

CHAPTER 673

An act to amend Sections 18, 21, 22, 23, 24, 25, 27, 28, 29, 30, 31, 32, 33, 34, 41, 42, 43, 44, 45, 46, 47, 49.5, 51, 52, 53, 54, 57, 62, 66, 67, 71, 77, 80, 84, 86 and 87 of, and to repeal Sections 63, 64 and 65 of, and to add Sections 74 and 88 to the San Diego Unified Port District Act (Chapter 67 of the Statutes of 1962, First Extraordinary Session), relating to the San Diego Unified Port District, declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 31, 1963. Filed with Secretary of State May 31, 1963.]

The people of the State of California do enact as follows:

SECTION 1. Section 18 of the San Diego Unified Port District Act (Chapter 67 of the Statutes of 1962, First Extraordinary Session) is amended to read:

Sec. 18. Immediately after their appointment, the commissioners shall enter upon the performance of their duties. The board shall annually elect one of its members as chairman and another as vice chairman, and shall also elect annually a secretary, who may or may not be a member of the board. A majority shall constitute a quorum for the transaction of business. The board shall make rules and regulations for its own government and procedure, and shall hold at least one regular meeting each month, and may hold such special meetings as it may deem necessary.

The commissioners shall be officers of the district and shall receive no salaries but shall be entitled to reimbursement for necessary traveling and other expenses incurred while engaged in the performance of their duties.

SEC. 2. Section 21 of said act is amended to read:

Sec. 21. The board may pass all necessary ordinances and resolutions for the regulation of the district.

The enacting clause of all ordinances passed by the board shall be in substantially the following form:

“The Board of Port Commissioners of San Diego Unified Port District do ordain as follows ”

All ordinances and resolutions shall be signed by the chairman of the board and attested by the clerk.

All ordinances and resolutions shall be entered in the minutes. All ordinances passed by the board shall be published, within 15 days from the passage thereof, with the names of the members voting for and against them at least once in some daily newspaper of general circulation printed and published in the district.

Ordinances passed by the board shall not go into effect until the expiration of 30 days from their publication except ordinances ordering or otherwise relating to the following which shall take effect upon their publication:

(a) An election.

- (b) The adoption of the annual budget.
- (c) The bringing or conducting of suits or actions.
- (d) The condemnation of private property for public use.
- (e) The immediate preservation of the public peace, health or safety, which ordinance shall contain a specific statement showing its urgency and be passed by a two-thirds vote of the board.

A grant or franchise, lease, right or privilege shall never be construed to be an urgency measure.

All grants, franchises, leases, permits, rights or privileges for one year, or less, shall be made by the port director in accordance with such rules and regulations as the board shall prescribe by resolution, and all grants, franchises, leases, permits, rights or privileges for more than one year shall be made by ordinance. Irrevocable permits shall not be granted or issued to any person.

SEC. 3. Section 22 of said act is amended to read:

Sec. 22. The board may employ engineers, attorneys and any other officers and employees necessary in the work of the district. The port director shall appoint a treasurer whose duty it shall be to receive and safely keep all moneys of the district. He shall comply with all provisions of law governing the deposit and securing of public funds. He shall pay out moneys only as authorized by the board and not otherwise; provided, however, that no authorization shall be necessary for the payment of principal and interest on bonds of the district. He shall at regular intervals, at least once each month, submit to the secretary of the district a written report and accounting of all receipts and disbursements and fund balances, a copy of which report he shall file with the board.

The treasurer may appoint a deputy or deputies for whose acts he and his bondsmen shall be responsible. Such deputy or deputies shall hold office subject to the pleasure of the treasurer and shall receive such compensation as may be provided by the board. The treasurer shall execute a bond covering the faithful performance by him of the duties of his office and his duties with respect to all moneys coming into his hands as treasurer in such amount as shall be fixed by resolution of said board. The surety bond herein required shall be executed only by a surety company authorized to do business in the State of California and the premium therefor shall be paid by the district. The bond shall be approved by the board and filed with the secretary of the district. The treasurer before entering upon the duties of his office shall take and file with the secretary of the district the oath of office required by the Constitution of this State.

SEC. 4. Section 23 of said act is amended to read:

Sec. 23. The district and the board may sue and be sued in all actions and proceedings in all courts and tribunals of competent jurisdiction.

The district may also bring an action to determine the validity of any of its bonds, warrants, contracts, obligations or

evidences of indebtedness pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.

SEC. 5. Section 24 of said act is amended to read:

Sec. 24. The board may adopt a seal for the district and alter it at pleasure.

