

LEGISLATIVE BILL 746

Approved by the Governor March 18, 1992

Introduced by Urban Affairs Committee:

Hartnett, 45, Chairperson; R. Johnson, 34;
Labeledz, 5; Rasmussen, 20; Schimek, 27;
Smith, 33; Will, 8

AN ACT relating to metropolitan utilities districts; to amend sections 10-126, 14-542, 14-554, 14-814, 14-815, 14-1001 to 14-1013, 14-1015 to 14-1019, 14-1021 to 14-1024, 14-1026 to 14-1030, 14-1032, 14-1034 to 14-1036, 14-1038, 14-1039, 14-1041, 14-1042, 14-1101 to 14-1102.01, 14-1103.01 to 14-1105, 14-1108 to 14-1117, 18-401, 18-403, 18-404, 18-405, 18-406, 18-408, 18-409, 18-410, 71-6316, 77-2342, 77-2344, and 77-2349, Reissue Revised Statutes of Nebraska, 1943, and sections 32-1401, 32-1402, and 32-1406, Revised Statutes Supplement, 1990; to change, transfer, and eliminate provisions relating to public utilities; to change a penalty provision; to provide a duty for the Revisor of Statutes; to eliminate provisions relating to water boards, private water plants, and gas plants; to harmonize provisions; to repeal the original sections, and also sections 14-901 to 14-918, 14-1031, 14-1037, 14-1040, and 14-1103, Reissue Revised Statutes of Nebraska, 1943; and to declare an emergency.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 14-1001, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1001.~~ Whenever in this state a city of the metropolitan class and one or more adjacent municipalities, sanitary and improvement districts, or unincorporated areas or preeincts, or both, are served in whole or in part by a common waterworks public utilities system, owned and controlled by the metropolitan city a single corporate public entity as provided for in sections 1 to 57 of this act, then the territory within the limits of the metropolitan city of the metropolitan class and said one or more such adjacent municipalities, or preeincts, or both sanitary

and improvement districts, or unincorporated areas, including any precinct sanitary and improvement district or unincorporated area without the metropolitan city of the metropolitan class or adjacent municipalities that may be now or hereafter served in whole or in part by the common waterworks public utilities system, shall form and constitute a water public utilities district, except as hereinafter provided in this section, to be known as the Metropolitan Water Utilities District of (inserting the name of the metropolitan city of the metropolitan class). The members of the water board of the metropolitan city shall become the board of directors of the metropolitan water district. Each of the members shall serve out the term for which he was elected as member of the water board. A municipality, not of the metropolitan class, now actually operating a general waterworks system of its own, shall not be included in the water utilities district so long as it continues to operate its own water plant. No precinct sanitary and improvement district or unincorporated area without the adjacent municipalities shall become a part of the water utilities district except upon formal approval and proclamation by the board of directors.

Sec. 2. That section 14-1003, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1003- In each metropolitan water utilities district service area, there shall be a board of directors consisting of seven members, two of whom shall be chosen at large by the electors registered voters within said the district at the time of the primary and general state election held in the even-numbered years, except that, at the primary and general election held in 1978 and every six years thereafter, three members, one of whom shall be known as the outside member, shall be elected at large by the electors registered voters within the district. The outside member shall be a registered voter residing within the district but outside the corporate limits of the city of the metropolitan class for which the district was created. The election commissioner shall accept the application for nomination for the outside member in the same manner as those filing for the other six members, except that the names of those filing for nomination as the outside member shall be placed upon the ballot under the title Outside Member, Vote for One.

Nomination and election of all directors shall be by nonpartisan ballot. Accompanying the application

for nomination shall be a receipt for twenty-five dollars from the county treasurer of the county in which the candidate resides. Qualified electors Registered voters within the boundaries of the district shall be qualified electors registered voters of such district and shall be eligible for the office of director subject to the special qualification of residence for the outside member. Members of the board shall hold office for a period of six years from the first Tuesday after the first Monday in January following their election and until their successors shall be are elected and qualified.

It shall be the duty of the election commissioner of the county in which the metropolitan city of the metropolitan class is located to refuse to accept the filing, by petition, of any candidate for a member of said the board of directors before a primary election and to so refuse after a primary election, unless there be is a vacancy on the ballot as defined by section 32-537 and all other conditions of section 32-537, such section are met and complied with by said the petition candidate.

Sec. 3. That section 14-1004, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1004. Whenever a metropolitan water district, or metropolitan utilities district, shall be is extended to include precincts sanitary and improvement districts, unincorporated area, towns, or villages, or territory lying outside the corporate limits of metropolitan cities, of the metropolitan class or so extended as to include precincts sanitary and improvement districts, unincorporated area, towns, or villages in an adjoining county or counties, then such precincts sanitary and improvement districts, unincorporated area, towns, or villages shall have a right to participate in the nomination and in the election of members of the board of directors of the metropolitan water districts, or metropolitan utilities districts district. The clerks of the respective counties shall, within seven days after the election, transmit, by mail or otherwise, to the election commissioner of the county in which the metropolitan city of the metropolitan class is located, a copy of the abstract of the votes cast for members of the board of directors. Said The election commissioner shall in due course deliver to the candidate receiving the highest number of votes a certificate of election as a member of the board of directors. Any and all filings for said

such office must shall be made with said the election commissioner notwithstanding that the person wishing to file lives in a county adjoining the one in which the metropolitan city of the metropolitan class is located.

Sec. 4. That section 14-1005, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1005.~~ (1) Any vacancy occurring in the board of directors shall be filled for the unexpired term by the remaining members thereof within thirty days after the vacancy occurs. It is the intent and purpose, ~~but not the inducement, of sections 14-1001 to 14-1032~~ to render the board of directors nonpartisan in character.

(2) Before entering upon their offices, members of the board of directors shall give bond for the faithful performance of their duties in the amount of five thousand dollars each. Before the day fixed for assuming the duties of office, the bond shall be filed with the secretary of the metropolitan water utilities district and be approved by the board of directors or by a judge of the district court of the judicial district which includes the city of the metropolitan class.

(3) The chairperson of the board of directors of a metropolitan water district or a metropolitan utilities district shall be paid, as compensation for his or her services, not to exceed the sum of nine hundred dollars per month. Each of the other members of the board of directors shall be paid, as compensation for his or her services, not to exceed the sum of eight hundred dollars per month. Any adjustments in compensation shall be made only at regular meetings of the board of directors, and the salaries of the chairperson and other members of such board shall not be increased more often than once in any calendar year.

(4) The chairperson and other members of such board of directors shall also be reimbursed for actual and necessary expenses incurred in the performance of their official duties.

Sec. 5. That section 14-1006, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1006.~~ Regular meetings of the board of directors shall be held on the first Wednesday of each calendar month at such hour as the board may designate, and at such other stated times as shall be fixed in the bylaws. Special meetings of the board may be held at any time at the call of the chairman, chairperson or at the request of any two members filed in writing with the

secretary. All meetings of the board, or any of its committees, or committees of its employees, shall be public.

Sec. 6. That section 14-1007, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1007-~~ Upon organization ~~said~~ such board of directors shall elect one of its members chairman, chairperson and one vice-chairman vice-chairperson, both of whom shall serve for one year, and shall appoint a secretary as provided in section ~~14-1101-01~~ 9 of this act. The board shall make such rules governing its procedure and adopt such bylaws governing its business as it may deem proper. A majority of the board shall constitute a quorum for the transaction of business, but a smaller number may adjourn from time to time until a quorum is secured.

Sec. 7. That section 14-1012, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1012-~~ The board of directors of the water metropolitan utilities district or any committee of the members of the board shall have power to compel the attendance of witnesses for investigation of any matters that may come before the board, and the presiding officer of the board, or the chairman chairperson of the committee for the time being, may administer the requisite oaths, and the board or committee thereof shall have the same authority to compel the giving of testimony as is conferred on courts of justice.

Sec. 8. That section 14-1018, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1018-~~ It shall be unlawful for any member of the board of directors or any employee thereof to have any pecuniary interest, either directly or indirectly, in any contract in connection with the construction or maintenance of water plant ~~of said metropolitan water or natural gas utilities of such metropolitan utilities~~ district, or be in any way connected with the furnishing of supplies required by the district.

