shall post bond with the board in the form and amount prescribed by the board

(3) The secretary shall receive such

compensation as is fixed by the order of the board.

(4) The secretary shall perform all duties required by the board and those prescribed in ORS 450 005 to 450 245

**450.070 Meetings of sanitary board; regular and special.** (1) The board shall hold such meetings either in the day or evening, as may be convenient, but must hold one regular monthly meeting at a stated time and public place, at which, so far as practicable, district business shall be conducted.

(2) In case of the absence or inability of the president or secretary to act, the board may, by order entered in its minutes, choose a president pro tempore, or secretary pro tempore, or both.

(3) Special meetings may be called by the president or two members of the board by giving notice of time and place of the meeting six hours in advance.

**450.075 Powers of sanitary district.** Every sanitary district may:

(1) Have and use a common seal.

(2) Sue and be sued by its name.

(3) Acquire, construct, reconstruct, alter, enlarge, renew, replace, operate and maintain such sewage collection and disposal systems as in the judgment of the board are necessary and proper for the area of the district. In the performance of these functions, either in or out of the district, it may join with any county, city or other district or governmental agency in the joint establishment, maintenance and operation of such works, and may contract therefor within the limits of authority conferred by ORS 450.005 to 450 245.

(4) Permit the use, by lease or otherwise, of any property of the district by any other district, city or other governmental agency.

(5) Acquire by purchase, gift, devise, condemnation proceedings or otherwise, such real and personal property and rights of way, either within or without the limits of the district, as in the judgment of the board are necessary or proper to the exercise of its powers, and to pay for and hold the same.

(6) Make and accept contracts, deeds, releases and documents that, in the judgment of the board, are necessary or proper in the exercise of any of the powers of the district.

(7) Issue bonds as provided in ORS 450 095 to 450.125.

(8) Determine the rate of levy of taxes in the district, and fix sewer rentals, charges

and assessments as provided in ORS 450 130 to 450.180.

(9) Employ and pay necessary agents, employes and assistants.

(10) Lay its sewers and drains in any public street or road in the county, and for this purpose enter upon it and make all necessary and proper excavations, restoring it to its proper condition. However, the consent of the proper city, county or state authorities, as the case may be, shall first be obtained and the conditions of such consent complied with.

(11) Maintain and operate garbage dump sites and garbage collection and disposal systems.

(12) Call and conduct all necessary or proper elections according to ORS 450 005 to 450.245.

(13) Compel all residents and property owners in the district to connect their houses and structures requiring sewage or drainage disposal with adjacent street sewers, drains or other sewage disposal system of the district.

(14) Do any act necessary or proper to the complete exercise and effect of any of its powers or for the purposes for which it was formed.

(15) Make and enforce all necessary and proper regulations for:

(a) The removal of garbage and other deleterious substances

(b) The cleanliness of roads and streets of the district

(c) All other sanitary purposes not in conflict with the laws of this state.

**450.080 Signatures on contracts and other documents.** All contracts, deeds, warrants, releases, receipts and documents shall be signed in the name of the district by its president and countersigned by its secretary.

**450.085 Regulations and ordinances; publication; effective date.** (1) Any general regulation or ordinance of the sanitary board shall be entered in its minutes. Such regulations shall be published once in a newspaper published within the district. If there is no such newspaper, the regulations shall be posted for one week in three public places within the district. Orders not establishing a general regulation need not be posted or published.

(2) A general regulation or ordinance shall take effect upon the expiration of the week of publication or the posting thereof.

**450.090 County treasurer's duties in regard to district funds.** (1) The county treasurer shall be custodian of all sanitary district funds and shall pay out moneys of the district only upon written order of the board, signed by the president and countersigned by the secretary

(2) The order shall specify the name of the person to whom the money is to be paid, the fund from which it is to be paid, and shall state generally the purpose for which payment is to be made

(3) The order shall be entered in the minutes of the board. The county treasurer shall keep the order as his voucher and shall keep account of his receipts and disbursements of money for the sanitary district.

**450.095 Order for bond election.** (1) At any time after the district is organized, the board, by order entered in its minutes, may, when in its judgment it is advisable, and must, upon a petition of 15 percent of the registered voters residing in the district, call an election and submit to the electors of the district the question whether bonds of the district, either general obligation, revenue or a combination of both shall be issued and sold to raise money for the purposes set forth in subsection (3) of ORS 450.075. However, if a proposal for issuance of bonds is rejected, a similar proposal shall not again be voted upon within one year of the rejecting election.

(2) The order calling a bond election shall be signed by not less than two members of the sanitary board and may submit to the electors as one proposal the question of issuing bonds to make all outlays, or so many of them as may be selected. Or the order may submit as separate questions the issuance of bonds for any of the outlays singly or in such combinations as the order may direct.

(3) However, when an election is called pursuant to a petition of registered voters, the proposal must conform with the proposal of the petition, if within the powers of the district.

**450.100 Notice of bond election.** Notice of a bond election shall be given and published as provided in subsection (1) of ORS 450.020. The notice shall contain:

(1) Time and places of holding the election.

(2) The hours during the day the polls will be open.

(3) A statement of the purpose for

which the proceeds of the bonds are to be used.

(4) The amount and number of years, not exceeding 25, the whole or any part of the bonds are to run.

(5) The type of bond proposed to be issued.

**450.105 Conduct of bond elections; qualifications of voters.** (1) The board shall make all necessary and proper arrangements for holding the bond election, including the appointment and payment of judges and clerks of election.

(2) The election shall be conducted so far as practicable in accordance with the general election laws of this state.

(3) Registered voters who are residents of the district shall be entitled to vote at the election.

**450.110 District bonds; issue; amount; interest.** (1) If, at the bond election, a majority of the votes cast is in favor of the issuance of bonds, the board may issue and dispose of the bonds proposed in the order calling the election.

(2) The bonds shall be of such denominations as the board determines, except that no bonds shall be of a denomination of less than \$100 or greater than \$1,000.

(3) All bonds shall be payable in lawful money of the United States at the office of the county treasurer, and shall bear interest at a rate not to exceed six percent per annum, which interest shall be payable semi-annually

**450.115 Use of proceeds of bond sale.** The proceeds of the sale of bonds shall be deposited with the county treasurer and shall be by him placed in the sanitary district fund called the Sewer Construction Fund of — (naming it) Sanitary District. The money in the fund shall be used for the purpose indicated in the order calling for election upon the question of the issuance of the bonds, and for no other purpose. However, if those purposes are entirely fulfilled, any balance remaining in the fund shall be used for payment of the principal and interest of the bonds

**450.120 Debt limitations.** The total outstanding district bonds of all types shall at no time exceed in the aggregate 25 percent of the assessed value of all the real property in the district; provided, that the provisions of ORS 224.240 and 224.250 shall apply to revenue bonds issued by any such district

**450.125 Type of bonds; payment.** (1) The district may, when authorized by the voters of the district at any general or special election, issue general obligation bonds, revenue bonds or general obligation and revenue bonds for the district, for the purpose of paying the cost of construction of sewers, drains or sewage treatment plants.

