

H-3/13/98 *Leah Gov*
H-3/23/98 *Amend & No Pass*

FILED MAR 2 1998
H-3/26/98 UNFINISHED BUSINESS CALENDAR

SENATE FILE 2405
BY COMMITTEE ON STATE GOVERNMENT

(SUCCESSOR TO SF 2304)

(P.691)
Passed Senate, Date 3-12-98 Passed House, ^{P.1291} Date 4-6-98
Vote: Ayes 43 Nays 0 Vote: Ayes 94 Nays 6
Approved ~~retained~~ 5/18/98
Passed 4-14-98
Vote 46-0

A BILL FOR

1 An Act providing for the joint construction or acquisition,
2 furnishing, operation, and maintenance of public buildings by
3 a county, city, and school district.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

S.F. 2405

SPONSOR: _____

1 Section 1. NEW SECTION. 28E.41 JOINT COUNTY, CITY,
2 SCHOOL DISTRICT BUILDINGS.

3 1. Two or more counties, cities, or school districts, each
4 of which has areas within their boundaries which overlap areas
5 within the boundaries of the others, may execute an agreement
6 pursuant to this section for the joint construction or
7 acquisition, furnishing, operation, and maintenance of a
8 public building or buildings for their common use within their
9 overlapping areas. An agreement regarding a joint county,
10 city, or school district public building may include, but is
11 not limited to, any of the following:

12 a. Acquisition of a construction site and construction of
13 a public building for common use.

14 b. Purchase of an existing building for joint public use,
15 or conversion of a building previously owned and maintained by
16 a county, city, or school district for joint public use.

17 c. Equipping or furnishing a new or existing building for
18 joint public use.

19 d. Operation, maintenance, or improvement of a joint
20 public building.

21 e. Any other aspect of joint public building acquisition
22 or maintenance mutually agreed upon and authorized by law in
23 the county, city, or school district.

24 2. An agreement pursuant to subsection 1 shall be approved
25 by resolution of the governing bodies of each of the
26 participating counties, cities, or school districts and shall
27 specify the purposes for which the building or improvement
28 shall be used, the estimated cost thereof, the estimated
29 amount of the cost to be allocated to each of the
30 participating counties, cities, or school districts, the
31 proportion and method of allocating the expenses of the
32 operation and maintenance of the building or improvement, and
33 the disposition to be made of any revenues to be derived
34 therefrom, in addition to the provisions of sections 28E.5 and
35 28E.6, and any other applicable provision of this chapter.

1 3. a. A county, city, or school district may appropriate
2 funds or issue general obligation bonds for the payment of its
3 share of the cost of constructing, acquiring, furnishing,
4 operating, or maintaining a joint public building pursuant to
5 subsection 1. Section 28E.16 shall apply regarding a single
6 election to be authorized by the board of supervisors, city
7 council, and board of directors of a school district, in the
8 event that a single bond issue throughout the overlapping
9 areas is contemplated. If separate bond issues are authorized
10 by a board of supervisors, city council, or board of directors
11 of a school district for their respective share of the cost of
12 the joint public building, the applicable bonding provisions
13 of chapters 74, 75, 298, 331, and 384 shall apply. With
14 regard to any issuance of bonds pursuant to this section,
15 however, a proposition to authorize an issuance of bonds by a
16 county, city, or school district shall be deemed carried or
17 adopted if a vote in favor of the authorization equal to at
18 least sixty percent of the vote cast for and against the
19 proposition in each participating authority is received.

20 b. Bonds may not be issued by a county, city, or school
21 district until provision has been made by each of the other
22 participating counties, cities, or school districts to the
23 agreement for the payment of their shares of the cost of the
24 joint public building. In the event that the cost of the
25 construction or acquisition, furnishing, operation, and
26 maintenance of the public building exceeds that which was
27 originally estimated and agreed to, the governing body of
28 county, city, or school district shall have the authority,
29 jointly or individually, to appropriate additional moneys or
30 issue additional bonds to pay their respective portions of the
31 increased costs.

