

Arizona Laws, statutes, etc.

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IRRIGATION DRAINAGE DISTRICT LAW

Approved March 19, 1921

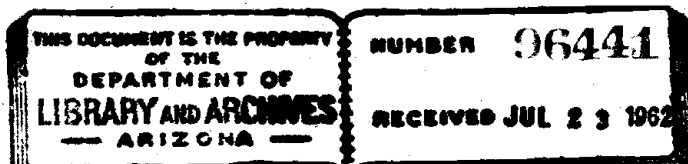
Issued by
STATE WATER COMMISSION
STATE OF ARIZONA

CHAPTER 149.

(Senate Bill No. 115.)

AN ACT

To Provide for the Organization of Irrigation Districts; Defining Their Powers; Providing for the Levy and Collection of Taxes for District Purposes; and Creating a Lien Upon the Real Property Thereof for Taxes Assessed and Providing for the Enforcement and Collection of Such Taxes by the Sale of Property Assessed; to Render Liable to Assessment for Irrigation District Purposes Entered and Unentered Public Lands of the United States Within Irrigation District Boundaries to the Extent Authorized by an Act of Congress Entitled: "An Act to Promote Reclamation of Arid



Lands," Approved August 11, 1916, and to Define the Rights of Entrymen Within Irrigation District Boundaries; and to Authorize the Organization of Irrigation Districts Under the Laws of the State for the Purpose of Co-operation With the United States Under Federal Reclamation Laws; to Create a State Certification Board for the Purposes of Certifying as to the Legality of Irrigation District Bonds as Investments for Funds of Savings Banks and Providing the Method Whereby Such Bonds May be Deposited to Secure Public Moneys; and to Repeal All of Chapter IV, Title 55, Revised Statutes of Arizona, Relating to Irrigation Districts; and to Repeal Chapter 8 of the Session Laws of the State of Arizona, Second Legislature, Second Special Session, Relating to Organization of Irrigation Districts; Chapter 29 of the Session Laws of the State of Arizona, Third Legislature, Providing for Contracts Between Irrigation Districts and the United States; Chapter 157, Session Laws of the State of Arizona, Fourth Legislature, Relating to Irrigation Districts; and All Acts and Parts of Acts Inconsistent With the Provisions of this Act; and Declaring an Emergency to Exist.

PREAMBLE

WHEREAS, the Statute Laws of the State of Arizona relating to the formation of Irrigation Districts and for the issuance and disposal of Bonds therefor, owing to numerous and faulty amendments, are in an ambiguous, uncertain and doubtful state, whereby the salability of said Irrigation District Bonds is greatly impaired if not made impossible;

AND WHEREAS, immediate action in the successful creation of Irrigation Districts and the sale and disposal of Bonds therefor is required for the relief of many persons and localities in this State;

NOW, THEREFORE, in consideration of the premises,

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Whenever a majority of the holders of title or evidence of title, including receipts or other evidence of the rights of entrymen on lands under any law of the United States or of this state to lands in any district, desire to provide for the irrigation of the same, they may propose the organization of an irrigation district under the provisions of this chapter; and when so organized, such district shall have the powers conferred or that may hereafter be conferred, by law, upon such irrigation district; provided, that where bona fide owners or possessors of lands, in-



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cluded within the proposed irrigation district shall have constructed ditches, canals, reservoirs, pumping plants and underground water works which shall be in actual operation by the owner or owners thereof at the time of the organization of such irrigation district, of sufficient capacity and with adequate water supply for the irrigation of not less than twenty-five per cent of the lands so owned or possessed, such lands so owned or possessed, together with the ditches, canals, reservoirs, pumping plants or underground water works, so constructed, and the extensions and enlargements thereof completed within a period of one year from the date of the organization of such irrigation district and the water and water rights appurtenant thereto, and any franchise in connection therewith, and all water appropriated for stock, mining, domestic or power purposes shall be exempted from the provisions of this chapter. And further provided, that no such land shall be so exempted, unless water shall have actually been appropriated to beneficial use upon not less than twenty-five per cent of each tract sought to be so exempted.

Section 2. (a) For the purpose of the establishment of irrigation districts as provided by this act, a petition shall be filed with the board of supervisors of the county wherein the largest acreage of the proposed district is situated; which petition shall state that it is the purpose of the petitioners to organize an irrigation district under the provisions of this act, and shall also contain a general description of the boundaries and an estimate of total acreage to be benefited by such proposed district, and the means proposed to supply water for the irrigation of lands embraced therein, praying that the said board define and establish the boundaries of said proposed district and submit the question of the final organization of the proposed district to the vote of the electors qualified as prescribed by this act, and therein also designate a committee of three of said petitioners to file said petition with the board of supervisors as provided by law.

(b) Said petition shall be signed by a majority of the resident owners of real property to which they hold title or evidence of title in said proposed district; each signer shall describe the lands to which he holds title or evidence of title in such proposed district.

(c) At the time of filing such petition a good and sufficient bond in double the amount of the probable cost of organizing such district, conditioned for the payment to the county of all expense incurred by said board in any proceedings in case said organization of said district shall not be effected, shall be filed

with and approved by the board of supervisors. In case the organization of such district is effected, then all expenses incurred by the board of county supervisors in such proceedings shall become county expenses and shall be paid to the said county by said district from the moneys received from the first collection of taxes by said district.

(d) When such a petition has been filed with the county board of supervisors and the bond approved, said board of supervisors shall fix a time for the hearing of such petition before the board, which time shall be not less than three weeks, nor more than seven weeks subsequent to the date of the filing of such petition. The board of supervisors shall cause such petition together with a notice signed by the clerk of the board of supervisors, giving the time and place of the hearing of the same, to be published at least two weeks in some newspaper published in said county if there shall be one, and if there shall be no newspaper published in said county, then in some newspaper published in an adjoining county and by posting copies of said petition and notice in three or more conspicuous places in said proposed district at least two weeks before the date set for said hearing.

(e) Proof that said petition was signed by the persons whose names appear thereon and proof that notice of hearing was given by publication and posting may be made by the affidavit or affidavits, of persons having knowledge of the facts, and filed with the board, and when so made and filed, shall be prima facie evidence that the petitioners are entitled to the hearing prayed for in said petition and of the truth of all matters set forth in said petition.

(f) If at the time and place of such hearing it shall appear that the petition conforms to the requirements of this act and that the notice of the hearing of said petition has been given as required by this act, the supervisors shall then proceed to hear the matters relating to the organization of said proposed district and shall then proceed to define the boundaries and determine the lands to be included in said proposed district and act upon such written applications as may be filed for the exclusion of lands therefrom, or the inclusion of additional lands therein, as may be made in accordance with the intent of this act; such hearing may be adjourned, from time to time, not to exceed three weeks in all. After such hearing the said board may by final order duly entered refuse the prayer of said petitioners or by such final order duly entered, may grant the prayer of said petitioners, and shall therein define and establish the boundaries

of such proposed district and designate the lands to be included therein for district purposes and designate the name of said district; provided, the said board shall not modify such proposed boundaries, described in the petition, so as to change the object of said petition, or so as to exempt from the operation of this act, any land within the boundaries proposed by the petition that is susceptible of irrigation by the same system of waterworks proposed as applicable to other lands in such proposed district; nor shall any land which will not in the judgment of the board be benefited by, nor be susceptible of irrigation benefits from such proposed system, be included in such district, if the owner thereof shall make written application at such hearing to exclude the same; provided further, in the hearing of any such petition the board of supervisors shall disregard any informality therein. In case the board denies the petition or any application so made for any reason, it shall in writing state in detail its reasons therefor, which reasons shall be entered upon the records of the board.

(g) A writ of mandamus shall be the proper remedy for any person deeming himself aggrieved by any action of the board of supervisors in the matters of such hearing and such a writ shall, upon proper application therefor, issue out of the superior court of said county. Said writ shall be heard within twenty days from the date of its issuance, which said twenty days shall be excluded from any time otherwise limited within which the supervisors are required to act relative to proceedings pursuant to such petition.

(h) If upon such hearing the prayer of the petitioners is granted the said board of supervisors shall by further order, duly entered upon its record, call an election of the qualified electors of said proposed district, to be held for the purpose of determining whether said proposed district shall be organized under the provisions of this act; and for the purpose of said election, shall in said order divide said proposed district into three divisions as nearly equal in size as practicable and to be known as "First Division," "Second Division," and "Third Division," and for purposes of said election designate at least one polling place in each division, and shall name one or more persons qualified as electors of each of the three divisions of said proposed district, to be voted for as directors therein, and shall name three judges of the election to be so held for each of the divisions, one of whom shall act as clerk of said election.

(i) When the estimated acreage to be benefitted by any such district shall be ten thousand acres or less, the said board of supervisors shall not divide said proposed district into three

divisions as in this section provided unless the petitioners in their petitions for the organization of said district shall have requested it to be so divided. And in case any such district shall not be so divided said board of supervisors shall proceed with the election and the submission of the question of the organization of the district as in this section provided, and the three directors of the proposed district shall be elected at large from the qualified electors of said proposed district, but in all other respects the election shall be held and conducted in substantial conformity with the provisions of this act.

