H-2116.1	1	

## SUBSTITUTE HOUSE BILL 1886

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State of Washington 61st Legislature 2009 Regular Session

By House Local Government & Housing (originally sponsored by Representative Takko)

READ FIRST TIME 02/20/09.

- AN ACT Relating to flood control districts; amending RCW 86.09.175,
- 2 86.09.178, 86.09.181, 86.09.259, 86.09.268, 86.09.271, and 86.09.466;
- 3 adding new sections to chapter 86.09 RCW; and repealing RCW 86.09.274,
- 4 86.09.277, and 86.09.280.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 86.09.175 and 1937 c 72 s 59 are each amended to read 7 as follows:
- 8  $\underline{(1)}$  Contracts entered into by districts for construction (( $\Theta$ r
- 9 for)), services ((or)), materials, or maintenance may provide that
- 10 payments ((shall)) will be made in such monthly proportion of the
- 11 contract price, as the board shall determine thereon, as the work
- 12 progresses, or as the services ((or)), materials, or maintenance are
- 13 furnished, on monthly estimates of the value thereof((, approved by the

state director. Before the district shall enter into any contract, the

- 15 plans, specifications and form of contract therefor shall be approved
- 16 by the state director)).

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- 17 (2) The district shall withhold five percent of all payments to be
- 18 <u>made under subsection (1) of this section until the contract is</u>

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1 <u>complete</u>, <u>as evidenced by releases issued by the district</u>. This 2 subsection (2) does not apply to contracts for materials.

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Sec. 2. RCW 86.09.178 and 1965 c 26 s 2 are each amended to read as follows:

((Contracts for construction, or for labor or materials entering into the construction of any improvement authorized by the district shall be awarded at public bidding except as herein otherwise provided. A notice calling for sealed proposals shall be published in such newspaper or newspapers of general circulation as the board shall designate for a period of not less than two weeks (three weekly issues) prior to the day of the opening of the bids. Such proposals shall be accompanied by a certified check for such amount as the board shall decide upon, to guarantee a compliance with the bid and shall be opened in public at the time and place designated in the notice. The contract shall be awarded to the lowest and best responsible bidder: PROVIDED, That the board shall have authority to reject any or all bids, in which event they shall readvertise for bids and, when no satisfactory bid is then received and with the written approval of the director, may proceed to construct the works by force account.)) (1) Except as provided under subsection (4) of this section, contracts for construction or maintenance, or for labor or materials used in the construction or maintenance of any improvement authorized by the district, may only be awarded through a public bidding process that complies with the following:

(a) Notices calling for sealed bid proposals must be published in at least one newspaper of general circulation in the district. These notices must be published at least once fourteen or more days before the deadline for submitting bid proposals; and

(b) Bid proposals: (i) Must be in writing, filed at the location specified in the notice, and opened and read in public by the governing body or designee at a time and location also specified in the notice; (ii) must be filed in the official records of the district and available for public inspection; and (iii) must be accompanied by a bid proposal deposit equaling five percent of the total cost of the project. Bid proposal deposits may be in the form of cash, a certified check, a cashier's check, or a surety bond.

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(2) If the successful bidder fails to enter into a contract and fails to furnish a satisfactory performance bond within time specifications established by the district, the bid proposal deposit will be forfeited to the district.

- (3) The contract must be awarded to the lowest and best responsible bidder, except that the governing body may reject any and all bids. If the district rejects one or more bids, the district must submit a new notice calling for sealed bid proposals that complies with subsection (1)(a) of this section.
- 10 <u>(4) If a satisfactory bid is not received under this section, the</u> 11 district may complete the project by an agreed price or force account.
- NEW SECTION. Sec. 3. A new section is added to chapter 86.09 RCW to read as follows:
  - (1) Except as provided under this section, district construction and maintenance contracts require three or more formal bid proposals when the total cost of the project is equal to or greater than fifty thousand dollars. Formal bid proposals must be made in writing and must be filed in the official records of the district. This subsection (1) does not apply to projects that have a total cost of less than five thousand dollars or to contract solicitations for which three bidders are not available.
  - (2) This section does not restrict a district from: (a) Using volunteer labor and equipment on improvements and providing reimbursement for actual expenses; or (b) entering into an interlocal agreement for district construction, maintenance, or other work with a county, city, or other governmental entity.
- **Sec. 4.** RCW 86.09.181 and 1965 c 26 s 3 are each amended to read 28 as follows:
  - (1) Any person((, except the state of Washington and the United States,)) acting under the provisions of this chapter, to whom ((or to which)) a contract ((may have)) of at least five thousand dollars has been awarded by the district for construction ((purposes)), maintenance, or ((for)) labor ((or materials entering therein when the total amount to be paid therefor exceeds one thousand dollars,)) shall enter into a bond to the state of Washington, with good and sufficient sureties, ((to be approved and filed with the state director,)) for one