SEC. 6. Section 25 of said act is amended to read:

Sec. 25. The district may take by grant, purchase, gift, devise, lease or otherwise acquire, hold and enjoy and lease and dispose of real and personal property of every kind, within the district, necessary to the full or convenient exercise of its powers.

SEC. 7. Section 27 of said act is amended to read:

Sec. 27. The district may exercise the right of eminent domain within the boundaries of the district in the manner provided by law for the condemnation of private property for public use and take any property necessary or convenient to the exercise of its powers. In the proceedings relative to the exercise of such right the district has the same rights, powers and privileges as a municipal corporation.

SEC. 8. Section 28 of said act is amended to read:

Sec. 28. The district created in accordance with the provisions of this act is a public corporation created for the purposes set forth herein.

SEC. 9. Section 29 of said act is amended to read:

Sec. 29. The district may issue bonds, borrow money and incur indebtedness as authorized by law or in this act provided. The district may also refund any indebtedness as provided in this act or in any other applicable law, and may also refund, by the issuance of the same type of obligations as those refunded and following the same procedure as at that time may be applicable to the issuance of such obligations, and may retire any indebtedness or lien that may exist against the district or its property.

SEC. 10. Section 30 of said act is amended to read:

Sec. 30. The board may regulate and control the anchoring, mooring, towing, and docking of all vessels.

The district may perform the functions of warehousemen, stevedores, lighters, reconditioners, shippers and reshippers of properties of all kinds

The board may manage the business of the district and promote the maritime and commercial interests by proper advertisement of its advantages and by the solicitation of business within or without the district, within other states or in foreign countries, through such employees or agencies as are expedient.

Within the boundaries of the district, the district may acquire, purchase, take over, construct, maintain, operate, develop, and regulate grain elevators, bunkering facilities, belt or other railroads, floating plants, lightering, towage facilities, and any and all other facilities, aids, equipment, or property necessary for or incident to the development and operation of

a harbor or for the accommodation and promotion of commerce, navigation, fisheries, or recreation in the district.

SEC. 11. Section 31 of said act is amended to read:

Sec. 31. As to any service which the district is authorized to perform pursuant to the provisions of this act, the district may contract for the performance of such service by the city within which the particular tidelands are located.

SEC. 12. Section 32 of said act is amended to read:

Sec. 32. All district elections shall be held in accordance with the provisions of the Elections Code of the State of California, as the same now exist or may hereafter be amended, for the holding of elections in general law cities insofar as the same are not in conflict with this act.

SEC. 13. Section 33 of said act is amended to read:

Sec. 33. The provisions of the Elections Code of the State of California, as the same now exist or may hereafter be amended, governing the initiative and the referendum in districts shall apply insofar as such provisions of the Elections Code are not in conflict with this act. Officers of the district shall not be subject to recall.

SEC. 14. Section 34 of said act is amended to read:

Sec. 34. The board may, by resolution, order that any of the moneys in the funds under its control which are not necessary for current operating expenses be invested in any obligations, bonds or securities in which a general law city could invest such funds; provided, however, that (1) any such investment shall be made in such a manner that the moneys in such funds will be available at the times and in the amounts necessary to accomplish the purpose for which said funds were established, and (2) no such investment shall be made in contravention of any provision or covenant in any proceedings for the authorization and issuance of bonds, notes, contracts or other evidences of indebtedness.

SEC. 15. Section 41 of said act is amended to read:

Sec. 41. Notwithstanding any other provision of this act, the board may borrow money by issuance of negotiable promissory notes, or execute conditional sales contracts to purchase personal property, in an amount or of a value not exceeding in the aggregate at any one time the sum of two hundred thousand dollars (\$200,000), for the purposes of the acquisition, construction, completion or repair of any or all improvements, works, property or facilities authorized by this act or necessary or convenient for the carrying out of the powers of the district.

Notwithstanding any other provision of this act, the board may borrow money, until June 30, 1967, by the issuance of negotiable promissory notes to provide working capital for the necessary expenses of conducting the district, provided that at the time of issuance of any such notes the aggregate amount of said notes outstanding and issued for such purpose shall not exceed one-fourth of the annual budget for such expenses for the fiscal year (or portion thereof in the case of 1962-1963) in which such borrowing occurs.

Notwithstanding any other provision of this act, the board may borrow money, until June 30, 1967, by the issuance of negotiable promissory notes, to provide any or all sums required to be paid under any or all contracts of assumption mentioned in Section 67 of this act.