(j) The board of supervisors, shall thereupon cause a notice embodying said order in substance, signed by the chairman and clerk of said board, to be issued, given and published, giving public notice therein of the said election and the time and the polling places thereof, and specifying the matters to be submitted to the vote of the electors of said proposed district; said notice and order shall be published once a week, for at least three weeks prior to such election, in a newspaper in general circulation in said county, if any, and if any portion of such proposed district lies within any other county or counties, then such order and notice shall be published in a newspaper if any, of general circulation published in each of such counties and a copy of said notice shall be posted in at least one conspicuous place in each of the divisions of said proposed district for at least two weeks prior to the date of said election.

(k) The ballots to be used and cast at such election for the formation of such district, shall be supplied by the board of supervisors and shall be substantially as follows: "Irrigation District—Yes," or "Irrigation District—No," and shall also contain the names of the general electors to be voted for as members of the board of directors from each division of the said proposed district, with one blank space where the elector may write the name of any other general elector of said division for whom he may desire to cast a vote as a member of the board of directors of said district. One director shall be elected from each division of said proposed district. The elector shall vote for one person only, as director, and shall indicate his choice by placing a cross opposite the name, thing, or question for which or against which he may wish to vote.

(1) In said elections the polls shall be open on the day of election from 8 o'clock A. M. and remain open until 6 o'clock P. M. After the closing of the polls, the judges of the election shall ascertain the result of the vote and certify the same in writing to the board of supervisors of the county ordering the

election within two days after the day of such election, and shall accompany such certificate with all the ballots used in said election, and all records made thereof. If at such election, any judge appointed therefor for any reason shall fail to act, the qualified electors present at the opening of the polls shall choose a judge of the election, who shall in all respects be qualified after such selection to perform the duties in this act prescribed. All judges of such election shall have the power to administer oaths for any purpose of said election and power to decide upon the qualifications of electors and shall make certificates respecting any matter concerning said election.

(m) If two or more persons of any such election shall receive the same number of votes for director from any division of said district, the choice of director for such division shall be decided by lot between them, under the supervision of the chairman of the board of supervisors; and of the directors so elected at such an election, the one receiving the highest number of votes shall hold office three years, the director receiving the next highest number of votes shall hold office for two years, and the other director shall hold office for one year, from the first day of January following; and no annual election of directors shall be held in November of the calendar year in which the organization of said district is effected; and each director so elected shall hold office until his successor is elected and qualifies, as hereinafter provided.

(n) The said board of supervisors shall meet on the second Monday next succeeding such election and proceed to canvass the votes cast thereat; and if, upon such canvass, it appears that at least a majority of the votes cast at said election, in said proposed district, have voted "Irrigation District—Yes," the said board shall, by an order entered on their minutes, declare such district organized under the name and style previously designated, and shall declare the persons receiving the highest number of votes in each division of said district to be duly elected a director of said district from said division, and declare the terms of such directors according to the vote received by each and in said order shall describe the boundaries of the whole district and particularly describe the lands by the board finally included therein for district purposes. Said board shall cause a copy of such order, including a map of said district showing the boundaries of said district and lands ordered to be included therein duly certified by the clerk of the board of supervisors, to be immediately filed for record in the office of the county recorder of each county in which any portion of such lands are situated, and the board of supervisors of any county

wherein any portion of said district is located shall not after that date permit the organization of another district including any portion of such lands without the consent of the board of directors of the district first including said lands. Upon such filing, the organization of such district shall be complete, and the directors shall within fifteen days after the record of said order, qualify in the same manner as in this act required of directors elected at any subsequent elections, and thereafter immediately enter upon the duties of their respective offices, and shall hold such offices, respectively, until their successors are elected and qualified.

Section 3. Whenever the words "General Electors" and "qualified electors for bond issues and special assessments," are used in this act, said words shall mean and designate persons who possess the property qualifications provided in Section 1 of this act, and who have possessed such qualifications for ninety days immediately preceding the date of the election at which they seek to vote, and who have resided continuously for six months immediately preceding such election in any county in which said district or a part thereof may lie; and each such elector shall be entitled to one vote on each question submitted and one vote for each office to be filled at all elections; provided, however, that where the holder of such record title is a married person, only the spouse in whose name such title stands shall be entitled to vote at such election.

Section 4. The officers of such irrigation district shall consist of an elected board of three directors and a secretary appointed by the board. The treasurer of the county in which the office of said district is located shall be ex-officio treasurer of said district. All such officers shall hold office until their successors are elected or appointed and qualified. The business office of the district and of the board of directors shall be the same and shall be located in the county where the organization is perfected.

Section 5. (a) The directors upon duly qualifying shall organize as a board, elect a president from their number, and appoint a secretary. The board shall have power, and it shall be their duty, to adopt a seal, manage and conduct the affairs and business of the district, make and execute all necessary contracts, deeds and conveyances, employ such agents, attorneys and employees as may be required, and prescribe their duties and compensation, establish rules and regulations for their government and for the distribution and use of water upon lands included in said district and generally to perform all such acts

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as shall be necessary to fully carry out the purposes of this act. To accomplish the purpose of the district as proposed by the petition submitted for the formation thereof, the board shall have power to purchase or acquire, water rights, acquire or lease real estate and personal property, when necessary for its purposes, to acquire and hold stock in irrigation ditch and reservoir companies and to lease, sell and otherwise dispose of real estate and personal property, to construct, acquire, purchase, any and all canals, ditches, reservoirs, reservoir sites, water, water rights, rights of way, or other property by it deemed necessary for the use of the district, and power to acquire the right to enlarge any ditch, canal or reservoir, already constructed or partially constructed; also power to provide for the construction, operation, leasing and control of plants for the generation, distribution, sale and lease of electrical energy, including sale to municipalities, corporations, public utility districts, or individuals, of electrical energy so generated; also to make appropriations under the laws of the State of Arizona of water for irrigation and power purposes. In case the board of directors propose the purchase of a system of irrigation already constructed, or partially constructed and to enlarge and complete the same so as to be adequate to the needs of the district, the board may in such cases embody in one contract the matter of the purchase, the enlargement and the completion of such irrigation system without advertising for separate bids for such construction and completion, provided that any such contract which shall include such construction and completion shall be approved by the State Certification Board.

(b) The directors, officers, agents and employees of the district shall have the right to enter upon any land, in the district, for any district purpose, to make surveys and to locate sites for construction of a reservoir, canal or canals, and the necessary laterals or to create, extend or maintain the irrigation system of the district thereon.

(c) The board of directors shall cause all rules and regulations adopted by them to be printed in convenient form and in sufficient numbers for distribution to the electors of the district, but such rules and regulations shall become effective from the time of public notice being given of their adoption.

Section 6. Subject to the law of priorities all water of the district available for distribution shall be apportioned to the lands thereof pro rata, provided, however, that water shall not be supplied or delivered for use upon any land included in the district upon which the district taxes and assessments for the

previous year have not been paid unless title thereto is in the said district.

Section 7. The board of directors shall require all owners of lands within said district for which title shall be incomplete at the time of issuing bonds to enter into a contract to the effect that such land owner shall, upon receiving full title, permit the bonding of his land for his proportionate share of the bonded assessments of said district, and in the meantime, paying his proportionate share of all other assessments that may be levied by said board of directors; but no vested or prescriptive right to the use of such water shall attach to said land by virtue of such contract, until the bonding of said land as hereinafter provided; and, provided, further, that as soon as such land owner shall have received full title to said land, the same shall, ipse facto, become liable for all existing obligations and indebtedness of said irrigation district, as fully, to every intent and purpose, as if full title had been held by said land owner at the time of the organization of said irrigation district.

Section 8. The board of directors shall hold a regular monthly meeting in the district office on the first Tuesday in each month and such special meetings as may be required for the proper transaction of business. All special meetings shall be called by the president of the board, or any two directors. All meetings of the board shall be public, and two members shall constitute a quorum for the transaction of business and on all questions requiring a vote there shall be a concurrence of at least two members of said board. All records of the board shall be open to the inspection of any elector during business hours.

Section 9. The title to all property acquired under the provisions of this act shall by operation of law immediately vest in such district, in its corporate name, and shall be held by such district for, and is hereby dedicated and set apart for the uses and purposes set forth in this act. Said district is hereby authorized and empowered to hold, use or acquire, manage, occupy and possess property as herein provided. The rights of way, ditches, flumes, pipe-lines, dams, water rights, reservoirs, pumping plants, power plants, and other property of like character, belonging to any irrigation district shall not be taxed for state and county or municipal purposes.

Section 10. The said board shall have power in the name of the district to institute, maintain, prosecute and defend any and all proceedings, and any and all actions at law or in equity, civil or criminal, necessary or proper to fully carry out the provisions of this act or to enforce, maintain, protect, or preserve

any right, privileges or immunity of the district created by this act or acquired in pursuance thereof. And in all courts, actions, suits or proceedings the said district may sue, appear and defend by agents or attorneys. Judicial notice shall be taken in all actions, suits and proceedings, in any court of this state, of the organization and existence of any irrigation district of this state, now or hereafter organized from the time of filing for record in the office of the county recorder of the certified copy of the order of the board of county supervisors declaring the election and organization thereof; a copy of said order certified by the county recorder shall be conclusive evidence in all actions, suits and proceedings in any court of this state of the regularity and legal sufficiency of all acts, matters and proceedings therein recited and set forth, except in a proceeding in quo warranto instituted within one year from the date of such filing, and unless such a proceeding be instituted within that year, the legality or regularity of the formation or organization of such district shall not be questioned in any action, suit or proceeding whatsoever.

