CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE HOUSE BILL 1417

Chapter 2, Laws of 2014

63rd Legislature 2014 Regular Session

IRRIGATION DISTRICTS--ADMINISTRATION

EFFECTIVE DATE: 06/12/14

Passed by the House January 27, 2014 Yeas 96 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate March 4, 2014 Yeas 47 Nays 1

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL** 1417 as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

BRAD OWEN

Chief Clerk

President of the Senate

Approved March 12, 2014, 2:07 p.m.

FILED

March 12, 2014

JAY INSLEE

Secretary of State State of Washington

Governor of the State of Washington

ENGROSSED SUBSTITUTE HOUSE BILL 1417

Passed Legislature - 2014 Regular Session

State of Washington

63rd Legislature

2014 Regular Session

By House Local Government (originally sponsored by Representatives Manweller, Fagan, and Warnick)

READ FIRST TIME 02/14/13.

- 1 AN ACT Relating to the administration of irrigation districts; and
- 2 amending RCW 87.03.135, 87.03.620, 87.03.630, 87.06.030, 87.03.437, and
- 3 87.03.015.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 87.03.135 and 1994 c 117 s 1 are each amended to read 6 as follows:
- 7 An irrigation district has the power to sell or lease personal
- 8 property owned by the district whenever its board of directors, by
- 9 resolution: Determines that the property is not necessary or needed
- 10 for the use of the district; and authorizes the sale or lease. No sale
- 11 or lease of such property shall be made until notice of the sale or
- 12 lease is given by publication at least twenty days before the date of
- 13 the sale or lease in a newspaper of general circulation in the county
- 14 where the property or part of the property is located or, if there is
- 15 no such newspaper in the county, in a newspaper of general circulation
- 16 published in an adjoining county. The publication shall be made at
- 17 least once a week during three consecutive weeks before the day fixed
- 18 for making the sale or lease. The publication shall contain notice of
- 19 the intention of the board of directors to make the sale or lease and

shall state the time and place at which proposals for the sale or lease will be considered and at which the sale or lease will be made. Any such property so sold or leased shall be sold or leased to the highest and best bidder.

The provisions of this section relating to publication of notice shall not apply when the value of the property to be sold or leased is less than ((five hundred)) ten thousand dollars.

8 **Sec. 2.** RCW 87.03.620 and 1939 c 150 s 2 are each amended to read 9 as follows:

Upon the filing of the petition, the board shall fix a time and place for the hearing of the same which shall not be less than thirty days and not more than ((forty-five)) one hundred eighty days from the date of said filing; and the board shall cause a notice of such hearing to be published prior to said hearing in three consecutive weekly issues of the official newspaper of each county in which any of said land prayed to be included is situated.

Sec. 3. RCW 87.03.630 and 1939 c 150 s 4 are each amended to read as follows:

The board of directors of the district shall meet at the time and place specified in the notice and shall have full authority to determine all matters pertaining to the petition, including the denial as well as the granting of said petition or any part thereof; and if it appears at said hearing, or at any adjournment thereof which may be had not to exceed in all ((thirty)) one hundred eighty days, that the land or any portion thereof petitioned to be included within the district, is susceptible of irrigation from the water supply and system of works of the said district and will be benefited by such irrigation; and if at said hearing or at any adjournment thereof as aforesaid, not more than fifty percent of the holders of title or evidence of title to the lands described in the petition and proposed to be included file their objections in writing to the inclusion of such land within the time and as ((in-this-act)) provided in RCW 87.03.615 through 87.03.640, the said board shall make and enter in the records of their proceedings an order including said land, or such portion thereof as in their judgment is susceptible of irrigation and will be benefited as aforesaid, within the operation of said district.

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Sec. 4. RCW 87.06.030 and 2004 c 215 s 4 are each amended to read as follows:

3 Before preparing a certificate of delinquency, the treasurer of a district that has designated its own treasurer as provided in RCW 4 87.03.440, shall ((order a title search of the property for which a 5 certificate of delinquency has been prepared to determine or verify the 6 7 legal description of the property to be sold and parties in interest. 8 In-districts-with-two-hundred-thousand-acres-or-more,-the-board-of directors, upon receiving the certificates of delinquency may, after 9 10 reviewing the amount of delinquent assessment compared to the costs of foreclosure, including but not limited to title search, court filing 11 12 fees, costs of service, and attorneys' fees, determine that it is not 13 in-the-best-interest-of-the-district-to-commence-legal-action-to 14 foreclose—the—delinquent—assessment—liens)) provide to the board of directors a list of properties that may be subject to foreclosure for 15 delinquent assessments. The board of directors shall review the list 16 17 of delinquent properties. After comparing the amount of the delinquent assessment with the costs of foreclosure, including but not limited to 18 title search, court filing fees, costs of service, and attorneys' fees, 19 the board of directors may determine that it is not in the best 20 21 interest of the district to commence legal action to foreclose the delinquent assessment liens. Nothing in this section precludes a 22 county treasurer from proceeding with foreclosure on parcels otherwise 23 24 <u>delinquent</u> <u>and</u>, <u>in</u> <u>those</u> <u>actions</u>, <u>from</u> <u>collecting</u> <u>delinquent</u> assessments due under this title. 25

26 **Sec. 5.** RCW 87.03.437 and 2009 c 229 s 13 are each amended to read 27 as follows:

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- (1) Purchases of any materials, supplies, or equipment by the district shall be based on competitive bids except as provided in RCW 87.03.435 and 39.04.280. A formal sealed bid procedure shall be used as standard procedure for the purchases made by irrigation districts. However, the board may by resolution adopt a policy to waive formal sealed bidding procedures for purchases of any materials, supplies, or equipment for an amount set by the board not to exceed ((forty)) fifty thousand dollars for each purchase.
- (2) The directors may by resolution adopt a policy to use the process provided in RCW 39.04.190 for purchases of materials, supplies,

- 1 or equipment when the estimated cost is between the amount established
- 2 by the board under subsection (1) of this section and a maximum amount
- 3 set by resolution adopted by the board for purchases up to fifty
- 4 thousand dollars exclusive of sales tax.

