Chapter 450

1967 REPLACEMENT PART

Sanitary Districts and Authorities

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SANITARY DISTRICTS GENERALLY

450.005 Definitions for ORS 450.005 to 450.245. 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.

(Formation)

450.009 Petition by 25 or more freeholders residing within an area for formation of a district. 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 be substantially in the following form:

WARNING

It is a felony for anyone to sign any initiative or referendum petition with any name other than his own, or knowingly to sign his name more than once for the measure, or to sign such petition when he is not a legal voter.

Petition for the formation of a sanitary district in the County (or Counties) of ——, State of Oregon.

To the Honorable County Court of the State of Oregon for the County of ————:

We, the undersigned, citizens and legal voters of the State of Oregon and the County (or Counties) of ————, and residents and freeholders within the limits of the area in such county (or counties) hereinafter described, respectfully demand that there be submitted to the legal voters of the State of Oregon who reside in the area described as follows, to wit: (Here insert description of the area proposed to be incorporated in the sanitary district) the question whether or not the area shall be formed into a sanitary district to be known as (here insert proposed name) and to elect (here insert the number of board members, three or five) members of the sanitary board, and each for himself says: I have personally signed the petition; I am a legal voter of the State of Oregon and the County of ————, and a resident and freeholder in the area described in this petition. My residence and post-office address are correctly written after my name.

Name——, Residence——, Post Office—.

(Here follow 20 lines for signatures.)

[1955 c.442 §2 (enacted in lieu of ORS 450.010)]

450.010 [Repealed by 1955 c.442 §1 (ORS 450.009 enacted in lieu of ORS 450.010)]

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, } ss.
County of ——— }

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, post-office 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 post-office 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 post-office address)

450.017 Bond for payment of organization costs; liability of district for costs. The petition for formation of a sanitary district 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.

[1955 c.442 §4]

450.020 Notice of hearing on petition. (1) The county court shall examine the petition and if it finds that the petition satisfies

the requirements of ORS 450.009, it shall set a date for a hearing on the petition and direct the county clerk to give notice of the hearing by:

(a) Posting a notice of hearing in three public places in the proposed district not less than 20 days before the date of the hearing; and

(b) Publishing a notice of the hearing 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 printed and published in the county in which the largest area of the district is located.

(2) The notice of hearing 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 set for the hearing on the petition.

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

[Amended by 1955 c.111 §1]

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) Except as otherwise specifically provided in ORS 450.005 to 450.245, 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.

[Amended by 1961 c.438 §3]

450.045 Original officers of sanitary board; nomination; qualification; terms; election. (1) At the election for formation there shall be elected the first 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 a number of blank lines equal to the number of members to be elected printed under the names of the persons nominated, wherein may be written the names of other candidates for office.

(6) If a three-member board is to be elected:

(a) The candidate receiving the highest vote shall be elected for a term of three years.

(b) The candidate receiving the next highest vote shall be elected for a term of two years.

(c) The person receiving the third highest vote shall be elected for a term of one year.

(7) If a five-member board is to be elected:

(a) The candidates receiving the first and second highest vote shall be elected for a term of three years.

(b) The candidates receiving the third and fourth highest vote shall be elected for a term of two years.

(c) The candidate receiving the fifth highest vote shall be elected for a term of one year.

(8) The terms of office of the first directors shall expire in one, two and three years, from the first Tuesday in January next succeeding their election.

[Amended by 1955 c.442 §6]

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.

450.052 Petition by owners of all real property within an area for formation of a district; establishment and organization upon unanimous petition. (1) Notwithstanding the provisions of ORS 450.009, 450.015 and 450.020 to 450.050, whenever the owner or owners of all the real property within an area 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.

(d) A verification by affidavit of one of the petitioners that he believes that the signers of the petition comprise all the title holders and contract purchasers of record at the time of such verification, of all the property included within the boundaries of the proposed district.

(e) The names of persons desired as the original officers of the board of such sanitary district with the term of office for each, as otherwise provided in ORS 450.045, and for such nomination such person shall not be required to be a resident freeholder within the district in order to become an officer of the board of the district.

(f) An acceptance in writing by each of the persons named under paragraph (e) of this section, agreeing to serve as the officer named and as a member of the board, for the term specified.

(2) Upon receipt of the petition, if the county court concludes that the owners of all the land contained within the boundaries set forth in the petition at the time of filing thereof have joined in the petition, then the county court shall approve the formation of the district, and shall make and cause to be entered in its journal an order that a district of the name and of the boundaries stated in the petition has been established, and thereafter the district shall be established and the

persons nominated and accepting nomination as officers of the sanitary board shall constitute the original board of the sanitary district, and thereafter the district shall have all the powers of sanitary districts generally. No proceeding may be maintained contesting the validity of the formation of such district unless instituted within 30 days after the entry of such order.

(3) The procedure for election or appointment of successors to the original officers and all other matters concerning the duties and authority of the board shall thereafter conform to the applicable provisions concerning sanitary boards generally.
[1955 c.107 §1]

450.054 Initiation of formation of a district without petition. (1) The county court of a county may, without requiring a petition for formation of a sanitary district under ORS 450.009, initiate the formation of a sanitary district in the county by entering an order setting forth:

(a) The county court's intention to initiate the formation of a district;

(b) The name and boundaries of the proposed district; and

(c) The date, time and place of a public hearing on the proposal to initiate formation of a district.

(2) Notice of the hearing required by such order shall be given in the manner provided in ORS 450.020 except that in lieu of the requirements of paragraph (a) of subsection (1) of ORS 450.020, the notice shall state that the county court has entered an order stating that it is initiating the formation of a district.

(3) The provisions of ORS 450.025 to 450.050 shall be followed, so far as applicable, in the formation of a district under this section.

(4) The county shall bear the cost of formation or attempted formation of a district under this section. However, in the event a district is formed under this section, the district shall reimburse the county for any expenses incurred by the county in making necessary preliminary engineering studies and surveys in connection with the formation of the district.
[1955 c.594 §2]

(Officers and Elections)

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

(2) Except as to those members of the board who are elected on formation and those members who are elected at an election when the number of board members is increased to five, 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.
[Amended by 1955 c.442 §7; 1967 c.439 §1]

450.057 Time of voting at district elections. At all elections subsequent to the election on the question of the formation of the district, the polls shall be open on election day during the hours fixed as provided by ORS 250.345.
[1961 c.438 §2; 1967 c.609 §9]

450.060 Nomination and election of sanitary board directors. (1) An election shall be held in the district on the first Monday of December in each year to elect a successor to the office of each board member 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, not less than 10 days preceding the date of the election, 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) If one board member is to be elected, the candidate receiving the highest vote shall be elected. If two board members are to be elected, the candidates receiving the first and second highest vote shall be elected.

(5) Each officer elected shall take office on the first Tuesday in January following his election.
[Amended by 1955 c.442 §8; 1967 c.137 §2]

450.062 Increase of board membership from three to five members. (1) A district having a three member board may vote to increase the number of members on the

board to five at the annual election referred to in ORS 450.060. The question of increased membership shall be placed on the ballot when a petition, signed by 10 registered voters in the district, is filed with the secretary of the board requesting that the voters of the district be permitted to vote on the question. The board shall be increased to five members if, and only if, a majority of the votes cast on the question of increasing the number of board members favors the increase.

(2) At the same election at which the question of increasing the board from three to five members is voted upon, the voters shall vote for three board members. Nominations for the office of board member shall be made, the election notice given, the election held, and the terms commence, as provided in ORS 450.060. If a majority of the votes cast on the question of increasing the number of members on the board favors the increase, the qualified nominees or write-in candidates receiving the first and second highest vote shall be elected for a period of three years and the qualified nominee or write-in candidate receiving the third highest vote shall be elected for a term of two years. If less than a majority of the votes cast on the question of increasing the number of members on the board favors the increase, only the qualified nominee or write-in candidate receiving the highest number of votes shall be elected.

[1955 c.442 §5]

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.

(5) Within 30 days following the entry of the order establishing a district as prescribed by ORS 450.050 and 450.052, the secretary of the district shall file a written report with the State Sanitary Authority, stating the name of the district, the date of its formation and the names and addresses of the board members, and shall furnish with his report a map showing the district boundaries.

[Amended by 1957 c.671 §1]

450.070 Meetings of sanitary board. (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.

(Powers)

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 disposal sites and solid waste collection and disposal systems in compliance with the requirements of the board under ORS 459.040.

(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 cleanliness of roads and streets of the district.

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

(16) Make and enforce necessary and proper regulations governing the storage, collection, transportation and disposal of solid wastes where such regulations are supplemental to the requirements of the State Board of Health under ORS 459.040 and are necessary to meet special local conditions.

[Amended by 1967 c.428 §13]

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.

450.082 District may contract for employe health care services or insurance. (1) The district board may enter into contracts for medical or any other remedial care recognized under state law and hospital services or insurance covering employes of the district for remedial care and hospital benefits. Failure to obtain insurance or service contracts shall not be construed as negligence or lack of diligence on the part of the board or the members thereof.

(2) As used in this section "remedial care" includes services rendered by a person licensed to practice one or more of the healing arts within the scope of his license.

