1 Strike everything after the enacting clause and insert:

"Section 1. Section 48-2978, Arizona Revised Statutes, is amended to read:

48-2978. General powers of board of directors

In order to accomplish the purposes of the district the board may:

1. Purchase or acquire water rights.

2. Acquire or lease real estate and personal property when necessary.

3. Acquire and hold stock in irrigation ditch and reservoir companies.

4. Lease, sell and otherwise dispose of real estate and personal property.

5. Construct, acquire or purchase canals, ditches, reservoirs, reservoir sites, water, water rights, rights-of-way or other property deemed necessary for the use of the district.

6. Acquire the right to enlarge any ditch, canal or reservoir already constructed or partially constructed.

7. 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.

8. Make appropriations of water for irrigation and power purposes.

9. Refer to the qualified electors of the district any optional or administrative measure or method of procedure or any other matter or proposition the board deems necessary or advisable."
10. Establish tolls or charges for service of irrigation, domestic water, electricity and other commodities.

11. Control the finances and property of the district.

12. Appropriate money and provide for the payment of district debts and expenses.

13. Exercise exclusive control over the laterals, ditches, canals, rights-of-way and other property of the district, prevent encumbering thereof, abate and remove all encumbrances and obstructions thereon, make improvements thereon, vacate any right-of-way not necessary for the further use of the district and protect such right-of-way from encroachment and injuries. FOR CONSTRUCTION OR OTHER TEMPORARY USES WITHIN EASEMENTS ON DISTRICT PROPERTY BY OTHERS FOR WHICH THE DISTRICT REQUIRES A BOND OR OTHER SURETY, THE FOLLOWING APPLY:

   (a) ON COMPLETION OF THE PROJECT AND ON REQUEST BY THE PERSON REQUIRED TO POST THE BOND OR OTHER SURETY, THE DISTRICT SHALL CONDUCT A FINAL INSPECTION OF THE AREA SUBJECT TO THE EASEMENT AND ISSUE ITS ACCEPTANCE.

   (b) THE DISTRICT SHALL RELEASE ANY PERFORMANCE BOND FOR THE PROJECT WITHIN NINETY DAYS AFTER THE REQUEST OF THE PERSON AS PRESCRIBED IN SUBDIVISION (a) OF THIS PARAGRAPH.

   (c) THE DISTRICT SHALL RELEASE ANY PERFORMANCE BOND FOR THE PROJECT WITHIN SEVEN DAYS AFTER ANY REQUIRED WARRANTY BOND FOR THE SAME PROJECT IS POSTED.

14. Erect and maintain transmission lines and pipelines, culverts, roads and crossways, and prevent obstructions thereon.

15. Provide the district with water, electricity and other public conveniences and necessities, and engage in any and all activities, enterprises and occupations within the powers and privileges of municipalities generally.

16. Apply surplus money in the district treasury to liquidation of district debts or to the creation of a sinking fund pursuant to section 48-2979.
17. Make, amend or repeal resolutions, bylaws and rules necessary for the government of or for carrying into effect the powers vested in irrigation districts or any department or officer thereof, and enforce observance thereof by imposition of penalties. The board may impose penalties not exceeding:

(a) Five hundred dollars for violations by persons who use water for domestic purposes, as defined in section 45-454.

(b) Five thousand dollars for violations by persons who use water for purposes other than domestic purposes."

Amend title to conform