

West's Annotated California Codes Currentness  
Water Code Appendix (Refs & Annos)  
Chapter 127. Colusa Basin Drainage District (Refs & Annos)  
    ▣ Part 1. Introductory Provisions  
        ▣ Chapter 1. Short Title  
            → **§ 127-1. Short title**

Section 1. This act shall be known and may be cited as the Colusa Basin Drainage District Act.

### **§ 127-20. Legislative recognition of problems**

Sec. 20. (a) The Colusa Basin Drain lies between the Sacramento River on the east and the Coast Range on the west within Glenn, Colusa, and Yolo Counties. It is bounded on the north by the watershed of Stony Creek and on the south by the watershed of Cache Creek. The basin has no natural outlet at times of high water in the Sacramento River. The two outlets available for floodwaters and drainage are outfall gates at the southerly end of the Colusa Drain near Knights Landing and the Knights Landing Ridge Cut. During times when the Sacramento River is high, the outfall gates near Knights Landing are inoperable and water can escape from the Colusa Basin only through the artificial channel known as the Knights Landing Ridge Cut through which water is discharged into the Yolo Bypass to enter the Sacramento River near Rio Vista. Limited outlet capacity and limited drainage and channel capacity within the basin result in periodic extensive flooding throughout the basin. This problem needs to be studied and addressed.

(b) Irrigation drainage occurs in the basin through a number of natural and artificial channels, all of which ultimately flow into the Colusa Basin Drain, sometimes called Reclamation District 2047 Drain, which discharges water into the Sacramento River through the Knights Landing outfall gates except during times of high water on the Sacramento River when the only outlet is through the Knights Landing Ridge Cut into the Yolo Bypass. The Colusa Basin Drain has been used for the purpose of receiving irrigation water drainage or return flows. As land within the Colusa Basin has been developed and improved, the capacity of this drain for drainage waters has become overtaxed to the point where irrigation water drainage is not available to lands adjacent to the drain at times when it is required for agricultural purposes, and flooding of adjacent lands may occur even during the normal drainage season. This problem needs to be studied and addressed.

(c) Certain areas within the Colusa Basin appear to be experiencing subsidence which may add to the flooding and drainage problems occurring within the basin. This problem needs to be studied and addressed.

### **§ 127-21. Necessity of special act**

Sec. 21. The problems of flooding and winter drainage, irrigation drainage, and subsidence which are occurring within the Colusa Basin are multicounty in scope, but are unique to the Colusa Basin and are not general or statewide. A special act to address these problems is, therefore, necessary.

**§ 127-22. Formation of district**

Sec. 22. The problems referred to in Sections 20 and 21 are basinwide. There are within the basin a number of governmental entities presently formed which are authorized to address one or more of the problems referred to in Sections 20 and 21 within the scope of their particular jurisdiction. It will be beneficial for the overall basin that a district be formed which incorporates the entire basin and is able to relate to the overall problems of the total basin while still allowing any project which may be undertaken affecting individual areas within the basin to be addressed by other districts or the respective counties with the assistance and cooperation of, and coordination with, the basinwide district.

**§ 127-31. Colusa Basin drainage district; creation**

Sec. 31. A drainage and flood control district is hereby created to be called the Colusa Basin Drainage District.

**§ 127-32. Territory and boundaries; conforming of district boundaries to assessment parcel boundaries; notice; hearing**

Sec. 32. The district shall comprise generally the valley lands within the watershed of the Colusa Basin which are tributary to the mouth of the Colusa Basin Drain at the Knights Landing Outfall Gates. The boundary of the district is delineated on United States Geological Survey Quadrangles on file with the Northern District office of the Department of Water Resources in Red Bluff. The boundary of the district is described generally as commencing at the State Highway Route 113 bridge across the Knights Landing Ridge Cut, thence along the Knights Landing Ridge between the Colusa Basin and the Cache Creek watersheds southerly and westerly through the town of Yolo to the intersection of the westerly boundary of the United States Bureau of Reclamation (USBR) Tehama-Colusa Canal Service Area (as shown on the USBR map of the Sacramento River Division, Sacramento Canals Unit, California, Tehama-Colusa Canal Service Area, including Sacramento River Water Districts [dated September 11, 1969, Rev. 9-82, drawing #602-208-1766W]), thence northerly and westerly along that boundary until it intersects the ridge separating the Stony Creek and Colusa Basin watersheds approximately four miles east of Orland, except that where Colusa Basin water, irrigation, reclamation, or drainage district boundaries or the Tehama-Colusa Canal are west of the USBR Service Area boundary, that the westernmost boundary of either will prevail, thence along the ridge separating lands that are tributary to the Colusa Basin from those tributary to Stony Creek or the Sacramento River to where the ridge intersects the northernmost end of the westerly or right bank levee of the Sacramento River near the town of Ordbend, thence southerly along the westerly or right bank levee of the Sacramento River to the Knights Landing Outfall Gates, thence along the southerly bank of the Colusa Basin Drain to the northerly end of the Knights Landing Ridge Cut, thence along the easterly bank of the Knights Landing Ridge Cut to the State Highway Route 113 bridge. The assessors of Glenn, Colusa, and Yolo Counties shall conform the boundary of the district to the boundaries nearest the exterior watershed boundary, as described above, of the assessment parcels lying totally within the watershed and situated nearest to that exterior boundary, except as to the easterly boundary which shall be the westerly or right bank levee of the Sacramento River. Each county assessor shall, within a reasonable time after January 1, 1988, hold a hearing within the respective county for the purpose of conforming the district boundary to the assessment parcel boundaries as provided herein. Notice shall be published once a week for two successive weeks in a newspaper of general circulation within the county stating that a hearing will be held for the purpose of conforming the district boundary to the boundaries of the nearest assessment parcels. Notice shall also be given by mail at least two weeks prior to the hearing to the owners of those assessment parcels within the respective county directly affected by this conformance, mailed to the address shown on the records

of the assessor. At the hearing, the assessor shall present a map showing the proposed boundary as conformed to the boundaries of the nearest assessment parcels, and shall hear any objections which may be made to that boundary. Following the hearing the assessor shall describe the precise boundary of the district as conformed to the nearest assessment parcels, and shall record in the records of that particular county the description of the boundary of the district within that county, including the westerly or right bank levee of the Sacramento River as the most easterly boundary. The costs of notice, hearing, and preparation of the description shall be included as formation costs of the district.