(2) All such bonds shall be paid within a period of 25 years and in annual installments of such amounts as will make the combined amount of principal and interest payable each year as nearly equal as practicable during the years of payment.

**450.130 Sewer service charges; collection and enforcement.** (1) The sanitary board may enact ordinances levying sewer service charges within the district, for the purpose of financing the construction, operation and maintenance of the sewage collection and disposal system

(2) The board may contract with any city or district serving water in such area to collect such service charges with the water bills, and the serving agency may cut off water for nonpayment of such service charges. The board may pay the water serving agency for the reasonable cost of such collection services.

(3) Service charges may also be collected and enforced as provided in ORS 224.220.

**450.135 Ordinance declaring method of payment.** (1) For the purposes specified in subsection (3) of ORS 450.075, a district may declare by ordinance before doing the same that the cost, or any portion thereof, shall be assessed against the property directly benefited. Or it may provide in the ordinance that the cost shall be paid partly by assessment against the property directly benefited and partly out of the general funds of or sewer service charges collected by the district

(2) The determination of the board as expressed in the ordinance as to the proportion of the cost shall be based upon an exercise of the board's sound discretion.

**450.140 Assessment ordinance.** If any of the cost of sewers, drains or sewage treatment plants is assessed against the property directly benefited thereby, the board shall, before attempting to make the improvement or assessment, adopt a general ordinance providing for the method of assessment. The ordinance shall:

(1) Contain provision for notice to prop-

erty owners of intention to make the assessment and improvement.

(2) Provide that notice shall be not less than 20 days before action is taken thereon.

(3) Provide an opportunity for property owners to appear before the board for the purpose of remonstrating against assessments.

(4) Provide for the general method of assessing the property directly benefited and of the recording of liens against the property directly benefited, and of making supplementary assessments and rebates

**450.145 Entry of assessments in lien docket; lien docket as public record.** (1) When assessments are made they shall be entered into a permanent lien docket which shall be kept in the office of the district and wherein shall be shown the amount of each lien, property against which it has been assessed, the owner thereof and such additional information as is required to keep a permanent and complete record of the lien and the payments thereon.

(2) The lien docket shall be a public record kept by the secretary and shall be open to inspection during all business hours established by the district.

**450.150 Hearing of objections to proposed improvements.** (1) The board shall appoint a time for the hearing of remonstrances or objections against any proposed improvement regardless of the method of payment. At the time appointed all objectors or remonstrators shall have the right to be heard.

(2) If two-thirds or more of the owners of the property directly benefited, which is liable for any of the cost of the sewers, drains or sewage disposal plants, file written remonstrances objecting to the proposed improvement, the board shall sustain the remonstrances, and no further proceedings in the matter of proposed improvements shall be had for a period of six months.

(3) If two-thirds of the owners of the property directly benefited by the proposed improvements do not file written remonstrances against the improvement, the board may proceed with the making of the improvement.

**450.155 Instalment payment of improvement costs; issuance of improvement warrants and bonds.** If the cost, or any portion of the cost, of sewers, drains or sewage treatment plants is assessed against the property

directly benefited, the provisions of ORS 223.205 to 223.385, in regard to the payment of assessments in instalments, and the provisions of ORS 287.502 to 287.510, relating to the issuance of improvement warrants by cities, shall apply in so far as practicable and applicable in the district. Where, in ORS 223.205 to 223.385 and 287.502 to 287.510 officials of cities are referred to, the corresponding officials of sanitary districts where applicable shall perform the required functions. The district may issue improvement bonds in the total amount of the valid applications it received to pay assessments in instalments as provided in ORS 223.205 to 223.385. [Amended by 1953 c 649 §2]

**450.160 Collection and enforcement of delinquent liens; reassessment.** (1) In case the whole or any portion of the cost of sewers, drains or sewage treatment plants is assessed against the property directly benefited and the owner of the property fails to pay the amount of the lien, or any portion thereof, or the interest thereon, when they become due, the board may proceed to foreclose the lien in any manner provided by law for the collection of liens by municipalities and may provide by ordinance a general procedure for the collection of liens in any manner not inconsistent with law.

(2) The provisions of ORS 223.405 to 223.485 relating to reassessment shall be available to sanitary districts where applicable

**450.165 Preparation and approval of plans for drains and sewer installations.** (1) Whenever the board deems it expedient or necessary to cause to be constructed sewers, drains or sewage treatment plants, the cost of which, in whole or in part, is to be paid either by the proceeds of the sale of bonds by the district or assessed against the property directly benefited or by both methods in proportion, the board shall retain a registered professional engineer to prepare plans and specifications for the sewers, drains or sewage treatment plants, which plans and specifications shall be filed in the office of the secretary of the district

(2) The district board may, however, adopt any plans and specifications they see fit, provided the plans have been prepared by a registered professional engineer and have been approved by the State Board of Health and the Sanitary Authority

**450.170 Levy of taxes.** (1) Assessment and collection of property taxes within the



district shall be made by the county officers charged with assessment and collection of other property taxes in the county in which the property lies.

(2) Each year, immediately after his necessary records are made, the county assessor shall transmit to the board a statement in writing, showing the total value of all property within the district as ascertained from the assessment book of the county in which the property lies for that year, as equalized and corrected by the county board of equalization

(3) The district board shall prepare a budget in the form, manner and time prescribed in the Local Budget Law and in accordance therewith fix the amount of money to be raised by taxation for sanitary purposes and for the payment of the principal and interest of outstanding indebtedness of the district which will become due during the year.

(4) The district board shall, in the manner and time prescribed by law, transmit to the county assessor a statement of such taxes. If the board fails to levy a direct ad valorem tax sufficient to pay the interest on and the maturing principal of all outstanding general obligation bonds, the county court or board of county commissioners of any county in which any portion of the district is included shall levy such tax which shall be extended and collected the same as all other sanitary district taxes

**450.175 Collection of taxes.** (1) Taxes levied under ORS 450 170 shall be collected at the same time and in the same manner as county taxes are collected, and when collected shall be paid to the county treasurer for the account of the district.