[1967 c.439 §4]

450.084 Payment for services or insurance by district. (1) The district may agree to pay none, part or all of the premiums or charges on insurance or service contracts, and it may collect from the salary of any employe covered by the contract the percentage of the premiums or charges the employe is required to provide pursuant to the contract. Contributions for premiums or charges by employes shall be only on a voluntary basis.

(2) The board may negotiate more than one contract with one or more companies or associations if necessary to obtain optimum coverage at minimum cost.

(3) No premium or other periodic charge on any insurance or service contract shall be paid unless the insurer or hospital association issuing such policy or contract is authorized to transact business as an insurance company or hospital association in this state.

(4) Expenses incurred by a district in establishing programs or providing benefits authorized by ORS 450.082 and 450.084 are expenses for which a district may levy taxes as provided by ORS 450.170.

[1967 c.439 §§3, 5]

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.

(District Finances)

450.090 County treasurer's duties in regard to district funds. (1) The county treasurer shall be custodian of all sanitary dis-

trict 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.

(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.

[Amended by 1957 c.671 §2]

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 the clerks of election. The clerks shall be compensated at the rate established in ORS 246.330.

(2) Except as otherwise specifically provided in ORS 450.005 to 450.245, 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.

[Amended by 1961 c.438 §4]

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 semiannually.

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, including improvement bonds of the kind authorized by ORS 223.205 to 223.300, shall at no time exceed in the aggregate 13 percent of the true cash value of all taxable property within the district, computed in accordance with ORS 308.207.

[Amended by 1955 c.612 §1; 1963 c.9 §27]

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 for the purpose of paying the cost of construction of sewers, drains or sewage treatment plants. Improvement bonds may be issued in the manner provided by ORS 223.205 to 223.300, without submitting the question of their issuance to a vote of the electors of the district.

(2) All such bonds shall be paid within a period of 25 years and in annual instalments 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. [Amended by 1955 c.612 §2]

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 property 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; assessment of public property benefited; 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, the provisions of ORS 223.770, relating to the assessment of public property benefited by public improvements for the cost of such improvements, 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, 223.770 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; 1955 c.19 §1]

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.

ANNEXATION

450.205 Annexation petition. Territory contiguous with a sanitary district, if the territory is entirely within the limits of another sanitary district or entirely outside the limits of another sanitary district, 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 of the district to which annexation is proposed. 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 whether the territory proposed to be annexed is 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.

[Amended by 1957 c.671 §3]

450.207 Approved petition to county court. If the board approves the petition under ORS 450.205 it shall send the petition to the county court of the district to which annexation is proposed.

[1957 c.671 §5]

450.210 Publication of annexation petition and notice of hearing. (1) Upon receipt of the petition under ORS 450.207, the county court shall cause the substance of the petition to 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.

(2) If the territory proposed to be annexed is within the limits of any other sanitary district, the county clerk shall cause a copy of the notice to be sent by registered or certified mail to the secretary of the other sanitary district. The notice shall be mailed on or before the date of first publication of the notice as provided in subsection (1) of this section.

[Amended by 1957 c.671 §6]

450.215 Annexation hearing; division and disposal of properties. (1) At the time specified for the hearing the county court of the sanitary district to which annexation of the territory is proposed shall hear the petition, and may adjourn the hearing from time to time. The county court 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.

(2) If the territory proposed to be annexed is within the limits of another sanitary district, the board of the district to which annexation is proposed and the board of such other district shall meet with each other to agree upon a division and disposal of the properties of the other district that lie within the territory proposed to be annexed to be effective in the event the proposed annexation is approved by the voters. The meeting shall be held at the time of the hearing provided in subsection (1) of this section or at such other time as may be agreed upon by the boards of the districts.

(3) The plan of division of properties provided for in subsection (2) of this section shall be arrived at by giving consideration to the assessed valuation of the other district as a whole, the assessed valuation of the territory to be annexed, the types of properties and their location and intended use. If a plan of division of properties is agreed upon, the plan shall be reduced to writing and, if the proposed annexation is approved by the voters, shall be binding upon the districts party to the plan and upon all other interested persons. If no plan is agreed upon, the board of the district to which annexation is proposed may nevertheless order an election as provided in ORS 450.220.

[Amended by 1957 c.671 §7]

450.220 Order for and notice of annexation election. (1) Upon the final hearing of the petition, the county court, if it approves

the petition as originally presented or in modified form, shall so notify the board of the sanitary district to which the territory is proposed to be annexed.

(2) The board shall then order that an election be held in the district for the purpose of determining, subject to the provisions of ORS 450.228 whether or not the territory shall be annexed to the district.

(3) The board shall also order an election to be held at the same time for the same purpose in the territory proposed to be annexed unless:

(a) The territory is within another sanitary district in which case the provisions of ORS 450.228 shall apply; or

(b) The petition has been signed by the owners of all the lands to be included in the proposed annexation.

(4) 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.

(5) Notice of the election shall be given for not less than two successive weeks in the manner provided in subsection (1) of ORS 450.210. The notice must state the time and place of election and the question to be voted upon.

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

[Amended by 1957 c.671 §8]

450.225 Order declaring annexation; disposition of properties in territory; liabilities and indebtedness of territory. (1) If a majority of the votes in the district and, if an election is required to be held in the territory under ORS 450.220, 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. Subject to the provisions of subsection (4) of ORS 450.228, 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.

(2) If the territory annexed to the district was, prior to the vote on the petition for annexation, within the limits of another sanitary district, the effective date of the annexation provided in subsection (1) of this section shall be the effective date of the withdrawal from the other district of the territory previously within its limits.

(3) Unless a plan for division of properties has been agreed upon as provided in subsection (3) of ORS 450.215, the district from which the territory has been withdrawn shall proceed to turn over to the district to which the territory has been annexed, its properties in the territory withdrawn. The provisions of ORS 222.560 shall govern the method and procedure by which such division of properties shall be made. Notwithstanding such withdrawal, the territory thus withdrawn shall not thereby be relieved from liabilities and indebtedness previously contracted by the district from which the territory was withdrawn. For the purpose of paying such liabilities and indebtedness of the district, property in the territory withdrawn shall continue to be subject to assessment and taxation uniformly with property in the area remaining in the district. The district to which the territory was annexed may, however, in the sound discretion of its board, assume such obligations if the obligations do not bring the total of the district's obligation above any applicable limitations prescribed by law or otherwise. When the district assumes such obligations, it shall be liable to the district from which the territory was withdrawn for one of the following, at the option of the annexing district:

(a) Payment annually of the amount of taxes and assessments which otherwise would be imposed each year by the district from which the territory was withdrawn for the purpose of paying such obligations; or

(b) Payment annually, as the bonds of the district from which the territory was withdrawn that were outstanding on the effective date of withdrawal, of the same proportion of such outstanding bonds, and the interest thereon, as the assessed valuation of the withdrawn area bore to the assessed valuation of the entire district from which the territory was withdrawn on the effective date of withdrawal.

(4) After the district agrees to make the payments referred to in paragraph (a) or (b) of subsection (3) of this section, neither the district nor the annexed territory shall be charged by the district from which the territory was withdrawn with any future

liabilities, obligations or functions of the district from which the territory was withdrawn.

(5) Within 30 days after the effective date of the county court's order of annexation, the secretary of the district to which the territory was annexed shall file a written report with the State Sanitary Authority, stating the name of the district and the date of the county court's order of annexation, and shall furnish with his report a map of the district boundaries as they are after the annexation.

[Amended by 1957 c.671 §10]

450.227 Annexation procedure when all titleholders and contract purchasers in territory petition for annexation. (1) A petition for the annexation of contiguous territory, signed by the owners or contract purchasers of all the real property included within the territory, may be presented to the board. The petition shall:

(a) Describe the boundaries of the territory proposed to be annexed.

(b) State that the territory is not within the limits of any sanitary district.

(c) Ask that the territory be annexed to the district.

(d) Contain a verification by affidavit of one of the petitioners that he believes that the signers of the petition comprise all the owners or contract purchasers at the time of such verification, of all the real property included within the boundaries of the territory requesting annexation.

(2) The board shall thereupon consider, and may approve or reject, the petition. If the petition complies with subsection (1) of this section and if it is approved, the board shall proceed to give notice of, and hold, a hearing on the petition in the manner provided by ORS 450.210 to 450.220. However, the calling and holding of an election within the district or within the territory to be annexed may be dispensed with.

(3) The secretary shall make and cause to be entered in the minutes and indorsed on the petition an order approving the petition:

(a) Upon the final hearing and approval of the petition, when an election is not called.

(b) When an election is called either in the district or in the territory to be annexed, if a majority of the votes cast at the election is in favor of annexation.

(c) When an election is called in the district and also in the territory to be annexed, if a majority of the votes cast in each election is in favor of annexation.

(4) When indorsed as provided in subsection (3) of this section, the petition shall be transmitted to and filed with the county court. The county court shall act upon such petition in the manner provided in ORS 450.225.

[1957 c.112 §§2, 3, 4; 1967 c.137 §1]

450.228 Annexation of territory within another sanitary district. (1) If the territory proposed to be annexed is within another sanitary district, the county court of the sanitary district to which annexation of the territory is proposed shall, at the same time as notice is given under subsection (1) of ORS 450.220, give notice of its approval of the petition to the county court of the sanitary district from which the territory is proposed to be withdrawn.