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- 1 hundred percent of the contract price, conditioned for the faithful
- 2 performance of said contract and with ((such)) further conditions as
- 3 may be required by law.
- 4 (2) This section does not apply to district contracts awarded to
- 5 the United States, the state of Washington, or counties and cities
- 6 <u>within the state of Washington.</u>
- 7 **Sec. 5.** RCW 86.09.259 and 1985 c 396 s 58 are each amended to read 8 as follows:
- 9 A flood control district shall be managed by a board of directors
- 10 consisting of three members. The initial directors shall be appointed,
- 11 and the elected directors elected, as provided in chapter 85.38 RCW.
- 12 The directors shall elect a ((chairman)) chair and vice-chair from
- 13 their number ((and shall either)). The directors may elect ((one of))
- 14 <u>a secretary from</u> their number((<del>, or appoint a voter of the district, as</del>
- 15  $\frac{\text{secretary}}{\text{secretary}}$ ) to hold office at  $((\frac{\text{its}}{\text{its}}))$   $\frac{\text{the board's}}{\text{pleasure}}$  pleasure and who
- shall keep a record of ((its)) the board's proceedings.
- 17 <u>In accordance with RCW 86.09.268, the directors may also appoint</u>
- 18 <u>and employ a secretary.</u>
- 19 **Sec. 6.** RCW 86.09.268 and 1937 c 72 s 90 are each amended to read
- 20 as follows:
- 21 The board shall ((have the power and it shall be its duty to adopt
- 22 a seal of the district, to)):
- 23 (1) Manage and conduct the business affairs of the district, ((to))
- 24 <u>including holding regular meetings at least once each year;</u>
- 25 <u>(2) Employ</u> and appoint ((such)) agents, engineers, attorneys,
- 26 officers, and employees as may be necessary, and prescribe their
- 27 duties((<del>, to</del>));
- 28 <u>(3) E</u>stablish reasonable ((bylaws,)) rules and regulations for the
- 29 government and management of affairs of the district((, and));
- 30 (4) Generally ((to)) perform any and all acts necessary to carry
- 31 out the purpose of the district organization; and
- 32 (5) Hold open meetings in accordance with chapter 42.30 RCW.
- 33 Sec. 7. RCW 86.09.271 and 1985 c 396 s 59 are each amended to read
- 34 as follows:
- 35 The office of the directors and principal place of business of the

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district shall be located, if possible, at some place within the 1 2 district to be designated by the board. If a place convenient and suitable for conducting district business and public hearings required 3 4 by this chapter cannot be found within the district, the office may be located in the county within which the major portion of district lands 5 6 is situated. ((The office and place of business cannot thereafter be 7 changed, except with the previous written consent of the county 8 legislative authority of the county within which the major portion of 9 the district is situated, and without passing a resolution to that 10 effect at a previous regular meeting of the board, entered in the 11 minutes thereof and without posting a notice of the change in a 12 conspicuous public place at or near the place of business which is to 13 be changed at least ten days prior thereto and by the previous posting 14 of a copy of the notice for the same length of time at or near the new 15 location of the office.))

**Sec. 8.** RCW 86.09.466 and 1985 c 396 s 75 are each amended to read as follows:

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The secretary of the district on or before the first day of ((November)) December in each year shall estimate the amount of money necessary to be raised for any and all district purposes during the ensuing year based upon a budget ((furnished him by the district board)) and submit the same to the county legislative authority of the county within which the major portion of the district is situated for its suggestions, approval and revision and upon the approval of the budget by said county legislative authority, either as originally submitted or as revised, the secretary shall prepare an assessment roll with appropriate headings in which must be listed all the lands in each assessment classification shown on the base assessment map.

NEW SECTION. Sec. 9. A new section is added to chapter 86.09 RCW to read as follows:

- (1) Contiguous territory outside of a special district that receives services from the district may be annexed into the district using the following method:
- (a) The governing body must adopt a resolution of its intent to annex the territory. The resolution must: (i) Include a map and description of the subject territory; (ii) indicate which service or

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services the territory is receiving from the district; (iii) specify the proposed system of assessment; and (iv) set a date and time for a public hearing on the annexation proposal;

- (b) The district must publish notice of the hearing in a newspaper of general circulation in the district and must notify, by mail, all property owners as determined by the records of the county assessor. The notice required under this subsection (1)(b) must be published and mailed at least twenty-one days, but not more than twenty-eight days, before the public hearing. This subsection (1)(b) does not restrict or prevent a district from publishing or mailing notices that are in addition to the required notice;
- (c) After the public hearing, which may be continued from time to time, the governing body must decide whether to recommend the annexation to the legislative authority of the county in which the territory proposed for annexation is located. If the governing body recommends the annexation, it must adopt a resolution of the recommendation within forty-five days of its decision and forward a copy of the resolution, together with a draft annexation ordinance, to the applicable legislative authority;
- (d) The county legislative authority, by resolution, must set a date and time for a public hearing on the annexation proposal. The date of the hearing must be within ninety days after the county receives the recommendation resolution and draft annexation ordinance from the special district;
- (e) After the public hearing, which may be continued from time to time, the county legislative authority must decide whether to approve, modify, or reject the annexation proposal. The legislative authority may remove territory from the proposal, but it may not add territory without holding an additional public meeting and providing meeting notice to the property owners affected by the addition that conforms with the notice requirements of (b) of this subsection; and
- (f) If the county legislative authority approves the annexation proposal in its original or a modified form, it must do so by ordinance. Approved annexations are effective on the first day of the following January.
- 36 (2) For the purposes of this section, territory bounded by a river, 37 lake, or other body of water is contiguous to a district that is also 38 bounded by the same river, lake, or other body of water.

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1 <u>NEW SECTION.</u> **Sec. 10.** The following acts or parts of acts are 2 each repealed:

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- (1) RCW 86.09.274 (Board of directors--Meetings--Change of date) and 1985 c 396 s 60 & 1937 c 72 s 92;
- (2) RCW 86.09.277 (Board of directors--Special meetings--When notice required--Authorized business) and 1937 c 72 s 93; and
- (3) RCW 86.09.280 (Board of directors--Meetings and records public--Printing of bylaws and rules) and 1937 c 72 s 94.

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