32 c. A county, city, or school district shall be authorized,
33 with the consent of the governing bodies of the other parties,
34 to an agreement under this section, to improve, add to, or
35 equip the building which is the subject of the agreement for

1 its own purposes to the same extent and in the same manner as
2 if the building were wholly owned by and devoted to the uses
3 of the county, city, or school district.

4 d. The authority granted to a county, city, or school
5 district pursuant to this section shall be in addition to, and
6 not in derogation of, any other powers conferred by law upon a
7 county, city, or school district to make agreements,
8 appropriate and expend moneys, and to issue bonds for the same
9 or similar purposes.

10

EXPLANATION

11 This bill provides for the joint construction or
12 acquisition, furnishing, operation, and maintenance of public
13 buildings by a county, city, and school district. The bill
14 provides that two or more counties, cities, or school
15 districts, each of which has areas within their boundaries
16 which overlap areas within the boundaries of the others, may
17 execute an agreement for the joint construction or
18 acquisition, furnishing, operation, and maintenance of a
19 public building or buildings for their common use within their
20 overlapping areas. The agreement shall be approved by
21 resolution of the governing bodies of each of the
22 participating counties, cities, or school districts and shall
23 specify the purposes for which the building or improvement
24 shall be used, the estimated cost thereof, the estimated
25 amount of the cost to be allocated to each of the
26 participating counties, cities, or school districts, the
27 proportion and method of allocating the expenses of the
28 operation and maintenance of the building or improvement, and
29 the disposition to be made of any revenues to be derived
30 therefrom.

31 The bill provides that a county, city, or school district
32 may appropriate funds or issue general obligation bonds for
33 the payment of its share of the cost of constructing,
34 acquiring, furnishing, operating, or maintaining a joint
35 public building, either on a joint or an individual basis, and

1 that bonds may not be issued by a county, city, or school
2 district until provision has been made by each of the other
3 participating counties, cities, or school districts to the
4 agreement for the payment of their shares of the cost of the
5 joint public building. A vote in favor of authorization of
6 bonds cast by at least 60 percent of the electors voting on
7 the question of a bond issue shall be necessary for approval
8 of the bond issue. In the event that the cost of the
9 construction or acquisition, furnishing, operation, and
10 maintenance of the public building exceeds original estimates,
11 the bill provides that a county, city, or school district
12 shall have the authority, jointly or individually, to
13 appropriate additional moneys or issue additional bonds to pay
14 their respective portions of the increased costs.

15 The bill additionally provides that a county, city, or
16 school district shall be authorized, with the consent of the
17 governing bodies of the other counties, cities, or school
18 districts which are parties to the agreement, to improve, add
19 to, or equip any such building for its own purposes to the
20 same extent and in the same manner as if the building were
21 wholly owned by and devoted to the uses of the county, city,
22 or school district.

23
24
25
26
27
28
29
30
31
32
33
34
35

SENATE FILE 2405

H-8560

1 Amend Senate File 2405, as passed by the Senate, as
2 follows:

3 1. Page 1, line 9, by inserting after the word
4 "areas." the following: "Noncontiguous cities located
5 within the same county, or contiguous counties, may
6 also execute an agreement for the joint construction
7 or acquisition, furnishing, operation, and maintenance
8 of a regional public building or buildings for their
9 common use."

10 2. Page 2, line 9, by inserting after the word
11 "areas" the following: ", or noncontiguous cities
12 contained within the same county or contiguous
13 counties,".

By HUSER of Polk

H-8560 FILED MARCH 23, 1998

Adopted 4-6-98 (P. 1288)

SENATE FILE 2405

H-8540

1 Amend Senate File 2405, as passed by the Senate, as
2 follows:

3 1. Page 1, line 5, by inserting after the word
4 "others," the following: "or which are contiguous
5 with each other,".

