Chapter 6119: REGIONAL WATER AND SEWER DISTRICTS

6119.01 Regional water and sewer district organization.

Any area situated in any unincorporated part of one or more contiguous counties or in one or more municipal corporations, or both, may be organized as a regional water and sewer district in the manner and subject to the conditions provided in Chapter 6119. of the Revised Code, for either or both of the following purposes:

(A) To supply water to users within and without the district;

(B) To provide for the collection, treatment, and disposal of waste water within and without the district.

Effective Date: 11-19-1971.

6119.011 Regional water and sewer district definitions.

As used in this chapter:

(A) "Court of common pleas" or "court" means, unless the context indicates a different meaning or intent, the court of common pleas in which the petition for the organization of a regional water and sewer district is filed.

(B) "Political subdivision" includes departments, divisions, authorities, or other units of state governments, watershed districts, soil and water conservation districts, park districts, municipal corporations, counties, townships, and other political subdivisions, special water districts, including county and regional water and sewer districts, conservancy districts, sanitary districts, sewer districts or any other public corporation or agency having the authority to acquire, construct, or operate waste water or water management facilities, and all other governmental agencies now or hereafter granted the power of levying taxes or special assessments, the United States or any agency thereof, and any agency, commission, or authority established pursuant to an interstate compact or agreement.

(C) "Person" means any natural person, firm, partnership, association, or corporation other than a political subdivision.

(D) "Beneficial use" means a use of water, including the method of diversion, storage, transportation, treatment, and application, that is reasonable and consistent with the public interest in the proper utilization of water resources, including, but not limited to, domestic, agricultural, industrial, power, municipal, navigational, fish and wildlife, and recreational uses.

(E) "Waters of the state" means all streams, lakes, ponds, marshes, watercourses, waterways, wells, springs, irrigation systems, drainage systems, and all other bodies or accumulations of water, surface and underground, natural or artificial, that are situated wholly or partly within, or border upon, this state, or are within its jurisdiction, except those private waters that do not combine or effect a junction with natural surface or underground waters.

(F) "Water resources" means all waters of the state occurring on the surface in natural or artificial channels, lakes, reservoirs, or impoundments, and in subsurface aquifers, that are available or may be made available to agricultural, commercial, recreational, public, and domestic users.

(G) "Project" or "water resource project" means any waste water facility or water management facility acquired, constructed, or operated by or leased to a regional water and sewer district or to be acquired, constructed, or operated by or leased to a regional water and sewer district under this chapter, or acquired or constructed or to be acquired or constructed by a political subdivision with a portion of the cost thereof being paid from a loan or grant from the district under this chapter, including all buildings and facilities that the district considers necessary for the operation of the project. Any water resource project shall be determined by the board of trustees of the district to be consistent with any applicable comprehensive plan of water management approved by the director of natural resources or in the process of preparation by the director and to be not inconsistent with the standards

set for the waters of the state affected thereby by the environmental protection agency. Any resolution of the board of trustees of the district providing for acquiring, operating, leasing, or constructing such projects or for making a loan or grant for such projects shall include a finding by the board of trustees of the district that those determinations have been made.

(H) "Pollution" means the placing of any noxious or deleterious substances in any waters of the state or affecting the properties of any waters of the state in a manner that renders those waters harmful or inimical to the public health, or to animal or aquatic life, or to the use of the waters for domestic water supply, industrial or agricultural purposes, or recreation.

(I) "Sewage" means any substance that contains any of the waste products or excrementitious or other discharge from the bodies of human beings or animals that pollutes the waters of the state.

(J) "Industrial waste" means any liquid, gaseous, or solid waste substance resulting from any process of industry, manufacture, trade, or business, or from the development, processing, or recovery of any natural resource, together with such sewage as is present, that pollutes the waters of the state.

(K) "Waste water" means any storm water and any water containing sewage or industrial waste or other pollutants or contaminants derived from the prior use of the water.

(L) "Waste water facilities" means facilities for the purpose of treating, neutralizing, disposing of, stabilizing, cooling, segregating, or holding waste water, including, without limiting the generality of the foregoing, facilities for the treatment and disposal of sewage or industrial waste and the residue thereof, facilities for the temporary or permanent impoundment of waste water, both surface and underground, and storm and sanitary sewers and other systems, whether on the surface or underground, designed to transport waste water, together with the equipment and furnishings thereof and their appurtenances and systems, whether on the surface or underground, including force mains and pumping facilities therefor when necessary.

(M) "Water management facilities" means facilities for the purpose of the development, use, and protection of water resources, including, without limiting the generality of the foregoing, facilities for water supply, facilities for stream flow improvement, dams, reservoirs, and other impoundments, water transmission lines, water wells and well fields, pumping stations and works for underground water recharge, stream monitoring systems, facilities for the stabilization of stream and river banks, and facilities for the treatment of streams and rivers, including, without limiting the generality of the foregoing, facilities for the removal of oil, debris, and other solid waste from the waters of the state and stream and river aeration facilities.

(N) "Cost" as applied to water resource projects means the cost of acquisition and construction, the cost of acquisition of all land, rights-of-way, property rights, easements, franchise rights, and interests required by the district for such acquisition and construction, the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved, the cost of acquiring or constructing and equipping a principal office and sub-offices of the district, the cost of diverting highways, interchange of highways, and access roads to private property, including the cost of land or easements therefor, the cost of all machinery, furnishings, and equipment, financing charges, interest prior to and during construction and for no more than eighteen months after completion of acquisition or construction, engineering, expenses of research and development with respect to waste water or water management facilities, legal expenses, plans, specifications, surveys, estimates of cost and revenues, working capital, other expenses necessary or incident to determining the feasibility or practicability of acquiring or constructing any such project, administrative expense, and such other expense as may be necessary or incident to the acquisition or construction of the project, the financing of the acquisition or construction, including the amount authorized in the resolution of the district providing for the issuance of water resource revenue bonds to be paid into any special funds from the proceeds of those bonds and the financing of the placing of any such project in operation. Any obligation or expense incurred by any political subdivision, and approved by the district, for surveys, borings, preparation of plans and specifications, and other engineering services in connection with the acquisition or construction of a project shall be regarded as a part of the cost of the project and may be reimbursed by the district.

(O) "Owner" includes all individuals, partnerships, associations, corporations, or political subdivisions having any title or interest in any property rights, easements, and interests authorized to be acquired by this chapter.

(P) "Revenues" means all rentals and other charges received by a district for the use or services of any project, all special assessments levied by the district pursuant to this chapter, any gift or grant received with respect thereto, and moneys received in repayment of and for interest on any loan made by the district to a political subdivision, whether from the United States or a department, administration, or agency thereof, or otherwise.

(Q) "Public roads" includes all public highways, roads, and streets in the state, whether maintained by the state, county, city, township, or other political subdivision.

(R) "Public utility facilities" includes tracks, pipes, mains, conduits, cables, wires, towers, poles, and other equipment and appliances of any public utility.

(S) "Construction," unless the context indicates a different meaning or intent, includes reconstruction, enlargement, improvement, or providing furnishings or equipment.

(T) "Water resources bonds," unless the context indicates a different meaning or intent, includes water resource notes and water resource refunding bonds.

(U) "Regional water and sewer district" means a district organized or operating for one or both of the purposes described in section <u>6119.01</u> of the Revised Code and, if organized or operating for only one of those purposes, may be designated either a regional water district or a regional sewer district, as the case may be.

(V) "Homestead exemption" means the reduction of taxes allowed under division (A) of section <u>323.152</u> of the Revised Code.

(W) "Low- and moderate-income person" has the same meaning as in section <u>175.01</u> of the Revised Code.

Amended by 128th General AssemblyFile No.9, HB 1, §101.01, eff. 10/16/2009.

Effective Date: 11-19-1971 .

6119.02 Procedure for organization.

(A) Proceedings for the organization of a regional water and sewer district shall be initiated only by a petition filed in the office of the clerk of the court of common pleas of one of the counties all or part of which lies within the proposed district. The petition shall be signed by one or more municipal corporations, one or more counties, or one or more townships, or by any combination of them, after having been authorized by the legislative authority of the political subdivision. The legislative authority of any municipal corporation, the board of county commissioners of any county, and the board of trustees of any township may act in behalf of any part of their respective political subdivisions. The petition shall specify all of the following:

(1) The proposed name of the district;

(2) The place in which its principal office is to be located;

(3) The necessity for the proposed district and that it will be conducive to the public health, safety, convenience, or welfare;

(4) A general description of the purpose of the proposed district;

(5) A general description of the territory to be included in the district, which need not be given by metes and bounds or by legal subdivisions, but is sufficient if an accurate description is given of the territory to be organized as a district. The territory need not be contiguous, provided that it is so situated that the public health, safety, convenience, or welfare will be promoted by the organization as a single district of the territory described.

(6) The manner of selection, the number, the term, and the compensation of the members of the governing body of the district, which shall be called a board of trustees. The petition may set forth procedures for subsequent

changes in the composition of and other provisions relating to the board of trustees. The original or properly amended petition may prohibit elected officials from serving on the board and may permit one or more elected officials from any appointing authority to serve on the board. However, elected officials from the same political subdivision shall not comprise a majority of the members of the board. Notwithstanding the foregoing, a board appointed prior to the effective date of this amendment may continue as prescribed in the petition and rules and regulations of the district that were in effect prior to the effective date of this amendment, and, if not prohibited in the petition or rules and regulations, the board may include elected officials. As used in this division, "elected official" means an official elected to an office of municipal, township, or county government, or a person appointed to fill a vacancy in such an office.

(7) The plan for financing the cost of the operations of the district until it is in receipt of revenue from its operations or proceeds from the sale of bonds;

(8) A prayer for the organization of the district by the name proposed, either before or after a preliminary hearing as provided in section 6119.04 of the Revised Code.

(B) Prior to filing a petition under division (A) of this section, a municipal corporation, county, or township shall hold a public meeting for the purpose of receiving comments on the proposed establishment of a regional water and sewer district. If a combination of municipal corporations, counties, or townships signed the petition, the signers jointly shall hold the public meeting. At the meeting, a representative of the signer or signers of the petition shall present a preliminary study of the reasons for the proposed establishment of the district.

The signer or signers of the petition shall provide notice of the public meeting by publication once per week for two consecutive weeks in a newspaper of general circulation in each of the counties that will comprise the proposed district in whole or in part or as provided in section <u>7.16</u> of the Revised Code.

(C) Upon the filing of the petition, the judge of the court of common pleas of the county in which the petition is filed or, in the case of a county having more than one such judge, a judge of that court assigned by its presiding judge shall determine if the petition complies with the requirements of this section as to form and content. No petition shall be declared void by the judge on account of alleged defects. The court in subsequent proceedings at any time may permit the petition to be amended in form and substance to conform to the facts by correcting any errors in the description of the territory or in any other particular.

Amended by 129th General AssemblyFile No.141, HB 509, §1, eff. 9/28/2012.

Effective Date: 12-21-1998.

6119.03 Common pleas court assigned to district.

Upon the determination of the judge of the court of common pleas that a sufficient petition has been filed in such court in accordance with section 6119.02 of the Revised Code, he shall give notice to the court of common pleas of each county included in whole or in part within the proposed regional water and sewer district. Thereafter the judge of the court of common pleas of each such county or, in the case of any county having more than one such judge, the judge of such court assigned by order of its presiding judge shall sit as the court of common pleas of the county wherein the petition was filed to exercise the jurisdiction conferred on it by Chapter 6119. of the Revised Code. If the judge in any county having only one judge is unable to serve, the chief justice of the supreme court shall assign a judge from another county to serve as a judge for such county during the disability of its judge. Except as provided in Chapter 6119. of the Revised Code, such court shall have for all purposes of such sections original and exclusive jurisdiction coextensive with the boundaries of the district or proposed district and of the lands and property included in, or proposed to be included in, such district without regard to the usual limits of its jurisdiction. The judge of the county wherein the petition was filed, within a reasonable time after his determination of the sufficiency of the petition, shall issue a call to the other judges of the court created in this section, specifying the time and place of its first meeting. At this meeting the court shall elect one of its number presiding judge. Each judge when sitting as a member of the court shall receive such compensation and allowance for expenses as provided by law for a judge serving by assignment outside the county wherein he resides, which shall be paid as other expenses of the organization or operation of the district are paid. If such court is composed of an even number of judges and a majority is unable to agree, the chief justice of the supreme court shall designate a judge of the court of common pleas of some other county to sit and vote as a member of the court until a decision is reached. A majority of the court shall prevail.

Effective Date: 11-19-1971 .

6119.04 Hearing on petition for establishment.

(A) The court of common pleas constituted as provided in section <u>6119.03</u> of the Revised Code, at its first meeting, shall fix the time and place of a hearing on the petition for the establishment of the proposed regional water and sewer district. The hearing shall be either preliminary or final as the petition may request and shall be held not later than sixty days thereafter. The clerk of the court shall give notice of the hearing by publication once each week for four consecutive weeks in a newspaper having a general circulation in each of the counties, in whole or in part, within the district. The clerk shall send a notice of the hearing by certified mail to the director of environmental protection.