Sec. 9. That section 14-1101.01, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1101-01-~~ The board of directors of a metropolitan utilities district shall at its first regular meeting appoint a general manager who shall (1) act as secretary of such board, (2) have general

supervision of the management, construction, operation, and maintenance of the utility plants and property under the jurisdiction of or owned by said such metropolitan utilities district, subject to the direction of the board, (3) hold office at the pleasure of the board, (4) possess business training, executive experience, and knowledge of the development and operation of public utilities, (5) give bond for the faithful performance of his or her duties in the sum of not less than ten thousand dollars to be filed with and approved by the board of directors, (6) receive such compensation as the board may determine, and (7) devote his exclusive time to the duties of his office, which compensation shall not be decreased during the incumbency of any appointee, and (7) devote his or her exclusive time to the duties of the office. The board of directors may employ or authorize the employment of such other employees and assistants as may be deemed necessary for the operation and maintenance of the utility plants under its jurisdiction and of the conduct of the affairs of the board, and provide for their compensation. The compensation of the general manager and such employees shall be paid by warrants drawn upon the funds under control of the board. In no event shall the compensation, as a salary or otherwise, of any employee or officer exceed ten thousand dollars per annum unless approved by a vote of two-thirds or more of the members of the board of directors. The record of such vote of approval, together with the names of the directors so voting, shall be made a part of the permanent records of the board.

Sec. 10. That section 14-1021, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1021.~~ No regular appointee or employee of the water metropolitan utilities district, ~~excepting~~ except the general manager, who shall have has been in its service consecutively for more than one year and whose name shall have has been placed, by a unanimous vote of said ~~the~~ full board of directors, upon the permanent employees list ~~{which list shall be provided for in the rules adopted by said the board}~~ shall be subject to removal except upon a two-thirds vote of the full board and then only for cause, the same to which shall be stated in writing and filed with the secretary of the board at least ten days prior to a hearing preceding such removal. ~~PROVIDED,~~ that undue activity or participation in municipal politics shall be deemed a just cause for removal in the discretion of the board.

It is the intent and purpose of this section to remove said board of directors and the employees of said water district from the influence of partisan politics.

Sec. 11. That section 14-1022, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1022-~~ (1) The board of directors of any metropolitan water or metropolitan utilities district may also provide benefits for, insurance of, and annuities for the present and future employees and appointees of the district covering accident, disease, death, total and permanent disability, and retirement, all or any of them, under such terms and conditions as the board may deem proper and expedient from time to time. Any retirement plan adopted by the board of directors shall be upon some contributory basis requiring contributions by both the district and the employee or appointee, except that the district may pay the entire cost of the fund necessary to cover service rendered prior to the adoption of any new retirement plan. Any retirement plan shall take into consideration the benefits provided for employees and appointees of metropolitan utilities districts under the Social Security Act, and any benefits provided under a contributory retirement plan shall be supplemental to the benefits provided under the Social Security Act as defined in section 68-602 if the employees entitled to vote in a referendum vote in favor of old age and survivors' insurance coverage. To effectuate any plan adopted pursuant to this authority, the board of directors of the district is empowered to establish and maintain reserves and funds, provide for insurance premiums and costs, and make such delegation as may be necessary to carry into execution the general powers granted by this section. Payments made to employees and appointees, under the authority in this section, shall be exempt from attachment or other legal process and shall not be assignable.

(2) Any retirement plan adopted by the board of directors of any metropolitan water or metropolitan utilities district may allow such districts the district to pick up the employee contribution required by this section for all compensation paid on or after January 1, 1986, and the contributions so picked up shall be treated as employer contributions in determining federal tax treatment under the United States Internal Revenue Code, except that the employer shall continue to withhold federal income taxes based upon such contributions until the Internal Revenue Service, or the

federal courts, rule that, pursuant to section 414(h) of the United States Internal Revenue Code, such contributions shall not be included as gross income of the employee until such time as they are distributed or made available. The employer shall pay the employee contributions from the same source of funds which is used in paying earnings to the employees. The employer shall pick up the contributions by a salary deduction either through a reduction in the cash salary of the employee or a combination of a reduction in salary and offset against a future salary increase. Employee contributions picked up shall be treated in the same manner and to the same extent as employee contributions made prior to the date picked up.

Sec. 12. That section 14-1002, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1002.~~ A metropolitan water utilities district shall be a body corporate and possess all the usual powers of a corporation for public purposes; and in its name may sue and be sued; and purchase, hold, and sell personal property and real estate. It shall have the sole management and control of its assets, including all water utility rents, revenue, and income authorized by law, all waterworks utility property, real and personal, now or hereafter owned by said the metropolitan city or any municipality constituting a part of said district, utilities district or which may become a part of said the common waterworks utilities system, within or without said district. It may exercise any and all the powers that are now or may be granted to cities and villages by the general statutes of this state for the construction or extension of waterworks utilities. A metropolitan water district may also produce and sell ice.

Sec. 13. That section 14-1008, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1008.~~ The board of directors of the metropolitan water utilities district shall have general charge, supervision, and control of all matters pertaining to the natural gas supply and the water supply of the district for domestic, mechanical, public, and fire purposes. This shall include the general charge, supervision, and control of the design, construction, operation, maintenance, and extension or improvement of the necessary plant to supply natural gas to develop power, and to pump water. It shall have the authority to enter upon and utilize streets, alleys,

and public grounds therefor upon due notice to the proper authorities controlling same, subject to the provisions of sections 39-1361 and 39-1362, except that ~~7 PROVIDED,~~ while any permit hereafter granted by the Department of Roads under such provisions shall not be construed to be a contract as referred to within the provisions of section 39-1304.02, said such parties may separately contract in relation to relocation of facilities and reimbursement therefor. The board shall also have the power to appropriate private property required by the district and water plant for natural gas and water service, to purchase and contract for necessary materials, labor, and supplies, and to supply water and natural gas without the district upon such terms and conditions as it may deem proper. The authority and power herein conferred in this section upon the board of directors shall extend as far beyond the corporate limits of the metropolitan water utilities district as the board may deem necessary.

Sec. 14. That section 14-1015, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1015-~~ The board of directors of the metropolitan water utilities district shall have power and authority to determine and fix all water and natural gas rates, and to determine what shall be a reasonable water rate for any particular service, the conditions and methods of water service, and the collection of all charges for water service or the sale of water; ~~PROVIDED, all~~ or natural gas. All payments on account of water service or natural gas service or the sale of water or natural gas and all other receipts of the metropolitan water utilities district from whatever source shall be paid over daily to the county treasurer of the county in which said metropolitan the city of the metropolitan class is shall be located. The board of directors shall also have authority to make such rules and regulations for the conduct of the water plant utilities controlled and operated by the metropolitan water utilities district, and the use and measurement of water or natural gas supplied by the district therefrom as it may deem proper, including the authority to cut off any natural gas or water service for nonpayment, or for nonmaintenance of the pipes and plumbing connected with the supply main, or for noncompliance on the part of any natural gas or water user with the rules and regulations adopted by the board for the conduct of its business and affairs. The board may authorize its employees to require payments, in addition to the

regular rates charged for water or natural gas, before turning on any service that has been turned off because of such nonpayment or noncompliance with the provisions of this section, and the rules and regulations adopted by the board.

Sec. 15. That section 14-1102, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1102. The metropolitan utilities district shall, as a separate and independent entity, become the successor of the metropolitan water district and shall succeed to the property and powers and assume the obligations of said district. It (1) A metropolitan utilities district shall operate and account for each of its several utilities separately, and, as to each separate utility, shall possess all powers granted on behalf of that utility or on behalf of any other utility being operated by such district, or granted generally to such district, and all such powers are hereby declared to be cumulative, though separate, as to each utility, except ; PROVIDED, HOWEVER, that limitations or restrictions which by their nature or intent are applicable only to a utility of one type shall not apply to other different utilities. The financial obligations of each utility shall be separate and independent from the financial obligations of any other utility.

(2) A metropolitan utilities district shall keep all funds, accounts, and obligations relating to any one utility under its management separate and independent from the funds and accounts of each other utility under its management. The cost of any consolidated operation shall be allocated to the various utilities upon some reasonable basis determined by its board of directors, except that for purposes of this section, the collection of sewer use fees for cities of the metropolitan class shall not be considered as a utility. The district shall have separate power to provide for the cost of operation, maintenance, depreciation, extension, construction, and improvement of any utility under its management, applying thereto standard accounting principles.