Within one year from the date of filing of the order of the board of supervisors, declaring said district organized any person affected thereby may institute quo warranto proceedings to test the validity of the organization of the district, but no such proceedings or other action whatsoever shall be commenced after the expiration of said year.

Section 11. (a) For the purpose of procuring necessary irrigation works, water and water rights, developing electrical energy, and acquiring the necessary property in connection therewith and otherwise carrying out the provisions of this act, the board of directors of any such district shall as soon as practicable after the organization of any such district, by a resolution entered on its records adopt a general plan of its proposed works, which resolution shall state in a general way what works or property it is proposed to lease, purchase, or acquire, and what works it is proposed to construct and the estimated cost for carrying out said plan, and how it is proposed to raise the necessary fund therefor. For the purpose of ascertaining the estimated cost or value of any proposed work or water rights, said board shall cause such surveys, examinations and plans to be made and shall demonstrate the practicability of such plan, and furnish the proper basis for an estimate of the cost of carrying out the same. The board of directors shall employ a competent engineer, under whose direction shall be made and certified to the board, such examinations, surveys, maps, plans and specifications with estimates of cost as are deemed necessary for the purpose of contracting respecting the proposed plans of work

and construction. Upon receiving the said certified report from the Engineer, the Board of Directors shall proceed to make a written estimate determining the amount of money necessary to be raised, and the character and extent of the obligations to be undertaken to give effect to such adopted plans and purposes, including payment of interest for the first two years on the first series of bonds after their issuance, and immediately thereafter shall submit a copy of the said estimate and the said engineer's report to the State Certification Board. Said Certification Board shall forthwith examine said report and shall make such additional examinations at the expense of the District as it may deem proper, and as soon as practicable thereafter shall make a report to the board of directors of the district, in which report it shall state generally its conclusions regarding the supply of water available for the project, the nature of the soil proposed to be irrigated, and its susceptibility to irrigation, the probable amount of water needed for its irrigation and the probable need of drainage, the probable cost of works, water rights and other property necessary for the project, the proper dates of maturity for the bonds proposed to be issued for the project and whether in its opinion it is advisable to proceed with the proposed bond issue. If said Certification Board shall determine that the plans as adopted by the directors of the district be modified, or that the amount of bonds proposed to be issued be changed, or that in its opinion it is not advisable to proceed with the proposed bond issue, it shall so state in its said report to the board of directors. Such report of the Certification Board shall be made to the board of directors as soon as is practicable, and in any event within a period of ninety days from its receipt of said estimate of the board of directors. Upon receipt of the report of said Certification Board said board of directors may determine and declare by resolution that its original plan of works or some modified plan recommended by said Certification Board shall be adopted and that the amount of bonds as stated in its original estimate, or a different amount suggested by said Certification Board, should be issued in order to raise the money necessary therefor; provided that no bonds in an amount or issued for the carrying out of a plan disapproved by said Certification Board shall ever be certified for any purpose by said Certification Board; and provided further that if any district shall issue bonds in an amount approved by said Certification Board to carry out any plans approved by said Certification Board, it shall be unlawful for said district to make any material change in said plans thereafter without the written consent of said Certification Board. Immediately after the adoption of its said resolution so determining the amount of

bonds, the board of directors shall call a special election at which shall be submitted to the Electors of said district the question whether or not the bonds of said district in said amount shall be authorized.

(b) Notice of elections must be given by posting notices in three public places in said district for at least twenty days prior to the date of the election and also by publication of such notice in some newspaper, if any, published in the county where the office of the board of directors of such district is kept, once a week for at least three successive weeks prior to such election. Such notices must specify the time of holding the election, the amount of bonds proposed to be issued; and said election must be held and the result thereof determined and declared in all respects as nearly as practicable in conformity with the provisions of this act governing the election of directors, provided, that no informalities in conducting such election shall invalidate the same, if the election shall have been otherwise fairly conducted. At such election the ballot shall contain the words: "Bonds—Yes," and "Bonds—No," or other words equivalent thereto. If the majority of the votes cast are "Bonds—Yes," the board of directors shall cause a series of bonds to the amount authorized to be prepared; if the majority of the votes cast at any bond election are "Bonds—No," the result of such election shall be so declared and entered of record and whenever thereafter said board deems it for the best interest of the district that bonds be issued for district purposes and that the question of the issuance thereof shall be submitted to said electors, the board shall adopt resolutions and record the same in its minutes and may thereupon submit such question to said electors in the same manner and with like effect as at such previous election. The bonds authorized by any election shall be designated as series, and the series shall be numbered consecutively as authorized. All bonds of each series when issued shall be negotiable and of like force and effect. Such bonds shall be payable at a specified time in lawful money of the United States, and shall bear interest at a rate not to exceed seven per cent (7%) per annum, payable semi-annually on the first day of July and January of each year, provided that the first and last coupons or either thereof may provide for other than a semi-annual payment if the date of issue is neither January nor July first. Both principal and interest of said bonds shall be paid at the office of the Treasurer of the district or at such other place in the United States as may be determined by the board of directors, and the said bonds shall mature in such manner that a certain percentage thereof, which shall not be less than five per cent

(5%) shall be payable at the expiration of each of the eleventh to the thirtieth years after the date of issue, both inclusive, until all thereof shall have been paid, provided however, that no percentage of said bonds in excess of ten per cent (10%) shall be paid at the expiration of any one of said years, and that none thereof shall be payable prior to the expiration of eleven years from the date of issue thereof; and provided further that such percentages may be changed sufficiently so that every bond shall be in the amount of One Hundred Dollars (\$100.00) or a multiple thereof, and that the above provisions shall not require any single bond to fall due in partial payments. Said bonds shall be each of the denomination of One Hundred Dollars (\$100.00) or multiple thereof, and shall be executed in the name of the district and signed by the president and secretary, and the seal of the district shall be affixed thereto. Coupons for the interest bearing the facsimile signature of the secretary shall be attached to each bond. Said bonds shall express on their face that they are issued by authority of this act, stating its title and date of approval. The secretary shall keep a record of the bonds sold, their number, date of sale, the price received and the name of the purchaser thereof.

Whenever the money realized from any series of bonds has become exhausted for district purposes, and it becomes necessary to raise additional money for such purposes, additional series of bonds may be authorized by submitting the question thereof at a special election to the qualified electors of said district, and otherwise complying with the provisions of this act in respect to the issue of bonds. No series of bonds issued hereunder shall have any priority of lien or other priority over any other series of bonds, and no bond of any series shall have any priority of lien or other priority over any other bond of said series. No bond shall ever be issued by any district which will cause the total aggregate outstanding bonded indebtedness of the district and the other district obligations for the payment of money to exceed in amount sixty per cent of the aggregate market value of the lands within said district and of the irrigation works owned or to be acquired by the district with the proceeds of such bonds.

(c) After a bond indebtedness shall have been authorized by the qualified electors, the board of directors, instead of issuing bonds in the manner provided in this act, may enter into an obligation or contract with the United States of America for the construction or purchase of the necessary works under the provisions of an act of Congress entitled "An act appropriating the receipts from the sale and disposal of public lands in certain states and territories for the construction of irrigation works

for the reclamation of arid lands," approved June 17th, 1902, and all amendments thereto, and the rules and regulations thereunder, or the board of directors may issue bonds for a portion of the amount of the indebtedness authorized by such bond election, and may enter into an obligation or contract with the United States of America to the extent of the remainder of such amount, and may obligate and bind the district for the payments to be made thereunder in the manner and at the time and places provided by said act of Congress and by the rules and regulations thereunder.

Section 12. The board may sell bonds from time to time in such quantities as may be necessary and most advantageous to raise the money for the purposes for which they were voted. Before making any sale, the board shall by resolution entered in the records of the board, declare its intention to sell the whole or such portion of said bonds as shall seem to them advisable and fix the day and hour and place of such sale and shall cause notice of the sale to be given by publication thereof at least three weeks in a newspaper, if any, published in the county in which the office of said district is located and in such other newspaper or newspapers as the board of directors may determine upon. The notice shall state that sealed proposals will be received by the board at its office for the purchase of bonds until the day and hour named in the resolution and that the right to accept or reject any or all bids is reserved. At the time appointed, the board shall open the proposals and may award the purchase of the bonds to the highest responsible bidder or it may reject any or all bids, provided that no proposal shall be accepted which is not accompanied by a certified check for at least five per cent of the amount of bid, to apply on the purchase price of the bonds, the amount of which check shall be forfeited if after the acceptance of the proposal the bidder shall refuse to accept said bonds and complete his purchase thereof on the conditions stated in his proposal. Said board in no event shall sell any of said bonds for less than eighty-five per cent of the face value thereof. In case no award is made, the board thereafter may either readvertise said bonds or any part thereof for sale, or sell the same or any part thereof at private sale for not less than eighty-five per cent of the face value thereof. The board may use any bonds of the district which have been offered for sale at public sale and unsold in payment for construction of works of the district, without the necessity of calling for bids for such construction, and may enter into contracts providing for the payment of such construction in bonds, which said contracts may provide for the payment of a fixed contract price,

or the cost of such construction plus a fixed percentage thereof, or the cost of such construction plus a fixed sum, in the discretion of the board; provided, however, that eighty-five per cent of their par value is the minimum price at which said bonds may be used in payment for such construction, and provided further that such use of bonds and any such contract must be approved by the State Certification Board.