(2) The taxes shall be a lien upon the property against which they are levied in the sanitary district and shall be of the same force and effect as other liens for taxes. Their collection shall be enforced by the same means as provided for the enforcement of liens for state and county taxes

**450.180 to 450.200** [Reserved for expansion]

**450.205 Procedure for annexing territory to district; petition.** Contiguous territory may be annexed to a sanitary district in the manner provided in ORS 450 205 to 450 225. A petition signed by 15 percent of the registered voters residing in the territory proposed to be annexed, shall be presented to the board. The petition shall

(1) Designate specifically the boundaries of the territory proposed to be annexed, and its assessed valuation as shown by the last equalized assessment roll

(2) State that the territory is not within the limits of any other sanitary district

(3) Ask that the territory be annexed to the district

(4) Be accompanied by bond in the sum of not less than \$100, to be approved by the board, and filed with the secretary as security for payment by petitioners of the reasonable cost of the election in the event that at the election less than a majority of votes cast are in favor of annexation

(5) Be verified by affidavit of one of the petitioners

**450.210 Publication of annexation petition and notice of hearing.** Notice containing the substance of the petition shall be published at least once a week for two successive weeks in a newspaper of general circulation published in the district, if there is one, and if not, in a newspaper of general circulation published in the county in which the largest part of the area proposed to be annexed lies, together with a notice stating the time when the petition will be presented to the board, and that all persons interested may appear and be heard.

**450.215 Annexation hearing.** At the time specified for the hearing the board shall hear the petition, and may adjourn the hearing from time to time. The board shall not modify the boundaries of the territory proposed to be annexed as set forth in the petition so as to exclude any land which would be benefited by the annexation of territory to the district, nor shall any lands which will not be benefited by the annexation to the district be included within the boundaries of the territory proposed to be annexed

**450.220 Order for and notice of annexation election.** (1) Upon the final hearing of the petition, the board, if it approves the petition as originally presented or in modified form, shall make an order describing the exterior boundaries of the territory proposed to be annexed, and order that an election be held in the district and in the area proposed to be annexed for the purpose of determining whether or not the territory shall be annexed to the district

(2) The order shall fix the day of the election, which shall be within 40 days from the date of the order, and shall show the

boundaries of the territory proposed to be annexed to the district

(3) Notice of the election shall be given for not less than two successive weeks in the manner provided in ORS 450.210. The notice must state the time and place of election and the question to be voted upon.

(4) The board shall designate the number of polling places in each area and the election board.

**450.225 Order declaring annexation.** If a majority of the votes in the district and a majority of the votes in the territory proposed to be annexed are in favor of annexation, the secretary shall make and cause to be entered in the minutes and indorsed on the petition an order approving the petition. The petition shall then be transmitted to and filed with the county court. The county court at its next regular meeting after filing of the petition shall, by an order, show the alteration of the boundaries of the district and declare the annexation of the territory described in the petition. The effective date of the annexation shall be the date of the county court's order.

**450.230 Procedure for dissolution of district.** (1) A district may be dissolved upon a majority vote of its registered voters voting at an election called by the district board

(2) The board may, upon its own initiative, and must, upon a petition of 15 percent of the registered voters of the district, call an election for the purpose of dissolution. If the election is initiated by petition, it must be held within 60 days of receipt of petitions by the board

(3) Notice of election shall be published at least once a week for two successive weeks in a newspaper of general circulation published in the district, if there is one, and if not, in a newspaper published in the county in which the largest area of the district is located

(4) The board shall appoint judges and clerks of election and shall make suitable arrangements for the conduct of the election.

(5) Upon canvass of the vote, if a majority of the registered voters votes in favor of dissolution, the board shall notify the county court that a dissolution has been effected. The county court thereupon shall enter in its journal the date of dissolution of the named sanitary district

**450.235 Distribution of property and liquidation of debts after dissolution.** (1) Upon dissolution of a district the property thereof lying within the corporate limits of a city shall vest absolutely in the city and the property of the district lying without the corporate limits of any city shall vest in the county until the formation of a city embracing such territory, at which time it shall vest in the city.

(2) If at the time of election to dissolve a district there is outstanding indebtedness of the district, the vote to dissolve the district shall dissolve it for all purposes except the levy and collection of taxes for the payment of such indebtedness.

(3) From the time the district is dissolved, until its bonded and other indebtedness is paid, satisfied and discharged, the governing body of the city, where the property of the district lies wholly within the limits of the city, and in all other cases the county court, is the ex officio board of the district

(4) The ex officio board shall maintain the sewer systems remaining in its jurisdiction in proper condition, fulfill and compel fulfillment of all contracts made by the district and maintain and protect all other rights acquired by the district

**450.240 Effect of annexation of district property to a city.** Annexation of any area within a sanitary district to a city shall have the effect of withdrawing such area from the district, and property rights and liabilities shall be settled in the manner prescribed by applicable law

**450.245 Application of ORS 450.005 to 450.240 to districts organized under former laws; savings clause.** (1) Sanitary districts organized under chapter 385, Oregon Laws 1935, which were exercising the functions of sanitary districts on July 16, 1949, are vested with all rights, powers and obligations prescribed in ORS 450.005 to 450.240 and, after July 16, 1949, shall conduct their business in accordance with and be subject to those sections

(2) No right or obligation incurred by the formation of a sanitary district pursuant to the provisions of chapter 385, Oregon Laws 1935, as amended by chapter 402, Oregon Laws 1941, is affected by the repeal of those provisions

**450.250 to 450.300** [Reserved for expansion]

**SANITARY DISTRICTS FOR CITIES  
OVER 100,000 AND ADJACENT AREAS**

**450.305 Definitions.** As used in ORS 450.305 to 450.580, unless the context requires otherwise:

(1) "Area" means all the territory in any one county lying outside the city but included in the proposed sanitary district

(2) "Auditor" means auditor, clerk or other similar recording officer.

**450.310 Resolution of city council to form sanitary district including areas outside of city; transmission of resolution to board of county commissioners.** (1) The city council of a city having over 100,000 inhabitants may transmit to the board of county commissioners or boards of county commissioners if areas in more than one county are affected, a resolution stating:

(a) That the formation of a sanitary district, the boundaries of which are specified, including areas both within and without the city and the immediate construction of a trunk sewer to furnish drainage and sanitary convenience to such districts is conducive to the preservation of the public health and most economical eventually to all areas included in the district

(b) That the city council petitions the boards of county commissioners to join with the city council in establishing a sanitary district

(2) With the resolution, there shall be furnished

(a) Appropriate and complete plans and specifications and estimates of cost for the construction of the trunk sewer.

(b) Proof that the city council has been duly authorized by law to place the entire cost of construction upon the city until such time as the areas in the proposed sanitary district lying outside of the city are annexed to the city, when they may be made liable for their proportionate share of the original cost of construction.