(2) The county court of the sanitary district from which the territory is proposed to be withdrawn shall give notice of the proposed annexation to such sanitary district by publication in the same manner as provided in subsection (1) of ORS 450.210.

(3) Within 30 days from the first publication of notice under subsection (2) of this section, a remonstrance may be filed with the county court of the sanitary district from which the territory is proposed to be withdrawn. The remonstrance shall be in the form of a petition signed by at least 10 percent or 100, whichever is the lesser, of the registered voters residing in the district objecting to the withdrawal of the territory.

(4) The county court of the sanitary district from which territory is proposed to be withdrawn shall then order an election to be held in such district in the same manner as an election ordered and held in the sanitary district to which annexation is proposed under ORS 450.220.

(5) Notwithstanding the provisions of ORS 450.225, if a majority of the votes in the sanitary district from which the territory is proposed to be annexed are in favor of the objection to the withdrawal of the territory, no territory from such district shall be withdrawn or annexed pursuant to the election held under the provisions of ORS 450.220.

[1957 c.671 §9]

(Dissolution)

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. The petition shall be accompanied by a good and sufficient bond in a form and amount approved by the board, conditioned that the petitioners will pay the cost of the election in case dissolution is not effected.

(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. If a majority of the registered voters votes against dissolution, an order to that effect shall be entered by the board in its minutes. No further election for dissolution shall be called by the board, upon petition or upon the board's own initiative, prior to the expiration of one year from the date of the election for dissolution.

[Amended by 1957 c.671 §11]

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.

(Withdrawal of Territory)

450.237 Definitions for ORS 450.237 to 450.242. (1) As used in ORS 450.237 to 450.242, "owner" includes any person having a recorded interest in property within a sanitary district which would make such person responsible for part or all of any taxes levied on the property by the district.

(2) As used in ORS 450.237 to 450.242, "service" means the collection and disposal of sewage for an owner.

[1961 c.679 §§2, 3]

450.239 Petition for withdrawal from district. (1) Any owner of property included in a sanitary district formed under ORS 450.005 to 450.245 may petition the county court under whose jurisdiction the sanitary district was formed for withdrawal of the owner's property from the sanitary district where for any reason it has not been, or is not or would not be, feasible for the owner's property to receive service from the sanitary district.

(2) Any owner of property included in an area which was annexed to an existing sanitary district under ORS 450.005 to 450.245 may petition the county court under whose jurisdiction the annexation was made for withdrawal of the owner's property from the sanitary district where for any reason it has not been, or is not or would not be, feasible for the owner's property to receive service from the sanitary district.

[1961 c.679 §§4, 5]

450.240 [Repealed by 1957 c.401 §6]

450.242 Hearing on petition for withdrawal; order on petition; effect of order. (1) The county court shall fix a time and place for hearing the petition, which time shall be not less than 31 nor more than 50 days from the date of receipt thereof.

(2) At the time and place set for hearing upon the withdrawal petition and upon completion of the hearing, the county court shall enter upon its records an order withdrawing the owner's property from the sanitary district or an order denying the petition for withdrawal.

(3) The property so withdrawn shall from the date of entry of the order be free from assessments and taxes levied by the sanitary district.

[1961 c.679 §§6, 7 and 8]

(Miscellaneous)

450.245 Application of ORS 450.005 to 450.245 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 450.245 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.

(Districts with Valuation over $250,000)

450.250 Definitions for ORS 450.250 to 450.300. (1) "District" means a sanitary district duly organized under the provisions of ORS 450.005 to 450.245, having an assessed valuation of not more than $250,000.

(2) "Sewerage system" means complete or primary sewage treatment and disposal facilities, sewer mains, pumping stations, and all equipment and appurtenances necessary, useful or convenient for the treatment or disposal of sewage, or any portion of such a system, whether within or without the boundaries of a district.

[1955 c.577 §1; 1959 c.157 §9]

450.255 Districts eligible for state help in financing sewerage systems. Districts that have been certified by the Oregon State Sanitary Authority as being in need of sewerage systems may apply to the State Treasurer for the financing of such costs under authority of ORS 450.250 to 450.300. The Oregon State Sanitary Authority shall certify to the State Treasurer, in writing, a list of the districts that are in dire need of sewerage and sanitation facilities.

[1955 c.577 §2; 1959 c.574 §1]

450.260 Conditions precedent to financing application. A district shall not apply to the State Treasurer for financing under ORS 450.250 to 450.300 unless:

(1) It submits to the State Treasurer plans and specifications prepared by competent licensed engineers setting forth the type or character of sewer system or sewerage facilities proposed for the particular district and the estimated cost of the system and of the appurtenances thereto.

(2) It submits to the State Treasurer the proposed plan of the district for liquidation of indebtedness to be incurred for financing the cost of such system or facilities.

[1955 c.577 §3]

450.265 Bonds issued by district pursuant to ORS 450.250 to 450.300 are subject to State Treasurer control; refunding bonds issuable. The bonds issued by districts pursuant to ORS 450.250 to 450.300 shall bear such dates, be in such form, run for such periods of time, bear such rates of interest not exceeding four percent per annum, and be sold by the districts at such prices not less than the par value thereof and the full amount of accrued interest thereon, as the State Treasurer may determine. Refunding bonds of like obligation, bearing interest at not more than four percent per annum payable semiannually, may be issued to replace outstanding bonds, provided the refunding bonds are sold publicly, at not less than par value and accrued interest, upon competitive bids.

[1955 c.577 §4]

450.270 Powers of State Treasurer in connection with ORS 450.250 to 450.300. (1) The State Treasurer shall be the sole judge as to whether state funds shall be invested in the bonds of a district and as to which undertakings shall first be financed. The decision of the State Treasurer on the subject of investment and priority shall be final.

(2) The State Treasurer may enlist the technical services of any state officer or department in a study of the feasibility and cost of the sewerage project. The State Treasurer further may employ licensed engineers, at the cost of the district, to make such a study for the district and for the State Treasurer.

(3) The State Treasurer, in his discretion, may purchase with moneys from the

revolving fund provided by ORS 450.250 to 450.300, general obligation sewerage system bonds of any district, issued under authority of ORS 450.250 to 450.300. If the State Treasurer deems it expedient in the acquisition and construction of a sewerage system for a district to furnish sewerage service for territory that is contiguous to or outside the boundaries of the district, the State Treasurer may authorize the district to furnish such service and to construct part of its system outside its boundaries for such purpose.

(4) The State Treasurer may authorize districts to issue sewerage system bonds with the right reserved to them to redeem bonds at par value and accrued interest prior to the final maturity dates of the bonds.

(5) The State Treasurer, in his discretion, may authorize deferment of payment of interest upon the sewerage bonds of the district for a period not exceeding three years, and may provide for the issuance of such bonds with graduated rates of interest.

(6) The State Treasurer may specify the procedure to be followed by a district in availing itself of the provisions of ORS 450.250 to 450.300.

[1955 c.577 §5]

450.275 State Treasurer approval of other bond issues by a district whose bonds are owned by state. So long as any of the sewerage bonds of the district are owned by the state, the district shall not issue other bonds of any character without prior written approval of the State Treasurer.

[1955 c.577 §6]

450.280 Circumstances and conditions under which State Treasurer may purchase sewerage system bonds. (1) The State Treasurer may purchase from a district at private sale sewerage system bonds bearing interest at a rate agreed upon by him and the district not exceeding four percent per annum payable semiannually. Such bonds shall qualify for investment by the state only if the sewer connection charges and revenues of the sewerage system of the issuing district, after the payment of operation and maintenance expenses, are pledged wholly to the payment of the principal of and interest upon the bonds, and the issuing district shall covenant to levy ad valorem taxes upon all of the taxable property within its boundaries to meet deficiencies in such charges and revenues for such purposes, and only if the combined indebtedness for all public purposes, other than state or federal, within the boundaries of the district, including the proposed sewerage system indebtedness, but excluding obligations issued for other utilities that are self-supporting or self-liquidating or are approximately so, does not exceed 25 percent of the total value of all taxable property within the district. Such value shall be determined by converting the assessed value to the true cash value, using as a basis of computation the percentage of true cash value at which property in the county or counties in which the district is located was assessed for state and county purposes, as indicated in the latest table of assessed valuations of counties filed by the State Tax Commission with the Secretary of State pursuant to ORS 309.370. The said limitation shall apply only to districts that finance the costs of their sewerage systems under ORS 450.250 to 450.300. The said limitation shall include the ratios of indebtedness to the total valuation, determined in like manner, of other subdivisions that overlap the district to an extent of more than 50 percent of the said total value of the district. Indebtedness within the said 25 percent limitation may be incurred by a district if approved by the voters thereof at an election duly called and held, pursuant to ORS 450.005 to 450.245. Notwithstanding that such revenues may have been pledged to the payment of the principal of and the interest upon a particular issue of general obligation bonds owned by the state, the same revenues, with the approval of the State Treasurer, may be pledged to the payment of the principal of and the interest on additional issues of such bonds purchased by the state from the district. The additional issues shall be on a parity with previous issues as to the pledge of such charges and revenues for such purposes. In order to complete the financing of a sewerage system, after bonds payable as to principal and interest from revenues and ad valorem taxation have been issued, the State Treasurer may purchase issues of general obligation sewerage system bonds of districts, payable only from ad valorem property taxes, provided such issues, together with other obligations of the district, do not exceed the debt limits specified in this section.