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5 **Sec. 6.** RCW 87.03.015 and 1999 c 153 s 74 are each amended to read 6 as follows:

Any irrigation district, operating and maintaining an irrigation system, in addition to other powers conferred by law, shall have authority:

(1) To purchase and sell electric power to the inhabitants of the 10 11 irrigation district for the purposes of irrigation and domestic use, to acquire, construct, and lease dams, canals, plants, transmission lines, 12 and other power equipment and the necessary property and rights 13 therefor and to operate, improve, repair, and maintain the same, for 14 the generation and transmission of electrical energy for use in the 15 16 operation of pumping plants and irrigation systems of the district and 17 for sale to the inhabitants of the irrigation district for the purposes of irrigation and domestic use; and, as a further and separate grant of 18 19 authority and in furtherance of a state purpose and policy of 20 developing hydroelectric capability in connection with irrigation 21 facilities, to construct, finance, acquire, own, operate, and maintain, alone or jointly with other irrigation districts, boards of control, 22 23 other municipal or quasi-municipal corporations or cooperatives 24 authorized to engage in the business of distributing electricity, or electrical companies subject to the jurisdiction of the utilities and 25 26 transportation commission, hydroelectric facilities including but not 27 limited to dams, canals, plants, transmission lines, other power 28 equipment, and the necessary property and rights therefor, located within or outside the district, for the purpose of utilizing for the 29 30 generation of electricity, water power made available by and as a part 31 the irrigation water storage, conveyance, and distribution facilities, waste ways, and drainage water facilities which serve 32 irrigation districts, and to sell any and all the electric energy 33 generated at any such hydroelectric facilities or the irrigation 34 district's share of such energy, to municipal or quasi-municipal 35 36 corporations and cooperatives authorized to engage in the business of 37 distributing electricity, and electrical companies subject to the

- jurisdiction of the utilities and transportation commission, or to 1 2 other irrigation districts, and on such terms and conditions as the board of directors shall determine, and to enter into contracts with 3 other irrigation districts, boards of control, other municipal or 4 quasi-municipal corporations and cooperatives authorized to engage in 5 the business of distributing electricity, and electrical companies 6 subject to the jurisdiction of the utilities and transportation 7 commission: PROVIDED, That no contract entered into by the board of 8 directors of any irrigation district for the sale of electrical energy 9 10 from such hydroelectric facility for a period longer than forty years from the date of commercial operation of such hydroelectric facility 11 12 shall be binding on the district until ratified by a majority vote of 13 the electors of the district at an election therein, called, held and 14 canvassed for that purpose in the same manner as that provided by law for district bond elections. 15
 - (2) To construct, repair, purchase, maintain or lease a system for the sale or lease of water to the owners of irrigated lands within the district for domestic purposes.

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- (3) To construct, repair, purchase, lease, acquire, operate and maintain a system of drains, sanitary sewers, and sewage disposal or treatment plants as herein provided.
- (4) To assume, as principal or guarantor, any indebtedness to the United States under the federal reclamation laws, on account of district lands.
- (5) To maintain, repair, construct and reconstruct ditches, laterals, pipe lines and other water conduits used or to be used in carrying water for irrigation of lands located within the boundaries of a city or town or for the domestic use of the residents of a city or town where the owners of land within such city or town shall use such works to carry water to the boundaries of such city or town for irrigation, domestic or other purposes within such city or town, and to charge to such city or town the pro rata proportion of the cost of such maintenance, repair, construction and reconstruction work in proportion to the benefits received by the lands served and located within the boundaries of such city or town, and if such cost is not paid, then and in that event said irrigation district shall have the right to prevent further water deliveries through such works to the lands located within the boundaries of such city or town until such charges have been paid.

- (6) To acquire, install and maintain as a part of the irrigation district's water system the necessary water mains and fire hydrants to make water available for firefighting purposes; and in addition any such irrigation district shall have the authority to repair, operate and maintain such hydrants and mains.
- (7) To enter into contracts with other irrigation districts, boards of control, municipal or quasi-municipal corporations and cooperatives authorized to engage in the business of distributing electricity, and electrical companies subject to the jurisdiction of the utilities and transportation commission to jointly acquire, construct, own, operate, and maintain irrigation water, domestic water, drainage and sewerage works, and electrical power works to the same extent as authorized by subsection (1) of this section, or portions of such works.
- (8) To acquire from a water-sewer district wholly within the irrigation district's boundaries, by a conveyance without cost, the water-sewer district's water system and to operate the same to provide water for the domestic use of the irrigation district residents. As a part of its acceptance of the conveyance the irrigation district must agree to relieve the water-sewer district of responsibility for maintenance and repair of the system. Any such water-sewer district is authorized to make such a conveyance if all indebtedness of the water-sewer district, except local improvement district bonds, has been paid and the conveyance has been approved by a majority of the water-sewer district's voters voting at a general or special election.
- (9) To approve and condition placement of hydroelectric generation facilities by entities other than the district on water conveyance facilities operated or maintained by the district.

This section shall not be construed as in any manner abridging any other powers of an irrigation district conferred by law.

Passed by the House January 27, 2014.
Passed by the Senate March 4, 2014.
Approved by the Governor March 12, 2014.
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