Any person or any political subdivision residing or lying within an area affected by the organization of the district, on or before the date set for the cause to be heard, may file an objection to the granting of the requests made in the prayer of the petition.

(B) Upon a preliminary hearing, if it appears that the proposed district probably is necessary and that it probably will be conducive to the public health, safety, convenience, or welfare, the court, after disposing of all objections as justice and equity require and by its findings, entered of record, shall issue a preliminary order declaring the district to be organized and an independent political subdivision of the state with a corporate name designated in the order for the purpose of all of the following:

(1) The election or appointment of the board of trustees in the manner provided in the petition;

(2) The election, appointment, or employment of officers, employees, accounting experts, engineers, attorneys, financial consultants, architects, other consultants, and independent contractors or other persons that may be necessary to prepare a plan for the operation of the district;

(3) The collection of the funds in the manner provided in the petition to be used and disbursed by the district;

(4) The preparation of a plan for the operation of the district.

The district shall possess powers that may be necessary to carry out those purposes.

The preliminary order shall direct the district to file a plan for the operation of the district within six months from the date of the preliminary order or within the further time or times that the court from time to time may order.

Upon the filing by the district of a plan for the operation of the district, the court shall fix the time and place for a final hearing on the petition for the establishment of the proposed district and the plan for the operation of the district as filed in the proceeding. The hearing shall be held not later than sixty days thereafter, and the clerk of the court of common pleas again shall give notice of the hearing as required in division (A) of this section.

Any person or any political subdivision residing or lying within the area affected by the organization of the district or by the plan for the operation of the district, on or before the date set for the cause to be heard, may file any objections to the final organization of the district or the plan for the operation of the district.

(C) If, prior to granting a final order, the court determines that additional study is needed of the feasibility of establishing the district, the court shall order the signers of the petition to conduct an additional feasibility study. If the court has ordered such a study, the court shall not grant a final order prior to receiving the results of the study. Nothing in division (C) of this section precludes the awarding of a contract for a project or improvement undertaken under this chapter to an entity that conducts a feasibility study pursuant to division (C) of this section.

The court, upon good cause shown at any time before the granting of a final order, may do any or all of the following:

(1) Grant a right to any municipal corporation or county acting in behalf of a sewer district within the county to become a party to the proceeding if the intervening party requests to have some part or all of its territory included within the district;

(2) Grant in part or in toto an intervening petition of a municipal corporation or a county acting in behalf of a sewer district within the county, which is not wholly included within territory described in the petition, to have some part or all of its territory included within the district;

(3) Grant a request filed by any party to the petition or intervening party to modify any request set forth in the petition, including any or all of the following:

(a) A reduction in the territory to be included within the district;

(b) Addition to or deletion of a purpose or purposes of the proposed district as set forth in the petition so long as the purposes that remain are those included within section <u>6119.01</u> of the Revised Code;

(c) The manner of selection, the number, the term, and the compensation of the members of the board of trustees.

After the filing of any intervening petition or request to modify, the court shall fix a time and place for a hearing thereof, which shall be held not less than sixty days after the filing thereof. The clerk of the court of common pleas shall give notice of the hearing as required in division (A) of this section.

(D) Upon final hearing, whether or not a preliminary hearing is requested in the petition, if it appears that the proposed district is necessary, that it and the plan for the operation of the district are conducive to the public health, safety, convenience, and welfare, and that the plan for the operation of the district is economical, feasible, fair, and reasonable, the court, after disposing of all objections as justice and equity require and by its findings, entered of record, shall declare the district finally and completely organized and to be, or to be empowered to continue as, a political subdivision. Thereupon the district shall have power to sue and be sued; to incur debts, liabilities, and obligations; to exercise the right of eminent domain and of taxation and assessment as provided in this chapter; to issue bonds; and to perform all acts authorized in this chapter and to execute and carry out the plan for the operation of the district and to amend, modify, change, or alter the plan for its operation as the board of trustees from time to time may determine necessary.

(E) If the court finds that the organization of the district is not necessary or will not be conducive to the public health, safety, convenience, or welfare, or that the plan for the operation of the district is not economical, feasible, fair, or reasonable, or if the district fails to file a plan for the operation of the district within the time prescribed by the court, it shall dismiss the proceedings and adjudge the costs against the petitioners. If a preliminary order has been made organizing the district, the court shall declare the district dissolved and enter its order for the distribution of any and all assets that may be owned by the district after the payment of its liabilities.

(F) Any municipal corporation, board of county commissioners, or board of township trustees may advance to the district sums of money that the legislative authority of the municipal corporation, the board of county commissioners, or the board of township trustees determines will not be in excess of the benefits that can be anticipated to be derived by the municipal corporation, county, or township from the establishment of the district at times that are requested by the district and authorized by the legislative authority or board and pursuant to an agreement between the district and the municipal corporation, county, or township setting forth whether and when the sums shall be repaid. The sums when paid to the district at any time after the preliminary order of the court shall be used by the district for its purposes in the preparation of a plan for the operation of the district and disbursed. If the court orders the district dissolved as permitted in this section, the interest any municipal corporation, board of county commissioners, or board of township trustees has in the assets of the district shall be limited to those assets remaining after the payment of all other liabilities of the district.

Effective Date: 12-21-1998.

6119.05 Application for inclusion of territory.

At any time after the creation of a regional water and sewer district, any county, township, or municipal corporation whose territory is not wholly included within such district may file an application with such district setting forth a general description of the territory it desires to have included within such district, the necessity for the inclusion of such territory within the district, that it will be conducive to the public health, safety, convenience, or welfare, and that it will be practical and feasible for such territory to be included within the district. If said application is approved by a majority of the board of trustees of said district, the territory described in said application shall thereupon become part of such district. If such application fails to receive the approval of a majority of the board within sixty days after the filing of said application with said district, the county, township, or municipal corporation filing such application may file a petition in the court of common pleas requesting the order of such court upon the board directing the board to include the territory described in said application within said district. Upon the filing of such petition the court shall set a date for hearing and notify the district by service of process on the secretary of the board of the filing of such petition and of the date set for the hearing. If at such hearing the court finds that it will be conducive to the public health, safety, convenience, or welfare of the district and to the territory described in the petition and that it will be practical and feasible for such territory to be included within such district, the court shall order that such territory be included within the district and the terms for its inclusion therein. If the court finds that it will not be conducive to the public health, safety, convenience, or welfare of the district or to the territory described in the petition, or that it will not be practical or feasible for such territory to be included within such district, it shall dismiss the petition and adjudge the costs against the petitioner.

Such inclusion shall become legally effective unless, prior to the ninetieth day following the approval of the board or the order of the court for inclusion, qualified electors residing in the area proposed to be included in such district equal in number to a majority of the qualified electors voting at the last general election in such area file with the secretary of the board of trustees of the district in which inclusion is proposed a petition of remonstrance against such inclusion. The secretary shall cause the board of elections of the proper county or counties to check the sufficiency of the signatures on such petition.

Effective Date: 11-19-1971 .

6119.051 Petition for modification of district.

At any time after the creation of a water and sewer district, the district, after action by its board of trustees, may file a petition in the court of common pleas requesting the order of such court permitting the district to:

(A) Increase or add to its purposes heretofore approved by the court so long only as its purposes are those described in section 6119.01 of the Revised Code, or

(B) Abandon or surrender any purpose heretofore approved by the court, or

(C) Amend any provision of the petition filed pursuant to section <u>6119.02</u> of the Revised Code.

Upon the filing of petition pursuant to this section the court shall set a date for hearing and the clerk of the court shall give notice thereof by publication once each week for four consecutive weeks in a newspaper having a general circulation in each of the counties, in whole or in part, within the district. Any person or any political subdivision residing or lying within an area affected by the operation of the district, on or before the date set for hearing, may file an objection to the granting of the petition. Upon hearing, if it appears that the request of the petition is conducive to the public health, safety, convenience or welfare and will not if granted adversely affect the continued operation of the district, the court shall grant the prayer of the petition. Otherwise, it shall dismiss the petition.

Effective Date: 11-19-1971 .

6119.06 Rights, powers, and duties of trustees of district.

Upon the declaration of the court of common pleas organizing the regional water and sewer district pursuant to section 6119.04 of the Revised Code and upon the qualifying of its board of trustees and the election of a president and a secretary, said district shall exercise in its own name all the rights, powers, and duties vested in it by Chapter 6119. of the Revised Code, and, subject to such reservations, limitations and qualifications as are set forth in this chapter, such district may:

(A) Adopt bylaws for the regulation of its affairs, the conduct of its business, and notice of its actions;

(B) Adopt an official seal;

(C) Maintain a principal office and suboffices at such places within the district as it designates;

(D) Sue and plead in its own name; be sued and impleaded in its own name with respect to its contracts or torts of its members, employees, or agents acting within the scope of their employment, or to enforce its obligations and covenants made under sections 6119.09, 6119.12, and 6119.14 of the Revised Code. Any such actions against the district shall be brought in the court of common pleas of the county in which the principal office of the district is located, or in the court of common pleas of the county in which the cause of action arose, and all summonses, exceptions, and notices of every kind shall be served on the district by leaving a copy thereof at the principal office with the person in charge thereof or with the secretary of the district.

(E) Assume any liability or obligation of any person or political subdivision, including a right on the part of such district to indemnify and save harmless the other contracting party from any loss, cost, or liability by reason of the failure, refusal, neglect, or omission of such district to perform any agreement assumed by it or to act or discharge any such obligation;

(F) Make loans and grants to political subdivisions for the acquisition or construction of water resource projects by such political subdivisions and adopt rules, regulations, and procedures for making such loans and grants;

(G) Acquire, construct, reconstruct, enlarge, improve, furnish, equip, maintain, repair, operate, lease or rent to or from, or contract for operation by or for, a political subdivision or person, water resource projects within or without the district;

(H) Make available the use or service of any water resource project to one or more persons, one or more political subdivisions, or any combination thereof;

(I) Levy and collect taxes and special assessments;

(J) Issue bonds and notes and refunding bonds and notes as provided in Chapter 6119. of the Revised Code;

(K) Acquire by gift or purchase, hold, and dispose of real and personal property in the exercise of its powers and the performance of its duties under Chapter 6119. of the Revised Code;

(L) Dispose of, by public or private sale, or lease any real or personal property determined by the board of trustees to be no longer necessary or needed for the operation or purposes of the district;

(M) Acquire, in the name of the district, by purchase or otherwise, on such terms and in such manner as it considers proper, or by the exercise of the right of condemnation in the manner provided by section 6119.11 of the Revised Code, such public or private lands, including public parks, playgrounds, or reservations, or parts thereof or rights therein, rights-of-way, property, rights, easements, and interests as it considers necessary for carrying out Chapter 6119. of the Revised Code, but excluding the acquisition by the exercise of the right of condemnation of any waste water facility or water management facility owned by any person or political subdivision, and compensation shall be paid for public or private lands so taken;

(N) Adopt rules and regulations to protect augmented flow by the district in waters of the state, to the extent augmented by a water resource project, from depletion so it will be available for beneficial use, to provide standards for the withdrawal from waters of the state of the augmented flow created by a water resource project which is not returned to the waters of the state so augmented, and to establish reasonable charges therefor, if considered necessary by the district;

(O) Make and enter into all contracts and agreements and execute all instruments necessary or incidental to the performance of its duties and the execution of its powers under Chapter 6119. of the Revised Code;

(P) Enter into contracts with any person or any political subdivision to render services to such contracting party for any service the district is authorized to provide;

(Q) Enter into agreements for grants or the receipt and repayment of loans from a board of township trustees under section 505.705 of the Revised Code;

(R) Make provision for, contract for, or sell any of its by-products or waste;

(S) Exercise the power of eminent domain in the manner provided in Chapter 6119. of the Revised Code;

(T) Remove or change the location of any fence, building, railroad, canal, or other structure or improvement located in or out of the district, and in case it is not feasible or economical to move any such building, structure, or improvement situated in or upon lands required, and if the cost is determined by the board to be less than that of purchase or condemnation, to acquire land and construct, acquire, or install therein or thereon buildings, structures, or improvements similar in purpose, to be exchanged for such buildings, structures, or improvements under contracts entered into between the owner thereof and the district;

(U) Receive and accept, from any federal or state agency, grants for or in aid of the construction of any water resource project, and receive and accept aid or contributions from any source of money, property, labor, or other things of value, to be held, used, and applied only for the purposes for which such grants and contributions are made;

(V) Purchase fire and extended coverage and liability insurance for any water resource project and for the principal office and suboffices of the district, insurance protecting the district and its officers and employees against liability for damage to property or injury to or death of persons arising from its operations, and any other insurance the district may agree to provide under any resolution authorizing its water resource revenue bonds or in any trust agreement securing the same;

(W)

(1) Charge, alter, and collect rentals and other charges for the use of services of any water resource project as provided in section 6119.09 of the Revised Code. Such district may refuse the services of any of its projects if any of such rentals or other charges, including penalties for late payment, are not paid by the user thereof, and, if such rentals or other charges are not paid when due and upon certification of nonpayment to the county auditor, such rentals or other charges constitute a lien upon the property so served, shall be placed by the auditor upon the real property tax list and duplicate, and shall be collected in the same manner as other taxes.

