

or any subsequent *bona fide* purchaser, for value and without notice, unless,—

(1) It is evidenced by an instrument duly acknowledged before some person authorized to take acknowledgments of deeds;

(2) It is filed for record in the office of the county auditor of the county in which, at the time of the execution thereof, is situated the principal office of the vendee or lessee within this state;

Markings on engines or cars.

(3) Each locomotive engine or car so sold, or contracted to be sold, or leased, as aforesaid, shall have the name of the vendor or lessor plainly marked on each side thereof, followed by the word "owner" or "lessor," as the case may be.

[Am. Rem. Supp. 1949, § 10540.]

Passed the Senate February 9, 1951.

Passed the House March 4, 1951.

Approved by the Governor March 17, 1951.

CHAPTER 192.

[S. B. 143.]

COUNTY ROAD IMPROVEMENT DISTRICTS.

AN ACT authorizing the formation of county road improvement districts in Class A counties and counties of the first class, for the purpose of the improvement of existing county roads other than primary county roads; providing certain requirements and conditions for the formation of said districts; authorizing the levying, collection and payment of special assessments against lands specially benefited by such improvements; providing for the issuance and sale or disposal of county road improvement district warrants and bonds; authorizing the counties to establish guarantee funds for said bonds; and prescribing the powers and duties of the board of county commissioners with respect to all thereof.

Be it enacted by the Legislature of the State of Washington:

Class A and first class counties.

SECTION 1. Class A counties and counties of the first class shall have the power to create county road

improvement districts for the improvement of existing county roads and for the construction or improvement of necessary drainage facilities therefor, bridges, culverts, sidewalks, curbs and gutters, and said counties shall have the power to levy and collect special assessments against the real property specially benefited thereby for the purpose of paying the whole or any part of the cost of such construction or improvement: *Provided, however,* That the powers granted herein shall not apply to roads which are designated primary or arterial county roads by the respective boards of commissioners of said counties: *And provided further,* That no road improvement district shall be created under this act unless the property within the proposed district shall be so developed by the construction of permanent urban improvements that the average number of dwelling units or units of business occupancy per one thousand feet of property fronting upon the portion of road to be improved shall be at least six: *And provided further,* That no road improvement district shall exceed one mile square.

Road improvement districts.

Special assessments.

Powers not applicable to primary or arterial county roads.

Property improvement limitation.

Area limitation.

SEC. 2. County road improvement districts may be initiated either by resolution of the board of county commissioners or by petition signed by the owners according to the records of the office of the county auditor of property to an aggregate amount of the majority of the lineal frontage upon the contemplated improvement and of the area within the limits of the county road improvement district to be created therefor.

Districts initiated by petition or resolution.

SEC. 3. In case the board of county commissioners shall desire to initiate the formation of a county road improvement district by resolution, it shall first pass a resolution declaring its intention to order such improvement, setting forth the nature and territorial extent of such proposed improvement, designating the number of the proposed road improvement dis-

Where board initiates formation.

Resolution of intention; contents.

tract and describing the boundaries thereof, stating the estimated cost and expense of the improvement and the proportionate amount thereof which will be borne by the property within the proposed district, stating the average number of dwelling units or units of business occupancy per one thousand feet of property fronting upon the portion of road to be improved, notifying the owners of property therein to appear at a meeting of the board at the time specified in such resolution, and directing the county road engineer to submit to the board at or prior to the date fixed for such hearing a diagram or print showing thereon the lots, tracts and parcels of land and other property which will be specially benefited thereby and the estimated amount of the cost and expense of such improvement to be borne by each lot, tract or parcel of land or other property, and also designating thereon all property which is being purchased under contract from the county. The resolution of intention shall be published in at least two consecutive issues of a newspaper of general circulation in such county, the date of the first publication to be at least fifteen days prior to the date fixed by such resolution for hearing before the board of county commissioners.

Publication
of resolution
of intention.

Notice of
adoption of
resolution
of intention.

Notice of the adoption of the resolution of intention shall be given each owner or reputed owner of any lot, tract or parcel of land or other property within the proposed improvement district by mailing said notice to the owner or reputed owner of the property as shown on the tax rolls of the county treasurer at the address shown thereon at least fifteen days before the date fixed for the public hearing. The notice shall refer to the resolution of intention and designate the proposed improvement district by number. Said notice shall also set forth the nature of the proposed improvement, the total estimated cost, the proportion of total cost to be borne by as-

Contents
of notice.

sessments, the estimated amount of the cost and expense of such improvement to be borne by the particular lot, tract or parcel, the date and place of the hearing before the board of county commissioners, and shall contain the directions hereinafter provided for voting upon the formation of the proposed improvement district.