Negotiable promissory notes issued pursuant to this section shall mature in not exceeding five years from their respective dates and shall bear interest at a rate or rates not exceeding 6 percent per annum payable annually or semiannually.

No conditional sales contract shall be for a term in excess of five years from the date of execution thereof.

The negotiable promissory notes and the conditional sales contracts shall contain such terms and provisions as the board shall specify in the ordinance providing for the issuance thereof. The negotiable promissory notes shall be signed in the same manner as general obligation bonds of the district and the conditional sales contracts shall be signed in the same manner as other contracts of the district.

As a condition precedent to the issuance of any negotiable promissory notes for the purposes of the acquisition, construction, completion or repair of any or all improvements, works, property or facilities authorized by this act or necessary or convenient for the carrying out of the powers of the district or the execution of any conditional sales contract for such purposes, as provided in this section, in excess of twenty-five thousand dollars (\$25,000), the board shall first unanimously approve by resolution and have on file a report approved by the port director on the engineering and economic feasibility relating to the project contemplated for the expenditure of said borrowed money or conditional sales contract. Said feasibility report shall be prepared and signed by an engineer or engineers licensed and registered under the laws of the State of California.

Taxes for the payment of all negotiable promissory notes or conditional sales contracts issued under this section shall be levied, collected, paid to the district and used in the same manner as is hereinafter provided for general obligation bonds of the district.

Sec. 16. Section 42 of said act is amended to read:

Sec. 42. Whenever the board deems it necessary for the district to incur a general obligation bonded indebtedness for the acquisition, construction, completion or repair of any or all improvements, works, property or facilities, authorized by this act or necessary or convenient for the carrying out of the powers of the district, it shall, by ordinance, adopted by two-thirds of all members of the board, so declare and call an election to be held in said district for the purpose of submitting to the qualified voters thereof the proposition of incurring indebtedness by the issuance of general obligation bonds of said district. Said ordinance shall state:

(a) The purpose for which the proposed debt is to be incurred, which may include expenses of all proceedings for the authorization, issuance and sale of the bonds.

(b) The estimated cost of accomplishing said purpose.

(c) The amount of the principal of the indebtedness.

(d) The maximum term the bonds proposed to be issued shall run before maturity, which shall not exceed 40 years from the date thereof or the date of each series thereof.

(e) The maximum rate of interest to be paid, which shall not exceed 6 percent per annum.

(f) The proposition to be submitted to the voters.

(g) The date of the election.

(h) The manner of holding the election and the procedure for voting for or against the measure.

Notice of the holding of such election shall be given by publishing, pursuant to Section 6066 of the Government Code, the ordinance calling the election in at least one newspaper published in such district. No other notice of such election need be given. Except as otherwise provided in the ordinance, the election shall be conducted as other district elections.

If any proposition is defeated by the electors, the board shall not call another election on a substantially similar proposition to be held within six months after the prior election. If a petition requesting submission of such a proposition, signed by 15 percent of the district electors, as shown by the votes cast for all candidates for Governor at the last election, is filed with the board, it may call an election before the expiration of six months.

If two-thirds of the electors voting on the proposition vote for it, then the board may, by resolution, at such time or times as it deems proper, issue bonds of the district for the whole or any part of the amount of the indebtedness so authorized and may from time to time, in such resolution or resolutions, provide for the issuance of such amounts as the necessity thereof may appear, until the full amount of such bonds authorized shall have been issued. Said full amount of bonds may be divided into two or more series and different dates and different dates of payment fixed for the bonds of each series. A bond need not mature on an anniversary of its date. The maximum term the bonds of any series shall run before maturity shall not exceed 40 years from the date of each series respectively. In such resolution or resolutions the board shall prescribe the form of the bonds and the form of any coupons to be attached thereto, the registration, conversion and exchange privileges, if any, pertaining thereto, and fix the time when the whole or any part of the principal shall become due and payable.

The bonds shall bear interest at a rate or rates not exceeding 6 percent per annum, payable semiannually, except that the first interest payable on the bonds or any series thereof may be for any period not exceeding one year as determined by the board. In the resolution or resolutions providing for the issuance of such bonds the board may also provide for call and

redemption of such bonds prior to maturity at such times and prices and upon such other terms as it may specify, provided that no bond shall be subject to call or redemption prior to maturity unless it contains a recita. to that effect or unless a statement to that effect is printed thereon. The denomination or denominations of the bonds shall be stated in the resolution providing for their issuance, but shall not be less than one thousand dollars (\$1,000). The principal of and interest on such bonds shall be payable in lawful money of the United States at the office of the treasurer of the district or at such other place or places as may be designated, or at either place or places at the option of the holders of the bonds. The bonds shall be dated, numbered consecutively and shall be signed by the chairman and treasurer, countersigned by the clerk and the official seal of the district attached. The interest coupons of such bonds shall be signed by the treasurer. All such signatures, countersignatures and seal may be printed, lithographed or mechanically reproduced, except that one of such signatures or countersignatures on the bonds shall be manually affixed. If any officer whose signature or countersignature appears on bonds or coupons ceases to be such officer before the delivery of the bonds, his signature is as effective as if he had remained in office.