**450.315 Organization of joint sanitary commission.** The chairman of the board of county commissioners of the county in which the major part of the city is situated shall, within 30 days after receipt of the resolution of the city council, call and preside over a joint meeting of the city council and the boards of county commissioners of the counties in which the proposed sanitary district is situated, for the purpose of organizing such bodies into a joint commission to be

known as the joint sanitary commission for the construction of the (name of) sewer, which joint commission may form and define the limits of the proposed sanitary district and provide for the construction of the trunk sewer.

**450.320 Resolution and declaration of purpose by joint commission.** If the joint sanitary commission, by unanimous vote, agrees upon the limits of the proposed sanitary district and approves the plans, specifications and estimates of cost for the construction of the trunk sewer and agrees upon a distribution of the cost of construction between the area in the city and the areas outside the city in the counties included in the proposed sanitary district, either as originally submitted by the council or as modified by unanimous vote of the commission, it shall by resolution, adopted within 60 days after its first meeting, declare its purpose to form and define the limits of the sanitary district and to construct the trunk sewer

**450.325 Contents of commission's resolution.** The resolution under ORS 450.320 shall

(1) Describe the trunk sewer and include an estimate of the probable cost of construction, fixing the distribution of cost for construction between the area in the city and the areas outside the city included in the district

(2) Fix the time and place where the commission will hear remonstrances against the formation of the district and the construction of the trunk sewer

(3) Contain a statement that no part of any area in the district but outside the city shall be made liable for any portion of the cost of construction until such time as it is annexed to the city or until the board of county commissioners having jurisdiction over the area, on a petition of the majority of the owners of real property in that part of any area, contracts with the city for the construction of a lateral system to furnish direct connection with the trunk sewer, whereupon an assessment based upon the declared distribution of cost for the trunk sewer shall be levied and become payable at the same time as that for the lateral system

**450.330 Voting representation on joint commission.** In all voting of the joint sanitary commission each board of county commissioners and the city council are entitled

to one vote which represents the majority opinion of the board or council concerned.

**450.335 Record and publication of resolution; posting notice of trunk sewer construction.** (1) The resolution of the commission under ORS 450.320 shall be kept of record in the offices of the city auditor and the county clerks of the counties in which the proposed sanitary district is situated.

(2) At the expense of the city, the city council shall provide for the publication of the resolution for 10 consecutive issues of any newspaper of general circulation in the counties within the sanitary district which the commission may select

(3) Within five days from the first publication of such resolution, the city engineer shall cause to be conspicuously posted at the expense of the city and at not less than three places in each county affected, as the commission may direct, notices headed "Notice of Trunk Sewer Construction," in letters not less than one inch in length. The notices shall contain in legible characters a copy of the resolution of the commission and the date of its adoption

(4) Within five days of posting, the city engineer shall file an affidavit with the city auditor and the county clerks of the counties in which the proposed sanitary district is situated, stating the date when and places where the notices have been posted.

**450.340 Filing of remonstrances; hearing.** (1) Within 20 days from the date of the first publication of the notice, owners of property in the proposed sanitary district may file written remonstrances against the formation of the district or the construction of the trunk sewer either with the city auditor or the clerks of the boards of county commissioners of the counties in the proposed sanitary district

(2) At the time and place fixed for the hearing of remonstrances as stated in the notice, to be held not later than 40 days after passage of the resolution, the commission shall hear and consider any objections that may be presented against the proposed sanitary district and trunk sewer construction including the written remonstrances provided for in subsection (1) of this section

(3) The joint commission may overrule all remonstrances by unanimous vote

**450.345 Time limits for action by commission.** If the commission fails to adopt the initiatory resolution within 60 days after

its first meeting or to agree unanimously on overruling remonstrances within 120 days after its first meeting, no further meetings of the commission shall be held until a hearing has been held before the circuit court.

**450.350 Submission of plans and estimates to State Engineer if joint commission fails to adopt initial resolution; preparation of proposed distribution of cost.** (1) If the joint commission fails to adopt the initiatory resolution, the city council may within 60 days submit to the State Engineer for his approval a description of the proposed sanitary district and copies of the plans, specifications and estimates of cost filed with the commission.

(2) If the State Engineer approves the plans, specifications and estimates, or if the city council and the city engineer accept modifications as proposed by the State Engineer, the city council, through its auditor, may prepare a proposed distribution of cost for the construction of the trunk sewer between the area within the city and the areas without the city

**450.355 Notice of hearing of remonstrances against proposed cost distribution.** Upon preparing the proposed distribution of cost, the city council may direct the city auditor to prepare notices giving all the essential particulars concerning the proposed district and construction, as provided for in ORS 450.335, and fix a time at which the council will hear and act upon remonstrances by owners of property in the areas outside the city or by any member of the boards of county commissioners having jurisdiction in such areas, against the proposed apportionment of cost of the trunk sewer. Such notice shall be published by the city auditor and posted, and affidavits made at the expense of such city in essentially the same manner as provided in ORS 450.335.

**450.360 Hearing; appeal to circuit court.** (1) At the time fixed for the hearing the city council shall hear and may overrule any objections to the proposed apportionment of cost, or may modify the proposed apportionment of cost as it deems just and proper

(2) Any owner of property in the area outside of the city included within the proposed sanitary district or any member of the boards of county commissioners having jurisdiction in the area, feeling himself aggrieved by the action of the council, may

within 30 days after such action take and file an appeal against the proposed apportionment of cost in the circuit court having jurisdiction over the district in which the city is situated in like manner as appeals are taken from the county court to the circuit court

**450.365 Procedure by city council if joint commission adopts initial resolution but fails to overrule remonstrances against formation of the district or construction of the trunk sewer.** If the joint commission adopts the resolution pursuant to ORS 450.320 but fails to overrule remonstrances unanimously pursuant to ORS 450.340, the procedure and appeal provided in ORS 450.350 to 450.360 shall be followed.

**450.370 Issues on appeal; decision as final.** (1) On trial of the appeals, the circuit court shall try the question whether the proposed apportionment of cost between the area within the city and the areas outside the city within the sanitary district is just and equitable. The court may modify and equalize such proposed apportionment of cost to secure equity between the various areas affected.

(2) The decision of the court upon the proposed distribution of the cost of construction to be borne by areas within and without the city limits is final and conclusive.

**450.375 Construction contract between city and joint commission.** Within 40 days after the overruling of remonstrances under ORS 450.340 or 450.360, or the fixing of the distribution of cost for the proposed construction by the court, the boards of county commissioners that are members of the joint commission shall meet for the purpose of entering into a written agreement with the city whereby the city agrees to construct the proposed trunk sewer and to bear all costs of construction until such time as any part of the area in the sanitary district but outside the city becomes annexed to the city, whereupon such part of the area shall become liable for its portion of the original cost, but for no interest dating back beyond the time of annexation, in consideration of which the joint commission agrees to make a final distribution of cost on completion of the construction of the trunk sewer as provided in ORS 450.325.