Section 13. Said bonds and the interest thereon, shall be paid by revenue derived from an annual assessment and levy of taxes upon the real property of the district, and the real property of the district shall be and remain liable to taxation for such payments. Any tract or tracts of land in any district, upon payment made at any time before the maturity of said bonds, of that proportion of the bonded indebtedness of said district which the acreage of said tract or tracts of land bears to the total bonded acreage of said district, together with interest on said amount up to the next following interest paying day, shall be released and discharged from further tax levy for the payment of the principal and interest of the bonded indebtedness of the district then existing, except as in this act otherwise provided for tax levy, in event of default at maturity of bonds.

Section 14. Irrigation districts organized under this act shall have the right to construct, maintain, and keep in repair levees for the protection of the lands embraced therein from overflow, and all the provisions of this act relating to the construction, maintenance and repair of irrigation works, the issuance of bonds and the levying of assessments therefor shall be applicable to the construction, maintenance and repair of such levees.

Section 15. (a) It shall be the duty of the board of directors on or before June 1st, of each year, to make estimates of the amount of money required to meet the obligations of the district for the next fiscal year including maturing bonds and interest, maintenance, operating and current expenses together with such additional amount, as may be necessary to meet any deficiency in the payment of said items incurred during any previous year, and to provide funds for tax sale purchases of delinquent district lands, such estimates shall be fully itemized so as to show amounts required for each of the specified funds into which the money of the district is divided by the treasurer, and the total amount of such itemized estimates, entering such estimates in full upon the records of the district and transmit a certified copy thereof to the boards of supervisors of each county in which any lands of such district are located, together with a certified copy showing the total number of acres of taxable lands of such

district and description of such portions thereof as are situated in each of the counties respectively, and shall include therein all lands within the boundaries of such district, except such as have been excluded by orders made in pursuance of this act.

(b) All money raised by taxation on the estimated assessment and levy for purposes under this act, shall be applied to the objects for which it is levied and can be used for no other purposes, except that if there shall be a surplus in any fund, at any time there no longer be a demand for money in said fund, the board of directors of said district may by order duly entered, cause the treasurer of the district to transfer said surplus to any other fund against which there are outstanding obligations.

(c) In each county in which any portion of the lands included within any irrigation district are located appropriate columns shall be provided in the regular state and county tax roll for the entry of assessment and levies of the special taxes levied and assessed on account of such district. And it shall be the duty of the county assessor of each of said counties to enter upon said rolls opposite the name of each person, firm or corporation to whom may be assessed for county and state purposes any of the real property of said district (or if unknown, among the lands so classed) a description of the lands of such person, firm or corporation, subject to assessment for the purposes of said district and showing the number of acres thereof in each assessment.

(d) All district taxes upon each acre of land in any district subject to taxation for district purposes shall be assessed and such taxes shall be levied thereon at a uniform amount per acre, which amount shall be that proportion of the whole amount of the taxes to be raised for district purposes that one acre bears to the total number of taxable acres of said district.

(e) The board of supervisors of each county in which any taxable lands of an irrigation district are situated shall add to the amount by the board of directors of that district certified as being the total amount necessary to be raised by taxation for any fiscal year, an additional amount equal to fifteen per centum of the gross amount so certified, and based upon the total so made, shall fix and determine the rate amount per acre at which each acre of taxable lands of such district shall be taxed for the district purposes in such county. At the acreage amount of taxes so fixed the total of each assessment shall be computed and extended upon the rolls by the same officers who are by law authorized to compute and extend state and county taxes thereon; assessing said amount to the same person, firms, cor-

porations or unknown owners to whom the state and county taxes are assessed upon the same real estate on the said rolls, and the board shall levy the taxes so assessed in the same manner and at the same time as the levy of state and county taxes. When so levied such district taxes shall become and be a lien to the amount thereof upon the real estate assessed therewith, which lien shall continue until such taxes and all penalties and interest therein are paid.

(f) Should the board of directors neglect, fail or refuse to provide the estimates and certificates as the basis for levy and collection of taxes, at any time, the board of supervisors shall make such levy in such amount as they may deem sufficient for the purpose of the district for any fiscal year. Such board of supervisors, upon the request of any person holding any fully matured unpaid and undisputed evidence of district indebtedness, shall make such levy of taxes upon the taxable property of the district as will provide for the payment of such indebtedness of the district held by such person and such other indebtedness as shown by such person to exist, and levies so made shall be collected and enforced in the same manner as regular assessments and tax levies for district purposes.

(g) Should the directors of the district, any board of supervisors, or officer of any board, or any county assessor or tax officer of any county neglect or refuse to perform such official acts as may be necessary to give effect and create lien of taxes, and collection of taxes, under the provisions of this act required to be assessed, levied and collected, any person holding evidence of any matured, unpaid and undisputed indebtedness of the district, may compel the doing of any such official act and acts by writ of mandamus, in application for which may be joined as defendants all directors, board and officers whose neglect, failure or refusal may be the cause of complaint, and the court in any such writ may make such order as will give the party complaining full relief.

Section 16. (a) The county treasurer of the county in which is located the office of any irrigation district shall be and is hereby constituted ex-officio district treasurer of said district and said county treasurer shall be liable upon his official bond and to criminal prosecution for malfeasance, misfeasance or failure to perform any duty herein imposed or prescribed upon such officer either as treasurer, county treasurer or district treasurer to the full extent as provided by law in other cases relating to the duties of a county treasurer. The county treasurer of each county in which any irrigation district is located in whole,

or in part, is hereby authorized and it shall be his duty to receive, collect and receipt for all district moneys and for taxes levied under the provisions of this act, and when for tax moneys, in the same manner and at the same time, and on the same receipt given upon the receipt and collection of taxes upon real estate for county purposes.

(b) Payment of taxes levied for district purposes may be made with matured interest coupons or warrants of a district at their par value, when the aggregate amount of such warrants and matured interest coupons does not exceed the total amount of taxes due and to which aggregate amount a money payment sufficient to fully pay the balance of the said taxes is made.

(c) Payment of the amount necessary to be made for the purpose of releasing any tract or tracts of land from the outstanding bonded indebtedness of the district may be made with district bonds, matured interest coupons or warrants, at their par value or with an aggregate amount of warrants, interest coupons or bonds, which singly, or in the aggregate do not exceed the total amount necessary for such release, and to which aggregate amount a money payment sufficient to fully pay for release is added.

(d) The treasurer of the district shall accept payments so made and upon the receipt of any bonds, warrants or coupons, shall immediately cancel the same and they shall not thereafter be reissued, negotiated or circulated for any purposes whatsoever.

(e) Upon the full payment of indebtedness upon any tract or tracts of land as in this act provided, the county treasurer shall issue a certificate reciting the fact of such payment and deliver the certificate to the person making payment; such certificate may be recorded in the office of the county recorder of the county in which said tract or tracts of land are situated and from delivery thereof shall operate as a release and discharge of the lands described therein from any further taxation to meet payments of principal or interest upon the district bonds then outstanding, except in the event of a default of a district in payment of such bonds at maturity, taxes may then be levied on such tract or tracts of land to meet such deficiency, provided however should property so released be taxed to pay such deficiency it shall be entitled to all benefits accruing from the purchase of lands sold at tax sales.

(f) The County Treasurer of each county containing a portion of any irrigation district, except the county treasurer of the county in which the office of said district is located, on the first Monday of each month shall remit to the district treasurer, as

aforesaid, all moneys, warrants, coupons or bonds theretofore collected or received by him on account of said district. Every district treasurer by computations based upon certified estimates as returned to the board of supervisors, shall divide the money received from taxation on the lands of the district or from other sources, into district funds corresponding with the purposes therein specified or for which they were paid. Moneys received on account of interest on the bonded indebtedness of a district shall be kept in an interest fund or account; moneys received on account of principal, on account of bonded indebtedness of district shall be kept in a bond account or fund; moneys received on account of release and discharge of lands in the district from the lien of the bonded indebtedness of the district shall be kept in a call or prepayment fund or account; moneys received on account of maintenance, operation and current expenses for the district shall be kept in a maintenance, operation and a current expense account or fund; moneys received on account of the levy for outstanding or deficiency warrants shall be kept in a deficiency fund or account; and of any levy made for payment on completion of the irrigation works of the district shall be kept in a completion fund or account; and likewise if a levy shall be made or money received from any other source or for any other purpose, said money shall be kept in a separate fund or the account so designated as to identify the purpose for which said money was levied or received. The district treasurer shall pay out of said bond fund the principal of bonds of said district at the time and place specified in said bonds, and shall pay out of said interest account or fund the interest on the bonds of said district at the time and place specified therein and shall pay out all of said other funds, except the fund for call and prepayment upon warrants of the district, signed by the president and countersigned by the secretary of said district. Whenever the call and redemption fund contains One Thousand (\$1,000.00) Dollars or more, the district treasurer shall call in the highest numbered of outstanding bonds to the amount on hand and shall thereupon give notice of the call of such bond or bonds, designating the number or numbers thereof, by notice published in one of the newspapers, if any, published in the county in which the office of said district is located, for a period of two (2) weeks, or in a newspaper published in any other place where said bonds may be payable for a period of ten (10) days. After the completion of such notice, the money to pay said bonds shall be held in such fund until the same are presented for payment, and the interest on bonds so called shall cease sixty (60) days after the date of the first publication of such call.

