# **1999 SESSION**

#### REENROLLED

[H 2748]

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## VIRGINIA ACTS OF ASSEMBLY — CHAPTER

An Act to amend and reenact § 3, as amended, of Chapter 161 of the Acts of Assembly of 1926, which
 chapter was continued in effect by § 21-120 of the Code of Virginia, relating to sanitary districts.

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#### Approved

6 Be it enacted by the General Assembly of Virginia:

7 1. That § 3, as amended, of Chapter 161 of the Acts of Assembly of 1926, which chapter was 8 continued in effect by § 21-120 of the Code of Virginia, is amended and reenacted as follows:

9 § 3. After the entry of such order creating a sanitary district of such county, the board of supervisors
10 or other governing body hereinafter referred to as "board of supervisors" thereof shall have the following
11 powers and duties, subject to the conditions and limitations hereinafter prescribed.

(a) To construct, reconstruct, maintain, alter, improve, add to and operate motor vehicle parking
facilities, water supply, drainage, sewerage, garbage (including trash and refuse) disposal, heat, light,
power, gas, sidewalk, curbs, gutters, streets, tunnels, bridges, street names, pedestrian bridges or tunnels,
community buildings, recreational facilities, parks, playgrounds, open spaces, lighting and fire-fighting
systems for the use and benefit of the public in such sanitary district. When the words "system,"
"systems," "project," "projects," "facility," or "facilities" or "public improvements" are used in this act,
they shall include all of the foregoing unless the context clearly indicates otherwise.

(a-1) To provide for undergrounding of existing and future utility wires, and such provision shall for
 purposes of this act relocating aboveground distribution lines for electricity, telephone, cable television
 and similar services and utilities to underground locations, and for the purposes of this act, the
 relocation of such lines shall be considered to be construction of a "system."

23 (a-2) To construct, reconstruct, acquire, maintain, alter, improve, add to and operate a public 24 transportation system of any kind except as otherwise provided herein, subject to the approval of the transportation district commission having jurisdiction of the physical area, if such a commission exists. 25 Such approval shall be given if the commission finds that the proposed public transportation system is 26 27 consistent with the commission's transportation plan for the area or with such other transportation plan for the area which has been adopted as provided in the Transportation District Act of 1964, as amended, 28 29 or other appropriate legislation. "Public transportation system" shall not include "shared ride taxi system" 30 as that phrase is used in § 15.1-37.3:3 15.2-949 or taxicab-type vehicles or other motor vehicles which 31 carry no more than six passengers.

32 (b) To acquire by gift, condemnation, purchase, lease or otherwise, such systems and the real33 property interests on which such systems are located or are to be located.

(c) To contract with any person, firm, corporation, municipality, county, authority or the federal
government or the state government or any agency thereof to acquire, construct, reconstruct, maintain,
alter, improve, add to and operate any such systems, and to accept the funds of, or to reimburse from
any available source, such person, firm, corporation, municipality, county, authority or the federal
government or the state government or any agency thereof for either the whole or any part of the costs,
expenses and charges incident to the acquisition, construction, reconstruction, maintenance, alteration,
improvement, addition to and operation of any such system or systems.

41 In any such county having a county manager plan of government, such contracts relating to any 42 garbage (including trash and refuse) disposal system located either within or outside the sanitary district 43 may make provision among other things for (i) a person, firm, corporation or entity other than the sanitary district or the county of the sanitary district (the contractor) to own or control any property 44 constituting all or a portion of any garbage (including trash and refuse) disposal system (the contractor's 45 property) either within or outside the sanitary district and to provide any of the disposal services to the 46 47 sanitary district, (ii) the use by the sanitary district of all or a portion of the disposal capacity owned or 48 controlled by the contractor, (iii) the delivery by or for the account of the contracting sanitary district of 49 specified quantities of garbage and refuse (whether or not such sanitary district collects such garbage 50 and refuse) and the making of payments in respect of such quantities of garbage and refuse whether or not such garbage and refuse are delivered, including payments in respect of revenues lost if such 51 garbage and refuse are not delivered, (iv) adjustments to payments to be made by the sanitary district in 52 53 respect of inflation, changes in energy prices or residue disposal costs, taxes imposed upon the contractor or other events beyond the control of the contractor or in respect of the actual costs of 54 55 maintaining, repairing or operating contractor's property, including debt service or capital lease 56 payments, capital costs or other financing charges, and (v) the collection by the contractor of fees, rates

