

HOUSE BILL REPORT

HB 3030

As Passed Legislature

Title: An act relating to the administration of irrigation districts.

Brief Description: Regarding the administration of irrigation districts.

Sponsors: Representatives Fagan and Hinkle.

Brief History:

Committee Activity:

Local Government & Housing: 1/28/10, 2/1/10 [DP].

Floor Activity:

Passed House: 2/13/10, 94-0.

Senate Amended.

Passed Senate: 3/5/10, 47-0.

House Concurred.

Passed House: 3/9/10, 97-0.

Brief Summary of Bill

- Increases the upper limit of the estimated cost of an irrigation district project eligible for the small works roster process from \$100,000 to \$300,000.
- Requires irrigation districts to follow established, uniform small works roster provisions applicable to most public entities in the state.
- Authorizes a legal entity created by a contract between two or more irrigation districts to establish an upgrading and improvement fund.
- Denies jurisdiction to boundary review boards with respect to irrigation district boundary changes involving lands falling within the boundaries of a federal reclamation project.

HOUSE COMMITTEE ON LOCAL GOVERNMENT & HOUSING

Majority Report: Do pass. Signed by 10 members: Representatives Simpson, Chair; Nelson, Vice Chair; Angel, Ranking Minority Member; Fagan, Miloscia, Short, Springer, Upthegrove, White and Williams.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Staff: Thamas Osborn (786-7129).

Background:

Overview of Irrigation Districts.

Irrigation districts (districts), authorized by the first state Legislature in 1890, are among the oldest special purpose districts in Washington. Originally authorized to provide irrigation facilities and services, they have since been authorized to provide: (1) drainage systems; (2) domestic water; (3) electric energy generation, purchasing and distribution; (4) fire hydrants; (5) sewerage systems; (6) residential energy conservation program assistance; (7) heating systems; and (8) street lighting. Among special purpose districts only port districts possess a greater range of powers. Districts are governed by an elected board of directors.

Jointly Created Governmental Entity: Contract Between Two or More Irrigation Districts.

Two or more districts may jointly create a separate legal entity which may exercise the same powers and authority granted to districts generally. Such an entity must be created through a contract between or among the participating districts. The jointly created entity has only those powers, rights, and responsibilities that are conveyed to it through the contract.

Irrigation District Upgrading and Improvement Fund.

Districts are authorized to create an upgrading and improvement fund that is financed from the annual revenue of the district. The board determines what portion of a district's revenue will be placed in the fund, which may include revenue derived from the sale, delivery, or distribution of electrical energy. Moneys from the fund may be used for the following purposes:

- to modernize, improve, or upgrade the irrigation or facilities of the district; or
- to respond to an emergency affecting a district's irrigation facilities.

Small Works Roster: Project Contracting by Irrigation Districts.

Generally, state agencies and certain local governments may use a small works roster process to award contracts for public works estimated to cost \$300,000 or less. A single roster may be created or different rosters for different specialties or categories of anticipated work. In addition, distinctions may be made between contractors based on geographic areas. The agency or local government may solicit bids from all appropriate contractors on the roster, but at a minimum five bids must be solicited. The contract, if awarded, is awarded to the lowest responsible bidder. An effort must be made to equitably distribute the opportunity among contractors on the appropriate roster if bids are solicited from less than all contractors on the roster.

With respect to districts, state law requires that the use by districts of the small works roster process is limited to projects estimated to cost \$100,000 or less.

Boundary Review Boards and Irrigation Districts.

Generally, the formation of a district and any alteration of a district's boundaries may be subject to review by a Boundary Review Board (BRB).

Boundary Review Boards are authorized in statute to guide and control the creation and growth of municipalities in metropolitan areas. While statute provides for the establishment of BRBs in counties with at least 210,000 residents, current law provides that a BRB may be created and established in any other county. Boundary Review Board members are appointed by the Governor and local government officials from within the applicable county. Some members are appointed by the BRBs themselves from nominees of special districts within the applicable county. After initial appointments, all members serve four-year terms. Upon receiving a timely request for review that meets statutory requirements, and following an invocation of a BRB's jurisdiction, a BRB must review and approve, disapprove, or modify certain proposed actions, including actions pertaining to the creation, incorporation, or change in the boundary of any city, town, or special purpose district. In reaching decisions on proposed actions, BRBs must satisfy public hearing requirements and attempt to achieve objectives prescribed in statute, including the preservation of natural neighborhoods and communities, and the use of physical boundaries. Generally, decisions on proposed actions must be made within 120 days of the BRB receiving a valid request for review.

Federal Reclamation Projects and Irrigation Districts.

The U.S. Bureau of Reclamation (Bureau) is a federal agency engaged in water and electricity generating projects in 17 western states. The Bureau manages, develops, and protects water and related resources, and is the nation's largest wholesale water supplier. The Bureau is the second largest producer of hydroelectric power in the west, and has constructed more than 600 dams and reservoirs.

A district is authorized to enter into contracts with the federal government with respect to matters relating to federal reclamation projects. Such contracts must be consistent with pertinent federal reclamation laws.

Summary of Bill:

Limitations on BRB Review of Changes to District Boundaries.

Boundary Review Boards do not have jurisdiction to review additions to, or exclusions of, district lands if such lands fall within the boundaries of a federal reclamation project.

Small Works Roster Process: Project Contracting by Irrigation Districts.

The upper limit of the estimated cost of a district project eligible for the small works roster process is increased from \$100,000 to \$300,000.

Districts are required to follow the uniform small works roster provisions set forth in RCW 39.04.155, which is applicable to most public entities in the state, including: state agencies; educational institutions; cities; counties; port districts; school districts; water-sewer districts; and fire protection districts.

Upgrading and Improvement Fund.

A legal entity created by a contract between two or more districts is authorized to establish an upgrading and improvement fund.

A district may use its upgrading and improvement fund for licensing hydroelectric power facilities and for payment of capital improvements.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This provisions of the bill are necessary for the efficient functioning of districts statewide. Districts are essential to the well-being of the state's agricultural economy and this bill will thus benefit agricultural activities. Districts already have eminent domain powers for the purpose of obtaining essential easements and rights-of-way, and the bill provides the same type of expedited condemnation powers currently exercised by the Department of Transportation. Districts need a faster means of condemnation in order to obtain the property rights needed to quickly complete needed projects in the short term. More traditional eminent domain processes are simply too slow. The oversight of BRB makes little sense with respect to district activities. Accordingly, the bill eliminates BRB authority regarding lands within federal reclamation projects. The small works roster provision in the bill provides the same guidelines as those applied to most other state agencies and public entities.

(Opposed) none.

Persons Testifying: Representative Fagan, prime sponsor; and Mike Schwisow, Washington State Water Resources Association.

Persons Signed In To Testify But Not Testifying: None.