**450.380 Construction by city; inspection during construction; distribution of cost on completion.** (1) After the agreement re-

ferred to in ORS 450.375 is made, the city may construct the proposed trunk sewer and provide methods for financing the cost of construction by the city.

(2) Each county in which part of the sanitary district is situated is entitled to maintain on the work during the time of actual construction one inspector who shall receive a wage not to exceed \$4 per day, payable by the county engaging him.

(3) When the construction is completed, the work accepted by the city and the total cost determined, the joint commission shall meet and distribute the final cost among the counties and the city in strict proportion to the original proposed distribution. Thereupon the boards of county commissioners and the city council shall enter into an agreement whereby the city may levy assessments upon the areas affected in accordance with the final distribution of costs whenever the areas are annexed to the city.

**450.385 Rural assessments for trunk sewer; collection.** Whenever any area or part of an area upon which a portion of the cost for the construction of a trunk sewer has been apportioned is annexed to the city, the city may levy and collect assessments in the same manner as other improvement assessments are collectible. In no case shall the city charge any interest dating back beyond the time of annexation.

**450.390 Petition for construction of lateral sewers.** After completion of the trunk sewer a majority of the owners of the real property in any area or part of any area outside of such city included in a joint sanitary district may petition the board of county commissioners of the county in which the area or part of area is situated for the construction of a lateral system to furnish direct connection for such area or part of area with the trunk sewer.

**450.395 Contract between county and city for construction of lateral sewers.** Upon being petitioned, under ORS 450.390 the board of county commissioners may enter into a contract with the city council, if the council has such authority by law, whereby:

(1) The city engineer shall act as engineer for the county in preparing plans, specifications and estimates of cost for the construction of the lateral system and in

supervising and inspecting the work during its construction

(2) The city auditor shall apportion assessments for the costs of construction

(3) The amount to be paid by the county to the city for the services of the city engineer and of the city auditor, which in no case shall exceed five percent of the actual cost of construction of the lateral system, shall be fixed. The county shall pay for these services in the manner provided in ORS 450 435.

**450.400 Resolution by board approving contemplated construction plan; notice; hearing of remonstrances.** (1) When a contract has been made between the county and city, the city engineer shall prepare plans, specifications and estimates of cost appropriate for the construction of the lateral system and file copies of them with the board of county commissioners and the city auditor

(2) If the board of county commissioners finds such plans, specifications and estimates satisfactory, it shall adopt a resolution of intention and publish and post notices of the contemplated construction similar in form to those provided in ORS 450.325 and 450 335, except that such notices shall be posted only in the area affected and the notices shall be headed "Notice of Lateral Sewer Construction" and provision shall be made for written remonstrances and a public hearing before the board of county commissioners. The board of county commissioners may overrule such remonstrances.

**450.405 Bids and award of contract; supervision and approval of work.** (1) The board of county commissioners shall then give notice by publication of not less than five successive days in a newspaper of general circulation in the county inviting proposals for the construction of the lateral system in accordance with the plans, specifications and estimates prepared by the city engineer

(2) When the bids are opened, the board of county commissioners may, on recommendation of the city engineer, award the contract for the construction to the lowest responsible bidder

(3) The construction shall be carried on under the supervision and inspection of the city engineer and the work when completed must be approved by the city engineer before acceptance by the board of county commissioners.

**450.410 Publication of notice that acceptance of completed construction to be considered; hearing of objections to acceptance; subsequent action.** (1) When the city engineer has approved the work and filed his final estimates of cost for the construction, the board of county commissioners shall cause to be published a notice of the completion of the construction for not less than five successive days in a newspaper of general circulation in the county, stating when the acceptance will be considered by the board of county commissioners. At that time or prior thereto any owner in the area affected may appear and file objection to the acceptance of the construction. Such objection shall be considered

(2) If it appears that the work has not been completed in accordance with the plans, specifications and the terms of the contract, the board of county commissioners shall require the work to be completed before acceptance

(3) When the construction is accepted by the board of county commissioners, the county clerk shall indorse its acceptance on the certificate of approval of the city engineer

**450.415 Apportionment of costs.** Whenever the board of county commissioners has ascertained the whole cost of the construction of the lateral system, the city auditor shall apportion its cost, together with the part of the cost for the construction of the trunk sewer levied upon the particular area where the lateral system has been constructed and also the amount necessary to pay the supercharge provided for in the contract between the city and county for the services of the city engineer and city auditor, upon the lots and parcels of land in the area where the lateral system has been constructed, in accordance with their special and peculiar benefits

**450.420 Notice, hearing and declaration of apportionment and proposed assessment.**

(1) The city auditor shall provide for the posting of notices and the mailing of a notice of apportionment and proposed assessment to each person whose property is proposed to be assessed

(2) The board of county commissioners shall provide for and give notice, by five successive publications in a newspaper of general circulation in the county, of a public

hearing on remonstrances against the proposed apportionment and assessment.

(3) After holding the public hearing, the board of county commissioners may make such changes in the proposed assessment as it deems necessary to secure a just apportionment of benefits.

(4) When the city auditor has prepared an assessment roll in accordance with such changes, the board of county commissioners shall declare the assessment by written order. The order shall designate the particular lateral system of sewers for which the assessment is levied, the number of the assessment roll and the whole cost of construction, but the assessment need not be set out at large in the order

**450.425 Docket and notice of final assessment.** When the assessment is declared by order of the board of county commissioners, the city auditor shall enter a statement of the assessment in a docket to be called Docket of County Sewer Liens. The docket shall be in the custody of the county clerk. The city auditor shall furnish a copy of the assessment to the county sheriff and shall publish and mail notices of assessment in the manner provided in subsection (1) of ORS 450 420 for notices of proposed assessments

**450.430 Contents of entry in lien docket.** The Docket of County Sewer Liens shall contain.

(1) The date of the entry.

(2) The number or letter of each lot assessed and the number or letter of the block of which it is a part.

(3) A description of each unplatted tract or parcel of land.

(4) The sum assessed upon each lot or part thereof, or tract of land.

(5) The name of the owner, or that the owner is unknown. However, failing to enter the name of the owner or mistake in the name of the owner, or the entry of a name other than that of the true owner, shall not render void any assessment, nor in any way affect the lien of the county on the property described in the docket.

**450.435 Payment by county for cost of constructing lateral sewer.** When the assessment for the construction of the lateral system has been made and docketed, the board of county commissioners and county clerk shall draw warrants on the fund created for the construction as provided in ORS

450 490 in favor of the city, and other parties entitled thereto, for.

(1) The portion of the cost of the trunk sewer construction apportioned to the area where the lateral system has been constructed.