6 2. Page 1, line 9, by inserting after the word
7 "overlapping" the following: "or contiguous".

8 3. Page 2, line 8, by inserting after the word
9 "overlapping" the following: "or contiguous".

By COMMITTEE ON LOCAL GOVERNMENT

VANDE HOEF of Osceola, Chairperson

H-8540 FILED MARCH 23, 1998

*Adopted
4-6-98
(P. 1287)*

HOUSE AMENDMENT TO
SENATE FILE 2405

S-5530

1 Amend Senate File 2405, as passed by the Senate, as
2 follows:

3 1. Page 1, line 5, by inserting after the word
4 "others," the following: "or which are contiguous
5 with each other,".

6 2. Page 1, line 9, by inserting after the word
7 "overlapping" the following: "or contiguous".

8 3. Page 1, line 9, by inserting after the word
9 "areas." the following: "Noncontiguous cities located
10 within the same county, or contiguous counties, may
11 also execute an agreement for the joint construction
12 or acquisition, furnishing, operation, and maintenance
13 of a regional public building or buildings for their
14 common use."

15 4. Page 2, line 8, by inserting after the word
16 "overlapping" the following: "or contiguous".

17 5. Page 2, line 9, by inserting after the word
18 "areas" the following: ", or noncontiguous cities
19 contained within the same county or contiguous
20 counties,".

21 6. By renumbering, relettering, or redesignating
22 and correcting internal references as necessary.

RECEIVED FROM THE HOUSE

S-5530 FILED APRIL 6, 1998

Senate Concurred

4.14-98

p. 1214

SENATE FILE 2405

S-5626

1 Amend the House amendment, S-5530, to Senate File
2 2405, as amended, passed, and reprinted by the Senate,
3 as follows:

4 1. Page 1, by inserting after line 20 the
5 following:

6 _____. Page 3, by inserting after line 9 the
7 following:

8 "Sec. _____ NEW SECTION. 297A.1 DEFINITIONS.

9 For the purposes of this chapter:

10 1. "Energy conservation measure" means any
11 improvement, repair, or alteration of a building or
12 facility owned or operated by a school district, or
13 any equipment, fixture, or furnishing to be added to
14 or used in any such building or facility that is
15 designed to reduce energy consumption or operating
16 costs. An energy conservation measure may include one
17 or more of the following:

18 a. Insulation of the building structure or systems
19 within the building.

20 b. Storm windows or doors, caulking or weather
21 stripping, multiglazed windows or doors, heat-
22 absorbing or heat-reflective glazed and coated window
23 or door systems, additional glazing, reductions in
24 glass area, or other window and door system
25 modifications that reduce energy consumption.

26 c. Automated or computerized energy control
27 systems.

28 d. Heating, ventilating, or air conditioning
29 system modifications or replacements.

30 e. Replacement or modification of lighting
31 fixtures to increase the energy efficiency of the
32 lighting system without increasing the overall
33 illumination of a facility, unless an increase in
34 illumination is necessary to conform to the applicable
35 state or local building code for the lighting system
36 after the proposed modifications are made.

37 f. Energy recovery systems.

38 g. Energy conservation measures that provide long-
39 term operating cost reductions.

40 h. Renewable energy applications, including, but
41 not limited to, solar hot water, active solar space
42 conditioning, passive solar space conditioning,
43 photovoltaic applications, wind energy, water power,
44 tidal energy, or use of biomass fuels.

45 2. "Guaranteed energy savings contract" means a
46 contract which provides for all of the following:

47 a. Performance of an energy audit, data
48 collection, and other related analyses preliminary to
49 the undertaking of energy conservation measures.