The clerk of the board shall prepare and mail, together with the notice above referred to, a ballot for each owner or reputed owner of any lot, tract or parcel of land within the proposed improvement district. This ballot shall contain the following proposition:

Ballot to be mailed with notice.

Form of Ballot.

“Shall County Road Improvement District No. be formed?

YES ()
NO ()”

and, in addition, shall contain appropriate spaces for the signatures of the property owners, and a description of their property, and shall have printed thereon the direction that all ballots must be signed to be valid and must be returned to the clerk of the board of county commissioners not later than five o'clock P. M. of a day which shall be one week after the date of the public hearing.

The notice of adoption of the resolution of intention shall also contain the above directions, and, in addition thereto, shall state the rules by which the election shall be governed.

Notice to state rules of election.

SEC. 4. The election provided herein for cases where the improvement is initiated by resolution shall be governed by the following rules: (1) All ballots must be signed by the owner or reputed owner of property within the proposed district according to the records of the county auditor; (2) each ballot must be returned to the clerk of the board not later than one week after the public hearing; (3) each property owner shall have one vote for each full

Election rules where improvement initiated by resolution.

dollar of estimated assessment against his property as determined by the preliminary estimates and assessment roll; (4) the valid ballots shall be tabulated and a majority of the votes cast shall determine whether the formation of the district shall be approved or rejected.

Petition;
contents.

SEC. 5. In case any such road improvement shall be initiated by petition, such petition shall set forth the nature and territorial extent of such proposed improvement, and the fact that the signers thereof are the owners, according to the records of the county auditor of property to an aggregate amount of a majority of the lineal frontage upon the improvement to be made and of the area within the limits of the assessment district to be created therefor.

Upon determining sufficiency of petition and sufficiency of development, board to adopt resolution; contents.

Upon the filing of such petition the board shall determine whether the same shall be sufficient and whether the property within the proposed district shall be sufficiently developed and if the board shall find the district to be sufficiently developed and the petition to be sufficient, it shall proceed to adopt a resolution setting forth the nature and territorial extent of the improvement petitioned for, designating the number of the proposed improvement district and describing the boundaries thereof, stating the estimated cost and expense of the improvement and the proportionate amount thereof which will be borne by the property within the proposed district, notifying the owners of property therein to appear at a meeting of the board at the time specified in such resolution, and directing the county road engineer to submit to the board at or prior to the date fixed for such hearing a diagram or print showing thereon the lots, tracts and parcels of land and other property which will be specially benefited thereby and the estimated amount of the cost and expense of such improvement to be borne by each

lot, tract or parcel of land or other property, and also designating thereon all property which is being purchased under contract from the county. The resolution of intention shall be published in at least two consecutive issues of a newspaper of general circulation in such county, the date of the first publication to be at least fifteen days prior to the date fixed by such resolution for hearing before the board of county commissioners.

Publication
of resolution
of intention.

Notice of the adoption of the resolution of intention shall be given each owner or reputed owner of any lot, tract or parcel of land or other property within the proposed improvement district by mailing said notice to the owner or reputed owner of the property as shown on the tax rolls of the county treasurer at the address shown thereon at least fifteen days before the date fixed for the public hearing. The notice shall refer to the resolution of intention and designate the proposed improvement district by number. Said notice shall also set forth the nature of the proposed improvement, the total estimated cost, the proportion of total cost to be borne by assessments, the estimated amount of the cost and expense of such improvement to be borne by the particular lot, tract or parcel, the date and place of the hearing before the board of county commissioners, and the fact that property owners may withdraw their names from the petition or add their names thereto at any time prior to five o'clock P. M. of the day before the hearing.

Notice of
adoption of
resolution
of intention.

Contents
of notice.

SEC. 6. Whether the improvement is initiated by petition or resolution the board shall conduct a public hearing at the time and place designated in the notice to property owners. At this hearing, the board may make such changes in the boundaries of the district or such modifications in the plans for the proposed improvement as shall be deemed necessary: *Provided*, That the board may neither so alter the

Public
hearing;
board may
change
boundaries
or modify
plans.