Sec. 16. That section 14-1103.02, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1103-02. In addition to any other rights and powers conferred upon metropolitan water districts and metropolitan utilities districts under the provisions of Chapter 14, articles 10 and 11 sections 1 to 57 of this act, such districts shall have and may

exercise the power of eminent domain for the purpose of erecting, constructing, locating, maintaining, or supplying such waterworks, gas works, or mains; or the extension of any system of waterworks, water supply, gas works, or gas supply, and any such district may go beyond its territorial limits and may take, hold, or acquire rights, property, and real estate, or either or any of the same, by purchase or otherwise. Such a district may for such purposes take, hold, and condemn any and all necessary property. Any such district shall have the power to condemn or to exercise the power of eminent domain to acquire parts of an existing utility's facilities only when such facilities are within, annexed to, or otherwise consolidated within the corporate boundary limits of a city of the metropolitan class. The procedure to condemn property shall be exercised in the manner set forth in sections 76-704 to 76-724.

Sec. 17. No metropolitan utilities district may extend or enlarge its service area unless it is economically feasible to do so. In determining whether or not to extend or enlarge its service area, the district shall take into account the cost of such extension or enlargement to its existing ratepayers.

All books, records, vouchers, papers, contracts, or other data indicating the economic feasibility of such extension or enlargement shall be filed with the secretary of the board of directors of the district and shall be open to public inspection.

Sec. 18. That section 14-1010, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1010-~~ After entering the streets, alleys, or public grounds of the district in connection with the operation, construction, and maintenance of the water plant utility facilities, as herein authorized, it shall be the duty of the water metropolitan utilities district and the board of directors, upon the completion of any such work, to resurface and repave the streets, alleys, or public grounds; and leave the streets, alleys, or public grounds in the same condition as they were before the same were utilized by the water district and the board of directors for such purpose.

Sec. 19. That section 14-1011, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1011-~~ In case any portion of the metropolitan water utilities district shall be is supplied with natural gas or water for domestic, mechanical, public, or fire purposes by any individual,

copartnership, or corporation, then the board shall have the power and authority to fix water rates, and regulate the conditions of water service, and the conduct of the water plant utility affording such supply.

Sec. 20. That section 14-1009, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1009.~~ No franchise or permit for the use of streets, alleys, or other public property within the metropolitan water utilities district for the laying of pipes in connection with a water plant or natural gas utility designed for public or private service, shall be granted except by the board of directors, and but no such franchise or permit shall be valid until approved by a majority vote of the electors registered voters of the metropolitan water utilities district at a regular election, or a special election called for such purpose, and of which due notice is given as herein provided in the case of the submission of a proposal to vote water bonds. If, PROVIDED, if the board of directors shall refuse refuses upon request to grant and submit to a vote of the electors registered voters of the district such a franchise or permit, as herein referred to, then upon the filing of a petition with the board of ten percent or more of the electors registered voters of the district, requesting that the same shall franchise or permit be submitted, it shall be the duty of the board to submit such proposition at a general election or a special election held for that purpose within sixty days of the date of filing the petition, and if a majority of the votes cast upon such proposition shall be are in favor of granting such franchise or permit, the same franchise or permit shall be deemed to be granted.

Sec. 21. That section 14-1016, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1016.~~ The board of directors shall have authority to receive bids for all work which it may desire to have done by contract or for material and supplies to be used in connection with such work, which bids shall be received after reasonable advertisement therefor, and when opened shall be read in public session. The, and the board of directors may award contracts based upon said the bids to the lowest responsible bidders, except that, PROVIDED, HOWEVER, the board of directors may, for such reasons as appear to it good and substantial, reject all bids. The board of directors shall have power and authority to do all of said such work and to purchase materials and supplies

without advertising for bids, and without entering into contract with any other persons or companies in relation thereto.

Sec. 22. That section 14-1103.01, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1103-01-~~ In addition to any other rights and powers conferred upon metropolitan water districts and metropolitan utilities districts under the provisions of Chapter 14, articles 10 and 11, sections 1 to 57 of this act and Chapter 18, article 4, for the purpose of extending gas mains and service pipes, such districts shall have the power and authority to extend or enlarge gas mains and service pipes whenever it is deemed proper and economically feasible to do so, in such nondiscriminatory manner as may be determined from time to time by the board of directors of such districts.

Sec. 23. That section 14-1038, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1038-~~ Sections 14-1037 to 14-1041 shall apply wherever a metropolitan city has a proceeding now pending or hereafter instituted to acquire a gas plant, either by condemnation, purchase or construction, and said metropolitan water district shall have supreme and paramount authority respecting the possession, operation and construction of such gas plant. The board of directors of said a metropolitan water utilities district is hereby empowered to (1) adopt all necessary rules and regulations for the operation and conducting of the business and affairs of such gas plant its natural gas and water utilities for the purpose of supplying gas for heat and power purposes for public and private use in said metropolitan city, and for the purpose of supplying water for domestic, mechanical, public, and fire purposes and (2) fix the prices to be charged therefor, PROVIDED, that the price to be charged for gas furnished to the city shall be agreed upon between the city and the metropolitan water district and, in the event of the failure of said parties to so agree, said price shall be fixed by the Public Service Commission and, when so fixed, shall be binding upon both parties.

Sec. 24. That section 14-1039, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1039-~~ In addition to all other proper subjects for rules and regulations, the board of

directors of a metropolitan water utilities district may adopt rules and regulations, in the interest of public health and safety and the conservation of gas, relating to the use, installation, and maintenance of piping, equipment, and appliances for gas on the premises of consumers. Such district may promulgate and adopt and promulgate rules and regulations to establish priorities for the use of gas, including the curtailment and denial of its use. All rules and regulations shall be published once in the official paper of the particular city within such district and be kept posted at the main office of the district for public inspection. When such rules and regulations are so adopted, published, and posted, they shall have the same legal force and effect as a city ordinance and be binding upon the consumers of the district as one of the conditions to their service. Nothing ; PROVIDED, nothing contained in this section shall be construed to prevent any qualified person or persons from installing or maintaining appliances in connection with any of the public utilities mentioned herein in this section.

Sec. 25. That section 14-1103.03, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1103-03-~~ (1) A metropolitan utilities district may enter into agreements with other companies or municipalities operating gas distribution systems and with gas pipeline companies, whether within or outside the state, for the transportation, purchase, sale, or exchange of available gas supplies or propane supplies held for peak-shaving purposes, so as to realize full utilization of available gas supplies and for the mutual benefit of the contracting parties.

(2) A metropolitan utilities district may own, construct, maintain, and operate an interstate or intrastate pipeline, whether within or outside of the district's boundaries, for purposes of securing and transporting natural gas supplies for itself or others and may enter into contractual agreements with other pipeline companies, gas distribution companies, municipalities, or political subdivisions or any other legal entity whatsoever for such purposes.

Sec. 26. That section 14-1023, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1023-~~ Said The metropolitan water utilities districts shall maintain free of charge the number of hydrants heretofore established for fire protection in the streets of the municipalities

constituting said such districts and, in addition thereto, maintain regular fire hydrants approximately four hundred feet apart on service mains in the streets of said the municipalities not now equipped therewith and also upon service mains that may hereafter be installed in said such municipalities. Intermediate hydrants, or fire hydrants placed between regular hydrants, shall be installed by said the district at such points as may be designated and ordered by any one of said the municipalities. One-half of the cost of such intermediate hydrants, connections, and installation shall be borne by the municipality ordering the same. Said The district shall also lower water mains and reset hydrants at their original locations whenever necessary. ; PROVIDED, that the cost thereof shall be paid by the respective municipalities.

Sec. 27. That section 14-1024, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1024.~~ Said The metropolitan utilities district may, in its discretion, also afford, free of charge, water required for public use by each of said the municipalities and schools within the limits of such municipalities. It ; PROVIDED, HOWEVER, that it shall be the duty of each of said the municipalities and schools to reasonably conserve such water and to install and maintain all plumbing and services required in connection with such use in good condition and free from leaks, subject to the rules and bylaws governing water service in said such district. If ; AND PROVIDED FURTHER, that in case any flush tank, maintained in connection with the sewage system of any said such municipality, shall use uses more than fifty thousand gallons of water per month, as determined by meter measurement, the board of directors of the district thereof may collect for said the excess water used at the established rates maintained by said the board.

Sec. 28. That section 14-1111, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1111.~~ In addition to any and all powers heretofore granted to metropolitan water districts or metropolitan utilities districts, any such district may, in its discretion, by authorization of its board of directors, contract to sell water for use by a waterworks and water distribution system owned and operated by a city of any class or village, except a metropolitan city of the metropolitan class. The water so sold shall be used for the same domestic, mechanical,

public, and fire purposes as water which a metropolitan water district or metropolitan utilities district supplies the consumers served water directly by it. The rates for water so sold shall be fixed by the metropolitan water district or metropolitan utilities district, including therein a demand or capacity charge in addition to a charge for the volume of water delivered. All water so delivered shall be metered at its point of delivery. The cost of any main extensions necessary to deliver the water to the city or village contracting for such supply shall be paid by it and set forth in the contract. The term of such contract shall not exceed twenty-five years.