**§ 127-40. Board or board of directors**

Sec. 40. "Board" or "board of directors" means the board of directors of the district.

**§ 127-41. Eligible voter**

Sec. 41. "Eligible voter" means a person who owns land, or the legal representative of the owner of land, within the area in which an election is to be held.

**§ 127-42. Evidence of indebtedness**

Sec. 42. "Evidence of indebtedness" means any warrant, note, or other evidence of indebtedness of the district or any zone.

**§ 127-43. Legal representative**

Sec. 43. "Legal representative" means any of the following:

- (a) An official of a corporation, partnership, or public or nonpublic entity or association which owns land within the district.
- (b) A partner or authorized representative of a partnership which owns land within the district.
- (c) A guardian, conservator, executor, or administrator of the estate of the owner of land within the district who is appointed under the laws of this state, is entitled to possession of the estate's land, or is authorized to exercise the particular right, privilege, or immunity which he or she seeks to exercise.

**§ 127-44. Project**

Sec. 44. "Project" means a work and all of the activities related to or necessary for the acquisition, construction, operation, and maintenance of a work, including, but not limited to, planning, design, financing, and administration.

**§ 127-45. Work; works**

Sec. 45. "Work" or "works" includes, but is not limited to, reservoirs, dams, and all conduits and facilities for the control, conservation, diversion, and transmission of water for beneficial uses; drains, levees, and all ditches and facilities for the control and disposal of drainage, storm, and flood waters within the district; associated power facilities for the incidental generation and distribution of hydroelectric power; and all necessary property interests and rights-of-way.

**§ 127-46. Zone**

Sec. 46. "Zone" means a zone of benefit formed under Part 6 (commencing with Section 600).

**§ 127-50. Application of other provisions**

Sec. 50. The Cortese-Knox Local Government Reorganization Act of 1985 (Division 3 (commencing with Section 56000) of Title 5 of the Government Code) does not apply to the formation of the district or the formation or changes in the boundaries of any zone. For all other purposes, the district is a "district" as that term is defined in the Cortese-Knox Local Government Reorganization Act of 1985.

**§ 127-51. Judicial actions or proceedings; limitations**

Sec. 51. Any judicial action or proceeding to attack, review, set aside, void, annul, or challenge the validity or legality of the formation of a zone, any contract entered into by the district or a zone, any bond or evidence of indebtedness of the district or a zone, or any assessment, rate, or charge of the district or a zone shall be commenced within 60 days of the effective date thereof.

The action or proceeding shall be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.

The district may bring an action pursuant to that Chapter 9 to determine the validity of any of the matters referred to in this section.

**§ 127-200. Number of directors; selection**

Sec. 200. The district shall be governed by a board of directors consisting of nine directors. The nine directors shall be selected as follows:

- (a) Three directors appointed pursuant to Section 201.
- (b) Three directors selected pursuant to Section 202.

(c) Three directors elected pursuant to Section 203.

**§ 127-201. Appointment of directors by county boards of supervisors; terms**

Sec. 201. (a) The Board of Supervisors of Colusa County, the Board of Supervisors of Glenn County, and the Board of Supervisors of Yolo County shall each appoint one person, who may be a supervisor, to serve as a director of the district for the term of office set forth in Section 205. Those persons shall serve at the pleasure of their respective boards of supervisors.

(b) The three directors initially appointed shall determine, by lot, the expiration dates for their initial terms. The terms of two directors shall expire on January 1, 1990, and the term of the other director shall expire on January 1, 1992. The terms shall expire on January 1 of the respective even-numbered year thereafter.

**§ 127-202. Selection of directors by governing boards of certain districts; convening of representatives; deadline; terms**

Sec. 202. (a) Three directors shall be selected by the governing boards of the water, irrigation, reclamation, and drainage districts located, in whole or in part, within the district. One director shall be selected from each of the three divisions described in subdivision (a) of Section 203.

(b) Except as provided in subdivision (c), prior to January 1 of each even-numbered year, representatives of all those districts shall, after notice by the district, convene for the purpose of selecting three directors. Each district shall have one vote to be cast by a proxy designated by resolution of the governing board of that district and may vote for the representative of the division in which a majority of the land within the district authorizing the proxy is located. A majority of the votes cast in the respective divisions shall be required for selection of the director from that division.

(c) The initial three directors shall be selected not later than September 15, 1988. The meeting to make these selections shall be convened by the Director of Water Resources or his or her representative.

(d) The three directors initially selected shall determine, by lot, the expiration dates for their initial terms. The term of one director shall expire on January 1, 1990, and the terms of the other two directors shall expire on January 1, 1992.

**§ 127-203. Directors elected by eligible voters; number; terms**

Sec. 203. (a) Three directors shall be elected by the eligible voters in the district. One director shall be elected by the eligible voters within each of the following divisions:

(1) Division I, comprising all of that portion of the district within Glenn County.

(2) Division II, comprising all of that portion of the district within Colusa County except for the precincts of Arbuckle, Grimes, and College City as they exist on January 1, 1988.

(3) Division III, comprising all that portion of the district within Yolo County and that portion of the district within Colusa County not included within Division II.

(b) The three directors initially elected shall take office not later than October 1, 1988, and shall determine, by lot, the expiration dates for their initial terms. The term of one director shall expire on January 1, 1990, and the terms of the other two directors shall expire on January 1, 1992.

#### **§ 127-204. Appointment or selection deadline; initial election**

Sec. 204. The six directors appointed or selected pursuant to Sections 201 and 202 shall be appointed or selected not later than September 15, 1988.