(2) A district shall not certify to the county auditor for placement upon the tax list and duplicate and the county auditor shall not place upon the tax list or duplicate as a charge against the property the amount of unpaid rentals or other charges including any penalties for late payment as described in division (W)(1) of this section if any of the following apply:

(a) The property served has been transferred or sold to an electing subdivision as defined in section 5722.01 of the Revised Code, regardless of whether the electing subdivision is still the owner of the property, and the unpaid rentals or other charges including penalties for late payment have arisen from a period of time prior to the transfer or confirmation of sale to the electing subdivision.

(b) The property served has been sold to a purchaser at sheriff's sale or auditor's sale, the unpaid rentals or other charges including penalties for late payment have arisen from a period of time prior to the confirmation of sale, and the purchaser is not the owner of record of the property immediately prior to the judgment of foreclosure nor any of the following:

(i) A member of that owner's immediate family;

(ii) A person with a power of attorney appointed by that owner who subsequently transfers the property to the owner;

(iii) A sole proprietorship owned by that owner or a member of that owner's immediate family;

(iv) A partnership, trust, business trust, corporation, or association of which the owner or a member of the owner's immediate family owns or controls directly or indirectly more than fifty per cent.

(c) The property served has been forfeited to this state for delinquent taxes, unless the owner of record redeems the property.

(3) Upon valid written notice to the county auditor by any owner possessing an ownership interest of record of the property or an electing subdivision previously in the chain of title to the property that the unpaid water rents or charges together with any penalties have been certified for placement or placed upon the tax list and duplicate as a charge against the property in violation of division (W)(2) of this section, the county auditor shall promptly remove such charge from the tax duplicate. This written notice to the county auditor shall include all of the following:

- (a) The parcel number of the property;
- (b) The common address of the property;

(c) The date of the recording of the transfer of the property to the owner or electing subdivision;

(d) The charge allegedly placed in violation of division (W)(2) of this section.

(4) When title to property is transferred to a county land reutilization corporation, any lien placed on the property under this division shall be extinguished, and the corporation shall not be held liable for any rentals or charges certified under this division with respect to the property, if the rentals or charges were incurred before the date of the transfer to the corporation and if the corporation did not incur the rentals or charges, regardless of whether the rentals or charges were certified, or the lien was attached, before the date of transfer. In such a case, the corporation and its successors in title shall take title to the property free and clear of any such lien and shall be immune from liability in any collection action brought with respect to such rentals or charges. If a lien placed on property is extinguished as provided in this division, the district shall retain the ability to recoup the rents and charges incurred with respect to the property from any owner, tenant, or other person liable to pay such rents and charges before the property was transferred to the corporation.

(X) Provide coverage for its employees under Chapters 145., 4123., and 4141. of the Revised Code;

(Y) Merge or combine with any other regional water and sewer district into a single district, which shall be one of the constituent districts, on terms so that the surviving district shall be possessed of all rights, capacity, privileges, powers, franchises, and authority of the constituent districts and shall be subject to all the liabilities, obligations, and duties of each of the constituent districts and all rights of creditors of such constituent districts shall be preserved unimpaired, limited in lien to the property affected by such liens immediately prior to the time of the merger and all debts, liabilities, and duties of the respective constituent districts shall thereafter attach to the surviving district and may be enforced against it, and such other terms as are agreed upon, provided two-thirds of the members of each of the boards consent to such merger or combination. Such merger or combination shall become legally effective unless, prior to the ninetieth day following the later of the consents, qualified electors residing in either district equal in number to a majority of the qualified electors voting at the last general election in such district file with the secretary of the board of trustees of their regional water and sewer district a petition of remonstrance against such merger or combination. The secretary shall cause the board of elections of the proper county or counties to check the sufficiency of the signatures on such petition.

(Z) Exercise the powers of the district without obtaining the consent of any other political subdivision, provided that all public or private property damaged or destroyed in carrying out the powers of the district shall be restored or repaired and placed in its original condition as nearly as practicable or adequate compensation made therefor by the district;

(AA) Require the owner of any premises located within the district to connect the owner's premises to a water resource project determined to be accessible to such premises and found to require such connection so as to prevent or abate pollution or protect the health and property of persons in the district. Such connection shall be made in accordance with procedures established by the board of trustees of such district and pursuant to such orders as the board may find necessary to ensure and enforce compliance with such procedures.

(BB) Do all acts necessary or proper to carry out the powers granted in Chapter 6119. of the Revised Code.

Amended by 130th General Assembly File No. TBD, SB 172, §1, eff. 9/4/2014.

Effective Date: 11-19-1971; 2007 HB119 09-29-2007

6119.061 Continuing jurisdiction over water resource projects.

(A) Whenever any portion of a regional water and sewer district is incorporated as, or annexed to, a municipal corporation, the area so incorporated or annexed shall remain under the jurisdiction of the district for purposes of the acquisition, construction, or operation of a water resource project until the water resource project has been acquired or completed or until the project is abandoned by the district. The board of trustees of the district, unless and until a conveyance is made to a municipal corporation in accordance with division (B) of this section, shall continue to have jurisdiction in the area so incorporated or annexed with respect to the management, maintenance, and operation of all water resource projects so acquired or completed or previously acquired or completed, including the right to establish rules and rates and charges for the use of, and connections to, the projects. The incorporation or annexation of any part of a district shall not affect the legality or enforceability of any public obligations issued or incurred by the district for purposes of this chapter to provide for the payment of the cost of acquisition, construction, maintenance, or operation of any water resource project or the validity of any assessments levied or to be levied on properties within the area to provide for the payment of the cost of acquisition, construction, maintenance, or operation of the project.

(B) The board of trustees of a regional water and sewer district may convey, by mutual agreement, to a municipal corporation any completed water resource project acquired or constructed under this chapter for the use of, or service of property located in, the regional water and sewer district, or any part of that project to which any of the following applies:

(1) The project is located within the municipal corporation or within any area that is incorporated as, or annexed to, the municipal corporation.

(2) The project serves the municipal corporation or any area that is located within or that is incorporated as, or annexed to, the municipal corporation.

(3) The project is connected to water supply or sanitary, drainage, prevention, or replacement facilities of the municipal corporation.

The conveyance shall be completed with terms and for consideration as may be negotiated. Upon and after the conveyance, the municipal corporation shall manage, maintain, and operate the water resource project in accordance with the agreement. The board of trustees may retain the right to the joint use of all or part of any project so conveyed for the benefit of the district. Neither the validity of any assessment levied or to be levied, nor the legality or enforceability of any public obligations issued or incurred, to provide for the payment of the cost of the acquisition, construction, maintenance, or operation of the project or any part of the project shall be affected by the conveyance.

Added by 129th General AssemblyFile No.28, HB 153, §101.01, eff. 9/29/2011.

6119.07 Board of trustees vested with power to run district.

All the capacity of a regional water and sewer district shall be vested in and its authority shall be exercised by a board of trustees which shall manage and conduct the affairs of the district.

The board shall by its rules and resolutions provide the procedure for its actions, the manner of selection of its president and secretary and other officers of the district, their titles, terms of office, compensation, duties, number, and qualifications, and any other lawful subject necessary to the operation of the district and the exercise of the powers granted.

Effective Date: 10-01-1953.

6119.071 Grounds for removal of member of board of trustees.

A member of the board of trustees of a regional water and sewer district who has been appointed to the board may be removed by the appointing authority for misfeasance, nonfeasance, or malfeasance in office. Prior to removing a member, the appointing authority shall notify the member of the facts supporting the proposed removal and shall provide the member an opportunity to appear before the appointing authority or at a public hearing held by the appointing authority and show cause why the member should not be removed from office.

A member of a board of trustees who has been removed pursuant to this section may appeal the removal not later than thirty days after the removal to the court of common pleas constituted as provided in section 6119.03 of the Revised Code.

Effective Date: 12-21-1998.

6119.08 Rules and regulations of the district.

In order to accomplish the purposes of a regional water and sewer district, to protect its projects, to secure the best results from the construction, operation, and maintenance thereof, and to prevent damage by the misuse of any such projects or by the pollution or misuse of the waters of the state within the district or without the district and served or affected by a project or projects of the district, the board of trustees may make and enforce such rules and regulations as are necessary and advisable:

(A) To protect and preserve the projects of such district, prescribe the manner of their use by any person or political subdivision and preserve order within and adjacent thereto;

(B) To prescribe the manner in which ditches, sewers, pipelines, or other works shall be adjusted to or connected with the projects of the district and the manner in which waste is disposed of within the district;

(C) To prescribe the permissible uses of the water supply and the manner of its distribution and to prevent the pollution or unnecessary waste of such water supply;

(D) To prohibit or regulate the discharge into the waste water facilities of the district of any liquid or solid waste detrimental to its works and improvements.

Such rules and regulations shall not be inconsistent with the laws of the state or the rules and regulations or requirements of the environmental protection agency.

The board may enforce by mandamus, injunction, or other legal remedy rules and regulations made by it pursuant to this section, and may remove any harmful or improper construction or obstruction or may close any opening or connection made improperly or in violation of such rules and regulations. The board may bring such suit in mandamus in the court of appeals in the first instance, if it deems it advisable. Any person or political subdivision which willfully fails to comply with such rules and regulations shall be liable for damage caused by such failure and for the cost of restoring or replacing any construction damaged or destroyed.

Effective Date: 10-23-1972.

6119.09 Use or service agreements.

A regional water and sewer district may charge, alter, and collect rentals or other charges, including penalties for late payment, for the use or services of any water resource project or any benefit conferred thereby and contract in the manner provided by this section with one or more persons, one or more political subdivisions, or any combination thereof, desiring the use or services thereof, and fix the terms, conditions, rentals, or other charges, including penalties for late payment, for such use or services. Such rentals or other charges shall not be subject to supervision or regulation by any authority, commission, board, bureau, or agency of the state or any political subdivision, and such contract may provide for acquisition by such political subdivision of all or any part of such water resource project for such consideration payable over the period of the contract or otherwise as the district in its sole discretion determines to be appropriate, but subject to the provisions of any resolution authorizing the issuance of water resource revenue bonds or notes or water resource revenue refunding bonds of the district or any trust agreement securing the same. Any political subdivision, which has power to construct, operate, and maintain waste water facilities or water resource project of the district will be made available to such political subdivision and pay for such use or services such rentals or other charges as may be agreed to by the district and such political subdivision.

Any political subdivision or combination thereof may cooperate with the district in the acquisition or construction of a water resource project and shall enter into such agreements with the district as are necessary, with a view to effective cooperative action and safeguarding of the respective interests of the parties thereto, which agreements shall provide for such contributions by the parties thereto in such proportion as may be agreed upon and such other terms as may be mutually satisfactory to the parties, including without limitation the authorization of the construction of the project by one of the parties acting as agent for all of the parties and the ownership and control of the project by the district or one or more of the other parties or any combination thereof to the extent determined necessary or appropriate. Any political subdivision may provide the funds for the payment of such contribution as is required under such agreements by the levy of taxes, assessments, or rentals and other charges for the use of the system of which the water resource project is a part or to which it is connected, if otherwise authorized by the laws governing such political subdivision in the construction of the type of water resource project provided for in the agreements, and may pay the proceeds from the collection of such taxes, assessments, rentals, or other charges to the district pursuant to such agreements; or the political subdivision may issue bonds or notes, if authorized by such laws, in anticipation of the collection of such taxes, assessments, rentals or other charges and may pay the proceeds of such bonds or notes to the district pursuant to such agreements. In addition, any political subdivision may provide the funds for the payment of such contribution by the appropriation of money or, if otherwise authorized by law, by the issuance of bonds or notes and may pay such appropriated money or the proceeds of such bonds or notes to the district pursuant to such agreements. The agreement by the political subdivision to provide such contribution, whether from appropriated money or from the proceeds of such taxes, assessments, rentals, or other charges, or such bonds or notes, or any combination thereof, is not subject to Chapter 133. of the Revised Code. The proceeds from the collection of such taxes or assessments, and any interest earned thereon, shall be paid into a special fund immediately upon the collection thereof by the political subdivision for the purpose of providing such contribution at the times required under such agreements.