(2) The services of the city engineer and city auditor as provided in the contract made under ORS 450.395.

**450.440 Procedure for deficit assessments.** If, upon completion of the lateral sewer system it is found that the sum assessed therefor is insufficient and the amount charged to any of the property assessed is less than the benefits accruing thereto, the board of county commissioners may ascertain the deficit. The city auditor shall then prepare and file with the county clerk and county sheriff a proposed deficit assessment. After notice of deficit assessment has been given by the city auditor as provided in subsection (1) of ORS 450.420, for assessments, the board of county commissioners shall make a just assessment for such deficit against the property benefited.

**450.445 Procedure for refunding surplus assessments.** If, upon the completion of the lateral sewer system, it is found that the sum assessed is more than is required to pay its cost, the board of county commissioners shall ascertain the surplus. The city auditor shall prepare a proposed apportionment of the credit or refund to be made to the property assessed and, after notice is given as provided in subsection (1) of ORS 450 420, for assessments, the board of county commissioners shall declare the amount to be credited or refunded to each of the owners entitled thereto and provide for the making of credit or refund

**450.450 Reassessments.** The board of county commissioners may make a reassessment, whenever any assessment or reassessment for lateral sewer system is in any respect nullified by any court or its enforcement refused or when the board of county commissioners may be in doubt as to the validity of any assessment or reassessment

**450.455 Regulations for reassessments.** (1) The board of county commissioners may provide suitable and reasonable rules and procedure for making reassessments.

(2) However, a proposed reassessment shall be prepared and notice thereof shall be given in substantially the same manner

as provided in subsection (1) of ORS 450 420 for an original assessment

(3) The reassessment shall be based upon the special and peculiar benefit of the lateral sewer system to the respective parcels of land assessed Interest thereon from the date of the delinquency of the original assessment may be added in the discretion of the board of county commissioners

(4) Reassessment shall be made in an equitable manner and the board of county commissioners may adopt a different plan of apportionment of benefits when in its judgment essential to secure an equitable assessment.

(5) Proceedings required prior to an original assessment are not required in case of reassessments

(6) The board of county commissioners may enlarge the assessment district if it finds that any property has been omitted therefrom which has been specially benefited by the construction of the lateral sewer system and may also restrict the assessment district if it finds that any property has been included therein which is not or will not be benefited by the construction of the lateral sewer system

**450.460 Effect of irregularity on reassessment; entry on lien docket; credits for prior payments.** (1) Reassessment shall be made and become a charge upon the property upon which it is laid notwithstanding:

(a) The omission, failure or neglect of any officer, body or person to comply with the provisions of ORS 450.305 to 450.570 which relate to the laying or construction of the lateral sewer system and any previous assessment or reassessment.

(b) Any irregularity, defect, want of jurisdiction or other matter connected with the laying or construction of the lateral sewer system.

(c) Any previous assessment or other proceeding with reference to such matter.

(2) When any reassessment is made and completed, it shall be entered in the docket of county sewer liens with the same force and effect and collected and enforced in the same manner as provided in ORS 450.305 to 450.570 for original assessments.

(3) All sums paid upon the former assessment or any reassessment shall be credited to the property on account of which they were paid as of the date of payment Whenever any payment has been received by the issuance of a delinquency certificate,

the provisions of ORS 450.480 and 450 485 shall apply

**450.465 Lien of assessments; priority; time for payment; date of delinquency.** (1) The sum assessed or reassessed upon each lot or tract of land shall be a first lien thereon with priority over all other liens and incumbrances.

(2) An assessment is due and payable from the date of entry in the docket of county sewer liens and if not paid or bonded as provided in ORS 450 495 to 450.555 within 20 days from the date of entry, shall be deemed to be delinquent and shall bear interest at the legal rate

**450.470 Assessment notices by sheriff.** The county sheriff, upon receiving the transcript of assessment from the city auditor as provided in ORS 450 425, shall:

(1) Give notice of assessment and entry in the docket of county sewer liens by publishing for five consecutive insertions in such newspaper as the board of county commissioners shall have designated, a notice which shall specify

(a) The lateral sewer system for which the assessment is levied

(b) The whole cost of the lateral sewer system

(c) The boundaries of the district to be assessed.

(d) The number of the assessment roll and the date of the order declaring the assessment, that the same is due and payable.

(e) The time when the assessment shall bear interest and the time when it shall be delinquent.

(2) Send by mail to each person whose property is assessed or to his agent, a notice of the amount to be levied upon the property of such person when the postoffice address of such person or agent is known to the sheriff. If the postoffice address is unknown to the sheriff, the notice shall be directed to such person or agent at the postoffice in or nearest to the sewer district.

**450.475 Redemption of assessment lien.**

(1) When any assessment upon any lot or parcel of land becomes delinquent any person who has a lien thereon or a claim by reason of any certificate of delinquency or certificate of sale under execution or for the collection of any municipal assessment or other tax may pay or redeem the assessment lien and the interest and charges



thereon. The receipt of the sheriff for such payment shall constitute an additional lien or charge upon the land to the amount paid. This amount shall be collectible with, as a part of and in the same manner as the amount secured upon the original lien delinquency certificate or other certificate.

(2) Any person desiring to pay any such assessment on any part of any real estate assessed as one parcel or tract may do so by applying to the sheriff, who shall apportion it in accordance with the special and peculiar benefits derived

**450.480 Penalty for delinquency; certificates of delinquency; foreclosure.** (1) If any assessment is not paid on or before it becomes delinquent, there shall be collected five percent as a penalty and interest at the rate of 12 percent per annum from the date of delinquency.

(2) At any time after the expiration of one month after an assessment becomes delinquent the sheriff shall, upon demand and payment of the assessment, penalty and interest, make out and issue a certificate of delinquency against the property in the manner and with the same effect as is provided by law with respect to general taxes.

(3) The certificates may be foreclosed and a deed obtained thereon in the same manner as is or may be provided by law with respect to general taxes.

**450.485 Reassessment after issuance of delinquency certificate; rights of certificate holders.** In any case where a reassessment is made after the issuance of a certificate of delinquency, the property covered by the certificate shall be included in the reassessment. The board of county commissioners shall provide for and make a refund to the holder of the certificate of the amount which he paid thereon with interest at the rate of six percent per annum from the date of payment. However, if the holder declines to receive the refund, then the guaranty of the county with respect to the certificate shall be terminated and the amount charged against the property on reassessment shall be canceled. If the amount charged against the property on reassessment is more than the amount charged against it when the assessment was made for which the delinquency certificate was issued, then a credit shall be entered to the property on reassessment of the amount previously charged against it. The balance shall remain against

the property with the same force and effect as if no certificate of delinquency had been issued on the previous assessment.