50 b. Evaluation and recommendation of energy

S-5626

-1-

S-5626

Page 2

1 conservation measures.
 2 c. Implementation of one or more energy
 3 conservation measures.
 4 d. Maintenance of project monitoring and data
 5 collection to verify postinstallation energy
 6 consumption and energy-related operating costs.
 7 The contract shall provide that all payments,
 8 except obligations resulting from termination of the
 9 contract before its expiration, are to be made over
 10 time and that the savings are guaranteed to the extent
 11 necessary to pay the costs of the energy conservation
 12 measures. More than one school district may enter
 13 into a guaranteed energy savings contract provided
 14 that each school district complies with the provisions
 15 of this chapter.

16 3. "Operational cost savings" means improvements
 17 to a facility producing auditable budget reductions.
 18 These savings need to be clearly defined and
 19 documented as follows:

20 a. The savings should be related to actual costs
 21 that are currently budgeted and can be documented.

22 b. The anticipated improvements producing budget
 23 reductions, and the method of calculation of the
 24 operating cost savings, must be included in the
 25 guaranteed energy savings contract and agreed to by
 26 both parties.

27 c. The operational cost savings may be included in
 28 the qualified provider guarantee provided that the
 29 requirements in paragraphs "a" and "b" are met.

30 4. "Qualified provider" means a person or business
 31 whose employees are experienced and trained in the
 32 design, implementation, or installation of energy
 33 conservation measures. Qualified providers must be
 34 certified by the national association of energy
 35 service companies, and all work performed in the
 36 detailed audit stage must be under the direct, on-site
 37 supervision of a certified energy manager as
 38 accredited by the association of energy engineers, or
 39 must be prequalified by the department of natural
 40 resources.

41 5. "Request for proposals" means a negotiated
 42 procurement. A request for proposals shall be
 43 announced through at least one public notice appearing
 44 at least ten days before the request date in a
 45 newspaper of general circulation published in the
 46 school district, or if no newspaper is published in
 47 the school district, in a newspaper of general
 48 circulation in the area of the district, from a school
 49 district that will administer the program, requesting
 50 innovative solutions and proposals for energy

S-5626

S-5626

Page 3

1 conservation measures. Proposals submitted shall be
2 sealed. The request for proposals shall include all
3 of the following:

4 a. Name and address of the school district.

5 b. Name, address, title, and phone number of a
6 contact person for the school district.

7 c. Notice indicating that the school district is
8 requesting qualified providers to propose energy
9 conservation measures through a guaranteed energy
10 savings contract.

11 d. Date, time, and place where proposals must be
12 received.

13 e. Evaluation criteria for assessing the
14 proposals.

15 f. Any other stipulations and clarifications the
16 school district may require.

17 The provisions of this chapter applying to school
18 districts shall also apply to community colleges
19 organized and operated pursuant to the provisions of
20 chapter 260C.

21 Sec. _____. NEW SECTION. 297A.2 EVALUATION OF
22 PROPOSALS.

23 Prior to entering into a guaranteed energy savings
24 contract as provided in section 297A.3, a school
25 district shall announce a request for proposals, and
26 shall evaluate any sealed proposal from a qualified
27 provider. Sealed proposals shall be opened by a
28 designated member or employee of the school board at a
29 public meeting during which the contents of the
30 proposals shall be announced. Each person or entity
31 submitting a sealed proposal must receive at least ten
32 days' notice of the time and place of the public
33 meeting, published pursuant to the procedure specified
34 in section 297A.1, subsection 4.

35 The school district shall analyze the estimates of
36 all costs of installations, modifications, and
37 remodeling, including, without limitation, costs of a
38 preinstallation energy audit or analysis, design,
39 engineering, installation, maintenance, repairs, debt
40 service, conversions to a different energy or fuel
41 source, and postinstallation project monitoring, data
42 collection, and reporting. The evaluation shall
43 include a detailed analysis of whether the energy
44 consumed or the operating costs, or both, will be
45 reduced. If technical expertise is not available on
46 the school district staff, then the evaluation of the
47 proposal may be done by a registered professional
48 engineer, architect, or consultant with experience in
49 assisting in the management of guaranteed energy
50 savings contracts who is retained by the school

S-5626

S-5626

Page 4

1 district. The school district may pay a reasonable
2 fee for evaluation of the proposal or include the fee
3 as part of the payments made under section 297A.4.