The bonds may be sold as the board determines by resolution but for not less than par. Before selling the bonds, or any part thereof, the board shall give notice inviting sealed bids in such manner as it may prescribe. If satisfactory bids are received the bonds offered for sale shall be awarded to the highest responsible bidder. If no bids are received or if the board determines that the bids received are not satisfactory as to price or responsibility of the bidders the board may reject all bids received, if any, and either readvertise or sell the bonds at private sale.

Delivery of any bonds may be made at any place either inside or outside the State, and the purchase price may be received in cash or bank credits.

All accrued interest received on the sale of bonds shall be placed in the fund to be used for the payment of principal of and interest on the bonds and the remainder of the proceeds of the bonds shall be placed in the treasury to the credit of the proper improvement fund and applied exclusively to the purpose for which the debt was incurred; provided, however, that when said purpose has been accomplished any moneys remaining in such improvement fund (a) shall be transferred to the fund to be used for the payment of principal of and interest on the bonds, or (b) shall be placed in a fund to be used for the purchase of outstanding bonds of the district. The bonds may be purchased only after publishing pursuant to Section 6066 of the Government Code in the district a notice inviting sealed proposals for the sale of bonds to the district. Such notice shall state the time and place when proposals will be opened and the amount of money available for the purchase

of the bonds and the maximum price to be paid for said bonds so purchased. Said notice may be published elsewhere in the United States in the discretion of the board. The board may reject any or all proposals and if it rejects all thereof, may within a period of 30 days thereafter purchase for cash any outstanding bonds of the district but in that event the purchase price shall not be more than the lowest purchase price at which bonds were tendered to the district in the public bidding. Any bonds so purchased shall be canceled immediately.

After the expiration of three years after a general obligation bond election the board may determine, by ordinance adopted by two-thirds of all the members of the board, that any or all of the bonds authorized at said election remaining unsold shall not be issued or sold. When the ordinance takes effect, the authorization to issue said bonds shall become void.

Whenever the board deems that the expenditure of money for the purpose for which the bonds were authorized by the voters is impractical or unwise, it may, by ordinance adopted by two-thirds of all members of the board, so declare and call an election to be held in the district for the purpose of submitting to the qualified voters thereof the proposition of incurring indebtedness by the issuance of such bonds for some other purpose. The procedure, so far as applicable, shall be the same as when a bond proposition is originally submitted.

The board may provide for the issuance, sale or exchange of refunding bonds to redeem or retire any bonds issued by the district upon the terms, at the times and in the manner which it determines. Refunding bonds may be issued in a principal amount sufficient to pay all or any part of the principal of such outstanding bonds, the interest thereon and the premiums, if any, due upon call and redemption thereof prior to maturity and all expenses of such refunding. The provisions for this section for authorization, issuance and sale of bonds shall apply to the authorization, issuance and sale of such refunding bonds; except that when refunding bonds are to be exchanged for outstanding bonds the method of exchange shall be as determined by the board.

The district shall not incur a general obligation bonded indebtedness which in the aggregate exceeds 15 percent of the assessed value of all real and personal property in the district.

SEC. 17. Section 43 of said act is amended to read:

Sec. 43. All bonds issued pursuant to Section 42 of this act are general obligations of the district and at the time of making the general tax levy after the incurring of any such bonded indebtedness, and annually thereafter until the bonds are paid or until there is a sum in the treasury of the district set apart for that purpose sufficient to meet all payments of principal and interest on the bonds as they become due, the board must cause a tax to be levied and collected annually, as hereinafter provided in Sections 44 and 45 of this act, sufficient to pay the interest on the bonds and such part of the principal as will

become due before the proceeds of a tax levied at the next general tax levy will be available.