**450.490 Receipts, entries, accounts and application of assessment payments.** (1) The sheriff shall give a receipt for each payment made upon any assessment and shall make a proper entry thereof in the copy of the assessment record kept by him and forward to the county clerk on the morning of the succeeding day a duplicate copy of the receipt.

(2) The county clerk shall enter a credit of payment upon the lien docket of such assessment.

(3) The sheriff, whenever he has collected any money upon any assessment during any month, shall on or before the tenth of the succeeding month report and turn over the money to the county treasurer.

(4) The county treasurer shall keep an account of such money with respect to the sewer or drain for which the assessment is levied and promptly apply it to the payment of warrants issued as provided in ORS 450.435. The warrants shall be paid in the order of their registration.

**450.495 Application to pay assessments in instalments.** (1) After construction of lateral sewer system and assessment of the cost thereof to the property benefited according to ORS 450.305 to 450.490, the owner of any lot, part thereof or parcel of land or other property assessed for a lateral sewer system in the sum of \$5 or more, may, at any time within 20 days after notice of the entry of assessment in the lien docket is first published, file with the sheriff of the county a written application to pay the assessment in instalments.

(2) The written application shall contain

(a) A statement that the property owner waives all irregularities and defects, jurisdictional or otherwise, in the proceedings to lay or construct the lateral sewer system.

(b) A provision that the property owner agrees to pay the assessment in 20 semi-annual instalments with interest on all instalments at the same rate as that expressed in the bonds issued to pay for the lateral sewer system.

(c) A statement by lots, blocks or other convenient description, of the property of the applicant assessed for the lateral sewer system.

**450.500 Limitations in instalment applications.** If the amount of the assessment with any previous tax or assessments for local improvements against the same property and remaining unpaid exceeds the valuation of the property as shown by the last tax roll of the county, no application under ORS 450 495 shall be received by the sheriff unless the owner, before making application, pays in cash to the sheriff the excess or unpaid taxes and assessments over the valuation as shown by such last tax roll

**450.505 Entry of applications in bond lien docket; effect of entry.** (1) The sheriff shall keep all applications for bonding in convenient form for examination. The applications received for each sewer or drain shall be kept separately. After the expiration of the time for filing applications, the sheriff shall bind together all applications received for lateral sewer system and turn them over to the county clerk.

(2) The county clerk shall enter the applications in a docket kept for that purpose, under separate heads for each lateral sewer system containing:

(a) Name, number, description of each lot, part of lot or parcel of land or other property against which the assessment is made or which bears or is chargeable for the cost of the lateral sewer system.

(b) The name of the owner and the amount of the assessment for which application to bond has been duly filed.

(3) The date of every entry in each particular case shall be the same as the date of entry in the original lien docket.

(4) The docket shall stand thereafter as a bond lien docket as for taxes assessed and levied in favor of the county and for the amount of unpaid assessments therein docketed with interest on unpaid assessments at the rate fixed in the bond but not exceeding six percent per annum against each lot, part of lot, parcel of land or other property until the assessments and interest are paid in the manner provided in ORS 450.530 to 450 555.

**450.510 Lien of unpaid assessments; priority; discharge.** (1) All unpaid assessments and interest shall be and remain a lien upon the property concerned in favor of the county. This lien shall have priority over all other liens and incumbrances whatsoever.

(2) Entries of payments of instalments, interest and penalties made under ORS

450.305 to 450.580 shall operate as a discharge of the lien to the amount of payment and from the date thereof.

**450.515 Sewer bonds to finance instalment payments; issuance; type; interest.** After the bond lien docket is made up as provided in ORS 450.505, the board of county commissioners shall by order authorize the issue of bonds in convenient denominations not exceeding \$1,000 each and in all equal to the total amount of unpaid assessments for the lateral sewer system and for which applications to pay under ORS 450.495 have been filed as shown by the bond lien docket. The bonds shall, by their terms, mature in 10 years from the date thereof and be payable in lawful money of the United States and shall bear interest not to exceed six percent per annum payable semiannually and to be evidenced by coupons attached to them.

**450.520 Sewer bonds; execution; register; advertisement and sale; use of proceeds.**

(1) Before issuance, the sewer bonds shall be.

(a) Signed by the members of the board of county commissioners.

(b) Countersigned by the county clerk and authenticated by the seal of the county affixed thereto.

(c) Registered consecutively by number and denomination of each in a book to be kept by the county clerk and accessible to the county treasurer and known as the Sewer Bond Register.

(2) Each bond issued for a lateral sewer system shall have designated and plainly inscribed or printed on its face the register number and the words "Sewer Bond" with the name of the county issuing it.

(3) Bonds shall be advertised for sale and sold for the highest price obtainable but not for less than par and accrued interest. However, the county may purchase the bonds for the principal and accrued interest for the investment of any funds authorized by law to be invested.

(4) The par value of the bonds shall be credited to the respective sewer funds for which the bonds are issued. The accrued interest and premium accruing from the sale of bonds shall be credited to the fund from which interest is payable on the bonds or to a fund for the payment of interest on sewer warrants, at the direction of the board of county commissioners.

**450.525 Calling and canceling of bonds; notice of call.** (1) The right to take up and

cancel sewer bonds upon payment of their face value with accrued interest to the date of payment upon the first day of any month at or after the period of three years from their date is vested in the board of county commissioners

(2) The bonds shall be redeemed consecutively by number commencing with the lowest outstanding number.

(3) Notice shall be published in any newspaper published and of general circulation in the county and designated by the board of county commissioners, that certain bonds are to be taken up and canceled and that the interest thereon shall cease on the first day of the month next following the publication of notice. Publication of notice shall be for not less than two insertions in the newspaper during the month preceding the date of payment

(4) After the date of payment, interest upon the bonds designated in the notice shall cease.

**450.530 Payment of instalments; due dates.** (1) There shall be due and payable semiannually for 10 successive years to the county treasurer by the owner of property assessed for a lateral sewer system who applied for instalment payments under ORS 450.495, filed as five percent of the cost of such lateral sewer system assessed against the property of such owner as appears on the bond lien docket, together with the amount of six months' interest at the same rate per annum on unpaid assessments or instalments as the interest rate expressed in the bond issue for the lateral sewer system

(2) The first payment shall be due and payable at the expiration of six months from the date of entering the assessment in the original lien docket and subsequent payments at the expiration of each six months thereafter.

**450.535 Notice to pay instalments; entry and receipt of payments; payment of assessment in full.** (1) The county clerk shall make and deliver to the sheriff of the county a copy of the bond lien docket. The sheriff shall thereupon make the proper extensions of instalments and interest on the bond lien docket and notify the owners of property that the instalments and interest are due and payable. Failure of owners to receive notice does not prevent the collection of instalments and interest

(2) The sheriff shall issue a receipt for

instalments and interest, file duplicates of such receipts with the county clerk on the morning of the succeeding day and make proper entries showing the amount and date of each payment.

