

Approved February 19, 1986
Date

MINUTES OF THE Senate COMMITTEE ON Local Government

The meeting was called to order by Senator Don Montgomery at
Chairperson

9:00 a.m./~~p.m.~~ on February 18, 19⁸⁶ in room 531-N of the Capitol.

All members were present except: Senators: Mulich and Gaines who were excused.

Committee staff present: Mike Heim, Emalene Correll, Theresa Kiernan, Lila McClaflin

Conferees appearing before the committee:

Senator Salisbury moved to adopted the minutes of the February 12 and 13 meetings. The motion was seconded by Senator Allen. The minutes were adopted.

The Committee held discussion on S.B. 461, this bill is to increase the bonded indebtedness of Olathe. (Attachment I) Senator Salisbury moved to report the bill favorably. Senator Bogina seconded the motion. The motion carried.

H.B. 2701 - concerning a drainage district in Shawnee County. This bill was to correct an error when the wrong statute was amended last session. Senator Bogina move to have H.B. 2701 put on the consent calendar. Senator Daniels seconded the motion. The motion carried.

Senator Daniels requested the Committee introduce a bill concerning recreation commissions. Senator Steineger moved to introduce the bill. Senator Ehrlich seconded the motion. The motion carried.

S.B. 428 - attached is a substitute for S.B. 428 (Attachment II), this recommendation is from the League. Staff was instructed to draft a new bill. The new bill would only speak to water districts. The bill would require compensation be paid to water districts when they are annexed, regardless if the city utilizes the facilities of the district for delivery of water to property within the city and sets some time limits.

S.B. 489 - Judy Anderson, Intergovernmental Affairs Officer, Wichita and Steven Potucek, Property Manager for the City of Wichita offered an amendment to this bill. (Attachment III) The amendment would amend KSA 12-1604, to accommodate a time frame in which a previous owner may exercise his/her right to repurchase right of way property.

The Committee had some questions concerning the bill and no action was taken. The Chairman will check with Senator Talkington the sponsor of the bill.


Senator Don Montgomery

SENATE BILL No. 461

By Senators Bogina and Burke

1-23

0017 AN ACT concerning cities; relating to limitations on bonded
0018 indebtedness; amending K.S.A. 1985 Supp. 10-308 and re-
0019 pealing the existing section.

0020 *Be it enacted by the Legislature of the State of Kansas:*

0021 Section 1. K.S.A. 1985 Supp. 10-308 is hereby amended to
0022 read as follows: 10-308. (a) Except as provided in ^{K.S.A. 10-309,}
0023 and amendments thereto, and in any other statute which specif-
0024 ically exempts bonds from the statutory limitations on bonded
0025 indebtedness, the limitation on bonded indebtedness of cities
0026 shall be governed by this section. The authorized and outstand-
0027 ing bonded indebtedness of any city shall not exceed ~~30%~~ ^{35%} of
0028 the assessed valuation of the city. ~~The provisions of this subsec-~~
0029 ~~tion shall expire on June 30, 1990.~~

this section and

30%

0030 (b) ~~On July 1, 1990, and except as provided in K.S.A. 10-309,~~
0031 ~~and amendments thereto, and in any other statute which spe-~~
0032 ~~cifically exempts bonds from the statutory limitations on~~
0033 ~~bonded indebtedness, the limitation on bonded indebtedness of~~
0034 ~~cities shall be governed by this section. The authorized and~~
0035 ~~outstanding bonded indebtedness of any city shall not exceed~~
0036 ~~30% of the assessed valuation of the city.~~

Olathe

35%

The provisions of this subsection shall expire on June 30, 1990.

0037 (c) For the purpose of this section, assessed valuation means
0038 the value of all taxable tangible property as certified to the
0039 county clerk on the preceding August 25 which includes the
0040 assessed valuation of motor vehicles as provided by K.S.A. 10-
0041 310, and amendments thereto.

