

SENATE BILL REPORT

HB 3030

As Reported by Senate Committee On:
Agriculture & Rural Economic Development, February 25, 2010

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

Committee Activity: Agriculture & Rural Economic Development: 2/22/10, 2/25/10
[DPA].

SENATE COMMITTEE ON AGRICULTURE & RURAL ECONOMIC DEVELOPMENT

Majority Report: Do pass as amended.

Signed by Senators Hatfield, Chair; Ranker, Vice Chair; Schoesler, Ranking Minority Member; Becker, Haugen, Morton and Shin.

Staff: Sam Thompson (786-7413)

Background: Irrigation districts (districts) have broad authority to provide: irrigation facilities and services; drainage systems; domestic water; electric energy generation, purchasing and distribution; fire hydrants; sewerage systems; residential energy conservation program assistance; heating systems; and street lighting. Districts are governed by an elected board of directors.

Boundary Review Boards. Formation of a district and alteration of district boundaries may be subject to review by a Boundary Review Board (BRB), which may approve, disapprove, or modify proposals. BRBs are mandatory in counties with at least 210,000 residents and may be established in other counties. Members are appointed by the Governor and local officials.

Eminent Domain. Districts may acquire property, water, or water rights by eminent domain for constructing and using canals, irrigation facilities, drainage works, and reservoirs. Districts must follow private corporation eminent domain procedures. These include submitting a petition to a superior court describing the property, identifying owners, stating

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the purpose, and requesting a jury to determine compensation. At a hearing, a court must determine that owners have been properly notified and that the appropriation is either for a necessary public use or for a necessary private right-of-way. A jury then determines compensation.

Federal Reclamation Projects. The U.S. Bureau of Reclamation (Bureau) manages federal reclamation projects involving water supply and electricity generation. Districts may enter into contracts with the Bureau. Districts in the Columbia Basin have done so.

Small Works Roster Contracting. State agencies and certain local governments may use a small works roster process to award relatively small public works contracts. An agency or local government may solicit at least five bids from contractors on the roster and award a contract to the lowest responsible bidder. The process generally applies to contracts estimated to cost up to \$300,000. However, districts may use the process only for projects estimated to cost up to \$100,000.

Jointly Created Entity. Two or more districts may, by contract, jointly create a separate legal entity to exercise authority generally granted to districts. Districts in the Columbia Basin created a Grand Coulee Projects Hydroelectric Authority to operate hydroelectric facilities associated with a federal reclamation project. The Authority's facilities are licensed by the Federal Energy Regulatory Commission (FERC). FERC must eventually relicense the facilities.

Summary of Bill (Recommended Amendments): BRB. BRBs do not have jurisdiction to review additions to, or exclusions of, land to a district if the land is within a federal reclamation project.

Small Works Roster Contracting. The upper limit of the estimated cost of district projects eligible for small works roster contracting is increased from \$100,000 to \$300,000. Districts must use a uniform small works roster contracting process specified for: state agencies; state universities and colleges; community and technical colleges; counties; county roads; cities and towns; metropolitan park districts; fire protection districts; housing authorities; port districts; public hospital districts; public utility districts; school districts; and water-sewer-districts.

Jointly Created Entity. A legal entity created by a contract between two or more districts may create an upgrading and improvement fund, which may be used for licensing hydroelectric facilities and for payment of capital improvements.

EFFECT OF CHANGES MADE BY AGRICULTURE & RURAL ECONOMIC DEVELOPMENT COMMITTEE (Recommended Amendments): Provisions granting districts expedited eminent domain authority are deleted. A provision regarding small works roster contracting is revised to retain an increased \$300,000 limit but require districts to use a uniform small works roster contracting process specified for: state agencies; state universities and colleges; community and technical colleges; counties; county roads; cities and towns; metropolitan park districts; fire protection districts; housing authorities; port districts; public hospital districts; public utility districts; school districts; and water-sewer-districts.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony on Original Bill : PRO: This legislation is intended to update varied irrigation district statutes. The exemption from BRB jurisdiction accommodates efforts to true up East Columbia Irrigation District boundaries with federal reclamation district boundaries. Expedited eminent domain authority is necessary to qualify for federal funding available only for a limited time and to enable districts to conduct work during limited opportunities arising from late fall to early spring. The small works roster limit has not been updated since 1990, and should conform to the limit applying to other local government entities. Language regarding jointly created entities accommodates funding related to Columbia Basin hydroelectric facilities.

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