Limitation.

improvement as to increase the estimated cost by an amount greater than ten per cent above that stated in the notice, nor increase the proportionate share of the cost to be borne by assessments from the proportion stated in the notice, nor change the boundaries of the district to include property not previously included therein without first passing a new resolution of intention and giving a new notice to property owners, in the manner and form and within the time herein provided for the original notice.

Hearing; inquiry as to feasibility and benefit.

At said hearing, the board shall ascertain whether the plan of improvement or construction is feasible and whether the benefits to be derived therefrom by the property within the proposed district, together with the amount of any county road fund participation, exceed the costs and expense of the formation of the proposed district and the contemplated construction or improvement and shall make a written finding thereon. In case the proceedings have been initiated by petition, the board shall find whether the petition including all additions thereto or withdrawals therefrom made prior to five o'clock P. M. of the day before the hearing is sufficient. If said petition shall be found insufficient the board shall by resolution declare the proceedings terminated. In case the proceedings have been initiated by resolution if the board shall find the improvement to be feasible, it shall continue the hearing until a day not more than fifteen days after the date for returning ballots for the purpose of determining the results of said balloting.

Petition; finding of sufficiency.

Same; termination of proceedings where insufficient.

Initiation by resolution; continuation of hearing to count ballots.

Resolution creating district.

After the hearing the board may proceed to adopt a resolution creating the district and ordering the improvement. Such resolution shall establish such district as the "..... County Road Improvement District No." Such resolution shall describe the nature and territorial extent of the improvement to be made and the boundaries

of the improvement district, shall declare the estimated cost and the proportion thereof to be borne by assessments, and shall contain a finding as to the result of the balloting by property owners in case the improvement shall have been initiated by resolution.

Upon the adoption of the resolution establishing the district, the board shall have jurisdiction to proceed with the improvement. The board's findings on the sufficiency of petitions or on the results of the balloting shall be conclusive upon all persons.

Jurisdiction to proceed.

Board's findings conclusive.

SEC. 7. The diagram or print herein directed to be submitted to the board shall be in the nature of a preliminary determination upon the method, and estimated amounts, of assessments to be levied upon the property specially benefited by such improvement and shall in no case be construed as being binding or conclusive as to the amount of any assessments which may be ultimately levied.

Diagram and estimated assessments not binding or conclusive.

SEC. 8. Every resolution ordering any improvement mentioned in this act, payment for which shall be in whole or in part by special assessments shall establish a road improvement district which shall embrace as near as may be all the property specially benefited by such improvement and the provisions of chapters 35.43 and 35.44, R.C.W., governing the method of assessment for local improvement districts in cities and towns shall apply to county road improvement districts created under this act: *Provided*, That no assessment shall be levied which shall be greater than the special benefits derived from the improvement as determined by the board of commissioners.

District to embrace all property specially benefited.

Chs. 35.43 and 35.44 R.C.W. to apply.

Assessments not to exceed special benefits.

[Ch. 35.43 R.C.W. is derived from R.R.S. §§ 9351-4, 9352, 9357, 9359, 9360, 9361, 9363, 9365, 9366, 9367, 9368, 9369, 9411, 9412, 9417, 9419, 9420, 9421, 9422, 9424, 9425-1, 9425-2, 9425-3, 9425-4 and amendments thereto.]

[Ch. 35.44 R.C.W. is derived from R.R.S. §§ 9340, 9341, 9343, 9343-1, 9343-2, 9344, 9345, 9362, 9365, 9373, 9373-1, 9374, 9375, 9390, 9395, 9396, 9397, 9398, 9408, 9409 and amendments thereto.]

Assessment roll; resolution ordering hearing upon and notice.

SEC. 9. Whenever the assessment roll for any county road improvement district shall have been prepared such roll shall be filed with the clerk of the board. The board shall thereupon by resolution set the date for hearing upon such roll before the board and direct the clerk to give notice of such hearing and the time and place thereof.

Contents of notice.

Such notice shall specify such time and place of hearing on such roll and shall notify all persons who may desire to object thereto to make such objection in writing and to file the same with such clerk at or prior to the date fixed for such hearing; and that at the time and place fixed and at such other times as the hearing may be continued to, the board will sit as a board of equalization for the purpose of considering such roll and at such hearing will consider such objections made thereto, or any part thereof, and will correct, revise, raise, lower, change or modify such roll or any part thereof, or set aside such roll in order that such assessment be made *de novo* as to such body shall appear just and equitable and then proceed to confirm the same by resolution.

Notice mailed to owners.