The initial election of three directors pursuant to Section 203 shall be conducted by all mailed ballot not later than September 15, 1988, and shall otherwise be conducted pursuant to the Uniform District Election Law (Part 3 (commencing with Section 23500) of Division 14 of the Elections Code).

#### **§ 127-205. Terms; candidate qualifications**

Sec. 205. Except for the initial directors, the directors shall serve for terms of four years. The terms shall be concurrent with the terms of district officials elected under the Uniform District Election Law. A candidate for appointment or election to the board shall be an eligible voter, as defined by Section 41.

#### **§ 127-206. Oath of office; bond**

Sec. 206. Prior to taking office, each director shall take the official oath and execute such bond as may be set by the board.

#### **§ 127-207. Vacancies**

Sec. 207. All vacancies occurring in the office of a director shall be filled pursuant to Section 1780 of the Government Code, except that vacancies in the office of a director appointed pursuant to Section 201 shall be filled by the appointing power.

The appointment to fill a vacancy shall be for the unexpired portion of the term.

**§ 127-208. Compensation**

Sec. 208. Each director shall be entitled to receive compensation in an amount set by the board and recorded in its official minutes, not to exceed one hundred dollars (\$100) per day for each day's attendance at meetings of the board or for each day's service rendered as a director by request of the board, not to exceed six days in any calendar month, together with actual, necessary, and reasonable expenses incurred in the performance of duties required or authorized by the board.

**§ 127-209. Chairperson and vice chairperson**

Sec. 209. At its first meeting and at its regular meeting in January and each year thereafter, the board shall elect a chairperson and vice chairperson from its members.

**§ 127-210. Regular meetings; notice of change; special meetings**

Sec. 210. The board shall hold one or more regular meetings each month at the time and place set by resolution. No change in the date of the regular meeting shall be effective until notice thereof has been published in a newspaper of general circulation within the district at least seven days prior to the effective date of the change.

Special meetings of the board may be called and conducted in the manner provided for in the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code).

**§ 127-211. Quorum**

Sec. 211. A majority of the board constitutes a quorum for the transaction of business.

**§ 127-212. Majority vote**

Sec. 212. The vote of a majority of the directors present at any meeting attended by a quorum is necessary to take action, unless otherwise specified in this act or by law.

**§ 127-220. County employee as ex officio employee of district**

Sec. 220. Any county employee may serve as an ex officio employee of the district and may perform without additional compensation the same duties for the district as for the county with the consent of the board of supervisors of the county and the board.

**§ 127-221. Agents, officers, employees and consultants, employment and appointment by board**

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Sec. 221. The board may employ and appoint any agents, officers, employees, and consultants as may be required, prescribe their duties, fix their salaries, and prescribe the terms and conditions of their employment.

**§ 127-300. Conformance with Uniform District Election Law**

Sec. 300. All district elections shall be conducted in conformance with the Uniform District Election Law (Part 3 (commencing with Section 23500) of Division 14 of the Elections Code), to the extent applicable, unless otherwise provided in this act.

**§ 127-301. Eligible voters; votes per voter; multiple ownership**

Sec. 301. Only eligible voters shall vote at district elections. Each eligible voter shall have one vote for each one-thousandth of 1 percent attributable to the land of the eligible voter out of the total benefit received by all lands within the district as determined in accordance with Sections 600 and 701. Fractions shall be rounded to the nearest one-thousandth with each voter entitled to at least one vote.

Until the benefits to be received from the district are determined in accordance with Sections 600 and 701, and Section 702 where applicable, all elections shall be on a basis of one vote per acre, or fraction thereof, as shown on the county assessment rolls owned by the eligible voter.

For land in multiple ownership, the owners shall designate in writing to the district, prior to the deadline set by the district, one owner of the land for voting purposes. Where applicable, the owner shall designate in writing, prior to the deadline set by the district, the legal representative who shall be entitled to vote on behalf of the owner.

**§ 127-302. In person or proxy vote**

Sec. 302. An eligible voter may vote at any district election either in person or by a person duly appointed as his or her proxy. The proxy may be executed by the legal representative or by the single owner designated pursuant to Section 301.

**§ 127-303. Proxy appointment**

Sec. 303. No appointment of a proxy shall be valid, accepted, or vote allowed thereon at any district election unless it is in writing, it is executed by the eligible voter who is entitled to cast the votes for which the proxy is given, it is notarized, and it specifies the election at which it is to be used. An appointment of a proxy shall be used only at the specified election.

An appointment of a proxy is revocable at the pleasure of the eligible voter who is entitled to cast the votes for which the proxy is given at any time before the person appointed as proxy has cast a ballot representing the votes for which



the appointment was given.

**§ 127-304. Conduct of elections**

Sec. 304. Except as otherwise provided in this act, the appropriate county clerk shall conduct all elections for the portion of the district within that county. The board may, by resolution, determine that the district shall conduct an election and designate an officer who shall perform the duties of the county clerk in conducting the election.

**§ 127-305. All-mailed ballot elections**

Sec. 305. The board may, by resolution, direct that any district election be conducted by all-mailed ballot under the procedure for mailed ballot elections set forth in the Elections Code. For a mailed ballot, eligible voters shall cast votes directly and not by proxy.

**§ 127-400. Powers of district**

Sec. 400. The district may generally perform all acts necessary or proper to carry out fully this act.

**§ 127-401. Actions and proceedings**

Sec. 401. The district may commence and maintain any action or proceeding to carry out its purposes or protect its interests and may defend any action or proceeding brought against it.

**§ 127-402. Contracts**

Sec. 402. The district may execute, by its chairperson and secretary, all contracts and other documents necessary to carry out the powers and purposes of the district.

**§ 127-403. Perpetual succession**

Sec. 403. The district has perpetual succession.

**§ 127-404. Seals**

Sec. 404. The district may adopt a seal and alter it at its pleasure.