4 Sec. . NEW SECTION. 297A.3 AWARD OF
5 GUARANTEED ENERGY SAVINGS CONTRACT.

6 A school district shall select the qualified
7 provider that best meets the needs of the district.
8 After completing its evaluation of the proposals
9 received pursuant to section 297A.2, the school
10 district shall provide public notice of the meeting at
11 which it proposes to award a guaranteed energy savings
12 contract. The notice shall contain the names of the
13 parties to the proposed contract and the purpose of
14 the contract. The public notice shall be published at
15 least ten days prior to the meeting, pursuant to the
16 procedure specified in section 297A.1, subsection 4.
17 A school district may enter into a guaranteed energy
18 savings contract with a qualified provider if it finds
19 after evaluating the proposal pursuant to section
20 297A.2 that the amount it would spend on the energy
21 conservation measures recommended in the proposal
22 would not exceed the amount to be saved in either
23 energy or operational costs, or both, within a ten-
24 year period from the date of installation or
25 modification, if the recommendations in the proposal
26 are followed.

27 Sec. . NEW SECTION. 297A.4 QUALIFIED PROVIDER
28 GUARANTEE.

29 The guaranteed energy savings contract shall
30 include a written guarantee of the qualified provider
31 that either the anticipated energy or operational cost
32 savings, or both, will meet or exceed within ten years
33 the costs of the energy conservation measures. The
34 qualified provider shall annually reimburse the school
35 district for any shortfall of guaranteed energy
36 savings projected in the contract. A qualified
37 provider shall provide a sufficient bond to the school
38 district for the installation and the faithful
39 performance of all the measures included in the
40 contract. The guaranteed energy savings contract may
41 provide for payments over a period of time, not to
42 exceed ten years.

43 Sec. . NEW SECTION. 297A.5 PAYMENT
44 PROVISIONS.

45 A school district may enter into an installment
46 payment contract or lease-purchase agreement with a
47 qualified provider for the purchase and installation
48 of energy conservation measures, as provided in
49 section 297A.1, subsection 2, if a motion on such
50 contract or agreement is adopted by the board of

S-5626

S-5626

Page 5

1 directors, and may issue certificates evidencing the
2 indebtedness incurred pursuant to the contracts or
3 agreements. A guaranteed energy savings contract may
4 extend beyond the fiscal year in which it becomes
5 effective, and amounts remaining payable thereunder
6 shall be included in the school district's annual
7 school budget for each subsequent fiscal year.

8 Sec. ____ . NEW SECTION. 297A.6 OPERATIONAL AND
9 ENERGY COST SAVINGS.

10 The qualified provider shall document the
11 operational cost savings specified in the guaranteed
12 energy savings contract and the school district shall
13 designate and appropriate that amount for an annual
14 payment of the contract. If that annual energy
15 savings are less than projected under the guaranteed
16 energy savings contract, the qualified provider shall
17 pay the difference as provided in section 297A.4.

18 Cost savings verification methodology shall be
19 documented in the sealed proposal received from a
20 prospective qualified provider, and in the subsequent
21 guaranteed energy savings contract. This methodology
22 shall be independently auditable and in accordance
23 with federal energy management program measurement and
24 verification guidelines for federal energy projects.

25 Sec. ____ . NEW SECTION. 297A.7 FUNDING.

26 1. A school district may use funds from either its
27 general fund or debt service fund to repay obligations
28 relating to a guaranteed energy savings contract,
29 including purchases using installment payment
30 contracts or lease-purchase agreements.