Sec. 29. That section 14-1111.01, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1111-01-~~ If a metropolitan utilities district shall supply supplies water at retail to residents of a city or village other than a metropolitan city, of the metropolitan class or residents of a sanitary and improvement district, whether or not such city, village, or sanitary and improvement district is within the district boundaries, such city, village, or sanitary and improvement district and metropolitan utilities district shall have power and authority to enter into a contract to obtain the use of facilities and services of the water utility of such district in order to collect from the residents supplied water by the district sewer use or rental fees or charges for other utility services for such city, village, or sanitary and improvement district, in the same manner and to the same extent as is provided for such services to metropolitan cities, of the metropolitan class by sections 14-1108 to 14-1110 34 to 36 of this act. No utility service under this section shall be discontinued for nonpayment of charges for unrelated services.

Sec. 30. That section 14-1111.02, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1111-02-~~ (1) A metropolitan utilities district may contract to sell water to a natural resources district at such rates, for such charges, and upon such other terms and conditions, as may be agreed upon in the contract.

(2) Such water shall be used by the natural resources district in a special improvement project supplying water for any beneficial use. With the consent of the metropolitan utilities district, such water may be used by the natural resources district in a

special improvement project to supply the municipal waterworks and distribution system of a city of any class or village outside the boundaries of the metropolitan utilities district.

(3) Such municipalities are hereby empowered to contract with a natural resources district to purchase water, at such rates, for such charges, and upon such terms and conditions as may be agreed upon in the contract.

Sec. 31. That section 14-1112, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1112-~~ To accomplish the purposes of section ~~14-1111~~ 28 of this act, cities of all classes and villages, ~~except metropolitan~~ except metropolitan cities of the metropolitan class, shall have the power to contract with a ~~metropolitan water or~~ metropolitan utilities district and pay the charges and costs in the manner provided in the contract for the purpose of maintaining an adequate supply of water for the waterworks and distribution system serving such municipality, such contract to be approved by resolution of the governing body of such municipality.

Sec. 32. That section 14-1113, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1113-~~ Notwithstanding any provisions of law applicable to cities, villages, ~~metropolitan water districts~~ and metropolitan utilities districts to the contrary, sections ~~14-1111 to 14-1113~~ 28 to 32 of this act shall be deemed to be an act complete within itself, to cover the entire subject to which it relates, and to be an independent act.

Sec. 33. That section 14-1105, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1105-~~ Metropolitan utilities districts, in rendering bills and statements, ~~are hereby authorized to~~ may set forth therein the net amount that shall be due, without setting forth therein the amount of the discount, if any. When bills are so rendered, the ~~said~~ metropolitan utilities district ~~is authorized and~~ empowered to ~~may~~ collect an additional charge of not more than ten percent when bills or statements rendered are not paid at maturity, ~~it being understood that~~ said the additional charge ~~is not added by way of~~ is not added by way of penalty, but as a means of economizing in bookkeeping and in rendering bills and statements by which the items of discount are omitted therefrom.

Sec. 34. That section 14-1108, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1108-~~ In addition to any and all powers granted to metropolitan cities of the metropolitan class and metropolitan water or metropolitan utilities districts within and serving such cities, a metropolitan city of the metropolitan class may enter into a contract with the metropolitan water or metropolitan utilities district within its area in order to obtain the use of facilities and services of the water utility of such a district and in order to collect all or any part of a sewer use or rental fee which such city may lawfully be entitled to charge and collect.

Sec. 35. That section 14-1109, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1109-~~ To accomplish the purposes of section ~~14-1108~~ 34 of this act, a metropolitan city of the metropolitan class is empowered to pay such metropolitan water or metropolitan utilities district the charges for such services as set forth in said the contract, and such district may discontinue water service to its customers; for failure to pay such the sewer rental or use fee.

Sec. 36. That section 14-1110, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1110-~~ The powers granted in sections ~~14-1108~~ and ~~14-1109~~ 34 and 35 of this act to metropolitan cities, metropolitan water districts cities of the metropolitan class and metropolitan utilities districts, are cumulative and not in derogation or amendment of the existing powers of each.

Sec. 37. That section 14-1013, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1013-~~ All accounts of the metropolitan water utilities district shall be audited by the secretary and approved by a committee of the board to be styled the committee on accounts and expenditures. No money shall be appropriated out of any fund except on the recorded affirmative vote of a majority of all the members of the board. The records of the metropolitan water utilities district shall be at all times subject to inspection and examination by the public during business hours.

Sec. 38. That section 14-1041, Reissue Revised Statutes of Nebraska, 1943, be amended to read

as follows:

14-1041- A metropolitan water or metropolitan utilities district shall keep all funds, accounts and obligations relating to any one utility under its management separate and independent from the funds and accounts of each other utility under its management. The cost of any consolidated operation shall be allocated to the various utilities upon some reasonable basis determined by its board of directors; PROVIDED, that for the purposes of this section the collection of sewer use fees for metropolitan cities shall not be considered as a utility. It shall have separate power to provide for the cost of operation, maintenance, depreciation, extension, construction and improvement of any utility under its management, applying thereto standard accounting principles. The metropolitan water or utilities district shall pay to said metropolitan city the city of the metropolitan class a sum equivalent to two percent of the annual gross revenue derived from all retail sales of water and gas sold by such districts district within such metropolitan city. Such sum shall be paid on a quarterly basis, the last quarterly payment to be made not later than the thirtieth day of January of the next succeeding year, except that ; PROVIDED, annual payments to such metropolitan city shall not be less than five hundred thousand dollars, except that the payment due for 1967 shall be limited to two percent of such revenue realized in 1967, after October 23, 1967, plus a prorated share of the annual amount due for the calendar year 1967 under this section as it existed before the passage of sections 14-1041 and 14-1042, which prorated share shall be paid on October 23, 1967. Such metropolitan city shall not levy or collect any license, occupation, or excise tax upon or from such district. All payments provided by this section shall be allocated by the metropolitan water or utilities district among the several utilities operated by it upon such basis as such the district shall determine.

Sec. 39. That section 14-1042, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1042- A metropolitan water district or metropolitan utilities district shall pay to every city or village of any class, other than metropolitan, in which such district sells water or gas, or both, at retail, a sum equivalent to two percent of the annual gross revenue derived from all retail sales of water or gas, or both, sold by such district within such the city or village. Such sums shall be paid not later than the

thirtieth day of January of the next succeeding year. ~~7~~
 PROVIDED, the payment to be made in January 1968 shall be limited to two percent of revenue realized in 1967 after October 23, 1967. Such cities or villages shall not levy or collect any license, occupation, or excise tax upon or from such district. All payments provided by this section shall be allocated by the metropolitan water or utilities district among the several utilities operated by it upon such basis as such the district shall determine.

Sec. 40. That section 14-1028, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1028.~~ The treasurer of the county in which a metropolitan city of the metropolitan class is located shall be ex officio treasurer of said the metropolitan water utilities district. It shall be the duty of the treasurer to daily receive and receipt for, daily, the money collected by the employees of the board and to pay out the same; such money but only upon warrants signed by the chairman chairperson of the board, or in his or her absence by the vice-chairman vice-chairperson, and countersigned by the secretary. He The treasurer shall attend the meetings of the board when requested so to do; and shall submit to the board in writing monthly a report setting forth a statement of the board's finances. The treasurer shall give a surety bond payable to the metropolitan water utilities district for the faithful performance of his or her duties in such amount as the board may deem necessary. Bond shall be approved by the board and the premium paid by the district.

A district may withdraw from the hands of the treasurer and deposit and maintain in checking accounts in depository banks, subject to withdrawal over the signature of persons authorized by the board of directors, such sums as the board of directors, by resolution, shall determine for the purpose of paying payrolls, petty cash items, and current operating expenses. All depository banks may secure to the district such deposits in the same manner as deposits by the treasurer of the district are secured.

Sec. 41. That section 14-1104, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1104.~~ Metropolitan utilities districts may, when deemed necessary by a resolution of the board of directors, temporarily lend the funds of one utility to the fund of another utility under its control, at the

current market rate of interest as determined by the board of directors. In the case of emergency, or for the purpose of short-term financing of extensions, improvements, additions, and capital investments, the district may, by resolution of its board of directors, borrow money, for a term not to exceed five years, but the amount so borrowed shall not exceed ten percent of the depreciated plant value of the utility for which such money is borrowed. Districts shall be empowered to withdraw from the hands of the treasurer and deposit and maintain in checking accounts in depository banks, subject to withdrawal over the signature of persons authorized by the board of directors, such sums as the board of directors, by resolution, shall determine for the purpose of paying payrolls, petty cash items, and current operating expense. All depository banks shall be empowered to secure to the district such deposits in the same manner as deposits by the treasurer of the district are secured.