**§ 127-405. Exercise of powers by board of directors**

Sec. 405. Except as otherwise provided, the board shall exercise the powers of the district.

**§ 127-406. Acquisition of property**

Sec. 406. The district may acquire absolutely, or on condition, by grant, purchase, gift, devise, lease, with or without the privilege of purchasing, or otherwise, real and personal property of every kind, of any interest in real or personal property, within or outside of the district, necessary to the full exercise of its powers, and to hold, use, enjoy, and to lease or dispose of the property subject to the limitations set forth in this act.

**§ 127-408. Control and conservation of waters**

Sec. 408. The district may control drainage, flood, and storm water within the district; conserve the water by storage and surface reservoirs; save or conserve in any manner all or any of the water; provide subsurface drainage to alleviate conditions of high groundwater levels within the district; and protect the watercourses, watersheds, public highways, and life and property within the district from damage from any drainage, flood, or storm water.

**§ 127-409. Hydroelectric energy production and transmission; property acquisition restriction**

Sec. 409. Incidental to its other powers, the district may construct, operate, and maintain works to develop hydroelectric energy and transmission lines for the conveyance thereof. The power generated may be used by the district for its purposes, or for the production or transmission of water, but shall not be offered for sale directly by the district to customers other than a public utility or public agency.

The authority to construct, operate, and maintain works to develop hydroelectric energy does not include, and nothing in this act permits, the acquisition of property already employed in the generation of hydroelectric energy for public utility purposes, except by mutual agreement between the district and the owner of that property.

**§ 127-410. Property acquisition; eminent domain**

Sec. 410. The district may, within or outside the district but within the state, acquire by purchase, condemnation, or other legal means all property or rights in property necessary or proper for district works and purposes of the district. However, any condemnation of public facilities requires a two-thirds vote of all of the members of the board or eligible voters, as applicable. Eminent domain proceedings may be brought by the district for these purposes pursuant to the Eminent Domain Law (Title 7 (commencing with Section 1230.010) of Part 3 of the Code of Civil Procedure). Exercise of the powers provided in this section shall be subject to the consent required by Section 611 where applicable.

**§ 127-411. Construction, maintenance and operation of works**

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Sec. 411. The district may construct, operate, and maintain any work. This authority includes the right to repair, modify, alter, adjust, and replace any work.

#### **§ 127-412. Surveys, studies and investigations**

Sec. 412. The district may make surveys, studies, and investigations for works relating to control of drainage, storm, and flood water within the district or to hydroelectric development.

The district may carry on and perform technical and other investigations of all kinds, make measurements, collect data, and make analyses, studies, and inspections pertaining to the control of drainage, storm, and flood water within the district or to hydroelectric development.

For these purposes, the district has the right of reasonable access through its authorized representative to all properties within the district.

#### **§ 127-413. Limitations on district's powers; primary purpose of district; joint powers**

Sec. 413. The powers vested in the district by this chapter shall not be exercised within the boundaries of any local agency or other district which is authorized to exercise that power, except with the prior consent and approval of that agency or district.

The primary purpose of the district is to study, plan, and facilitate the implementation of plans, as specified in Chapter 2 (commencing with Section 610) of Part 6, leaving, wherever possible, the implementation of the plan to the local agency or other district which is best able to carry out that function.

The district may enter into joint powers agreements as permitted by law for the purpose of implementing its powers and purposes as set forth in this part.

#### **§ 127-414. Dissemination of information**

Sec. 414. The district may disseminate information to the public concerning the rights, properties, and activities of the district.

#### **§ 127-420. Resolution fixing rates or charges; contents; notice; hearing**

Sec. 420. (a) The board may, by resolution following notice and public hearing, fix rates or charges for services provided by the district reflecting the reasonable cost and value of providing that service. If the board determines that rates or charges for services are an appropriate means for raising the cost of those services in lieu of, or in addition to, the assessment provided in Part 7 (commencing with Section 700), the board shall adopt a resolution determining those

rates or charges for services provided that are deemed to be appropriate and directing that notice be given of the proposed fixing of rates or charges. The resolution shall identify the nature of the rate or charge proposed to be fixed, the area in which the rate or charge is to be imposed, and the nature of the benefit for which the rate or charge shall be collected.

A notice of the resolution shall be published once a week for two successive weeks in a newspaper of general circulation published in the county seat of each county located within the area as to which the rates or charges are to be made applicable. The notice shall recite the time and date of the hearing to be held by the board upon the proposed rates or charges.

At the conclusion of the hearing, the board may adopt a resolution fixing the rates or charges, setting forth the area within which the rate or charge shall be applied, the amount, the charge, and the nature of the service for which the rate or charge is imposed. One week prior to the date on which the rate or charge is made payable, a notice shall be published in the same newspaper of general circulation setting forth the nature and amount of the charge, the due date, the delinquency date, and the penalty and interest to be imposed if not paid prior to delinquency.

#### **§ 127-421. Liens**

Sec. 421. Rates and charges, including standby charges, when due, are a lien on the landowner's land to whom the service is provided or made available, in the nature of assessments, and may be collected and enforced in the manner provided in this act for the collection and enforcement of assessments.

#### **§ 127-422. Payment in advance; delinquent rates and charges; penalties and interest**

Sec. 422. Rates and charges may be made payable in advance. The district may, by resolution, provide that rates and charges which remain unpaid for a period of not less than 30 days after they have become due shall be delinquent, and a one-time penalty not in excess of 10 percent shall be added on each charge as it becomes delinquent, and all delinquent rates and charges and penalties shall bear interest at a rate not to exceed 18 percent per year.

#### **§ 127-430. Cooperation with United States and other agencies**

Sec. 430. The district may cooperate and contract with the United States, the State of California, or any department or agency of either, or with any other district or political subdivision of the state authorized by law to appropriate water and deliver water to users, or control drainage, storm, flood, or other waters, for the purposes of acquisition, construction, purchase, extension, operation, or maintenance of works, whether for drainage, flood control, water conservation, hydroelectric development or for the carrying out of any of the purposes of the district, and to carry out and perform the terms of any contract so made.