When the contribution of any political subdivision is to be made over a period of time from the proceeds of the collection of special assessments, the interest accrued and to accrue before the first installment of such assessments is collected, which is payable by such political subdivision on such contribution under the terms of such an agreement, shall be treated as part of the cost of the improvement for which such assessments are levied, and that portion of such assessments as is collected in installments shall bear interest at the same rate as such political subdivision is obligated to pay on such contribution under the terms and provisions of such agreement and for the same period of time as the contribution is to be made under such agreement. If the assessment or any installment thereof is not paid when due, it shall bear interest until the payment thereof at the same rate as such contribution and the county auditor shall annually place on the tax list and duplicate the interest applicable to such assessment and the penalty and any additional interest thereon as otherwise authorized by law.

Any political subdivision, pursuant to a favorable vote of the electors in an election held before or after November 19, 1971, for the purpose of issuing bonds to provide funds to acquire, construct, or equip, or provide real estate and interests in real estate for, a waste water facility or a water management facility, whether or not the political subdivision, at the time of such election, had the authority to pay the proceeds from such bonds or notes issued in anticipation thereof to a regional water and sewer district as provided in this section, may issue such bonds or

notes in anticipation of the issuance thereof and pay the proceeds thereof to the district in accordance with its agreement with the district; provided, that the legislative authority of the political subdivision determines that the water resource project to be acquired or constructed by the district in cooperation with such political subdivision will serve the same public purpose and meet substantially the same public need as the facility otherwise proposed to be acquired or constructed subdivision with the proceeds of such bonds or notes.

Effective Date: 09-21-1982.

6119.091 Rental discounts for persons sixty-five or older.

When fixing rentals or other charges under section <u>6119.09</u> of the Revised Code, a board of trustees of a regional water and sewer district may establish discounted rentals or charges or may establish another mechanism for providing a reduction in rentals or charges for persons who are sixty-five years of age or older. The board shall establish eligibility requirements for such discounted or reduced rentals or charges, including a requirement that a person be eligible for the homestead exemption or qualify as a low- and moderate-income person.

Added by 128th General AssemblyFile No.9, HB 1, §101.01, eff. 10/16/2009. .

6119.10 Competitive bidding for certain contracts.

The board of trustees of a regional water and sewer district or any officer or employee designated by the board may make any contract for the purchase of supplies or material or for labor for any work, under the supervision of the board, the cost of which shall not exceed fifty thousand dollars. When an expenditure, other than for the acquisition of real estate and interests in real estate, the discharge of noncontractual claims, personal services, the joint use of facilities or the exercise of powers with other political subdivisions, or the product or services of public utilities, exceeds fifty thousand dollars, the expenditures shall be made only after a notice calling for bids has been published once per week for two consecutive weeks in one newspaper of general circulation within the district or as provided in section 7.16 of the Revised Code. If the bids are for a contract for the construction, demolition, alteration, repair, or reconstruction of an improvement, the board may let the contract to the lowest and best bidder who meets the requirements of section 153.54 of the Revised Code. If the bids are for a contract for any other work relating to the improvements for which a regional water and sewer district was established, the board of trustees of the regional water and sewer district may let the contract to the lowest or best bidder who gives a good and approved bond with ample security conditioned on the carrying out of the contract. The contract shall be in writing and shall be accompanied by or shall refer to plans and specifications for the work to be done, approved by the board. The plans and specifications shall at all times be made and considered part of the contract. The contract shall be approved by the board and signed by its president or other duly authorized officer and by the contractor. In case of a real and present emergency, the board of trustees of the district, by two-thirds vote of all members, may authorize the president or other duly authorized officer to enter into a contract for work to be done or for the purchase of supplies or materials without formal bidding or advertising. All contracts shall have attached the certificate required by section 5705.41 of the Revised Code duly executed by the secretary of the board of trustees of the district. The district may make improvements by force account or direct labor, provided that, if the estimated cost of supplies or material for any such improvement exceeds fifty thousand dollars, bids shall be received as provided in this section. For the purposes of the competitive bidding requirements of this section, the board shall not sever a contract for supplies or materials and labor into separate contracts for labor, supplies, or materials if the contracts are in fact a part of a single contract required to be bid competitively under this section.

Amended by 129th General AssemblyFile No.141, HB 509, §1, eff. 9/28/2012.

Amended by 129th General AssemblyFile No.28, HB 153, §101.01, eff. 9/29/2011.

Effective Date: 09-26-2003.

6119.101 Regional water and sewer district contract requirements.

Notwithstanding section $\underline{6119.10}$ of the Revised Code, the board of trustees of a regional water and sewer district may comply with section $\underline{9.29}$ of the Revised Code regarding any contract for the engineering, repair,

sustainability, water quality management, and maintenance of a water storage tank and appurtenant facilities.

Added by 128th General AssemblyFile No.25, SB 85, §1, eff. 6/30/2010. .

6119.11 Eminent domain powers.

(A) Except as provided in division (B) of this section, the board of trustees of a regional water and sewer district may condemn for the use of the district any public or private land, easement, rights, rights-of-way, franchises, or other property within or without the district required by it for the accomplishment of its purposes according to the procedure set forth in sections <u>163.01</u> to <u>163.22</u> of the Revised Code.

(B)

(1) For the purposes of division (B) of this section, any of the following constitutes a public exigency:

(a) A finding by the director of environmental protection that a public health nuisance caused by an occasion of unavoidable urgency and suddenness due to unsanitary conditions compels the immediate construction of sewers for the protection of the public health and welfare;

(b) The issuance of an order by the board of health of a health district to mitigate or abate a public health nuisance that is caused by an occasion of unavoidable urgency and suddenness due to unsanitary conditions and compels the immediate construction of sewers for the protection of the public health and welfare;

(c) With respect to an affected parcel of property, an improvement required as a result of a federally imposed or state-imposed consent decree that prohibits future sewer inflows, combined sewer overflows, or sewer back-ups.

(2) If the board of trustees of a regional water and sewer district is unable to purchase property for the purpose of addressing a public exigency pursuant to division (B) of this section, the board of trustees may adopt a resolution finding that it is necessary for the protection of the public health and welfare to appropriate property that the board of trustees considers needed for that purpose. The resolution shall contain a definite, accurate, and detailed description of the property and the name and place of residence, if known or with reasonable diligence ascertainable, of the owners of the property to be appropriated.

The board of trustees shall fix in its resolution what it considers to be the value of the property to be appropriated, which shall be the board's determination of the compensation for the property and shall be supported by an independent appraisal, together with any damages to the residue. The board shall deposit the compensation so determined, together with an amount for the damages to the residue, with the probate court or the court of common pleas of the county in which the property, or a part of it, is situated. Except as otherwise provided in this division, the power to appropriate property for the purposes of this division shall be exercised in the manner provided in sections 163.01 to 163.22 of the Revised Code for an appropriation in the time of public exigency. The board's resolution and a written copy of the independent appraisal shall accompany the petition filed under section 163.05 of the Revised Code.

Amended by 129th General AssemblyFile No.127, HB 487, §101.01, eff. 9/10/2012.

Effective Date: 01-01-1966; 05-06-2005

6119.111 Acquisition of interests in land.

A regional water and sewer district may acquire by purchase, whenever it considers such purchase expedient, any land, property, rights-of-way, franchises, easements, and other interests in lands as it considers are necessary or convenient for the construction and operation of any water resource project, upon such terms and at such price as it considers reasonable and can be agreed upon between the district and the owner thereof, and take title thereto in the name of the district.

All political subdivisions may lease, lend, grant, convey or otherwise make available to a regional water and sewer district at its request, upon such terms as the proper authorities of such political subdivisions consider reasonable and fair, without the necessity for an advertisement, auction, order of court, or other action or formality, other

than the regular and formal action of the political subdivision concerned, any real property or interests therein including improvements thereto or thereon or personal property which is necessary or convenient to the effectuation of the authorized purposes of the district, including public roads and other real property or interests therein together with improvements thereto or thereon or personal property already devoted to public use.

Effective Date: 11-19-1971 .

6119.12 Water resource revenue bonds and notes.

A regional water and sewer district may, from time to time, issue water resource revenue bonds and notes of the district in such principal amount as, in the opinion of the board of trustees of the district, are necessary for the purpose of paying any part of the cost of one or more water resource projects or parts thereof. The district may, from time to time, issue renewal notes, issue bonds to pay such notes and, whenever it considers refunding expedient, refund any bonds by the issuance of water resource revenue refunding bonds of the district, whether the bonds to be refunded have or have not matured, and issue bonds partly to refund bonds then outstanding and partly for any other authorized purpose. The refunding bonds shall be sold and the proceeds applied, to the extent necessary, to the purchase, redemption, or payment of the bonds to be refunded. Except as may otherwise be expressly provided by the district, every issue of its water resource revenue bonds or notes shall be obligations of the district payable out of the revenues of the district, which are pledged for such payment, without preference or priority of the first bonds issued, subject only to any agreements with the holders of particular bonds or notes pledging any particular revenues; provided that, if special assessments levied by the district pursuant to Chapter 6119. of the Revised Code are pledged to secure the payment of any issue of such bonds or notes, the board may covenant with the holders of such bonds or notes to limit the total principal amount of the financing anticipated to be paid from such assessments to any principal amount less than one hundred per cent of such assessments. Such pledge shall be valid and binding from the time the pledge is made, the revenues so pledged and thereafter received by the district shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge is valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the district, irrespective of whether such parties have notice thereof, except as provided in section 319.61 of the Revised Code with respect to special assessments. Neither the resolution nor any trust agreement by which a pledge is created need be filed or recorded except in the records of the district and except as provided in section 319.61 of the Revised Code with respect to special assessments.

Whether or not the district bonds or notes are of such form and character as to be negotiable instruments, the bonds or notes shall have all the qualities and incidents of negotiable instruments, subject only to the provisions of the bonds or notes for registration.

The water resource revenue bonds and notes shall be authorized by resolution of the board of trustees of the district, shall bear such date or dates, and shall mature at such time or times, in the case of any such note or any renewals thereof not exceeding five years from the date of issue of such original note, and in the case of any such bonds not exceeding forty years from the date of issue, as such resolution or resolutions may provide. The water resource revenue bonds and notes shall bear interest at such rate or rates, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption as the board may authorize. The water resource revenue bonds and notes of the district may be sold by the district, at public or private sale, at or not less than such price or prices as the board determines. The bonds and notes shall be executed by two officers of the district as provided in the resolution authorizing the same, either or both of whom may use a facsimile signature, the official seal of the district or a facsimile thereof may be affixed thereto or printed thereon as provided in such resolution, and attested, manually or by facsimile signature, by the secretary of the district, and any coupons attached thereto shall bear the signature or facsimile signature of one officer of the district as provided in the authorizing resolution. In case any officer whose signature, or a facsimile of whose signature, appears on any bonds, notes, or coupons ceases to be such officer before delivery of bonds or notes, such signature or facsimile is nevertheless sufficient for all purposes the same as if he had remained in office until such delivery, and in case the seal of the district has been changed after a facsimile has been imprinted on such bonds or notes, such facsimile seal will continue to be sufficient for all purposes.

Any resolution or resolutions authorizing any water resource revenue bonds or notes or any issue thereof may contain provisions, subject to such agreements with bondholders or noteholders as may then exist, which provisions shall be a part of the contract with the holders thereof, as to: pledging all or any part of the revenues of the district to secure the payment of the water resource revenue bonds or notes or of any issue thereof; the use and disposition of revenues of the district; a covenant to fix, alter, and collect rentals and other charges so that pledged revenues will be sufficient to pay costs of operation, maintenance, and repairs, pay principal of and interest on bonds or notes secured by the pledge of such revenues, and provide such reserves as may be required by the applicable resolution or trust agreement; the setting aside of reserve funds, sinking funds, replacement and improvement funds, or other special funds and the regulation and disposition thereof; the crediting of the proceeds of the sale of bonds or notes to and among the funds referred to or provided for in the resolution authorizing the issuance of the bonds or notes; the use, lease, sale, or other disposition of any water resource project or any other assets of the district; limitations on the purpose to which the proceeds of sale of bonds or notes may be applied and pledging such proceeds to secure the payment of the bonds or notes or of any issue thereof; as to notes issued in anticipation of the issuance of water resource revenue bonds, the agreement of the district to do all things necessary for the authorization, issuance, and sale of such bonds in such amounts as may be necessary for the timely retirement of such notes; limitations on the issuance of additional bonds or notes; the terms upon which additional bonds or notes may be issued and secured; the refunding of outstanding bonds or notes; the procedure, if any, by which the terms of any contract with bondholders or note holders may be amended or abrogated, the amount of bonds or notes the holders of which must consent thereto, and the manner in which such consent may be given; limitations on the amount of moneys to be expended by the authority for operating, administrative, or other expenses of the district; securing any bonds or notes by a trust agreement in accordance with section 6119.14 of the Revised Code; and any other matters, of like or different character, which in any way affect the security or protection of the bonds or notes.

Neither the members of the board of trustees of the district nor any person executing the bonds or notes shall be liable personally on the bonds or notes or be subject to any personal liability or accountability by reason of the issuance thereof.