Sec. 42. That section 14-1029, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1029. (1) In case the board of directors shall deem ~~deems~~ it necessary and expedient for such metropolitan water district or metropolitan utilities district to vote mortgage or revenue bonds for the construction, extension, or improvement of a water plant or any other public utility under its control, or for any other purpose, to the end of supplying the district with water or other service for domestic, mechanical, public, or other purposes, the board is authorized and empowered to ~~may~~ determine the amount of such bonds, when principal and interest shall be ~~is~~ payable, and the rate of interest, and ~~to~~ and may issue said ~~the~~ bonds when voted. The board of directors must ~~shall~~ submit a proposition to vote such bonds to the ~~electors~~ registered voters of said metropolitan water district or ~~the~~ metropolitan utilities district at an election called by the board for such purpose, or at any regular election, notice of which has been given for at least ten days in one or more daily papers published in the district. If a majority of the votes cast upon such proposition shall be ~~is~~ in favor of the issuance of such bonds, the board of directors is hereby authorized and empowered to ~~may~~ issue and sell such bonds in ~~such~~ the manner as the board shall determine.

(2) In ~~+~~ PROVIDED, that in addition to the above power provided in subsection (1) of this section as to issuance of bonds, and notwithstanding the above

such provisions requiring a vote of the electors registered voters, and in addition to the limited power to borrow heretofore vested in any such district, the board of directors of such district without a vote of the electors registered voters and at their own discretion (1) (a) may borrow, to be used solely for the purpose of extensions, improvements, additions, and capital investments, such sum as the board of directors by resolution determines to be needed for such purposes; and (2) (b) in the exercise of such additional power may issue warrants, notes, debentures, revenue bonds, or refunding obligations of the same classes, each of which shall be payable solely from the revenue of ~~said~~ the district. The obligations issued by the district without a vote of the electors registered voters are hereby declared to be negotiable instruments, and such instruments and the interest paid thereon shall be exempt from any and all forms of taxation.

(3) The district ~~is hereby authorized~~ (1) ~~to~~ may (a) refund all or any part of the obligations issued by the district without a vote of the electors registered voters by exchange or other means through the issuance of any of such forms of obligation at any time and in an amount equal to or exceeding the original amount, (2) ~~to~~ (b) invest the proceeds of refunding obligations for a temporary period until they are needed for the purpose of retirement of other obligations, (3) ~~to~~ (c) covenant as to rates, (4) ~~to~~ (d) create and provide for reserves or amortization funds, and (5) ~~to~~ (e) covenant as to the limitation of the creation of further indebtedness. All such evidences of indebtedness issued by the district without a vote of the electors registered voters shall be offered upon such terms and in such manner as the board shall ~~determine~~ determines. The same power to covenant and to provide funds shall also exist in the case of obligations authorized by the electors registered voters. The board of directors of any such district in the exercise of any of the borrowing powers, with or without a vote of the electors registered voters provided for in this section, may appoint as agents of such district corporations doing business within or without the State of Nebraska to act for it in receiving, redeeming, and paying for any of the securities so issued.

Sec. 43. That section 14-1026, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1026-~~ The water fund shall consist of all

money received on account of the water plant owned and operated by the metropolitan water utilities district for water service or otherwise, including a water tax for public fire protection purposes levied by the municipal authorities of each municipality forming such metropolitan water utilities district or, in the case of a precinct sanitary and improvement district or unincorporated area forming a part of said the metropolitan water utilities district but without the limits of a municipality, by the board of county commissioners of the county in which the precinct sanitary and improvement district or unincorporated area is located. Such tax shall be levied at the same time and in the same manner as other funds provided for municipal purposes or county purposes; under the provisions of the charter of such municipality or municipalities or of the general laws in the case of a county or a sanitary and improvement district. The amount of the tax shall be certified to the municipal authorities or the county commissioners, as the case may be, by the board of directors of the metropolitan water utilities district in time for the annual levy of taxes in each year. The gross amount of such tax shall not exceed the sum of five and two-tenths cents on each one hundred dollars upon the actual value of all the taxable property in such water district, except intangible property, and it shall be mandatory upon such municipal authorities or county commissioners to levy same as above provided in this section.

Sec. 44. That section 14-1027, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1027-~~ The funds of the metropolitan utilities district may be invested at the discretion of the board of directors in the warrants and bonds of said water the district and the municipalities constituting the same district, including the warrants and bonds of the improvement districts thereof. In addition to such securities, the said funds also may be invested in any securities that are legal investments for the school funds of this state.

Sec. 45. That section 14-1034, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1034-~~ In each metropolitan water utilities district in the State of Nebraska, the Auditor of Public Accounts shall cause the books of account kept by the board of directors and general managers of such metropolitan water districts manager of the district to

be examined and audited. Such examination shall show (1) the gross income from all sources of the water district for the previous year, (2) the gross amount of water and gas supplied in the district, (3) the amount expended during the previous year for repairs, (4) the amount expended during the previous year for new machinery, (5) the amount expended in the previous year for property purchased, (6) the amount of depreciation of the plant during the previous year, (7) the cost per thousand gallons of supplying water and per thousand cubic feet for supplying natural gas, (8) the amount collected from the sale and rent of meters, (9) the total assessment made against property for the extension of mains, (10) a detailed statement of all items of expense, (11) the number of employees, (12) the salaries paid employees, (13) the total amount of direct taxes levied by such metropolitan water utilities district upon the property within the district, and (14) all other facts necessary to give an accurate and comprehensive view of the cost of maintaining and operating the plant.

Sec. 46. That section 14-1035, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1035.~~ The audit and report mentioned in section ~~14-1034~~ 45 of this act shall be made by the Auditor of Public Accounts, or his or her servants, or employees in the month of January in each year. The person making the examination and audit shall have access to all books, records, vouchers, papers, contracts, or other data containing information on the subject in the office of the water board of such metropolitan water utilities district, ~~or~~ in the office of the general manager of the water district, or in the possession or under the control of any of the agents or ~~servants employees~~ of the water company district. It is hereby made the duty of all officers, agents, and ~~servants employees~~ of the water district, to furnish to ~~said the~~ auditor, and his or her agents, servants and employees, such information regarding the auditing of the metropolitan water utilities district as may be demanded.

Sec. 47. That section 14-1036, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1036.~~ Upon the completion of such examination and audit, the person making the same shall file and furnish to the village or city clerk of each village or city within the district one copy of his or

her report. Another copy shall be furnished to the county board of the counties in which the metropolitan water utilities district is located. A copy shall also be placed on file with the manager of the metropolitan water utilities district. The original copy shall be filed in the office of the Auditor of Public Accounts. The cost and expense of making such audit shall be paid by the metropolitan water utilities district in which such audit and examination have been made. The auditor shall make out and certify a bill for the expense of making such an audit. Upon presentation of the bill to the secretary of the water board of the metropolitan water utilities district, it shall be the duty of the water board to allow and pay the claim. The amount thereof shall be paid to the State Treasurer.

Sec. 48. That section 14-1017, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1017-~~ Whenever it may be deemed necessary, the board of directors of the metropolitan water utilities district or its employees shall have the authority, in the discharge of their duties, to enter upon any lands or premises for the examination or survey thereof, ~~or~~ for the purpose of repairing any water ~~or~~ natural gas pipe, ~~or~~ for the purpose of inspecting any water ~~or~~ natural gas service, or the plumbing connected with any water ~~such~~ service, ~~or~~ for the purpose of removing or connecting any apparatus required in connection with such water service and plumbing under the rules and regulations of the board, ~~or~~ for the purpose of reading any meter or meters attached to said water ~~the~~ service, or for any other purpose whatsoever in connection with or relating to the water ~~or~~ natural gas service.

Sec. 49. That section 14-1019, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1019-~~ Any person who shall willfully interfere ~~interferes~~ with or obstruct ~~obstructs~~ any employee of the metropolitan water utilities district in the discharge of his ~~or~~ her duties, ~~or~~ who shall willfully tamper ~~tampers~~ with or injure said ~~injures~~ such water plant, ~~or~~ natural gas facilities or the pipes, apparatus, or any service connected therewith, or who shall change ~~or~~ alter ~~changes~~ or alters the plumbing or connection between the water ~~or~~ gas meter and service main affording the water ~~or~~ natural gas supply without securing a permit, as required by the rules and regulations of the board of directors, shall be deemed

guilty of a misdemeanor, and shall upon conviction thereof be punished by a fine of not over one hundred dollars or imprisonment in the county jail for not over sixty days, or both such fine and imprisonment Class III misdemeanor.