Notice of the time and place of hearing under such assessment roll shall be given to the owner or reputed owner of the property whose name appears thereon, by mailing a notice thereof at least fifteen days before the date fixed for the hearing to such owner or reputed owner at the address of such owner as shown on the tax rolls of the county treasurer; and in addition thereto such notice shall be published at least two times in a newspaper of general circulation in the county if the newspaper is published weekly, but shall be published at least five times in such newspaper if said newspaper is published daily. At least fifteen days must elapse between the date of last publication thereof and the date fixed for such hearing.

Publication.

The board, at the time fixed for hearing objections to the confirmation of said roll, or at such time or times as said hearing may be adjourned to, shall have power to correct, revise, raise, lower, change or modify such roll or any part thereof, and to set aside such roll in order that such assessment be made *de novo* as to the board shall appear equitable and just, and then shall confirm the same by resolution. All objections shall be in writing and filed with the board and shall state clearly the grounds objected to, and objections not made within the time and in the manner herein described shall be conclusively presumed to have been waived.

Hearing; board may correct, etc., or set aside roll.

Objections.

Whenever any such roll shall be amended so as to raise any assessments appearing thereon, or to include property subject to assessment which has been omitted from the assessment roll for any reason a new hearing, and a new notice of hearing upon such roll, as amended, shall be given as in the case of an original hearing and at the conclusion of such hearing the board may confirm the same or any portion thereof by resolution and certify the same to the treasurer for collection. Whenever any property shall have been entered originally on such roll, and the assessment upon such property shall not be raised, no objections thereto shall be considered by the board or by any court on appeal, unless such objections be made in writing at or prior to the date fixed for the original hearing upon such roll.

Where roll amended.

New notice of hearing.

Objections.

SEC. 10. The decision of the board upon any objections made within the time and in the manner herein prescribed may be reviewed by the superior court upon an appeal taken thereto in the manner provided for taking appeals from objections in local improvement districts of cities and towns.

Appeal to superior courts; manner.

The board shall have the same powers of reassessment and shall proceed to make such reassessments in the same manner and subject to the same

Reassessment; powers of board; procedure.

limitations as are provided by law for the making of reassessments in local improvement districts of cities and towns.

Roll confirmed.

Proceedings conclusive to persons not objecting and appealing.

SEC. 11. Whenever any assessment roll for construction or improvements shall have been confirmed by the board, as provided in this act, the regularity, validity and correctness of the proceedings relating to such construction or improvement and to the assessment therefor, including the action of the board on such assessment roll and the confirmation thereof, shall be conclusive in all things upon all parties and cannot in any manner be contested or questioned in any proceeding whatsoever by any person not filing written objection to such roll in the manner and within the time provided in this act, and not appealing from the action of the board in confirming such assessment roll in the manner and within the time provided in this act. No proceedings of any kind shall be commenced or prosecuted for the purpose of defeating or contesting any such assessment or for the sale of any property to pay such assessment or any certificate of delinquency issued therefor or the foreclosure of any lien issued therefor, but this section shall not be construed as prohibiting the bringing of injunction proceedings to prevent the sale of any real estate upon the grounds that the property about to be sold does not appear upon the assessment roll, or that the assessment has been paid.

Injunction.

When charge becomes a lien.

SEC. 12. The charge on the respective lots, tracts, parcels of land and other property for the purpose of special assessment to pay the cost and expense in whole or in part of any construction or improvement authorized in this act, when assessed, and the assessment roll confirmed by the board shall be a lien upon the property assessed from the time said assessment rolls shall be placed in the hands of the county treasurer for collection. Said liens shall be paramount

Paramount.

and superior to any other lien or encumbrance whatsoever, theretofore or thereafter created, except a lien for general taxes.

SEC. 13. The county treasurer is hereby designated as the treasurer of all county road improvement districts created hereunder, and shall collect all road improvement district assessments, and the duties and responsibilities herein imposed upon him shall be among the duties and responsibilities of his office for which his bond is given as county treasurer.

County treasurer as district treasurer.

Bond.

SEC. 14. The board shall prescribe by resolution within what time such assessment or installments thereof shall be paid, and shall provide for the payment and collection of interest at a rate not to exceed six per cent *per annum* on that portion of any assessment which remains unpaid over thirty days after such date. Assessments or installments thereof which are delinquent, shall bear, in addition to such interest, such penalty not less than five per cent as shall be prescribed by resolution. Interest and penalty shall be included in and shall be a part of the assessment lien. All liens acquired by the county hereunder shall be foreclosed by the appropriate county officers in the same manner and subject to the same rights of redemption provided by law for the foreclosure of liens held by cities or towns against property in local improvement districts.