SEC. 18. Section 44 of said act is amended to read:

Sec. 44. The board shall, at least 30 days before the board of supervisors is required by law to fix the general tax levy, certify to the board of supervisors in writing the minimum amount of money required to be raised by taxation during the fiscal year for the payment of the principal of and interest on any general obligation bonded debt of the district that will become due before the proceeds of a tax levied at the next general tax levy will be available. To the extent that, pursuant to this act or otherwise, moneys are on hand and have been set aside in the proper special fund for the purpose of paying such principal and interest, the amount of money required to be raised by taxation during the fiscal year may be reduced and if all of the moneys required to be raised by such annual tax levy are actually on hand and have been set aside in said fund for said purpose from some such other source, the tax levy hereinbefore required for such year need not be made.

SEC. 19. Section 45 of said act is amended to read:

Sec. 45. The taxes required to be levied by Sections 43 and 44 of this act shall be levied upon all property within the district taxable for county purposes and shall be in addition to any and all other taxes levied by the board of supervisors and it shall be the duty of the officer, officers or body having authority to levy taxes within the county to levy the taxes so required. It shall be the duty of all county or other officers charged with the duty of collecting taxes to collect such taxes in the time, form and manner as county taxes are collected and when collected to pay the same to the district. All such taxes shall be of the same force and effect as taxes levied for county purposes and their collection may be enforced by the same means as provided for the collection of county taxes. Such taxes shall be used only for the payment of the bonds and interest thereon.

SEC. 20. Section 46 of said act is amended to read:

Sec. 46. On or before the 15th day of June of each year, the district board shall estimate and determine the amount of money required by the district and shall adopt a preliminary budget which shall be divided into the following main classes:

- (1) Ordinary annual expenses.
- (2) Capital outlay and Capital Outlay Fund.
- (3) Prior indebtedness.

SEC. 21. Section 47 of said act is amended to read:

Sec. 47. On or before the 15th day of June of each year, the board shall publish a notice pursuant to Section 6061 of the Government Code in the district stating:

- (1) That the preliminary budget has been adopted and is available at a time and at a place within the district specified in the notice for inspection by interested taxpayers.

(2) That on a specified date not less than one month after the publication of the notice and at a specified time and place, the district board will meet for the purposes of fixing the final budget, and that any taxpayer may appear and be heard regarding the increase, decrease or omission of any item in the budget, or for the inclusion of additional items.

SEC. 22. Section 49.5 of said act is amended to read:

Sec. 49.5. The board of supervisors shall at the time of levying the county taxes levy the taxes required by other sections of this act and also a tax upon all the taxable property within the district sufficient to meet the amounts set forth in the final budget submitted by the district board. The money when collected by the tax collector of the county shall be paid to the treasurer of said district; provided further, that any levy for capital outlay or for Capital Outlay Fund shall not exceed three cents (\$.03) per hundred dollars (\$100) assessed valuation of all real and personal property in the district.

SEC. 23. Section 51 of said act is amended to read:

Sec. 51. Whenever the board deems it necessary for the district to incur a revenue bonded indebtedness for the acquisition, construction, completion or repair of any or all improvements, works, property or facilities authorized by this act or necessary or convenient for the carrying out of the powers of the district, the board shall issue such revenue bonds in accordance with the provisions of the Revenue Bond Law of 1941, as the same now exists or may hereafter be amended; provided, however, that:

(a) By ordinance adopted by two-thirds of all the members of the board and subject to referendum, the board may provide for the issuance of such bonds, and, unless said ordinance is subjected to referendum, no election shall be required to authorize the issuance of the bonds. A petition protesting against the adoption of such ordinance shall be signed by voters of the district equal in number of at least 5 percent of the entire vote cast within the district for all candidates for Governor at the last gubernatorial election.

(b) The aggregate amount of revenue bonds outstanding at any one time which have not been authorized or approved at an election shall not exceed ten million dollars (\$10,000,000).

(c) Any provisions of the Revenue Bond Law of 1941 which are inconsistent with the provisions of this act shall not be applicable.

SEC. 24. Section 52 of said act is amended to read:

Sec. 52. The accounts of the district shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants and a copy of the audit report shall be filed with the clerk for inspection by any person or persons interested.

SEC. 25. Section 53 of said act is amended to read:

Sec. 53. Any territory annexed in accordance with law to a city specified in this act shall, upon the completion of such

annexation proceedings, be deemed incorporated into and annexed to the district. In addition to the annexation of territory to the district as a result of it being annexed to such a city, there may be annexed to the district any of the following territory which is in the same county as the district:

- a. Any territory contiguous to the district.
- b. Any territory, any point of which touches the district.
- c. Any territory separated from the district by a "separating barrier," which term includes a street, road, highway, railway line, railway crossing, railway right-of-way, watercourse, lagoon, or other natural barrier.