Sec. 50. That section 14-1115, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1115. Whenever any of the property of a utility under the control of a metropolitan utilities district, whether real property or personal property, ~~shall is~~ no longer be required for the operation of such utility, the district may sell and convey such surplus property, whether ~~such the~~ property was acquired directly by the district or as a part of the utility plant or system acquired by the ~~metropolitan city of the metropolitan class~~ or any municipality or other political subdivision constituting a part of the district. Proceeds of the sale of such surplus property shall be credited to the utility of which ~~such the~~ property was a part, or, where ~~when~~ funds of more than one utility have been invested in property involved in a consolidated operation of the district, proceeds of such sale shall be apportioned among the utilities involved in such consolidated operation upon some reasonable basis determined by the board of directors of the district.

Sec. 51. That section 14-1114, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1114. No bond for costs, appeal, supersedeas, injunction, or attachment shall be required of any ~~metropolitan water district or metropolitan utilities district,~~ or of any officer, board, head of any department, agent, or employee of any such ~~water or utilities~~ district in any proceeding or court action in which the ~~metropolitan water district or metropolitan utilities~~ district or any officer, board, head of department, agent, or employee is a party litigant in its, or his, or her official capacity.

Sec. 52. That section 14-1030, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-1030. The elections provided for in sections 14-1003, 14-1009, 14-1029 and 14-1032, 2, 20, 42, and 57 of this act shall be held according to the general election laws of the state.

Sec. 53. That section 14-1101, Reissue Revised Statutes of Nebraska, 1943, be amended to read

as follows:

~~14-1101-~~ Whenever any metropolitan water district created and existing under the laws of the State of Nebraska shall have assumed control over and operation of any other public utility in addition to the operation of a waterworks system, the name of said metropolitan water district shall thereafter be the metropolitan utilities district. It shall thereafter sue and be sued, and conduct its business under the new corporate name of metropolitan utilities district, ~~except it~~ A metropolitan utilities district shall not sell any gas-burning equipment or appliances, after January 1, 1963, at either retail or wholesale, if the retail price of that item exceeds fifty dollars, except ~~7~~ PROVIDED, that newly developed gas-burning appliances may be merchandised and sold during the period of time in which any such appliances are being introduced to the public. New ~~7~~ AND PROVIDED FURTHER, that new models of existing appliances shall not be deemed to be newly developed appliances. A gas-burning appliance shall be considered to be in such introductory period of time until the particular type of appliance is used by twenty-five percent of all the gas customers served by such district, but such period shall in no event exceed seven years from the date of introduction by the manufacturer of the new appliance to the local market.

Sec. 54. That section 14-1102.01, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1102-01-~~ A metropolitan utilities district ~~is hereby authorized to~~ may establish energy conservation or weatherization programs that will encourage and promote the efficient use of energy supplies. A metropolitan utilities district may enter into agreements with companies, service organizations, municipalities, political subdivisions, or state or federal agencies to establish or participate in such programs. Such participation may include the providing of administrative or other similar services from the district's separate gas utility for the support of such programs.

Sec. 55. That section 14-1116, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1116-~~ A metropolitan utilities district is hereby authorized to own, purchase, construct, equip, and operate public offstreet motor vehicle parking facilities on property owned or leased by such district within the area designated as the civic center by the

city council in the master plan of a city of the metropolitan class. Such parking facilities shall be constructed upon land contiguous to the office or administrative headquarters of such district and shall be used in whole or in part in connection therewith.

Sec. 56. That section 14-1117, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1117.~~ Such A metropolitan utilities district shall have authority to issue bonds and evidences of indebtedness for the purposes of acquiring, purchasing, constructing, and equipping such parking facilities as provided in section ~~14-1029, 42 of this act~~ for other public utilities under its control, and ~~shall have authority to~~ may manage the funds of such parking facilities and ~~to borrow money as provided by section 14-1104, 41 of this act~~ for other utilities.

Sec. 57. That section 14-1032, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~14-1032.~~ The existence of a metropolitan water utilities district may be terminated by the people of the district in the following manner: Upon the filing of a petition with the board of directors signed by fifteen percent of the qualified electors registered voters of ~~said the~~ district at least thirty days prior to the date of any general state election, requesting that the question of the continuance or termination of the existence of such district be submitted to a vote of the electors registered voters of ~~said the~~ district, it shall be the duty of ~~said such~~ board to submit ~~such the~~ question at ~~said such~~ general state election, and if a majority of the votes cast thereon shall be in favor of the continuance of ~~said such~~ district, then it shall continue, otherwise its existence shall cease at the close of the thirty-first day of the following month.

Sec. 58. That section 10-126, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

10-126. All bonds of indebtedness, issued after September 7, 1947, by any county, precinct, city, village, school district, drainage district, or irrigation district, or any other municipal corporation or governmental subdivision of the state, except bonds of public power districts, public power and irrigation districts, metropolitan water districts, metropolitan utilities districts, cities of the metropolitan and ~~of the primary class~~ classes, and ~~of~~ housing authorities of any city or village, and except issues of revenue bonds

exceeding one million dollars of cities of the first and second ~~class~~ classes and of villages, shall be redeemable at the option of the governmental subdivision or municipal corporation issuing such bonds at any time on or after five years from the date of issuance thereof. Bonds of districts created under the ~~provisions~~ of Chapter 31 or 39, shall in addition, after annexation by any municipality, be redeemable at the option of the annexing municipality at any time after annexation of such district if at the time of redemption at least five years ~~shall~~ have elapsed from date of issuance. Such condition shall be plainly set forth in all bonds of any governmental subdivision of the state or municipal corporation hereafter issued to which it applies, and such bonds shall not be eligible for registration in the office of the Auditor of Public Accounts unless such condition appears therein. The issuer, except districts organized under the ~~provisions~~ of Chapter 31 or 39, of any such bonds of indebtedness, when the total amount of bonds at par value authorized as a single issue is five hundred thousand dollars or more, may agree to pay a call premium of not to exceed four percent of the par value for the redemption of such bonds, ~~except~~ PROVIDED, that districts organized under the ~~provisions~~ of Chapter 31 or 39 may agree to pay a call premium of not to exceed two percent of the par value of such bonds when a single issue is five hundred thousand dollars or more and bonds of such districts shall have no other bond redemption call or prepayment restrictions except as hereinafter provided in this section. Bonds of public power districts, public power and irrigation districts, ~~metropolitan water districts~~, metropolitan utilities districts, cities of the metropolitan and ~~of the primary class~~ classes, and of housing authorities of any city or village, and issues of revenue bonds exceeding one million dollars of cities of the first and second ~~class~~ classes and villages, may contain such provisions with respect to their redemption as the public power district, public power and irrigation district, ~~metropolitan water district~~, metropolitan utilities district, city, village, or housing authority shall provide. All bonds heretofore or hereafter issued which do not provide a special procedure for calling and prepayments shall be called by a resolution passed by the governing body of the obligor, which resolution shall designate the bond or bonds to be prepaid by stating the date of the bonds, the purpose for which the bonds were issued, and the bond numbers of the bonds so called, and ~~shall also~~

state the date set for prepayment. The issuer of any bonds which are required by this section to be issued subject to an option of redemption shall, at least thirty days prior to the date set for prepayment of such bonds, send notice by mail of the call to each holder of the called bonds as shown in its records. A true copy of the resolution shall be filed by the obligor with the Auditor of Public Accounts at least thirty days prior to call date, and a copy of the resolution shall also be filed with the paying agent on or before the call date. The Auditor of Public Accounts shall note the call of the bonds on his or her registration records. The original purchaser of any bonds registered in the office of the Auditor of Public Accounts may file with the auditor notice of their purchase identifying the bonds so purchased. The Auditor of Public Accounts shall keep a record of all such filings and send notice by mail of the call of any bonds to the original purchaser of the called bonds as shown by his or her records. If the obligor deposits sufficient funds with the paying agent to pay the called bonds and accrued interest to date of call in full on or before the call date, the bonds shall cease to be a liability of the obligor; otherwise, the call shall be revoked, and the bonds continue in effect the same as though no call had been made.