31 2. For the purpose of paying obligations incurred
32 pursuant to a guaranteed energy savings contract, a
33 school district is authorized to:

34 a. Issue negotiable, interest-bearing school
35 bonds, pursuant to section 298.21, subsections 2 and
36 3, and utilize energy savings resulting from
37 implementation of the guaranteed energy savings
38 contract for principal and interest repayment. The
39 provisions of sections 298.22 through 298.24 shall
40 apply regarding the form, rate of interest,
41 registration, redemption, and recording of bond issues
42 pursuant to this subsection, with the exception that
43 the maximum period during which principal on the bonds
44 is payable shall not exceed a ten-year period.

45 b. Enter into energy loan fund financing
46 arrangements with the department of natural resources
47 pursuant to section 473.20. For the purposes of this
48 paragraph, the requirement in section 473.20,
49 subsection 1, that loans shall not be made for energy
50 conservation measures that require more than an

S-5626

-5-

S-5626

Page 6

1 average of six years to recoup costs shall not apply.
2 c. Borrow money and enter into loan agreements
3 with a bank, investment banker, trust company, or
4 other third-party lender, and utilize energy savings
5 resulting from implementation of the guaranteed energy
6 savings contract for principal and interest repayment.
7 The maturation date of the loan shall not exceed the
8 duration of the guaranteed energy savings contract,
9 and the loan shall bear interest at a rate which does
10 not exceed the limits under chapter 74A. A loan
11 agreement entered into pursuant to this section shall
12 be in a form as the board of directors shall approve
13 by resolution.

14 3. State aid payments to a school district
15 pursuant to section 257.16, and other amounts
16 available for distribution to or reimbursement of a
17 school district, shall not be reduced as a result of
18 energy savings realized from a guaranteed energy
19 savings contract, installment payment contract, or a
20 lease-purchase agreement for the purchase and
21 installation of energy conservation measures.

22 Sec. ____ Administrative rules relating to the
23 implementation of this Act shall be established in
24 collaboration between the department of education and
25 the department of natural resources."

26 2. Title page, line 3, by inserting after the
27 word "district" the following: ", and for the
28 establishment of a school energy conservation program
29 for public buildings by a school district."

By JEFF ANGELO

S-5626 FILED APRIL 13, 1998

*0/ order
4/14/98
(P. 1214)*



TERRY E. BRANSTAD
GOVERNOR

OFFICE OF THE GOVERNOR

STATE CAPITOL
DES MOINES, IOWA 50319
515 281-3211

May 18, 1998

MAY 20 1998

The Honorable Paul Pate
Secretary of State
State Capitol Building
LOCAL

Dear Mr. Secretary:

Senate File 2405, an act providing for the joint construction or acquisition, furnishing, operation, and maintenance of public buildings by a county, city, and school district, is hereby disapproved and transmitted to you in accordance with Article III, Section 16, of the Constitution of the State of Iowa.

Under Iowa law, school districts currently have a wide array of options to expand educational programs and facilities including staff and program sharing, whole grade sharing, and reorganization. Each time the legislature has added a new sharing option important principles necessary for statewide implementation are clearly outlined in statute. These principles protect each district entering into the agreement, their constituent communities and the state.

Senate File 2405 fails to address critical implementation issues for schools that, if left to district-by-district administration, may create financial instability and accreditation difficulties for local school districts. Important details such as the funding of the educational program, transportation costs, and the differences between participating districts' bonding capacity and property tax rates and levies, need statutory clarification.

While I am not opposed to this concept, the legislature should address issues critical to implementation of the statute to consistently and uniformly apply the statute.

For the above reasons, I hereby respectfully disapprove Senate File 2405.

Sincerely,

Terry E. Branstad
Governor

TEB/ps

cc: Secretary of the Senate
Chief Clerk of the House

Vetted

SENATE FILE 2405

AN ACT
PROVIDING FOR THE JOINT CONSTRUCTION OR ACQUISITION, FURNISHING, OPERATION, AND MAINTENANCE OF PUBLIC BUILDINGS BY A COUNTY, CITY, AND SCHOOL DISTRICT.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. NEW SECTION. 28E.41 JOINT COUNTY, CITY, SCHOOL DISTRICT BUILDINGS.