(3) At any time after the issuance of sewer bonds, the owner of any property assessed may pay to the sheriff the whole amount of the assessment for which the lien is docketed together with the full amount of interest and penalty accruing thereon to the date of payment. Upon presenting the county clerk with the receipt of the sheriff, stating the amount of such payment and a description of the property upon which such payment was made, the clerk shall enter in the lien docket opposite the entry of the lien therein the amount and date of payment, if payment is made before issuance of a delinquency certificate.

**450.540 Delinquency in instalments; re-instatement.** (1) If an owner neglects to pay instalments as they become due and payable for a period of 20 days, the whole amount of instalments remaining unpaid shall immediately become delinquent and shall be collected in the same manner and with the same penalties as delinquent sewer assessments under ORS 450.480.

(2) However, at any time before issuance of a delinquency certificate, the owner may pay a penalty of five percent per annum upon the entire amount and any interest due to the last semiannual date of payment, together with the instalments which have previously accrued. Thereupon, the remaining instalments shall be placed in good standing and may be paid as though no delinquency had occurred

**450.545 Sinking and interest funds; deposits and investments; purchase of bonds by county.** (1) The sheriff shall turn over the funds collected upon the bond lien docket to the county treasurer and deliver to the treasurer a statement showing the fund on account of which the money is paid

(2) The treasurer shall keep an account of funds paid upon bonded improvements separate and apart from other funds of the county.

(3) The amount of funds paid on account of instalments and interest upon unpaid instalments shall be placed to the credit of funds to be known and designated as Sewer Bond Sinking Fund and Sewer Bond Interest Fund, respectively. These funds shall be

applied respectively to the payment of bonds and interest thereon.

(4) Whenever there is an excess in the sewer bond interest fund, the excess may be transferred to the general fund of the county to reimburse the general fund for money previously advanced to meet interest payments.

(5) The amount placed to the credit of the sewer bond sinking fund shall from time to time, under the direction of the board of county commissioners, be deposited in a bank as other money of the county is deposited or be invested in or used for the purchase of sewer bonds of the county at par.

(6) In the purchase of sewer bonds, accrued interest thereon shall be paid out of the sewer bond interest fund. All interest received by the treasurer on account of coupons shall be placed to the credit of the sewer bond interest fund. Interest due on the sewer bonds shall be paid out of the sewer bond interest fund.

(7) All bonds purchased by the county shall be held by the treasurer as a sinking fund and shall be sold by direction of the board of county commissioners when required for the redemption of bonds previously issued as they become due and payable

**450.550 County obligations incurred under ORS 450.305 to 450.580 exempt from debt limitations.** No obligation incurred by the county by virtue of ORS 450.305 to 450.580 shall be deemed or taken to be within or any part of the limitation by law as to indebtedness.

**450.555 Redemption of bonds; procedure and notice.** (1) At any time after bonds issued under ORS 450.305 to 450 580 become payable, if not sooner taken up and canceled as provided in ORS 450.525, the county may redeem the bonds.

(2) The county shall redeem the bonds consecutively by number commencing with the lowest outstanding number.

(3) The county shall give notice of its readiness to redeem by publication in such newspaper published and of general circulation in the county as the board of county commissioners may direct, once each week for two successive weeks, giving therein the number of bonds which will be redeemed and the time at which redemption will be made.

(4) After the time fixed for redemption

no interest shall accrue or become payable on bonds notified for redemption

**450.560 Method of constructing and financing sewer systems in certain rural areas without formation of sanitary district.** The owners of the majority of the property in an area outside any city of over 100,000 inhabitants but within five miles of the limits of the city may petition the board of county commissioners of the county in which the area is situated for the construction of a trunk sewer and lateral system to furnish direct drainage and sanitary convenience for the area. If the board of county commissioners determines that the construction of such sewers will be conducive to the preservation of the public health, it may enter into a contract with the council of the city as provided in ORS 450.395, if the council has such authority by law. Plans, specifications, estimates of cost, construction, supervision, apportionment of assessments, assessments, issuance of warrants, payment for services, collection and bonding shall be according to ORS 450 390 to 450.555.

**450.565 Condemnation procedure for sewer systems.** (1) The board of county commissioners may acquire all property and rights of way needed for the construction of trunk and lateral sewer systems by prosecuting condemnation proceedings under the general statutes of this state, or by the appointment of three viewers to view the needed property and rights of way and report to the board of county commissioners an award of damages.

(2) The board of county commissioners may accept, modify or reject the award of damages so made but before doing so, the board shall give notice as provided in ORS 450.400 for a hearing upon adopting plans, specifications and estimates.

(3) The notice shall fix the dates on or before which objections to the report may be filed by any person and when objections and the matter of award will be heard by the board of county commissioners. The board of county commissioners may, at any time thereafter, make an order awarding damages for the property and rights of way

**450.570 Appeal from award of damages.**

(1) Any person considering himself aggrieved by the award of damages under ORS 450 465 may, within 20 days after the making of the order, take an appeal therefrom to the circuit court for such county.

(2) Appeal shall be taken in the same manner as appeals from the justice or district court.

(3) If the complainant fails to recover a larger amount than that awarded in the order appealed from he shall pay the cost of appeal.

(4) No appeal shall lie to the Supreme Court from a judgment of the circuit court making an award of damages

(5) The fact that a person called as a juror is a general taxpayer of the county shall not disqualify him from sitting on the jury upon appeal.

**450.575 Changing plans after final award.** Upon final determination of the amount necessary to be paid for obtaining any required right of way or property, the county shall not be required to take the property, but may, if it deems the amount excessive and unreasonable, change the route or select other property where such course is practicable and where neither alternative invalidates the proceedings or any assessment which may subsequently be made. Such

changes shall be made before the award of any contract for the improvement which would be affected by such change and supplemental specifications shall be filed indicating the change. However, if any change is deemed advisable after the award of a contract, it may still be made without affecting the proceedings or subsequent assessment if the contractor consents.

**450.580 Paying for condemned property.** The cost of acquiring all property and rights of way needed for the construction of trunk and lateral sewer systems may be assessed against the property in the areas benefiting in the same way as the costs of construction are assessed.

**450.585 to 450.985** [Reserved for expansion]

### **PENALTIES**

**450.990 Penalties.** Violation of any regulation or ordinance under ORS 450 085 is punishable, upon conviction, by a fine of not more than \$100 or imprisonment of not more than one month, or both

## **CHAPTER 451**

[Reserved for expansion]