(g) On the 15th day of each month the district treasurer shall report to the secretary of the district the amounts of funds in his hands to the credit of the respective funds as above provided with the amount of warrants paid during the previous month, and the amount of registered unpaid warrants, if any.

(h) The board of directors at their regular monthly meeting in January of each year shall render and immediately thereafter cause to be published a verified statement of the financial condition of the district, showing particularly the receipts and disbursements of the last preceding year, together with the source of such receipts and purpose of such disbursements. Said publication shall be made at least once a week for two weeks, in some newspaper, published in the county where the office of the board of directors of such district is situated.

Section 17. (a) All taxes levied and assessed under the provisions of this act, shall become due and delinquent and shall attach and become a lien on the real property assessed at the same time as state and county taxes and all provisions of the general revenue laws of this state for the assessment, levying and collection of taxes on real estate for state and county purposes, shall be applicable to the matters for the assessment, levy and collection of taxes, for the purposes of this act, modified to meet any special requirements thereof, including all provisions of said general revenue laws as to proceedings to aid in the collecting and enforcement as to returns when delinquent, as to sales of property when delinquent, and all similar provisions in the tax and revenue laws of this state applying to state and county taxes shall equally apply to the taxes herein provided to be levied and collected unto the person to whom so assessed and to other persons and with like force and effect.

(b) At any sale of the taxable property in the district for delinquent taxes assessed thereon, such irrigation district may become the purchaser thereof and hold title thereto with the same rights and power as individuals; and the board of directors of the district shall have full power to provide district funds for such purchases and to lease, sell and assign or otherwise dispose of said property so acquired for value not less than an amount equal to the amount paid for the same together with interest at the rate of six per centum per annum thereon from the date of purchase and an amount equal to the pro rata of current taxes for district purposes during period of such ownership, provided however if property so acquired at tax sale has not been so disposed of, then on petition of five qualified electors of said district the question of selling lands so held and unsold on other

and different terms and conditions shall be submitted to the qualified electors of the district at the next regular election of the district and the board of directors may then sell said lands upon such terms and conditions adopted at such election.

Section 18. (a) An annual election shall be held in that division of the district in which the term of office of director next expires. Such election shall be held on the second Tuesday after the first Monday of November. Not less than ten days before the election, any ten or more electors in the district may file with the board of directors a petition, requesting that the name of the person specified in such petition be placed on the ballot as candidate for the office of director. The names proposed by the various petitions so filed, and no others, shall be printed on the ballots. But there shall be a blank space left in which electors may write other names if they so desire. The one director to be elected from such division shall be elected by the general electors of that division of the district in which the election is held. The person receiving the highest number of votes shall be elected. In case of a tie vote between two or more persons so that neither receive the highest number, the result of the election shall be decided by lot between them, under the direction of the chairman of the board of supervisors of the county where the district is organized. The director so elected or chosen upon qualifying as in this act provided shall hold office for three years beginning on the first day of January following. Directors shall be general electors of the division of the district for which they are elected. In case a vacancy occurs in the board of directors, by death, removal from district, resignation or inability, from any cause, to properly discharge the duties as such director, the vacancy shall be filled by appointment made by the remaining members of the board of directors and upon their failure or inability to appoint, within thirty days after such vacancy occurs, then upon petition of five electors of said district the board of county supervisors of the county where the office of said district is situated shall by appointment fill such vacancy or vacancies. Any director appointed as above provided, shall hold office for the remainder of the unexpired term and until his successor is elected at a regular election and qualified.

(b) If the said district shall have been divided into divisions by the board of supervisors said board of directors by an order duly entered in their proceedings not less than thirty days prior to the first district election, shall establish, define and divide the whole district into three divisions as nearly equal in the amount of acreage included therein as practicable, to be known

and designated as Division No. One, Division No. Two and Division No. Three. Each of said divisions shall be represented by one director on the board and unless the acreage of said division is substantially changed by the inclusion or exclusion of district lands, the divisions shall remain as so established. In event of such substantial change the directors shall redivide the district and define new divisions thereof, maintaining in such redivision as nearly as practicable the boundaries of the said division as formerly established and notice of such redivision shall be included in the notice of the next general election.

(c) If said district has not been divided into divisions by the Board of Supervisors as in this act provided, the Board of Directors of said district shall not divide it into divisions and if the same shall not be divided into divisions the directors of the district shall be elected at large from the general electors of the district and in that event all elections shall be held and conducted and all questions to be voted upon shall be submitted as nearly in conformity with the provisions of this act as practicable.

(d) Fifteen days before any district election, the district secretary shall cause notice or notices to be posted in each division giving the time and place of holding the election and specifying the polling places of each division, and shall also post a general notice thereof in the office of said district. Prior to the time for posting the notices, the board of directors shall appoint, from the general electors of each division, three judges, who shall constitute a board of election for such divisions, one of whom shall be selected by said judges to act as clerk of election. If the board of directors fail to appoint any such election board or should the persons appointed fail to attend the opening of the polls on the morning of the election, the general electors of the division present at the opening hour may appoint a board or supply the place of any absent member thereof. At all such elections the board of directors of said district shall furnish and provide the judges with all necessary election supplies, including forms for ballot. In all elections, each member of the election board, before the opening of the polls shall take and subscribe an oath to faithfully perform the duties as such member imposed by law. Any general elector of the division may administer and certify such oath.

(e) The polls must be open at eight o'clock A. M. and remain open until six o'clock P. M. of the same day. The members of the election board, of any division, shall choose one of their number to be chairman of the board. The chairman of the board may appoint judges and clerks to fill any vacancies occur-

ring during the progress of the election. Any member of the election board or any clerk thereof may administer or certify any oath required to be administered during the progress of the election, and the board shall have power to decide upon the qualifications of electors and shall make certificates respecting any matter concerning the election.

(f) After the closing of the polls, the judges of the election shall ascertain the result of the vote and within two days thereafter certify the same in writing to the board of directors of the district and deliver to it all ballots used in said election and all records made thereof.

(g) The directors shall meet at the office of the district on the first Monday after the election to canvass the returns. If at the time of the meeting, the returns from each division in which the polls were open have been received, the board of directors shall then and there proceed to canvass the returns, and if all the returns have not been received then the meeting shall be postponed from day to day until the returns are received or until six postponements have been made. The canvass shall be made in public by checking the returns made by the election boards and by counting the votes of a district for each person or question voted for. After such canvass the board shall declare elected the persons receiving the highest number of votes, and shall also declare the result of the vote on any question submitted. If after six adjournments all the returns have not been made, the board of directors shall declare the result to be no election and shall proceed to call a new election for the same purpose and in the same manner and to be conducted in the same manner as provided for such elections.

(h) No ballot, list, tally or certificate of any election shall be rejected for any irregularity or default whatsoever, if the intent thereof is apparent and it can be understood, nor shall any election be declared null and void if conducted substantially in conformity with the provisions of this act.

(i) The district secretary, as soon as the board of directors have declared the result of any election shall enter in the proceedings of such board a statement of such declared result; which statement must show:

- (1) A copy of the notice of said election;
- (2) The names of the acting judges of said election;
- (3) The whole number of votes cast in the district and in each division of the district;
- (4) The names of the persons voted for;

- (5) The office to fill which each person was voted for;
- (6) The number of votes given in each division for each of such persons, and the number voted for and against each question submitted;
- (7) The number of votes given in the district for each of such persons;
- (8) The name of persons declared elected;
- (9) The result declared on any question submitted. All to be done in accordance with the result declared by the board of directors after canvass is made as aforesaid.

(j) A certified copy of said order as entered on the proceedings of the board of directors shall be made by the secretary and by him filed in the offices of the board of supervisors of each county in which a part of said district is situated. The secretary of the district shall immediately give the persons elected directors a written notice of the fact of such election and such person within twenty days after receiving such notice shall take and subscribe an official oath to perform the duties of the office to which he was elected and file the same with the clerk of the board of supervisors of the county wherein the organization of the district was effected, and shall at the same time execute an official bond in the sum of Three Thousand (\$3,000.00) Dollars with sufficient surety or sureties to be approved by the judge of the superior court of the same county by endorsing his approval thereon, which bond shall then be recorded in the office of the recorder of such county and when recorded shall be by the recorder delivered to the board of supervisors and there filed.