57 or charges from persons using disposal capacity for which the sanitary district has contracted. The board 58 of supervisors of the sanitary district shall have authority by majority vote to approve such contracts. 59 The board of supervisors of the contracting sanitary district may fix, charge and collect fees, rates and 60 charges for services furnished or made available by the garbage (including trash and refuse) disposal 61 system pursuant to a contract with the sanitary district so as to provide funds sufficient at all times 62 during the term of the contract, together with other funds available to the sanitary district for such 63 purposes, to pay all amounts due from time to time under such contract and to provide a margin of 64 safety for such payment, and may covenant with the contractor as to the levels of fees, rates and charges 65 during the term of the contract. Such fees, rates and charges shall not apply to garbage and refuse 66 generated, purchased, or utilized by any facility located in the service area and engaged in the full-time 67 business of manufacturing, mining, processing, refining or conversion which is not disposed at or through such garbage and refuse collection and disposal system. The rates, fees and charges may be 68 69 imposed upon the owners, tenants or occupants of each occupied lot or parcel of land which the board 70 of supervisors of the sanitary district determines, with the concurrence at the time of such determination 71 of the local government, municipality or county in which such parcel is located, is in the service area of 72 the system or portion thereof, whether or not garbage and refuse generated from such parcel are actually 73 delivered to such system. The rates, fees and charges shall be fixed by the board of supervisors of the 74 sanitary district in the manner and according to the procedures determined by the board of supervisors 75 not inconsistent with the provisions of this act. Such rates, fees and charges may be allocated among the 76 owners, tenants or occupants of each occupied lot or parcel of land which the board of supervisors of 77 the sanitary district determines is in the service area of the system or portion thereof for which the 78 sanitary district has contracted and such allocation may be based upon (i) waste generation estimates 79 based on the estimated amount of garbage and refuse produced by premises of the type and character of 80 the premises subject to the charge or (ii) the amount of garbage and refuse delivered to such system for disposal or (iii) a combination of the foregoing. There shall be a lien on real property for the amount of 81 82 such fees, rates and charges in accordance with paragraph (e) of § 3, and the board of supervisors of the sanitary district is empowered by resolution or other lawful action to enforce the payment of the same 83 84 by means of the actions described in such paragraph (e) and as otherwise permitted by law. The party contracting with the sanitary district may, except to the extent rights herein given may be restricted by 85 86 the contract, either at law or in equity, by suit, mandamus or other proceedings, protect and enforce any 87 and all rights granted under such contract and may force and compel the performance of all duties 88 required by this act or by such contract to be performed by the sanitary district or by any officer 89 thereof, including without limitation covenants or obligations made by the sanitary district with respect 90 to the fixing, charging and collecting of rates, fees and charges in accordance with this act and such 91 contract. Such contracts may, with the consent of the contractor, be made directly with the trustee for 92 indebtedness issued to finance the contractor's property and provide for payment directly to such trustee. 93 The contracting sanitary district may pledge fees, rates and charges made in respect of a contract to the 94 contractor and such pledge shall be valid and binding from the time when it is made; fees, rates and 95 charges so pledged and thereafter received by the sanitary district shall immediately be subject to the 96 lien of such pledge without any physical delivery or further act, and the lien of such pledge shall be 97 valid and binding against all parties having claims of any kind, in tort, contract or otherwise irrespective 98 of whether such parties have given notice thereof. Neither the contract or any assignment thereof need 99 be filed or recorded except in the records of the sanitary district. Any garbage disposal system referred 100 to in this act shall include, without limitation, a system, plant or facilities designed to (i) collect garbage, 101 trash and refuse, (ii) dispose of such garbage and refuse (by incineration or otherwise), (iii) generate and 102 transmit steam and electricity from such disposal or other useful materials, (iv) control pollutants 103 resulting from such disposal, (v) dispose of and/or recover ash and other byproducts of such disposal, or 104 (vi) any combination of the above, and all land, structures, vehicles and equipment related thereto.