Effective Date: 11-19-1971 .

6119.13 Exemption from bond laws.

The issuance of water resource revenue bonds and notes or water resource revenue refunding bonds under Chapter 6119. of the Revised Code need not comply with any other law applicable to the issuance of bonds or notes.

Effective Date: 11-19-1971 .

6119.14 Securing bonds and notes by trust agreements.

In the discretion of a regional water and sewer district, any water resource revenue bonds or notes or water resource revenue refunding bonds or notes issued under Chapter 6119. of the Revised Code may be secured by a trust agreement between the district and a corporate trustee, which trustee may be any trust company or bank having the powers of a trust company within or without the state.

Any such trust agreement may pledge or assign revenues of the district to be received, but shall not convey or mortgage any water resource project or any part thereof. Any such trust agreement or any resolution providing for the issuance of such bonds or notes may contain such provisions for protecting and enforcing the rights and remedies of the bondholders or noteholders as are reasonable and proper and not in violation of law, including convenants setting forth the duties of the district in relation to the acquisition of property, the construction, improvement, maintenance, repair, operation, and insurance of the water resource project or projects in connection with which such bonds or notes are authorized, the rentals or other charges to be imposed for the use or services of any water resource project, the custody, safeguarding, and application of all moneys, and provisions for the employment of consulting engineers in connection with the construction or operation of such water resource project or projects. Any bank or trust company, incorporated under the laws of this state which may act as depository of the proceeds of bonds or notes or of revenues may furnish such indemnifying bonds or may pledge such securities as are required by the district. Any such trust agreement may set forth the rights and remedies of the bondholders and noteholders and of the trustee, and may restrict the individual right of action by bondholders and noteholders as is customary in trust agreements or trust indentures securing similar bonds or notes. Such trust agreement may contain such other provisions as the district considers reasonable and proper for the security of the bondholders or noteholders. All expenses incurred in carrying out the provisions of any such trust agreement may be treated as a part of the cost of the operation of the water resource project or projects. Any such trust agreement or resolution may provide the method whereby the general administrative overhead expenses of the district shall be allocated among the several projects acquired or constructed by it as a factor of the operation expense of each such project.

Effective Date: 11-19-1971 .

6119.141 Rights of holders of water resource revenue bonds or notes or trustees.

Any holders of water resource revenue bonds or notes issued under Chapter 6119. of the Revised Code, or any of the coupons appertaining thereto, and the trustee under any trust agreement, except to the extent the rights given by such chapter may be restricted by the applicable resolution or such trust agreement, may, by suit, action, mandamus, or other proceedings protect and enforce any rights under the laws of the state or granted under such chapter, trust agreement, or the resolution authorizing the issuance of such bonds or notes, and may enforce and compel the performance of all duties required by such chapter, or by the trust agreement or resolution, to be performed by the regional water and sewer district or any officer thereof, including the fixing, charging, and collection of rentals or other charges.

Effective Date: 11-19-1971 .

6119.15 Water resource revenue bonds and notes and water resource revenue refunding bonds not a debt of state.

Water resource revenue bonds and notes and water resource revenue refunding bonds issued pursuant to Chapter 6119. of the Revised Code, do not constitute a debt, or a pledge of the faith and credit, of the state or of any political subdivision thereof, and the holders or owners thereof have no right to have taxes levied by the general assembly or taxing authority of any political subdivision of the state for the payment of the principal thereof or interest thereon, but such bonds and notes are payable solely from the revenues and funds pledged for their payment as authorized by such chapter, unless the notes are issued in anticipation of the issuance of bonds or the bonds are refunded by refunding bonds issued under Chapter 6119. of the Revised Code, which bonds or refunding bonds shall be payable solely from revenues and funds pledged for their payment.

All expenses incurred in carrying out Chapter 6119. of the Revised Code are payable solely from under such sections. Such sections do not authorize regional water and sewer districts to incur indebtedness or liability on behalf of or payable by the state or any other subdivision thereof.

Effective Date: 11-19-1971.

6119.151 Deposit of funds.

All moneys, funds, properties, and assets acquired by a regional water and sewer district under Chapter 6119. of the Revised Code, whether as proceeds from the sale of water resource revenue bonds or as revenues, or otherwise, shall be held by it in trust for the purposes of carrying out its powers and duties, shall be used and reused as provided in such sections, and shall at no time be part of other public funds. Such funds, except as otherwise provided in any resolution authorizing its water resource revenue bonds or in any trust agreement securing the same, or except when invested pursuant to section 6119.16 of the Revised Code, shall be kept in depositories as selected by the district in the manner provided in section 135.12 of the Revised Code, and the deposits shall be secured as provided in section 135.18 of the Revised Code. The resolution authorizing the

issuance of such bonds of any issue or the trust agreement securing such bonds shall provide that any officer to whom, or any bank or trust company to which, such moneys are paid shall act as trustee of such moneys and hold and apply them for the purposes thereof, subject to such conditions as Chapter 6119. of the Revised Code and such resolution or trust agreement provided.

Effective Date: 11-19-1971 .

6119.16 Investment in United States notes, bonds, or other obligations.

Moneys in the funds of a regional water and sewer district, except as otherwise provided in any resolution authorizing the issuance of its water resource revenue bonds or in any trust agreement securing the same, in excess of current needs, may be invested in notes, bonds, or other obligations of the United States or of any agency or instrumentality thereof, or in obligations of this state or any political subdivision thereof. Income from all such investments of moneys in any fund shall be credited to such funds as the district determines, subject to the provisions of any such resolution or trust agreement, and such investments may be sold at such times and at such prices as the district determines.

Effective Date: 11-19-1971.

6119.17 Tax levy to pay interest on and to retire bonds.

Upon the creation of a regional water and sewer district, the board of trustees thereof may submit to the electors within the territorial limits of the district the question of issuing bonds of such district and also the necessity of the levy of a tax outside the limitation imposed by Section 2 of Article XII, Ohio Constitution, to pay the interest on and to retire the bonds. Such bonds when so approved by the electors may be issued to pay any portion of the cost of one or more water resource projects or parts thereof and may include any portion of the cost of water resource projects to be specially assessed. The proceedings for such election and for the issuance and sale of such bonds shall be as provided by Chapter 133. of the Revised Code. If a majority of those voting upon the proposition vote in favor thereof, the board of trustees of such district may proceed to issue such bonds and to levy a tax outside the ten-mill limitation sufficient in amount to pay the interest on and retire such bonds at maturity. Notes may be issued in anticipation of such bonds as provided in section <u>133.22</u> of the Revised Code.

Effective Date: 10-30-1989.

6119.18 Tax levy for current expenses of district.

The board of trustees of a regional water and sewer district, by a vote of two-thirds of all its members, may declare by resolution that it is necessary to levy a tax in excess of the ten-mill limitation for the purpose of providing funds to pay current expenses of the district or for the purpose of paying any portion of the cost of one or more water resource projects or parts thereof or for both of such purposes, and that the question of such tax levy shall be submitted to the electors of the district at a general or primary election. Such resolution shall conform to the requirements of section 5705.19 of the Revised Code, except as otherwise permitted by this section and except that such levy may be for a period not longer than ten years. The resolution shall go into immediate effect upon its passage and no publication of the resolution is necessary other than that provided for in the notice of election. A copy of such resolution shall, immediately after its passage, be certified to the board of elections of the proper county or counties in the manner provided by section 5705.25 of the Revised Code, and such section shall govern the arrangements for the submission of such question and other matters with respect to such election to which such section refers. Publication of the notice of that election shall be made in one newspaper of general circulation in the district once a week for two consecutive weeks prior to the election, or as provided in section 7.16 of the Revised Code. If the board of elections operates and maintains a web site, the board of elections shall post notice of the election on its web site for thirty days prior to the election.

If a majority of the electors voting on the question vote in favor thereof, the board may make the necessary levy within the district at the additional rate or at any lesser rate on the tax list and duplicate for the purpose or purposes stated in the resolution.

The taxes realized from such levy shall be collected at the same time and in the same manner as other taxes on such tax list and duplicate and such taxes, when collected, shall be paid to the district and deposited by it in a special fund which shall be established by the district for all revenues derived from such levy and for the proceeds of anticipation notes which shall be deposited in such fund.

After the approval of such levy, the district may anticipate a fraction of the proceeds of such levy and, from time to time, during the life of such levy, issue anticipation notes in an amount not exceeding fifty per cent of the estimated proceeds of such levy to be collected in each year up to a period of five years after the date of issuance of such notes, less an amount equal to the proceeds of such levy previously obligated for each year by the issuance of anticipation notes, provided that the total amount maturing in any one year shall not exceed fifty per cent of the anticipated proceeds of such levy for that year. Each issue of notes shall be sold as provided in Chapter 133. of the Revised Code, and shall, except for such limitation that the total amount of such notes maturing in any one year shall not exceed fifty per cent of the anticipated proceeds of such levy for that year over a period not to exceed five years after their issuance.

Amended by 129th General AssemblyFile No.28, HB 153, §101.01, eff. 9/29/2011.

Effective Date: 10-30-1989; 06-01-2006

6119.181 to 6119.183 [Repealed].

Effective Date: 11-19-1971.

6119.19 System of sanitary and/or storm water sewerage.

In addition to the power conferred by sections <u>6119.01</u> to <u>6119.42</u>, inclusive, of the Revised Code, to construct sewers and levy assessments therefor, and in the absence or insufficiency of a plan provided for in section <u>6119.31</u> of the Revised Code, the board of trustees of a regional water and sewer district may provide a system of sanitary and/or storm water sewerage, herein referred to only as sewerage, for any part of the area included within the district. Such a plan shall be devised with regard to the present and prospective needs and interests of the area, and shall be confirmed by the board.

Effective Date: 09-17-1957 .

6119.20 Division of district into sewer districts for securing efficient sewerage.

The plan devised in accordance with section <u>6119.19</u> of the Revised Code shall be formed with a view to the division of the regional water and sewer district into as many sewer districts as are necessary for securing efficient sewerage. Each of the districts shall be designated by name or number and shall consist of one or more main sewers with the necessary branch or connecting sewers, the main sewers having their outlets in a proper place. The districts shall be so arranged as to be independent of each other so far as practicable.

Effective Date: 10-01-1953.

6119.21 Plan to show main sewers and all branch sewers.

The plan devised in accordance with section <u>6119.19</u> of the Revised Code shall be so prepared as to show the size, location, inclination, and depth below the surface of all main sewers and all branch sewers connected therewith.

Effective Date: 10-01-1953.

6119.22 Notice of and examination of plan.

When a plan of sewerage devised in accordance with section 6119.19 of the Revised Code has been prepared, the board of trustees of the regional water and sewer district shall give at least ten days' notice in one newspaper of general circulation in such area or give notice as provided in section 7.16 of the Revised Code, stating that such

plans have been prepared and are filed in the office of the secretary of the board for examination and inspection by the parties interested.

Any objection to such plan shall then be made to the board and it may amend or correct such plan, and shall thereupon file it as amended, or if no amendments are made, it shall file the original plan in the office of the secretary.

Amended by 129th General AssemblyFile No.28, HB 153, §101.01, eff. 9/29/2011.

Effective Date: 10-01-1953.

6119.23 Plan amendment.

Before or after the construction of all or a part of the sewers provided for by a plan of sewerage devised in accordance with section <u>6119.19</u> of the Revised Code, the board of trustees of the regional water and sewer district may amend such plan by providing for such intercepting sewers, without regard to sewer districts, as are necessary to furnish an additional outlet for the system so adopted, and to provide for the construction thereof as provided in sections <u>6119.01</u> to <u>6119.42</u>, inclusive, of the Revised Code, and apportion the cost and expense thereof equitably among the districts directly or indirectly sewered, in whole or in part thereby, or assess and collect the amount apportioned to each district, or the board may apportion a part only of such cost and expense among the districts directly sewered, in whole or in part thereby, and provide for the payment of the residue thereof by the district. The board may also amend such plan by making new sewer districts, by subdividing districts already established, giving a name and number thereto, or provide for the construction of the main and branch sewers therein, and may assess the cost and expense thereof upon the lots and lands within the area or district according to benefits.

Effective Date: 10-01-1953.

6119.24 Designate portions of work required for immediate use.

After the plan of sewerage devised in accordance with section <u>6119.19</u> of the Revised Code has been adopted and approved, the board of trustees of the regional water and sewer district shall designate such portions of the work as are required for immediate use. The designation shall be by districts or areas and shall show what districts, areas, or parts thereof are to be improved. The board may order its officers to make an estimate of the cost and expense of constructing the work or such portions thereof as have been designated and report them to the board.

Effective Date: 10-01-1953.