#### **§ 127-440. Adoption of rules and regulations**

Sec. 440. The board may adopt, by ordinance, reasonable rules and regulations to implement this act.

**§ 127-500. Deposit and disbursement**

Sec. 500. Any funds of the district may be deposited in the treasury of any county within the district subject to disbursement as county funds are disbursed. The disbursal shall be pursuant to this act, under the direction of the county auditor or other fiscal officer appointed by the board.

**§ 127-501. Separate funds and accounts**

Sec. 501. The district may establish and maintain any separate funds and accounts which it deems necessary in carrying out its powers and purposes under this act.

**§ 127-502. Transfers**

Sec. 502. The district may make any transfers, for the purposes of a loan, from one fund to another fund of the district, or from one fund to another fund of a zone, upon terms and conditions that the board deems appropriate and to the extent permitted by law.

**§ 127-503. Investments**

Sec. 503. The fiscal officer appointed by the board may invest any funds of the district or zone in any security, debenture, bond, or deposit permitted and allowed by law for the investment of funds of a political subdivision of the state.

**§ 127-510. Issuance of improvement bonds**

Sec. 510. The district may, in any year, issue improvement bonds in accordance with, and pursuant to, the Improvement Act of 1911 (Division 7 (commencing with Section 5000) of the Streets and Highways Code), the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500) of the Streets and Highways Code), the Municipal Improvement Act of 1913 (Division 12 (commencing with Section 10000) of the Streets and Highways Code), or the Refunding Assessment Bond Act of 1935 (Chapter 732 of the Statutes of 1935).

**§ 127-520. Special benefit bonds; resolutions; hearings**

Sec. 520. The board may determine that a bonded indebtedness should be incurred to pay the cost of any project which will confer a special benefit on the district as a whole, or a special benefit on any zone or participating zone. The principal of, and interest on, the special benefit bonds shall be paid by revenue derived from an annual benefit assessment levied on the land benefited by the project for which the bonds were issued in the manner set forth in Chapter 1 (commencing with Section 700) of Part 7.

Before adopting a resolution to issue special benefit bonds, the board shall adopt a resolution of intention stating the intention to issue the special benefit bonds, the proposed amount of the bonds, the proposed denomination and maximum rate of interest of the bonds, a description of the proposed project for which the bonds shall be issued, and a description of the area which shall receive a special benefit from the proposed project and in which special assessments shall be levied to pay the principal of, and interest on, the bonds.

The resolution shall also state the time and place for a hearing by the board on the proposal, at which time any interested person may appear and be heard.

#### **§ 127-521. Notice of hearing; written protests; elections**

Sec. 521. Notice of the hearing shall be given by publishing a copy of the resolution of intention in a newspaper of general circulation published in the district, pursuant to Section 6066 of the Government Code, the first publication to be at least 14 days prior to the time fixed for the hearing.

The hearing may be consolidated with a hearing on any other proposal affecting the same area. At the time and place so fixed, or at any time or place to which the hearing is continued, the board shall hold the hearing provided for by the resolution, at which time any interested person may appear and be heard concerning any matter set forth in the resolution or any matter material thereto.

Upon the conclusion of the hearing, the board may abandon the proposal, or order the election on the proposal within the area affected. If prior to the conclusion of the hearing, or any continued hearing, written protest against the proposal signed by a majority in number of the eligible voters within the area determined to be benefited pursuant to Section 520 are filed with the board, further proceedings relating to the proposal shall be suspended for not less than six months following the date of the conclusion of the hearing.

If there is a majority protest, the board shall not proceed with the proposal before holding an election within the affected area. A majority of the votes cast at the election shall be required to approve the proposal to issue the bonds.

#### **§ 127-522. Defects or irregularities in proceedings**

Sec. 522. Any defect or irregularity in the proceedings in the calling or conduct of the special bond election shall not affect the validity of the bonds authorized by the election.

#### **§ 127-523. Form of bonds; interest; payment**

Sec. 523. The board shall, pursuant to this act, prescribe, by resolution, the form of the bonds, which shall include a designation of the district, zone, or participating zone affected, and of the interest coupons attached thereto. The bonds shall be payable annually or semiannually, at the discretion of the board, each and every year on a day and date at a place or places to be fixed by the board and designated in the bonds, together with interest on all sums unpaid on that

date until the whole indebtedness is paid.

**§ 127-524. Multiple series; maturity dates**

Sec. 524. The board may divide the principal amount of any issue into two or more series and fix different dates for the bonds of each series. The bonds of one series may be made payable at different times from those of another series. The maturity of each series shall comply with this section. The board may fix a date not more than two years from the date of issuance for the earliest maturity of each issue of series.

**§ 127-525. Denominations**

Sec. 525. The bonds shall be issued in the denomination as determined by the board.

**§ 127-526. Time and place of payment**

Sec. 526. The bonds shall be payable on the date at the place fixed in the bonds, and at the interest rate specified in the bonds, and shall be made payable annually or semiannually.

**§ 127-527. Numbering; signatures**

Sec. 527. The bonds shall be numbered consecutively and shall be signed by the chairperson of the board and countersigned by the auditor or other fiscal officer of the district, and the seal of the district shall be affixed thereto. Either or both signatures may be printed, engraved, or lithographed.

**§ 127-528. Interest coupons**

Sec. 528. The interest coupons, if any, of the bonds shall be numbered consecutively and signed by the auditor or other fiscal officer, or by his or her printed, engraved, or lithographed signature.

**§ 127-529. Bond proceeds; deposit; investment of unexpended amounts**

Sec. 529. The proceeds from the sale of bonds shall be paid into the district treasury, placed to the credit of the project fund, and expended only for the purpose for which the indebtedness was created.