Sec. 59. That section 14-542, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-542. ~~Where~~ When public improvements are made upon a street or part thereof and there are lots or grounds belonging to the city but held or used as a part of any utility system or plant owned by it, either abutting upon, or adjacent to such street, or embraced within any improvement district, such property shall not be subject to special assessments for the costs of the improvement, but the costs of improving one-half, or such parts of the costs as might otherwise be assessed against such property, shall be paid out of the water fund, gas fund, or other fund available for such purpose and created to pay the costs of operation of such utility. The board or body having charge of such fund is directed to pay such costs of such improvement upon the completion thereof to the city treasurer, and the amount so paid shall be applied to pay the partial costs of such improvement. Whenever any water main is laid by a metropolitan water utilities district in a street of a ~~metropolitan~~ city of the metropolitan class and there are lots or grounds abutting upon such street or embraced within any improvement district which are owned

and controlled by the city, one-half the cost of constructing such water main in front of such lot or grounds, if special benefits equal such an amount, to be determined by the metropolitan water utilities district, but not to exceed fifty cents per lineal front foot, shall be paid out of the general fund of the city. The city council shall provide for the payment of such costs to the treasurer of the metropolitan water utilities district.

Sec. 60. That section 14-554, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-554. The county in which any metropolitan city of the metropolitan class is located shall receive as full compensation for collection and disbursement of all funds of such city, an amount equal to one percent of all money collected from taxation. Such fee shall be paid monthly out of the general funds of the city. Such county shall receive as full compensation for the collection and disbursement of all money from taxation and pursuant to section 77-3523 coming to the board of education an amount equal to one percent thereof, to be paid out of the general fund, less the sum of one thousand dollars per annum, said such sum to be payable in equal monthly installments to the county treasurer as salary for services as ex officio treasurer of the board of education. Such county shall receive as full compensation for the collection and disbursement of the funds of the metropolitan water utilities district an amount equal to one percent of all money collected by the county treasurer. The county treasurer, as ex officio city treasurer, shall receive as additional salary and compensation for the performance of his or her duty as such officer the sum of one thousand dollars per annum from the city, the same to be payable quarterly from the funds of the city.

Sec. 61. That section 14-814, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-814. A metropolitan city of the metropolitan class shall not be liable for any tort or act of negligence of the metropolitan water utilities district or of any other utility board or body with full and independent powers of control, or for torts or acts of negligence of any of the officers or employees of such board which may in any way result from, grow out of, or be connected with the maintenance, management, control, or operation of any water system or plant, any gas system or plant, or any other public utility system

or plant which the city may acquire or own, but which has been placed in the control of and is maintained and operated by any such district or board. The city shall not be liable for the debts and obligations of any such district or board incurred in connection with or in any way pertaining to the maintenance, management, control, or operation of any such plant or system by such board of control with full authority over the revenue and earnings of such system or plant.

Sec. 62. That section 14-815, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

14-815. Nothing in ~~this act contained sections 14-101 to 14-138, 14-201 to 14-229, 14-360 to 14-376, 14-501 to 14-556, 14-601 to 14-609, 14-702, 14-704, and 14-804 to 14-816~~ shall be construed so as to interfere with the powers, duties, authority, and privileges that are conferred and imposed upon the ~~metropolitan water district or metropolitan utilities district~~, as prescribed by law, but all matters relating to the said powers, duties, authority, and privileges of such ~~metropolitan water district and such metropolitan utilities district~~ so far as elsewhere conferred, imposed, and defined by law, shall be exclusive and paramount.

Sec. 63. That section 18-401, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

18-401. In all cities, villages, ~~metropolitan water districts~~ or metropolitan utilities districts, owning or operating a waterworks system, sanitary sewerage system, storm sewer system, gas plant, or other public utility plant, and wherein and in which water, gas, or other public utility is supplied by municipal authority for domestic, mechanical, public, or other purposes, or sewage and storm water disposal, or other services furnished, the authorities having general charge, supervision, and control of all matters pertaining to the said water, gas, or other public utility supplied by any city, village, ~~metropolitan water district~~ or metropolitan utilities district, or the furnishing of any public service such as sewage and storm water disposal, shall have the power and authority, whenever they deem it proper and necessary so to do, to create a water main water-main district, sanitary sewer district, storm water disposal district, or other public utility district, as the case may be, either within or without the corporate limits of the political subdivision involved, and to order and cause

to be made extensions or enlargements of water mains, sanitary sewers, storm water disposal mains, gas mains, or other public utility service through said such district, except ; PROVIDED, that nothing herein contained in this section shall be construed as authorizing the creation of any such public utility district outside of the corporate limits of a city of the primary class.

Sec. 64. That section 18-403, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

18-403. Upon the passage of an ordinance, or resolution, as the case may be, creating a water main district, gas main district, or other public utility service district, or ordering the extension or enlargement of a water main, gas main, or other public utility service through such district, it shall be the duty of the city or village council which passed the ordinance, or of the other public utility authority which passed such resolution creating such district, to cause a notice to be published in the official paper of the city or village, as the case may be, or in the principal city within the metropolitan utilities or water district, addressed generally to the owners of the real estate within said the water main, gas main, or other public utility district, notifying them of the creation of said the district, and of the ordering of the extension or enlargement of the water main, gas main, or other public utility service within said such district, and further notifying the owners of said the real estate that they have thirty days from and after such publication to file with such city council, or other public authority, as the case may be, their written protest against the creation of said the district, and of the extension or enlargement of the water main, gas main, or other public utility service so ordered.

Sec. 65. That section 18-404, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

18-404. If within said the thirty days there be is filed, as provided in section 18-403, a written protest signed by the record owners of a majority of the foot frontage of taxable property in such district, then the filing of such protest shall operate as a repeal or rescission of such ordinance or resolution, ; but if no such protest be is filed within said the thirty days, then the power of the council or other authority in the premises shall be deemed complete, ; and it shall be its

duty to proceed to contract for and in behalf of such city, or village, or metropolitan water or utilities district, for the extension or enlargement of the said main or utility service so ordered, or to make such extension or enlargement with its own forces.

Sec. 66. That section 18-405, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

18-405. Upon the completion of an extension or enlargement of any water or gas main, or other utility service, in any such district, the actual cost thereof shall be duly certified to the council or directors of such city, or village, or metropolitan water or utilities district when done by contract, but when done by utilizing the equipment and employees of any such city, or village, or metropolitan water or utilities district, the average cost, based upon the average cost per foot to such city, village, or metropolitan water or utilities district in the previous calendar year, of installing water or gas distribution mains, as the case may be, shall be thus certified. Thereupon it shall be the duty of such council or directors to assess, to the extent of special benefits, the cost, not exceeding the actual cost or average cost, as the case may be, of installing such water main or gas main, or other utility service, upon all real estate in said ~~the~~ district, in proportion to the frontage of said ~~the~~ real estate upon said ~~the~~ main or utility service. The cost of any such extension or enlargement in excess of the actual or average cost of installing the water main or gas main, or other utility service, as the case may be, heretofore authorized to be assessed and levied against the real estate in said ~~the~~ district, shall be paid out of the water fund or gas fund, or other utility fund, as the case may be, of such city, village, metropolitan water district, or metropolitan utilities district, if there be is such a fund, ; and if such city or village has no water fund or gas fund, then the same shall be paid out of the general fund. ~~No ; PROVIDED,~~ that no real estate in any city, village, or metropolitan water or utilities district shall be subject to more than one special tax assessment for the same extension or enlargement of water or gas mains, or other utility service.

Sec. 67. That section 18-406, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

18-406. The special tax provided in section 18-405 shall be paid in ten installments. ~~The ; the~~

first installment, or one-tenth of ~~said the~~ tax, shall become due and delinquent fifty days after the date of levy, and one-tenth of ~~said such~~ tax shall become due and delinquent each year thereafter, counting from the date of levy, for nine years. The ~~said~~ special tax shall bear interest at a rate not to exceed the rate of interest specified in section 45-104.01, as such rate may from time to time be adjusted by the Legislature, prior to delinquency, and at the rate specified in section 45-104.01, as such rate may from time to time be adjusted by the Legislature, after delinquency. Prior to the levy of ~~said the~~ special tax as provided in section 18-405, ~~the same such tax~~ shall be equalized in the same manner as provided by law for the equalization of special assessments levied in such cities, ~~such~~ villages, and the ~~metropolitan city of the metropolitan class~~ within such metropolitan water district or utilities district respectively.