(2) All bonds heretofore issued under authority of ORS 450.250 to 450.300 and sold to the state, and the proceedings under which they were issued, hereby are ap-

proved, validated, ratified, and confirmed, and such bonds are the valid and legally binding general obligations of the issuing district.
[1955 c.577 §7; 1957 c.121 §1; 1959 c.574 §2]

450.285 State Sanitary District Sewer Bond Fund. There hereby is created in the State Treasury a fund, separate and apart from the General Fund, to be known as "State Sanitary District Sewer Bond Fund," for investment under authority of ORS 450.250 to 450.300, and for payment of costs of the State Treasurer in connection therewith for which purposes such fund hereby is appropriated. The State Treasurer may engage such assistance and incur such expenses to carry out the purposes of ORS 450.250 to 450.300 as may be necessary. The earnings of the fund shall accrue to the General Fund, and the amounts received in payment of the principal of investments thereof shall be credited to the General Fund, to be available for the payment of general governmental expenses.
[1955 c.577 §8; 1957 c.702 §1; 1957 (s.s.) c.14 §1; 1963 c.341 §4]

450.290 Provisions concerning liquidation of indebtedness incurred by district financing a sewerage system under ORS 450.250 to 450.300. (1) Each district financing the cost of a sewerage system under authority of ORS 450.250 to 450.300 shall submit to the State Treasurer for approval, a schedule of its rates and sewer connection charges, and proposed method of collection thereof. The rates and charges shall be such as, in the judgment of the State Treasurer, are sufficient to pay the operation and maintenance costs of the system and to liquidate, during the period approved by the State Treasurer, the indebtedness incurred by the district in the construction of the system. The State Treasurer may further require as part of his agreement to purchase the bonds of the district, that the district levy and collect assessments in the manner provided by ORS 450.005 to 450.245, and that it pledge the receipts from such assessments, both principal and interest, to the payment of its bonds and the interest thereon. The district shall be fully authorized to levy and collect such assessments against properties within or without the boundaries of the district, that will be benefited by the sewerage system of the district. Should the receipts of the district prove inadequate to pay such costs and such indebtedness, the State Treasurer may direct the district to increase its rates and charges to make the sewerage project self-supporting and self-liquidating, and the district thereupon shall establish the rates and charges prescribed by the State Treasurer.

(2) If the State Treasurer so directs, delinquent charges for use of or connection with a sewerage system shall be certified to the assessor of the county or counties in which the district is located and shall be entered upon the tax rolls of the county and be collected and accounted for in the same manner in which city taxes are collected and accounted for. The said charges shall constitute liens upon the real property of the corporation or person against whom they are assessed.

(3) The district shall obtain from the State Treasurer approval of its annual budgets and tax levies before they are certified to the clerk and assessor of the county in which the district is located, for extension upon the county tax rolls.
[1955 c.577 §9]

450.295 Refinancing indebtedness of district; court-appointed receiver may operate system. If any district fails to meet, when due, any obligations sold to the state under authority of ORS 450.250 to 450.300, the State Treasurer and the district may agree upon and put into effect, any plan they may consider expedient for refinancing the indebtedness of the district, or the State Treasurer, with the approval of the circuit court of the county in which the major portion of the assessed valuation of the district is located, may appoint a receiver to operate the sewerage system. The receiver shall act as such so long as the circuit court deems receivership necessary to protect the interests of the state and of the district.
[1955 c.577 §10]

450.300 Duty of treasurer to keep funds separate and to withhold tax receipts for bond payments; liability of treasurer. The treasurer of each district that finances the cost of a sewerage system or facilities under authority of ORS 450.250 to 450.300 shall keep collections or assessments for sewerage service and sewer connection fees separate and distinct from other funds of the district and shall withhold from tax receipts not less often than quarterly the full amounts proportionate to the elapsed portion of the tax year that have been levied for the payment

of interest on and the principal of the sewerage system bonds of the district. For failure to account for sewerage revenues and taxes as provided in this section, such treasurers shall be liable upon their official bonds. [1955 c.577 §11]

(Sanitary District Sewerage System Revolving Fund)

450.303 Purchase of general obligation bonds of sanitary districts; Sanitary District Sewerage System Revolving Fund. (1) Any sanitary district in the state having an actual value in excess of $750,000, that has not been able to sell its general obligation bonds on the market upon competitive bids or has not been able to obtain a bid for its bonds at a rate of interest of not to exceed five percent per annum payable semiannually, pursuant to notice of sale of the bonds published in a newspaper of general circulation printed and published for a period of two consecutive weeks in the county in which the major portion of the assessed value of the district is located, may sell its bonds to the State of Oregon, if the bonds are approved for investment by the State Treasurer. For the purposes of this section, actual value shall be determined in the manner prescribed by ORS 450.120. Bonds issued under authority of this section, together with other outstanding indebtedness of the district, shall not exceed in the aggregate 15 percent of the actual value of the district. For the purposes of this section, the 15 percent limitation shall supersede the limitation imposed by ORS 450.120 or any other law in conflict with this section. Only bonds authorized and issued in compliance with ORS 450.005 to 450.080, 450.085 to 450.115, 450.125 to 450.245 and the provisions of this section may be purchased by the State of Oregon as investments of the fund designated in subsection (2) of this section.

(2) A fund in the State Treasury, separate and apart from the General Fund, to be known as the "Sanitary District Sewerage System Revolving Fund," hereby is created. The moneys in the Sanitary District Sewerage System Revolving Fund are available for investment under the authority of this section for which purposes such fund hereby is appropriated. The interest paid on the investments purchased pursuant to this section shall be credited to the General Fund of the State of Oregon, and the principal, as it is repaid to the state by sanitary districts, shall be credited to the General Fund to be available for the payment of general governmental expenses. The State Treasurer is authorized to sell at not less than cost, the bonds, in whole or in part, that have been purchased under the authority of this section. The proceeds of sale of the bonds shall be credited to the General Fund to be available for the payment of general governmental expenses.
[1959 c.425 §§1, 2; 1963 c.341 §5]

SANITARY DISTRICTS FOR CITIES OVER 100,000 AND ADJACENT AREAS

450.305 Definitions for ORS 450.305 to 450.580. 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 referred 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 pro-

posals 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 post-office address of such person or agent is known to the sheriff. If the post-office address is unknown to the sheriff, the notice shall be directed to such person or agent at the post office 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 semiannual 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 on 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; reinstatement. (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 450.565 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.

SANITARY AUTHORITIES

450.705 Declaration of public policy and legislative intent. It hereby is recognized and declared that the sewage disposal, drainage, insect control and related problems in many of the areas of the state where the population is rapidly expanding can best be solved through the cooperative and integrated effort and support of unincorporated and incorporated areas. It is the purpose of ORS 450.705 to 450.980 to provide a means whereby such cooperation and integration can be achieved and ORS 450.705 to 450.980 is to be construed liberally to accomplish this purpose.
[1955 c.614 §1]

450.710 Definitions for ORS 450.705 to 450.980. As used in ORS 450.705 to 450.980 unless the context clearly indicates otherwise:

(1) "Authority" means a sanitary authority established under ORS 450.705 to 450.980.

(2) "Board" means the sanitary authority board under ORS 450.705 to 450.980.

(3) "Construction" includes the acquisition of land or other property for the construction of an installation and the improvement, enlargement, alteration and reconstruction of an installation and the acquisition of existing sewage disposal or drainage systems, or portions thereof.

(4) "Governing body" means the county court or board of county commissioners of a county.

(5) "Owner of land" or "landowner" means a vendee under a recorded land sale contract or if there is no such contract the holder of the record title to the land in which vendee or holder has a present interest equal to or greater than a life estate.

(6) "Qualified elector" means a qualified elector of the state.
[1955 c.614 §2]

(Formation)

450.715 Areas which may be formed into sanitary authorities. Any portion of one or more counties, including both incorporated and unincorporated areas as well as areas within sanitary, drainage or other districts, may be formed into a sanitary authority under ORS 450.705 to 450.980. Such areas need not be contiguous.
[1955 c.614 §3]

450.720 Petition for formation of authority; approval by city governing body, when required; payment of expenses of organization. (1) Whenever at least 10 percent of the qualified electors within the limits of a proposed authority desire to form a sanitary authority within one or more counties, they may present to the governing body of the county in which the proposed authority, or the largest area thereof, is situated a petition in writing signed by them, stating the name of the proposed authority, setting forth the boundaries thereof, and praying that the lands included within the boundaries be organized as a sanitary authority under ORS 450.705 to 450.980.

(2) When any part of the proposed authority is within the corporate limits of any city, the petition shall be accompanied by a certified copy of a resolution of the governing body of the city approving formation of the authority.

(3) The petition shall be accompanied by a good and sufficient undertaking in form and amount to be approved by the governing body of the county in which the proposed authority, or the largest area thereof, is situated, conditioned that the petitioners will pay all expenses up to $150 of the organization of the authority, including publication of notices as required, expense of preparation and delivery of ballots, fees of election officers, and any and all expenses which may be incurred on the part of such county in the formation, election and organization of the sanitary authority. Such county shall bear all such expenses in excess of $150 if such authority is not formed pursuant to the petition. The authority shall bear all such expenses if it is formed pursuant to the petition.
[1955 c.614 §4]

450.725 Form and content of petition. All pages of the petition containing signatures of petitioners shall contain at the top a statement that the petition is for the formation of a sanitary authority, and thereunder, substantially the following language:

WARNING

It is a felony for anyone to sign this petition with any name other than his own, or knowingly to sign his name more than once to this petition, or to sign this petition when he is not a qualified elector and a resident of the territory described in this petition.