(k) All official oaths and official bonds required by this act shall be in the form prescribed by law for official oaths and bonds of county officials, except that the obligee named in said bonds shall be the district.

(1) Any director elected or appointed under the provisions of this chapter shall be subject to be recalled by the vote of a majority of the general electors of the divisions which such director may represent. The proceedings of such recall election shall be in all respects as may be provided by the constitution of the state of Arizona, or any act of the legislature, which may be passed for the purpose of carrying out the provisions of the constitution.

Section 19. (a) When the plans and specifications for any work of construction, repair, alteration, extension or improvement or other district purpose, have been adopted by the board of directors, the directors shall give notice of such proposed

work by publishing at least two weeks in a weekly or daily newspaper, if any, published in each county in which portions of the district are located, and in such additional newspapers as the directors may deem advisable a notice calling for bids therefor. In such notice a general description of the proposed work to be contracted for shall be stated, and said notice shall set forth that the plans and specifications therefor may be seen at the office of the district, the date and hour up to which the board will receive sealed proposals therefor, that the contract may be let to the lowest responsible bidder, that the right will be reserved to reject any and all bids; the time and place for opening the said bids; that each bid must be accompanied by a deposit or certified check equal to ten per cent of the total thereof; that the bids will be opened in public, that as soon as convenient thereafter the board may let said work either in portion or as a whole to the lowest responsible bidder for the whole, or portions of such work according to such bids.

(b) At the time and place specified in the notice the board shall meet and consider such bids and shall within a reasonable time thereafter accept or reject all or any portion of any bid or may reject all bids, and shall return deposits of unsuccessful bidders. The board may thereafter proceed to readvertise for such portions of the proposed object as to which no bid was accepted, or the board may proceed to accomplish the work so advertised under its own direction and supervision. The board shall enter into contracts according to the accepted bids, and shall require each person with whom such a contract is made to enter into a bond with a good and sufficient surety or sureties in an amount not less than twenty-five per cent of the amount of the contract to be approved by the board, and which bond shall run to the district for its use, and be conditioned for the faithful performance of said contract. Upon such bond being given and approved, prior deposits of the principal therein shall be returned. The work under any contract let pursuant to the terms of this section shall be done under the direction and to the satisfaction of the district engineer, and by the terms of such contract shall be paid for in cash. Nothing herein contained shall be construed to prohibit the district from letting any work required by it without first advertising for bids, where the estimated cost of such work does not exceed Three Thousand (\$3,000.00) Dollars, or where an emergency exists as determined jointly by the board of directors of the district and the State Certification Board.

(c) The board of directors of irrigation districts may acquire, by purchase or condemnation, the irrigation system,

canals and works through which lands in such districts have been or may be supplied with water for irrigation, and may exchange bonds of such irrigation district for such system or canals or works or for any portion thereof, or for any interest therein or for the capital stock of any corporation owning such system or any portion thereof, upon such terms and conditions as the said board of directors may deem best; provided, however, that such exchange must be first approved by the State Certification Board.

Section 20. No claim shall be paid by the district treasurer until the same shall have been allowed by the board, and then only upon warrants signed by the president and countersigned by the secretary, which warrants shall state the date when the claim was allowed by the board and from what funds payable; and if the district treasurer has not sufficient money on hand in such fund to pay such warrant when it is presented for payment, he shall endorse thereon the date when presented and the words "not paid for want of funds--this warrant draws interest from this date at six per cent per annum," and sign the endorsement, and from the date of such endorsement such warrant shall draw interest at the rate of six per cent per annum until paid; provided that when first presented any amount in the fund upon which said warrant is drawn shall be applied and endorsed thereon and the warrant registered for the unpaid balance only. All claims against the district shall be verified in the same manner as is required for claims against counties in this state, and upon filing shall be numbered consecutively by the secretary and kept in the office of the district. The secretary of the district is hereby authorized and empowered to administer oaths to the parties verifying said claims, the same as a notary public may do. The district treasurer shall keep a separate district register in which he shall enter each warrant presented for payment, showing the date and amount of such warrant, to whom payable, the date of presentation for payment, the date of payment, and the amounts paid in redemption thereof, and all warrants shall be paid in the order of their presentation for payment to the district treasurer. All warrants shall be drawn payable to the claimant or order, the same as county warrants.

Section 21. The board of directors shall have the power to construct the district works across any stream of water, water course, street, avenue, highway, railway, canal, ditch, flume, or private property, which the route of said canal or canals may intersect or cross. If the board of directors and the persons owning or controlling any such property, thing or franchise so to be used or crossed, cannot agree on the amount to be paid for

such taking, use or privilege, such amount shall be ascertained and determined in the manner by law provided for the taking of land for public uses in any case. The district shall have the right and power to locate, construct, and maintain said works or reservoirs, over, through or upon any of the lands which are now, or hereafter may be the property of the State, under the direction and supervision of the State land department.

Section 22. (a) Each member of the board of directors shall receive three dollars per day and mileage at the rate of ten cents per mile and actual and necessary expenses of attending board meetings, and a similar per diem and actual and necessary expenses paid while engaged in official business under order of the board. The board shall fix the amount of compensation to be paid the secretary. The board of directors upon the petition of fifteen per centum of the electors of such district shall submit at any general election any proposed schedule of salaries and fees to be paid. Such petition must be presented to the board twenty days prior to the time of noticing any general election, and the result upon such question shall be determined and declared as in elections upon other questions submitted under this act.

(b) Directors or officers shall not be interested in any manner directly or indirectly, in any contract awarded or to be awarded by the board, or in the profits to be derived therefrom; nor receive any bonds, gratuity or bribe whatsoever.

(c) For any willful violation or neglect of duty any officer of the district shall be deemed guilty of a misdemeanor, and conviction thereof shall work a forfeiture of his office, and he shall be punished by a fine not exceeding two hundred dollars, or by imprisonment in the county jail not exceeding six months for each offense.

Section 23. The board of directors, or other officers of the district shall not have power to incur any debt or liability either by issuing bonds or otherwise, in excess of the express provisions of this act and any debt or liability, incurred in excess of such express provisions, shall be and remain absolutely void.

Section 24. In case the water available in any district shall be insufficient at any time to supply all lands of the district susceptible of irrigation therefrom and otherwise entitled to water, it shall then be the duty of the board of directors to provide for the distribution of all available water upon certain or alternate days to different localities as the board in its judgment may deem to be for the best interests of all parties concerned, and so that such available water shall be distributed in

as nearly equal proportions as possible to all such lands of the district subject to the laws of priorities.

Section 25. This act shall not be construed as authority to any district or district officer to divert the water of any river, creek, stream, canal, or reservoir to the injury or damage of any person or persons having a prior right to such water, prior to such time as the amount of any such injury or damage has been ascertained and paid to the party who may be injured thereby, in proceedings under the laws of this state relative to the taking of private property for public use.

Section 26. (a) For the purpose of determining the permanent inclusion of any additional lands within the district, and for the purpose of determining as to the question of excluding from the district any lands which may not be susceptible of irrigation from the works thereof or for excluding lands which may be non-irrigable in character, petitions for such purposes may be made by the owners and filed with the board of directors, which petitions shall give the description of the lands to be affected, and stating the action desired and the reasons for such requested action. Such petitions shall be sworn to by the petitioner. At the time of filing such petition there shall be paid to the secretary an amount sufficient to cover the estimated expenses of publication of notice and hearing thereof.

(b) Upon the filing of such petition and the payment of estimated expenses, the secretary shall cause notice to be given and published once each week, for three successive weeks in a newspaper, if any, published in the county where the office of said district is situated; giving the fact of the filing of such petition, the names of the petitioners, a description of the lands and the prayer of said petitioner, and the time and place of hearing on said petition and requiring any person having any cause for objection to the allowance of such petition to file the same in writing in the district office on or before the time fixed for the hearing in the notice and appear at such time in support of any such objections. At the time and place mentioned in said notice, or at such time or times to which the hearing of such petition may be adjourned, the board of directors shall proceed to hear the petition and all objections filed thereto in writing by any interested person. The failure of any person to file objections in writing as aforesaid, shall be deemed and taken as an assent on his part to the granting of said petition.

(c) Where petitions are presented respecting the inclusion of lands, the board of directors shall require as a condition precedent to the granting of the same, that the petitioners shall

severally pay to such district such respective sums, as nearly as the same can be estimated by the board, as said petitioners or their grantors would have been required to pay to such district as taxes for the payment of its pro rata share of gross amount of all taxes thereon, which may have been previously levied for district purposes, except for the maintenance and upkeep.

(d) Upon such hearings, should the board of directors deem it for the best interests of the district to grant the prayer of such petition, they may do so, or may deny it, and in either event shall enter an order upon the records of the district recording the action taken, if an order is made either for inclusion of lands or for the exclusion of lands, a certified copy of such order shall be recorded in the office of the county recorder and filed with the board of supervisors of each of the counties wherein portions of the district are located, which filing shall give full legal force and effect to the order, and proof of the facts stated in such order shall be made in the same manner and with like effect as proof is made of the original order establishing such district.