Resolution declaring due date of assessments, interest, and penalty.

Interest and penalty part of lien.

Lien foreclosure and redemption; manner.

SEC. 15. Whenever before the sale of any property the amount of any assessment thereon, with interest, penalty, costs and charges accrued thereon, shall be paid to the treasurer, he shall thereon mark the same paid with the date of payment thereof on the assessment roll.

Assessments when paid shall be so marked.

SEC. 16. All moneys collected by the treasurer upon any assessments under this act shall be kept as a separate fund to be known as "..... County Road Improvement District No.

Assessments placed in separate fund.

Use of fund.

Fund." Such funds shall be used for no other purpose than the payment of costs and expense of construction and improvement in such district and the payment of interest or principal of warrants and bonds drawn or issued upon or against said fund for said purposes. Whenever after payment of the costs and expenses of the improvement there shall be available in the local improvement district fund a sum, over and above the amount necessary to meet the interest payments next accruing on outstanding bonds, sufficient to retire one or more outstanding bonds the treasurer shall forthwith call such bond or bonds for redemption.

Surplus used to retire bonds.

Property bid in by county.

SEC. 17. Whenever any property shall be bid in by any county or be stricken off to any county under and by virtue of any proceeding for enforcement of the assessment provided in this act said property shall be held in trust by said county for the fund of the improvement district for the creation of which fund said assessment was levied and for the collection of which assessment said property was sold: *Provided*, Such county may at any time after the procuring of a deed pay in to such fund the amount of the delinquent assessment for which said property was sold and all accrued interest and interest to the time of the next call for bonds or warrants issued against such assessment fund at the rate provided thereon, and thereupon shall take and hold said property discharged of such trust: *Provided further*, That property deeded to any county and which shall become a part of the trust being exercised by the said county for the benefit of any local improvement district fund of the said county, shall be exempt from taxation for general, state, county and municipal purposes during the period that it is so held.

Held in trust.

Property discharged of trust upon payment by county.

Property deeded to county, and part of trust, is tax exempt.

Conveyance by county.

SEC. 18. Any county may at any time after a deed is issued to it under and by virtue of any proceeding mentioned in this act, lease or sell or convey

any such property at public or private sale for such price and on such terms as may be determined by resolution of the board, and all proceeds resulting from such sale shall ratably belong to and be paid into the fund of the county road improvement district or districts concerned after first reimbursing any fund or funds having advanced any money on account of said property.

Disposition of proceeds.

SEC. 19. The board may provide for the payment of the whole or any portion of the cost and expense of any duly authorized road improvement by bonds and/or warrants of the improvement district which bonds shall be issued and sold as herein provided, but no bonds shall be issued in excess of the cost and expense of the project nor shall they be issued prior to twenty days after the thirty days allowed for the payment of assessments without penalty or interest.

Bonds and/or warrants authorized.

Limitation.

SEC. 20. Such bonds shall be numbered from one upwards consecutively, shall be in such denominations as may be provided by the board of county commissioners in the resolution authorizing their issuance, shall mature on or before a date not to exceed twenty-two years from and after their date, shall bear interest not to exceed six per cent *per annum* payable annually or semi-annually as may be provided by the board, shall be signed by the chairman of the board and attested by the county auditor, shall have the seal of the county affixed thereto, shall be payable at the office of the county treasurer or elsewhere as may be designated by the board, shall have attached thereto interest coupons for each interest payment which said coupons shall be signed by the chairman of the board and attested by the auditor or in lieu thereof may bear the printed or engraved facsimile signatures of said officials.

Numbering of bonds.

Maturity.

Interest.

Signatures.

Payable; where.

Coupons.

Reference to improve-ment and to resolution.

Such bonds shall refer to the improvement for which they are issued and to the resolution creating the road improvement district therefor.

Bonds; issuance and sale.

SEC. 21. The bonds issued under the provisions of this act may be issued to the contractor or sold by the board as authorized by the resolution directing their issuance at not less than their par value and accrued interest to the date of delivery. No bonds shall be sold except at public sale upon competitive bids and a notice calling for bids shall be published once a week for two consecutive weeks in the official newspaper of the county. Such notice shall specify a place and designate a day and hour subsequent to the date of last publication thereof when sealed bids will be received and publicly opened for the purchase of said bonds. The proceeds of all sales of bonds shall be deposited in the county road improvement district fund and applied to the cost and expense of the district.