After the warning shall follow a statement as to whether the petitioners are desirous of forming a sanitary authority, the description of the territory sought to be included therein, the name by which the authority is to be known and such other information not exceeding 500 words concerning the proposal to establish a sanitary authority. The statement shall be printed on each page. There shall be left underneath the statement sufficient space for 20 signatures, and opposite the name of each signer, a space for the residence address of the signers of the petition and the number of their voting precinct. Each page of the petition containing signatures shall be verified in substantially the following form by the person who circulated the page:

STATE OF OREGON }
County of ———— } ss.

I, ———— ————, being duly sworn, say: That every person who signed this page of the foregoing petition signed his or her name thereto in my presence; that I believe that each of the signers has stated his or her name, residence and post-office address correctly, and that each signer is a qualified elector of this state, of the County of ————, and a resident of the territory described in the petition.

(Signature and post-office address of affiant.)

———— ————

Subscribed and sworn to before me this

——— day of ————, A.D., 19——.

(The signature and title of the officer before whom the oath is made and his post-office address.)

[1955 c.614 §5]

450.730 Time set for hearing on petition. Upon the filing of the petition with the county clerk of the county in which the proposed authority, or the largest area thereof, is situated, the governing body of such county shall examine the petition and if it is found to comply with ORS 450.720 and 450.725, set a time and place for hearing the petition, not less than 30 days nor more than 90 days after the filing thereof.

[1955 c.614 §6]

450.735 Notice of hearing. (1) Preceding the hearing upon the petition, the county clerk shall cause a notice of hearing to be posted in at least five public places within the proposed authority for not less than 20 days prior to the hearing, and the county clerk shall also cause a notice to be published at least once a week for two successive weeks prior to the hearing in at least one newspaper of general circulation printed and published in the proposed authority or, if there is no such newspaper, in at least one newspaper of general circulation printed and published in each county in which the proposed authority is situated.

(2) The notice shall state:

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

(b) The name and proposed boundaries of the authority.

(c) The time and place that the petition will be presented to the governing body for hearing.

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

[1955 c.614 §7]

450.740 Hearing conducted; boundaries of authority determined. At the time stated in the notice, the governing body of the county in which the proposed authority, or the largest area thereof, is situated shall hear the petition and may adjourn the hearing from time to time. The governing body may exclude certain areas from the proposed authority and may include additional areas in the authority to the end that, so far as practicable, all or substantially all of the urban and fringe areas in the vicinity of the proposed authority are included. The governing body shall not modify the boundaries of the proposed authority as set forth in the petition so as to exclude from the proposed authority any land which could, in the judgment of the governing body, receive immediate or future benefit from the formation of the authority, nor shall any lands be included within the authority which could not, in the judgment of the governing body, receive any benefit, immediate or future, from the authority.

[1955 c.614 §8]

450.745 Further hearing upon inclusion of additional lands; notice requirements. If the governing body which heard the petition concludes that additional lands should be included in the proposed authority and the owners thereof have not appeared at the hearing, the governing body shall by order continue the further hearing of the petition and publish and post notice in the additional area to be included in substantially the same manner as the original notice of the hearing was given, such notice of the further hearing to state the boundaries of the additional areas proposed to be included in the authority, the time and place of the further hearing, and that all interested persons may appear and be heard. If any portion of a city is proposed to be added to the authority, the resolution required by subsection (2) of ORS 450.720 is required.
[1955 c.614 §9]

450.750 Governing body to issue order containing boundary description, date of election on question of formation and polling places. If at the final hearing of the petition to form a sanitary authority, the governing body which heard the petition approves of the formation of a sanitary authority as originally proposed or as modified under ORS 450.740 and 450.745, it shall determine, and issue an order containing:

(1) The boundaries of the proposed authority.

(2) The date on which an election will be held in the proposed authority on the question whether or not a sanitary authority should be formed.

(3) The polling places at which the election will be held and the hours during which they will be open.
[1955 c.614 §10]

450.755 Posting and publication of order. A copy of the order described in ORS 450.750 shall be posted by the county clerk for four successive weeks prior to the election in three conspicuous public places in the vicinity of each of the polling places within the proposed authority. The county clerk shall also cause a copy of the order to be published once a week for four successive weeks prior to the election in at least one newspaper of general circulation printed and published in the proposed authority or, if there is no such newspaper, in at least one such newspaper printed and published in each of the counties in which the proposed authority is situated. The governing body shall designate the newspaper or newspapers in which the order shall be published.
[1955 c.614 §11]

450.760 Preliminary arrangements for holding election. (1) The governing body which issued the order under ORS 450.750 shall appoint three qualified resident electors as a board of election for each of the polling places in the proposed authority designated in such order. The governing body shall make all suitable arrangements for the holding of the election.

(2) The ballots shall contain a description of the area proposed to be incorporated into the authority and the words "Sanitary Authority: Yes——," "Sanitary Authority: No——," or equivalent words.
[1955 c.614 §12]

450.765 Conduct of election. Except as otherwise provided herein, the election under ORS 450.760 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. Polling places shall be open during the hours fixed as provided by ORS 250.345.
[1955 c.614 §13; 1967 c.609 §10]

450.770 County clerks to assist in conduct of elections. The county clerks of each county in which the proposed authority is situated shall cooperate and assist in holding the election pursuant to ORS 450.760.
[1955 c.614 §14]

450.775 Voter qualifications. Every qualified elector residing within the proposed authority is entitled to vote at the election held under ORS 450.760.
[1955 c.614 §15]

450.780 Canvass of election results; order of governing body establishing authority. (1) The returns of the election shall be made and canvassed and the results declared by the governing body of the county in which the proposed authority, or the largest area thereof, is situated and so entered in the journal of the governing body.

(2) If a majority of the votes cast at such election is in favor of a sanitary authority, the governing body shall make, and cause to be entered in its journal, an order establishing, and setting forth the boundaries of, the sanitary authority. A certified copy of such order shall be filed with the

county clerk of each county in which any portion of the authority is situated.
[1955 c.614 §16]

450.785 Initiation of formation of a district by governing body without petition. The governing bodies of one or more counties may, in lieu of requiring a petition for the formation of a sanitary authority under ORS 450.705 to 450.980 and when they deem it necessary for the protection of the public health, safety and welfare, on their own motion initiate the formation of a sanitary authority. The procedure for hearing and election, and notice thereof, in ORS 450.730 to 450.780 shall be followed, so far as applicable and with necessary adaptations, in forming a sanitary authority initiated under this section.
[1955 c.614 §17]

(Board and Elections)

450.790 Sanitary authority board. (1) The officers of the authority shall be a board of five members elected as provided in ORS 450.795 and 450.800, a chairman of the board appointed under ORS 450.806 and a manager appointed by the board under ORS 450.806.

(2) Any qualified elector residing within the proposed authority is qualified to be a member of the board of the authority.
[1955 c.614 §18]

450.795 Nomination and election of first board members; terms. (1) Not earlier than 60 days or more than 80 days after an election at which the voters approve the formation of a sanitary authority, the governing body in which the authority, or the largest area thereof, is situated shall hold an election in the authority to select the first members of the sanitary authority board. Except as otherwise provided in this section, the election shall be conducted as nearly as practicable in the same manner as the election held on the question of formation of the authority.

(2) Candidates for member of the board may be nominated by the petition of not less than 10 qualified electors residing within the authority. The nominating petition shall be filed with the county clerk at least 10 days prior to the election.

(3) The county clerk shall cause the names of all persons nominated to be placed on the ballots as candidates for the offices of member of the board.

(4) The ballots shall have blank lines equal to the number of members to be elected under the printed names of the nominated candidates wherein the voters may write the names of other candidates for office.

(5) Notice of the election shall be given substantially in the manner in which notice is given under subsection (1) of ORS 450.735.

(6) The five persons receiving the highest number of votes shall be elected as members of the board.

(7) The term of one of the members so elected shall expire on the first Tuesday in January following the date of the first succeeding annual election in the authority following the date of his election. The term of one of the members so elected shall expire on the first Tuesday in January following the date of the second succeeding annual election in the authority following the date of his election. The term of one of the members so elected shall expire on the first Tuesday in January following the date of the third annual election in the authority following the date of his election. The terms of two of the members so elected shall expire on the first Tuesday in January following the date of the fourth succeeding annual election in the authority following the date of their election. The respective terms of the first members shall be determined by lot at their first meeting after their election.
[1955 c.614 §19]

450.800 Annual and special elections in the authority. (1) The date of the annual election in an authority is the first Monday in December. Only qualified electors residing within the authority are eligible to vote at such election.

(2) At each annual election held in the authority there shall be elected a successor to any member whose term expires on the first Tuesday in January following such election date. At such election the person, or two persons if two members are to be elected, receiving the highest number of votes shall be elected to serve for a four-year term and until his successor is elected and qualified.

(3) The provisions of subsections (1) to (5) of ORS 450.795 shall govern, so far as practicable, the procedure for nomination and election of members of the board under this section except that such elections shall be conducted and held by the sanitary authority board rather than the governing body of a county.