1. Two or more counties, cities, or school districts, each of which has areas within their boundaries which overlap areas within the boundaries of the others, or which are contiguous with each other, may execute an agreement pursuant to this section for the joint construction or acquisition, furnishing, operation, and maintenance of a public building or buildings for their common use within their overlapping or contiguous areas. Noncontiguous cities located within the same county, or contiguous counties, may also execute an agreement for the joint construction or acquisition, furnishing, operation, and maintenance of a regional public building or buildings for

their common use. An agreement regarding a joint county, city, or school district public building may include, but is not limited to, any of the following:

- a. Acquisition of a construction site and construction of a public building for common use.
- b. Purchase of an existing building for joint public use, or conversion of a building previously owned and maintained by a county, city, or school district for joint public use.
- c. Equipping or furnishing a new or existing building for joint public use.
- d. Operation, maintenance, or improvement of a joint public building.
- e. Any other aspect of joint public building acquisition or maintenance mutually agreed upon and authorized by law in the county, city, or school district.

2. An agreement pursuant to subsection 1 shall be approved by resolution of the governing bodies of each of the participating counties, cities, or school districts and shall specify the purposes for which the building or improvement shall be used, the estimated cost thereof, the estimated amount of the cost to be allocated to each of the participating counties, cities, or school districts, the proportion and method of allocating the expenses of the operation and maintenance of the building or improvement, and the disposition to be made of any revenues to be derived therefrom, in addition to the provisions of sections 28E.5 and 28E.6, and any other applicable provision of this chapter.

3. a. A county, city, or school district may appropriate funds or issue general obligation bonds for the payment of its share of the cost of constructing, acquiring, furnishing, operating, or maintaining a joint public building pursuant to subsection 1. Section 28E.16 shall apply regarding a single election to be authorized by the board of supervisors, city council, and board of directors of a school district, in the event that a single bond issue throughout the overlapping or

contiguous areas, or noncontiguous cities contained within the same county or contiguous counties, is contemplated. If separate bond issues are authorized by a board of supervisors, city council, or board of directors of a school district for their respective share of the cost of the joint public building, the applicable bonding provisions of chapters 74, 75, 298, 331, and 384 shall apply. With regard to any issuance of bonds pursuant to this section, however, a proposition to authorize an issuance of bonds by a county, city, or school district shall be deemed carried or adopted if a vote in favor of the authorization equal to at least sixty percent of the vote cast for and against the proposition in each participating authority is received.

b. Bonds may not be issued by a county, city, or school district until provision has been made by each of the other participating counties, cities, or school districts to the agreement for the payment of their shares of the cost of the joint public building. In the event that the cost of the construction or acquisition, furnishing, operation, and maintenance of the public building exceeds that which was originally estimated and agreed to, the governing body of a county, city, or school district shall have the authority, jointly or individually, to appropriate additional moneys or issue additional bonds to pay their respective portions of the increased costs.

c. A county, city, or school district shall be authorized, with the consent of the governing bodies of the other parties, to an agreement under this section, to improve, add to, or equip the building which is the subject of the agreement for its own purposes to the same extent and in the same manner as if the building were wholly owned by and devoted to the uses of the county, city, or school district.

d. The authority granted to a county, city, or school district pursuant to this section shall be in addition to, and not in derogation of, any other powers conferred by law upon a

county, city, or school district to make agreements, appropriate and expend moneys, and to issue bonds for the same or similar purposes.

MARY E. KRAMER
President of the Senate

RON J. CORBETT
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2405, Seventy-seventh General Assembly.

MARY PAT GUNDERSON
Secretary of the Senate

Approved *Mary P. Gunderson*, 1998

TERRY E. BRANSTAD
Governor