Any territory specified in this section may consist of one or more separate parcels of land, but it is not necessary that all parcels shall constitute in the aggregate one tract of land.

SEC. 26. Section 54 of said act is amended to read:

SEC. 54. Any territory specified in subdivision a, b or c of Section 53 may be annexed in the manner provided for sanitary districts in the Health and Safety Code. The alteration of boundaries shall be ordered by the board of supervisors of the county in which the property is located.

SEC. 27. Section 57 of said act is amended to read:

SEC. 57. The board may acquire, construct, erect, maintain or operate within the district, all improvements, utilities, appliances or facilities which are necessary or convenient for the promotion and accommodation of commerce, navigation, fisheries, and recreation, or their use in connection therewith upon the lands and waters under the control and management of the board, and it may acquire, maintain and operate facilities of all kinds within the district.

SEC. 28. Section 62 of said act is amended to read:

SEC. 62. The district may contribute money to the federal or the state government or to the county in which it is located or to any city within the district, for the purpose of defraying the whole or a portion of the cost and expenses of work and improvement to be performed, either within or without the territorial limits of the district, by the federal, state, county or city government, in improving rivers, streams, or in doing other work, when such work will improve navigation and commerce, in or to the navigable waters in the district.

SEC. 29. Section 63 of said act is repealed.

SEC. 30. Section 64 of said act is repealed.

SEC. 31. Section 65 of said act is repealed.

SEC. 32. Section 66 of said act is amended to read:

SEC. 66. Notwithstanding any other provisions of this act or any other law, the provisions of all ordinances, resolutions and other proceedings in the issuance by the district of any general obligation bonds, general obligation bonds with a pledge of revenues, revenue bonds, negotiable promissory notes, or any and all evidences of indebtedness or liability shall constitute a contract between the district and the holders of such bonds, notes or evidences of indebtedness or liability

and the provisions thereof and the provisions of this act shall be enforceable against the district, any or all of its successors or assigns, by mandamus or any other appropriate suit, action or proceeding in law or in equity in any court of competent jurisdiction. Nothing contained in this act or in any other law shall be held to relieve the district or the territory included within it from any bonded or other debt or liability contracted by the district. Upon dissolution of the district or upon withdrawal of territory therefrom, the property formerly included within the district or withdrawn therefrom shall continue to be liable for the payment of all bonded and other indebtedness or liabilities outstanding at the time of such dissolution or withdrawal the same as if the district had not been so dissolved or the territory withdrawn therefrom, and it shall be the duty of the successors or assigns to provide for the payment of such bonded and other indebtedness and liabilities. Except as may be otherwise provided in the proceedings for the authorization, issuance and sale of any revenue bonds or general obligation bonds secured by a pledge of revenues, revenues of any kind or nature derived from any revenue-producing improvements, works, facilities or property owned, operated or controlled by the district shall be pledged, charged, assigned and have a lien thereon for the payment of such bonds as long as the same are outstanding, regardless of any change in ownership, operation or control of such revenue-producing improvements, works, facilities or property and it shall, in such later event or events, be the duty of the successors or assigns to continue to maintain and operate such revenue-producing improvements, works, facilities or property as long as such bonds are outstanding.

Sec. 33. Section 67 of said act is amended to read:

Sec. 67. The district shall take over and assume indebtedness incurred for development of tide and submerged lands of the county or any city specified in this act which shall have heretofore issued bonds or created any indebtedness for harbor development or improvement in the Bay of San Diego in the manner and with the effect set forth in the following entitled contracts:

(1) Assumption Agreement, between San Diego Unified Port District and the City of San Diego, dated February 14, 1963, Port Clerk Document No. 72.

(2) Assumption Agreement, between San Diego Unified Port District and the City of Chula Vista, dated February 26, 1963, Port Clerk Document No. 101.

and the district, the board and any other public agencies, boards, councils and officers mentioned in such contracts shall take all acts and proceedings necessary to carry into effect the provisions of said contracts. Said contracts are hereby confirmed, validated and declared legally effective, including, without limitation, all acts and proceedings of the parties thereto done or taken with respect to said contracts prior to the date thereof. The provisions of this section shall operate

to supply such legislative authorization as may be necessary to confirm, validate and make legally effective any such contracts and the proceedings taken in connection therewith prior to the date thereof which the Legislature could have supplied or provided for in the law under which such acts or proceedings were taken.