(e) A guardian, executor or administrator of an estate who has qualified under the laws of this state and as such is entitled to the possession of the lands belonging to the estate which he represents, may on behalf thereof act respecting the petition in this act mentioned.

(f) The exclusion or inclusion of any lands shall not impair the organization of any district organized under the provisions of this act, nor in any manner impair, destroy, or change its rights as such district, nor affect, impair nor discharge any contract, obligation, lien or charge thereon; nor shall the particular lands of the district affected by any order of exclusion or inclusion be relieved from any district contract, obligation, lien or charge, for or upon which it was, or might become liable or chargeable had the order of exclusion or inclusion not been made; provided, however, lands excluded by any order shall not be liable for district contracts, debts, or obligations thereafter created.

Section 27. Whenever a majority of the bona fide owners of land in any irrigation district organized under this act, shall petition the board of supervisors, to call a special election for the purpose of submitting to the general electors of said irrigation district a proposition to vote on the dissolution of said irrigation district, setting forth in said petition that all indebtedness of every nature whatsoever has been fully satisfied and paid, it shall be the duty of said board of supervisors, if they shall be

satisfied that all indebtedness has been fully satisfied, to call an election to decide the question of such proposed dissolution, which election shall be called, held, conducted and the results determined in the same manner as the election was held for the organization of said district, and should the result of such election be in favor of such dissolution, the said board of supervisors shall make orders upon its records, certify and record the same in the same places and manner and with like effect as orders made, entered, certified and recorded effecting the organization of said district. In the event of the dissolution of an irrigation district as in this section provided, the board of directors of the district in office at the time of such dissolution shall assume the control and charge of all the assets of the district including all of its water, water rights and irrigation system and hold control and manage the same to, and until such time as the general electors of the district shall organize and take over the control and management of the same.

Section 28. The board of directors of an irrigation district organized under the provisions of this act, or any person interested therein as an elector, taxpayer, property owner or otherwise, in the matter of any bond issue affecting such district may by petition filed in the superior court of the county in which the office of such district is located, institute a proceeding for the purpose of having a judicial examination and judgment of the court as to the regularity and legality of the proceedings of the said board and for and in behalf of said district, which may provide for and authorize the issue and sale of any series of bonds of such district, and may do so whether any of said bonds have been sold or not. The title of such proceedings shall be "In the matter of the application of — district (name of district) for a determination as to the validity of (series number) — of bonds of said district;" such petition shall state the facts showing the acts and proceedings had, relative to the issue and sale of bonds described therein; and if filed by petitioners other than the board of directors of the district, the petitioners shall recite the interest which they have in the matter. Upon the filing of such petition the clerk shall issue a summons in said matter as in ordinary cases, except that it shall be directed to all persons who may have or claim to have any interest in the matter of the issue of (district, name it) of bonds known as (series number) —, (stating series and number of series) without specifically naming any other defendant or defendants. Such summons so issued shall in all cases be published in the same manner as summons are published against non-resident defendants in other actions in the superior court

of this state, and if the board of directors of the district are not the petitioners in the action, such summons shall be personally served upon at least one member of said board of directors in the same manner as provided for service of summons, in other actions in the superior court. Upon proof of such publication being made and filed, and upon proof of service where personal service is required, the superior court shall have jurisdiction to proceed in the matter of such petition as in other actions commenced therein. Any persons interested may jointly and severally unite in a pleading to such petition, which pleading shall be in the nature of a general demurrer thereto as upon the grounds that the matters of said petition do not state a cause of action entitling the petitioners to the relief prayed for and upon the filing of any such pleading, the court shall proceed to hear and determine the matters thereof at one hearing upon the law and facts, and after such hearing shall enter such order, judgment, or decree, as it shall determine upon such issues, which order, judgment or decree shall be in writing signed by the judge and have all the effect of any judgment of said court, except that the costs of such proceeding shall not be taxed as against any party thereto. Such judgment may determine the legality and validity of, and approve and confirm, each and all of the proceedings, of the organization of said district under the provisions of said act, from and including the petition for the organization of the district, and all other proceedings which may affect the legality or validity of said bonds. The court, in inquiring into the regularity, legality or correctness of said proceedings, must disregard any error, irregularity or omission which does not affect the substantial rights of the parties. A final decree as to such proceedings shall be received as *res adjudicata* in all Courts of the State of Arizona in all cases whatsoever involving the validity of such bonds and the organization of the district. Any pleading and answer to such petition shall be filed within thirty days after the date of the last publication of the summons and not afterwards without special order of the court, except that any person or persons interested may without pleading intervene in said cause and appear and be heard upon the trial issues as above provided to be tried.

Section 29. The name of any district hereafter organized hereunder shall contain either the words "irrigation district" or "water conservation district." Any district heretofore or hereafter organized and existing, the name of which shall include the words "irrigation district," may change its said name by substituting for the word "irrigation," the words "water conserva-

tion," or such other change in name as in the opinion of the board of directors may be deemed advisable, other than specifically provided herein, by filing with the board of supervisors with which was filed the original petition for the organization of the district, a certified copy of a resolution of its board of directors adopted by the unanimous vote of all the members of said board at a regular meeting thereof providing for such change of name; and thereafter all proceedings of such district shall be had under such changed name, but all existing obligations and contracts of the district entered into under its former name shall remain outstanding without change and with the validity thereof unimpaired and unaffected by such change of name.

Section 30. Public lands of the United States, both entered and unentered, within the boundaries of any irrigation district organized in this state shall be assessed for district purposes in the manner provided by law to the extent authorized by an act of Congress entitled, "An Act to Promote Reclamation of Arid Lands," approved August 11, 1916, or any other law enacted by Congress in the same relation; resident entrymen of public lands shall be lawful petitioners for the organization of an irrigation district, and entrymen residing on lands included within any district, the plans and maps of which have been approved by the Secretary of the Interior, if otherwise qualified, shall be lawful electors for bond issues and special assessments whether or not they may be real property taxpayers for the purpose of general taxation. Such entrymen shall be deemed to be holders of land within any irrigation district to the end that they may be qualified general electors for irrigation district purposes in general. They shall share all privileges and obligations of private land owners within the district including the right to hold office, subject always to the terms of the aforesaid acts of Congress. The board of directors is authorized to make such investigations; and, based thereon, such representations and assurances to the Secretary of the Interior as may be requisite under such acts.

Section 31. In addition to the purposes otherwise authorized by law, irrigation districts may be organized for the following purposes, and irrigation districts heretofore or hereafter organized under the law of the state, in addition to the authority otherwise conferred upon them, shall have the following powers: To cooperate and contract with the United States under the Federal Reclamation laws heretofore or hereafter enacted for the purpose of the construction of works, whether irrigation or drainage works, or levees for the protection of lands in the district, or for the acquisition, purchase, extension, operation or maintenance of

constructed works, or for a water supply, or for the assumption as principal or guarantor of indebtedness to the United States on account of district lands.

Section 32. The board of directors shall generally perform all such acts as shall be deemed necessary to carry out the enlarged powers in this act enumerated. Said board may enter into any obligation or contract with the United States for the aforesaid purposes and may provide therein for the delivery, distribution and apportionment of the water for the lands of such district in accordance with the acts of Congress applicable thereto, and the rules and regulations of the Secretary of the Interior thereunder, and provision may be made in the contract for the refusal of water service to any or all lands which may become delinquent in the payment of any assessment levied for the purpose of carrying out any contract between the district and the United States. The contract may provide for the conveyance of water rights or other property of the district to the United States as partial consideration for the privileges obtained by the district under said contract, and in case contract has been or may hereafter be made with the United States, as herein provided, bonds of the district may be transferred to or deposited with the United States, if so provided by said contract and authorized as herein set forth, at not less than 85% of their par value to the amount to be paid by the district to the United States, or any part thereof; the interest or principal or both, on said bonds to be raised by assessment and levy as hereinafter prescribed, and to be regularly paid to the United States and applied as provided in said contract. Bonds deposited with or transferred to the United States may call for the payment of such interest not exceeding 7% per annum, may be of such denominations and call for the re-payment of the principal at such times as may be agreed upon between the board and the Secretary of the Interior. The contract with the United States may likewise call for the payment of the amount or amounts to be paid by the district to the United States, or any part thereof at such times and in such installments and with such interest charges not exceeding the aforesaid rate, as may be agreed upon, and for assessment and levy therefor as hereinafter provided, moreover, the board on behalf of the district may accept appointment of the district as fiscal agent of the United States, or authorization of the district by the United States to make collection of moneys for or on behalf of the United States in connection with any federal reclamation project, whereupon, the district shall be authorized so to act and to assume the duties and liabilities incident to such action,

and said board shall have full power to do any and all things required by the rules and regulations now, or that may hereafter be established by any department of the federal government in regard thereto. Districts co-operating with the United States may rent or lease water to private lands, entrymen, or municipalities in the neighborhood of the district in pursuance of contract with the United States.