In the alternative, the proceeds of the sale of the bonds may be placed in the treasury of any county within the district to the credit of the district and the respective zone for the uses and purposes of the district zones approving the bonds, and the proper record of the transaction shall be placed upon the books of the county treasurer, and the bond proceeds shall be applied exclusively to the purposes and objects mentioned in the resolution calling for the special bond elec-

tion, subject to this act.

Payments from the bond fund shall be made upon demands prepared, presented, allowed, and audited in the same manner as demands upon the funds of the district. Unexpended bond proceeds may be invested in any manner permitted by law for district investments, and any interest earned thereon shall be credited to the project fund and expended only for the purpose for which the indebtedness was created.

#### **§ 127-530. Payment from revenues; liability of zones**

Sec. 530. Any bonds issued under this chapter, and the interest thereon, shall be paid solely by revenue derived from annual benefit assessments levied as provided in this act. No zone or the property therein shall be liable for the bonded indebtedness of any other zone, nor shall any moneys derived from assessments in any of the several zones be used in payment of principal, or interest, or otherwise, of the bonded indebtedness chargeable to any other zone.

#### **§ 127-531. Additional bonds**

Sec. 531. Whenever bonds have been authorized by the district, and the proceeds of the sale thereof have been expended as authorized, and the board by resolution determines that additional bonds should be issued for carrying out any of the purposes of this act, the board may again proceed as provided in this chapter for the issuance of bonds.

#### **§ 127-532. Refunding bonds**

Sec. 532. The board may, by resolution, determine that new bonds should be issued for the purpose of refunding any or all of the bonds outstanding of the district or any zone. The procedure shall be the same as the procedure upon an original issue of bonds. The refunding bonds may be issued and sold in the manner and form prescribed for an original issue of bonds, and may, if the holders of bonds of the original issue and the board so agree, be exchanged for the original bonds. The face value of the refunding bonds so exchanged shall not exceed the face value of the original bonds. The board may raise money to pay the principal of, and interest on, the refunding bonds in the same manner as prescribed for the payment of bonds of an original issue.

#### **§ 127-533. Calling and redemption of bonds**

Sec. 533. Any bonds, original or refunding, may be made callable by resolution of the board adopted at, or prior to, the time of issuing the bonds, and providing for the calling and redemption of the bonds, in numerical order, or by lot, on any interest payment date prior to their fixed maturity, at a premium not to exceed 6 percent above the par value thereof and accrued interest. If any bonds are made callable, a statement to that effect shall be set forth on the face of the bond.

Notice of any redemption shall be published in the district pursuant to Section 6063 of the Government Code. The first publication of the notice shall be not less than 30 nor more than 90 days prior to the date fixed for the redemption.



After the date fixed for the redemption, if the district has provided funds for the payment of the principal of, and interest on, the bonds so called, interest on the bonds shall thereafter cease.

**§ 127-534. Public sale of bonds; notice; bids**

Sec. 534. The bonds shall be sold at a public sale to the highest bidder, after notice of the sale has been given by publication in the district, pursuant to Section 6061 of the Government Code, at least one week prior to the sale and after any other notice which the board may deem proper.

The manner of making, submitting, and opening bids, and conducting the sale, and the terms thereof, shall be determined by the board. The board may reject any and all bids which, in the judgment of the board, are not in the best interest of the district. If no bids are received, or if all bids are rejected, the board may either readvertise or sell the bonds at private sale.

**§ 127-535. Failure of proposition; subsequent election**

Sec. 535. If a proposition for issuing bonds submitted at any election under this chapter fails to receive the required number of votes of the eligible voters voting at the election to incur the indebtedness for the purpose specified, the board shall not, for six months after the election, call or order another election in the same area for incurring indebtedness and issuing bonds under this chapter for the same object and purpose.

**§ 127-536. Tax exemption**

Sec. 536. Any bond issued under this chapter shall be free and exempt from all taxation within the State of California. It is hereby declared that the district is a local government within the meaning of Section 26 of Article XIII of the California Constitution.

**§ 127-537. Legal investment**

Sec. 537. Any bond issued under this chapter is a legal investment for all trust funds, and for the funds of all insurance companies, banks both commercial and savings, and trust companies, for state school funds, and whenever any money or funds may, by law now or hereafter enacted, be invested in bonds of cities, cities and counties, counties, school districts, or municipalities in the State of California, the money or funds may be invested in bonds of the district, issued in accordance with this act, and whenever bonds of cities, cities and counties, counties, school districts, or municipalities may, by law now or hereafter enacted be used as security for the performance of any act, the bonds of the district may be so used.

This section is the latest enactment with respect to the matters contained in this section.

**§ 127-538. Repeal or amendment of act; effect on obligations**

Sec. 538. The repeal or amendment of this act, or the dissolution or change in the boundaries of the district or any zone, shall not in any way affect or release any of the land in the district or zone from its liability on, or from the obligations of, any outstanding bonds or indebtedness or contracts for which the land is in any way security, until all bonds and outstanding indebtedness and contracts have been fully paid or discharged.

**§ 127-540. Issuance of revenue bonds; enterprise**

Sec. 540. If the board, by resolution, determines that a bonded indebtedness to pay for the acquisition or construction of any project or work for any purposes of the district, or zone, or for refunding any outstanding bonds, should be incurred and can be repaid and liquidated as to both principal and interest from revenues designated by the board, the district may define the project or work as an "enterprise" consistent with the definition in Section 54309 of the Government Code, and issue revenue bonds all in the manner and as provided in the Revenue Bond Law of 1941 (Chapter 6 (commencing with Section 54300) of Part 1 of Division 2 of Title 5 of the Government Code). For that purpose, the district is a "local agency," as defined in Section 54307 of the Government Code.

**§ 127-550. Borrowing authority**

Sec. 550. The district may borrow money and incur indebtedness in the manner set forth in this chapter by action of the board and without the necessity of calling and holding an election in the district.

**§ 127-551. Purpose of indebtedness**

Sec. 551. Indebtedness may be incurred pursuant to this chapter for any purpose for which the district may expend funds.