Disposition of proceeds.

County road improve-ment guar-anty fund.

SEC. 22. Any Class A county and county of the first class may establish a fund for the purpose of guaranteeing to the extent of such fund and in the manner hereinafter provided, the payment of its road improvement district bonds and warrants issued to pay for any road improvement ordered under this act. If the board of county commissioners shall determine to establish such fund it shall be designated "..... County Road Improvement Guaranty Fund" and from moneys available for road purposes such county shall deposit annually in said guaranty fund such sums as may be necessary to establish and maintain a balance therein equal to at least five per cent of the outstanding obligations guaranteed thereby and to make necessary provision in its annual budget therefor. The moneys held in the guaranty fund may be invested in obligations of the government of the United States or of this state.

Annual deposit by county.

Certain in-vestments authorized.

SEC. 23. Whenever there shall be paid out of a guaranty fund any sum on account of principal or interest of a road improvement district bond or warrant, the county, as trustee for the fund, shall be subrogated to all the rights of the holder of the bond or interest coupon or warrant so paid, and the proceeds thereof, or of the assessment underlying the same, shall become part of the guaranty fund. There shall also be paid into each guaranty fund the interest received from bank deposits or government securities of the fund, as well as any surplus remaining in any local improvement fund guaranteed hereunder after the payment of all outstanding bonds or warrants payable primarily out of such road improvement fund. Warrants drawing interest at a rate not to exceed six per cent shall be issued, as other warrants are issued by the county, against a guaranty fund to meet any liability accruing against it, and at the time of making its annual budget and tax levy the county shall provide from funds available for road purposes for the deposit in the guaranty fund of a sum sufficient with other resources of such fund to pay warrants so issued during the preceding fiscal year. As among the several issues of bonds or warrants guaranteed by the fund no preference shall exist, but defaulted interest coupons, bonds and warrants shall be purchased out of the fund in the order of their presentation.

Payment from guaranty fund; subrogation.

Interest shall be paid into fund.

Disbursement by interest bearing warrants.

County budget to provide for payment.

No preference among various issues of bonds or warrants.

Every county establishing a guaranty fund for road improvement district bonds or warrants shall prescribe by resolution appropriate rules and regulations for the maintenance and operation of the guaranty fund not inconsistent herewith. So much of the money of a guaranty fund as is necessary may be used to purchase underlying bonds or warrants guaranteed by the fund, or to purchase certificates of delinquency for general taxes on property subject to local improvement assessments, or to purchase

County to adopt rules for operation of fund.

Purchase of bonds and warrants.

Purchase of certificates of delinquency, etc., to protect fund.

General tax delinquencies; fund subrogated to county's rights.

County may foreclose and buy property for benefit of fund.

Costs.

Sale by county; proceeds to fund.

Liability of county.

Remedy of bond or warrant holder or owner.

Statute to appear on bonds.

such property at tax foreclosures, for the purpose of protecting the guaranty fund. Said fund shall be subrogated to the rights of the county, and the county, acting on behalf of said fund, may foreclose the lien of general tax certificates of delinquency and purchase the property at the foreclosure sale for the account of said fund. Whenever the governing authority of any county shall so cause a lien of general tax certificates of delinquency to be foreclosed and the property to be so purchased at a foreclosure sale, the court costs and costs of publication and expenses for clerical work and/or other expense incidental thereto, shall be chargeable to and payable from the guaranty fund. After so acquiring title to real property, a county may lease or sell and convey the same at public or private sale for such price and on such terms as may be determined by resolution of the board of commissioners or other legislative body, and all proceeds resulting from such sales shall belong to and be paid into the guaranty fund.

SEC. 24. Neither the holder nor the owner of any bond or warrant issued under the provisions of this act shall have any claim therefor against the county by which the same is issued, except for payment from the special assessments made for the improvement for which said bond or warrant was issued and except as against the improvement guaranty fund of such county, and the county shall not be liable to any holder or owner of such bond or warrant for any loss to the guaranty fund occurring in the lawful operation thereof by the county. The remedy of the holder or owner of a bond, or warrant in case of non-payment, shall be confined to the enforcement of any assessments made in such road improvement district and to the guaranty fund. In case the bonds are guaranteed in accordance herewith a copy of the foregoing part of this section shall be plainly

written, printed or engraved on each bond issued and gauranteed hereunder.