6119.25 Publication of resolution of necessity.

When the board of trustees of a regional water and sewer district deems it necessary to construct all or a part of the sewers provided for in the plan devised in accordance with section 6119.19 of the Revised Code, the board shall declare by resolution the necessity thereof. Such resolution shall contain a declaration of the necessity of such improvement, a statement of the districts, areas, or parts thereof proposed to be constructed, the character of the materials to be used, a reference to the plans and specifications, where they are on file, and the mode of payment therefor, and shall publish the resolution once a week for not less than two nor more than four consecutive weeks in one newspaper of general circulation in the area or as provided in section 7.16 of the Revised Code.

Amended by 129th General AssemblyFile No.28, HB 153, §101.01, eff. 9/29/2011.

Effective Date: 10-01-1953.

6119.26 Resolution for proceeding for improvement.

After the publication of the notice required by section <u>6119.25</u> of the Revised Code, the board of trustees of the regional water and sewer district shall determine whether it will proceed with the proposed improvement or not. If the board decides to proceed with the improvement a resolution for that purpose shall be passed. Such resolution

shall contain a statement naming the districts or parts thereof proposed to be constructed, the character of the material to be used, a reference to the plans and specifications, the mode of payment thereof, and shall provide for assessing the cost of the improvement upon the lots and land in each district as other assessments are levied.

Effective Date: 01-01-1962.

6119.27 Assessment and collection of assessment.

If it deems it expedient, the board of trustees of the regional water and sewer district may assess the real estate as provided in the resolution to improve and collect such assessments, or may issue bonds in anticipation of the collection of such assessments before the work is done or contracted for. The board may delay such assessment until the work is completed and upon the filing of a certificate showing the completion of the work assess the real estate as provided in the resolution to improve. Any person so assessed may pay his proportion of the assessment in cash within thirty days from the date of the levy thereof upon due notice being given. If any such assessment is twenty-five dollars or less or if any unpaid balance of an assessment is twenty-five dollars or less, it shall be paid in full and not in installments at the time the first or next installment would otherwise become payable.

Effective Date: 10-30-1969.

6119.28 Construction contracts award and payment.

The construction contracts authorized in Chapter 6119. of the Revised Code shall be awarded to the lowest and best bidder in the manner provided in section 6119.10 of the Revised Code and shall be paid for in the same manner as provided for payment of municipal contracts in Chapter 735. of the Revised Code.

Effective Date: 10-10-1963.

6119.29 Construction of main sewers and drains and branch sewers and drains without adoption of plan.

If in its opinion it is expedient, the board of trustees of a regional water and sewer district may provide for the construction of main sewers and drains and branch sewers and drains connecting therewith without previously adopting any plan of sewerage or division of the area or any part thereof into districts, and may assess the cost and expense of such construction upon such lots and lands as are designated in the resolution to improve, or such cost and expense may be paid from the general fund of the district, as the board determines. Such proceedings shall be had in respect to such improvements and assessments as are provided for in sections <u>6119.01</u> to <u>6119.42</u>, inclusive, of the Revised Code, for the construction of main or branch sewers according to a previously adopted plan.

Effective Date: 10-01-1953 .

6119.30 Anticipation bonds and notes.

The issuance of bonds and notes in anticipation of the collection of special assessments shall be accomplished as provided in Chapter 6119. of the Revised Code.

Effective Date: 11-19-1971 .

6119.31 Resolution for tax levy.

The board of county commissioners at any time not less than ninety days before the general election in any year, by a vote of two-thirds of its members, may declare by resolution that the amount of taxes which may be raised within the ten-mill limitation will be insufficient to provide an adequate amount for the necessary requirements of the county, and that it is necessary to levy a tax in excess of such limitation for the purpose of paying the cost of the preparation of plans, specifications, surveys, soundings, drillings, maps, and other data needed or determined necessary in order to develop plans for the proper purification, filtration, and distribution of water or proper

collection and treatment of sewage within the county or a part thereof, or beyond the limits of the county but within the same drainage area as is in part within the county.

Such resolution shall be confined to a single purpose and shall specify the amount of increase in rate which it is necessary to levy, not to exceed three-tenths of a mill, the purpose thereof, the number of years during which such increase shall be in effect, not to exceed five years, which increase may or may not include a levy upon the duplicate of the current year.

Such resolution shall go into effect upon its passage and no publication of it is necessary other than that provided for in the notice of election.

Amended by 128th General AssemblyFile No.29, HB 48, §1, eff. 7/2/2010.

Effective Date: 03-23-1981 .

6119.32 Election on tax levy.

A copy of the resolution provided for in section $\underline{6119.31}$ of the Revised Code shall be certified to the board of elections for the county not less than ninety days before the general election in any year and said board shall submit the proposal to the electors of the county at the succeeding November election in accordance with section $\underline{5705.25}$ of the Revised Code.

If the per cent required for approval of a levy as set forth in section <u>5705.26</u> of the Revised Code vote in favor thereof, the board of county commissioners may levy a tax within the county at the additional rate outside the ten-mill limitation during the period and for the purpose stated in the resolution, or at any less rate or for any less number of years.

Amended by 128th General AssemblyFile No.29, HB 48, §1, eff. 7/2/2010.

Effective Date: 03-23-1981.

6119.33 Funds and proceed appropriated from levy.

All funds and proceeds received from the levy of the tax approved as provided in section <u>6119.32</u> of the Revised Code may be appropriated in whole or in part by the board of county commissioners to the regional planning commission, the county planning commission, or to any regional water and sewer district for the purpose of preparing plans for the proper purification, filtration, and distribution of water or proper collection and treatment of sewage.

Effective Date: 10-01-1953.

6119.34 Right of entry.

The regional planning commission, the county planning commission, or any regional water and sewer district undertaking the preparation of plans for the proper purification, filtration, and distribution of water or proper collection and treatment of sewage, or their authorized agents and employees, after proper notice, may enter upon any lands, waters, and premises in the state for the purpose of making or preparing surveys, soundings, drillings, examinations, maps, or other data needed or determined necessary or proper for the preparation of such plans. Such entry is not a trespass, nor is an entry for such purposes an entry under any condemnation proceedings which are then pending. The owner of such lands, waters, or premises shall be reimbursed for any actual damage resulting to such lands, waters, and premises, and to private property located in, on, along, over, or under such lands, waters, and premises, as a result of such activities.

Effective Date: 10-01-1953 .

6119.35 Environmental protection agency to approve or reject plans.

Upon the completion of plans for the proper purification, filtration, and distribution of water or proper collection and treatment of sewerage, the board of county commissioners, the regional planning commission, the county planning commission, or any regional water and sewer district which has prepared such plans shall file a copy thereof with the environmental protection agency, which may approve or reject any provisions thereof. In deciding whether to approve or reject the plan, the agency shall consider, among other factors, the protection of the public health, and compliance with air and water quality standards and regulations and solid waste disposal requirements. If such agency rejects such plans or refers them back for amendment, other or amended plans shall be prepared. If the agency approves such plans, it shall certify a copy of its action and thereafter any district may proceed to carry such plans into effect.

Effective Date: 10-23-1972 .

6119.36 Issuing securities in lieu submitting tax levy to electors.

In lieu of submitting to the electors for approval the question of a tax levy outside the ten-mill limitation and levying that tax following approval, as provided for in sections <u>6119.31</u> and <u>6119.32</u> of the Revised Code, the board of county commissioners may issue securities, as defined in section <u>133.01</u> of the Revised Code, including anticipatory securities, for the purpose of paying the cost of the preparation of the data needed or determined to be necessary or appropriate in order to plan for the proper supply, purification, filtration, and distribution of water, the proper collection, treatment, and disposal of sewage, or the proper collection, control, abatement, or treatment of surface and subsurface drainage, each and all within the limits of the county or a part of the county or beyond the limits of the county but within the same drainage area as is in part within the county, and, if the board determines it to be necessary or appropriate, for the purpose of paying the costs of acquiring real estate or interests in real estate for improvements for one or more of those purposes. The data may include, but are not limited to, plans, specifications, estimates of cost, drillings, maps, soundings, surveys, and tentative assessments against properties that are potentially benefited. The securities shall be in an amount not exceeding the total estimated cost of the preparation of the data and of making any acquisitions of real estate or interests in real estate, together with all other items of cost that are incident to that preparation or those acquisitions and that are described in division (B) of section <u>133.15</u> of the Revised Code.

Prior to the issuance or the first issuance of the securities, the board shall determine that the funds allocated for general operating expenses of the county are insufficient to pay both those operating expenses for the current year and the total estimated cost to be financed under authority of this section.

The securities shall be Chapter 133. securities, and their issuance shall be subject to that chapter, except that the maximum maturity of the securities shall not exceed ten years. The proceeds of securities issued for the purpose of paying costs of the improvements for which the data is prepared or for which any acquisition of real estate or interest in real estate is made may be applied, without reduction of their maximum maturity, to retire anticipatory securities issued pursuant to this section.

All moneys raised by the issuance of securities pursuant to this section shall be applied to the purposes provided for in section 6119.31 of the Revised Code and in this section.

Effective Date: 03-12-2001 .

6119.37 Civil service status of employees.

(A) Any employees of a political subdivision who are in the classified service under Chapter 124. of the Revised Code, and who because of the transfer of a facility of such political subdivision to a regional water and sewer district become the employees of such district, shall, while in the continuous employment of such district, not be reduced in pay or position, suspended, or removed except in accordance with section <u>124.34</u> of the Revised Code.

(B) Division (C) of this section applies to the persons described in that division and to all former employees of a municipal corporation who:

(1) Were employed in the municipal departments responsible for supplying water or for collecting, treating, and disposing of waste water;

(2) Were granted employment rights and protection under the charter of the municipal corporation or provisions adopted pursuant to the charter similar to those granted to employees in the classified state service under Chaper 124. of the Revised Code; and

(3) Lost their employment with the municipal corporation because of the creation or expansion of a regional water and sewer district or because of the transfer of a facility of the municipal corporation to a regional water and sewer district and became employees of the district after the creation, expansion, or transfer.

(C) All persons described in division (B) of this section shall, while employed by the district, be subject to the provisions of Chapter 124. of the Revised Code that govern the appointment, promotion, transfer, reinstatement, lay-off, reduction in pay or position, suspension, removal, and political activity of employees in the classified state service, and for the purposes of these provisions shall be treated as if they were employees in the classified state service. This division also applies to all persons employed by a regional water and sewer district after persons described in divisions (B)(1), (2), and (3) of this section become employees of the district.

(D) As used in this section:

(1) "Regional water and sewer district" includes a district organized under this chapter that has been designated as either a regional water district or a regional sewer district as provided in division (U) of section <u>6119.011</u> of the Revised Code.

(2) "State service" has the same meaning as given in section <u>124.01</u> of the Revised Code.

Effective Date: 10-22-1980 .

6119.38 Auditing by state auditor.

Any regional water and sewer district is subject to audit by the auditor of state, who shall furnish to each political subdivision whose territory is in whole or in part within such district a copy of his audit report.

Effective Date: 07-01-1985.

6119.39 Public employees retirement system members.

A regional water and sewer district is an employer and all employees of such district are public employees within the meaning of section 145.01 of the Revised Code. Such district and its employees are subject to Chapter 145. of the Revised Code.

Effective Date: 11-19-1971 .

6119.40 Exemption from taxes.

The exercise of the powers granted by Chapter 6119. of the Revised Code, will in all respects be for the benefit of the people and for the increase of their prosperity and the improvement of their health and living conditions. The operation and maintenance of public works by the board of trustees of a regional water and sewer district constitute the performance of essential governmental functions. Such district shall not be required to pay any taxes or assessments upon any real or personal property acquired, owned, used, or controlled by it under Chapter 6119. of the Revised Code, or upon the income or gross receipts therefrom, and the bonds and notes issued under such sections and the transfer of income therefrom, including any profit made on the sale thereof, shall at all times be free from taxation within the state.

Effective Date: 09-03-1986 .

6119.41 Power to contract.

The board of trustees of a regional water and sewer district may enter into contracts or other arrangements with the United States government or any department thereof, with persons, firms, or corporations, with public corporations and the state government of this state or other states, with drainage, conservation, conservancy, sewer, park, or other improvement districts in this or other states for co-operation or assistance in planning, constructing, maintaining, using, and operating the works of the district, or in minimizing or preventing damage to its properties, works, and improvements, or for making surveys, investigations, or reports thereon.

Effective Date: 10-01-1953.

6119.42 Levy and collection of special assessments.

Any regional water and sewer district may levy and collect special assessments as provided in Chapter 6119. of the Revised Code. The board of trustees of such district may assess upon abutting, adjacent, contiguous, or other specially benefited lots or lands in the district all or any part of the cost connected with the improvement of any street, alley, or public road or place, or a property or easement of the district by constructing any water resource project or part thereof which the board declares conducive to the public health, safety, convenience, or welfare by any one or more of the following methods:

(A) By a percentage of the tax value of the property assessed;

- (B) In proportion to the benefits which result from the project;
- (C) By the foot front of the property bounding and abutting upon the project.

The proceedings looking to such assessment may include more than one street, alley, or public road or place, or parcel of property or easement of the district.

Effective Date: 11-19-1971 .

