SENATE BILL REPORT SB 5839

As of February 8, 2009

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

Brief Description: Regarding the administration of irrigation districts.

Sponsors: Senators Schoesler, Hatfield and Shin.

Brief History:

Committee Activity: Agriculture & Rural Economic Development: 2/09/09.

SENATE COMMITTEE ON AGRICULTURE & RURAL ECONOMIC DEVELOPMENT

Staff: Sam Thompson (786-7413)

Background: 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: drainage systems; domestic water; electric energy generation, purchasing and distribution; fire hydrants; sewerage systems; residential energy conservation program assistance; heating systems; and street lighting. Among special purpose districts only port districts possess a greater range of powers.

<u>Director Compensation.</u> Districts are governed by an elected board of directors. Directors must each receive compensation for attending meetings and performing other district services. The amount, which may not exceed \$90 per day, must be fixed by district resolution. State constitutional provisions prohibit compensation of public officers from being increased during their term of office, unless they do not fix their own compensation. It is suggested that compensation of directors be fixed in statute.

<u>Impact Fees.</u> Cities and counties that plan under major provisions of the Growth Management Act may impose impact fees on development activity to finance: public streets and roads; publicly-owned parks, open space, and recreation facilities; school facilities; and fire protection facilities in jurisdictions that are not part of a fire district. It is suggested that this list be expanded to include irrigation district facilities.

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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.

<u>District Liability.</u> Irrigation districts may be sued. A flooding incident in California has raised concerns regarding potential district liability arising from defects in federally-constructed facilities that may be operated by a district.

<u>Subdivision Review.</u> Cities and counties must review and approve most proposed divisions of land into smaller parcels to insure that necessary public facilities are provided and that the proposal is in the public interest. Currently, if a proposed subdivision includes irrigable land, irrigation facilities may be required by an irrigation district as a condition for approval of the subdivision.

<u>Electric Power Authority.</u> It is suggested that districts be granted clearer authority to enter into joint ventures with public and private entities to purchase and sell power or develop or own generation and transmission facilities.

Summary of Bill: Several provisions governing irrigation district operations are revised.

<u>Director Compensation.</u> Language requiring irrigation district directors to fix per diem compensation amounts by resolution is deleted. The amount is set at \$90 per day.

<u>Impact Fees.</u> The list of public facilities for which impact fees may be imposed and spent is expanded to include irrigation districts.

<u>District Liability.</u> A district may enter into a contract with the United States for transfer of operations and maintenance of federal reclamation project works, but the contract does not impute to the district negligence for design or construction defects or deficiencies of the transferred works.

Whenever a city or county receives a subdivision application that includes land in an irrigation district, the district must be given notice. It must then submit a statement with any information or conditions for approval that it deems necessary regarding the proposal's effect upon the structural integrity of irrigation district facilities, other risk exposures, and the safety of the public and the district.

<u>Electric Power Authority.</u> Districts may enter into agreements or form separate legal entities with the United States, any state, municipality, public utility district, other irrigation district, joint operating agency, utilities, or an association of any of these entities, to purchase and sell electric power, or develop or own generation and transmission facilities.

Agreements may include purchase of a project's capability to produce or transmit electricity, in addition to actual output. Agreements may provide that the district make required payments whether or not a project is completed or operating, and notwithstanding suspension or curtailment of output or use of a project or energy agreed to. Agreements may also provide that payments are not subject to reduction and may not be conditioned on performance or nonperformance of any party.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

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