SEC. 25. If the board fails to cause any bonds to be paid when due or to promptly collect any assessments when due, the owner of any of the bonds may proceed in his own name to collect the assessments and foreclose the lien thereof in any court of competent jurisdiction and shall recover in addition to the amount of the bonds outstanding in his name, interest thereon at five per cent *per annum*, together with the costs of suit, including a reasonable attorney's fee to be fixed by the court. Any number of owners of bonds for any single project may join as plaintiffs and any number of the owners of property upon which the assessments are liens may be joined as defendants in the same suit.

Foreclosure
or assess-
ment lien
by bond
owner.

SEC. 26. In all cases where the board shall issue bonds to pay the cost and expense of any county road improvement district and shall provide that the whole or any part of the cost and expense shall be assessed against the lots, tracts, parcels of land, and other property therein, the resolution levying such assessment shall provide that the sum charged thereby against each lot, tract, or parcel of land or any portion of said sum may be paid during the thirty day period provided for in the following section and that thereafter the sum remaining unpaid may be paid in equal annual installments, the number of which installments shall be less by two than the number of years which the bonds issued to pay for the improvement may run. Interest upon all unpaid installments shall be charged at a rate fixed by said resolution. Each year such installments together with interest due thereon shall be collected in the manner provided in the resolution for the collection of the assessments.

Resolution;
assessments,
when
payable.

Installments.

Interest.

Collection.

SEC. 27. The owner of any lot, tract, or parcel of land, or other property charged with any such

Redemption
by payment
in full
within 30
days after
notice.

Notice of
assessment;
publication.

Redemption
after 30-day
period;
interest.

Payments
made to
county
treasurer;
disposition.

Limitation
of actions.

assessments may redeem the same from all or any portion of the liability for the cost and expense of such improvement by paying the entire assessment or any portion thereof charged against such lot, tract, or parcel of land without interest within thirty days after notice to him of such assessment, which notice shall be given as follows: The county treasurer shall, as soon as the assessment roll has been placed in his hands for collection, publish a notice for two consecutive daily or weekly issues in the official newspaper of the county in which the district is located, which notice shall state that the assessment roll is in his hands for collection and that any assessment thereon or any portion of such assessment may be paid at any time within thirty days from the date of the first publication of said notice without penalty interest or costs.

SEC. 28. The owners of any lot, tract, or parcel of land may save the same from all liability for the unpaid amount of the assessment, at any time after the thirty day period herein provided for their payment without interest, by paying the entire amount or all installments on said assessment together with all interest due to the date of maturity of any installment next falling due. All such payments shall be made to the county treasurer whose duty it shall be to collect all assessments under this act and all sums so paid or collected shall be applied solely to the payment of the cost and expense of the district and payment of principal and/or interest of any bonds issued.

SEC. 29. An action to collect any special assessment or installment thereof for road improvements, or to enforce the lien of any such assessment or installment, whether such action be brought by the county or by the holder of any certificate of delinquency, or by any other person having the right to bring such action, shall be commenced within ten

years after such assessment shall have become delinquent or within ten years after the last installment of any such assessment shall have become delinquent, when said special assessment is payable in installments.

Actions to set aside or cancel any deed hereafter issued upon the sale of property for road improvement assessments, or for the recovery of property sold for delinquent road improvement assessments must be brought within three years from and after date of the issuance of such deed.

SEC. 30. Whenever any district is organized hereunder, there shall be included in the cost and expense thereof: (1) The cost of all of the construction or improvement authorized in the district, including that portion of the construction or improvement within the limits of any street or road intersection, space or spaces; (2) the estimated costs and expenses of all engineering and surveying necessary to be done by the county engineer or under his direction or by such other engineer as may be employed by the county commissioners; (3) the cost of all advertising, mailing, and publishing of all notices; (4) the cost of legal services and any other expenses incurred by the county for the district or in the formation thereof, or by the district in connection with such construction or improvement and in the financing thereof, including the issuance of any bonds.

Items to be included in cost of district.

Construction expense.

Engineering expense.

Advertising expense.

Legal expenses.

SEC. 31. All land, premises or property necessary for right-of-way or other purposes in the construction or improvement of any county road, including bridges, sidewalks, curbs and gutters and the drainage facilities therefor, under this act may be acquired by the county acting through its board of county commissioners, either by gift, purchase or by condemnation. In the event of any exercise of the power of eminent domain, the procedure shall

Means of acquiring property.