(4) The board may submit to the voters at such annual election any measure which may properly be submitted to the voters.

(5) The board may call and hold special elections in the authority at any time. Such elections shall be held and conducted as nearly as practicable in accordance with the procedure specified under ORS 450.905 and 450.910.

[1955 c.614 §20]

450.802 Travel expenses of board members. A member of the board may receive for each attendance of meetings of the board his actual and necessary traveling expenses.

[1955 c.614 §21]

450.804 Vacancies in board membership. A vacancy in the membership of the board shall be filled for the unexpired term by appointment by a majority of the remaining members of the board.

[1955 c.614 §22]

(Powers)

450.806 General powers of board; selection of board chairman; appointment of authority manager. (1) The board shall be the governing body of the authority and shall exercise all powers thereof.

(2) The board shall every two years appoint one of its members as chairman to serve for a two-year term. A chairman so appointed is eligible for reappointment as chairman.

(3) The board shall appoint a professionally qualified person as manager of the authority. He shall serve at the pleasure of the board and receive such compensation as is fixed by the board.

(4) All contracts, deeds, warrants, releases, receipts and documents of every kind shall be signed in the name of the authority by the chairman of the board and shall be countersigned by the manager of the authority.

[1955 c.614 §23]

450.808 General duties of authority manager. The manager of the authority shall, subject to the direction and control of the board, serve as the administrator and supervisor of the functions and operations of the authority and shall perform all duties prescribed by the board.

[1955 c.614 §24]

450.810 Board may adopt and enforce ordinances for sanitary purposes. (1) The district board may, for the protection of the health, safety and general welfare of the authority, adopt and enforce all necessary and proper regulations or ordinances for:

(a) The control of sewage disposal and drainage.

(b) The storage, collection, transportation and disposal of solid wastes where such regulations are supplemental to the requirements of the board under ORS 459.040 and are necessary to meet special local conditions.

(c) The cleanliness of roads and streets in the authority.

(d) The control of mosquitoes and other insects.

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

(2) Any general ordinance of the board shall be entered in its minutes and be published once in a newspaper of general circulation printed and published within the authority, or if there be no such newspaper, then in a newspaper printed and published in the county in which the largest area of the district is situated. Such general ordinance, unless it contains an emergency clause, shall take effect 30 days after publication thereof.

[1955 c.614 §26; 1967 c.428 §14]

450.815 General powers of authority. For the purpose of carrying out the powers granted to the authority under other provisions of ORS 450.705 to 450.980 and in addition thereto, the authority may:

(1) Have and use a common seal.

(2) Sue and be sued by its name.

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

(4) Acquire by purchase, gift, devise, condemnation proceedings or otherwise, such real and personal property and rights of way, either within or without the authority, 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.

(5) Make and accept contracts, deeds, releases and documents which, in the judgment of the board, are necessary or proper in the exercise of any of the powers of the authority.

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

(7) Lay its sewers and drains in any public street, highway 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.

(8) Compel all residents and property owners in the authority to connect their houses and structures requiring sewage disposal with adjacent sewers within the authority.

(9) Fix sewer charges and rentals.

(10) Do any act necessary or proper to effect and carry out the purposes for which the authority was formed pursuant to ORS 450.705 to 450.980.

[1955 c.614 §25]

450.820 Authority may maintain garbage collection system and engage in insect control activities. In addition to other powers granted to it under ORS 450.705 to 450.980, the authority may:

(1) Maintain and operate disposal sites and garbage collection systems in compliance with the requirements of the State Board of Health under ORS 459.820.

(2) Engage in mosquito and other insect control activities.

[1955 c.614 §27; 1967 c.428 §15]

450.825 Plan for sewage disposal and drainage to be developed by authority. As soon as practicable after the election of the first members of the board, the board shall make a study and survey of the existing sewage disposal facilities and systems in the authority and of its sewage disposal needs, both present and future, and prepare an overall coordinated plan for the authority which incorporates, so far as practicable, existing sewage disposal and drainage systems, future sewage treatment plants, including connecting trunk and lateral sewers, and future drainage systems. Such plan shall be revised from time to time as circumstances may require. In preparing the plan or revisions thereto, the board shall take into consideration expected fluctuations in population and in business and industrial activity.

[1955 c.614 §28]

450.830 Authority may construct and operate sewage disposal and drainage systems; operation beyond authority boundaries. The sanitary authority may construct, maintain or operate sewage disposal and drainage systems, including sewage treatment plants, trunk and lateral sewers and drains, or any combination thereof, for any area within the authority. Portions of such systems may be constructed outside the authority where necessary or expedient. The authority may furnish sewage disposal service to areas outside the authority on a contract basis.

[1955 c.614 §29]

450.835 Contract for or purchase of sewage disposal and drainage systems. The authority may, in performing the powers conferred by ORS 450.830:

(1) Contract with any city or county, any district organized for a public purpose, any other governmental agency or any person, partnership, association or corporation for the use or joint operation of all or any portion of any sewage disposal or drainage system owned or controlled by such city, county, district, agency, person, partnership, association or corporation; or

(2) Purchase all or any portion of any sewage disposal or drainage system from such city, county, district, agency, person, partnership, association or corporation on such terms as are fair and reasonable. Where the area served by such system, or part thereof, is situated within the authority, the authority may agree, on such terms as are fair and reasonable, to furnish sewage disposal or drainage functions for the area then served by such sewage disposal or drainage system. Under this subsection, as a part of the purchase agreement and on such terms as are fair and reasonable, the authority may assume liability for any outstanding bonded or other indebtedness incurred prior to the time of purchase in connection with the facilities to be purchased.

[1955 c.614 §30]

(Finances)

450.840 Costs for construction and operation of systems and general expenses of authority, how borne. (1) The cost of construction of a sewage disposal system, including treatment plants and trunk or lateral sewers, or a drainage system shall be borne by the area directly benefited by the system. The property within such area shall bear such cost in the manner provided in ORS 450.855.

(2) The cost of operation and maintenance of sewage disposal systems and drainage systems shall be borne by the area directly benefited by such systems. The property within such area shall bear such cost in the manner provided in ORS 450.880.

(3) The costs and expenses of the authority which are not chargeable under ORS

450.705 to 450.980 to any particular area within the authority such as over-all planning, expenses of the board, conduct of elections and hearings and mosquito and other insect control shall be borne by the entire authority in the manner provided in paragraph (a) of subsection (1) of ORS 450.885.
[1955 c.614 §31]

450.845 Areas needing sewerage installations to be determined and plans for installations to be made. Whenever the board deems it expedient or necessary for the protection of the public health, safety and welfare to cause to be constructed treatment plants or trunk or lateral sewers or drains, or any combination thereof, the board shall determine the proposed boundaries of the area to be directly benefited thereby and have a registered professional engineer prepare plans and specifications for such plants, sewers or drains. Such plans and specifications must be approved by the State Board of Health and the State Sanitary Authority and shall be filed in the office of the authority. Parcels of land which may be served practicably by lateral sewers or drains connected with treatment plants or trunk sewers or drains and are not adequately served by existing plants, sewers or drains, as the case may be, are considered to be directly benefited by the plants, sewers or drains of the authority. If all or any portion of the cost of construction is to be specially assessed against individual property, the engineer shall include in the plans and specifications, a description of the location and assessed value of each lot, tract or parcel of land, or portion thereof, to be specially benefited by the improvement, with the names of the record owners thereof and an estimate of the unit cost of the improvement to the specially benefited property.
[1955 c.614 §32]

450.850 Hearing on board's proposed construction plans and estimated special assessments; notice of hearing. (1) After plans and specifications have been prepared and filed as provided in ORS 450.845, the board shall hold a hearing in the area which is to be directly benefited by and to pay for the proposed treatment plants, trunk or lateral sewers or drains and may adjourn the hearings from time to time.

(2) The board shall post notice of the time and place of the hearing in at least three conspicuous places in the area directly benefited, for two weeks prior to the hearing and publish such notice in a newspaper of general circulation printed and published in the area once a week for two successive weeks prior to the hearing or, if there is no such newspaper, in a newspaper of general circulation printed and published in the county in which the area, or the largest portion thereof, is situated. Such notice shall contain a statement that the board proposes to construct a sewage treatment plant or trunk or lateral sewers or drains, or any combination thereof, for the area and a statement, if special assessments are to be levied against property specially benefited, showing the estimated total cost of the improvement which is to be paid for by special assessment of benefited property and the engineer's estimated unit cost of the improvement to the specially benefited property, clearly indicating that this is an estimate and not an assessment; and set forth the proposed boundaries of the area and that all interested persons may appear and be heard.
[1955 c.614 §33]

450.855 Action board may take at hearing concerning boundaries, installations to be constructed, costs and financing. At the hearing under ORS 450.850 the board may:

(1) Modify the proposed boundaries of the area directly benefited by and to pay for the proposed installations except that no land in the authority which could not be directly benefited by the proposed installation may be included and no land in the authority which could be directly benefited by the proposed installation may be excluded. If it appears that land should be included in the area which was not included within the boundaries designated in the notice of the hearing and that the owners of such land have not appeared at the hearing the board shall adjourn the hearing and give notice to such owners by registered mail or by posting and publishing notice in the area to be included in substantially the same manner that notice is given under subsection (2) of ORS 450.850. If the notice is given by registered mail, the notice shall be mailed at least 10 days prior to the date fixed for the further hearing. The notice shall contain the date, time and place of the adjourned hearing, a statement that the board proposes to construct sewage treatment plants or trunk or lateral sewers or drains for an area within the authority, a description of the additional area to be included within

such area and a statement that all persons interested may appear and be heard.