Sec. 68. That section 18-408, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

18-408. After the levy of such special tax and the extension of the ~~same such~~ tax upon the tax record against the real estate in such water or gas main, or other utility service district, the city council or other authority having charge, supervision, and control of all matters pertaining to the water or gas supply, or other utility service, of such city, village, or metropolitan water or utilities district, shall have the power to issue, or cause to be issued, against the fund so created, special warrants payable out of ~~said the~~ funds, which ~~warrants~~ shall be delivered to the contractor in payment of the money due him or her under his or her contract for the extension or enlargement of the water or gas main, or other utility service, as the case may be, to cover the cost for which ~~said the~~ special taxes were levied.

Sec. 69. That section 18-409, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

18-409. The city council, or other authority in the city, village, or metropolitan water or utilities district in this state having general charge, supervision, and control of all matters pertaining to the water or gas supply, or other utility service of such city, village, or metropolitan water or utilities district, may by resolution elect and determine to proceed under the provisions of sections 18-401 to 18-411, in the matter of ordering and making and causing

to be made extensions or enlargements of water or gas mains, or other utilities service, in such cities, villages, or metropolitan water or utilities districts, but are not required to do so.

Sec. 70. That section 18-410, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

18-410. Any metropolitan water or utilities district is hereby given power to extend water mains, gas mains, and other utility service under its operation and management beyond the corporate limits of the city so as to include adjacent territory, precincts sanitary and improvement districts, unincorporated areas, towns, or villages, even though the same be in an adjoining county or counties, and may create such water main, gas main, and other utility service districts within such adjacent precincts sanitary and improvement districts, unincorporated areas, cities, towns, and villages, even though the same be located in an adjoining county or counties. When such water mains, gas mains, or other utility service districts are created in an adjoining county or counties, then the special tax levy in such districts shall be certified to the county treasurer of such adjoining county or counties, as the case may be, and shall there be entered of record against the proper real estate so taxed. It shall be the duty of the county treasurer of ~~said~~ the adjoining county or counties, as the case may be, to collect the ~~said~~ taxes and as collected to report and transmit the same such taxes to the proper county treasurer who is ex officio treasurer of the metropolitan water, or utilities district, as provided ~~for~~ in section ~~14-1028~~ 40 of this act.

Sec. 71. That section 32-1401, Revised Statutes Supplement, 1990, be amended to read as follows:

32-1401. For purposes of sections 32-1401 to 32-1409, unless the context otherwise requires:

(1) Filing clerk shall mean:

(a) The county clerk or election commissioner, for recall of elected officers of cities of the metropolitan and primary ~~class~~ classes, counties, irrigation districts, natural resources districts, public power districts, school districts, and water boards as provided for in Chapter 14, article 10 metropolitan utilities districts; and

(b) The municipal clerk, for recall of officers of all municipalities other than cities of the metropolitan or primary class;

(2) Registered voter shall mean an individual who is duly registered to vote and qualified by his or her place of residence as an elector in the general election for the office in question; and

(3) Signature shall include the mark of a registered voter unable to write his or her name when the name is written by some other person and the mark is made near the name by the registered voter unable to write his or her name.

Sec. 72. That section 32-1402, Revised Statutes Supplement, 1990, be amended to read as follows:

32-1402. Elected county officers and elected members of the governing bodies of cities, villages, counties, irrigation districts, natural resources districts, public power districts, school districts, and water boards metropolitan utilities districts may be removed from office by recall pursuant to sections 32-1401 to 32-1409.

Sec. 73. That section 32-1406, Revised Statutes Supplement, 1990, be amended to read as follows:

32-1406. (1) If a majority of the votes cast at a recall election are against the removal of the officer named on the ballot or the election results in a tie, the officer shall continue in office for the remainder of his or her term but may be subject to further recall attempts as provided in section 32-1407. If a majority of the votes cast at a recall election are for the removal of the officer named on the ballot, he or she shall, regardless of any technical defects in the recall petition, be deemed removed from office unless a recount is ordered.

If the election results show a margin of votes equal to two percent or less between the recall or retention of the officer in question, the Secretary of State, county clerk, or election commissioner shall order a recount of the votes cast in the recall election unless the officer named on the ballot files a written statement with the filing clerk that he or she does not want a recount.

(2) If the officer is deemed removed, the removal shall result in a vacancy in the office.

(3) Except as provided in subsection (4) of this section, vacancies resulting from recall elections shall be filled as follows:

(a) For vacancies in city or village offices, according to section 32-4,152;

(b) For vacancies in county offices, according

to section 32-1040;

(c) For vacancies in school districts, according to section 79-464;

(d) For vacancies in public power and irrigation districts, according to section 70-615;

(e) For vacancies in natural resources districts, according to section 2-3215; and

(f) For vacancies in metropolitan water boards utilities districts, according to section 14-1095 4 of this act.

(4) If there are vacancies in the offices of a majority or more of the members on any governing body listed in subsection (3) of this section at one time due to the recall of such members, a special election to fill such vacancies shall be conducted as expeditiously as possible by the Secretary of State.

(5) No officer who is removed at a recall election or resigns after the initiation of the recall process shall be appointed to fill the vacancy resulting from his or her removal or the removal of any other member of the same governing body during the remainder of his or her term of office.

Sec. 74. That section 71-6316, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

71-6316. The Asbestos Control Act shall not apply to a district as defined in section 70-601 or a district subject to Chapter 14, article 11 sections 1 to 57 of this act.

Sec. 75. That section 77-2342, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

77-2342. The treasurer or ex officio treasurer of any ~~metropolitan water or any metropolitan~~ utilities district shall deposit the funds received or held by him or her by virtue of his or her office in such bank or capital stock financial institution, situated within the boundaries of such district, as shall have been and shall be from time to time approved by the governing body of such district as official depositories for the funds belonging to such district. Such deposit shall be made subject to the conditions in sections 77-2342 to 77-2349. The provisions of section 77-2366 shall apply to deposits in capital stock financial institutions.

Sec. 76. That section 77-2344, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

77-2344. No deposit in excess of the amount

insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation shall be made in any bank or capital stock financial institution designated as a depository unless and until the treasurer or ex officio treasurer has received from such depository as security for the prompt repayment by the depository either a corporate surety bond in form and with sureties approved by formal resolution by the governing body of such district or the deposit and pledge of (1) the securities of the United States of America, (2) the bonds of any state of the United States of America, (3) registered bonds of Nebraska school districts, (4) registered bonds of Nebraska counties, (5) bonds and debentures issued either singly or collectively by any of the twelve federal land banks, the twelve intermediate credit banks, or the thirteen banks for cooperatives under the supervision of the Farm Credit Administration, (6) loan participations which carry the guarantee of the Commodity Credit Corporation, an instrumentality of the United States Department of Agriculture, (7) bonds of Nebraska municipalities, or (8) bonds of the particular metropolitan water or metropolitan utilities district. The provisions of section 77-2366 shall apply to deposits in capital stock financial institutions.

Sec. 77. That section 77-2349, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

77-2349. The treasurer or ex officio treasurer of any metropolitan water or any metropolitan utilities district shall, if required by the governing body of such district, be the custodian of securities in which funds of such district are invested, including the securities of such district itself, and shall be liable on his or her official bond as such treasurer or ex officio treasurer for the custody, safekeeping, and delivery of such securities. Except for funds deposited in depository in strict accordance with all the requirements of sections 77-2342 to 77-2349, the treasurer shall be liable upon his or her official bond for the accounting, safekeeping, and repayment of all funds received by him or her for and in behalf of any such district. Any such district may at any time direct such treasurer to withdraw any funds on deposit in depository or any funds in his or her possession and custody as such official and invest such funds in such securities as may be designated by formal resolution of the governing body of such district.

Sec. 78. The Revisor of Statutes shall assign

sections 1 to 57 of this act within Chapter 14.

Sec. 79. That original sections 10-126, 14-542, 14-554, 14-814, 14-815, 14-1001 to 14-1013, 14-1015 to 14-1019, 14-1021 to 14-1024, 14-1026 to 14-1030, 14-1032, 14-1034 to 14-1036, 14-1038, 14-1039, 14-1041, 14-1042, 14-1101 to 14-1102.01, 14-1103.01 to 14-1105, 14-1108 to 14-1117, 18-401, 18-403, 18-404, 18-405, 18-406, 18-408, 18-409, 18-410, 71-6316, 77-2342, 77-2344, and 77-2349, Reissue Revised Statutes of Nebraska, 1943, and sections 32-1401, 32-1402, and 32-1406, Revised Statutes Supplement, 1990, and also sections 14-901 to 14-918, 14-1031, 14-1037, 14-1040, and 14-1103, Reissue Revised Statutes of Nebraska, 1943, are repealed.

Sec. 80. Since an emergency exists, this act shall be in full force and take effect, from and after its passage and approval, according to law.