0042 Sec. 2. K.S.A. 1985 Supp. 10-308 is hereby repealed.

0043 Sec. 3. This act shall take effect and be in force from and
0044 after its publication in the statute book.

(attachment I)
2/18/86

Annexation and Rural Water Districts

New Bill, Substitute for SB 428, or
Amendment to Another Bill

12-527. Annexation of lands located in water districts; title to facilities; agreement; compensation; bonded debt. Whenever a city shall annex lands located within a rural water district organized pursuant to the provisions of K.S.A. 82a-612 *et seq.*, title to all facilities used for the transportation or utilization of water belonging to the water district shall vest in or become the property of the city upon payment by the city to the water district of the value of such property, as agreed by the governing body of the city and the board of directors of the district, or if such agreement is not made, then as determined by the city: *Provided*, That the board of directors of any such district may bring an action in the district court to determine the reasonableness of the amount of compensation fixed and determined by any such city. The governing body of the city and board of directors of the district may provide, on such terms as may be agreed, that water transmission facilities owned by the district and located within the city may be retained by the district for the purpose of transporting water to customers outside the city. ~~In addition to compensation for such physical facilities the city may pay to the water district an amount equal to that portion of outstanding indebtedness of the district which is properly attributable to the portion of the water district annexed by the city.~~

[reasonable

In addition to compensation for the physical facilities, such compensation shall include an amount to reimburse the district for any bonded indebtedness of the district existing at the time the annexation ordinance took effect and attributable to the annexed area, based on the following factors: (a) The cost of the construction of the facilities within the annexed area in proportion to the construction costs for the entire district immediately prior to the annexation; (b) the number of parcels of land connected to and served within the annexed area in proportion to the number of parcels connected to and served by the entire district prior to annexation; and (c) the current revenue received from customers within the annexed area in proportion to the current revenue received from all customers of the entire district prior to annexation. The compensation required by this section shall be paid to the district whether or not the city actually utilizes the facilities of the district for the delivery of water to property within the city and shall be paid at a time not later than 60 days following the date the city provides water to one or more customers who were supplied water by the district at the time of annexation, or at such later date as may be mutually agreed upon or as may be determined by the district court. The city shall, as part of its service extension plan required under the provisions of K.S.A. 12-520b and K.S.A. 12-521c, notify each affected rural water district of its future plans for the delivery of water in areas proposed for annexation currently being served by the district.

(Attachment II)

2/18/86

S. LG

Judy Anderson, Intergovernmental Affairs Officer

Steven L. Potucek, Property Manager

Legislation

SB 489 merely expands our '84 legislation and was probably covered in the original KSA 12-16,103 by "including, but not limited to...". In any event, it might be a good time to amend our companion statute KSA 12-16,104 to accommodate a time frame in which a previous owner may exercise his/her right to repurchase right of way.

Dr. A. X. (b) Before the release or vacation of any easement, the governing body shall notify the underlying fee owners or their heirs or assigns (if the same can be found through diligent search) that they may purchase the easement which purchase option shall expire if not exercised within a period of three months following such notification. Notification of underlying fee owners who cannot be found through diligent search shall be made by publication in official City paper one (1) time each week for twelve (12) consecutive weeks. Any City may thereafter proceed to sell the real estate in the manner deemed most expedient by the governing body. Thereupon, any City by its Mayor and City Clerk is authorized to make, execute and deliver a good and sufficient warranty deed or other deeds of conveyance to the purchaser or purchasers thereof.

Statutory support for theory:

KSA 12-1656 which allows second and third class cities to dispose of excess real estate acquired for street construction;

KSA 12-1739 which allows for the sale of buildings and sites by cities in a manner deemed to be in the best interest of the city;

KSA 13-1380b which allows for the sale of real estate acquired for parking stations by cities;

KSA 13-2508 which allows for the disposition of excess real estate acquired for park purposes in a manner deemed to be in the best interest of the city;

KSA 68-413 which allows the Kansas Secretary of Transportation to dispose of excess real estate acquired for state highway purposes in the manner deemed most expedient by the Secretary.

Please contact me to discuss this matter.

Steven L. Potucek
Property Manager

SLP/vrd