(2) Determine what installations shall be constructed and the total cost of the construction. The cost of making engineering plans and specifications shall be borne by the area directly benefited by the installation as a part of the construction costs.

(3) Determine the manner in which the property within the area shall bear the cost of the proposed installations. The board may provide, in its sound discretion, that the cost shall be borne by assessments against the property directly benefited, by collection of sewer service charges in the area or, if general obligation bonds are to be issued and sold to finance the construction of the installations, by annual levies of taxes against property in the area, or by any combination of these methods. Such cost shall be apportioned, so far as practicable, in accordance with the special and peculiar benefit each parcel of land in the area could receive from the installation. Where parcels of land in the area are partially or wholly undeveloped or are devoted to uses which in no way require sewage disposal service, the board may, in its sound discretion, defer assessing, imposing or levying all or any part of the assessments, sewer service charges or taxes against such parcels until the parcels or the undeveloped portions thereof are connected with the installations.

(4) Determine the method of financing the construction of the proposed installations and the amount and type of bonds, if any, to be issued and sold under ORS 450.895 to 450.920 to finance the construction of the proposed installations.

[1955 c.614 §34]

450.860 Portion of installation construction costs in an authority chargeable to area benefited. When in providing sewage disposal or drainage systems for an area within the authority the board determines that any portion of sewage treatment plants or trunk or lateral sewers or drains constructed or acquired, or being constructed or acquired, by the authority, will be used by the area, a fair and equitable portion of the original cost of such plants, sewers or drains and of improvements thereto, less depreciation, shall be charged to the area on an assessment or sewer service charge basis, or any combination thereof. The proceeds of such assessments or charges shall be used by the board, in its discretion, for payment of bonds issued to construct such plants, sewers or drains or for future improvements or additions to or maintenance of such plants, sewers or drains. The determination made under this section shall be made at the hearing of the board in connection with any proposed construction of sewage disposal or drainage systems for the area.

[1955 c.614 §57]

450.865 Ordinance specifying action of board at hearing may be adopted; remonstrances thereto. (1) After the board has concluded the hearing under ORS 450.850 and 450.855 it may adopt an ordinance specifying the installations to be constructed for the area, the boundaries of the area, the method of apportioning the construction cost to the area directly benefited, whether by assessment, by sewer service charges or annual levy, or combinations thereof, and the method of financing the construction of the installations. A copy of the ordinance shall be published once a week for two successive weeks in a newspaper of general circulation printed and published in the area directly benefited or, if there is no such newspaper, in a newspaper of general circulation printed and published in the county in which the area, or the largest portion thereof, is situated.

(2) If within 30 days after the last publication of such ordinance written remonstrances against the proposed construction are filed in the office of the authority by two-thirds or more of the owners of the land in the area directly benefited, no further proceedings shall be had in connection with the proposed construction. However, a modified proposal may be initiated within six months thereafter.

(3) If such remonstrances are not filed by two-thirds or more of the owners of the land in the area directly benefited, the board may proceed with the construction of the installation in accordance with the ordinance.

[1955 c.614 §35]

450.870 Assessments against benefited property. (1) All assessments made pursuant to subsection (3) of ORS 450.855 shall be determined and made by an order of the board adopted in accordance with such procedures as shall be established by a general ordinance adopted by the board. Such general ordinance shall establish a procedure for notice of the proposed assessment, provide for correction of errors, establish the form of the assessment order and such other procedures as are necessary to the adoption

of the assessment order. It shall not be necessary to issue a separate order for each parcel of land, and any number of parcels in the same area and the same county may be included in one order. A copy of the order making an assessment, certified and acknowledged by the manager of the authority, shall be filed with the recorder of conveyances of the county in which the land is located. Upon being filed, the assessment shall constitute a lien against the land assessed.

(2) Notice of all assessments levied by an authority shall be given to the landowner by mail and shall be payable on the thirtieth day after such notice is mailed unless agreements for payment of such instalments are made pursuant to ORS 450.940. All assessments paid after the due date shall be charged interest at the rate of six percent per annum. All assessments shall be paid to the county treasurer who is custodian of the funds of the authority and a receipt shall be issued therefor. From time to time the board shall order the satisfaction of the liens against lands on which assessments have been paid, and a copy of such order shall be filed with the recorder of conveyances of the county in which the lands are located.

[1955 c.614 §36]

450.875 Collection of delinquent assessments by lien foreclosure procedure; reassessment procedure. (1) In case the whole or any portion of the cost of sewage treatment plants, trunk or lateral sewers or drains is assessed against 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 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 authorities where applicable.

[1955 c.614 §37]

450.880 Sewer service charges. (1) The authority may adopt ordinances imposing sewer service charges within an area within the authority, for the purpose of financing the improvement, operation and maintenance of a sewage disposal or drainage system acquired or constructed by the authority for the area.

(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 in substantially the manner provided in ORS 224.220.

[1955 c.614 §38]

450.885 Tax levies on all or only part of the property in the authority; budget for authority required. (1) The authority may, annually as provided in this section:

(a) Levy a tax on all the property in the authority to provide funds with which to pay expenses of the authority and pay general obligation bonds of the authority which expenses and bonds are not chargeable under ORS 450.705 to 450.980 to any particular area in the authority.

(b) Levy an additional tax on the property in any particular area within the authority to provide funds with which to pay any part of the principal and interest on general obligation bonds which are to be paid by such area where sewer service charges or assessments will not be sufficient to pay such principal and interest.

(2) Assessment and collection of taxes levied on property within the authority shall be made by the county officers charged with assessment and collection of other property taxes in the county in which the property lies.

(3) Each year, immediately after his necessary records are made, the county assessor of each county in which the authority is situated shall transmit to the board a statement in writing, showing the total value of all property within the authority and within each area within the authority which is subject to levy under paragraph (b) of subsection (1) of this section as ascertained for that year from the assessment rolls of each county in which property of the authority lies, as equalized and corrected by the county board of equalization.

(4) The 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 carrying out its func-

tions and activities and for the payment of the principal and interest of outstanding indebtedness of the authority which will become due during the year. The board shall determine the amount of taxes to be raised from the entire authority and the additional amount to be raised from each of the areas within the authority which are directly benefited by particular installations.

(5) The board shall, in the manner and time prescribed by law, transmit to the county assessor of each county a statement of taxes which are to be collected in such county. If the board fails to levy taxes under this section sufficient to pay the interest on and the maturing principal of all outstanding general obligation bonds of the entire authority or on property in areas which are primarily obligated to pay the bonds, the governing body of the counties in which the authority is situated shall cause such taxes to be levied, extended and collected and, if necessary, cause a tax on all the property in the authority to be levied, extended and collected to pay general obligation bonds of the authority. However, any levy against all property in the authority under this subsection shall not alter or limit the obligation of the area primarily obligated on the bonds as between such area and the authority.
[1955 c.614 §39]

450.890 Collection of taxes; taxes are liens on property. (1) Taxes levied under ORS 450.885 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 who is custodian of the funds of the authority and deposited to the credit of the sanitary authority fund. Taxes collected to pay expenses or obligations of a particular area shall be credited to separate accounts or funds of the authority to be used for such purposes.

(2) The taxes shall be a lien upon the property against which they are levied 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 county property taxes.
[1955 c.614 §40]

450.895 Bonds, general obligation or revenue or combination of both; bonds to mature serially and be paid in instalments. The authority may, when authorized by a majority of the votes cast at an election by voters of the authority, issue general obligation bonds or revenue bonds, or a combination of both, for the purpose of paying the cost of acquisition or construction, operation and maintenance of sewage treatment plants or trunk or lateral sewers or drains for any area or areas within the authority or to carry out any other purpose authorized under ORS 450.705 to 450.980. Each issue of general obligation bonds shall be the general obligation of the entire authority but shall be the primary obligation of the area directly benefited by the sewage treatment plant or trunk or lateral sewers or drains constructed with the proceeds of each issue of such bonds and paid by assessment, annual levy or sewer service charges, or combinations thereof, as determined by the board under ORS 450.855. Revenue bonds shall be payable solely out of designated revenues of the authority and shall not be deemed to be a general obligation of the authority or a charge upon its tax revenues. All bonds issued shall mature serially within not to exceed 30 years from date of issue, and shall be paid in annual instalments 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.
[1955 c.614 §41]

450.900 Election on bond issues; limitation on indebtedness. (1) Before issuing any bonds under ORS 450.895, the board shall at a regular meeting call an election and submit to the voters in the authority the question whether bonds of the authority, either general obligation, revenue, or a combination of both, shall be issued and sold to raise money for the construction of sewage treatment plants or trunk or lateral sewers or drains for any area or areas within the authority.

(2) The order calling a bond election shall be signed by not less than four members of the board and may submit to the voters as one proposal the question of issuing bonds to finance one or more sewage treatment plants or trunk or lateral sewers or drains; or the order may submit as separate questions the issuance of bonds for any sewage treatment plants or trunk or lateral sewers or drains in such combinations as the order may direct.