105 (d) To require owners or tenants of any property in the district to connect with any such system or 106 systems, and to contract with the owners or tenants for such connections. In order to require owners or 107 tenants of any property in the district to connect with any such system or systems, the board of 108 supervisors shall have the power and authority to adopt ordinances so requiring owners or tenants to 109 connect with such systems, and to use the same, and the board of supervisors shall have the power to 110 provide for a punishment in the ordinance of not exceeding a fifty-dollar fine for each failure and 111 refusal to so connect with such systems, or to use the same. Before adopting any such ordinance the 112 board of supervisors shall give public notice of the intention to propose the same for passage by posting 113 handbill notices of such proposal in three or more public places in the sanitary district at least ten days 114 prior to the time the ordinances shall be proposed for passage. The ordinance shall not become effective after its passage until ten days days' like notice has been given by posting copies of such ordinance in 115 116 three or more public places in the district. Violations of such ordinances shall be tried before the county 117 general district court of the county as is provided for trial of misdemeanors, and with the like right of 118 appeal.

119 (e) To fix and prescribe the rates of charge for the use of any such system or systems and to provide 120 for the collection of such charges. And To enable the board to enforce the collection of charges for the use of any such system against the person or persons, firm or corporation using the same, the charges 121 122 when made for the use of any such system shall be collectible by distress, levy, garnishment, attachment 123 or otherwise without recourse to court procedure, except so far as the selected procedure may require the 124 same. And The board shall have the power to designate as its agent for the purpose of collection such 125 officer or officers, person or persons as it may determine, and the officer or officers, person or persons 126 shall be vested with the same power and authority as a sheriff or constable may have in like procedure.

127 Any unpaid charge shall become a lien superior to the interest of any owner, lessee or tenant, and 128 next in succession to county taxes, on the real property on which the use of any such system was made 129 and for which the charge was imposed, provided, however, such lien shall not bind or affect a 130 subsequent bona fide purchaser of such real estate for valuable consideration without actual notice of 131 such lien, except and until from the time that the amount of such charge is entered in the Judgment Lien 132 Docket kept in the office where deeds may be recorded in the political subdivision wherein the real 133 estate or a part thereof is located. It shall be the duty of the clerk in whose office deeds may be 134 recorded to keep and preserve and hold available for public inspection such Judgment Lien Docket and 135 to cause entries to be made and indexed therein from time to time upon certification by the board for 136 which he shall be entitled to a fee of fifty cents per entry to be paid by the board and added to the 137 amount of the lien.

138 Such lien on any real estate may be discharged by the payment of the board of the total amount of 139 such lien, and interest at the *annual* rate of six percent <del>annually</del> to the date of such payment, and the 140 entry fee of fifty cents, and it shall be the duty of the board to deliver a certificate thereof to the person 141 paying the same, and upon presentation thereof and the payment of the further fee of twenty-five cents 142 by such person, the clerk having the record of such lien shall mark the entry of such lien satisfied.

143 Jurisdiction to enforce any such lien shall be equity and the court may decree the real estate subject 144 to the lien, or any part thereof, to be sold and the proceeds applied to the payment of such lien and the 145 interest which may accrue to the date of such payment.

146 Nothing contained herein shall be construed to prejudice the right of the board to recover the amount147 of such lien, or of the charge, and the interest which may accrue, by action at law or otherwise.

(f) To employ and fix the compensation of any technical, clerical, or other force and help which
from time to time, in their judgment, may be deemed necessary for the construction, operation or
maintenance of any such system or systems.

(g) To negotiate and contract with any person, firm, corporation, county, authority or municipality
with regard to the connection of any system or systems with any other system or systems now in
operation or hereafter to be established, and with regard to any other matter necessary and proper for the
construction or operation and maintenance of any such system within the sanitary district.

(h) To contract for the extension of any such system into the territory outside of the district, and forthe use thereof, upon such terms and conditions as the board may from time to time determine upon.

(i) With respect to the maintenance and operation of said motor vehicle parking facilities, the boardis authorized to purchase, install, maintain and operate, and to fix and charge parking meter fees for theuse of, such parking facilities.