SEC. 34. Section 71 of said act is amended to read :

Sec. 71. Upon the establishment of the district, all persons then occupying the several offices of or under the government, of the county and each of the cities included therein, except as otherwise provided, whose several powers and duties are within the powers of the district or within the powers or duties of the several officers thereof, shall immediately quit and surrender the occupancy or possession of such offices which shall thereupon cease and determine, except as to any persons who have powers and perform duties for the county and the cities other than those mentioned, whose offices shall not cease and determine as to such other powers and duties but shall continue with respect thereto the same as if the district had not been established.

Notwithstanding the provisions contained in this section, all employees of the county and any city performing duties in connection with the Port of San Diego or the respective harbor departments, shall be blanketed in as employees of the district; and the district is empowered to: (a) contract with the State Employees' Retirement System and may provide retirement and disability benefits for employees under the State Employees' Retirement System pursuant to its rules and regulations, or (b) contract with any city included within the district which has a retirement system for retirement and disability benefits for district employees. The district may, by contract, continue such employees of the district so blanketed in as members of the retirement system of which they were members while they were employees of the respective cities.

SEC. 35. Section 74 is added to said act, to read :

Sec. 74. Bonds, notes and other evidences of indebtedness issued or incurred by the district shall be signed as provided in the section of this act applicable thereto or as provided in any other law applicable thereto; provided, however, that if the particular section or law does not prescribe the method of such execution, the method provided for general obligation bonds of the district shall apply so far as applicable. All other contracts of the district shall be executed in such manner as the board may fix by resolution.

SEC. 36. Section 77 of said act is amended to read :

Sec. 77. The salaries or wages of all officers and employees of the district shall be paid at such regular periods as the board by ordinance may determine.

SEC. 37. Section 80 of said act is amended to read :

Sec. 80. All money received or collected from or arising out of the use or operation of any harbor or port improvement, work, appliance, facility or utility, or vessel, owned, controlled

or operated by the district; all tolls, charges and rentals collected by the board, and all compensations or fees required to be paid for franchises or licenses, or otherwise by law or ordinance or order, to the district for the operation of any public service utility upon lands or waters under the control and management of the board, shall be deposited in the treasury of the district to the credit of a fund to be known as the San Diego Unified Port District Revenue Fund. The money in or belonging to the fund shall not be appropriated or used for any purpose except those enumerated in this act and such enumeration shall not be deemed to create any priority of one use or purpose over another.

SEC. 38. Section 84 of said act is amended to read :

Sec. 84. The money in the fund may also be used for the payment of the principal, or interest, or both, of district bonds authorized, issued and sold pursuant to this act and for the establishment and maintenance of bond service funds, sinking funds, reserve funds or other funds or accounts established to secure the payment of principal of, interest on, or redemption of or for the security of such bonds.

SEC. 39. Section 86 of said act is amended to read .

Sec. 86 The port director may make application in writing to the board for a transfer of amounts from one appropriated item to another in the budget allowance. On the approval of the board by a two-thirds vote, the auditor shall make such transfer; but a transfer shall not be made except as herein provided. Any transfer of bond or note proceeds or of bond or note service, reserve or sinking funds shall be made only as provided in the proceedings authorizing the issuance of such bonds.

SEC. 40. Section 87 of said act is amended to read :

Sec. 87. (a) The tide and submerged lands conveyed to the district by any city included in the district shall be held by the district and its successors in trust and may be used for purposes in which there is a general statewide purpose, as follows :

(1) For the establishment, improvement and conduct of a harbor, and for the construction, reconstruction, repair, maintenance, and operation of wharves, docks, piers, slips, quays, and all other works, buildings, facilities, utilities, structures and appliances incidental, necessary or convenient, for the promotion and accommodation of commerce and navigation.

(2) For all commercial and industrial uses and purposes, and the construction, reconstruction, repair and maintenance of commercial and industrial buildings, plants and facilities.

(3) For the establishment, improvement and conduct of airport and heliport or aviation facilities, including but not limited to approach, takeoff and clear zones in connection with airport runways, and for the construction, reconstruction, repair, maintenance and operation of terminal buildings, runways, roadways, aprons, taxiways, parking areas, and all other works, buildings, facilities, utilities, structures and appliances

incidental, necessary or convenient for the promotion and accommodation of air commerce and air navigation.

(4) For the construction, reconstruction, repair and maintenance of highways, streets, roadways, bridges, belt line railroads, parking facilities, power, telephone, telegraph or cable lines or landings, water and gas pipelines, and all other transportation and utility facilities or betterments incidental, necessary or convenient for the promotion and accommodation of any of the uses set forth in this section.