(3) The authority's total outstanding bonds of all kinds, including improvement bonds of the kind authorized by ORS 223.205 to 223.300, and revenue bonds shall at no

time exceed in the aggregate 13 percent of the actual value of all property by law assessable for state and county purposes within the authority. The actual value shall be the amount obtained by dividing the assessed value of the property within the authority, as shown upon the assessment roll as of January 1 of the latest calendar year for which a valuation has been certified pursuant to ORS 311.105, by the assessment ratio for such year for the county or counties in which the authority is located, as shown in the statement filed by the State Tax Commission with the Secretary of State, pursuant to ORS 309.370.
[1955 c.614 §42]

450.905 Notice of bond election. Notice of a bond election shall be given and published in the same manner as notice is given and published in ORS 450.755. The notice shall contain:

(1) The date and places of holding the election.

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

(3) A statement of the purpose or purposes for which the proceeds of the bonds are to be used.

(4) The amount of the bonds.

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

(6) If general obligation bonds, which are to be paid by particular areas in the authority, are to be issued, a statement that the bonds will be the general obligation of the entire authority but will be the primary obligation of the areas in the authority which will be directly benefited by the sewage treatment plants or trunk or lateral sewers or drains constructed with the proceeds of the bonds and paid through assessment, annual levy, or sewer service charges, or combinations thereof, as determined by the board under ORS 450.855 and designating specifically the boundaries of such area or areas.

(7) If revenue bonds are to be issued, a statement that the bonds will be payable solely out of designated revenues of the authority and will not be a general obligation of the authority or a charge upon the tax revenues of the authority.
[1955 c.614 §43]

450.910 Conduct of bond election. (1) The board shall make all necessary and proper arrangements for holding the bond election, including the appointment and payment of judges and clerks for the election.

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

(3) Only qualified electors who are residents in the authority shall be entitled to vote at the election.
[1955 c.614 §44]

450.915 Bonds, issuance and sale. (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 sell such bonds as provided in this section.

(2) The bonds shall be in such denominations of $500 or $1,000 as the board determines.

(3) All bonds shall be payable in lawful money of the United States at the office of the county treasurer of the county in which the authority, or the largest area thereof, is situated, and shall bear interest at a rate not to exceed six percent per annum, which interest shall be payable semiannually.

(4) If the bonds are revenue bonds, the bonds shall contain a statement that such bonds are payable solely out of designated revenues of the authority and are not general obligations of the authority or a charge upon the tax revenues of the authority.

(5) The bonds shall be signed by the chairman of the board and countersigned by the manager of the authority. However, the printed or lithographed facsimile signatures of the chairman and manager may be affixed to coupons, if any, on the bonds.

(6) Bonds shall be advertised prior to sale once each week for not less than two successive weeks in a newspaper of general circulation printed and published within the boundaries of the authority or, if there is no such newspaper, then in a newspaper of general circulation printed and published in the county in which the authority, or the largest area thereof, is located, and sold for the highest price obtainable but not for less than par value plus accrued interest at the time of sale.
[1955 c.614 §45]

450.920 Disposition of proceeds of the sale of bonds. The proceeds of the sale of bonds shall be deposited with the county treasurer who is custodian of the funds of the authority and shall be placed by him in the sanitary authority fund and credited to a special account or accounts which are designated for use for the particular purpose or purposes for which the bond proceeds are to

be used. The proceeds of such bonds shall be used solely for the purpose or purposes indicated in the order calling for election upon the question of the issuance of the bonds and for no other purpose. However, the proceeds of the sale of the bonds may be used for payment of the principal and interest of such bonds and expenses of the formation of the authority.
[1955 c.614 §46]

450.925 Refunding bonds may be issued. (1) The board may, without authorization from the voters, issue refunding bonds for the purpose of refunding outstanding bonds issued under ORS 450.895 to 450.920.

(2) The provisions of subsections (2) to (6) of ORS 450.915 are applicable to refunding bonds issued and sold under this section.

(3) The refunding bonds may be issued to refund bonds originally issued or to refund bonds previously issued for refunding purposes and for no other purpose.
[1955 c.614 §47]

450.930 Redemption of bonds before maturity dates. In its discretion, the board may issue bonds of the authority with reservation of the right to redeem them for retirement or refunding purposes prior to the final dates of maturity in the manner provided in ORS 287.008.
[1955 c.614 §48]

450.935 Short-term financing. The provisions of ORS 287.402 to 287.432 relating to short-term financing hereby are made applicable to sanitary authorities formed under ORS 450.705 to 450.980.
[1955 c.614 §49]

450.940 Payment of assessments in instalments; issuance of improvement warrants and bonds. When the cost, or any portion thereof, of sewage treatment plants or trunk or lateral sewers or drains is assessed against the property directly benefited, the provisions of ORS 223.205 to 223.385, relating 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 to the authority in so far as practicable and applicable. Where in ORS 223.205 to 223.385 and 287.502 to 287.510 officials of cities are referred to, the corresponding officials who perform similar services for the authority where applicable shall perform the required functions. The authority may issue improvement bonds in the total amount of the valid applications it has received to pay assessments in instalments as provided in ORS 223.205 to 223.385.
[1955 c.614 §50]

450.945 Custody and disbursement of authority funds by county treasurer. (1) The county treasurer of the county in which the authority, or the largest area thereof, is situated shall be custodian of all sanitary authority funds and shall pay out moneys of the authority only upon written order of the board, signed by the chairman of the board and countersigned by the manager of the authority. However, where the board has authorized the manager to approve and order the payment of claims in the amount of $500 or less, the treasurer shall pay out moneys of the authority on such orders of the manager.

(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) A copy of the order shall be filed in the records 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 authority.

(4) The county treasurer shall keep separate accounts and funds, where necessary, to segregate the various operations and construction projects of the authority.
[1955 c.614 §51]

(Annexation; Dissolution; Testing Formation)

450.950 Annexation of territory to authority; petition. Additional territory may be annexed to a sanitary authority in the manner provided in ORS 450.950 to 450.970. A petition signed by 15 percent of the qualified electors 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) Ask that the territory be annexed to the authority.

(3) Be accompanied by bond in the sum of not less than $150, to be approved by the board, and filed with the manager 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. If the

proposed annexation is approved all election expenses in connection therewith shall be paid by the authority.

(4) Be verified by affidavit of one of the petitioners.

[1955 c.614 §52]

450.955 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 printed and published in the area proposed to be annexed, or, if there is no such newspaper, in a newspaper of general circulation printed and published in the county in which the area to be annexed, or the largest portion thereof, is situated, 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.

[1955 c.614 §53]

450.960 Hearing on annexation petition. At the time specified in the notice under ORS 450.955 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 could be benefited by the annexation of territory to the authority, nor shall any lands which could not be benefited by the annexation to the authority be included within the boundaries of the territory proposed to be annexed.

[1955 c.614 §54]

450.965 Order fixing boundaries; 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 and if it determines that it is in the best interest of the area to be annexed and of the authority that the petition be granted, shall make an order describing the exterior boundaries of the territory proposed to be annexed, and order that an election be held in the area proposed to be annexed for the purpose of determining whether or not the territory shall be annexed to the authority.

(2) The order shall fix the day of the election, which shall be not less than 30 days nor more than 50 days from the date of the order, and shall show the boundaries of the territory proposed to be annexed to the authority.

(3) Notice of the election shall be given substantially in the manner provided in ORS 450.955. The notice must state the time and place of election and the question to be voted upon.

(4) The board shall make all necessary arrangements for holding the election, including designation of the number of polling places and the appointment and compensation of judges and clerks for the election.

[1955 c.614 §55]

450.970 Order, by governing body, declaring annexation. If a majority of the votes cast at the election in the territory proposed to be annexed are in favor of annexation, the board 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 governing body of the county in which the authority, or the largest area thereof, is situated. The governing body of such county at its next regular meeting after filing of the petition shall, by an order, show the alteration of the boundaries of the authority and declare the annexation to the authority of the territory described in the petition. The effective date of the annexation shall be 30 days after the date of the order of the governing body of the county. A copy of the order of the governing body of such county shall be filed with the county clerk of each county in which the authority is situated. Such annexed territory shall thereupon be subject to all liabilities of the authority.

[1955 c.614 §56]

450.975 Procedure for dissolution of authority. A sanitary authority may be dissolved substantially in the manner provided for dissolution of sanitary districts under ORS 450.230 and 450.235.

[1955 c.614 §58]

450.980 Procedure for testing proceedings and acts of sanitary authorities. The provisions of ORS 261.605 to 261.630 relating to court proceedings to test the validity of acts and proceedings of People's Utility Districts hereby are made applicable, so far as practicable, to the proceedings and acts of sanitary authorities.

[1955 c.614 §59]

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.

CERTIFICATE OF LEGISLATIVE COUNSEL

Pursuant to ORS 173.170, I, Robert W. Lundy, Legislative Counsel, do hereby certify that I have compared each section printed in this chapter with the original section in the enrolled bill, and that the sections in this chapter are correct copies of the enrolled sections, with the exception of the changes in form permitted by ORS 173.160 and other changes specifically authorized by law.

Done at Salem, Oregon,
on December 1, 1967.

Robert W. Lundy
Legislative Counsel