Eminent domain procedure.

Title to all property taken in name of county.

Eminent domain; payment of judgment with county road funds.

Reimbursement of county road fund.

Board to direct all work.

Contracts and work to conform to county road work laws.

Construction standards applicable.

County road improvement fund; warrants for cost and expenses of project.

Interest.

Redemption.

Warrants a prior lien.

be the same as is provided by law for the securing of right-of-way for county roads. The title to all property acquired for any construction or improvement under this act shall be taken in the name of the county. The county commissioners in any eminent domain action brought to secure any property for construction or improvement under this act may pay any final judgment entered in such action with county road funds and take possession of the particular property condemned. In the event of any such payment the county commissioners may require that the county road fund be reimbursed out of the particular county road improvement fund of the district for which the property was acquired.

SEC. 32. All construction or improvement performed under this act shall be under the direction of the board of county commissioners, acting by and through the county road engineer, or such other engineer as the board of county commissioners shall designate. Contracts let and/or work performed upon all construction or improvement hereunder shall be in accordance with the laws pertaining to work upon county roads. The construction and improvement standards of the respective counties for engineering and performance of work, shall apply to all construction or improvement under this act.

SEC. 33. The board may provide by resolution for the issuance of warrants in payment of the costs and expenses of any project, payable out of the county road improvement fund. The warrants shall bear interest at the rate of not to exceed six per cent *per annum* and shall be redeemed either in cash or by bonds for the same project authorized by the resolution.

All warrants issued against any such improvement fund shall be claims and liens against said fund prior and superior to any right, lien or claim of any surety upon the bond given to the county by or for

the contractor to secure the performance of his contract or to secure the payment of persons who have performed work thereon, furnished materials therefor, or furnished provisions and supplies for the carrying on of the work.

The county treasurer may accept warrants against any county road improvement fund upon such conditions as the board may prescribe in payment of: (1) assessments levied to supply that fund in due order of priority; (2) judgments rendered against property owners who have become delinquent in the payment of assessments to that fund; and (3) certificates of purchase in cases where property of delinquents has been sold under execution or at tax sale for failure to pay assessments levied to supply that fund.

County road improvement fund warrants; acceptance.

SEC. 34. Except as they may establish continuing guaranty fund requirements, the board of county commissioners shall be the sole judges as to the extent of county road fund participation in any project under this act and the decisions of the board shall be final; the said board may receive grants from or contract with any other county, municipal corporation, public agency or the state or federal government in order to effect any construction or improvement hereunder.

County road fund participation; conclusive determination by board.

Receipt of grants.

SEC. 35. After the completion of any construction or improvement under this act, all maintenance thereof shall be performed by the county at the expense of the county road fund.

Maintenance at county expense.

SEC. 36. Lands owned by the state, county, school district or any municipal corporation may be assessed and charged for road improvements authorized under this act in the same manner and subject to the same conditions as provided by law for assessments against such property for local improvements in cities and towns.

State, county and municipal corporation lands may be assessed.

Notices and ballots affecting public lands; powers of public officers.

All notices and ballots provided for herein affecting state lands shall be sent to the state land commissioner and said commissioner is hereby authorized to sign petitions or ballots on behalf of the state. In the case of counties or municipal or quasi municipal bodies notices and ballots shall be sent to the legislative authority of said counties or municipality and petitions or ballots shall be signed by the officer duly empowered to act by said legislative authority.

Rules governing sufficiency of petitions, ballots, and objections.

SEC. 37. Wherever herein petitions, ballots or objections are required to be signed by the owners of property, the following rules shall govern the sufficiency thereof: (1) the signature of the record owner as determined by the records of the county auditor shall be sufficient without the signature of his or her spouse; (2) in the case of mortgaged property, the signature of the mortgagor shall be sufficient; (3) in the case of property purchased on contract the signature of the contract purchaser as shown by the records of the county auditor shall be deemed sufficient; (4) any officer of a corporation owning land in the district duly authorized to execute deeds or encumbrances on behalf of the corporation may sign on behalf of such corporation: *Provided*, That there shall be attached to the ballot or petition a certified excerpt from the by-laws showing such authority; (5) if any property in the district stands in the name of a deceased person or any person for whom a guardian has been appointed, the signature of the executor, administrator or guardian as the case may be shall be equivalent to the signatures of the owner of the property.

Passed the Senate February 20, 1951.

Passed the House March 4, 1951.

Approved by the Governor March 17, 1951.