(5) For the construction, reconstruction, repair, maintenance and operation of public buildings, public assembly and meeting places, convention centers, parks, playgrounds, bathhouses and bathing facilities, recreation and fishing piers, public recreation facilities, including but not limited to public golf courses, and for all works, buildings, facilities, utilities, structures and appliances incidental, necessary or convenient for the promotion and accommodation of any such uses.

(6) For the establishment, improvement and conduct of small boat harbors, marinas, aquatic playgrounds and similar recreational facilities, and for the construction, reconstruction, repair, maintenance and operation of all works, buildings, facilities, utilities, structures and appliances incidental, necessary or convenient for the promotion and accommodation of any of such uses, including but not limited to snack bars, cafes, restaurants, motels, launching ramps and hoists, storage sheds, boat repair facilities with cranes and marine ways, administration buildings, public restrooms, bait and tackle shops, chandleries, boat sales establishments, service stations and fuel docks, yacht club buildings, parking areas, roadways, pedestrian ways and landscaped areas.

(b) The district or its successors shall not, at any time, grant, convey, give or alienate said lands, or any part thereof, to any individual, firm or corporation for any purposes whatever; provided, that said district, or its successors, may grant franchises thereon for limited periods, not exceeding 66 years, for wharves and other public uses and purposes, and may lease said lands, or any part thereof, for limited periods, not exceeding 66 years, for purposes consistent with the trusts upon which said lands are held by the State of California, and with the requirements of commerce and navigation, and collect and retain rents and other revenues from such leases, franchises and privileges. Such lease or leases, franchises and privileges may be for any and all purposes which shall not interfere with commerce and navigation.

(c) Said lands shall be improved without expense to the State; provided, however, that nothing contained in this section shall preclude expenditures for the development of said lands for any public purpose not inconsistent with commerce, navigation and fishery, by the State, or any board, agency or commission thereof, when authorized or approved by the district, nor by the district of any funds received for such pur-

pose from the State or any board, agency or commission thereof.

(d) In the management, conduct, operation and control of said lands or any improvements, betterments, or structures thereon, the district or its successors shall make no discrimination in rates, tolls or charges for any use or service in connection therewith.

(e) The State of California shall have the right to use without charge any transportation, landing or storage improvements, betterments or structures constructed upon said lands for any vessel or other watercraft, aircraft, or railroad owned or operated by the State of California.

(f) There is hereby reserved to the people of the State of California the right to fish in the waters on said lands with the right of convenient access to said water over said lands for said purpose.

(g) There is hereby excepted and reserved in the State of California all deposits of minerals, including oil and gas, in said lands, and to the State of California, or persons authorized by the State of California, the right to prospect for, mine, and remove such deposits from said lands.

(h) Said lands shall be held subject to the express reservation and condition that the State may at any time in the future use said lands or any portion for highway purposes without compensation to the district, its successors or assigns, or any person, firm or public or private corporation claiming under it, except that in the event improvements, betterments or structures have been placed upon the property taken by the State for said purposes, compensation shall be made to the district, its successors or assigns, or any person, firm or private corporation entitled thereto for the value of his or its interest in the improvements, betterments or structures taken or the damages to such interest.

(i) The State Lands Commission shall, at the cost of the district, survey and monument said lands and record a description and plat thereof in the office of the County Recorder of San Diego County.

(j) As to any tide and submerged lands conveyed to the district by a city which are subject to a condition contained in a grant of said lands to the city by the State that said lands shall be substantially improved within a designated period or else they shall revert to the State, such condition shall remain in effect as to said lands and shall be applicable to the district.

As to any tide and submerged lands conveyed to the district by a city which are not subject to such a condition contained in a grant by the State and which have not heretofore been substantially improved, said lands, within 10 years from the effective date of this act, shall be substantially improved by the district without expense to the State. If the State Lands Commission determines that the district has failed to improve said lands as herein required, all right, title and interest of

the district in and to said lands shall cease and said lands shall revert and rest in the State.

SEC. 41. Section 88 is added to said act, to read:

Sec. 88. If any section, subdivision, sentence, clause, or phrase of this act, or the application thereof to any person or circumstances, is for any reason held invalid, the validity of the remainder of the act, or the application of such provision to other persons or circumstances, shall not be affected thereby. The Legislature hereby declares that it would have passed this act, and each section, subdivision, sentence, clause, and phrase thereof, irrespective of the fact that one or more sections, subdivisions, sentences, clauses or phrases, or the application thereof to any person or circumstance, be held invalid.

SEC. 42. This act is an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

The provisions of this act are urgently required to permit the district which has already been formed under the San Diego Unified Port District Act, to take immediate action to carry out the purposes of such law, including, without limitation, the police, fire and sanitation duties.