6119.43 Purposes of special assessments.

The cost of constructing a water resource project to be paid for directly or indirectly, in whole or in part, by funds derived from special assessments may include but need not be limited to:

(A) The purchase price of real estate or any interest therein when acquired by purchase, or when acquired by appropriation;

- (B) The cost of preliminary and other surveys;
- (C) The cost of preparing plans, specifications, profiles, and estimates;
- (D) The cost of printing, serving, and publishing notices and any legislation required;
- (E) The cost of all special proceedings;
- (F) The cost of labor and material, whether furnished by contract or otherwise;

(G) Interest on bonds or notes issued in anticipation of the levy and collection of the special assessments;

(H) The total amount of damages resulting from the project which are assessed in favor of any owner of lands affected by the project, and interest thereon;

(I) The cost incurred in connection with the preparation, levy, and collection of the special assessments, including legal expenses incurred by reason of the project;

(J) Incidental costs connected with the project.

Effective Date: 11-19-1971 .

6119.44 Description of property to be assessed.

In all proceedings in which lots or lands are to be charged with special assessments to provide funds for the construction of a water resource project, such lots and lands bounding and abutting upon the project may be described as all the lots and lands bounding and abutting upon such project between and including the termini of

the project and those lots and lands which do not so bound and abut may be described by their appropriate lot numbers or by metes and bounds.

Effective Date: 11-19-1971.

6119.45 Payment of assessments by annual installments.

Special assessments for the construction of a water resource project under Chapter 6119. of the Revised Code shall be payable in such number of annual installments, not less than one, and at such times as the board of trustees prescribes.

Effective Date: 11-19-1971.

6119.46 Filing of resolution of necessity for special assessments.

When it is considered necessary to construct a water resource project to be paid for in whole or in part by special assessments levied under Chapter 6119. of the Revised Code, plans, specifications, and profiles of the proposed project showing the anticipated grade of the project after completion with reference to any property abutting thereon, and an estimate of the cost of the project shall be prepared and filed in the office of the secretary of the board of trustees of the regional water and sewer district and shall be open to the inspection of all persons with interests therein. After such plans, specifications, profiles, and estimate of cost of the project have been filed in the office of the secretary, the board may declare the necessity of constructing such project by the passage of a resolution.

Such resolution shall:

(A) State the nature and location of the project and the lots or parcels of land to be assessed for the project;

(B) Approve the plans, specifications, profiles, and estimate of cost of the proposed project on file as provided in this section;

(C) State that the entire cost of the project is to be specially assessed or state what part of the cost is to be paid for by the district and what part is to be specially assessed;

(D) State the method or methods of levying the special assessments in accordance with section <u>6119.42</u> of the Revised Code;

(E) State the mode of payment and the number of annual installments of the special assessments to be levied;

(F) State whether or not bonds shall be issued in anticipation of the collection of the special assessments;

(G) Provide for the preparation of a list of estimated assessments in accordance with the method or methods of assessment set forth in the resolution, showing the amount of the assessment against each lot or parcel of land to be assessed. Such list of estimated assessments shall be filed in the office of the secretary of the board of trustees.

Effective Date: 11-19-1971 .

6119.47 Notice of estimates of special assessments.

Notice of the passage of a resolution of necessity and the filing of the estimated assessments under section <u>6119.46</u> of the Revised Code shall, after the estimated assessments have been prepared and filed as provided by such section, be served by the secretary of the board of trustees of the regional water and sewer district, or a person designated by such secretary, upon the owners of the lots or parcels of land to be assessed for the proposed project, in the same manner as service of summons in civil cases, or by certified mail addressed to such owners at their last known addresses or to the addresses to which tax bills are sent, or by a combination of the foregoing methods. If it appears by the return of service or the return of the certified mail notice that one or more of the owners cannot be found, such owners shall be served by publication of the notice once in at least one newspaper having a general circulation within the district. The notice shall also set forth the place where such

estimated assessments are on file and are open for public inspection. The return of the person serving the notice or a certified copy thereof or a returned receipt for notice forwarded by certified mail accepted by the addressee or anyone purporting to act for him shall be prima-facie evidence of the service of notice under this section.

Effective Date: 11-19-1971 .

6119.48 Objection to special assessments.

The owner of any lot or parcel of land who objects to the assessment against such lot or parcel as set forth in the estimated assessments filed under section 6119.46 of the Revised Code shall file such objection, in writing, with the secretary of the board of trustees of the regional water and sewer district within twenty-eight days from the date of completion of the notice required under section 6119.47 of the Revised Code. Such objection shall include the address for mailing of the notice provided in section 6119.49 of the Revised Code. An owner who fails so to file such an objection shall be deemed to have waived any objection to his assessment.

Effective Date: 11-19-1971 .

6119.49 Assessment equalization board appointment and duties.

In the event that the owner of any lot or parcel of land to be assessed objects to the estimated assessments as provided in section <u>6119.48</u> of the Revised Code, the board of trustees of the regional water and sewer district shall appoint an assessment equalization board consisting of three disinterested persons residing in the district, and shall fix the time and place for the hearing by such board of such objections, and the secretary of the board of trustees shall notify, by certified mail, the persons so objecting of the time and place of such hearing. Such notice shall be mailed at least five days before the date of such hearing. In the event that all lands within the district are to be subject to assessment, the assessment equalization board shall consist of three disinterested persons residing outside the district.

On the day appointed by the board of trustees for that purpose, the assessment equalization board shall meet and take an oath before a proper officer to honestly and impartially discharge its duties. It shall at such meeting, or at any adjournment thereof, hear and determine all objections to the estimated assessments which have been filed under section 6119.48 of the Revised Code, and shall equalize such estimated assessments as it thinks proper to conform to the standard or standards prescribed in the resolution adopted under section 6119.46 of the Revised Code.

If the assessment equalization board determines to increase the estimated assessment against any lot or parcel of land or to assess any lot or parcel of land not included in the estimated assessments, the assessment equalization board shall notify the owner of such lot or parcel by certified mail of such fact and set a time and place for a hearing on such increase or assessment. Such notice shall be mailed at least ten days before the date of such hearing.

After the completion of all hearings provided for in this section, the assessment equalization board shall report to the board of trustees its recommendations, including any changes which should be made in the estimated assessments.

The board of trustees may approve or disapprove the report, including any changes recommended by the assessment equalization board in the estimated assessments.

In the event the board of trustees disapproves the report of the assessment equalization board, it shall appoint a new equalization board and shall fix the time and place for the hearing by such new board of objections to the estimated assessments. Such new board shall have the same powers and duties and shall proceed in the same manner as the original board.

Effective Date: 11-19-1971 .

6119.50 Claims for damages.

An owner of a lot or parcel of land claiming that he will sustain damages by reason of a proposed project, to be paid for in whole or in part by special assessments, shall, within twenty-eight days from the date of completion of the notice required under section <u>6119.47</u> of the Revised Code, file a claim in writing with the secretary of the board of trustees of the regional water and sewer district, setting forth the amount of the damages claimed and a general description of the property with respect to which it is claimed that such damages will accrue. An owner who fails to file such claim shall be deemed to have waived damages and shall be barred from filing a claim or receiving damages. This section applies to all damages which will obviously result from the project, but shall not deprive the owner of his right to recover damages arising, without his fault, from the acts of the district or its agents. If, subsequent to the filing of such claim, the owner sells the property, or any part thereof, the assignee has the same right to damages which the owner would have had without the transfer.

When claims for damages are filed under this section and the board determines in the resolution adopted under section <u>6119.51</u> of the Revised Code that the damages shall be assessed before commencing such project, the board shall, within ten days after the passage of the resolution to proceed with the project under such section, make a written application to the court of common pleas for a jury. If the board determines that the damages shall be assessed after the completion of the project, the board shall make such written application within ten days after the completion of the project. The court shall direct the summoning of a jury in the manner provided by section <u>163.10</u> of the Revised Code, and shall fix the time and place for the inquiry and the assessment of such damages, which inquiry and assessment shall be confined to such claims.

The jury summoned under this section shall be sworn to inquire into and assess the actual damages in each case separately, under such rules and instructions as are given it by the court. When the jury cannot agree, it may be discharged, but the court may receive its verdict as to one or more of the claimants and discharge it with respect to the parties concerning whose claims it cannot agree. In case of the discharge of the jury because of such disagreement, a new jury shall be summoned and the same proceedings shall be had with respect to the claims concerning which there was no verdict.

If the jury summoned under this section finds no damages, the costs of the inquiry shall be taxed against the claimant or claimants and collected on execution. In other cases, the costs shall be paid by the district.

This section does not apply to an application for an injunction or other proceeding to which it may be necessary for such applicant to resort in case of urgent necessity.

Effective Date: 11-19-1971 .

6119.51 Resolution of intent to proceed with special assessment improvement.

The board of trustees of a regional water and sewer district which has adopted a resolution under section 6119.46 of the Revised Code declaring the necessity of constructing a water resource project shall, after the expiration of the time for filing claims for damages under section 6119.50 of the Revised Code, and, in the event that objections to the estimated assessments have been filed under section 6119.48 of the Revised Code, and the report of the assessment equalization board has been approved under section 6119.49 of the Revised Code, determine whether or not it will proceed with the proposed project.

In the event that the board determines to proceed with the construction of a project it shall pass a resolution which shall:

(A) State the intention of the board to proceed with the project in accordance with the resolution of necessity adopted under section 6119.46 of the Revised Code.

(B) Adopt the estimated assessments prepared and filed in accordance with the resolution of necessity passed under section 6119.46 of the Revised Code, or, in the event objections to such estimated assessments have been filed under section 6119.48 of the Revised Code, adopt the estimated assessments approved by the board under section 6119.49 of the Revised Code.

(C) State whether or not claims for damages filed in accordance with section <u>6119.50</u> of the Revised Code shall be judicially inquired into before commencing or after completing the proposed project.

6119.52 Revision and finalization of assessments.

A water resource project authorized under section 6119.51 of the Revised Code shall be constructed in accordance with section 6119.10 of the Revised Code and, after the actual cost of such project has been ascertained, the board of trustees of the regional water and sewer district shall by resolution assess, in the manner provided in the resolution of necessity adopted under section 6119.46 of the Revised Code, upon the lots and lands enumerated in the estimated assessments adopted under section 6119.51 of the Revised Code, the total cost of the project or such lesser portion thereof as is to be specially assessed and such assessment as to each lot or parcel of land shall be increased or decreased in the same proportion to the estimated assessment on each such lot or parcel of land as the actual cost of the project bears to the estimated cost of the project upon which the estimated assessment was based. All such assessments shall be payable as provided in the resolution of necessity adopted under section 6119.46 of the resolution of the resolution provided for in this section.

Assessments made under this section shall be filed with the secretary of the board of trustees of the regional water and sewer district and shall be open to public inspection.

Upon the passage of such resolution levying special assessments, the board shall publish notice of the passage of such resolution once in at least one newspaper having a general circulation in the district, stating that such assessment has been made and is on file in the office of the secretary for the inspection and examination of persons interested therein.

Such special assessments are payable by the time and in the manner stipulated in such resolution, except that any such assessment in the amount of twenty-five dollars or less, or any unpaid balance or any such assessment which is twenty-five dollars or less, shall be paid in full, and not in installments, at the time the first or next installment would otherwise become due and payable, and are a lien from the date of the passage of such resolution upon the respective lots or parcels of land assessed.

Effective Date: 11-19-1971.

6119.53 Penalty and interest.

When special assessments levied but uncollected by a district pursuant to Chapter 6119. of the Revised Code are pledged to the repayment of water resource revenue bonds or notes issued by the district, the interest accrued or to accure before the first installment of such assessments shall be collected on such bonds or notes and shall be treated as part of the cost of the project for which such assessments are made. The assessments levied and collected or to be collected in installments which are pledged to the repayment of water resource revenue bonds and notes shall bear interest at the same rate and for the same period as such bonds or notes. When the contribution of a regional water and sewer district, under an agreement between the district and the Ohio water development authority provided for in section 6121.13 of the Revised Code for the construction of a project for which the district can levy assessments as provided in Chapter 6119. of the Revised Code is to be made over a period of time from the proceeds of the collection or assessments, the interest accrued and to accrue before the first installment of such assessment shall be collected that is payable by such district on such contribution under such agreement shall be treated as part of the cost of the project for which such assessments are made, and that portion of such assessments as is collected in installments shall bear interest at the same rate that the district is obligated to pay on its contribution under such agreement and for the same period of time as the contribution is to be made under such agreement. If the assessments or any installment thereof are not paid when due, they shall bear interest until the payment thereof at the same rate as such contribution or as the bonds or notes issued in anticipation thereof, and the county auditor shall annually place upon the tax list and duplicate the penalty and interest as provided in Chapter 6119. of the Revised Code.

Effective Date: 11-19-1971 .