**§ 127-552. Warrants evidencing indebtedness; interest**

Sec. 552. Indebtedness incurred under this chapter shall be evidenced by warrants of the district payable not to exceed five years from their date and bearing interest at a rate not to exceed the maximum interest permitted for the sale of bonds of the district.

**§ 127-553. Resolution; contents**

Sec. 553. The warrants shall be issued by the district after the adoption by a four-fifths vote of all of the members of the board of a resolution setting forth the form of the warrant, the maturity date or dates thereof, and the manner of execution thereof.

**§ 127-554. Call and redemption**

Sec. 554. The board may, in its resolution, require that the warrant be subject to call and redemption prior to maturity, at the option of the district, at such prices as may be fixed in the resolution, not to exceed a premium of 6 percent of the par value of the warrants subject to redemption. The resolution shall fix a method of giving notice of redemption to the holders of warrants to be redeemed and the price at which the warrants shall be subject to redemption. Warrants subject to call and redemption prior to maturity shall contain a recital to that effect on their face.

**§ 127-555. Bids; notice; sale below par value**

Sec. 555. The warrants issued shall be offered for public sale upon notice inviting sealed bids therefor. The notice shall be given by publication once in a newspaper of general circulation in the district, and the sale shall not be held before 10 days after the publication.

The board may reject all bids received on public sale and either readvertise or sell the warrants at private sale.

The district may sell the warrants at a price below par value, but not to exceed 6 percent of the par value thereof.

**§ 127-560. Interest rate**

Sec. 560. Notwithstanding any other provision of law, a bond or evidence of indebtedness of the district or any zone may bear interest at a rate or rates as determined by the board in its discretion, but not to exceed the maximum rate allowed by Section 53531 of the Government Code.

**§ 127-561. Discount rate**

Sec. 561. In addition to interest paid on a bond or evidence of indebtedness of the district, the board, in its discretion, may sell the bond or evidence of indebtedness at less than its par or face value, but not to exceed 6 percent of the par or face value thereof.

**§ 127-600. Division of district into zones; designation on map; 100 percent zone; percentages applicable; modification; determination of benefits**

Sec. 600. The board shall divide the district into zones if, in the opinion of the board, that division is necessary because of varying benefits to the property within the district. The district may be divided into as many zones as may be deemed necessary, and each zone shall be composed of and include all of the lands in the district which, in the opinion of the board, will be benefited in like manner.

Each zone shall be designated on a map or plat of the district filed in the office of the board, and that designation shall show the separate boundaries of each zone and a statement of the percentage of benefit received in each zone.

The zone determined by the board to receive the greatest benefit shall be designated as a 100 percent zone. The percentages applicable to each of the other zones within the district shall be in proportion to the relationship which the benefits received within that zone bear to those received in the zone determined to be a 100 percent zone.

If, in the opinion of the board, modification of the zones is appropriate in order to better reflect the benefits as then received by lands within the district from activities of the district, a new map shall be prepared and adopted in the manner prescribed in this part showing the proposed new zone boundaries with a statement of the percentage of benefit received in each zone.

Determination of benefits shall include consideration of the extent to which natural conditions have been changed, and those zones with little or no change shall be deemed to have the least benefit.

**§ 127-601. Notice; time and place of hearing; changes or modifications of zones and benefits; finality of board determination**

Sec. 601. Upon the filing of the map, as provided in Section 600, the board shall give notice to all persons interested in the district by publication in a newspaper of general circulation published in the district once a week for three successive weeks. The notice shall designate the time and place of hearing by the board, at which time and place any person interested in the district may appear and object to the zones into which the district is divided, or the percentages of benefit to be allocated to each zone. All objections shall be in writing, verified by the person or persons making the objection, and filed with the board on or before the date fixed for the hearing.

Upon that hearing, the board may change or modify any of the zones or the percentages of benefit allocated thereto. The hearing may be continued from time to time by the board by an order entered on its minutes. The location and extent of the zones within the district and the percentages of benefit allocated thereto shall be finally established and determined by the board and shall prevail for all purposes until further modified pursuant to this chapter.

Findings and determination of the board as to the extent and boundaries of the zones and the percentages of benefit received therein shall be final and conclusive, unless challenged by action filed with the Superior Court for the County of Colusa within 30 days after the determination has been made.

**§ 127-610. Improvement or mitigation of drainage, flooding and subsidence problems; plan development; notice; approval by eligible voters**

Sec. 610. The first project to be undertaken shall be the development of an economically feasible initial plan to improve or mitigate the drainage, flooding, and subsidence problems within the district, including financing measures to carry out the plan. The plan shall be presented at a public hearing to be held after notice published for three successive weeks in a newspaper of general circulation published in the county seat of each county within the district, which hearing shall be held within three years from the organization of the full board.

No action to implement the plan shall be taken until the plan is approved by a majority of the votes cast by eligible voters within the district at a special election called for that purpose.

#### **§ 127-611. Determination of additional projects**

Sec. 611. The board shall determine which additional projects shall be carried out. The board shall, wherever possible, encourage the particular project to be carried out by the local agency or district within the area to be benefited by the project, and any project is subject to the consent of the local agency or district within whose boundaries the project is proposed to the extent that the agency or district has the authority to construct, operate, and maintain the project.

#### **§ 127-612. Resolution of intention; contents; notice of hearing**

Sec. 612. Before proceeding with any project, the board shall adopt a resolution of intention stating its intention to undertake the project, together with an estimate of the cost of the project and the area affected by the project, and fixing a time and place for public hearing on the resolution.

The resolution shall refer to a map or maps showing the general location of the project and shall generally describe the project.

Notice of the hearing shall be given in the same manner as for the filing of the zone map pursuant to Section 601.

#### **§ 127-613. Hearing provided for by resolution; board options; written protests; majority vote**

Sec. 613. At the time and place fixed for the hearing, or at any time or place to which the hearing is continued, the board shall hold the hearing provided for by the resolution, at which time any interested person may appear and be heard concerning any matter set forth in the resolution or any matters material thereto.