Section 33. Any proposal to enter into a contract with the United States for the re-payment of construction moneys, the cost of a water supply or the acquisition of property, and to issue bonds, if any be proposed, shall be voted upon at an election wherein proceedings shall be had insofar as applicable in the manner provided in the case of the ordinary issuance of district bonds. Notice of such election shall contain, in addition to the information required in the case of ordinary bond elections, a statement of the maximum amount of money to become payable to the United States for construction purposes, cost of water supply and acquisition of property, exclusive of penalties and interest, together with a general statement of the property, if any, to be conveyed by the district as hereinabove provided. The ballots at such election shall contain a brief statement of the general purpose of said contract and the amount of the obligation to be assumed as aforesaid, with the words "Contract--Yes," and "Contract--No," or "Contract and Bonds--Yes," and "Contract and Bonds--No," as the case may be. The board of directors may, by petition, filed in the superior court of the county in which the office of such district is located, institute a proceeding for the purpose of having a judicial examination and judgment of the court as to the validity of such contract; and the regularity and legality of the proceedings of the said board for the authorization of the board to enter into such contract and the authority for and the validity of the issuance and deposit or transfer of said bonds, if any, and the validity of the organization of the district; whereupon, the same proceedings shall be had as in the ordinary case of a judicial examination and judgment as to the validity of bonds and with like effect. Such a proceeding may moreover be instituted by any person interested as an elector, taxpayer or property owner.

Section 34. Any rights of way or other property owned or acquired by the district may be conveyed by the board to the United States insofar as the same may be needed for the construction, operation or maintenance of works by the United State for the benefit of the district under any contract that may be entered into with the United States pursuant to this act.

Section 35. All payments due or to become due to the United

States under any contract between the district and the United States, including such payments of interest and principal on bonds as may be required in connection with the deposit or transfer thereof to the United States, shall be paid, unless otherwise provided by contract, by revenue derived from annual assessments, apportioned as hereinafter prescribed, and levies therefor, upon such real property within the district as may be assessable for district purposes under the laws of the State, and such real property shall be and remain liable to be assessed and levied upon for such payments as herein provided. It shall be the duty of the board of directors to include in their annual estimates all sums which may be necessary to meet all payments to the United States when due as provided in said contract. Assessments for such purposes, however, shall not necessarily be uniform in amount per acre over the irrigable lands of the district, but shall rather accord in amount with the provisions of the contract between the United States and the district, the Federal laws applicable thereto, and the notices and regulations issued in pursuance of said laws, and in case such contract is for the assumption by the district as principal or guarantor of indebtedness to the United States theretofore existing on account of district lands, there shall be further taken into account the provisions of existing contracts carrying such indebtedness and the amounts of such liens as may be released in pursuance of contract between the United States and the district. The amount of assessment for each tract of land shall be set forth in a certificate, a copy whereof shall be transmitted to the boards of supervisors of each county in which any lands of such district are located, together with other matters required by the irrigation district laws of the state so to be certified, and the laws of the State as to the making and levy of assessments for irrigation district purposes shall be complied with insofar as practicable in the making and levy of assessments for payments due the United States under any such contract. Nothing herein contained shall be construed to relieve the district from obligation to pay as a district in case of the default of any land unless so provided by contract. All moneys collected by assessment and levies to carry out any contract with the United States shall be kept in a fund to be known as a "United States Contract Fund," to be used for payments due to the United States under any such contract.

Section 36. In case of contract between the United States and any irrigation district in pursuance of this act the engineering investigations, letting of contracts by the district and related undertakings looking to the construction of works, purchase

thereof or of a water supply, or acquisition of property in lieu of compliance with the provisions of the general irrigation district laws of the state in that regard, may be done and performed by the United States or the district, or insofar as may be required by, or as the same may be covered into or substituted for by, the contract between the United States and district. The officers, agents and employes of the United States as well as those of the district, shall have the right to enter upon any land in the district to make surveys or locate sites for construction of works in furtherance of such engineering investigations.

Section 37. Where contract shall have been entered into between the United States and any irrigation district, the district shall not be dissolved, nor shall the boundaries be changed, nor shall any specific tract or tracts of land be released or discharged for the outstanding bonded indebtedness of the district, in pursuance of bonds deposited with or transferred to the United States, by payment of a proportion of said indebtedness as provided in this act, except upon the written consent of the Secretary of the Interior filed with the official records of the district. If such consent be given and lands be excluded such lands shall be free from all liens and charges for payments to become due to the United States.

Section 38. There is hereby created the State Certification Board of the State of Arizona, the members of said Certification Board to be the Attorney General, the State Engineer and the Superintendent of Banks; said Certification Board shall elect one of its members chairman, and one or more of such members of said certification board shall from time to time as may be required, designate from his or their regularly employed clerks and assistants such clerks and assistants as may be necessary, who shall perform without extra compensation, the duties herein imposed.

Section 39. Whenever the Board of Directors of any irrigation district or water conservation district organized and existing under and pursuant to the laws of the State of Arizona shall by resolution declare that it deems it desirable that any contemplated or outstanding bonds of said district, including any of its bonds authorized but not sold, shall be made available for the purposes provided for in Section 44 of this Act, the said board of directors shall thereupon file a certified copy of such resolution with the said Certification Board.

Section 40. Such Certification Board upon the receipt of a certified copy of such resolution shall without delay make or

cause to be made an investigation of the affairs of said district, and make written findings of the result of such investigation.

The bonds of such district referred to in such resolution of the board of directors of the district shall be certified by the State Auditor in the manner hereinafter provided, if such written findings of said Certification Board shall have found that the irrigation system of the district and the specific project for which the said bonds under consideration are desired to be used or have been used, whether such project be constructed, projected or partially completed, are feasible, and that the aggregate amount of the bonds under consideration and any other outstanding bonds of said district, including bonds authorized but not sold, does not exceed sixty per cent of the aggregate market value of the lands embraced within said district, and of the water, water rights, canals, reservoirs, reservoir sites, irrigation works, and other works, owned or to be acquired or constructed with the proceeds of any of said bonds by said district. Such findings shall also include, but not as a prerequisite to such certification, by the State Auditor, a finding as to the ratio which the aggregate market value of the lands within the district and the irrigation system owned or to be acquired by said district in whole or in part with the proceeds of said bonds, bears to the entire indebtedness of the district, including the bonds under consideration, and a finding as to the total annual taxes for all purposes for the current year against the lands embraced within the district.

It is hereby made the duty of the state auditor to provide for filing and preserving findings mentioned in this section, and also to make, keep and preserve a record of the bonds certified by him in accordance with the provisions of Section 42 of this Act, including the date of certification, the number of each bond, its par value, the date of its issuance and that of its maturity.

Section 41. Whenever the bonds of any such district have been certified as provided in this Act, no expenditure of any kind shall be made from the proceeds thereof without the consent of the Certification Board provided for in this Act, and no obligation shall be incurred, payable out of such proceeds without the previous authorization of said Certification Board,

Section 42. Whenever any bond of any such district, including any bond authorized but not sold, which shall be eligible to certification by the State Auditor as herein provided, shall be presented to the state auditor, he shall cause to be attached thereto a certificate in substantially the following form:—

Phoenix, Arizona.

(Insert Date)

I, State Auditor of the State of Arizona, do hereby certify that the within bond, number, of series number of the District, issued (insert date), is, in accordance with an act of the Legislature of the State of Arizona, approved (insert date), a legal investment for the funds of savings banks in the State of Arizona, and may be deposited to secure public moneys, it being entitled to such privilege by virtue of an examination by the State Engineer, the Attorney General and the Superintendent of Banks of the State of Arizona in pursuance of said Act.

.....
State Auditor of the
State of Arizona.

A facsimile of the State Auditor's signature impressed upon said certificate shall be a sufficient signing thereof, provided that the imprint of the state auditor's seal shall appear upon both the certificate and the bond over the facsimile signature.

Section 43. All necessary expenses incurred in making the investigations and findings in this act provided for shall be paid as the Certification Board may require by the district whose bonds and property have been investigated by the certification board, provided that the district whose property and bonds have been investigated shall have the benefit of any data that may have been obtained by said certification board.

Section 44. All bonds certified in accordance with the terms of this Act shall be legal investments for funds of savings banks within the State of Arizona, and may be deposited to secure public moneys in the State of Arizona; and hereafter no savings bank in the State of Arizona shall invest any of its funds in bonds of any such district not so certified, nor shall any such bonds not so certified be available to secure public moneys.

Section 45. The provisions of this Act shall apply with full force and effect to irrigation districts heretofore organized under the laws of the State of Arizona.

Section 46. That all of Chapter IV, Title 55, Revised Statutes of Arizona, Civil Code; Chapter 8, of the Session Laws of the State of Arizona, Second Legislature, Second Special Session; Chapter 29 of the Session Laws of the State of Arizona, Third Legislature; Chapter 157, Session Laws of the State of Arizona, Fourth Legislature; and all Acts and parts of Acts inconsistent with the provisions of this Act, are hereby repealed.

Section 47. WHEREAS, this Act requires early operation in order to preserve the public peace, health and safety, an emergency is hereby declared to exist, and this Act shall therefore be in full force and effect from and after its passage and its approval by the Governor, and is hereby exempted from the operation of the referendum provisions of the State Constitution.

Approved March 19th, 1921.