6119.54 Collection of special assessments.

When any special assessment is levied under sections <u>6119.52</u> and <u>6119.58</u> of the Revised Code, and water resource revenue bonds or notes of the regional water and sewer district are issued pledging the same, the secretary of the board of trustees of the district shall on or before the second Monday in September of each year, certify such assessment to the county auditor, stating the amounts and the time of payment. The auditor shall place the assessment upon the tax list and duplicate in accordance therewith. The county treasurer shall collect the assessment in the same manner and at the time as other taxes are collected, and shall pay the amounts collected, together with interest and penalty, to the secretary, to be applied by him to the payment of such bonds or notes and interest thereon, and for no other purpose.

For the purpose of enforcing such collection, the county treasurer shall have the same power and authority as allowed by law for the collection of state and county taxes. Each installment of such assessments remaining unpaid after becoming due and collectible shall be delinquent and bear the same penalty and interest as delinquent taxes. The authorized legal representative of any such district may act as attorney for the county treasurer in actions brought for the enforcement of the lien of such delinquent assessments.

When a special assessment is made on real estate subject to a life estate, the assessment shall be payable by the tenant for life, but upon application by the life tenant to a court of competent jurisdiction, by action against the owner of the estate in fee, such court may apportion the cost of the assessment between the life tenant and the owner in fee in proportion to the relative value of the improvement to their estates, respectively, to be ascertained and determined by the court on principles of equity.

In placing any assessment on the tax list and duplicate the county auditor shall add to each assessment such per cent as he deems necessary to defray the expense of collecting it.

Effective Date: 09-21-1982.

6119.55 Proceedings for recovery of assessment.

If the payment of a special assessment which has not been certified to the county auditor for collection is not made by the time stipulated in the resolution providing therefor, the amount assessed, with interest, and a forfeiture of ten per cent thereon, may be recovered by suit before a court of competent jurisdiction, in the name of the regional water and sewer district, to enforce the lien against the lots and lands charged with such assessment.

Proceedings for the recovery of the assessment may be instituted by the district to enforce the lien against all the lots or lands, or any of them embraced in any one assessment, but the judgment or decree shall be rendered severally or separately for the amount assessed. Any proceeding may be severed, in the discretion of the court, for the purpose of trial, review, or appeal when an appeal is allowed.

In proceedings to enforce the lien, when the owner of any lot or land assessed is a nonresident of this state, or is unknown, notice shall be given by publication in the manner prescribed by law in similar cases.

If, in any action for the recovery of a special assessment, it appears that by reason of any technical irregularity or defect, whether in the proceedings of the board of trustees or of any officer of the district, or in the plans or estimates, or otherwise, the assessment has not been properly made upon any lot or parcel of land sought to be charged, the court may nevertheless, on satisfactory proof that expense has been incurred which is a proper charge against such lot or parcel of land in question, render judgment for the amount properly charged against it. The court shall make such order for the payment of the costs as is equitable and proper.

The board of trustees may order the secretary of such board, or any other proper officer of the district, to certify any unpaid assessment levied under sections <u>6119.52</u> and <u>6119.58</u> of the Revised Code to the county auditor, and the amount so certified shall be placed upon the tax list and duplicate by the auditor, and shall, with a ten per cent penalty to cover interest and cost of collection, be collected with and in the same manner as state and county taxes and credited to the district. Such ten per cent penalty shall in no case be added unless at least thirty days have intervened between the date of the passage of the resolution making the levy and the time of certifying it to the auditor for collection.

6119.56 Lien of assessment or any installment.

The lien of an assessment or any installment thereof shall continue for two years from date of passage of the resolution under section <u>6119.52</u> or <u>6119.58</u> of the Revised Code, and no longer, unless the regional water and sewer district, before the expiration of such time, causes it to be certified to the county auditor for entry upon the tax list and duplicate, for collection, or causes the proper action to be commenced in a court having jurisdiction thereof, to enforce the lien against such lots or lands, in which case the lien shall continue in force so long as the assessment or any installment thereof remains on the tax list uncollected, or so long as the action is pending, and any judgment obtained under and by virtue thereof remains in force and unsatisfied.

If an action for the recovery of an assessment is commenced within due time, and a judgment therein for the plaintiff is reversed, or if the plaintiff fails in such action otherwise than upon the merits and the time limited for the action has expired, a new action may be commenced within one year after such reversal or failure.

A court of common pleas shall have the jurisdiction authorized by Chapter 6119. of the Revised Code for the collection of any charge or debt or the enforcement of any lien, notwithstanding the amount involved is less than that to which the jurisdiction is limited in other cases. Such court may make such special rules concerning the class of cases authorized to be brought under such chapter as will tend to expedite the disposition and prevent unnecessary costs.

Effective Date: 11-19-1971.

6119.57 Additional assessment to supply deficiencies.

If an assessment proves insufficient to pay the cost of a water resource project, the board of trustees of a regional water and sewer district may levy an additional assessment to supply the deficiency. Such additional assessment shall be levied against the same properties as were assessed for the cost of the project and shall be assessed among such properties in the same proportion as the assessment for the cost of the project was levied. In case a larger amount from an assessment than is necessary to pay the cost of the project or to retire the bonds or notes issued in anticipation thereof, the amount of such assessments collected in excess of that necessary to pay such cost or retire such bonds or notes shall be returned to the persons from whom it was collected in proportion to the amounts collected from each such person respectively.

When it appears to the board that a special assessment is invalid by reason of informality or irregularity in the proceedings, or when an assessment is adjudged to be illegal by a court of competent jurisdiction, the board may order a reassessment whether the project has been made or not.

Proceedings upon a reassessment, and for the collection thereof, shall be conducted in the same manner as is provided for the original assessment.

Proceedings with respect to projects to be paid for in whole or in part by special assessments shall be liberally construed by the board and by the courts in order to secure a speedy completion of the work at reasonable cost, and the speedy collection of the assessment after the time has elapsed for its payment. Merely formal objections shall be disregarded, but the proceedings shall be strictly construed in favor of the owner of the property assessed or injured as to any limitation on assessment of private property and compensation for damages sustained.

With respect to any assessment upon the abutting, adjacent, and contiguous, or other specially benefited lots or lands in a regional water and sewer district for any part of the cost connected with a project, the passage by the board of a resolution levying such assessment shall be construed a declaration by such board that the project for which it is levied is conducive to the public health, convenience, and welfare. No assessment shall be held invalid by any court because of the omission of the board to declare expressly in the proceedings and legislation for such project and assessment that the project is conducive to the public health, safety, convenience, or welfare.

Effective Date: 11-19-1971.

6119.58 Assessments for preparation of plans, specifications, estimates of cost, tentative assessments, and plan of financing.

In order to obtain funds for the preparation of plans, specifications, estimates of cost, tentative assessments, and a plan of financing for any water resource project or part thereof, the board of trustees of a regional water and sewer district may levy upon the property in such district to be benefited by such project assessments apportioned in accordance with one or more of the methods set forth in section <u>6119.42</u> of the Revised Code. The aggregate of such assessments shall not exceed the amount determined by the board of trustees to be necessary for such purpose, including costs of financing, legal services, and other incidental costs, and shall be payable in such number of annual installments, not less than one, as the board of trustees prescribes, together with interest on any water resource revenue notes and bonds which may be issued in anticipation of the collection of such assessments.

If the board of trustees proposes to obtain funds in accordance with this section, it shall determine by resolution that it is necessary to construct the water resource project and to maintain and operate the same on behalf of the district.

Prior to the adoption of the resolution making such determination, the board of trustees shall give notice of the pendency thereof and of the proposed determination of the necessity of the construction of such project therein generally described, and such notice shall set forth a description of the properties to be benefited by such project and the time and place of a hearing of objections to, and endorsements of, such project. Such notice shall be given by publication in one newspaper of general circulation in the district once a week for two consecutive weeks or as provided in section <u>7.16</u> of the Revised Code, the first publication to be at least two weeks prior to the date set for the hearing, provided that the board of trustees may give, or cause to be given, such alternative or further notice of such hearing as it finds to be necessary or appropriate. At such hearing, or at any adjournment thereof, of which no further notice need be given, the board of trustees shall hear all owners whose properties are proposed to be assessed and such other evidence as is considered to be necessary, and may then adopt its resolution determining that the proposed project is necessary and should be undertaken by the district. In such resolution, the board of trustees shall direct the preparation of the estimated assessments upon the benefited properties and by whom they shall be prepared.

After such assessments have been prepared and filed in the office of the secretary of the board of trustees and prior to the adoption of the resolution levying such assessments, the board of trustees shall give notice of the pendency of such resolution and of the proposed determination to levy such assessments, and such notice shall set forth the time and place of a hearing of objections to such assessments. Such notice shall be given by publication once in one newspaper of general circulation in the district, such publication to be made at least ten days prior to the date set for the hearing, provided that the board of trustees may give or cause to be given, such alternative of further notice of such hearing as it finds to be necessary or appropriate. At such hearing, or at any adjournment thereof, of which no further notice need be given, the board of trustees shall hear all persons whose properties are proposed to be assessed, shall correct any errors and make any revisions in the estimated assessments that appear to be necessary or just, and may then adopt a resolution levying upon the properties determined to be benefited the assessments as originally prepared or as so corrected and revised.

The board of trustees shall have the power at any time to levy additional assessments upon such properties to complete the payment of the costs for which the original assessments were levied or to provide funds for any additional plans, specifications, estimates of cost, tentative assessments, and other incidental costs, provided that the board shall first have held a hearing on objections to such additional assessments in the same manner as required by this section with respect to such original assessments. Such additional assessments shall be payable in such number of annual installments, not less than one, as the board of trustees prescribes, together with interest on any water resource revenue notes and bonds which may be issued in anticipation of the collection of such assessments.

The board of trustees may authorize contracts to carry out the purposes for which such assessments have been levied without the prior issuance of water resource revenue notes and bonds, provided that the payments to be made by the district do not fall due prior to the times when such assessments shall be collected.

Amended by 129th General AssemblyFile No.28, HB 153, §101.01, eff. 9/29/2011.

Effective Date: 11-19-1971 .

6119.60 Polices for use of credit card accounts.

(A) Not later than three months after the effective date of this section, a board of trustees of a regional water and sewer district that holds a credit card account on the effective date of this section shall adopt a written policy for the use of credit card accounts. Otherwise, aboard shall adopt a written policy before first holding a credit card account.

The policy shall include provisions addressing all of the following:

(1) The officers or positions authorized to use credit card accounts;

(2) The types of expenses for which a credit card account may be used;

(3) The procedure for acquisition, use, and management of a credit card account and presentation instruments related to the account including cards and checks;

(4) The procedure for submitting itemized receipts to the fiscal officer or the fiscal officer's designee;

(5) The procedure for credit card issuance, credit card reissuance, credit card cancellation, and the process for reporting lost or stolen credit cards;

(6) The district's credit card account's maximum credit limit or limits;

(7) The actions or omissions by an officer or employee that qualify as misuse of a credit card account.

(B) The name of the regional water and sewer district shall appear on each presentation instrument related to the account including cards and checks.

(C) If the fiscal officer of the district does not retain general possession and control of the credit card account and presentation instruments related to the account including cards and checks, the board shall appoint a compliance officer to perform the duties enumerated under division (D) of this section. The compliance officer may not use a credit card account and may not authorize an officer or employee to use a credit card account. The fiscal officer is not eligible for appointment as compliance officer.

(D) The compliance officer, if applicable, and the board at least quarterly shall review the number of cards and accounts issued, the number of active cards and accounts issued, the cards' and accounts' expiration dates, and the cards' and accounts' credit limits.

(E) If the fiscal officer retains general possession and control of the credit card account and presentation instruments related to the account including cards and checks, and the board authorizes an officer or employee to use a credit card, the fiscal officer may use a system to sign out credit cards to the authorized users. The officer or employee is liable in person and upon any official bond the officer or employee has given to the district to reimburse the district treasury the amount for which the officer or employee does not provide itemized receipts in accordance with the policy described in division (A) of this section.

(F) The use of a credit card account for expenses beyond those authorized by the board constitutes misuse of a credit card account. An officer or employee of a regional water and sewer district or a public servant as defined under section <u>2921.01</u> of the Revised Code who knowingly misuses a credit card account held by the board violates section <u>2913.21</u> of the Revised Code.

(G) The fiscal officer or the fiscal officer's designee annually shall file a report with the board detailing all rewards received based on the use of the regional water and sewer district's credit card account.

(H) As used in this section, "credit card account" means any bank-issued credit card account, store-issued credit card account, financial institution-issued credit card account, financial depository-issued credit card account,

affinity credit card account, or any other card account allowing the holder to purchase goods or services on credit or to transact with the account, and any debit or gift card account related to the receipt of grant moneys. "Credit card account" does not include a procurement card account, gasoline or telephone credit card account, or any other card account where merchant category codes are in place as a system of control for use of the card account.

Added by 132nd General Assembly File No. TBD, HB 312, §1, eff. 11/2/2018.