Upon the conclusion of the hearing, the board may abandon the proposal, modify it, order an election on the proposal to be held within the area affected by the project, or proceed with the proposal. If prior to the conclusion of the hearing, or any continued hearing, written protests against the proposal signed by a majority in number of the eligible voters within the area affected by the project as stated, pursuant to Section 612 is filed with the board, further proceedings relating to the proposal shall be suspended for not less than six months following the date of the conclusion of the hearing.

If an election is held, a majority of the votes cast at the election shall be required to approve the proposal.

#### **§ 127-700. Power to levy assessments**

Sec. 700. The district may levy benefit assessments on a districtwide basis or within any zone, upon land only, as fol-

lows:

(a) An initial assessment for district expenses may be levied on the basis of an equal amount per acre as shown on the assessment rolls, but not to exceed ten cents (\$0.10) per acre. It is hereby declared for that purpose that the benefit of district activities is received equally by all land. This initial assessment may be levied annually in lieu of the assessment specified in subdivision (b) until a plan has been approved pursuant to Section 610.

(b) Annual assessments pursuant to Sections 703 to 708, inclusive.

**§ 127-701. Basis for assessments; benefit factor; formula**

Sec. 701. As the basis for assessments under this part except for the initial assessment, and as a basis for determining the number of votes to be cast pursuant to Part 3 (commencing with Section 300), a benefit factor shall be determined for each parcel of land within the district based upon the parcel's proportionate benefits determined from its location, size, and capacity for being put to use, in comparison to all other parcels in the district.

A parcel's benefit factor shall be deemed to equal the number of acres within the respective parcel multiplied by the percentage benefit for the zone in which the parcel is located, as defined in Section 600, and multiplied by the parcel's land-use factor as specified below:

	Category	Land Use Factor
(1)	Unirrigable agricultural land	1
(2)	Irrigable agricultural land	2
(3)	Single-family, residential	5
(4)	Commercial, industrial, and other highly improved property	10

The categories of land set forth above, as used in determining the benefit factor for each parcel within the district, shall be taken from the information regarding land use of the respective parcel as shown in the records of the county assessor for the county in which the parcel is located.

**§ 127-702. Landowners petition for review; notice; hearing; modification of categories and factors**

Sec. 702. Prior to April 1 of any year, landowners in the district may petition the board that it review the land use categories and factors set forth in Section 701, or the board may elect to do so on its own motion. The petition shall be signed by at least 50 landowners within the district.

The board shall set a time and place for a hearing upon the petition or upon its own motion, and shall give notice of the hearing in the manner set forth in Section 6066 of the Government Code. At the hearing, the board shall hear all evidence presented regarding the land use factors and categories and shall determine whether the categories or land use factors assigned to each category should be altered, expanded, or modified in any respect.

The board may, by resolution at the conclusion of the hearing, modify the categories and factors as, in its judgment, may be required for fair and practical apportionment of the benefits received from the district for the purpose of assessments and voting.

### **§ 127-703. Purpose of benefit assessments**

Sec. 703. Benefit assessments may be levied for expenditures made, or expenditures estimated to be required during the following calendar or fiscal year, for any lawful purpose of the district, including, but not limited to, the following purposes:

- (a) The administrative expenses of the district.
- (b) The formation and administrative expenses of any zone.
- (c) Engineering and other expenses in connection with the investigation and preparation of a resource management plan or plan for any work or project.
- (d) Acquisition or construction of any work or project.
- (e) Operation and maintenance of any work or project.
- (f) Payment of the principal of, and interest on, special benefit bonds issued in the manner set forth in Chapter 3 (commencing with Section 520) of Part 5.

The revenues derived from the benefit assessment shall be used only for the purpose specified at the time of levy of the assessment.

### **§ 127-704. Resolution of intention to levy special benefit assessment**

Sec. 704. The board may adopt a resolution of intention to levy a special benefit assessment. The resolution shall set forth the proposed amount, manner of levy, and purpose of the proposed benefit assessment and designate by a map or otherwise the boundaries of the area proposed for assessment, and shall designate a time and place of hearing on the resolution. Except for the initial assessment, the assessment shall be determined by the benefit factor applicable to each parcel within the district as established under Sections 701 and 702 and Part 6 (commencing with Section 600). After the initial assessment, the assessment to be charged against each parcel shall be determined by multiplying the total amount of the assessment to be collected from all parcels by the following fraction: the acreage of each parcel, times the land use factor for that parcel established pursuant to Sections 701 and 702, times the percentage of benefit received by that parcel established in accordance with Part 6 (commencing with Section 600); the resulting product, which shall be the benefit factor applicable to the particular parcel, shall be divided by the total of the benefit factors of

all parcels within the district.

**§ 127-705. Notice of hearing; publication**

Sec. 705. Notice of the hearing shall be given by publishing a copy of the resolution of intention in a newspaper of general circulation published in the district pursuant to Section 6066 of the Government Code, the first publication to be at least 14 days prior to the time fixed for the hearing.

**§ 127-706. Conduct of hearing; appearance of interested person**

Sec. 706. At the time and place fixed for the hearing, or at any time or place to which the hearing is continued, the board shall hold the hearing provided for by the resolution, at which time any interested person may appear and be heard concerning any matter set forth in the resolution or any matters material thereto. Upon the conclusion of the hearing, the board may terminate further proceedings on the proposed assessment, modify the proposed assessment, or levy the assessment.

**§ 127-707. Levy; collection and enforcement of assessments**

Sec. 707. After its approval, the benefit assessment shall be levied, collected, and enforced at the same time and in the same manner as county taxes.

**§ 127-708. Minimum assessment**

Sec. 708. For the purpose of any assessment levied under this part, the board may establish a minimum assessment for each separately assessed parcel not to exceed five dollars (\$5) per parcel.

**§ 127-800. Reimbursement**

Sec. 800. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because this act is in accordance with the request of a local agency or school district which desired legislative authority to carry out the program specified in this act.

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